

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON ZONING

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November 13, 2008  
Start: 11:35 am  
Recess: 12:25 pm

HELD AT: Council Chambers  
City Hall

B E F O R E:  
TONY AVELLA  
Chairperson

COUNCIL MEMBERS:  
Simcha Felder  
Eric N. Gioia  
Robert Jackson  
Melinda R. Katz  
Michael E. McMahon  
Helen Sears  
Albert Vann

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

Tom McKnight  
Senior Vice President  
Economic Development Corporation

1  
2 CHAIRPERSON AVELLA: Good morning,  
3 everyone, and it is still is morning. I'd like to  
4 call this meeting of the Subcommittee on Zoning  
5 and Franchises to order. The one item on the  
6 agenda is the Hunters Point South rezoning. We  
7 had the public hearing several weeks ago. Today,  
8 we are here to discuss the vote.

9 Joining me are members of the  
10 committee, Council Members Simcha Felder, Helen  
11 Sears, Mike McMahon, Eric Gioia, whose district  
12 this project lies within, Al Vann, and I know  
13 Robert Jackson is around. And I know we're also  
14 joined in the room by members of Council Member  
15 Dan Garodnick's subcommittee and also members of  
16 the Land Use Committee, which will be meeting  
17 immediately thereafter this committee.

18 There have been negotiations that  
19 have been going on about this project and what I'd  
20 like to do, the administration is here to testify  
21 about some of those negotiations and then I will  
22 call on Council Member Gioia.

23 [Pause]

24 MR. TOM MCKNIGHT: Thank you. I'm  
25 Tom McKnight, Senior Vice President, Economic

1  
2 Development Corporation. I am joined by RuthAnne  
3 Visnauskas from Housing Preservation.

4 I just wanted to make a brief  
5 statement to summarize our discussions with the  
6 Councilman over the past couple of months as we've  
7 moved through the approvals process, those  
8 discussions have really been fruitful. We really  
9 appreciated the Council Member's involvement in  
10 this, his guidance and input I think has really  
11 resulted in a project that I can talk about today,  
12 that really is improved and addresses the critical  
13 concern that he raised to us about trying to reach  
14 lower income tiers within the project and also  
15 within the neighborhood.

16 We've started our discussions and  
17 we've talked a lot in the public about the real  
18 financial pressures on this project. It is 60%  
19 middle income affordable, that's 3,000 units;  
20 there's significant cost and acquisition in  
21 creating new streets and creating park space.  
22 This is a real financial burden and I think that  
23 we appreciated the Councilman kind of recognizing  
24 that it's a real challenge, creating affordable  
25 housing is very costly. And that there's a

1  
2 tipping point here on this project that really  
3 makes it infeasible. And we've appreciated the  
4 Councilman's work in working with that issue and  
5 still trying to create additional housing.

6           So, despite those financial  
7 pressures, we've been able to identify several  
8 significant improvements to the project. Among  
9 those are creation of 200 low income senior units  
10 as part of the project, that will be in addition  
11 to the 800 moderate income units created as part  
12 of the project. And then on the private site, B  
13 site, inclusionary zoning the Councilman expressed  
14 to us as being a really important part of this  
15 project and was included at his request. That  
16 I.Z. change on that site will result in an  
17 additional 330 low income units as part of the  
18 project.

19           So looking at low income, there  
20 will be over 500 units created as part of the  
21 project; looking at low to moderate income units,  
22 there will be over 1,300 created as part of the  
23 project. And, again, that's in the context we're  
24 already creating that 60% middle income level  
25 within the project.

1  
2 So from there, recognizing that  
3 there has been a--the issue of low income housing  
4 has been something that there's been a steady  
5 drumbeat on through this process, and working with  
6 the Councilman, we kind of broadened our scope and  
7 looked at the neighborhood and looked at the  
8 borough to identify places where additional low  
9 income specifically housing could be created. And  
10 as a result of that search, which it was fruitful,  
11 thanks to the Councilman identifying different  
12 sites that could have potential for inclusionary  
13 zoning and affordable housing. So as a result of  
14 that search, we found an additional 500 units that  
15 are likely to be created within the neighborhood,  
16 low income units, over time. And so looking at  
17 the neighborhood, that's over a thousand low  
18 income units that will be created over time in  
19 this committee community.

20 And then we also took a more  
21 broader look and looked across the borough and, as  
22 a result of that search, identified an additional  
23 2,000 units that will be created in the borough--  
24 low income units that will be created in the  
25 borough over time. So looking at this from a

1  
2 borough-wide perspective over time, we anticipate  
3 the creation of 3,000 low income units across the  
4 borough of Queens.

5           So looking at affordable housing,  
6 that's really where that kind of recounts our  
7 process working with the Councilman and, again, we  
8 felt that it was very fruitful and his input has  
9 really resulted in a great project. This is very  
10 unique project, it's the first time that there  
11 will be moderate to low income units on the  
12 waterfront in Western Queens. It will be a new  
13 public park, it will be an exciting new  
14 development that we re looking forward very much  
15 to implement.

16           [Pause]

17           CHAIRPERSON AVELLA: Council Member  
18 Gioia.

19           COUNCIL MEMBER GIOIA: Thank you,  
20 Mr. Chairman, and thank you for all your help as  
21 we've moved through this process, along with Chair  
22 Katz, thank you for your help, Chairwoman, as  
23 well. And, to the city, thank you.

24           And I wanted to just walk through a  
25 few things. First, and I think that this is

1 really important to note, all of us recognize we  
2 have an affordable housing crisis in New York.  
3 You have a middle class that is driven out of New  
4 York to the suburbs, paying for their homes with  
5 their commute, traveling further and further to  
6 work because they can't afford to buy a home.  
7 And, in some ways, they're the lucky ones because  
8 those who can't afford to move out of New York are  
9 forced to live in squalor and you have people who  
10 are making choices they never thought they'd have  
11 to make. You just need to walk down the block in  
12 my neighborhood or in Jackson Heights or in  
13 Council Member Liu's neighborhood and look at the  
14 number of bells on a one or two-family house to  
15 see how many people are actually living in  
16 basements or are in partitioned apartments, or  
17 putting mattresses on their kitchen floor and  
18 sleeping in there at night. There are people in  
19 this town who are living in conditions they should  
20 never have to live in.

21  
22 So I say that to illustrate I think  
23 the deep, deep housing crisis that we're in, and  
24 that is the backdrop that all development in New  
25 York City is placed on. So when we looked at

1  
2 Hunters Point South and you guys did the  
3 presentation to the City Council a few weeks ago.  
4 Having grown up in Queens, the waterfront, my  
5 entire life was cut off, completely cut off,  
6 unless you worked in the Budweiser factory or the  
7 Pepsi factory or in a paint factory, you never get  
8 to see the waterfront in Queens. It is a  
9 wonderful, wonderful thing that that is changing.  
10 The waterfront is in the midst of a renaissance  
11 with green parks and housing and restaurants and  
12 places for you to push a stroller or to read a  
13 newspaper, that is a really great thing. And when  
14 I looked at the project, at the Hunters Point  
15 South project, you looked at it and you couldn't  
16 help but think, wow, that's really nice, I'm glad  
17 that's happening in Queens.

18 But because the project did not do  
19 enough to mitigate the housing crisis, it became a  
20 problem and a problem we had to face together.  
21 And I think when you talk to all the critics and  
22 all the advocates--and I want to thank them, by  
23 the way, for all they've done putting a face to  
24 this housing crisis in Queens and around this  
25 city. I met with them before and I said to some

1  
2 of the ladies who claim to be senior citizens, who  
3 I still don't believe are senior citizens, but I  
4 said to them, it is their face when I was dealing  
5 with you and I was negotiating with you, it's  
6 their face that I see.

7 In my discussions with the  
8 administration, you can correct me if I'm wrong,  
9 is between the tax-exempt bonds and the new  
10 structure that is being created to finance this  
11 project. It was my understanding that to add  
12 deeper subsidies into this project would have made  
13 it untenable and it would not have been built,  
14 that is my understanding.

15 MR. MCKNIGHT: Yeah, that's correct.  
16 I think that we had took it and analyzed the lower  
17 deep affordability scenarios and found that they  
18 could cost upwards of 300 million additional  
19 dollars to the project.

20 COUNCIL MEMBER GIOIA: And so given  
21 this backdrop, there's a tremendous need for  
22 affordable housing in Queens, there needs to be  
23 more done for the middle as well to make sure that  
24 Queens is a place that the middle-class can not  
25 only survive, but actually thrive and be a magnet

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2 for that middle-class in New York. But then,  
3 given the larger backdrop that we can't solve it  
4 there in Hunters Point South because it wouldn't  
5 have been built and I think all of our challenge  
6 in government and in public policy is not to let  
7 the perfect become the enemy of the good.

8           What we have come up with together  
9 is this idea of broadening the pie--of looking at  
10 the larger neighborhood and making Long Island  
11 City and Western Queens through rezoning and  
12 through the incentive of zoning and zoning  
13 bonuses, a neighborhood where people of all income  
14 levels can live within walking distance of one  
15 another, so that a cop married to a school teacher  
16 can live on the waterfront, and so can a  
17 restaurant worker, and a hotel worker, and a  
18 janitor, and a nurse, they all can live in the  
19 same neighborhood. And so do you use this Hunters  
20 Point South as a catalyst to bring more deeper  
21 affordability to the surrounding neighborhood.

22           And you mentioned 500 as the  
23 number, but I think--and I know you can't publicly  
24 commit to more--that is the floor, that is a  
25 conservative estimate of what we can create

1  
2 through rezonings in Western Queens over the next  
3 five years.

4 MR. MCKNIGHT: That's correct. It  
5 could be higher, we felt comfortable that that was  
6 really a floor upon which we would build.

7 COUNCIL MEMBER GIOIA: And what I  
8 hope to do over the coming months, not the coming  
9 years, but the coming months, is to work with you,  
10 to work with the people in this room, to work with  
11 the people who know Queens best to identify more  
12 and more sites, both publicly owned and privately  
13 owned, that we can actually create more housing in  
14 Queens.

15 MR. MCKNIGHT: We'd, of course, be  
16 pleased to work with you on that going forward.

17 COUNCIL MEMBER GIOIA: Thank you.  
18 And then just two quick points, one of the things  
19 I have long advocated for that we don't do enough  
20 as a city is homeownership. Can you talk about  
21 the homeownership component of this project?

22 MR. MCKNIGHT: Sure, briefly I'll  
23 perhaps ask RuthAnne to jump in, but it's  
24 envisioned as 200 affordable homeowner occupant  
25 units, again, that's a floor. I think we'd like

1  
2 to create more, but looking at the finances of the  
3 project, where we are, we felt like that's a  
4 substantial part of the project. So right now  
5 we're looking at 200 homeowner units.

6 COUNCIL MEMBER GIOIA: And in terms  
7 of the--to be clear, so this is a 60% subsidized  
8 project at different tiers, the actual a project  
9 and it's a permanent affordability, correct?

10 MR. MCKNIGHT: That's correct,  
11 permanent affordability.

12 COUNCIL MEMBER GIOIA: Okay. I have  
13 no other questions. Thank you very much for your  
14 time, thank you for working together.

15 CHAIRPERSON AVELLA: Council Member  
16 Katz has a question.

17 COUNCIL MEMBER KATZ: Just very  
18 quickly, I apologize for coming in a few minutes  
19 late. You're creating 200 affordable for seniors?  
20 Inside the boundaries that we're doing today.

21 MR. MCKNIGHT: That's correct.

22 COUNCIL MEMBER KATZ: What's the  
23 mechanism by which you're doing that?

24 MR. MCKNIGHT: We're looking at 202  
25 housing, federal subsidy housing.

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2 COUNCIL MEMBER KATZ: Okay. So  
3 you'd have to get the approvals there and go  
4 through that whole process in order to get them.  
5 And there's not going to be any distinction, it's  
6 not an inclusionary issue, it's not a grants from  
7 the city, it's totally 202.

8 MR. MCKNIGHT: That's the way we're  
9 looking at it, yes.

10 COUNCIL MEMBER KATZ: Thank you.

11 [Pause]

12 CHAIRPERSON AVELLA: With that,  
13 seeing no other questions of the administration,  
14 Chair recommends approval of the item and asks  
15 Counsel to poll the vote.

16 COUNSEL: Chairman Avella.

17 CHAIRPERSON AVELLA: Aye.

18 COUNSEL: Council Member Felder.

19 [Pause]

20 COUNCIL MEMBER FELDER: [No  
21 response]

22 COUNSEL: Council Member Gioia.

23 [Pause]

24 COUNCIL MEMBER GIOIA: - -

25 COUNSEL: Council Member Jackson.

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[Pause]

COUNCIL MEMBER JACKSON: Pass.

[Pause]

COUNCIL MEMBER GIOIA: I'm sorry, I have a point of information, or I don't know what the proper--

- -

COUNCIL MEMBER GIOIA: So what do I do? Should I table the vote?

[Pause]

- -

MALE VOICE 1: Pass.

MALE VOICE 2: Pass.

MALE VOICE 3: What's it?

CHAIRPERSON AVELLA: If everybody passes then--

[Pause]

- -

COUNCIL MEMBER GIOIA: Sorry folks, Melinda just raised a question.

[Pause]

COUNCIL MEMBER KATZ: Sorry--

CHAIRPERSON AVELLA: The Chairwoman raised a question.

2 [Pause]

3 CHAIRPERSON AVELLA: As Chair, I  
4 will table the vote. Council Member Gioia, you  
5 have a question of the Administration?

6 COUNCIL MEMBER GIOIA: Please  
7 forgive me, and thank you all for your indulgence.

8 Chairwoman Katz just raised a  
9 question about 202 housing. We have a commitment  
10 here that we're doing this housing and it's not  
11 contingent upon getting 202 approval, if should  
12 202 approval fall apart for some reason  
13 unbeknownst to us, there's a commitment here to  
14 this tier of housing.

15 MR. MCKNIGHT: We would first seek  
16 to use 202 subsidies, if we're not successful,  
17 there will be senior housing created on site.

18 [Pause]

19 COUNCIL MEMBER GIOIA: How do you do  
20 that? Where...?

21 MR. MCKNIGHT: There would need to  
22 be subsidy from another source, either that's the  
23 city or the federal subsidy.

24 COUNCIL MEMBER GIOIA: Okay. Thank  
25 you very much. And thank you again for your

1 indulgence.

2  
3 CHAIRPERSON AVELLA: I will ask  
4 Council to resume the vote.

5 COUNSEL: Council Member Gioia.

6 [Pause]

7 CHAIRPERSON AVELLA: Eric.

8 COUNCIL MEMBER GIOIA: Oh, sorry. I  
9 vote yes, and I'd like to just one brief second  
10 explain my vote. You know, thank you very much,  
11 this has been a--because the city is doing  
12 something new here, we're breaking new ground and  
13 sometimes it's difficult, but I very much  
14 appreciate the hard work that you have done in  
15 creating this.

16 I've long believed that the middle  
17 class is pushed out of New York even through well  
18 intentioned public policies. If the only housing  
19 plan we do is for the fabulously wealthy or for  
20 the desperately poor, that means that the vast  
21 majority, the middle is pushed out.

22 That being said, what is so  
23 important as we make room for that middle and make  
24 this a city for the middle is that we don't forget  
25 those who are desperately struggling. And as we

1  
2 read these stories about Wall Street tumbling  
3 everyday, I mean, there are folks and there are  
4 people in this room, there are people I took the  
5 subway with this morning who cannot pay their  
6 rent, who cannot afford their medications, and who  
7 are struggling to put food on their table.

8                   And so that's why it's important  
9 that we remember that Queens, you know, if Archie  
10 Bunker ever lived in Queens, he doesn't live there  
11 now. Queens is a working-class borough with a  
12 middle-class attitude and so we need to remember  
13 that those income levels are not very high and  
14 that when we create housing, it has to be housing  
15 for people of all income levels. And it is my  
16 hope that this project on the waterfront can be a  
17 catalyst to reinvesting in Queens and bringing  
18 those affordable housing tiers. Thank you very  
19 much.

20                   COUNSEL: Council Member Jackson.

21                   COUNCIL MEMBER JACKSON: I change my  
22 vote from a pass to vote yes.

23                   COUNSEL: Council Member Katz.

24                   COUNCIL MEMBER KATZ: Aye.

25                   COUNSEL: Council Member Sears.

COUNCIL MEMBER SEARS: Yes.

COUNSEL: Council Member Vann.

COUNCIL MEMBER VANN: Would it be in order to ask, I didn't understand the analogy with Archie Bunker, could I get clarification on that before a vote? No, I vote aye.

But after the meeting, I want clarification.

COUNSEL: By a vote of six in the affirmative, none in the negative, no abstentions, the item is approved and referred to the full Land Use Committee.

CHAIRPERSON AVELLA: I will keep the vote open until the next subcommittee has their quorum because we have two members that stepped out of the room for a moment.

COUNCIL MEMBER KATZ: Can we have please the subcommittee, Dan Garodnick subcommittee start to gather if the Sergeant-At-Arms can ring the bell. But more importantly, what I was going to say is that Land Use will be after the Subcommittee on Planning.

So the final approval on Hunters Point and Willets [phonetic] Point will be at the

1  
2 Land Use Committee, so wait around if you're  
3 interested in Hunters Point.

4 FEMALE VOICE: [Crosstalk] Chair,  
5 there's an economic development meeting right now  
6 we're waiting for.

7 COUNCIL MEMBER GIOIA: Thank you for  
8 your diligence.

9 CHAIRPERSON AVELLA: I'm going to  
10 get...

11 COUNCIL MEMBER GIOIA: - - to  
12 Archie--

13 SERGEANT-AT-ARMS: Quiet, please.

14 COUNSEL: Council Member McMahon.

15 [Pause]

16 COUNCIL MEMBER MCMAHON: I vote aye  
17 on this project and I just would ask my friends  
18 from the Economic Development Corporation to not  
19 forget the nearly 500,000 people in Staten Island  
20 who also need some economic development. We'd  
21 love to have a project like this. So thank you  
22 very much.

23 COUNSEL: Vote now stands seven in  
24 the affirmative, none in the negative, no  
25 abstentions.

2 CHAIRPERSON AVELLA: Simcha's on his  
3 way up. We have one more to count.

4 [Pause]

5 - -

6 MALE VOICE: - - when Eric is - -

7 - -

8 COUNSEL: Council Member Felder.

9 CHAIRPERSON AVELLA: We are still  
10 taking a vote, I would ask for everybody's  
11 cooperation.

12 COUNCIL MEMBER FELDER: Yes.

13 COUNSEL: Vote stands now eight in  
14 the affirmative, none in the negative, no  
15 abstentions. Item is referred to the full Land  
16 Use Committee [crosstalk]--

17 CHAIRPERSON AVELLA: [Interposing]  
18 Thank you everyone, this closes this meeting of  
19 Subcommittee on Zoning and Franchises.

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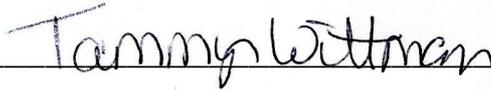
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C E R T I F I C A T E

I, Tammy Wittman, certify that the foregoing transcript is a true and accurate record of the proceedings. I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.

Signature \_\_\_\_\_

Handwritten signature of Tammy Wittman in cursive script, written over a horizontal line.Date February 4, 2009