

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND
CONCESSIONS

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November 20, 2017
Start: 1:23 p.m.
Recess: 1:49 p.m.

HELD AT: Committee Room - City Hall

B E F O R E: RAFAEL SALAMANCA, JR.
Chairperson

COUNCIL MEMBERS: Darlene Mealy
Ydanis A. Rodriguez
Andrew Cohen
Mark Treyger

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

SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND
CONCESSIONS

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[sound check, pause] [gavel]

CHAIRPERSON SALAMANCA: Alright, good
afternoon everyone. I am Council Member Rafael
Salamanca. I'm the Chair of the Subcommittee on
Planning, Dispositions and Concessions. Welcome
everyone to today' hearings. We're joined today by
Council Member Ydanis Rodriguez, and I just want to
give a shout out to—I see Assemblywoman Diana
Richardson, who is in the back. Today, we'll be
hearing three applications for Article XI Tax
Exemptions. We will be laying over LU 797, the
Archer Green Tax Exemption, and we have called on an
additional meeting tomorrow morning to consider the
Bedford Army Application. So, we will be laying over
that application until tomorrow.

The first item is Preconsidered LU, an
application regarding 1646 Amster—Amsterdam Avenue.
HPD seeks an exemption for real estate taxes pursuant
to Article XI of the Private Housing Finance Law for
Property located at Block 2073, Lot 32 in Council
Member Levine's district in Manhattan. I want to
recognize that we've been joined also by Council
Member Andy Cohen. I am now opening up the public

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hearing on Preconsidered LU 1646 and Amsterdam
Avenue. Mr. Speaker, please introduce yourself.

JORDAN PRESS: Good afternoon. My name
is Jordan Press. I'm the Executive Director for
Development and Planning in HPD's Government Affairs
Unit. This preconsidered item consists of an
exemption area containing one 5-story multi-family
building known as 1646 Amsterdam Avenue in Manhattan
Council District 7. This item is an amendment to-to
a previously approved disposition by the Council on
February 11, 1992 under HPD's then Community
Management Program. Under CMP, properties could
remain either rental or be operated as a low-income
cooperative. 1646 Amsterdam Avenue contains eight-3-
bedroom units, and currently there are three rental
occupants who are remaining on the premises. The
property operated as a cooperative from 1992 until
2016. Going forward, we're looking at household
income targets between 40% and 115% of AMI. The
project was not successful as a cooperative, and
there are no remaining shareholders for a variety of
reasons, but the bottom line is that the building was
in both physical and financial distress, and by court
order and judgment dated June 26, 2016, it was

mandated that title be transferred to a new rental
HDFC consisting of rent stabilized apartments.

Separately in December 2016, Neighborhood Restore was
appointed receiver by the court. The goal of this
project is to convey the property to a newly created
rental HDFC controlled by West Harlem Group

Assistance or WHGA, a not-for-profit with affordable
housing experience to completely rehabilitate the

property. The work will include repair to the
envelope including roof replacement, windows and fire
escape. Work in the common areas includes repairing
the title flooring, new mailboxes, stairs, treads and

handrails. Additionally, the building security
system will be replaced, within the apartments there
will be new vinyl flooring, kitchen cabinets and
fixtures as well as new paint. Upon post-

construction, there will be one 2-bedroom and seven
3-bedroom apartments. One apartment will be

reconfigured to comply with Section 504 Mobility
Standards and will be renovated from a 3-bedroom to
2-bedroom unit. In order to help preserve

affordability of the units, HPD is before the
Planning Subcommittee seeking full Article XI tax
benefits. We are also requesting a seven-year

1 SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND
2 CONCESSIONS

6

3 retroactive Article XI Tax Exemption to address the
4 property tax arrears. Councilman-Council Member
5 Levine has been briefed and is supportive of the
6 project moving forward. [coughing]

7 CHAIRPERSON SALAMANCA: Thank you, Mr.
8 Press. Are there any members of the public who wish
9 to testify on this project? I see now. I will now
10 close public hearings on Preconsidered LU 1646,
11 Amsterdam Avenue. The second Item is LU 818, the
12 Dunwell Plaza Application submitted by HPD pursuant
13 to Article XI of the Private Housing Finance Law.
14 The application is a real property tax exemption for
15 property located at Block 2114, Lot 35 in Council
16 Member Levine's district in Manhattan. I am opening
17 up the public hearing on LU 818, the Dunwell Plaza
18 Tax Exemption. Mr. Speaker.

19 JORDAN PRESS: Land Use No. 818 consists
20 of an exemption area containing one 15-story multiple
21 dwelling known as Dunwell Plaza located at 1920
22 Amsterdam Avenue in Manhattan Council District 7.
23 Dunwell Plaza is a low-income HUD multi-family
24 Section 8 development current-currently owned by an
25 Article V housing redevelopment company, and was
approved for disposition on May 26, 1977 by the Board

1 of Estimate as part of the redevelopment of the
2 Washington Heights High Bridge Park Urban Renewal
3 area. The city sold the development to the current
4 owner on April 3, 1978. Dunwell Plaza is comprised
5 of 183 rental units with a mixture of unit types
6 including 154 1-bedrooms and 29 2-bedrooms, all of
7 which are occupied. Upon initial occupancy,
8 household incomes do not exceed 50% of AMI and
9 tenants pay no more than 30% of their income toward
10 rent. As part of the project, a new sponsor will
11 acquire and rehabilitate the building. Work will
12 include all new kitchen and bathrooms including
13 water-conserving fixtures as well as light lighting
14 upgrades in the common areas. In order to facilitate
15 the redevelopment of the project, HPD is before the
16 Planning Subcommittee seeking approval for housing
17 company to dissolve their status as an Article V,
18 terminate their current tax exemption, and enter into
19 a new partial Article XI Tax Exemption for a period
20 of 40 years that will coincide with the term of the
21 Regulatory Agreement restricting use to low-income
22 rental housing as well as a new 20-year PAP contract.
23 Council Member Levine has been briefed and has
24 indicated his support for the project.
25

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2 CHAIRPERSON SALAMANCA: Thank you, Mr.
3 Speaker. Are there any members of the public who
4 wish to testify? Alright, seeing none, I will now
5 close the public hearing on LU 818. The third item
6 is Preconsidered LU the Los Tres Unidos application.
7 HPD seeks an exemption for real property taxes
8 pursuant to Article XI of the Private Housing Finance
9 Law to facilitate the rehabilitation of the property
10 located at Block 1617, Lot 7 in Council Member
11 Perkins' district—Council Member Perkins' district in
12 Manhattan. I now open the Preconsidered LU for the
13 Los Tres Unidos Tax Exemption. Mr. Speaker.

14 JORDAN PRESS: Thank you, Mr. Chairman.
15 This preconsidered item consists of an exemption area
16 containing one 7-story multiple dwelling known as Los
17 Tres Unidos located at 1680 Madison Avenue in
18 Manhattan Council District 9. Los Tres Unidos is a
19 Section 8, low-income HUD multi-family development
20 currently owned by an Article V housing redevelopment
21 company that was approved for disposition on January
22 24, 1981 by the Board of Estimate as part of the
23 redevelopment of the Mil bank Frawley Urban Renewal
24 Area. The building is fully occupied and contains
25 135 units of rental housing including the

1 superintendent's unit. There's a mixture of unit
2 types including 36 1-bedrooms, 72 2-bedrooms, and 27
3 3-bedroom apartments. The household incomes and
4 initial occupancy cannot exceed 50% of AMI and
5 tenants pay no more than 30% of their income towards
6 rent. The sponsor has been actively engaging in
7 repairs, and is removing housing code violations.
8 The most recent capital work includes a new boiler
9 and roof in 2007, new windows and showers in 2008,
10 security upgrades in 2014, rehab of balconies in
11 2015. The project scored an 88 in the HUD REAC
12 Inspection in 2016. The current owner will convey
13 the property to a new sponsor who is committed to
14 continue long-term affordability for occupants of the
15 property. Therefore, the sponsor is seeking to
16 voluntarily-dissolve their status as an
17 Article V redevelopment housing company, and convert
18 to an Article XI HDFC requiring the sponsor to enter
19 into a regulatory agreement restricting the use of
20 the development to low-income rental housing. The
21 will also enter into a new HAP contract for 20 years.
22 In order to help preserve the affordability of the
23 low-income rental units, HPD is before the Planning
24 Subcommittee seeking approval for the housing company
25

1 to dissolve their status as an Article V, terminate
2 their current tax exemption, and enter into a new
3 partial Article XI tax exemption for a period of 40
4 years that will coincide with the term of the
5 Regulatory Agreement. Council Member Perkins has been
6 briefed and has—and has indicated his support.
7

8 CHAIRPERSON SALAMANCA: Are there any
9 more members of the public who wish to testify on
10 this application? Alright, seeing none, I will now
11 close the public hearing on Preconsidered LU Los Tres
12 Unidos Tax Exemption, and I'm going to take a two-
13 minute recess. [pause for recess] [background
14 comment] Okay, we are—we are back from recess. So,
15 the NCP Park and Elton Application for LU 746 has
16 been withdrawn. Accordingly, we will vote on a
17 motion to file to remove it from our calendar, Along
18 with this vote, we will be voting to approve the
19 three tax exemption applications that will—that we
20 held hearings on today, which have the support of the
21 local Council members. All other items on our
22 calendar will be laid over. Counsel, please all the
23 roll on a vote to file LU 746, to approve LU 818, and
24 Preconsidered LU 1646, Amsterdam and Preconsidered LU
25 Los Tres Unidos.

1 SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND
CONCESSIONS

11

2 LEGAL COUNSEL: Chair Salamanca.

3 CHAIRPERSON SALAMANCA: Aye on all.

4 LEGAL COUNSEL: Council Member Cohen.

5 COUNCIL MEMBER COHEN: I vote aye on all.

6 LEGAL COUNSEL: Council Member Treyger.

7 COUNCIL MEMBER TREYGER: I vote aye.

8 LEGAL COUNSEL: By a vote of 3 in the
9 affirmative, 0 in the negative and 0 abstentions,
10 Land Use Item 818 and two preconsidered applications
11 are approved and Land Use Item 746 is filed.

12 CHAIRPERSON SALAMANCA: Alright, I would
13 like to thank the Council and Land Use staff for
14 preparing today's hearings and members of the public
15 and my colleagues for attending. I will leave the
16 roll open for 20 minutes. Thank you. [pause]

17 LEGAL COUNSEL: Okay, continued vote on
18 Subcommittee on Planning, Dispositions and
19 Concessions. Council Member Rodriguez.

20 COUNCIL MEMBER RODRIGUEZ: Aye.

21 LEGAL COUNSEL: The vote stands at 4 in
22 the affirmative, 0 in the negative and 0 abstentions.

23 COUNCIL MEMBER RODRIGUEZ: With that-
24 [pause].

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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 December 4, 2017