

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

SUB COMMITTEE ON PLANNING,
DISPOSITIONS AND CONCESSIONS

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June 2, 2009
Start: 1:46pm
Recess: 2:00pm

HELD AT: Council Chambers
City Hall

B E F O R E:
DANIEL R. GARODNICK
Chairperson

COUNCIL MEMBERS:
Inez E. Dickens, acting Chair
Sara M. Gonzalez
Vincent Ignizio

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

Meenakshi Varandani
New York City Economic Development Corporation

Paul Brancato
Ideal Steel Supply

Carol Clark
Assistant Commissioner
Housing Preservation and Development

Ted Weinstein
Director, Office of Bronx Planning
Housing Preservation and Development

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COUNCIL MEMBER DICKENS: I'm

Council Member Inez Dickens and I will be chairing this afternoon Planning sub committee of Land Use in the place of Chairman Dan Garodnick. We have two items on for today, LU 1105 the North Zerega industrial site in Council Member Vacca's district and LU 1102 the Carl C. Icon Charter School in Council Member Foster's district.

We will begin with LU 1105, North Zerega industrial site in Council Member Vacca's district. I believe we have two members from EDC here to testify, Meenakshi, excuse me pronounce the last name for me. Please come forward and when you give your name, please spell it and Paul Brancato. Please come forward. While you're taking your seat I want to acknowledge the Council Members that are on this committee that are here, Council Member Sara Gonzalez from Brooklyn, Council Member Vinny Ignizio from Staten Island and that's it. Of course I want to thank the Land Use staff that's here, in particular Gale Benjamin. Would you please begin by giving your name, where you're from and spell your name?
Thank you.

MEENAKSHI VARANDANI: Good

afternoon. I'm Meenakshi Varandani from the New York City Economic Development Corporation. You spell my name as M-E-E-N-A-K-S-H-I Varandani is V-A-R-E-N-D-A-N-I. I'm here with Paul Brancato from Ideal Steel. We're both going to speak in favor of the project.

The application in front of us is ULURP C090249PPX. And we are here to request your support for this application, which is for a disposition of city owned property from Department of Citywide Administrative Services to the New York City Economic Development Corporation with further intention for us to dispose of this property to Ideal Steel. This property under consideration is Block 3838 part of Lot 60 located in the community board 9 of the Bronx.

Ideal Steel is a manufacturer and steel processing and manufacturer and distributor of ornamental, artistic and structural steel. They were selected through a competitive RFP process which was managed and administered by Economic Development Corporation. This project has received favorable support from the community

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2 board 9, from the borough president as well as the
3 City Planning Commission. We've also met with
4 Council Member Vacca and we believe we have
5 favorable consideration towards this project and
6 we request the same of the committee and the
7 Council. Thank you and I'll hand it over to Paul.

8 PAUL BRANCATO: My name is Paul
9 Brancato, I'm with Ideal Steel Supply. Brancato
10 is spelled B-R-A-N-C-A-T-O. If I could add to
11 what Meenakshi said, I want to tell you a little
12 bit about Ideal Stell. We're a company of about
13 15 years old. We had locations in Queens near JFK
14 airport and in the Hunts Point section of the
15 Bronx. We have successfully been a distributor of
16 steel for every application from artistic to
17 construction usage within the city. We ask you to
18 support this project so we can continue to grow
19 and expand within New York City.

20 The project will be in addition to
21 our current operations so we'll only be adding
22 jobs to our existing job base. In addition it has
23 provisions for incubator shops which will make it
24 possible for small business owners to start metal
25 working shops with less than the usual capital

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2 outlay. Furthermore there's a welding school
3 which will create an opportunity to train local
4 resident in the metal working arts for jobs with
5 Ideal Steel, the incubator shops and other
6 companies in the city.

7 We have presented this to the
8 community board. We were successful at the RFP
9 process, competing against many other developers.
10 The local Council Member has indicated his support
11 so if there's any questions, I'll take them.

12 COUNCIL MEMBER DICKENS: Thank you
13 so much. Some of my colleagues may have
14 questions. You indicate here that there will be
15 100 permanent jobs. How many of them are
16 presently existing of that 100?

17 MR. BRANCATO: Zero. Again, this
18 is a total expansion so this is, in essence, a new
19 project for us. It's a new concept and it will
20 entirely be new employment. There'll be no
21 transfers of current employees.

22 COUNCIL MEMBER DICKENS: And this
23 is an expansion and you will be acquiring city
24 owned land, is that correct?

25 MR. BRANCATO: Yes, that's correct.

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2 The nature of our business requires that we have
3 buildings with bridge cranes in them. So it's not
4 the type of thing that we can retrofit from
5 existing buildings, which is why we pursued the
6 RFP. Many of our competitors have moved out of
7 town to New Jersey or Connecticut. In developing
8 our own site, we'll be able to stay within the
9 City of New York.

10 COUNCIL MEMBER DICKENS: Now please
11 explain to me about the ten incubation shops, the
12 small businesses. I'm very interested in that.

13 MR. BRANCATO: That's one of the
14 best parts of the project. In order to work with
15 metals you often need heavy machinery, you need a
16 wide array of inventory and stock if you want to
17 set up your own shop. What the incubator concept
18 here is that because it will be located next to an
19 Ideal Steel facility with much less square
20 footage, an entrepreneur can open up an iron
21 working shop relying on the fact that he or she
22 can get materials from Ideal Steel and it's right
23 there.

24 Also we'll make available our
25 sophisticated processing equipment to those

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2 incubator entrepreneurs on an as needed basis. So
3 they can have, in essence, a turn key fully
4 functioning shop in much less square footage.
5 Even at the reduced square footage we're
6 contemplating subsidizing the rent so that we
7 wouldn't charge a full market rent but rather a
8 reduced rent for people that really demonstrate
9 that they can do something special with metal and
10 that they really have a viable business concept.

11 COUNCIL MEMBER DICKENS: That
12 sounds great. Now let me ask you, are these small
13 businesses are they newly formed or are they
14 existing? If they are existing where are you
15 getting them from?

16 MR. BRANCATO: We haven't really
17 started that process because we want to time that
18 closer to--obviously a new business isn't going to
19 plan several years in advance as we've been going
20 through this process. But primarily they would be
21 new businesses most likely people that are
22 currently working some where but dream of having
23 their own iron shop and doing things their own
24 way.

25 COUNCIL MEMBER DICKENS: The

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2 welding school, who will be operating that, how
3 many students, how long is the course?

4 MR. BRANCATO: We haven't gotten to
5 the point where we have that established. I'm in
6 touch with various non profit entities, some from
7 out of state and Rhode Island that have similar
8 concepts where they train people in metal working.
9 So we're really developing that but what I can say
10 is we committed to working what the local
11 community board and other local organizations to
12 make sure that the people that we train will come
13 from the local community and hopefully use their
14 skills that they acquire in the local community.

15 COUNCIL MEMBER DICKENS: Just
16 lastly, the metal art studio, that sounds very
17 exciting and very nouveau. Tell me a little
18 something about that.

19 MR. BRANCATO: Again, that's still
20 being conceptualized but obviously what we thought
21 would be nice. Once the complete model train set,
22 if you will, is running it would be nice to have a
23 place where we could exhibit the work that's done
24 by the incubator shops or the welding schools sort
25 of as a show place for people that we want to

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2 introduce the concept to. It's something that we
3 think will be a unique concept and that hopefully
4 we'll have people that actually come to the
5 welding school, get a job with Ideal Steel and
6 then maybe one day have their own business in an
7 incubator shop. It's basically just a place to
8 showcase what will be created there.

9 COUNCIL MEMBER DICKENS: Thank you.
10 No questions from my colleagues. All right.

11 MR. BRANCATO: Thank you.

12 COUNCIL MEMBER DICKENS: Thank you
13 so much. Next we will be looking at LU 1102, Ted
14 Weinstein from HPD and Deputy Commissioner Carol
15 Clark, please come forward. And although I know
16 you, please identify yourselves, spell your name
17 and where you're from.

18 CAROL CLARK: Yes, I'm Assistant
19 Commissioner Carol Clark, HPD. I'm joined by Ted
20 Weinstein, who is the Director of HPD's Office of
21 Bronx Planning who will give the testimony on this
22 item. Ted?

23 TED WEINSTEIN: Good afternoon.
24 This involves a fairly small irregularly shaped
25 vacant city owned lot on Clairmont Parkway in

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2 community district 3 in Councilwoman Foster's
3 district. There was at one time a small multi
4 family building on this site that had to be
5 demolished because of its condition. Immediately
6 adjoining this lot is the Carl Icon Charter
7 School, which has been there for a number of
8 years. It's a very reknowned charter school at
9 this time. When the building was even still
10 there, the school was asking about the
11 availability of the site. At that time it was not
12 available. And once the building was demolished
13 that increased their interest in the site so that
14 they could make use of it.

15 A couple of years ago they built at
16 the end of the adjoining block a middle school.
17 The original school was an elementary school, then
18 they build a middle school to become part of their
19 campus there. But that left them with not enough
20 open space for playground so they asked if they
21 could obtain this particular lot, again,
22 immediately adjoining the building so that they
23 could expand and have room, both for the
24 elementary school and for the middle school. With
25 community support and Council Member support, we

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2 approved of that and we've gone through this
3 process to arrive here today.

4 COUNCIL MEMBER DICKENS: Thank you.
5 Now the purpose of the designation of this
6 property is it to expand an existing playground or
7 is it the creation of a playground?

8 MR. WEINSTEIN: They have toward
9 the back of their current building, they have some
10 open area playground. But it's not sufficient now
11 that they have additional. They originally were
12 opening up with only 180 students. With the
13 middle school now there'll be 320 students
14 altogether so they need additional space. So it's
15 an expansion of the existing playground.

16 COUNCIL MEMBER DICKENS: will this
17 be a green playground? In other words will it be
18 friendly for the children? We've been having
19 hearings here at the City Council in reference to
20 some of the overlay that's been in some of the
21 playgrounds. Can you please explain to me what
22 that will be about?

23 MR. WEINSTEIN: It will be paved
24 with some bushes around. It will be landscapes,
25 it will look attractive. It fronts on Clairmont

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2 Parkway main street but it won't be like a ball
3 field for example.

4 COUNCIL MEMBER DICKENS: I'm really
5 referring to what the playground is paved with
6 because some of the playgrounds we're finding have
7 been paved with an element that retains heat. And
8 children have been burned as a result of it so
9 that's what I'm asking about.

10 MR. WEINSTEIN: I don't know the
11 exact material but I can certainly come back to
12 them with that.

13 COUNCIL MEMBER DICKENS: Can you
14 please provide that to the Chair of this
15 committee? Thank you. Do my colleagues have any
16 questions? No questions. Thank you so much for
17 your testimony and we will entertain a vote.

18 MR. WEINSTEIN: Thank you.

19 COUNCIL MEMBER DICKENS: Thank you
20 so much. There are several other items that will
21 be laid over and we will be taking a vote on these
22 two items that we've heard today, that's LU 1102
23 and 1105. I'm going to ask my attorney Carol to
24 please call the roll call vote. And I recommend
25 an eye on both items.

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COUNSEL: Carol Shine, Counsel.

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Council Member Dickens?

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COUNCIL MEMBER DICKENS: Aye.

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COUNSEL: Council Member Gonzalez.

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COUNCIL MEMBER GONZALEZ: Aye.

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COUNSEL: Council Member Ignizio.

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COUNCIL MEMBER IGNIZIO: Yes. I'd

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like to just congratulate our Chairwoman today for

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doing an excellent job and my colleague Council

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Member Vacca for working very hard in the

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application in his district and proudly vote aye

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on all.

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COUNSEL: Vote stands at three in

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the affirmative, none in the negative and no

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abstentions and it's referred to the full

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committee.

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COUNCIL MEMBER DICKENS: I'm going

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to leave the vote open for ten minutes for any of

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the members that might want to come in and vote.

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COUNSEL: Chair Garodnick.

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CHAIRPERSON GARODNICK: Thank you

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very much. I vote aye.

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COUNSEL: The vote stands at four

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in the affirmative, none in the negative and no

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abstentions.

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CHAIRPERSON GARODNICK: And with

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that, I thank Committee Counsel and this meeting

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is adjourned.

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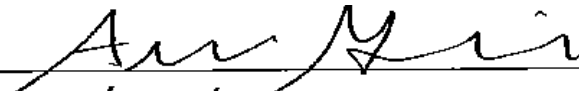
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C E R T I F I C A T E

I, Amber Gibson, 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

A handwritten signature in cursive script, appearing to read "Amber Gibson", written over a horizontal line.

Date June 18, 2009