

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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NOVEMBER 1, 2018
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HELD AT: COMMITTEE ROOM - CITY HALL

B E F O R E: FRANCISCO P. MOYA, CHAIR

COUNCIL MEMBERS: COSTA G. CONSTANTINIDES
BARRY S. GRODENCHIK
RORY I. LANCMAN
STEPHEN T. LEVIN
ANTONIO REYNOSO
DONOVAN J. RICHARDS
CARLINA RIVERA
RITCHIE J. TORRES
ANDREW COHEN
RAFAEL SALAMANCA, CHAIR

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

JACQUELINE SUNHI (SP?), Department of
City Planning Project Manager

JENNIFER GRAVEL (SP?), Department of City
Planning

ARMONDO MORITZ DRAPELLIGAN (SP?), Senior
Economic Development, Organizer with
Association for Neighborhood and Housing
Development (ANHD)

ADAM FRIEDMAN, Director of the Pratt
Center for Community Development

ROBIN CRAMER, Speaking on behalf of
client at 26 West 39th Street, LLC

SCOTT SCHNEIDER, Chief Future Development
Officer of Otto Bach Healthcare

AMBROSE NARIZZA (SP?), Spoke with Scott
Schneider on Otto Bach Healthcare

JEFF MULLIGAN, Planning and Development
specialist with Cramer and Levin Law
Offices

DARRELL HOLLAR (SP?), Manages two
industrial business zones in Brooklyn
East

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

MARIA ROCHA (SP?), resident Sunset Park,
Founder of Friends of Sunset Park

PIEMAN LODI (SP?), Senior Vice President
with Real Estate Board of New York

GENE KAUFMAN, Principal of Gene Kaufman
Architect

EVAN WEISS, Chief Operating Officer and
Principal with LW Hospitality Advisors

PAUL FOSHI (SP?), Principal with Omni
Build Construction

1 SUBCOMMITTEE ON ZONING AND FRANCHISES

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2 SARGEANT AT ARMS: Test, test, this is a
3 test. This is a test. Today's date is November 1st
4 2018. This is a Subcommittee Hearing on Zoning and
5 Franchises. This is being recorded by Sargeant at
6 Arms Enloe Lopez (SP?). Test, test, this is a test.
7 Today's date is November 1st, 2018. This is a
8 Subcommittee Hearing on Zoning and Franchises. Being
9 recorded by Sargeant at Arms Enloe Lopez (SP?).

10 CHAIRMAN FRANCISCO MOYA: Good morning Oh
11 sorry. (gavel pounding). Good morning and welcome
12 to the meeting of the Subcommittee on Zoning and
13 Franchises. I am Council Member Francisco Moya uhm
14 the Chairperson on this uhm Subcommittee and today we
15 are joined by uhm Council Member Uhm Lancman,
16 Reynoso, Rivera, Torres and Grodenchik. Uhm also we
17 have Council Member uhm Cohen in attendance. Uhm if
18 you are here to testify on the Citywide M1 Hotel
19 Special Permit Zoning Text Amendment, uhm LU259
20 please fill out a white slip with the Sargeant at
21 Arms and due to the number of people who are wishing
22 to testify, uhm we are going to give each speaker,
23 two minutes. Okay for those that are signing the
24 sheets. Uhm and now uhm before we begin the hearing
25 uhm we will vote on Applications that were the

1
2 subject of a prior hearing. Uhm this morning we will
3 vote to approve LUs 250, 251, uhm and 252. The St.
4 Michael's Cemetery Park Elimination and Cemetery Land
5 Acquisition Applications for property at 72-02
6 Astoria Boulevard in Council Member Constantinides'
7 District in Queens and these applications, the New
8 York City Department of Parks and Recreation is the
9 application for an Amendment to the City Map to de-
10 map a portion of St. Michael's Park, uhm Parks is
11 also the applicant for a Zoning Map Change to apply a
12 Zoning District Designation to the de-mapped
13 property, St. Michael's Cemetery is the applicant for
14 the Council's approval, pursuant to the New York
15 State Not for Profit Corporation Law to acquire this
16 land for cemetery purposes. These actions will
17 facilitate the expansion of the existing cemetery.
18 We will also vote to approve with modifications LU253
19 the Hebrew Home Application for a special permit to
20 allow a long term care facility use in an R11
21 District in Riverdale in Council Member Cohen's
22 District in the Bronx, a long-term care facility
23 special permit would facilitate the development of a
24 continuing care retirement community including in
25 total 388 independent living dwelling units for

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2 seniors, a modification will establish a designated
3 buffer area, ensuring that only the proposed
4 continuing care retirement community is built in the
5 R11 portion of the Zoning District. And uhm before I
6 continue, I just want to turn it over to Council
7 Member Cohen for some brief remarks.

8 ANDREW COHEN: Uhm thank you Chair. I
9 just really wanted to thank everybody for a
10 tremendous amount of hard work that has gone to get
11 us to this point, City Planning for their hard work,
12 I had many advocates in the community, the nature
13 preservency (SP?), the neighbors at Sigma Place,
14 Michael Waltz has been a lot of really blood, sweat
15 and tears, Dan Rhinegold, the Land Use Staff, Jeff,
16 Julie, Amy, Roger, you really held my hand. This has
17 been going on since before I came to the Council so I
18 am very, very pleased that we came up with a
19 thoughtful compromise that really serves the needs of
20 the community and the Hebrew Home well into the
21 future. So, with that I encourage my colleagues to
22 vote Aye.

23 CHAIRMAN FRANCISCO MOYA: Thank you
24 Council Member Cohen, uh we will also vote to approve
25 LU254 the second amendment to the Coney Island

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2 Special Process Agreement for Property in Council
3 Member Treyger's District in Brooklyn. This
4 application submitted by the New York City Economic
5 Development Corporation is to amend an agreement
6 signed in the 2009, establishing a process for
7 development of the Coney Island Amusement Area. This
8 amendment is regarding the addition of properties
9 which are either de-mapped streets, ends or were
10 acquired by the City through emanate domain and will
11 become part of an amusement area. This property will
12 eventually be mapped as Park Land. I will now call
13 for a vote to approve LUs 251, 252 and 253 and to
14 approve, I'm sorry 254 uhm and to approve with
15 modifications. I have described LU253. Counsel, uhm
16 please call the roll.

17 COUNSEL: Chair Moya?

18 CHAIR FRANCISCO MOYA: Aye on all.

19 COUNSEL: Lancman?

20 RORY LANCMAN: Aye.

21 COUNSEL: Reynoso?

22 ANTONIO REYNOSO: I vote aye.

23 COUNSEL: Rivera?

24 CARLINA RIVERA: Aye.

25 COUNSEL: Torres?

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RITCHIE TORRES: Aye.

COUNSEL: Grodenchik.

BARRY GRODENCHIK: Aye.

COUNSEL: Uhm the Land Use items are approved by a vote of six in the affirmative, zero negative and zero extensions and referred to the full Land Use Committee and will leave the vote open.

CHAIRMAN FRANCISCO MOYA: We will and we will now start our hearing on LU uhm 259, the Citywide M1 Hotel Text Amendment submitted by the New York City Department of City Planning for an amendment of the Zoning Resolutions for the City of New York, the Text Amendment would create a special permit for new hotels, motels, tourist cabins and motels in M1 District uhm citywide with a few exemptions. Uhm we will now start our hearing on LU259, the citywide M1 Hotel Text Amendment uhm submitted and proposed to amend would create a requirement for developers to secure a special permit in order to develop a hotel in M1 Districts requiring full ULURP Public Review including City Council approval. Since 1961, Hotel Development has been allowed as of right in most commercial in M1 Light Manufacturing Districts across the city as we will

1
2 hear from the Department of City Planning, the growth
3 in New York City Tourism over the past decade has
4 sparked a hotel building boom with nearly 35,000 new
5 hotel rooms developed since uhm 2010. As hotel
6 development has increased, it has pushed further into
7 M1 Light Industrial Districts resulting in increasing
8 conflicts with Industrial Businesses that create
9 noise, traff... truck traffic, loading, pollution and
10 uhm other impacts. In M1 Districts with a more mixed
11 and commercial character such as those in Manhattan,
12 the increase in hotels has led to a change in
13 community character to tourist-oriented development
14 and has often resulted in buildings that are set back
15 from the street wall. The new Special Permit
16 Requirement would allow hotels in these M1 areas to
17 proceed only on a case by case basis subject to
18 public review. Hotels would continue to be allowed
19 as of right in C Districts and MX Districts
20 throughout the City and many of my colleagues have
21 worked very hard on ensuring that we update our
22 Manufacturing Zones, our Manufacturing Zone Strategy
23 to reflect our priorities in 2018 as opposed to a
24 1961 and this proposal has been a Council priority
25 for some time. I don't think our job is done here

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2 and I look forward to continuing to work as a Council
3 to protect and strengthen our industry areas because
4 of the middle-class jobs that they provide and
5 because of their role in our City's economy. The
6 Council is also mindful that this is a highly
7 sensitive, highly significant change in development
8 policy uhm and we have carefully been reviewing the
9 record of Community Board, Borough President and
10 other public feedback and we look forward to hearing
11 from the Department of City Planning uhm on and the
12 public on this important proposal. Uhm I now open
13 the public hearing on this application and I now
14 would like to call uhm Jennifer Gravel and Jacqueline
15 Sunhu (SP?) did I say that correctly?

16 JACQUELINE SUNHU (SP?): Yes.

17 CHAIRMAN FRANCISCO MOYA: Thank you.

18 Yes, and Counsel if you can please.

19 JENNIFER GRAVEL: Good morning Chair Moya
20 and Council Members. My name is Jennifer Gravel.

21 CHAIRMAN FRANCISCO MOYA: One second. I
22 just. Uhm Counsel could you please swear in the
23 panel?

24 COUNSEL: Okay before responding please
25 state your name again and uhm if your... make sure your

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2 red, but... red light is on the mic. Do you swear or
3 affirm that the testimony that you are about to give
4 will be the truth, the whole truth and nothing but
5 the truth and that you will answer all questions
6 truthfully?

7 JENNIFER GRAVEL: I do.

8 COUNSEL: And just state your name again
9 for the record?

10 JENNIFER GRAVEL: Jennifer Gravel.

11 JACQUELINE SUNHU (SP?): Jacqueline
12 Sunhu.

13 COUNSEL: And do you swear or affirm to
14 answer truthfully and give truthful testimony?

15 JACQUELINE SUNHU: Yes.

16 CHAIRMAN FRANCISCO MOYA: Thank you,
17 thank you, you may begin.

18 JENNIFER GRAVEL: Okay thank you uhm
19 Chair Moya and Council Member for uhm having us here
20 today to present the uhm Proposed Zoning Text
21 Amendment to create a new City Planning Commission
22 Special Permit for New Hotel Developments in Light
23 Manufacturing Districts. Uhm I am joined today by my
24 colleague, Jackie Sunhu (SP?) who has been the
25 Project Manager in taking this uhm through the public

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2 process and through the referral to all 59 community
3 boards. I will let Jackie do a brief presentation to
4 explain the background and some specifics of what we
5 are proposing and I am happy to answer any questions
6 you might have.

7 JACQUELINE SUNHU (SP?): Uhm Good

8 morning, I am here to present a Citywide Zoning Text
9 Amendment that is currently under the consideration
10 by the City Council, uhm this proposal would require
11 a Special Permit for new hotels in Light
12 Manufacturing or M1 Districts citywide. Uhm the City
13 Planning Commission voted favorably on the proposal
14 on October 17. Since 2010, they have seen a lot of
15 new hotels open in the M1 District citywide and they
16 have generated some concerns amongst communities,
17 therefore this proposal here is aiming 1) to achieve
18 balance neighborhood growth and 2) to ensure
19 sufficient opportunity to remain to support
20 Industrial, Commercial and Institutional growth in
21 New York City. I will very briefly explain the
22 background of this proposal to remind us all why we
23 are here today. The M1 Hotel Text Amendment
24 originated from the 10-point Industrial Action Plan
25 which included a Special Department for new hotels in

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2 Industrial Business Zones or IBZs only. As we were
3 studying the issue; however, uhm we found out that
4 there were a broader set of concerns that affected
5 all of the M1 Districts. In the past few years, New
6 York City's Tourism Industry has really boomed and
7 the robust visitor numbers led to strong demand for
8 hotels. Consequently, there has been increased hotel
9 development in these areas and uhm do M1 areas vary
10 widely in character ranging from areas that still
11 retain a lot of industrial activity to the areas that
12 are more mixed use in character. The hotels in these
13 areas can result in Land Use conflicts by creating
14 unsafe conditions and nuisance. In the more actively
15 industrial areas, businesses generate noise, truck
16 traffic and loading that can conflict with hotels.
17 And in the more mixed use M1 Districts, hotels can
18 detract from opportunities for other uses and as you
19 can see from these photos they typically send to be
20 physically out of context as well. So due to these
21 reasons, we are proposing a Zoning Text Amendment to
22 establish the City Planning Commissions Special
23 Permit for new hotels, motels, tourist cabins, and
24 motels in M1 Districts. We believe that a case by
25 case by specific review process is necessary to

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2 ensure that hotels are built only on appropriate
3 sites. The Special Permit would apply to all
4 commercial hotels in M1 Districts citywide. In
5 orange are the areas where hotels would be subject to
6 a Special Permit and in blue are the areas where
7 hotels could still develop as of right. So, in
8 granting a Special Permit for a new transmittal, the
9 Commission must find the following, thus listed on
10 this light here. 1) That the proposed sites for the
11 project shows that it will minimize potential
12 conflicts between the hotels and the adjacent uses.
13 2) That the sites might also demonstrate about the
14 location and design not impair the character of the
15 existing street scape. 3) Third, that the hotel
16 will not cause undue traffic and congestion in the
17 area. 4) And lastly, that the proposed project will
18 not impair the character of the surrounding area.
19 Furthermore, hotels existing on the date of adoption
20 will be considered conforming use but an enlargement
21 of a hotel that wishes to increase the floor area by
22 20% or more will have to go through a Special Permit
23 Process. For the hotel development that had a
24 Building Permit from the Department of Building by or
25 on April 23 will be vested and from the date of the

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2 adoption of the Text the vested projects have three
3 years to complete construction or receive a
4 Certificate of Occupancy. In addition, we will not
5 require a Special Permit for hotels that are operated
6 exclusively for a public purpose for housing
7 assistance. This means that the rules, excuse me.
8 That rules of Siting Facilities will not change and
9 will continue to be as of right as it is today. If
10 this proposal is enacted, every new hotel in the M1
11 District would have to apply for a Special Permit
12 which is a discretionary action. This includes a
13 full ULUR process with Community Board Review, Board
14 of President Review, City Planning Commission Review
15 and usually this Council can take up on to vote. The
16 total length of the process is typically almost two
17 years. And that concludes my presentation and we
18 will open it up for any questions.

19 CHAIRMAN FRANCISCO MOYA: Thank you,
20 thank you for your testimony. Uhm just a couple of
21 questions, also I just want to acknowledge that we
22 have been joined by Chairman Salamanca, the Chair of
23 Land Use for this year. Thank you, Chairman, for
24 being here. Uhm can you explain more about the
25 conflict, the conflicts between the hotels and

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2 Industrial Business that we've been seeing in their
3 heavy Industrial Areas and how does the presence of a
4 new hotel on a heavy industrial block affect, uhm
5 affect those businesses?

6 JENNIFER GAVEL: Uhm do you want to take
7 that one Jackie?

8 JACQUELINE SUNHU (SP?): Sure. Uhm as I
9 briefly explained, in the heavy, the more heavier
10 industrial areas, they generate a lot of nuisance and
11 uh things that get, things that an be harmful for the
12 tourists for staying in the hotels and on the other
13 flip side of that too, the hotel business can uh
14 actually harm the efficiency of these businesses and
15 these include things like uhm traffic uhm congestion,
16 noise that can actually affect the relationship of
17 the different uses in the Industrial Business Zone.

18 CHAIRMAN FRANCISCO MOYA: Are there uhm
19 Commercial Uses other than hotels that uhm also
20 create similar, similar conflicts?

21 JACQUELINE SUNHU (SP?): I would, I would
22 say so. But uhm I think hotels have a lot of uhm
23 especially when it comes to foot traffic or uhm tran...
24 auto traffic. I think it creates a lot of nuisance
25 to the businesses than other, for example office uses

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2 or other commercial uses that have less heavier foot
3 traffic.

4 CHAIRMAN FRANCISCO MOYA: So uhm you know
5 I'm just going with; with what you had talked about
6 before and how it creates nuisances so why also uhm
7 restrict a large format for eating and drinking and
8 entertainment establishment as well?

9 JACQUELINE SUNHI (SP?): Yeah, we have,
10 heard questions about this before. We haven't seen
11 the widespread development of large format eating and
12 drinking establishments in the M1 Districts as we
13 have seen the widespread development of hotels. Uhm
14 so it, and there is also unlike hotels large format
15 eating and drinking establishments themselves also
16 create nuisances and impacts that we wouldn't
17 necessarily want in residential areas. So, we do
18 sort of see them as an appropriate thing in an M1
19 Zone and we haven't seen them come into these areas
20 in the way that we have seen hotels.

21 CHAIRMAN FRANCISCO MOYA: So, the, the
22 Special Permit currently would require developers to
23 show that a hotel would not uhm impair the essential
24 character of an area. Uhm how does City Planning
25 define Essential Character?

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2 JACQUELINE SUNHU (SP?): We don't define
3 a central character. It is really context based uhm
4 in in a neighborhood where most of the activity is
5 heavily industrial, that would be the essential
6 character but the M1 Districts by enlarge are pretty
7 diverse places uhm and in some places they are very
8 mixed, uhm and if it. If the situation where a hotel
9 would not be in conflict with the essential
10 character. Uhm but we the whole purpose here is to
11 give distress both to the Planning Commission and to
12 the City Council to make decisions that are uhm
13 appropriate for that neighborhood where the
14 development is happening.

15 CHAIRMAN FRANCISCO MOYA: So, um okay we
16 have heard from some Borough Presidents and Council
17 Members that uhm we should look at strengthening the
18 consideration for conflicts with industrial
19 businesses and the findings of the Special Permit.
20 Did you consider language to strengthen the
21 consideration for industrial character?

22 JENNIFER GAVEL: We we were asked to try
23 to think about spe... cons, specifics to try and
24 strengthen that. Ultimately because the
25 neighborhoods are so diverse, we wanted to leave

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2 enough discretion to the Council and the Commission
3 to be able to use their judgment on what was not
4 appropriate.

5 CHAIRMAN FRANCISCO MOYA: Uhm how have
6 hotels uhm impacted M1 areas in Manhattan where the
7 neighborhood character is more commercial?

8 JENNIFER GAVEL: Uhm M1, the M1, the M1
9 six Districts are the most of the M1 Districts in
10 Manhattan. Uhm there has been a pretty significant
11 amount of hotel development, uhm particularly on the
12 west side uhm and this has made some of these areas
13 evolve in ways that weren't anticipated. I think the
14 expectation was that these areas would be more mixed
15 commercial and now that the most of the development
16 that we have seen in a lot of these places has been
17 hotel development and it is the hope that we, that we
18 could see a bit more diversity in the types of
19 economic activity that is happening in those places.

20 CHAIRMAN FRANCISCO MOYA: Okay uhm so
21 maybe you can explain this a little bit more uhm but
22 why, why did DCP decide to exempt the MX mixed
23 industrial residential Districts uhm like those in
24 Long Island City from the Special Permit?

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2 JENNIFER GRAVEL: Uhm sure, uhm well the
3 mixed-use Districts are uhm mixed use. Uhm they are
4 intended to really have a mix of residential and
5 commercial activity. For the most part, we are not
6 seeing lots of hotel development in mixed use
7 districts. For the most part we feel that it is
8 appropriate in those places. Uhm there are places
9 where there was a mix of residential and commercial
10 and industrial activities. Uhm we see hotels as
11 appropriate in those places.

12 CHAIRMAN FRANCISCO MOYA: So, in areas
13 like Long Island City you are saying that you don't,
14 that you don't see that there has been a real
15 increase in hotel development where it has been a
16 mixed use?

17 JENNIFER GRAVEL: It is my understanding
18 that most of the hotels on Long Island City is
19 happening outside the MX District and that there is
20 some of it that had happened in the MX District prior
21 to it having been mapped. Uhm but there are more
22 hotels on Long Island City. Uhm it is a location
23 where there is good access to Midtown. It is a
24 sensible, place for hotels uhm so we we think it is
25 appropriate there.

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2 CHAIRMAN FRANCISCO MOYA: Okay. Uhm we
3 have heard some concerns that if this proposal is
4 approved developers might not be able to keep up with
5 the demand for hotel rooms as tourism continues to
6 grow. What this City. What does the City Plannings
7 Analysis show on this issue?

8 JENNIFER GRAVEL: Sure, uhm er... we did a
9 Market City on the Tourism Industry and the hotel
10 development in New York City and what our analysis
11 actually showed was that the supply and demand for
12 hotels will actually come to a plateau in the next
13 few years and existing supply of hotels in New York
14 City right now will actually be able to meet the
15 demand, uhm despite the growing tourism industry.

16 CHAIRMAN FRANCISCO MOYA: Thank you, uhm
17 we've also heard some confusion from property owners
18 about the uhm vesting provisions? Uhm and I was just
19 hoping that you could explain in as clear and simple
20 language as possible the different provisions that
21 apply to a developer who pulled permits uhm for Hotel
22 Construction before the date of 04/23/2018 versus a
23 developer who pulled permits after 04/23/2018.

24 JENNIFER GRAVEL: Sure. Uhm the Vesting
25 Provision that is under this proposal here as you

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2 mentioned is uhm if a developer obtained a Building
3 Permit or a Partial Permit from the Department of
4 Buildings before or on April 23, which was our date
5 of referral then they will be vested and have three
6 years to complete construction or receive a
7 Certificate of Occupancy. Alternatively, a developer
8 has an option to abide by the standard vesting rules
9 under the Zoning resolution which is that you would
10 have to complete the foundations by the date of
11 adoption of the text.

12 CHAIRMAN FRANCISCO MOYA: Right.

13 JENNIFER GRAVEL: If that makes sense.

14 CHAIRMAN FRANCISCO MOYA: Uhm but is this
15 a typical practice of City Planning to establish the
16 Date of Certification 04/23/2018 as the cut off for
17 Special Vesting Provisions.

18 JENNIFER GRAVEL: It is, it's not typica.
19 Uhm it's, we have done this before. It happened at
20 the, it often happens at the Council. Uhm in this,
21 in this instance there were a number of, the scope of
22 the project was very broad uhm and there were a
23 number of projects that were pretty well advanced in
24 the development process where this would be a
25 significant hardship and there is a high likelihood

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2 that they would go to the BSA had we not done that,
3 allowed the slight liberalization of the policy. Uhm
4 we set the date at the Date of Referral as opposed to
5 sometimes you see the Date of Adoption. Uhm in order
6 to prevent a sort of rush on DOB, so it sort of
7 stopped the clock basically at the Date of Referral
8 of the Text Amendment.

9 CHAIRMAN FRANCISCO MOYA: Uhm the
10 proposal includes an exemption for facilitate, for
11 Facilities operating exclusively for the public
12 purpose of Temporary Housing Assistance. Uhm what is
13 Temporary Housing Assistance? And how does this
14 differ from the Long-Term Shelters?

15 JENNIFER GRAVEL: Temporary Housing
16 Assistance is a long-term shelter uhm or a or a
17 shelter that can be used transiently. So, in the
18 purpose here, if it is a hotel, uhm used by the
19 Department of Homeless Services, it would have to,
20 the stays in their facilities could not from my
21 understanding be longer than 30 days. Uhm so it is
22 an exemption for the citing of shelters under the
23 proposal any new shelter cited here would have to be
24 Purposed Built as a Shelter and not as a commercial
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2 hotel, if that makes sense. I realize it is a little
3 bit confusing.

4 CHAIRMAN FRANCISCO MOYA: So, we were, I
5 thought we were moving away from the uhm sort of use
6 of hotels as shelters? Uhm and are we saying now
7 that. So, the Temporary Housing Assistance is the
8 same thing as the uhm long-term shelters?

9 JENNIFER GRAVEL: The Temporary Housing
10 Assistance, so this proposal, the City Planning for
11 Special Permit was a response to concerns, Land Use
12 concerns that we had been hearing and responding to
13 in commercial hotels. The proposal does not intend
14 to affect the department, uhm the current policies
15 and practices with regard to Citing of Shelter
16 Facilities. It is my understanding that the
17 Department of Homeless Services as a policy of moving
18 away on contracts with commercial hotel providers,
19 uhm that they have in order to meet the mandate, the
20 right to Shelter Mandates have needed the flexibility
21 to Cite Facilities within light manufacturing
22 Districts and this will continue to retain that
23 flexibility, while the, while the Department
24 continues to implement its strategy to eventually
25 shift away from using commercial hotels.

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2 CHAIRMAN FRANCISCO MOYA: Okay uhm until
3 now, what we have primarily seen in the Industrial
4 areas is uhm tourist, hotels, partially or fully
5 converted to Temporary Housing Assistance. Uhm this
6 Exemption would be different in that it would allow
7 only purpose-built facilities for Temporary Housing
8 Assistance? Is that, is that correct?

9 JENNIFER GRAVEL: For new construction,
10 for a newly constructed building that is correct. Or
11 a newly converted building I should have added.

12 CHAIRMAN FRANCISCO MOYA: Okay uhm thank
13 you very much. I want to now turn it over to uhm
14 Chair Salamanca for a few questions.

15 CHAIR RAFAEL SALAMANCA: Thank you Chair
16 Moya, good morning.

17 JENNIFER GRAVEL: Good morning.

18 CHAIR RAFAEL SALAMANCA: Uhm first I want
19 to commend the Department of City Planning on this
20 Text Amendment. I am really excited about what we
21 are about to uhm vote on in a few, in a few weeks on,
22 I show that this Text Amendment will empower
23 communities. Communities will be able to decide if a
24 hotel should be built in their Industrial Zone or an
25 M1 Zone. I for one have two IBZs in my District, I

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2 have the Huntspoint Community and I also have Point
3 Morris uhm Huntspoint is a shared you know with
4 industrial and residential and the concern, the fear
5 that we have always had in the Huntspoint Community
6 is that we will get a hot sheets hotel built in our
7 community because at the time they can build as a
8 right and we have struggled in the Huntspoint
9 Community with prostitution. Uhm but now we know
10 that this fear will no longer be there because we
11 will be able to decide should we allow an operator to
12 develop in Huntspoint or not as well as in Point
13 Morris. So, I commend you when I thank you.

14 JENNIFER GRAVEL: Thank you.

15 CHAIR RAFAEL SALAMANCA: Uhm I share some
16 of the concerns with Chair Moya and the Chair Moya
17 has and I just want to, I just want to speak a little
18 bit on them and that is the Exemption for the
19 Homeless Shelters. Uhm you have communities such as
20 mine that is overburden with, with homeless shelters.
21 I have anywhere between 36 to 40 homeless shelters in
22 my District. While there are other communities,
23 other colleagues that have none. Uhm and so I, I
24 strongly felt that as part of this Text Amendment,
25 Homeless Shelters should not have been exempted from

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2 you know being able to build in an M1 Zone or an
3 Industrial Zone. I understand that that is the
4 position that the Administration has taken a
5 different position, they want to Exempt the Homeless
6 Shelters, uhm so can you explain why did the
7 Administration take that position?

8 JENNIFER GRAVEL: The uhm there is a, the
9 City is obligated to provide shelter to, to
10 individuals and families who, who need a bed and I
11 they have that out of necessity been citing families
12 in light manufacturing Districts. They don't have a
13 lot of options on where to Cite Shelters. They are
14 historically for decades having the flexibility in
15 the light manufacturing zone has enabled them to do
16 some of that. Uhm because this proposal was, this
17 City Planning Commissioner Special Permit was really
18 about addressing concerns with commercial hotels, um
19 we did not want to affect existing policies on
20 shelter citing and certainly a separate agency is
21 the, is the steward of that policy and so we are, we
22 are doing our best to sort of hold harmless what they
23 are attempting to do and trying to address what is a
24 very, very challenging problem.

1
2 CHAIR RAFAEL SALAMANCA: Now should the
3 Text Amendment pass as written and the shelters are
4 excluded, can you explain the process of a developer
5 building a shelter, uh is the shelter going to be
6 built, a hotel style type of shelter where there are
7 no kitchens in their rooms? Then what should happen
8 should a property owner get a permit from DHS, have
9 their shelter there, five years down the line they
10 may lose that contract with DHS and they convert that
11 building into a hotel, can you explain that entire
12 process?

13 JENNIFER GRAVEL: Sure, so I will give
14 you a scenario, you have a property owner uhm who,
15 who wants to build a shelter so they have to have a
16 written agreement and contract with DSS or other
17 agencies that provide emergency shelters, this is
18 almost always DSS, uhm Department of Social Services.
19 Before DOB can issue a permit for that they have to
20 submit a letter attesting to the fact that they have
21 this agreement with the city and then they can build
22 the shelter pursuant to the building codes for a
23 hotel, not they would not be allowed to rent those
24 rooms to the general public. It could not be
25 operated as a commercial hotel. It could only be

1
2 used for the purpose of Temporary Housing Assistance
3 or for shelter purpose. Uhm because it is a light
4 manufacturing zone, we don't allow residential units,
5 uhm there are other models of developing shelters
6 under as a community facility, a nonprofit with
7 sleeping accommodations. Uhm it is a separate
8 building code. Manufacturing Districts don't allow
9 this kind of development which is why they are filed
10 as hotels and it is somewhat confusing. Uhm but in
11 which case it would have to be used transiently and
12 built to building codes for hotels but the hotel
13 itself could not be used as a commercial hotel. Uhm
14 in a scenario where for whatever reason, the operator
15 loses its contract to provide the, the service, and
16 another operator doesn't step in and, and renew that
17 contract, they would have a couple of options, uhm
18 one would be to convert to another conforming use.
19 Uhm they could come to get a City Planning Commission
20 Special Permit to do a commercial hotel, so they
21 would have to go through the entire process, so then
22 if they wanted to then convert it to a Days Inn for
23 instance, they couldn't do that without going first
24 to the City Planning Commission and then to the, to
25 the City Council for approval. Uhm.

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2 CHAIR RAFAEL SALMANCA: So just to be
3 clear, there are no loop holes for the developer to
4 build a shelter should they get approval, a contract,
5 then should that contract expire or get cancelled
6 there are no loop holes where they can go to the BSA
7 or something where they can get a Special Permit from
8 another city agency that would allow them to operate
9 as a hotel?

10 JENNIFER GRAVEL: There are no other
11 approvals that we have put into here that, that would
12 allow them to do that. Now a property owner who has
13 a variance case, can always go to the BSA if they
14 have a unique financial hardship. Now that's, so
15 that is for any property owner theoretically an
16 option. But.

17 CHAIR RAFAEL SALAMANCA: But so, the BSA
18 can grant them a Special Permit?

19 JENNIFER GRAVEL: No not a Special... no
20 there is no new BSA Special Permit but the Board of
21 Standards and Appeals has a process for variance that
22 any property owner in the City can avail themselves
23 of it. If they can demonstrate that there is no
24 reasonable financial return on the property. It's a,
25 it's a pretty high bar to meet, to meet that finding.

1
2 Uhm so this is, this is not a process that we are
3 creating through this. It is an existing process
4 that every property owner in the City has a right to.

5 CHAIR RAFAEL SALAMANCA: Alright thank
6 you but I want to continue to have conversations. I
7 still have concerns, you know uhm as Chair Moya
8 mentioned, uhm I was also I was too under the
9 impression that the City is moving away from the
10 model, the Shelter Model of a hotel style shelters,
11 uh you know being able to provide a family, even if
12 you are there temporary, it is temporary housing an
13 apartment with a kitchen. You know these hotel
14 styles will not have kitchens, you know where they
15 can cook. Uhm I think that we can do better. Uhm
16 and I look forward to having more conversations as
17 this move forward. Thank you, thank you Chair.

18 CHAIRMAN FRANCISCO MOYA: Thank you
19 Chairman. Now we will hear some questions from uh
20 Council Member Reynoso.

21 ANTONIO REYNOSO: Thank you Chair,
22 welcome DCP. Uhm I have three things that I want to
23 get to. Uhm the first thing I want to get to is that
24 one of the findings required to secure the Special
25 Permit reads should use, should use, I'm sorry, such

1
2 use will not impair the essential character or future
3 use of development of the surrounding area. That is
4 concerning in locations where we have nonconforming
5 uses that seem to have gathered up and clustered, I'd
6 say like in north Brooklyn where we have hotels uhm
7 that have popped up but we consider the essential
8 character, the hotel character with data
9 manufacturing district because they have come up.
10 Uhm we have also even though you seem to disagree,
11 have night clubs in north Brooklyn that are also
12 clustering, would that be considered and uhm an
13 essential use. I am very concerned with your wording
14 there and I don't think it is necessary to give the
15 City Council some leeway to be able to dictate what
16 the future of those sites look like I think it is
17 more giving you the opportunity to convert
18 manufacturing space into use that don't, don't
19 necessarily conform. So, so that's the first concern
20 that I have and maybe instead of essential character
21 we should consider calling it industrial character.
22 We are talking about manufacturing here. We are
23 talking about M1 Zones. That's the name of the
24 hearing and I just don't necessarily feel like that

1
2 essential character uhm really speaks at protecting
3 that.

4 JENNIFER GRAVEL: Uhm the essential
5 character finding is, the language is actually pretty
6 standard in many of our Special Permits, the wording
7 and the M1 Districts, although many of the Industrial
8 Business Zones do have a very heavily industrial
9 character. The M1 District sort of by in large are
10 much more mixed in terms of their character there are
11 Districts in the Bronx for instance that are outside
12 of IBZs that are Hospital Districts. These are
13 places where a hotel is probably advisable and
14 appropriate. Because the M1 Districts are so varied,
15 we wanted to leave enough discretion for appropriate
16 consideration of the context in which that hotel is
17 being built. It is not always just industrial
18 character.

19 ANTONIO REYNOSO: Right so I guess this
20 is part of my second concern is that it doesn't seem
21 like you have any consistent uniform policy or
22 planning rationale for how we should be treating
23 manufacturing districts in general. I really feel
24 like whether it is, this Hotel Special Permits
25 whether it is the self-storage, whether it is you

1 know whenever we can get the North Brooklyn
2 Industrial Study done. It seems like it is piecemeal
3 and given that you know this is called the Department
4 of City Planning it just feels like maybe there is
5 not a lot of planning happening that is comprehensive
6 and just bringing everything together to really speak
7 to manufacturing as a whole instead we will have
8 three or four hearings to talk about each part that
9 you are working on independent of another. And if
10 that is not the case, we would love to hear uhm you
11 know this more thoughtful again cohesive planning
12 rationale for how manufacturing is working because
13 what you are saying about Hotel Special Permits here,
14 I don't think it is consistent with other parts of
15 your rationale and I will give an example of that.
16 It is Night Life. You don't seem to believe that it,
17 it's a, it's a you know bubbling up or it's a concern
18 now. I just don't understand how fads or trends tend
19 to dictate what your policy related to manufacturing
20 is going to be as opposed to just having sound
21 planning rationale. Like why not just do something
22 that makes sense for manufacturing or for what you
23 want to do. Not oh well that's not really hot right
24 now so we don't need to worry about it. Uhm if we
25

1
2 look at what happened in the Meat Packing District,
3 what's happening in Williamsburg. Uhm Night Life has
4 completely taken over Manufacturing Districts there
5 and made them useless or made them difficult to, to
6 run. Both had threatened to leave in the past, in my
7 District, we have uhm, the last, I think the last
8 meat packing company leaving uhm the Meat Packing
9 District so there will not be any more Meat Packing
10 happening in the District uhm and it is just why not
11 just have something that is straight up policy
12 rationale, not speaking to fads or trends. Maybe you
13 are the ones that should you know consider I guess
14 establishing the fads or trends. What do you want to
15 see come out of this and maybe your policy dictates
16 that, not necessarily the private folks? I hope that
17 made some sense.

18 JENNIFER GRAVEL: Yes, that made sense.
19 Would you like me to respond? (laughing).

20 ANTONIO REYNOSO: Yes please.

21 JENNIFER GRAVEL: Uhm I agree that the M1
22 Zoning is, is outdated and in many case.. this is from
23 1961 and the City's Economy is in an entirely
24 different place. 1961 was the Mad Man Era and it
25 sits a different time and different place. We and

1
2 the Self-Storage and Hotel Special Permits were
3 important commitments to address more immediate
4 concerns. These areas were evolving in ways that
5 were not anticipated and we felt that we needed to
6 address this right away. I do agree that it would be
7 good to have a longer-term vision about how these
8 places can evolve, not just for manufacturing but for
9 a number of uses and how can these things co-exist in
10 a City that where everything is growing. Uhm it's,
11 it's not easy and we want to get it right. We got
12 some things wrong in 1961 that we still need to fix
13 and it you know it takes time and for something like
14 I think to your question about Night Life, not that
15 there might not be, there are concerns and there
16 could be good reasons to do that, uhm when we have a
17 change like. The Night Life itself is also an
18 important industry in the City and we need to think
19 about where it goes and where it can have room to
20 grow. So, when we did the Hotel Text Amendment for
21 instance, we did a pretty thorough assessment of what
22 the effect of this action would be on the industry.
23 We would likewise need to think hard about where
24 Night Life can go and so these, these are, are not

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2 questions that we take lightly because they have
3 significant effects and long-term effects.

4 ANTONIO REYNOSO: Right but we've in the
5 de Blasio Administration for five years and you still
6 haven't been able to put forth, again a rationale or
7 a policy that speaks to where Night Life should go.
8 Right, like that's my concern is that we talk about
9 the want to preserve or assist manufacturing where it
10 is thriving but we can't necessarily seem to come
11 together to put something that makes sense for the
12 future of manufacturing. Now I agree that Night Life
13 needs to be somewhere. I would love for you to tell
14 me where you think that should be and why so that we
15 can start having that conversation and protect that
16 as well. I have no problem with that. I think that
17 that is fair. But why it takes so long for DCP, the
18 Department of City Planning to come up with these,
19 these ideas it is just beyond me. Uh and when you
20 look at what we would consider the symptoms of
21 inappropriate uses as it pertains to hotels, they are
22 almost identical to the symptoms of Night Life. It's
23 what type of traffic we are going to be seeing for
24 people having to go into core Industrial locations to
25 go and party, uhm right, it's almost I feel a hotel

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2 and a Night Life establishment is more so intrusive
3 on Night Life establishment than a hotel but on one
4 side it makes sense for you or you make sense of it
5 and in another you don't because you want to be able
6 to preserve Night Life to some degree. So, it's like
7 the rationale applies in this case but not in this
8 case. Uhm and we just, we just don't put it
9 together. It's all it's all thrown out, piece, by
10 piece by piece and I think that you guys are hurting
11 the long-term viability of manufacturing that is
12 working like in North Brooklyn so I just really hope
13 that you know the Department of City Planning gets to
14 planning and puts something together that makes sense
15 so that we could all review and hopefully see a
16 better future for manufacturing.

17 JENNIFER GRAVEL: Thank you.

18 ANTONIO REYNOSOS: Thank you for your
19 time.

20 CHAIR FRANCISCO MOYA: Thank you uhm
21 Council Member Reynoso and now we will turn it over
22 to Council Member Rivera.

23 CARLINA RIVERA: Good morning. Thank
24 you, Chair Moya. To get an idea and understanding of
25 the amount of the hotels that are coming to our City

1
2 about how many rooms do you think are in the
3 pipeline?

4 JENNIFER GRAVEL: I'll let Jackie answer
5 this one.

6 JACQUELINE SUNHU (SP?): I can't, I'm
7 sorry, I can't think of the exact number on the top
8 of my head. Is it okay if I get back to you on that
9 number later?

10 CARLINA RIVERA: Sure, yeah. Okay. Just
11 because you know this is clearly something that you
12 are conveying as important. I don't know ... if I
13 don't know if I could go as far as to say as urgent
14 so I figured you would have somewhat of an idea of
15 how much construction is on its way but if you could
16 get back to me I would, I would really appreciate it.
17 So what amount of time and I did see of course the
18 ULURP and you mentioned your comment on two years but
19 what amount of time generally does a Hotel Special
20 Permit add to a developer's timeline?

21 JENNIFER GRAVEL: Uhm I mean the process
22 time is typically two years I mean there is an
23 Environmental Review Process and then the mandated
24 clock for the, the Land Use Review Process. And I
25 mean it really depends on the development, you know

1
2 large it is and where it is and whether it is mixed
3 with other uses but...

4 CARLINA RIVERA: How about a minimum
5 approximate?

6 JENNIFER GRAVEL: I don't, I don't know, I
7 don't actually know the answer to that question but I
8 know that two years is typ.. the typical sort of
9 process time to get through a Special Permit Process.

10 CARLINA RIVERA: Can you, this is kind of
11 a two-part question because I have real life example
12 of something that recently happened in my District.
13 Can you list the other, the other types of Special
14 Permits that would preempt a developer from having to
15 seek this particular Hotel Special Permit and why I
16 ask is because in M15A and M15B Districts which is
17 like the So Ho No Ho area, what is the applicability
18 of requirements for the following Special Permits?
19 So first I would like to know what other types of
20 Permits could possibly preempt the HSB and then these
21 Districts specifically the applicability of
22 requirements for the following Special Permits 74-
23 781; 74-711 and 74-712?

24 JENNIFER GRAVEL: Jackie do you want to
25 cover that?

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2 JACQUELINE SUNHU (SP?): Sure, uhm in the
3 5A 5B So Ho No Ho area we actually specifically put
4 in language in the Zoning Text to explain which
5 Special Permit or other uhm Zoning Laws would
6 actually supercede the M1 Hotel Special Permit. The
7 ground floor marketing, Good Faith Marketing
8 Provision which I believe is 74781, uhm you would
9 actually have to seek that Special Permit alongside
10 of the M1 Hotel Special Permit. Whereas 4-711 which
11 is as Landmark Preservation Special Permit you could,
12 a developer could choose either to go uhm and obtain
13 a Special Permit from the Landmark Preservation or
14 seek uhm the M1 Hotel Special Permit so..

15 CARLINA RIVERA: So, either or?

16 JACQUELINE SUNHU (SP?): So, either or,
17 yeah.

18 CARLINA RIVERA: Uh-huh so on 4-712 did
19 you mention that one already? I heard you say.

20 JACQUELINE SUNHU (SP?): That's also the
21 Landmark.

22 CARLINA RIVERA: Okay both either or. So
23 what other, and then to my question are there other
24 types of Special Permits that would supercede HSP or

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1
2 give the developer the choice to choose one or the
3 other?

4 JENNIFER GRAVEL: There are some Special
5 Districts in the City that already have a Hotel
6 Special Permit. They in those existing Special
7 Permits would apply in those Districts.

8 CARLINA RVIERA: So, we uhm you mentioned
9 earlier these potential impacts on a neighborhood,
10 the traffic you know with the hotel traffic, the
11 impact of small business. So, in terms of scrutiny
12 of those potential impact and then evidence provided
13 in an application are there other permits that would
14 set a higher bar than the Hotel Special Permit?

15 JENNIFER GRAVEL: I don't know if I would
16 call it a higher bar, there are some that are just
17 different which is I think the one that is really the
18 significant one was the M15A and M15B with the Good
19 Faith Marketing which is why it is explicitly written
20 into the text, the findings of those Special Permits
21 must still be met if you are pursuing the M1 Hotel
22 Special Permit. So, the notion was not to get you out
23 of some existing sort of review or, or intent that
24 exists for a development and overlapping areas today.
25 So.

1
2 CARLINA RIVERA: Okay uhm well if you
3 could get back to me with the, with the other numbers
4 I would really appreciate it.

5 JENNIFER GRAVEL: Of course.

6 CARLINA RIVERA: And thank you for the
7 time.

8 JENNIFER GRAVEL: Thank you.

9 CHAIR FRANCISCO MOYA: Thank you Council
10 Member uhm Rivera. I want to thank you very much for
11 your testimony here today. We look forward to having
12 a continuing dialog as we keep going forward but
13 thank you very much for coming here today. Thank
14 you. So uhm... I don't know maybe Armondo Moritz, I'm
15 sorry I couldn't make out the last name. Adam
16 Friedman, Robin Cramer. Yeah.

17 COUNSEL: Before this panel starts..

18 CHAIR FRANCISCO MOYA: Before this panel
19 starts we just want to continue our vote.

20 COUNSEL: Levin?

21 MARK LEVIN: Aye on all.

22 COUNSEL: The Land Use items are approved
23 by a vote of seven in the affirmative, no negatives
24 and no extensions and refer to the full Land Use
25 Committee.

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2 CHAIR FRANCISCO MOYA: Thank you. If you
3 can uhm just state your name and you can begin?

4 ARMONDO MORITZ DRAPELLIGAN (SP?): Two
5 minutes, right?

6 CHAIR FRANCISCO MOYA: Two minutes, yeah.

7 ARMONDO MORITZ DRAPELLIGAN (SP?): Great.
8 Thank you uhm Good Morning Chair Moya and Council
9 Member Rivera and the members who are formally here
10 from the Zoning and Franchises Subcommittee. Thank
11 you for the opportunity to testify this morning. My
12 name is Armondo Moritz Drapelligan (SP?) I am the
13 Senior Economic Development Organizer with the
14 Association for Neighborhood and Housing Development,
15 also known as ANHD. Uhm I will be relatively quick
16 at providing copies of my written testimony as well
17 as a report that our Coalition released this morning.
18 As a part of the Industrial Jobs Coalition which is a
19 citywide alliance of Policy Advocates, Community
20 Organizations and Business Service Providers, we
21 broadly support the Text Amendments to restrict
22 hotels in M1 areas across the City. Uh we do have a
23 couple of questions, some similar to the ones that
24 had been flagged in the Q and A earlier to DCP uhm
25 but just to touch on some of those points, uhm I will

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2 just go through my testimony quickly. Uhm the
3 Special Permit Criteria, specifically the language
4 around essential character as Council Member Reynoso
5 had noted should be strengthened, specifically to
6 consider how a proposed development would impact the
7 real estate market in that area. I think that there
8 has been broad recognition both with advocates as
9 well as in the City Council and the Administration
10 that the reason why we are doing this is really to
11 prevent speculation, to prevent the loss of the
12 industrial manufacturing jobs and so we should be a
13 lot more intentional and blunter about that in our
14 Zoning Text. Uhm moving along with the Public
15 Purpose Exemption, previously the Public Purpose
16 Exemption the language had been a lot broader. We
17 support the added clarity that has been included with
18 the newest language that specifically states that a
19 transient hotel operated exclusively for the public
20 purpose of temporary housing assistance provides a
21 lot more clarity to this. And with my remaining time
22 I just want to quickly pivot quickly and I would be
23 happy to answer questions on this. As I had mentioned
24 at the very beginning, our coalition, the Industrial
25 Jobs Coalition released a report card this morning

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2 specifically framing the Administration's Progress on
3 its Industrial Action Plan. The reason I flagged
4 that for this conversation today is because Use Group
5 Reform was a part of that conversation and I think it
6 is one that we need to continue as we look at the
7 next three years beyond, based off of where we have
8 been right now. Thank you.

9 CHAIR FRANCISCO MOYA: Thank you. Just
10 turn your microphone on.

11 ADAM FRIEDMAN: We are good?

12 CHAIR FRANCISCO MOYA: Yep.

13 ADAM FRIEDMAN: Good morning I'm Adam
14 Friedman I am the Director of the Pratt Center for
15 Community Development and I have submitted written
16 testimony but rather than read through that, but what
17 would be more useful is to go through a copy of the,
18 of the report that we did a couple of years ago on
19 Hotel Development because I think it addresses a lot
20 of the questions that you have been raising during
21 this hearing. And what the report does is shows why
22 unregulated hotel development really conflicts in
23 many places with City Policy and undermines City
24 Policy. So, if you will just go to page three in the
25 first chart, it shows where hotel development is in

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2 fact conflicting with articulated City Policy either
3 because it is an IBZ or because it is a 197A or other
4 approved designations in this communities. It also
5 shows you what the pipeline looks like and there have
6 been a number of questions about the pipeline for
7 hotel development and then if you turn to the bar
8 graphs on pages uhm on pages 6 and 7, what we tried
9 to do there was to show the profitability of hotel
10 development in contrast to other uses and there were
11 a number of questions that you, you've asked about,
12 how is this going to impact the tourism industry. Is
13 this going to curtail the development of hotels? And
14 I think what this shows is they are cash cows and
15 they can outbid a whole variety of other uses so the
16 concern that somehow this is going to choke off the
17 tourism industry I think is refuted by just the
18 financing. The return on investment of hotels. So,
19 I think these graphics here and the analysis behind
20 them would be no different certainly for self-storage
21 but for super stores, for entertainment venues, for
22 nonancillary office uses. Some of the other issues
23 that you have raised and that we think should also be
24 regulated through Special Permit. Thank you.

25 CHAIR FRANCISCO MOYA: Thank you.

1
2 ROBIN CRAMER: Good morning Chair Moya
3 and Council Members.

4 CHAIR FRANCISCO MOYA: Just put the
5 button to turn your microphone on. Thank you.

6 ROBIN CRAMER: Good morning Chair Moya
7 and Council Members, my name is Robin Cramer I am
8 from Devel (SP?) Stack and Feld and I am here on
9 behalf of 26 West 39th LLC. The owner of the
10 property at 26 West 39th Street in Manhattan located
11 between 5th and 6th Avenues, right behind or a couple
12 of buildings behind Lord and Taylor where my client
13 is developing a 299-room boutique hotel with
14 restaurant and bars. We are here to ask the Council
15 to extend the vesting date from April 23rd to the
16 date the Text Change is approved. My client began
17 assembling the lots and their rights for the hotel in
18 2014 long before the City first prop... released the
19 proposal to put the Special Permit in all Zoning
20 Districts, in all the M1 Zoning Districts. It
21 obtained its Zoning approval in February 2018, it's
22 Foundation Permit in July and its MB Permit
23 yesterday. Although my client has been working
24 actively since it got its permits it will not have
25 completed its foundation or even its excavations and

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2 therefore cannot take advantage of the Zoning
3 Resolution Vesting Provision. If the Vesting Date is
4 not changed and my client is unable to Vest then my
5 client will have to cease construction. It may be
6 able to get common law vesting but that is not
7 guaranteed. If the project does not vest my client
8 will have lost 4 years of work and all the money
9 spent obviously. But the City will have also lost.
10 This hotel would employ approximately 200
11 construction workers with 300 people in the hotel,
12 operations, food service and related industries and
13 an annual tax loss of about \$5 million. The New York
14 State Controller's Office has stated that the Leisure
15 and Hospitality Industry accounted for 1/5 of the
16 City's job growth since 2009. City Planning reports
17 as the Text Change is needed to ensure that hotels
18 don't conflict with the joining uses and don't
19 detract from industrial, commercial and institutional
20 uses. But in mid-Manhattan Industrial Use is not
21 happening and there is plenty of room for commercial
22 and institutional growth in the new areas in Hudson
23 Yards, midtown and possibly the Garment Center. The
24 biggest competition would obviously be Residential
25 Uses which is not permitted. The EIS assumed there

1
2 would be no reduction in the number of hotels but it
3 didn't really study the impact of the Text Change on
4 either tourism or Air B and B. Given the cost, time
5 and uncertainty of the Special Permit that assumption
6 is unwarranted. Just finishing up, my client has
7 invested significant sums of money and should be
8 allowed to continue construction where there is no
9 evidence that a Special Permit is needed in mid-
10 Manhattan to limit construction.

11 CHAIR FRANCISCO MOYA: Thank you. Thank
12 you all for uhm your testimony here today. I will
13 now call up the next panel. Scott Schneider, is
14 that, Ambrose, Ambrose, Ambrose, Ambrose Narizza
15 (SP?), okay and Jeff Mulligan. Jeff Mulligan. Okay
16 great. You may begin.

17 SCOTT SCHNEIDER: Testing, testing, thank
18 you my name is Scott Schneider and I am the Chief
19 Future Development Officer of Otto Bach Healthcare.
20 Otto Bach Healthcare is the global leader in
21 prosthetics and neuro orthopedics. First of all, I
22 would like to thank all of you for your time, your
23 interest and mostly for your interest to serving the
24 public. We feel very uhm aligned with that. Our
25 mission, we are a 100-year-old company and really our

1 mission is totally dedicated to the public as well,
2 is to help those with mobility issues regain this
3 mobility and challenge. Uhm their mobility
4 challenges to prosper. What we are here to ask for
5 today is to be grandfathered from this uhm Zoning the
6 new Text and we feel very strongly that this project
7 is going to help the community. For example, we
8 believe that we will have more than 60 jobs. We have
9 spoken with the Naviar, CEO and this will be
10 supporting the manufacturing and we will have a
11 multi-use facility but also this facility will bring
12 in veterans. We do a lot of work with the Department
13 of Defense and with Capital Hill. We work Wounded
14 Warriors Project uhm we will have diplomats coming in
15 to learn about the project, will focus on education
16 of al of those previously mentioned but also with the
17 community on looking at prosthetics and orthotics.
18 It is probably the first time many of you have ever
19 heard or seen a prosthetic device in use. So again,
20 our ask is that we would like to be grandfathered and
21 we would like to show you briefly what the project
22 is. So first of all, it is about public education.
23 It is an awareness of prosthetics and orthotics.
24 Most people don't know what it is and the second use
25

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2 is that we will be building a clinic that will be
3 open also for the local community and for medical
4 tourism and finally the hotel will create the
5 financial awareness.

6 CHAIR FRANCISCO MOYA: Thank you.

7 AMBROSE NARIZZA (SP?): Uhm so to give
8 you a status of the project, the Foundation and
9 Excavation Plan was approved and we are ready to pull
10 the permanent any minute now. The militia is being
11 prepared but we believe that we won't be able to get
12 full excavation and substantial foundation in time,
13 by the time that the Text Amendment is approved. Uhm
14 I think if you want to look at page 6, it tells you a
15 little bit about the concept of the hotel with the,
16 with the facilities and then as well as page 9 gives
17 you a good idea of how it is going to fit into the
18 neighborhood and how it is going to benefit the
19 neighborhood and then page 14 gives you well maybe
20 you want to talk about that.

21 SCOTT SCHNEIDER: 14 is we have purc... or
22 we have built this before. You can see the one that
23 we had built in Berlin and this focuses on the
24 education piece and also what the property looks
25 like. Uhm it is right next to the US Embassy on

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2 Potsdamer Platz but more so what it, it also showed
3 us is we learned that there was no, not enough
4 revenue to sustain this and therefore we are learning
5 or applying those lessons learned to this proposal in
6 Brooklyn.

7 AMBROSE NARIZZA (SP?): Uhm if you go
8 alright, if you look at 15, that's the State of
9 Development, obviously it's not the design is not
10 finalized and 16 as well and then on page 20, uhm it
11 gives.

12 CHAIR FRANCISCO MOYA: Go ahead, you can
13 finish up.

14 AMBROSE NARIZZA (SP?): Yeah it gives you
15 an idea on the design as well as the square.

16 CHAIR FRANCISCO MOYA: What page was
17 that?

18 AMBROSE NARIZZA (SP?): We also added a
19 timeline so to give you an idea of how fast we could
20 also apply for the full Building Application.

21 CHAIR FRANCISCO MOYA: Okay thank you.
22 Sure. So just to be clear, so the hotel use would be
23 an auxiliary use because the, the primary driver of
24 this project is, is for is it clinic and showroom
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2 for. For this Budget we have met before but
3 orthotics and uhm and for prosthetics.

4 SCOTT SCHNEIDER: Yeah so basically and
5 thank you, two minutes is really difficult. Uhm
6 basically what the concept is, is we are educating
7 both the community because the education of
8 prosthetics it's like the pilots right now. We are
9 having a big problem and the baby boomers are coming
10 through, there are not enough clinicians to serve so
11 one portion of this is to educate the entire United
12 States and community but locally also to serve and
13 then to also have an actual orthotic and prosthetic
14 clinic it would be a Medicare number and a Medicaid
15 number so we would be seeing both local patients with
16 limb loss and mobility concerns as well as medical
17 tourism. This is a highly specialized area. The
18 hotel gives another element because for example, a
19 wounded warrior that has upper limb prosthesis, you
20 the abduction that is required is different for each
21 person based on their injuries and we build different
22 knobs, different handles, different uhm door openings
23 and activities of daily life that people can utilize
24 and we can do that right in this hotel setting as
25 well, they would stay there.

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2 CHAIR FRANCISCO MOYA: And people, people
3 travel long distances in order to go to a specific
4 clinic for orthotics and prosthetics, is that right?

5 SCOTT SCHNEIDER: They do, they there is
6 the VA for example, the Veterans Administration uhm
7 of all of their billing they are only able to handle
8 20% of their, of what the VA pays for within VA
9 Centers so it requires a lot of people to have to
10 travel to areas but a certain level of education as
11 well, people will travel to a different state or even
12 country.

13 CHAIR FRANCISCO MOYA: Okay thank you
14 very much.

15 SCOTT SCHNEIDER: Thank you.

16 JEFF MULLIGAN: Good morning Chair Moya
17 and Council Members, uhm my name is Jeff Mulligan I
18 am a Planning and Development Specialist with the Law
19 firm of Cramer Levin which is representing 81 Beaver
20 Street LLC, the owner of an individual landmark
21 located in Bushwick Brooklyn. 81 Beaver Street is a
22 4-story building built in the late 19th Century for
23 the Ulmer Brewery. The building was designed an
24 individual landmark in 2010 and is largely vacant and
25 in urgent need of restoration. As you know,

1 individual landmarks are not candidates for
2 demolition and redevelopment given their landmark
3 status. Like many historic formerly industrial
4 buildings, 81 Beaver Street has narrow floor plate
5 with column spacing that makes it ill-suited for
6 adaptive re-use by and as of right modern
7 manufacturing or office tenant. However, it is
8 suitable for a small hotel, which does not require
9 large floor plates. Unfortunately, a Special Permit
10 Requirement for a hotel of this size is not a viable
11 option for our client because the ULUR process is
12 both lengthy and costly. By preventing the as of
13 right conversion of a small landmark building, such
14 as 81 Beaver Street to Boutique Hotel Use the Text
15 Amendment could inadvertently discourage the
16 restoration and preservation of landmark buildings.
17 We urge the City Council to create an exemption from
18 the requirement for a Hotel Special Permit for
19 individual landmark properties located in M1
20 Districts. We believe that the exemption should
21 apply to landmark buildings that contain floor area
22 of 60,000 square feet or less and are located outside
23 of Manhattan. These buildings are more vulnerable as
24 they are generally too small for conversion to
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2 permitted office and retail uses and they are located
3 outside of the City's Main Business Districts where
4 reinvestment for commercial use is more likely. We
5 also note that allowing uhm the as of right
6 conversion of these buildings to hotels would not
7 impure neighborhood character which is a goal of the
8 Text Amendment. To the contrary, the conversion of
9 the landmark building would help maintain
10 neighborhood character by facilitating the
11 restoration and preservation of struggling landmark
12 buildings. Uhm just to finish up I have provided the
13 list of landmarks for the Committee that would be
14 affected by the proposed amendment and I am happy to
15 answer any questions.

16 CHAIR FRANCISCO MOYA: Thank you uhm we
17 have a follow up question from Council Member Levin.

18 MARK LEVIN: Thank you chair, uhm sorry
19 to the Otto Bach presenters, can you share with us
20 really quickly the square footage of hotel use, hotel
21 use and the square footage of the of the medical use?

22 AMBROSE NARIZZA (SP?): So, the medical
23 use is going to be approximately 6,000 square feet.
24 Uhm and the hotel, just a second like 4,000 and then
25 and not the hotel sorry the restaurant.

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MARK LEVIN: Okay.

AMBROSE NARIZZA (SP?): And the hotel is going to be the rest, so if you look at the uhm, uhm hotel use, so it's around 36,000 square feet.

MARK LEVIN: 36, okay, thank you.

CHAIR FRANCISCO MOYA: Thank you, thank you very much for your testimony today. I will call up the next panel which is uhm Darrell Hollar and Maria Rocha. Got it.

DARRELL HOLLAR (SP?): Are we ready?

CHAIR FRANCISCO MOYA: Yes.

DARRELL HOLLAR: Good morning Chairman Moya and Members of the New York City Council Subcommittee. Thank you for the opportunity to testify. My name is Darrell Hollar and I manage two industrial business zones in Brooklyn East and I am going to cut right to the chase because I only got two minutes. Uhm the proliferation of hotels in Brooklyn East Service Area mandates and in-depth permit to place checks and balances on any future development in the M1 zones. There are many reasons, I am going to point out just one. This is the crux of my testimony. It will probably take three or four minutes but I got to get this paragraph in. A

1
2 graphic example of this can be found at the edge of
3 the East New York of the East New York Industrial
4 Business Zone at 268-272 Williams Avenue.

5 Unbeknownst to much of the community this site is now
6 under the hotel construction. Earlier this year an
7 anonymous Rosland New York based company filed
8 applications for two East New York IBZs located
9 properties totally over 51,000 square feet to erect
10 two four-story hotels. Most disturbing is that half
11 a block south of these two, of these two properties
12 is a bustling residential community with one of the
13 highest unemployment rates in the borough, uhm in al
14 of New York, 11.2% according to the American
15 Community Survey figures, almost 3 times the New York
16 City's 4.2% unemployment rate. In comparison,
17 unemployment figures for this area from other sources
18 range from 12.5 to 17.9%. The loss of this property
19 to hotel development negates the opportunity for
20 industrial development that could conceivably support
21 25 or more well-paying manufacturing jobs. In sum,
22 this would be a lost to an East New York Community
23 that suffers from a devastatingly high unemployment
24 rate and opportunities limited to low paying jobs.
25 Along with the restrictions of some storage

1 facilities passed by the Council in December, the
2 proposed restrictions to hotel construction in
3 manufacturing zones is part of New York City's 2015
4 Industrial Action Plan which aims to preserve the
5 integrity of Industrial areas. We support these
6 policies but I think in order to honor this
7 commitment the City should also be advancing more
8 stringent group reforms in industrial areas. And in
9 closing, establishing a Special Permit for hotel
10 development in manufacturing zones is yet another
11 step toward dissuading encroachment of competing uses
12 that crowd quality jobs and jobs for job intensive
13 industrial firms. This must be done. Thank you.

14 CHAIR FRANCISCO MOYA: Thank you.

15 DARRELL HOLLAR (SP?): Any questions, I?

16 CHAIR FRANCISCO MOYA: Thank you.

17 MARIA ROCHA: Okay, good morning ladies
18 and gentlemen of the City Council and fellow New
19 Yorkers. I am Maria Rocha, resident of Sunset Park,
20 a long-time resident at that and founding of the
21 Friends of Sunset Park. Founder of the two ad.. we
22 were founded to advocate for the preservation and
23 restoration of our namesake Park, working industrial
24 waterfront as well as the upland. I am here also as
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1
2 a member of POWWA which stands for Preserving Our
3 Working Waterfront Alliance. Uhm I come before you
4 to speak about the proposed M1 hotel Text amendment
5 requiring a Special Permit of Citing a hotel in an M1
6 zone property. We have been living with that
7 nightmare for decades already. So, to many
8 disruptions are many, major disruptions uhm are many
9 when hotels are cited in M1 zones or adjacent that
10 are adjacent particularly to residential areas and
11 manufacturing areas. Or let, sometimes just
12 commercial areas. Sunset Park is one of those
13 seriously and negatively impacted neighborhoods.
14 While New York City is way overdue for a measured
15 process for citing hotels in M1 zones as well as
16 areas neighboring M1 zones, what is being proposed
17 needs tighter controls as well as allowing for an
18 immediate moratorium on all future hotels in areas
19 with existing oversaturation of hotels. Uhm beyond
20 citywide considerations, neighborhoods must be
21 evaluated individually. Sunset Park is one of those
22 oversaturated areas where hotels and other zoning
23 loopholes have vandalized our family friendly
24 community. Speaking of hot sheet hotels as referred
25 by Chair Salamanca, uhm Sunset Park already has 13,

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2 13, of them within a two-mile square area, further
3 facilitating, assisting and growing human trafficking
4 activities there are six hot sheet hotels alone on
5 39th Street between 4th and 9th Avenues with active and
6 flagrantly visible prostitution type human
7 trafficking. These six hotels share blocks with
8 residential buildings. If I may just go a small
9 paragraph, uhm we haven't heard anything here today
10 on the negative impact on neighborhoods like Sunset
11 Park already experiencing and we know that we are not
12 alone in New York City. What about the public
13 safety, the burden on our first responders
14 particularly the NYPD and FDNY when these hotels
15 behave badly for the many reasons, many ways they do.
16 Environment and climate change, clean water and sewer
17 demands as well as building in flood zones, traffic
18 congestion, access to nearby hospitals and hotels
19 attract large numbers of patrons inebriated on their
20 way home and I could add which will be my written
21 testimony and I appreciate it.

22 CHAIR FRANCISCO MOYA: We, we have to
23 wrap it up. I appreciate it and thank you. You can
24 finish.

25 MARIA ROCHA: That's it.

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CHAIR FRANCISCO MOYA: Okay.

MARIA ROCHA: It'll be longer than it will be in the written. I will just elaborate on all of those issues.

CHAIR FRANCISCO MOYA: Great.

MARIA ROCHA: We have great experience in that, we can speak from personal experience in our neighborhood.

CHAIR FRANCISCO MOYA: Okay thank you both for testimony here today. Thank you very much. We will call up the last panel, uhm oh man. Pieman Lodi (SP?), Gene Kauffman, Evan Weiss, and Paul uhm Foshi (SP?). Thank you. You may begin.

Good morning Chair Moya and fellow Council Members. My name is Pieman Lodi (SP?). I am the Senior Vice President with the Real Estate Board of New York. I am here today to offer our testimony, REBNY strongly opposes the proposed M1 Hotel Text Amendment that would significantly limit as of right hotel development citywide. It is the experience of our members that the requirement of a Special Permit has been the deterrent to New Hotel Development and the draft scope of work states that the proposal will limit the land area of the as of right hotel

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2 development by 45%. The proposal claims that the
3 Zoning in the M1 Districts gives hotels a competitive
4 advantage over most other permitted uses and detracts
5 from opportunities for other kinds of development,
6 yet there is insufficient data to support those
7 claims and in fact the market shows that this is not
8 the case. Over the course of the past few years, the
9 City has often applied a Hotel Special Permit on both
10 public and private applications throughout the City
11 including central locations like East Midtown and the
12 Garment District where hotel development should be
13 encouraged rather than continuing with this piecemeal
14 and opaque approach to regulating new hotels, the
15 City should state its position on as of right hotel
16 development. Further the City needs to undertake a
17 comprehensive study of the impact of recent land use
18 actions on the hotels industry instead of the
19 segmented analysis provided in the City's Hotel
20 Study. We have outlined you know a series of
21 proposed modifications uhm one is to exclude areas
22 with existing special permit provisions, exclude
23 Manhattan from the Hotel Special Permit, consider an
24 alternative based on the number of room keys and
25 limit the Special Permit on a date certain. The

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2 hotel industry is a critical lynch pin of our City's
3 tourism, economy and it is vital that hotel
4 development not be constrained. The proposed action
5 is an unnecessary constraint on the rights of
6 property owners to address a market condition that
7 needs no correction and appears to be motivated by
8 factors unrelated to sound planning. Thank you. It
9 is unclear why the City is advancing a proposal that
10 would impose heavier restrictions on hotel
11 development and the Hotel Study submitted fails to
12 make a case of its need. We respectfully request
13 that the City Council not support this Zoning
14 Proposal in its current form. Thank you.

15 CHAIR FRANCISCO MOYA: Thank you.

16 GENE KAUFMAN: Chairman Moya and members
17 of the Zoning Subcommittee. I am Gene Kaufman,
18 President of Gene Kaufman Architect. We have
19 designed 83 hotels with over 18,000 hotel rooms in
20 New York City nearly 40% are in M1 zones. These
21 hotels contribute to New York City's economy in many,
22 many ways, creating hundreds of construction jobs,
23 thousands of operational jobs and untold additional
24 jobs for nearby businesses that support them. They
25 help drive our local economy through tourism and

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2 business travel, thus supporting the vibrancy of
3 businesses and the arts citywide. Hotels play a
4 critical role in making New York City the leading
5 global city so it is extremely unfortunate that our
6 City's Hospitality Sector will be so damaged by this
7 Text Amendment. The risks, time and cost of the
8 Special Permit for a hotel in M1 Zones will certainly
9 halt all such development. The Council's action will
10 slash about 45% the available land but none the less
11 hotels are only occupying less than 1% of that land.
12 Why would the Council want to constrain supply, drive
13 up the cost of visiting the City and incentivize the
14 use of Air B and B as a hotel alternative? My
15 submitted testimony explains in details the harmful
16 effects of constricting the hotel supply, suffice it
17 to say that this is immeasurably damage the City's
18 Economy and its reputation. Should the Council
19 proceed with this Text Amendment I respectfully
20 request that it Amend the Vesting Provision to
21 protect those who have made financial obligations
22 from having their rights taken due to Zoning Action
23 by the Council. The proposed 3-year period to
24 complete the Department by April 23, 8 months ago is
25 unfair to people who obtained permits after this

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2 date. Therefore, at a minimum, the Council should
3 change the Vesting Date to the December date of the
4 Council vote. Other very advisable recommendations
5 include one placing a sunset date on this amendment
6 to phase it out and two eliminating.

7 CHAIR FRANCISCO MOYA: Go head.

8 GENE KAUFMAN: Eliminating Manhattan's M1
9 from the change altogether which is listed as a City
10 Planning Proposal Alternative. Since these zones in
11 Manhattan are so unlikely to be used for
12 manufacturing purposes in the future. The majority
13 of M1 hotels, Brooklyn, Queens and the Bronx have
14 room rates of under \$150 a night and allow ordinary
15 middle-class people to visit the City that will not
16 be able to visit if this amendment passes. Special
17 Permits have previously been created in Tribeca
18 (SP?) in East Midtown and other areas. There have
19 been zero applications for the Hotel Special Permit,
20 the record shows, Special Permits for hotels mean no
21 hotels. Thank you.

22 CHAIR FRANCISCO MOYA: Thank you.

23 PAUL FOSHI: Good morning, thank you for
24 having us here. Paul Foshi (SP?) principal with Omni
25 Build Construction. Omni Build is one of the largest

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2 hotel builders in New York City and I wanted to just
3 present for you today a few facts and then figures to
4 understand and underscore what Mr. Kaufman said and
5 my other colleagues about how we can't understate the
6 economic impact of hotel construction in New York and
7 now typical hotel project in New York City employs
8 anywhere between 200 and 250 workers per day
9 typically for a period of about two years. We hire
10 dozens of subcontractor firms which are small
11 businesses here in New York City who hire from their
12 communities and as everyone is aware there is a very,
13 very tight labor market at this point doing no small
14 part to the amount of construction going on in New
15 York. So economically the people of New York have
16 benefited because of this construction and will
17 continue to do so as long as people are able to
18 develop within the legal limits of the M1 and other
19 and other districts. Statistics that we have seen
20 recently we add 5% a year in hotel rooms in New York
21 City consistently over the last seven years. Room
22 rates, occupancy rates remain close to 90% so the
23 consumption and the demand is is evident to
24 underscore what Mr. Kaufman said earlier. Less than
25 1% of available land in the M1 Zone is used for hotel

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2 usage. Up to 16% of that land is vacant, unused. The
3 perception that there is a lack of land available in
4 the M1 Districts for manufacturing use I think is a
5 little backwards. There is a lack of demand for
6 manufacturing uses in those zones. There is not a
7 lack of space. So even again with the the emphasis
8 that Gene put forth about Special Permits. Of the 12
9 million square feet available to hotels with a
10 Special Permit, zero applications have been filed to
11 get a Special Permit because developers know that
12 they won't take that risk and it is what they do.
13 They are in the business of risk at times. Uhm so
14 basically my point is that there is a tremendous
15 economic boost to New York City economy as a result
16 of the hotel work that has been steadily going on
17 through the 90s and into the 2000s and to curtail
18 would be cause of a I think well intended but
19 misplaced view of the spacial constraints is a is a
20 mistake so we are opposed to this Text Change. Thank
21 you.

22 CHAIR FRANCISCO MOYA: Thank you.

23 EVAN WEISS: Uhm good morning Chair Moya
24 and members of the Zoning Subcommittee. Thank you
25 for allowing me to speak today. My name is Evan

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2 Weiss I am the Chief Operating Officer and Principal
3 with LW Hospitality Advisors. We are exclusively
4 focused on hospitality and gaming spaces. We provide
5 valuation, advisory, consulting services inclusive of
6 appraisals, feasibility studies, market studies and
7 other consulting and advisory type of reports and
8 assistance to hotel owners, operators, developers,
9 lenders across the country. Our firm produced the
10 report that explores the historical and perspective
11 economic trends of the New York City Hotel and
12 Tourism Market and the potential unattended economic
13 and social impacts for various New York City
14 Stakeholders if the proposed Special Permit to limit
15 new hotel development in M1 Zoning Districts is
16 adopted by the New York City Council. While some of
17 the DCPs arguments present that in the M1 Hotel Text
18 Amendment Draft Scope of work for an environmental
19 impact statement dated September 27, 2017 may have
20 merit the report's conclusions largely rely on
21 unsupported assumptions. Overall the report and the
22 analysis fail to consider the repercussions from
23 artificially restricting hotel development in M1
24 Zoning Districts. The report which we have provided
25 ot the committee concludes that the proposed Special

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2 Permit Zoning Change restricting new hotel
3 development at M1 Zones is at best misguided. The
4 Hotel and Tourism Industries have historically been a
5 vital part of the City's economy generating hundreds
6 of thousands of jobs, billions of dollars in tax
7 revenue and over \$64 billion in direct and indirect
8 economic impact in 2016 alone. Despite hotel owners
9 experiencing the negative effects of additional
10 competition in a form of reduced rates and sometimes
11 reduced net operating income and profit. New York
12 City is anticipated to continue to achieve increased
13 economic and social benefits from hotel and tourism
14 growth. Although restricting Hotel Development in M1
15 Zones is not anticipated to reduce historical
16 contributions of the industry it is projected that
17 restricting M1 Hotel Development will reduce the
18 potential economic and social benefits to the City in
19 the long term. For the reasons, we believe that
20 current action plan by the City Council to adopt the
21 CPCs Special Permit. Can I finish? Thank you. For
22 a new hotel development in M1 Zones to be imprudent
23 and we respectfully request that it should not be
24 adopted in the near future. I would just make one
25 more point. You know the, a closing thought would be

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2 the that the revenue that you mentioned early on this
3 process when the announcement of the Zoning change,
4 Text of the Zoning Change was that instead of
5 disincentivizing hotel use if you really care about
6 manufacturing and creating jobs in that way, why
7 don't we reincentivize and even potentially increase
8 opportunities for manufacturing with increased FAR
9 bonuses and things of that nature. Thank you very
10 much for your time.

11 CHAIR FRANCISCO MOYA: Thank you, thank
12 you all for your testimony today. Are there any
13 other members of the public who wish to uhm testify?
14 Seeing none I now close this public hearing on this
15 application and it will be laid over. Uhm. This
16 concludes today's meeting and I would like to thank
17 the members of the public, my colleagues and of
18 course the great staff and council and Land Use for
19 attending today's hearing. This meeting is hereby
20 adjourned.

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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 November 30, 2018