

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON LAND USE

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June 27, 2017  
Start: 2:38 p.m.  
Recess: 3:04 p.m.

HELD AT: Committee Room - City Hall

B E F O R E: DAVID G. GREENFIELD  
Chairperson

COUNCIL MEMBERS:

- VINCENT J. GENTILE
- ANNABEL PALMA
- DANIEL R. GARODNICK
- DARLENE MEALY
- ROSIE MENDEZ
- YDANIS A. RODRIGUEZ
- PETER A. KOO
- BRAD S. LANDER
- STEPHEN T. LEVIN
- DEBORAH L. ROSE
- JUMAANE D. WILLIAMS
- RUBEN WILLS
- DONOVAN J. RICHARDS
- INEZ D. BARRON
- ANDREW COHEN
- BEN KALLOS

ANTONIO REYNOSO  
RITCHIE J. TORRES  
MARK TREYGER  
RAFAEL SALAMANCA, JR.

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

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[gavel]

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CHAIRPERSON GREENFIELD: Good afternoon, my name is David Greenfield, I'm the Council Member from the 44<sup>th</sup> Council District in Brooklyn. I'm privileged to serve as the Chair of the Land Use Committee. I want to welcome esteemed colleagues who are members of the committee and joining me today; Council Member Garodnick, Council Member Mealy, Council Member Mendez, Council Member Rodriguez, Council Member Williams for his early attendance that is in feat a surprise, Council Member Richards, Council Member Barron, Council Member Kohen, Council Member Kallos, Council Member Reynoso, Council Member Torres, Council Member Treyger and Chair Salamanca. Folks if we can just whisper on the set it would make our lives easier, thank you very much. I want to thank Chair Salamanca, Chair Richards, and Chair Koo for their outstanding work on our Land Use Subcommittees and Council Member Mendez for filling in so ably today for Council Member Koo this morning. Today we will be voting to approve with modifications the greater East Midtown rezoning. We'll also be voting to approve two of the sidewalk cafes on our calendars. All other items on our calendar will be

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2 laid over. The greater East Midtown business district  
3 is one of the largest job centers in the region. It  
4 contains more than 60 million square feet of office  
5 space and more than 250,000 people work there every  
6 single day. The goals of the rezoning are to ensure  
7 that the area around the major transit hub of Grand  
8 Central Terminal will remain one of the region's  
9 premier office districts by incentivizing the  
10 development of modern, sustainable, super class A  
11 office space preserving land mark buildings and  
12 upgrading the area's transit network and pedestrian  
13 realm. The actions before us are a text amendment to  
14 establish an East Midtown sub-district within the  
15 special Midtown district and a zoning map amendment  
16 to rezone a portion of a block bounded by 2<sup>nd</sup> Avenue,  
17 3<sup>rd</sup> Avenue, East 42<sup>nd</sup> Street, and East 43<sup>rd</sup> Street from  
18 C5-2 to C5-3. While the council agrees with these  
19 goals of the rezoning in its view, modifications are  
20 necessary. In fact, if you look at the modifications  
21 that are before you today that I'm about to describe  
22 these were all part of a long collaborative process  
23 led by Council Member Dan Garodnick in collaboration  
24 with the Borough President Gale Brewer this is  
25 reflective of how a zoning should work which is that

1  
2 the administration proposes a zoning and the council  
3 then tweaks it to, to ensure that the needs of a  
4 local community is met. In this case Council Member  
5 Garodnick had a unenviable task, he not only had to  
6 keep his constituents happy, he had to keep a quarter  
7 of a million of the rest of our constituents happy  
8 who travel into Midtown each and every single day to  
9 work and to worry about their concerns as well and I  
10 think he's done a fantastic job. So, let's talk about  
11 some of those outstanding issues and how we resolve  
12 them with respect to the minimum contribution amount.  
13 Based upon feedback and a revision of the study  
14 methodology which was revised to exclude transactions  
15 in part of the city with our tax incentives for  
16 development and to focus on development right  
17 transaction instead of land sales, the council is  
18 reducing the development right valuation from 393  
19 dollars per square foot to 307.45 dollars per square  
20 foot thus the minimum per square foot contribution  
21 amount would be the greater of 20 percent of the sale  
22 price worth 61 dollars and 49 dollars per square  
23 foot. I know that not everybody is happy about this  
24 but this is what we call a fair compromise when  
25 everybody around the table is not thrilled that means

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2 we probably got it right and this is a way of  
3 addressing the concerns by all the parties to ensure  
4 that when there is a transfer of air rights that the  
5 public captures a fair amount of that to go into the  
6 public realm. To address concerns raised about  
7 complex transactions the council has included a new  
8 defined term, sale price, which makes clear that all  
9 consideration must be reported even if it is  
10 contingent consideration so that we will capture the  
11 full value. With respect to the governing group, the  
12 council is modifying the text to include a  
13 representative appointed by the speaker. Of course,  
14 this is the group that will govern over the funds  
15 that will be generated through the minimum  
16 contribution amount and this particular organization  
17 will establish at the civic organization  
18 representative is an appointment of the Manhattan  
19 Borough President and assures transparency and  
20 reporting by the governing group. The modification  
21 also requires that if 20 million dollars had been  
22 contributed but are languishing unspent after three  
23 years the governing group must vote either to fund a  
24 public realm improvement or vote to retain those  
25 funds this will ensure that the money doesn't get

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2 stuck in the system or potentially hoarded for some  
3 other purpose and was another issue that we addressed  
4 at our hearing a few weeks ago. The council also  
5 modified the definition of qualifying site to ensure  
6 that developments are located with at least 75 feet  
7 of frontage along a wide street unless a landmark or  
8 transit easement is located there. Keeping with the  
9 East Midtown steering committees goals the council  
10 ensure that high quality indoor outdoor public spaces  
11 will be provided for qualifying sites with over  
12 30,000 square feet of lardier. We expect that now  
13 half of the developments that go up will, will  
14 include brand new privately owned public space which  
15 is so important considering how there is such a lack  
16 of public space in this area and that was something  
17 that we added as well. The council excluded zoning  
18 lots on the East side of 3<sup>rd</sup> Avenue between 46<sup>th</sup> and  
19 51<sup>st</sup> Street from eligibility for the additional  
20 density and responds to significant concerns about  
21 the impact to surrounding residential uses  
22 specifically to the concerns that were raised by the  
23 Turtle Bay community, another example of where the  
24 council was responsive to the local constituency  
25 about their concerns. In terms of the height and set



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2 back elements of the proposal the council is  
3 modifying the proposal to remove the grandfathering  
4 of non-complying daylight evaluation scores. The  
5 actual scores of the existing buildings are unknown  
6 and allowing them to rebuild to a low score would not  
7 serve the goals of the sub-district. This was an item  
8 that many interested parties actually reached out to  
9 us including folks in the architectural world who  
10 were concerned about the fact that these buildings  
11 were built at a time when folks did not focus on the  
12 daylight evaluation scores. This will ensure that new  
13 buildings in fact will be appropriate for this  
14 particular area. There are many additional  
15 modifications to the zoning text which were made to  
16 increase transparency and uncertainty such as a  
17 referral of all applications to community boards and  
18 adding details to the list of transit improvements  
19 that will be generated by the bump in the FAR. The  
20 council will be posting a list of our more detailed  
21 modifications on our website. With that I would like  
22 to turn it over to Council Member Dan Garodnick for  
23 remarks, Council Member.

24 COUNCIL MEMBER GARODNICK: Thank you very  
25 much Mr. Chairman for, for describing the elements of

1  
2 the rezoning and our changes and for your support and  
3 to my colleagues I'm very pleased to be bringing the  
4 greater East Midtown rezoning plan to this committee  
5 for a vote today. This is an important day for East  
6 Midtown, the city's most important business district  
7 which delivers ten percent of the city's property tax  
8 revenue, today it's going to get a jolt, an  
9 opportunity for renewal. As you know we stopped a  
10 prior version of this plan in the city council back  
11 in 2013 because it delivered a lot of certainty to  
12 the real estate world but far too little to the  
13 public. For a plan to work we needed certainty all  
14 around, an opportunity for as of right development  
15 and a solid commitment for public improvements. We  
16 then rolled up our sleeves and approved a new vision  
17 for Vanderbilt Avenue and focused on putting our  
18 density near our most important transit hub at Grand  
19 Central. We greenlighted the one Vanderbilt  
20 development and an additional 1.6 million square feet  
21 of class A office space with nearly six times the tax  
22 revenue that the predecessor buildings were bringing,  
23 it went from about eight million to about 50 million  
24 dollars in revenue for the city. We also delivered  
25 220 million dollars in private investment into Grand

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2 Central Terminal which will among other things move  
3 trains faster through the station. We also approved a  
4 beautiful new public plaza on Vanderbilt Avenue  
5 between 42<sup>nd</sup> and 43<sup>rd</sup> Streets and a new transit hall  
6 for commuters. We then turned our attention back to  
7 the rest of East Midtown, Mayor De Blasio asked me  
8 and Borough President Gale Brewer to bring together  
9 the local stakeholders to develop a new plan. The  
10 East Midtown steering committee met 20 times over the  
11 course of a year engaged in many hours of intense  
12 discussion and produced a report that laid out a plan  
13 for this rezoning. The Department of City Planning  
14 then took that blueprint and turned it into this  
15 rezoning proposal. The formal proposal presented by  
16 the Department largely tracked the steering  
17 committee's recommendations. In short, the plan  
18 allows bigger development new subway stations all  
19 around East Midtown and allows for density to be  
20 earned by doing transit improvements. This is  
21 certainly the right place to be putting new density,  
22 near Grand Central Terminal one our most important  
23 regional hubs. It permits landmarks in the area to  
24 transfer their air rights throughout the district  
25 rather than just next door or across the street and

1  
2 it permits overbuilt buildings to rebuild their  
3 current floor area without having to retain 25  
4 percent of their building as the current zoning  
5 requires. And for the public we're going to see  
6 significant and certain benefits to the public realm.  
7 First developments that are located in transit zones  
8 will be required to do certain improvements to the  
9 subway stations. The list of transit improvements is  
10 baked right into the zoning resolution so they will  
11 get done as the buildings go up. This list includes  
12 things like new entrances, stair widenings, new  
13 elevators and so on. The bigger the item the more  
14 floor area, area that it can generate for a  
15 developer. And second, every air rights transfer from  
16 a landmark will be required to make a contribution  
17 into a public improvement fund which will support the  
18 creation of new, open public spaces in East Midtown.  
19 The contribution will be the greater of 20 percent of  
20 the sale price or a minimum contribution per square  
21 foot. So, some of the changes that we're making  
22 today. We're creating a requirement for privately  
23 owned public spaces on the development sites, there  
24 were no POPS required in the original proposal. Under  
25 the council's modifications POPS will be required on

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2 all sites over 30,000 square feet. From 30,000 to  
3 65,000 square feet, ten percent of the site will be  
4 dedicated to POPS and on lots over 65,000 square feet  
5 the POPS will need to be over 10,000 square feet. We  
6 expect that about half of the new buildings that will  
7 come online will be required to provide these spaces  
8 and they will be an important addition to the public  
9 realm in East Midtown. Also after careful  
10 consideration we are setting but lowering the minimum  
11 contribution to the public realm fund. In air rights  
12 transactions 20 percent will be delivered to the  
13 public or a minimum contribution amount whichever is  
14 higher. The original proposed... the original proposal  
15 set a minimum contribution of \$78.60. we were  
16 concerned about this methodology that, that led to  
17 the number and worried that setting the minimum at  
18 too high a level could potentially chill transactions  
19 from happening in the first place. We refined the  
20 analysis focusing only on land sales which had... which  
21 had focused only... which had focused on land sales, we  
22 excluded Hudson Yards transactions from the  
23 calculations and we arrived at a lower contribution  
24 number namely \$61.49. we believe that a minimum  
25 contribution at this level will provide certainty for

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2 the public but will not get in the way of the market  
3 regardless the public will always get 20 percent if  
4 that is the higher value. We also gave some more  
5 authority to the non-mayoral members of the governing  
6 group who will decide how these funds are spent, we  
7 tightened the definitions of sites that qualify for  
8 the rezoning putting an emphasis on those buildings  
9 with at least 75 feet of avenue frontage. We also are  
10 not grandfathering bad light and air scores on  
11 buildings that are coming down. Under the Midtown  
12 height and setback requirements each new building is  
13 required to achieve a certain minimum score that  
14 ensures that enough light and air reaches the street.  
15 The city's proposal allowed existing buildings with  
16 low scores to keep those low scores in a new  
17 building. We removed this grandfathering provision  
18 after all our goal is to improve East Midtown not  
19 simply keep it as is. Finally, we heard a lot of  
20 concerns from the Turtle Bay community in, including  
21 from local community board six about commercial  
22 development on 3<sup>rd</sup> Avenue putting an undue pressure  
23 on the residential areas just to the East. In  
24 response to those concerns we're leaving the existing  
25 FAR on 3<sup>rd</sup> Avenue between 46<sup>th</sup> and 51<sup>st</sup> Street but

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2 we're allowing existing buildings there to build back  
3 to their existing FAR if they qualify. The city has  
4 also agreed to commit funds today to activate a  
5 number of open space improvements, that means that we  
6 will be prepared even before workers from new  
7 buildings in East Midtown hit the streets we will be  
8 able to have new open spaces for them. we're going to  
9 see some exciting new spaces and we're going to see  
10 them soon. Like for example, 43<sup>rd</sup> Street between  
11 Lexington and 3<sup>rd</sup> Avenue just to the East of Grand  
12 Central that will become a shared street and allow  
13 for better access for pedestrians and more of an, an  
14 opportunity for people to sit out, enjoy their lunch  
15 and relax. We also have a commitment of 50 million  
16 dollars from the administration to deliver on some of  
17 these commitments that we have set forth in the  
18 zoning resolution to get them activated even before  
19 the development starts. I want to thank the many  
20 people who have contributed to bringing this  
21 undertaking to fruition; the Borough President Gale  
22 Brewer is a great friend and partner and it was a  
23 pleasure Co-Chairing the steering commitment with her  
24 as well as coordinating closely throughout the ULURP  
25 process. Each and every member of that steering

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2 committee took significant time from their day jobs,  
3 engaged in the discussions that laid the groundwork  
4 for this plan. The able team of city agencies led by  
5 City Planning Chair Marisa Lago and her team as well  
6 as her predecessor Carl Weisbrod with important  
7 assists from the Department of Transportation and the  
8 MTA they put in countless hours of hard work to  
9 convert the steering committee's blueprint into a  
10 formal proposal. Deputy Mayor Alicia Glen came  
11 through with critical commitments that took this plan  
12 over the finish line and of course the city council's  
13 land use team Raju, Julie, Liz took a lot of time to  
14 advise and amend the proposal and I'm grateful to  
15 them, my Chief of Staff Marianna Vaidman Stone and  
16 former Chief of Staff Genevieve Michel. I'm thrilled  
17 that this project is successfully coming to a close,  
18 I asked my colleagues to support it today and I look  
19 forward to seeing the revitalized East Midtown that  
20 it will create and with that I thank you for the time  
21 Mr. Chairman.

22 CHAIRPERSON GREENFIELD: Thank you  
23 Council Member, I also want to specifically thank our  
24 outstanding land use staff, if they're walking a  
25 little slowly today it's because they haven't gotten



1  
2 much sleep in the last few days trying to meet  
3 today's deadline. It was a great collaboration with  
4 everyone involved and certainly we're very grateful  
5 for all of their work. Today we will also be voting  
6 to approve two of the applications for revocable  
7 consents for unenclosed sidewalk cafes on our  
8 calendar, they are LU 713, Guacamole Taqueria located  
9 at 5025 Broadway and LU 714, Mama Sushi located at  
10 237 Dyckman Street. These sidewalk cafes are in  
11 Council Member Rodriguez's district in Manhattan and  
12 he supports approval of these applications. Are there  
13 any members who have any questions or remarks on  
14 these applications hearing none the Chair asks the  
15 Clerk to please call the rolls... call the roll and to  
16 start with Council Member Rodriguez please.

17 COUNCIL MEMBER RODRIGUEZ: [off-mic] Aye...  
18 [off-mic dialogue]

19 CHAIRPERSON GREENFIELD: Got it. alright,  
20 I've been advised by council that we have to give you  
21 some more gobblygook before we can move on. We will  
22 now move on to a vote in accordance with the  
23 recommendations of the sub-committee to approve of  
24 the modification I've described LU 691, 692, Greater  
25 East Midtown Rezoning and to approve LU 713 and 714,

1  
2 the two sidewalk cafes, will the Clerk please call  
3 the roll and start with Council Member Rodriguez.

4 COMMITTEE CLERK DISTEFANO: Committee  
5 Clerk Matthew Distefano, Committee on Land Use roll  
6 call on LU Numbers 691 and 692, 713 and 714 Council  
7 Member Rodriguez?

8 COUNCIL MEMBER RODRIGUEZ: [off-mic] Aye.

9 COMMITTEE CLERK DISTEFANO: Greenfield?

10 CHAIRPERSON GREENFIELD: I vote aye and  
11 also ask if you can call on Council Member Kohen who  
12 also needs to leave?

13 COMMITTEE CLERK DISTEFANO: Kohen?

14 COUNCIL MEMBER KOHEN: I vote aye.

15 COMMITTEE CLERK DISTEFANO: Garodnick?

16 COUNCIL MEMBER GARODNICK: Aye.

17 COMMITTEE CLERK DISTEFANO: Mealy?

18 COUNCIL MEMBER MEALY: [off-mic] I vote  
19 aye... I vote aye.

20 COMMITTEE CLERK DISTEFANO: Mendez?

21 COUNCIL MEMBER MENDEZ: I vote aye and  
22 congrats for all your hard work.

23 COMMITTEE CLERK DISTEFANO: Levin?

24 COUNCIL MEMBER LEVIN: Good job Dan, I  
25 vote aye.

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COMMITTEE CLERK DISTEFANO: Williams?

COUNCIL MEMBER WILLIAMS: Mr. Chair you look like you have weight off your shoulder, anything you want to share, anything new going on?

CHAIRPERSON GREENFIELD: I saved 15 percent on my car insurance this morning.

COUNCIL MEMBER WILLIAMS: Congratulations Council Member Garodnick on a great job and I vote aye on all.

COMMITTEE CLERK DISTEFANO: Barron?

COUNCIL MEMBER BARRON: I vote aye.

COMMITTEE CLERK DISTEFANO: Kallos?

COUNCIL MEMBER KALLOS: I vote aye.

COMMITTEE CLERK DISTEFANO: Reynoso?

COUNCIL MEMBER REYNOSO: I vote aye on all, congratulations to Council Member Garodnick and think we're overlooking this stock as a big deal so congratulations to Council Member Ydanis as well.

COMMITTEE CLERK DISTEFANO: Torres?

COUNCIL MEMBER TORRES: [off-mic] I vote aye.

COMMITTEE CLERK DISTEFANO: Treyger?

COUNCIL MEMBER TREYGER: Can Council Member Garodnick repeat all the victories that he

1  
2 secured for his district, I vote aye and  
3 congratulations to my colleague.

4 COMMITTEE CLERK DISTEFANO: Salamanca?

5 COUNCIL MEMBER SALAMANCA: Well  
6 congratulations Council Member Garodnick, I vote aye  
7 on all.

8 COMMITTEE CLERK DISTEFANO: By a vote of  
9 14 in the affirmative, zero in the negative and no  
10 abstentions LU Numbers 713 and 714 have been approved  
11 and LU Numbers 691 and 692 have been approved with  
12 modifications.

13 CHAIRPERSON GREENFIELD: Thank you we're  
14 going to keep the roll open for five more minutes,  
15 thanks very much.

16 COMMITTEE CLERK DISTEFANO: Committee on...  
17 Committee on Land Use continuation of roll call, LU  
18 Numbers 691 and 692, 713, and 714, Council Member  
19 Richards?

20 COUNCIL MEMBER RICHARDS: I vote aye,  
21 congratulations to everyone.

22 COMMITTEE CLERK DISTEFANO: The vote now  
23 stands at 15 in the affirmative, zero in the negative  
24 and no abstentions.

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CHAIRPERSON GREENFIELD: This concludes  
the Land Use Committee of July 27<sup>th</sup>, 2017. This  
hearing is hereby adjourned.

[gavel]

C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date

July 31, 2017