

SUBCOMMITTEE ON LANDMARKS, PUBLIC SITINGS
AND DISPOSITIONS

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CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

SUBCOMMITTEE ON LANDMARKS, PUBLIC
SITINGS AND DISPOSITIONS

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May 7, 2020
Start: 1:15 p.m.
Recess: 3:25 p.m.

HELD AT: Remote Hearing

B E F O R E: Adrienne E. Adams,
Chairperson for Subcommittee on
Landmarks, Public Sitings and
Dispositions

Rafael Salamanca, Jr.,
Chairperson for Committee on Land
Use

COUNCIL MEMBERS:

Mark Treyger
Inez Barron
Daneek Miller
Helen Rosenthal
Ben Kallos

SUBCOMMITTEE ON LANDMARKS, PUBLIC SITINGS
AND DISPOSITIONS

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Sarah Mallory
Executive Director for Governmental Affairs at
NYC Department of Housing Preservation and
Development

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Christine O'Connell
Housing Finance and Community Development
Specialist at NYC Department of Housing and
Preservation and Development

8

Brian Sahd
Member of the public

9

10

Samantha Magistro
Bronx Pro

11

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Carol Rosenthal
Fried Frank and Land Use Council to Fetner
Properties

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Gale Brewer
Manhattan Borough President

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Robert Bornstein
Member of the public

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Mark Diller
Member of the public

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Richard Iorio
Member for the SCIU 32 BJ

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Sara Lind
Co-Secretary of Community Board 7

23

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Sheldon Fine
President of the West Side Federation for Senior
and Supportive Housing

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SUBCOMMITTEE ON LANDMARKS, PUBLIC SITINGS
AND DISPOSITIONS

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SERGEANT AT ARMS: Good afternoon everyone.

3

Welcome to the Committee on Landmarks, Public Sitings

4

and Dispositions. Will all Council Members and

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Council Staff please turn on your videos at this

6

time. Please place all cellphones and electronic

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devices on vibrate. Any testimonies can be sent to

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landusetestimonies@council.nyc.gov. Again, that's

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landusetestimonies@council.nyc.gov. Thank you and we

10

will begin momentarily.

11

SERGEANT AT ARMS: We're ready.

12

CHAIRPERSON ADAMS: Good afternoon. I'm Council

13

Member Adrienne Adams and welcome to this historic

14

meeting of the Subcommittee on Landmarks, Public

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Sitings and Dispositions. This is the first ever

16

remote meetings of this Subcommittee. I am joined

17

remotely today by Council Members Treyger, Barron,

18

Miller, Rosenthal, Chair Salamanca, and Council

19

Member Kallos.

20

Today, we will conduct three public hearings on

21

three HPD Applications, L.U. 659, the 311-313

22

Pleasant Avenue Cluster, L.U.'s 660, the Union Avenue

23

Cluster and L.U. 661 and Preconsidered Application

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both related to the 266 west 96th Street project.

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2 Before we begin however, I want to recognize the
3 Committee Counsel who will go over the remote hearing
4 procedures.

5 JEFFREY CAMPAGNA: Thank you, Chair Adams. I am
6 Jeffrey Campagna Counsel to the Subcommittee. I will
7 be making a number of announcements throughout the
8 hearing to facilitate remote operations. Members of
9 the public who wish to testify were asked to register
10 for today's hearings. If you wish to testify and
11 have not registered, please go to www.council.nyc.gov
12 to sign up now. You may also email your testimony in
13 lieu of live testimony
14 landusetestimony@council.nyc.gov. Only register if
15 you intend to testify on one of today's agenda items.
16 If you are a member of the public who wants to watch
17 this hearing, please watch the hearing on the New
18 York City Council website. I will be announcing
19 applicants and members of the public who wish to
20 testify, please listen for your name to be called.
21 Applicant panels and members of the public will be on
22 mute until they are recognized by the Chair to
23 testify. The Chair will recognize each applicant
24 panel as a group. The Chair will recognize members
25 of the public one at a time. When the Chair

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2 recognizes you, your mic will be unmuted. Please
3 confirm that your mic is unmuted before you begin
4 speaking.

5 Each member of the public will have two minutes
6 to testify. If you have additional testimony you
7 would like to submit to the Subcommittee to consider,
8 you can email to landusetestimony@council.nyc.gov.
9 Please indicate the L.U. Number or project name in
10 the subject line of the email.

11 During the hearing, Council Members who would
12 like to ask questions of applicants or members of the
13 public, should use the Zoom raise hand function. The
14 raise hand button should appear at the bottom of the
15 participant panel. I will announce Council Members
16 who have questions in the order that they raise their
17 hands and recognize members to speak.

18 At the end of public testimony on each item, I
19 will call for the meeting to stand at ease while we
20 check to see if there are any more members of the
21 public who wish to testify. All hearings will be
22 kept open until the end of today's meeting, at which
23 time I will check to see if there is anyone left to
24 testify on today's items.

25

1
2 Lastly, as we adjust to hosting public hearings
3 via webinar, there maybe extended pauses as we
4 encounter technical delays. We will now continue
5 with today's agenda item.

6 CHAIRPERSON ADAMS: Thank you Counsel. I will
7 repeat these directions from time to time if
8 necessary. I now open the public hearing on our
9 first item, L.U. 659, the 311-313 Pleasant Avenue
10 Cluster. This application was submitted by HPD
11 pursuant to Article 16 of the General Municipal Law
12 and Article XI of the Private Housing Finance Law.
13 Requesting the waiver of the designation requirements
14 and approval of an urban development action area
15 project and requesting an exemption from real
16 property taxes for property located in Manhattan at
17 311-313 Pleasant Avenue, 51-55 East 129th Street and
18 1263 Park Avenue. The properties are located in
19 Council Districts represented by Council Members
20 Kallos, Ayala and Perkins.

21 I now recognize Council Member Kallos for opening
22 remarks.

23 COUNCIL MEMBER KALLOS: Thank you so very much
24 Chair Adams for your amazing work and I'm Council
25 Member Ben Kallos, as always you can catch me and

1
2 engage in a conversation about this at Ben Kallos on
3 social media.

4 Today, I lend my support to 311-313 Pleasant
5 Avenue Cluster. One of the buildings, 1263 Park
6 Avenue sits in my district. 1263 Park Avenue went
7 through foreclosure in 1978 and entered the TIL
8 program in 1998. Since this time, this building has
9 residents that have complied with the requirements of
10 the tenants interim lease program. The building now
11 needs substantial rehabilitation. The proposed
12 affordable neighborhood cooperative program will
13 ensure this rehab happens while preserving the much
14 needed affordable housing for these residents.

15 Under substantial rehabilitation, the
16 construction worker will consist of structural joist
17 replacement, electrical upgrades and replacement of
18 building systems including new windows, new roofs,
19 plumbing upgrades, and insulation of new boilers.
20 The scope of work also includes new bathrooms,
21 kitchens, entry doors, mason work, new flooring, new
22 mailboxes, and hallway upgrades with bilevel
23 lighting, painting, and asbestos and lead removal. I
24 know there are particularly interested in getting rid
25 of the environmental hazards.

1
2 At construction while enclosing the building will
3 be conveyed to restoring communities HDFC while the
4 property and tenant management responsibilities will
5 be transferred to the designated developer Banana
6 Kelly CIA Incorporated. Following construction
7 completion, restoring communities HDFC will convey
8 the property to the cooperative Housing Development
9 Fund Corporation HDFC formed by the new buildings
10 tenants.

11 JEFFREY CAMPAGNA: We are not streaming, so the
12 meeting will stand at ease while we fix the
13 streaming. I apologize. As we said, this is our
14 first time doing this.

15 COUNCIL MEMBER KALLOS: No worries. Are we
16 starting over from the very beginning or from the
17 middle?

18 JEFFREY CAMPAGNA: I'm checking right now.

19 COUNCIL MEMBER KALLOS: Okay.

20 JEFFREY CAMPAGNA: While we are standing at ease,
21 for any members of the public who wish to testify,
22 please go to the Council website to register for this
23 hearing if you have not already done so.

24 Did we lose Council Member Kallos?

25 COUNCIL MEMBER KALLOS: Are we back on?

1

JEFFREY CAMPAGNA: I'm checking.

2

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COUNCIL MEMBER KALLOS: Okay, my staff has let me
know that they are able to see the stream on Vimeo.

4

5

JEFFREY CAMPAGNA: Okay, then you may continue.

6

COUNCIL MEMBER KALLOS: Thank you very much. The
existing tenants will become shareholders and will
pay \$2,500 per apartment with a monthly maintenance
at 41 percent of AMI, that equates to \$1,006 per
month for a two bedroom unit. 1263 Park Avenue
currently has ten units, eight of which are occupied.
The two vacant units will be sold for a prize
affordable to families at 165 percent of AMI. I have
engaged with the existing tenants at this location,
they inform me of their excitement and desire to
participate in this program and they look forward to
a smooth process and are anxious for it to be
completed. I'd like to thank the members at 1263
Park Avenue Tenants Association. I'd like to thank --
and they are present, Ronald Stewart for engaging
this project and for communicating with my office.
I'd also like to thank the staff at HPD who worked on
this project for helping to preserve and create
affordable housing in my district. I also want to
thank the Committee staff for getting this done

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2 through the pandemic and making sure that we provide
3 affordability for generations.

4

5 So, thank you. I support these projects and we
6 are trying to do multiple hearings at once, so I'll
7 actually be jumping off and going to the next item,
8 but I want to thank you and thank the Chair and urge
9 all the Committee Members to support this project.

9

Thank you.

10

11 JEFFREY CAMPAGNA: The meeting stands at ease
12 again. We are working to make sure that the live
13 stream is up for the public, that's why we're
14 standing at ease. There is a technical issue.

14

15 Council Members, I'm sorry, I was muted our
16 technical issues to resolve, we are streaming, so we
17 can proceed.

17

18 CHAIRPERSON ADAMS: Thank you very much Council
19 Member Kallos for your remarks and thank you for
20 being here. We appreciate that.

20

Okay, we're going to go ahead and proceed.

21

Counsel, please call the first panel for L.U. 659.

22

23 JEFFREY CAMPAGNA: The applicant panel up for
24 L.U. 659 is Cristine O'Connell and Sara Mallory both
25 from HPD.

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AND DISPOSITIONS

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CHAIRPERSON ADAMS: Okay, Counsel, please
administer the affirmation.

JEFFREY CAMPAGNA: Please raise your right hands.
Do you affirm to tell the truth, the whole truth and
nothing but the truth in your testimony before this
Subcommittee and in answer to all Council Member
questions?

PANEL: I do.

CHAIRPERSON ADAMS: Thank you. Before you begin,
please state your name and affiliation for the
record.

SARAH MALLORY: Hi, my name is Sarah Mallory and
I am here on behalf of HPD.

CHRISTINE O'CONNELL: I'm Christine O'Connell.
I'm here on behalf of HPD.

CHAIRPERSON ADAMS: Thank you very much. You may
begin.

SARAH MALLORY: Thank you so much. Land Use item
number 659 for the proposed disposition of three
partially occupied city owned buildings and the
approval of Article XI tax benefit for the buildings
located at 311 Pleasant Avenue (Block 1710, Lot 27),
51-55 East 129th Street (Block 1754, Lot 25) and 1263

1
2 Park Avenue (Block 1625, Lot 72) in Manhattan Council
3 Districts 5,8, and 9.

4 Known as the 311-313 Pleasant Avenue ANCP
5 cluster, the buildings will be developed through
6 HPD'S affordable neighborhood cooperative program.
7 Under the program guidelines, city owned multiple
8 dwellings are conveyed to restoring communities HDPC
9 for \$1.00 per tax lot and then rehabilitated by
10 private developers selected through a competitive
11 process.

12 The developer will sign a site development and
13 management agreement with restoring communities, that
14 will be in effect until co-op conversion occurs and
15 the title transfers from restoring communities HDPC
16 to the individual cooperatives.

17 From the time of the cooperative conversion, the
18 developer will remain the property manager for at
19 least one year. After the first year, the co-ops
20 will have the choice of keeping the developers
21 property manager or hire a new company approved by
22 HPD.

23 All of the buildings entered into city ownership
24 through an in rem foreclosure process. 311-313
25 Pleasant Avenue and 1263 Park Avenue became city

1
2 owned in 1978 and entered the Tenant Interim Lease
3 program. In 1998, while 5155 East 129th Street,
4 became city owned in 1978 and entered the TIL program
5 in 2001.

6 As part of the TIL program, tenants are required
7 to form tenant associations to self-manage their
8 buildings which includes collecting rents under a net
9 lease agreement with HPD. Currently, there are 38
10 occupancies and these tenants are ready to move
11 forward with the next steps in cooperative conversion
12 under HPD's ANCP.

13 A designated developer for the Pleasant Avenue
14 Cluster is Banana Kelly. An organization that was
15 selected through a competitive process. The
16 developer will be responsible for managing the
17 temporary relocation of tenants and rehabilitation
18 activities.

19 The work will consist of structural joist
20 replacement work, electrical upgrades and replacement
21 of building systems including new windows, a new
22 roof, plumbing upgrades, and the installation of a
23 new boiler. Apartments in some of the buildings will
24 require layout changes to ensure that layouts conform
25

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2 with the 2014 DOB Building Code and are handicap
3 accessible.

4 Post-rehab, the Pleasant Avenue Cluster will have
5 a total of 64 residential units of various mixture
6 types. Post rehabilitation, the mixture of unit
7 types will be one, studio, 12 one bedroom, 22 two
8 bedroom, 13 three bedroom and 16 four bedroom
9 apartments.

10 Of the 64 units, 38 units will be occupied by
11 returning shareholders. Household incomes for
12 existing tenants range between 100 percent to 110
13 percent of AMI and the cooperative interest
14 attributable to occupied apartments will be sold to
15 the existing tenants for \$2,500.

16 Additionally, maintenance is anticipated to be
17 approximately 41 percent AMI for existing tenants,
18 which is roughly \$769 for a studio, \$826 for a one
19 bedroom, \$1,006 for a two bedroom, \$1,157 for a three
20 bedroom, \$1,297 for a four bedroom apartment. The
21 cooperative interest attributable to the vacant
22 apartments will be sold for a price affordable to
23 families earning no more than 165 percent of the area
24 median income.

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2 In addition to seeking disposition approval, Land
3 Use Item Number 659 requests a 40 year Article XI tax
4 exemption, in order to help the shareholders,
5 maintain affordability. The term of the tax
6 exemption will be coterminous with the regulatory
7 agreement and the total tax benefit is approximately
8 Twelve million four hundred and fifteen thousand
9 dollars, one hundred and forty nine, with a net
10 present value of three million, four hundred and
11 sixty eight four hundred and thirty six thousand
12 dollars.

13 In order to facilitate development of the 311-313
14 Pleasant Avenue ANCB Cluster, HPD seeks approval of
15 Land Use Item 659.

16 CHAIRPERSON ADAMS: Thank you. I would like my
17 colleagues to ask questions. If you have questions
18 for the panel, please click on the raise hand button
19 on the participant panel. Counsel, are there any
20 Council Member questions at this time?

21 JEFFREY CAMPAGNA: I am checking now, Chair.
22 Council Member Kallos has a question.

23 CHAIRPERSON ADAMS: Council Member Kallos.

24 COUNCIL MEMBER KALLOS: Thank you. Less a
25 question, more just a thank you. The testimony was

1
2 incredibly informative. It included the net present
3 value and I feel that the members of the public are
4 well informed and I appreciate the continued
5 leadership of the Chair.

6 I guess my only question, the only one is, if I'm
7 watching at home and I understand that there is at
8 least two units available at 165 percent of AMI, what
9 is that income threshold? What if I make less and
10 where do I apply?

11 CHRISTINE O'CONNELL: Sure, hi, I'm Christine
12 O'Connell, I'm the Director of the Program. We, the
13 agency, has sort of a limitation of an area median
14 income of 165. To be a little bit more specific, the
15 units are going to be sold at 100 percent AMI. So,
16 they will be even more affordable than our
17 limitation, which is great.

18 The minimum income for purchasers 100 percent of
19 area median income and I'm just looking to see what
20 that is for this year. Let's see, that's about for a
21 household size of two, it's an income limit of about
22 \$85,000 a year.

23 In order to purchase one of these units that will
24 become available once the renovation is complete, an
25 applicant can open up a newspaper, they can go the

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2 HPD website. We will market and advertise these
3 units through Housing Connect. And so, at the time
4 that this will be available, the applicant can
5 actually fill out an application online and the
6 process will go from there. It is a lottery.

7 CHAIRPERSON ADAMS: Okay, I'm going to assume
8 that answered Council Member Kallos's question. Yes,
9 okay. Thank you so much. Counsel, are there any
10 other Council Member questions?

11 JEFFREY CAMPAGNA: There are Council Member
12 questions from Chair Salamanca, Council Member
13 Miller, and Council Member Barron in that order.

14 CHAIRPERSON ADAMS: Okay, Chair Salamanca.

15 CHAIRPERSON SALAMANCA: Yes, thank you. Thank
16 you, Chair Adams. Good afternoon everyone.

17 First, I want to just start by saying that Banana
18 Kelly, they were basically born out of my district
19 and they've been an establishment for I would say
20 over 30 years. They are a very reputable nonprofit
21 who provides housing opportunities for communities of
22 color and so, I'm excited. Council Member Kallos,
23 you're going to have a great organization working in
24 your district.

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There is a similar project that's going, a similar application that's going to be heard next, which is in my district and it is very similar to this application and my question, and I know that Council Member Kallos spoke about the marketing, he asked about that.

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9

My question here is what's the AMI again that they are going to be offering here? I heard 100 AMI.

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CHRISTINE O'CONNELL: Yes, so the units will be sold at 100 percent of area median income and will market between a band of 100 and 110 percent AMI. So, we can get sort of a pool of applicants to purchase into these co-ops.

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CHAIRPERSON SALAMANCA: Why? This application is also in Council Member Ayala's district, correct?

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CHAIRPERSON SALAMANCA: Why is the AMI so high? Why are we not giving other opportunities for individuals with a lower AMI? Because in my district, when we look at my application, I think it's lower than 100 percent.

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CHRISTINE O'CONNELL: It is lower, yes.

CHAIRPERSON SALAMANCA: So, why are you doing, why are you having a lower AMI in my district but

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2 you're not allowing that opportunity in other
3 districts?

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CHRISTINE O'CONNELL: So, the way that we set
5 sale prices in our program is based on looking at the
6 market and determining also the individual needs of a
7 project. Every project has a different set of costs
8 based on the level of work, the number of units, the
9 number of occupied versus vacant and with those
10 different factors, we are setting sale prices.

11

In this particular community, we identified that,
12 we generally look at the cost of rent versus the cost
13 to buy and we're trying to determine if someone who
14 is not currently a homeowner, because this is for
15 first time homebuyers only. Somebody who may be
16 currently living in the neighborhood as an applicant.
17 With those two factors, we're looking to set sale
18 prices so that an applicant can afford but also would
19 be interested in leaving the renters market and
20 becoming a homeowner.

21

CHAIRPERSON SALAMANCA: Alright, what's the total
22 cost to renovate these buildings?

23

CHRISTINE O'CONNELL: So, the cluster cost for
24 this particular project is about \$28 million. The
25 City of New York puts in a little over \$200,000 a

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2 unit for the renovation cost. That's our program
3 standard per term sheet and the remainder of the
4 costs are being paid for by grants and also a private
5 loan.

6 CHAIRPERSON SALAMANCA: Okay, alright thank you.
7 Thank you, Chair Adams.

8 CHAIRPERSON ADAMS: Thank you, Chair Salamanca.
9 I'm going to ask right now that all Council Members
10 turn their cameras on. Council Members, thank you
11 very much.

12 Alright, I recognize Council Member Barron.

13 JEFFREY CAMPAGNA: It's Council Member Miller is
14 next.

15 CHAIRPERSON ADAMS: Op, okay, we're going in
16 order. We'll come back to Council Member Barron.
17 Council Member Miller?

18 COUNCIL MEMBER MILLER: Wherever you go is fine.
19 If you have me up that is it, I trust that my
20 colleague will be asking similar questions and quite
21 frankly going after our Land Use Chair, there is very
22 little to ask. But, so I do have a couple of
23 questions about, the Chair asked about the
24 contributions of the city towards the renovations and
25 my questions are what percentage of the total cost of

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2 the renovations will the city be picking up at the
3 rate of 200,000 per unit as well as, what is the
4 start to finish date on this very significant work
5 that is being done, almost a total renovation of
6 these residents and then certainly, as it relates to
7 AMI's and the communities that are represented, is
8 there a Community Board preference? Is there a
9 community preference and what Community Boards are
10 being represented in these preferences?

11 CHRISTINE O'CONNELL: Sure, thank you for those
12 questions. So, I just did a quick tally, we're
13 covering about 48 percent of the total renovation
14 costs of the project. HPD is putting in about 48
15 percent. On top of that, as I mentioned there's
16 grants. So, there is state grants through the
17 Affordable Housing Cooperation. They're contributing
18 another approximately 10, 8-10 percent of the total
19 renovation costs.

20 So, we are definitely putting in the investment
21 to keep the affordability there. As we mentioned,
22 just to go back that insiders are paying \$2,500 for
23 their purchase of their unit, which is much lower
24 than the vacant unit sale price.

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In terms of timing, our projects usually when we close on construction financing, to the time that we convert to a co-op is approximately two to two and a half years. So, the sooner we get this to a closing the better. These folks have been waiting a very long time.

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And the last question that you asked was related to marketing and specifically community preference.

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So, the agency has a policy that if a building is already occupied, which these buildings are occupied.

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A little bit over 50 percent occupied. We actually

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are not able to utilize a community preference. We

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do have set asides for mobility and audio, visual

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impairment but we don't have set asides for community

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preference.

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With that being said, and this is a question that

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comes up all the time. What we do is there's always

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a local newspaper or a local periodical that the

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advertisement goes into. There's also an info

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session and we do those info sessions within the

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neighborhood that the property is being advertised.

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So, we do hope that by partnering with Council

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Members, by advertising in a local periodical and

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also having those onsite marketing or info sessions

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that we can generate some interest from the local
community.

COUNCIL MEMBER MILLER: Thank you.

CHAIRPERSON ADAMS: Thank you very much. Before
we go to Council Member Barron, I believe Counsel has
an announcement.

JEFFREY CAMPAGNA: For anybody who is an
attendee, a member of the public who would like to
testify on any of the items today. If you did not
specifically register on the Council website before
entering this webinar, please go to the Council
website now and register, so that our intake people
can make sure that you are in the right applicant
group for testifying.

Thank you Chair.

CHAIRPERSON ADAMS: Thank you Counsel. Okay,
Council Member Barron?

COUNCIL MEMBER BARRON: Thank you. I think I'm -
can you hear me?

CHAIRPERSON ADAMS: We hear you.

COUNCIL MEMBER BARRON: Thank you. Thank you so
much Madam Chair. I just have one question. The
apartments are presently half of them are occupied.

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AND DISPOSITIONS

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CHRISTINE O'CONNELL: Yes, 38 out of the 64 are
occupied.

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COUNCIL MEMBER BARRON: And these 38 persons, do
they intend to become co-op owners? Do you have any
idea?

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CHRISTINE O'CONNELL: Yes. So, the residents who
live in these buildings are already in the Tenant
Interim Lease or TIL program.

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COUNCIL MEMBER BARRON: Oh.

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CHRISTINE O'CONNELL: They had to comply with
ongoing participation requirements in order to have
this opportunity.

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COUNCIL MEMBER BARRON: And the price for them
will be \$2,500 per unit?

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CHRISTINE O'CONNELL: That's correct.

17

COUNCIL MEMBER BARRON: Or does it depend on the
size of the unit? So, it's per unit, whatever the
size of the unit is?

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CHRISTINE O'CONNELL: Absolutely.

21

COUNCIL MEMBER BARRON: So, someone who is going
to have I think a four bedroom will pay \$2,500 and
someone who will have a one bedroom will also pay
\$2,500?

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CHRISTINE O'CONNELL: That's correct.

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2 COUNCIL MEMBER BARRON: That seems to be a bit of
3 inequity there.

4 CHRISTINE O'CONNELL: Yeah, so it's a program
5 standard and just to give a little historical
6 context. So, TIL always had a purchase price of \$250
7 regardless of the unit size.

8 COUNCIL MEMBER BARRON: Right.

9 CHRISTINE O'CONNELL: And in 2012, we changed to
10 \$2,500 to sort of you know, sort of bring the program
11 up to speed. Bring it up to sort of contemporary
12 times, but since 2012, when we did raise the price to
13 \$2,500, we have instituted something called the unit
14 purchase saving plan. Which for residence that earn
15 80 percent AMI or below, their rent paid during
16 construction. A portion of it would go towards that
17 purchase price and their out of pocket when they
18 convert to co-op which would be \$250. So, as long as
19 they pay their rent, at the end, they would kick in
20 the last \$250.

21 COUNCIL MEMBER BARRON: Since there are only half
22 of the units now occupied, if a person lives in a one
23 bedroom and wants to get a four bedroom, is that
24 something that they would be eligible to do? Because
25 if I have one bedroom and I see that there is an

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2 opportunity to have a larger unit for my family or
3 whatever, then would I be able to pay that \$2,500 and
4 get a large unit?

5 CHRISTINE O'CONNELL: No, so we actually, we make
6 sure that the residents, they receive the same unit
7 that they had prior renovation. We make sure that
8 they have the same square footage, that they return
9 to the same unit. We do make allowances if a
10 resident has a mobility issue or some type of medical
11 issue where they would prefer to move to a lower
12 floor, we would honor that request through
13 documentation. But we ensure that they get the same
14 size unit that they had. If it was on an upper floor
15 and it was a two bedroom, coming downstairs to two
16 bedroom.

17 COUNCIL MEMBER BARRON: That seems to be unfair
18 that a person who has lived there will not have an
19 opportunity to upgrade, since they are paying the
20 same amount regardless of the size of the unit. It
21 seems like there should be some consideration for
22 them to be able to get a larger unit since they are
23 paying the same price as a person who has a larger
24 unit.

25

1
2 CHRISTINE O'CONNELL: I would just like to add
3 though that the unit purchases, so the vacant unit
4 sales, are coming in to pay for the renovation of the
5 building. And so, you know, if we're talking about
6 reserving say, there's a number of large families in
7 the building and they all want four bedrooms. If
8 we're talking about reserving vacant apartments that
9 are four bedrooms, we're losing out on those sale
10 prices that's helping to pay for the renovation.

11 The building would overall have more debt and
12 this conversation does come up with the residents a
13 lot and we explain it in this way. That it's really
14 important that we have the sale prices coming in for
15 those vacant apartments particularly if they are
16 large apartments, because it keeps the debt on the
17 building lower. Which in turn keeps the maintenance
18 lower. So, it's all interconnected and related to
19 that.

20 COUNCIL MEMBER BARRON: Well, I want to talk to
21 my colleagues about seeing how we can change that,
22 that regulation or that limitation. Thank you.

23 CHRISTINE O'CONNELL: Hmm, hmm.
24
25

SUBCOMMITTEE ON LANDMARKS, PUBLIC SITINGS
AND DISPOSITIONS

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CHAIRPERSON ADAMS: Thank you very much Council
Member Barron. Counsel, are there anymore Council
Member questions?

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JEFFREY CAMPAGNA: Council Members, if you have
any additional questions, please press the raise hand
button now. Chair Adams, there are no more Council
Member questions.

9

10

11

CHAIRPERSON ADAMS: Thank you. There will be no
more questions for this panel. The panel is excused.

12

13

PANEL: Thank you.
CHAIRPERSON ADAMS: Thank you and thank you
Council Member Kallos.

14

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16

Counsel, are there any members of the public who
wish to testify on L.U. 659 the Pleasant Avenue
Cluster?

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JEFFREY CAMPAGNA: Yes, there is one member of
the public registered to testify on L.U. 659. Brian
Sahd.

20

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CHAIRPERSON ADAMS: Okay, members of the public
will be given two minutes to speak. Please do not
begin until the Sergeant at Arms has started the
clock.

24

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SERGEANT AT ARMS: Time starts now.

CHAIRPERSON ADAMS: Do we have Mr. Sahd.

1
2 BRIAN SAHD: Yeah, hello, I don't have any
3 questions. All of the information has been
4 presented, thank you so very much.

5 CHAIRPERSON ADAMS: Okay, thank you very much.
6 Okay, Counsel, are there any other members wishing to
7 testify on L.U. 659, the 311-313 Pleasant Avenue
8 Cluster?

9 JEFFREY CAMPAGNA: If there are any other members
10 of the public who are here to testify on L.U. 659,
11 please use the raise hand function now. There are no
12 other members of the public wishing to testify on
13 L.U. 659.

14 CHAIRPERSON ADAMS: Thank you. There being no
15 other members of the public who wish to testify on
16 L.U. 659 at this time, we will now move on to our
17 next hearing.

18 I now open the public hearing on our next item,
19 L.U. 660, the 993-995 Union Avenue Cluster. This is
20 an Application submitted by the New York City
21 Department of Housing Preservation and Development
22 requesting the waiver of the designation requirements
23 and approval of an urban development area action
24 project and requesting an exemption for real property
25 taxes to facilitate the preservation of four

1
2 buildings and 69 units of affordable home ownership.
3 The properties are located at 774, 993, and 995 Union
4 Avenue and 1042 Longfellow Avenue in Chair
5 Salamanca's District in the Bronx.

6 And I now recognize Chair Salamanca for opening
7 remarks.

8 CHAIRPERSON SALAMANCA: Thank you Chair Adams. I
9 look forward to hearing testimony today on L.U.'s
10 660, the Union Avenue Cluster in my District in the
11 Bronx, but first I would like to acknowledge as Chair
12 Adams did earlier that today is the first Remote
13 Subcommittee hearing on Land Use Applications.

14 I would like to thank everyone who worked to make
15 today's historic Subcommittee hearing a reality. I
16 know I speak for many when I say we are eager to get
17 back to work. Especially because to the work of this
18 Subcommittee, we facilitate the construction of much
19 needed affordable housing. And with this Application
20 as being presented today in my district, I'm excited
21 about it but my concerns are the marketing of these
22 units and because there is no community preference,
23 how do we ensure that residents in our communities
24 are actually taking advantage of these opportunities
25 and we're not get outsiders coming in and taking

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2

advantage of these opportunities. So, I look forward
3 to hearing from the Applicant and hopefully they can
4 answer those questions.

5

Thank you Chair.

6

CHAIRPERSON ADAMS: Thank you and well said,
7 Chair Salamanca. Thank you so much.

8

Counsel, please call the first panel.

9

JEFFREY CAMPAGNA: The Applicant panel for L.U.
10 660, the 993-995 Union Avenue Cluster is Christine
11 O'Connell and Sarah Mallory on behalf of HPD and
12 Samantha Magistro who will present for Bronx Pro.

13

CHAIRPERSON ADAMS: Alright, you are both still
14 under oath.

15

JEFFREY CAMPAGNA: We have to swear in the third
16 panelist.

17

CHAIRPERSON ADAMS: Please administer the
18 affirmation.

19

20

JEFFREY CAMPAGNA: Samantha Magistro, please
21 raise your right hand. Do you affirm to tell the
22 truth, the whole truth and nothing but the truth in
23 your testimony before this Subcommittee and in answer
24 to all Council Member questions?

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SAMANTHA MAGISTRO: I do.

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CHAIRPERSON ADAMS: Thank you. Thank you very much. Your presentation is now being loaded into Zoom. When you request the next slide, a staff member will advance it. As always, before you begin, please state your name and affiliation for the record. You may begin.

SAMANTHA MAGISTRO: Good afternoon. My name is Samantha Magistro, I'm a Principle of the developer, Bronx Pro, and I'm here to present our project at Longfellow Union. Slide, we're really here and excited to be here today to present this project. I also want to thank Council and Staff for making this hearing virtual and supporting affordable housing work in these uncertain times. It's a small business Bronx based organization, that kind of support is really important.

Slide. This project is being developed by two organizations of Avante and Bronx Pro. Both are experienced affordable housing developers. We have specific experience in gut renovation of city owned properties for the purpose of affordable housing development.

1
2 Slide. As mentioned before, these are the four
3 properties that we will be undergoing a gut
4 renovation for the purpose of affordable housing.

5 Slide. Here is a map of their location in the
6 Bronx.

7 Slide. The project is anticipated to cost \$33
8 million. It will be financed substantially by HPD
9 capital, also a loan from CPC, AHC grants and a small
10 developer equity.

11 Slide. Currently, the project has 69 units,
12 there are 31 existing residents. The balance of
13 those units 38 will be sold to outsiders. Existing
14 residents as discussed in the last projects will be
15 sold, the units for \$2,500. The maintenance will
16 structured between 40 and 50 percent of AMI. Vacant
17 unit sale prices will be at 75 percent of AMI. So,
18 you will see the cost for a two bedroom in the Union
19 Avenue buildings is about \$180,000. The marketing
20 band here will be for individuals who earn between 75
21 and 90 percent of AMI.

22 Slide. This is affordability continued, I just
23 wanted to note on this slide, the maintenance which
24 will be set at 40 percent of AMI for the Union
25

1
2 property and 50 percent of AMI for the Longfellow
3 building.

4 Slide. The scope of work for this project is gut
5 rehabilitations. It will be all brand new systems.
6 All new kitchens and bathrooms and mechanical
7 systems. We will also make sure that the buildings
8 is very green to keep operating costs low for both
9 the owners as well as the overall co-ops. We're also
10 taking this opportunity to approve accessibility of
11 the buildings and work with the residents.

12 I think that's the last slide. The only thing
13 that I will note is that we've been working with the
14 residents. We located about 50 percent of them
15 outside of their portfolio, so we're very eager to
16 move forward with the project and we're excited to do
17 so.

18 And that's the end of presentation. Thank you.

19 CHAIRPERSON ADAMS: Thank you. Thank you, I
20 completely agree with Chair Salamanca, this looks
21 like a very exciting project and you know, if we
22 could do more work like this, you know, all things
23 considered and especially considering the AMI factor,
24 I think that we will be doing our constituents across
25 the city a great service by doing this.

1
2 So, thank you very much. I now invite my
3 colleagues to ask any questions. Counsel, are there
4 any Council Member questions at this time?

5 JEFFREY CAMPAGNA: We have questions from Chair
6 Salamanca and then Council Member Rosenthal.

7 CHAIRPERSON ADAMS: Thank you. Chair Salamanca.

8 CHAIRPERSON SALAMANCA: Yes, thank you Chair
9 Adams and thank you for that presentation. I am
10 really excited about this project and Bronx Pro has
11 done a good job in communicating with me, ensuring
12 that you know, a lot of my questions have been
13 answered.

14 But, so, because I want to compare this project
15 with the previous project. How much is the city
16 putting in for this project?

17 SAMANTHA MAGISTRO: Let me just open it up. So,
18 the underwriting isn't finalized but currently HPD is
19 putting close to 60 percent of the sources in for the
20 -

21 CHAIRPERSON SALAMANCA: What is the dollar
22 amount.

23 SAMANTHA MAGISTRO: Christine, you can feel free
24 to correct me if I'm wrong but I have \$19 million in
25 my proforma that I'm looking at.

1
2 CHAIRPERSON SALAMANCA: \$19 million. So, you
3 know in going back to you know, what I mentioned.
4 Why are my AMI's lower than the previous project?

5 CHRISTINE O'CONNELL: So, for this particular
6 project and Samantha jump in if I'm misspeaking but
7 on this particular project when we evaluated rents
8 and we evaluated the market, the sales market, what
9 we saw is that it's a little bit lower than in East
10 Harlem. And so, we've sized the sale prices to
11 reflect that. We want to make sure that when we go
12 to market these units that we are getting them and we
13 can actually get buyers lined up. We've had
14 instances unfortunately in the program where we've
15 had to recalibrate sale prices, which has caused a
16 lag or delay in conversion.

17 So, the sales prices in this particular cluster
18 is set at 75 percent AMI, which reflects you know,
19 not just the rental but the sales market, so that we
20 feel that these will be attractive to prospective
21 buyers within the area.

22 CHAIRPERSON SALAMANCA: So, let's say that we
23 approve these Applications. That this Committee goes
24 to Land Use and then it goes to the Council, how does
25 this work? When will HPD close on these projects?

1
2 CHRISTINE O'CONNELL: So, we have submitted
3 Applications to the Office of Management and Budget
4 OMB, for the HPD funds that will help these projects
5 move forward. A lot of the predevelopment work has
6 already been done, as Samantha mentioned. Almost
7 half of the portfolio has already been relocated out.
8 Because these are substantial rehabs, they do require
9 relocation. We are hoping that with this approval
10 and a couple of other approvals from the Department
11 of Buildings and OMB, that we could close by July or
12 August knowing that you know, there is some
13 uncertainty right now with approvals from the city in
14 different venues, but we are looking for July,
15 August.

16 CHAIRPERSON SALAMANCA: So, you know, and the
17 reason I ask this question is because there is a lot
18 of affordable housing projects that I've approved and
19 my colleagues have approved at the Council and
20 they're just sitting on the pipeline for HPD to do
21 the closing.

22 You know, some of these projects we approved two
23 years ago and HPD still has not closed on them. Is
24 that going to happen with these Applications?
25

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2 CHRISTINE O'CONNELL: That has not happened in
3 ANCP. The reason being we stalled way to long under
4 the TIL Development program and ANCP is sort of the
5 rebirth of that. We have demonstrated over the last
6 few years that we get the approvals and we start
7 closing.

8 CHAIRPERSON SALAMANCA: Okay, alright and then
9 finally, marketing. You know, as I mentioned before,
10 I want my communities to take advantage of this
11 opportunity. This is a great opportunity. How is
12 marketing going to happen locally in my community?

13 CHRISTINE O'CONNELL: So, I'll just reiterate a
14 couple of the marketing requirements through HPD and
15 I'm going to let Samantha mention some of their
16 additional activities.

17 So, an info session, two info sessions are
18 actually required and they are held locally. So,
19 that is advertising them out to the media or into the
20 local media and letting folks know that they should
21 show up. They should ask questions and that they
22 should apply.

23 We also do a local periodical in addition to a
24 citywide periodical and something called The Hard to
25 Reach Periodical, so that may be you know, a

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2 community that's not really focused, a demographic
3 that's not really focused in that neighborhood but
4 may be you know, a hard to reach group.

5 And then additionally, we work with partners.
6 So, we may reach out to your office, we may reach out
7 to other non-for-profits in the area and advertise
8 this opportunity, so that they get it out to their
9 networks.

10 CHAIRPERSON SALAMANCA: So, when you apply, who
11 is approving these Applications? Is it the city, is
12 it Bronx Pro, who? Who is approving these
13 Applications?

14 CHRISTINE O'CONNELL: The way the marketing works
15 is all Applications are considered. They're all sort
16 of logs; obtained and logged and then randomized and
17 then in the order of the randomization, Bronx Pro, or
18 someone that they hire, will start to look at those
19 applicants to determine their eligibility. They will
20 submit the eligible applicants to HPD and we will do
21 a double check to make sure that they meet the
22 criteria and if they are eligible, found eligible, we
23 will reach out to them to do a sort of a screening.

24 CHAIRPERSON SALAMANCA: Okay, alright, thank you
25 very much. Thank you, Chair Adams.

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CHAIRPERSON ADAMS: Thank you Chair Salamanca.

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Council Member Rosenthal?

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COUNCIL MEMBER ROSENTHAL: Thank you. Thank you
very much. Congratulations Chair Salamanca on this

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project. It sounds terrific but I'm just curious

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about the answer to the question you posed in your

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introductory remarks. What is the technical nature

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of the financing in this project that makes it so

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that there is not a set aside for the community in

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which it's built?

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CHRISTINE O'CONNELL: Yeah, so the agency on the

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whole is not able to provide a community preference

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for projects that are occupied. So, in this

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particular project I calculated, we have about a 43

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percent occupancy rate. We have returning residents

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and that way we are not allowed to do community

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preference.

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We do have the preference for mobility, visual

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and hearing impairment but not community preference.

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COUNCIL MEMBER ROSENTHAL: So, in a way the 43

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percent occupancy meets that requirement.

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CHRISTINE O'CONNELL: Exactly.

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COUNCIL MEMBER ROSENTHAL: Got it and then
3 secondly, why isn't the 15 percent set aside for
4 homeless, part of this project?

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CHRISTINE O'CONNELL: So, this is a homeownership
project and we don't typically institute the homeless
7 set aside for the homeownership projects.

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COUNCIL MEMBER ROSENTHAL: Alright, thank you
very much. Congratulations again Council Member.

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CHAIRPERSON ADAMS: Thank you Council Member
Rosenthal. Counsel, are there any other Council
Member questions at this time?

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JEFFREY CAMPAGNA: Yes, there are Council Member
questions from Council Member Barron and Council
Member Miller.

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CHAIRPERSON ADAMS: Thank you. Council Member
Barron.

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COUNCIL MEMBER BARRON: Thank you Madam Chair.
So, this is a homeownership project, is it similar to
the project that we just discussed where those
residents that are now as tenants will buy the units
as a co-op?

23

CHRISTINE O'CONNELL: Correct.

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COUNCIL MEMBER BARRON: And is it the same cost,
\$2,500?

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CHRISTINE O'CONNELL: Correct.

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COUNCIL MEMBER BARRON: And again, regardless of
the size. What is the range of the size of the units
in this development?

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CHRISTINE O'CONNELL: Sure, we have ones, twos,
threes, and fours; one to four bedrooms.

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COUNCIL MEMBER BARRON: Okay, thank you.

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CHAIRPERSON ADAMS: Thank you Council Member
Barron. Council Member Miller?

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COUNCIL MEMBER MILLER: What exactly what program
is HPD using to facilitate this project?

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CHRISTINE O'CONNELL: This is conducted under the
Affordable Neighborhood Cooperative Program or ANCP.

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COUNCIL MEMBER MILLER: Are there any other
programs or monies in conjunction with this?

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CHRISTINE O'CONNELL: Not from HPD. All TIL or
Tenant Interim Lease properties are renovated through
ANCP.

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COUNCIL MEMBER MILLER: Hmm, hmm. Okay, and so,
on the other piece that the other members had
mentioned before about the community preference and
pre-existing occupancy, even that 43 percent,
generally we see Community Board preferences at
around a minimum of 50 percent. So, 43, 48, I think

1 is still, selling it a wee bit short in doing so.

2 And for Council Member Salamanca, I think and for all
3 of us that are on, I've been a witness and I know
4 that Council Member Alicka Samuels and Cornegy just
5 set an affordable housing piece in their districts
6 collectively similar to this project here tenant
7 houses. And so, particular for communities of color
8 in the time of COVID-19 but prior to and post,
9 building wealth has been a significant concern. It
10 is said that and over the next decade that people of
11 African American community will have a zero net worth
12 and Latino right behind because of savings or lack
13 thereof, and that the greatest way to achieve that is
14 through homeownership.

15
16 And so, I think the goal is to make homeownership
17 as readily available to the community and as possible
18 Council Member Adams and I have, we had homes and I
19 think nearly 400 homes in our district, in our
20 collective districts have been turned over, over the
21 past five years to homeownership with Community Board
22 preferences as well.

23 But it's also, you know, it really has a
24 significant long term impact in community that
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2 addresses all these infrastructure disparities that
3 we're seeing now.

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5 So, I would love to know what the city is doing
6 to take those things into consideration but I would
7 also share with my colleagues that as marketing is
8 really important, but we have done significant local
9 marketing churches, synagogues, mosques, and other
10 organizations that are prevalent in the community to
11 make sure that people are engaged. More importantly,
12 understand and engagement, right. Because we could
13 create these projects, these really great programs
14 for these opportunities. All the things that need to
15 happen, all the preparation, all the taxes, all the
16 credit scores. You know, all those things that need
17 to happen leading up to this, even when we have set
18 asides, they get picked off, right.

19

20 And so, we took 1,000 applications from the
21 community but 999 of them were disqualified. So,
22 what I have seen is that developers have actually
23 sponsored workshops along with members and community
24 to prepare people for these ownership opportunities.
25 Is something like that in the pipeline?

26

CHRISTINE O'CONNELL: Great, sorry, my baby was
screaming, so I didn't want the mic on. So, we do

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recommend to applicants that they are pursuing for
some homebuyer education and through that, there's a
lot of resources available including a down payment
assistance, training associated with the value and
also the responsibility associated with
homeownership.

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I don't know that Bronx Pro carries out those
specific you know, opportunities or resources but we
do as an agency really aim to make sure that these
purchasers are lined up and that they are ready to
become homebuyers. They are not just submitting an
application, that they are really you know, preparing
themselves for this opportunity.

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COUNCIL MEMBER MILLER: So, again, I would just
submit that there are MOU's that really require
developers to participate in such programs and fund
such programs. Are developers a local CDL as well,
is that correct?

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SAMANTHA MAGISTRO: Hi, so, Bronx Pro and Avante
are both - Bronx Pro is a local organization but we
are a for-profit but we are engaging on the
organization UHAB to work in partnership with us to
provide technical assistance to all the residents.
So, once we close and start construction, they will

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begin a series of workshops with those residents to
them ready for homeownership.

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COUNCIL MEMBER MILLER: And then, the broader
community with the potential of availabilities that
come open aside from those who are currently
occupying the residencies? Will those services be
extended to them as well?

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SAMANTHA MAGISTRO: Yeah, we have discussed that
with UHAB and we can revisit it. But yeah, the idea
is that once they come collectively as a you know a
new co-op, you know, insiders and new purchasers that
there would be some interaction with UHAB to you
know, help that transition.

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COUNCIL MEMBER MILLER: Okay. It is important
that indigenous folks take advantage of these
opportunities. I have seen you know, if these
provisions aren't put in a place, the communities no
longer represent folks who have lived and often times
suffered in these communities for decades and when
the communities come up, they don't have an
opportunity to take advantage of that. I think it's
incumbent of us to make sure that we are developing
as we like to use the phrase of one of our more known
South East Queens residents FUBU, For Us, By Us and

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2 we do we have developers from the community. We
3 should have residents from the community and so, that
4 these developments should be representative of
5 indigenous folks as well, you know. And particularly
6 as we articulated, the right correlation between
7 homeownership and wealth.

8 SAMANTHA MAGISTRO: And I would just also like to
9 add that you know, Bronx Pro will continue or
10 Affiliate TPM will continue as the property manager
11 and our property management team has a group of folks
12 we call residential services that just works with
13 residents to help them stabilize or get deals or
14 whatever.

15 So, they do have some homeownership technical
16 expertise and they would be available to the
17 residents here. I know that's something that Bronx
18 Pro provides anybody that lives in the portfolio.

19 COUNCIL MEMBER MILLER: Thank you.

20 CHAIRPERSON ADAMS: Thank you Chair Miller.
21 Thank you very much for the thoughtful questions and
22 the thoughtful responses, I appreciate it.

23 Counsel, I'm not sure that there are any other
24 Council Members still in the meeting but will you

25

1
2 verify that? Are there any more Council Member
3 questions?

4 JEFFREY CAMPAGNA: There are no more Council
5 Member questions.

6 CHAIRPERSON ADAMS: Thank you very much. There
7 being no more questions for this panel, you are
8 excused and thank you very much for your testimony
9 today.

10 PANEL: Thank you.

11 CHAIRPERSON ADAMS: Counsel, are there members of
12 the public who wish to testify on L.U. 660 the Union
13 Avenue Cluster?

14 JEFFREY CAMPAGNA: There are no members of the
15 public who wish to testify on this item.

16 CHAIRPERSON ADAMS: Okay, there being no other
17 members of the public who wish to testify on L.U. 660
18 the Union Avenue Cluster, at this time, we will now
19 move onto our next hearing.

20 I now open the public hearings on L.U.'s 661 and
21 a Preconsidered L.U. for Application Number 20205412
22 HAM. Both concerning the 266 West 96th Street
23 project.

24 L.U. 661 is an Application submitted by HPD
25 pursuant to Section 197-c of the New York City

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2 Charter. The related Application, Preconsidered L.U.
3 20205412-HAM, was submitted pursuant to Section 576-a
4 of the New York State Private Housing Finance Law.
5 Both request approval for the disposition city owned
6 property located at 266 West 96th Street in
7 Manhattan. The disposition will facilitate the
8 development of a 23-story mixed use building
9 containing residential and community facility uses in
10 Council Member Helen Rosenthal's District in
11 Manhattan. And I now recognize my colleague Council
12 Member Helen Rosenthal for remarks.

13 COUNCIL MEMBER ROSENTHAL: Great, thank you so
14 much Chair Adams and congratulations for holding this
15 historic hearing and I also want to thank the New
16 York City Council staff for really doing such a
17 beautiful job managing all these Zoom meetings. I am
18 in awe of your work, hats off to you.

19 On this particular project, I look forward to
20 hearing the testimony of HPD and the developer. This
21 particular site has had a very long history and I'm
22 pleased that the city and the developer are working
23 together to build on this particular site.

24 There has been movement since the project was
25 initially presented to the Community Board a few

1
2 months ago and I'm really pleased about that movement
3 because we've improved on the affordability of all
4 the units by lowering all of the AMI levels.

5 So, units that had been designated at a 130
6 percent AMI, are down to 120 percent. Of course,
7 they've adhered to the New York City Council
8 requirement that 15 percent of the units are for the
9 homeless. For those who are on fixed pension,
10 disabilities who live on, people with disabilities
11 who live on SSI and that in particular will be really
12 meaningful to members of my community for whom there
13 really are no other housing options. And I want to
14 thank Land Use Chair Salamanca for his leadership on
15 the homeless set aside. Thank you so much for that
16 incredibly powerful change to this affordable
17 housing.

18 I want to thank HPD, they have created a new
19 category for 67 people at 67 percent of AMI and also
20 at 77 percent of AMI and I really want to thank them
21 for that.

22 In particular, I want to thank the developer Hal
23 Fetner for all of his work on this project. I think
24 he is dedicated to providing affordable housing and
25

1
2 that's incredibly meaningful to me and to our
3 community.

4 I am hopeful and this is what I'll be listening
5 for in the testimony. I am hopeful that HPD can
6 bring down the number of units in the 120 percent AMI
7 category down to 27 to 67 percent range by the time
8 of this vote. And you know, my question specifically
9 to HPD will be why they think they will be able to
10 rent out units at 120 percent of AMI where that just
11 doesn't seem to be the demand with the people who we
12 work with in our office. But I am very appreciative
13 and very excited about this project. I'm looking
14 forward to hearing from everyone and also, I want to
15 thank the City Council Land Use Staff, in particular
16 Andrew Lassiter for working so hard to make sense of
17 this project and to help me understand what is being
18 offered by HPD and the developer. I couldn't have
19 done it without them. I really want to thank them
20 for that.

21 Thank you Chair.

22 CHAIRPERSON ADAMS: Thank you so much. Thank
23 you, Council Member Rosenthal, for your remarks
24 today. Counsel, please call the applicant panel.

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2 JEFFREY CAMPAGNA: The applicant panel presenting
3 L.U. 661 and Application Number 20205412 HAM for the
4 266 West 96th Street project is Veanda Simmons, Sarah
5 Mallory, Melissa Outten[SP?] and Mena Ritchie from
6 HPD. Carol Rosenthal from Fried Frank will be
7 presenting for the development team and Hal Fetner
8 and Hal Fetner and Mime Rigarordedski[SP?] who are
9 available to answer questions on behalf of the
10 developer.

11 CHAIRPERSON ADAMS: Okay, Counsel, please
12 administer the affirmation.

13 JEFFREY CAMPAGNA: Sarah Mallory remains under
14 oath. Could the panelists please raise your right
15 hands.

16 Do you affirm to tell the truth, the whole truth,
17 and nothing but the truth in your testimony before
18 this Subcommittee and in answer to all Council Member
19 questions?

20 PANEL: I do.

21 CHAIRPERSON ADAMS: Thank you. Thank you. Your
22 presentation is now being loaded into Zoom. When you
23 request the next slide, a staff member will advance
24 it. As always, before you begin, please state your
25 name and affiliation for the record. You may begin.

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SARAH MALLORY: Actually, does it make sense for
3 HPD to go first in testimony?

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UNIDENTIFIED: Is that a question for us or the
5 Counsel?

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SARAH MALLORY: For Counsel. Jeff, does that
7 make sense?

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JEFFREY CAMPAGNA: You can present in whatever
9 order you feel best.

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SARAH MALLORY: Okay, great, we'll go ahead and
do that then. Thank you so much. Thank you so much,
my name is Sarah Mallory and I'm here on behalf of
HPD.

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Land Use item number 661 and Preconsidered item
Number 20205412 HAM are related to the Urban Land Use
review process or Ulurp Application seeking
disposition approval under Section 197-c and sale to
a developer selected by HPD under Section 576-a2 of
the Private Housing Finance Law for a city owned lot
located at 266 West 96th Street (Block 1243, Lot 570
in Manhattan, Council District 6.

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The sponsor of the project Fetner Properties
proposes to develop the disposition site under HPD's
mixed income program M2 along with the privately
owned property at Block 1243, Lots 59 and 60. Under

1
2 the program guidelines, sponsors purchase city owned
3 under privately owned land and construct multifamily
4 buildings in order to create rental housing units
5 with a range of affordability.

6 The disposition site currently contains a former
7 MTA substation that will be demolished along with two
8 privately owned buildings on the adjacent lots. The
9 new building constructed in their place will be 23-
10 stories and will contain 171 residential units
11 inclusive of a superintendent unit.

12 There will be a mixture of unit types within the
13 new building including 80-microunits, 36-one bedroom,
14 47-two bedroom, and 8-three bedroom apartments. Of
15 the total unit count, the proposal for 266 West 96th
16 Street, includes 68 permanently affordable dwelling
17 units that will be marketed to households with
18 incomes ranging from 27 percent to 120 percent of
19 AMI.

20 CHAIRPERSON ADAMS: Can I just interrupt for a
21 second, I'm sorry. Was there a slide presentation
22 that was supposed to be going on because we don't see
23 slides moving? I just want to clarify.

24 SARAH MALLORY: No, not yet. That will be coming
25 right after this part.

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CHAIRPERSON ADAMS: Thank you.

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SARAH MALLORY: Of course, thank you. Including 11 units approximately 16 percent of the affordable units that will be set aside for formerly homeless households. The project is also participating in the Voluntary Inclusionary Housing Program.

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The permanently affordable units, it is anticipated that 35 will be microunits with rents ranging from \$215 to \$1,642. Fourteen will be from one-bedroom units with rents ranging from \$283 to \$2,487 and 19 will be two-bedroom units with rent ranging from \$425 to \$2,977. The balance of the unit count will be market rate apartments.

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The building at 226 West 96th Street will also include community facility space on the ground floor that will house the Salvation Army who will return to the space as well as amenities for the buildings residents such as the health club, lounge areas, clubhouse space and outdoor open space for residents on the second floor.

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Amenities will be available free of charge for tenants of the permanently affordable units. In order to develop the project at 226 West 96th Street, HPD is before the Subcommittee seeking approval for

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2 the Land Use item Number 661 and the accompanying
3 Preconsidered item 20205412 HAM.

4 Thank you so much and I will turn it over to
5 Carol.

6 CAROL ROSENTHAL: Thank you. Good afternoon
7 Chair Adams, Subcommittee Members, Chair Salamanca,
8 and Council Member Rosenthal. I am Carol Rosenthal;
9 I am at Fried Frank and Land Use Council to Fetner
10 Properties who is the project sponsor.

11 I wish to echo what people have said today which
12 is and extend my deepest appreciation to all of you
13 for making the extra effort to conduct this hearing
14 in these very challenging times and thereby also
15 moving these critical projects along for the city. I
16 have much admiration for all of you and the staff who
17 has made this opportunity available to us and I also
18 want to thank Council Member Rosenthal, no relation,
19 for all her wise counsel and work on this project
20 with us.

21 So, I'm going to start now with slide one and go
22 through and tell you a little bit more about the
23 project. The site is well suited for new residential
24 uses. It's on West 96th Street on a wide street. It
25 is close to Riverside Park. It is very close to

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transportation including the express line as well as the local lines, buses along West 96 and buses along Broadway.

Next slide. The development site includes two privately owned sites, these are sites that Fetner Properties has under contract. As well as the disposition site which is the site owned by the city and is the former IRT Electrical Substation.

Next slide. The disposition site as you can tell in this photograph is not in great shape. It has been unused; it's been owned by the city but it's been unused and vacant for over a quarter of a century. There has been a number of prior attempts to try and use it but it has not been successful to date. It is a site that we are hoping to convert into something amazing and so, if we can get to the next slide.

So, the proposal is for as Sarah noted, 171 residential units. The buildings is, it's in a high density district and it complies with all of the existing zoning requirements. So, there is no request for any zoning waivers. It's in a 10 FAR district but can go to 12. The building would be 235 feet high, across the street is a building that is 35

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2 stories, so it's well in the mix here and it will
3 have 68 units permanently affordable. And I know
4 this is something that the developer has been proud
5 to work with HPD to provide from the beginning the
6 permanent affordability. 32 of those units would be
7 in the inclusionary housing program required to be
8 permanent and the rest are something in addition to
9 be permanently affordable.

10 The project has also ground floor space, so I'll
11 talk about that a little more when we get to some of
12 the floor plates. The other thing I wanted to note
13 here and then we'll move into the other slide is that
14 it has been developed as a real building that fits
15 into the neighborhood in the sense of both it's
16 material.

17 So, it's not a glass building, it's not a glass
18 box, it's brick and stone and we think would be a
19 lovely addition to the neighborhood.

20 Next slide. So, what is there now the IRT
21 substation has some existing context and historic
22 value and what the developer has done is taken that
23 ground floor of the building and moved it, the
24 pattern to cover the entire building with arches on
25 the ground floor and taken some of the architectural

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2 elements, I guess they are called cartouches, these
3 like flourish little things on the windows and retain
4 them and put them back in the building. Which we
5 think will be another beautiful element to make this
6 part of the neighborhood.

7 This is I will say, it's a very big contrast to
8 what's there now. Up until six weeks ago, I spent
9 every weekday being on the subway, the 96th street
10 stop and now when you see the building right now,
11 it's got the tree growing out and it's stitched on
12 the side, so trying to be held together. So, this is
13 something we think will be a vast improvement for the
14 community and for the building for the location.

15 Next slide. Just to talk a little bit about
16 specifics about what's purposed for going in the
17 building.

18 This is the ground floor, so you have the
19 residential lobby and then you have two community
20 facility units. One of which will be for the
21 Salvation Army. The Salvation Army owns one of those
22 buildings right now and they will be able to return
23 to the site and own their own unit when the project
24 is complete.

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Next slide. This is the Seller program and it has the also some space to Salvation Army. There is a health club which will be for the residents of the building and then of course back of house and mechanical space.

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Next slide. This is the second floor. It has the superintendents unit, as well as very generous tenant amenity space. The dark blue is what's inside and then the cross attached is an open terrace, outdoor terrace which will be enjoyed by all of the residents in the building.

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Next slide please. So, Hal Fetner has been working with the community for a long time with this project and with HPD. We try to be very good partners and very responsive. So, in addition to the permanent affordability, Hal has committed that there will be no amenity fee for any of the residents of the affordable housing. They will have free use of all of the spaces that you saw that will be for the tenant. There will be the same finishes for the market rate and affordable units. If one unit has granite tops, the other will have granite. And this is something that Hal does in all of his building and

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2 is very committed to doing to making the units be the
3 same.

4 As noted, this will include a number of
5 microunits. We also sometimes call them compact
6 units and one of the issues that the Community Board
7 was well, maybe some people won't want built in
8 furniture and so, there will be some options so
9 people can have the built in furniture, which we
10 think makes the units very attractive but if people
11 who have their own don't have to. So, that's another
12 aspect of this.

13 We were asked by the Community Board to consider
14 becoming a maintenance partner for DOT, DOT sidewalk
15 extension at West 96th Street and there are ongoing
16 discussions with DOT for that.

17 And finally, last certainly not least, is the
18 Community Board has asked us to participate in a
19 local construction advisory committee to address the
20 construction challenges at this site and that is
21 something that we welcome and we know that the
22 Community Board has a robust and very solid program
23 for that and we are looking forward to that kind of
24 cooperation.

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2 So, next slide. So, this is the discussion of
3 the AMI's and the percentage of units. So, our
4 original proposal, this is what we went to the
5 Community Board with and this is what was at the City
6 Planning Commission. For the 68 units we had 10
7 units at 50 percent AMI, 29 at 70 percent and 29 at
8 130 percent. We were asked to lower as best we could
9 on the 130 percent AMI units.

10 Also, thanks to the very good work of City
11 Council, we now have a set aside for homeless,
12 hopefully formerly homeless occupants and so, the new
13 mix is includes that set aside. So, currently, what
14 we are proposing is the 11 units will be for
15 homeless, formerly homeless. There will be seven
16 units at 67, 15 at 77 percent and 35 at 120 percent.

17 So, this is something that we've worked hard.
18 It's a very challenging project economically and so,
19 this is something that we're happy to be able to do
20 at this juncture and we understand there will be some
21 continued conversations about that which we welcome
22 as well.

23 So, the next slide. Two last points, one is that
24 this project has undergone a full review,
25 environmental review and a full environment impact

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2 statement that was prepared and there was one area
3 where there was potential for significant adverse
4 impact. That was because the building is a historic
5 resource and eligible for New York City and State
6 register ineligible for city landlord. It was an
7 impact to demolish and to build a new building.

8 It is not New York City landmarked; it is not
9 calendared as a landmark but it has attributes that
10 make it eligible.

11 So, in addition to the work that we've already
12 talked about in terms of preserving a façade, as
13 mitigation we will be preparing an historic American
14 building survey which is an archival review of the
15 project for keeping for future generations.

16 And finally, next slide. Another challenge is as
17 you can imagine with the former IRT Electrical
18 Substation, there is great concern about
19 environmental conditions at the site. This project
20 was accepted into the New York State Brownfield
21 Cleanup program in August 2019. We, so far, we have
22 found some contamination, not nearly as much as we
23 feared and in any event, because we're going to be
24 under the oversight of this program, both the State
25 Department of environmental conservation and the

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2 State Department of Health, will be reviewing the
3 remediation, the investigations and the like for work
4 at this site.

5 That concludes the formal part of our
6 presentation and we are clearly available for
7 questions. I'm available, Hal's available and I know
8 HPD is available as well.

9 CHAIRPERSON ADAMS: Thank you. Thank you very
10 much Ms. Rosenthal for the presentation. Before I go
11 onto Council Member questions, I just had a quick
12 question. I'm a former Chair for a Community Board,
13 so I thought it was very interesting that you
14 enlisted the name of Community Board 7 several times
15 in your presentation.

16 I find that really interesting and it's always a
17 good thing to bring the Community Boards in as
18 partners and the fact that you are looking at perhaps
19 doing a DOT community partnership with the Community
20 Board, I find that very impressive. Was there a
21 relationship with your organization prior to this
22 project with Community Board 7?

23 CAROL ROSENTHAL: No, not really but we you know,
24 we feel strongly about working with the Community
25 Boards. I feel strongly about working with them.

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2 Full disclosure, I'm in Community Board 7, so that's
3 another connection. You know, another perhaps a
4 connection but generally Hal Fetner feels strongly
5 about working with the Community Boards and we're
6 proud that we can make that part of what we do.

7 Thank you.

8 CHAIRPERSON ADAMS: Thank you. Yeah, I think
9 that's very important also. Okay, and thank you
10 again for your presentation. I now invite my
11 colleagues to ask questions. If you have questions
12 for the panel, please click on the raise hand button
13 on the participant panel.

14 Counsel, are there any Council Member questions
15 at this time?

16 JEFFREY CAMPAGNA: Council Member Rosenthal has
17 questions followed by Council Member Barron.

18 CHAIRPERSON ADAMS: Council Member Rosenthal.

19 COUNCIL MEMBER ROSENTHAL: Thank you very much
20 Chair. I'm looking forward to hearing Council Member
21 Barron's questions actually. But I never heard an
22 answer to my question to HPD about what's been their
23 history in marketing units at 120 percent for this
24 area. What's their success rate been, what's been
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1
2 their experience, how long does it take to at that
3 amount?

4 SARAH MALLORY: Thank you Council Member for that
5 question. I don't have the specifics of that in
6 front of me today but I will say that market rate on
7 the upper west side is usually higher than 120
8 percent AMI. So, we can get back to you with some
9 specifics on projects in the district.

10 COUNCIL MEMBER ROSENTHAL: Okay, I mean, yes,
11 that is true. That is true, that market rate is
12 higher and so, maybe there will be interest for that
13 reason. We have not, people walking in our door, are
14 not looking for units at 120 percent AMI. The people
15 walking in our door who really need help, would fall
16 between the 27 and 67 percent AMI, that's who we see.

17 Now, of course everyone from around the city will
18 be applying but I would love to learn more about -
19 yeah, first of all, I can't think of another project
20 in this exact area at 120 percent but the ones down
21 by 60th Street, there could be some down there. So,
22 maybe we can look at that. I think the building TF
23 Cornerstone built was at higher AMI levels and for
24 the affordable and I'd love to see what's been the
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2 experience there for renting out at those higher AMI
3 levels.

4 Thank you.

5 CHAIRPERSON ADAMS: Thank you. Thank you,
6 Council Member Rosenthal. Council Member Barron?

7 COUNCIL MEMBER BARRON: Thank you Madam Chair and
8 my questions are similar to my colleague Council
9 Member Rosenthal's questions in terms of the units
10 that are being supported in this project with city
11 money that include what we are proposing to be 138
12 percent, no, you're proposing 103 of those units at
13 market and you are calling those that you are
14 offering at 120 percent of the AMI. You're also
15 designating them as a city does as affordable and you
16 have to remember that this range of affordability
17 includes those other areas, Yonkers and Westchester
18 that pull up what is in fact not the city's AMI. So,
19 I'm concerned of the fact that you're proposing 35
20 units at that 120 percent of the AMI. So, for me,
21 looking at the units at 27, 67, and 77 percent of the
22 AMI, that's 33 units of the total of 171. So, that's
23 problematic and I also wanted to ask, what is the
24 size of what your calling a micro unit?
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CAROL ROSENTHAL: I can respond to that. The microunits will range in size from 266 to 378 square feet and just to give some context for that, the APD's design guidelines usually target 350 to 400 square feet for senior studios and 300 square feet for supportive housing units.

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So, they will be smaller, that's part of the reason we are very focused on the amenity space in the building but we think they're going to be a great option for people in terms of housing, another kind of housing unit.

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COUNCIL MEMBER BARRON: I think that 266 square feet is very small. Yes, it's lower than what the city is taking about which is normally 300 as you have said or 350 but it's very small and of course some people would of course say, be very grateful but in this time of this pandemic and we're talking about density and talking about people being crammed together in small quarters. It certainly speaks to I think a lack of adequate space for someone who is in that category and I do want to say that I do appreciate that this does have 15 percent which has been pushed by Council under the leadership of Council Member Salamanca and that is commendable. We

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2 could even look to see how we could move that up, but
3 half of the so-called affordable units are at 120
4 percent and that to me is problematic.

5 Thank you.

6 CHAIRPERSON ADAMS: Thank you. Thank you,
7 Council Member Barron. Counsel are there any other
8 Council Member questions?

9 JEFFREY CAMPAGNA: If there are any other Council
10 Member questions, Council Members please raise their
11 hands.

12 There are no more Council Member questions.

13 CHAIRPERSON ADAMS: Thank you very much. There
14 being no more questions for this panel, the panel is
15 now excused. Thank you very much for your testimony
16 today.

17 PANEL: Thank you Chair.

18 CHAIRPERSON ADAMS: At this time, I invite
19 Manhattan Borough President Gale Brewer for remarks.

20 GALE BREWER: Thank you very much Chair. I
21 really appreciate Council Member Rosenthal and I am
22 Gale Brewer and I am the Manhattan Borough President.

23 I know this site very well and I've always long
24 believed that when the land the city owned should be
25 redeveloped into housing it's 100 percent affordable.

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And in March 1990, when the city first proposed to

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dispose of the site, Manhattan Community Board 7

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noted that the site was an invaluable resource, not

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only as an opportunity to raise capital but as a

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location for very, very needed services. And the

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Board noted the lack of sites on the upper west side

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that could be repurposed for public use and that's an

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ongoing issue.

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Thirty years later, it's still true and we all

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know that we're in the midst of an affordable housing

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crisis. I don't need to tell you and we need more

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affordable housing.

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In 1990, the city was trying to raise money

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through the sale of its properties including this

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one. Obviously, everything has changed today and

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we're trying to figure out what to do. But I do want

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to mention that this parcel, the one that I'm talking

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about in terms of the MTA site, the city owned site,

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makes up 48 percent of the project site. Yet the

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applicant initially proposed to make only 40 percent

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of the residential units affordable. And I know

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these numbers are shifting, I know there will be more

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negotiations, but just like Council Member Rosenthal,

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I urge HPD to get as much as they can out of this

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2 site. It's not just a number of square units but the
3 percentage of residential floor area that will be
4 affordable.

5 Because we all know and we heard earlier about
6 these compact units that the developer is proposing.
7 That initial proposal, the initial proposal was to
8 dedicate only 36 percent of the residential square
9 footage as affordable and we obviously cannot do
10 that.

11 These compact units, they are small and in the
12 middle of this particular challenging housing
13 situation, I thought they were going to be as small
14 as 290 square feet and I just heard 266. I think
15 that's a challenge, we all know that in this
16 pandemic, God help us if we have another one, even
17 the public spaces are not available to any resident.
18 Be clear on that. Everybody who is in a building
19 like this cannot use their public space.

20 We all know about the 120 percent AMI, we just
21 heard that and just so you know, I also hope it goes
22 down, way down because that's a \$95,000 income and we
23 don't need housing for that.

24 Housing New York as you know plans to utilize
25 city owned properties to produce affordable housing

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and when we allow a city owned property to comprise half of the site, will settle for a development in which less than half of the units and way less than half of the residential square footage is affordable, we're not meeting that goal in my opinion.

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This project is slated to receive a number of benefits. We know about the ones that they are receiving, tax benefits included and the developer I believe, was able to purchase the city owned site for a nominal amount. He is expected to receive an HPD subsidy, a property tax abatement and tax credits to the Brownfield Cleanup program.

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So, to be more specific, this is what I suggest, we need more affordable units. A minimum of 65 percent of the units should be affordable based on the percentages that I just you. At least half of the units should be for households earning up to 60 percent, no more and I heard the Council Member mention the 27 to 67 percent AMI within that range. And compact units should comprise no more than 15 percent of the total numbers of units in that project.

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So, I know that it's a tough time. I also want to mention that on the upper west side, when we move

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2 funding from the Collegiate School, it's a
3 development that is on West End Avenue, the School
4 moved to Riverside Center and there was a switcheroo
5 with the developer. To make a long story short,
6 there's about \$14 million in HPD's coffers to housing
7 to be affordable on the upper west side.

8 And I know HPD is working with one developer that
9 is in fact doing an affordable 100 percent unit and I
10 appreciate that. But why couldn't some of that units
11 money be used here for these units.

12 Now, I'm particularly interested in this proposal
13 and I didn't vote for it when I gave my ULURP
14 presentation because I was the one when I was in the
15 City Council who convinced the MTA to sell the
16 property to the city for \$1. And I've always
17 advocated since that it would be 100 percent
18 affordable. We know there's a Brownfield cost. We
19 also know at that time, we couldn't get the Salvation
20 Army, which you know has a store, very popular store
21 on the site, to cooperate with a nonprofit developer
22 at the time.

23 The mid-Manhattan NAACP has always cooperated and
24 I know they have moved off the site but they always
25 supported the nonprofit. So, today, we have an

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application that I think needs to be changed to

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include many more affordable units at a lower AMI and

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a square footage in the apartments that people want

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to live in permanently because even the market rates,

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the small units, a small unit for anybody and I don't

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think it should be so small.

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So, I appreciate your careful review of this

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application. I thank you for your time on this

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matter but I do think there is a lot of work to be

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done.

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Thank you very much.

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CHAIRPERSON ADAMS: Thank you. Thank you so much

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Borough President. Always great to see you and hear

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you. Thank you.

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Okay, Counsel, are there any members of the

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public wishing to testify on L.U. 661 and the related

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matter?

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JEFFREY CAMPAGNA: Council Member Miller appears

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to have a question.

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CHAIRPERSON ADAMS: Okay. Council Member Miller.

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JEFFREY CAMPAGNA: Council Member Miller, make

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sure you are unmuted.

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COUNCIL MEMBER MILLER: She is the only one I

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know, she's been working on this project for a really

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2 long time and it is important to her district, to her
3 community but it is also important to the entire city
4 that we kind of set a template for how we manage
5 affordability beyond the mandatory housing inclusion
6 which is questionable. And I just have one question
7 and this is for HPD and not for the developer. The
8 15 percent, the mandatory 15 percent that we are now
9 working under for the homeless, is that exclusive to
10 the formerly homeless, registered homeless or is it
11 available to those low earning folks on a fixed
12 income who generally don't qualify for affordable
13 housing. I think we all get those letters from
14 people who are receiving government benefits, as well
15 as on fixed pensions and so forth but don't meet even
16 the minimal threshold. Do they qualify for the 15
17 percent set aside?

18 SARAH MALLORY: Thank you Council Member for that
19 question. This 15 percent set aside is for formerly
20 homeless individuals who do come through this shelter
21 system and this is up for Council legislation and
22 part of how we work through this process.

23 COUNCIL MEMBER MILLER: Yeah, to my colleagues I
24 think that I applaud the work but there are people
25 who are double and tripled up and living on couches

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and so forth for the years that keep - I get it in all the time and I know my colleagues do as well talking to people throughout the city that they are on connect all the time and they are constantly being rejected because they are minimum earners and they are bouncing from friend to friend and from family member. And because they are not in the shelter system, they have no way of accessing this affordability.

So, I think that's something that we should take a look at in the Council but I thank you all for the presentation.

SARAH MALLORY: Thank you.

CHAIRPERSON ADAMS: Thank you. Thank you, Council Member Miller. Thank you very much. Okay, we'll go back to you Counsel. Are there any members of the public who wish to testify on this application? Hey Jeff, I need you to repeat.

JEFFREY CAMPAGNA: There are witnesses but first you can excuse the applicant panel if you would like.

CHAIRPERSON ADAMS: Thank you very much. Thank you very much for your testimony once again panel. You are excused.

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2 JEFFREY CAMPAGNA: The public signed up to
3 testify on this item. The first one is Robert
4 Bornstein.

5 ROBERT BORNSTEIN: Speaking.

6 SERGEANT AT ARMS: Robert, your clock will start
7 now.

8 ROBERT BORNSTEIN: Yeah, hi, Robert Bornstein. I
9 am opposed to this application on the grounds that
10 it's violative of the City Charter Chapter 15,
11 Section 384 and so far, as there is no Mayoral
12 approval and that there is no sealed competitive
13 bidding and there is no sale for the value of the
14 property. It disturbs me knowing that Councilwoman
15 Brewer has said now and I'm trying to quote her
16 because I just wrote it down, that the developer was
17 able to purchase the site at a nominal amount. The
18 purpose of this meeting is whether it should be sold
19 at all. It's my contention that sale of the property
20 to the developer in violation of Chapter 15, Section
21 384 would amount to a fraudulent transfer of the
22 property and moreover, this is a mention of any
23 compliance with section 384 was entirely absent from
24 any presentation by Fetner, it's attorney's or the
25 HPD people in this proceeding or in any other prior

1
2 proceedings before any other boards or hearings of
3 the city.

4 In this respect, there was a hearing before the
5 City Planning Commission that commenced on January
6 22, 2020 and at that hearing they made materials that
7 I submitted as an exhibit to their hearing. I am
8 unable technologically at age 75 and with my
9 technological abilities to send those materials to
10 you. So, I ask that you reach out to the City
11 Planning Commission and acquire those materials and
12 review them as an exhibit.

13 SERGEANT AT ARMS: Your time is expired.

14 ROBERT BORNSTEIN: One is a letter to the
15 Planning Commission dated January 27th. One is a
16 letter to the Mayor and also sent to Corey Johnson
17 and the Planning Commission dated December 12, 2019
18 and it includes handwritten submissions by me.

19 CHAIRPERSON ADAMS: Thank you. Mr. Bornstein,
20 Mr. Bornstein, your time is expired. We thank you
21 very much for your testimony. Thank you very much
22 for being here today.

23 ROBERT BORNSTEIN: Thank you.

24 CHAIRPERSON ADAMS: Counsel, are there any more
25 witnesses, public witnesses?

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JEFFREY CAMPAGNA: The next witness is Mark Diller who is also testifying on L.U. 661.

SERGEANT AT ARMS: The clock will start now.

CHAIRPERSON ADAMS: Mr. Diller, you have two minutes. You may begin. Please unmute Mr. Diller.

MARK DILLER: I thought I did. I'll try again, how is that?

CHAIRPERSON ADAMS: That's fine.

MARK DILLER: Very good. Thank you very much for this opportunity Chair Adams and Council Members, especially my hometown Council Member Rosenthal. I appreciate this opportunity to present on behalf of Community Board 7 who resolved to approve this Application by a vote of 36 to 0 with 3 abstentions and 1 recusal. The major reasons why we offer our approval for this are the combination of cleaning up of a long dormant toxic site with the addition of affordable housing. This is literally a brown field. I have been in the back yard of Mr. Bornstein's building and seen an underground stream that emanates down that very sharp hill that you saw in the illustrations and it trickles into the backyards and then goes underground again. It is truly a toxic site that requires cleanup and we are encouraged that

1
2 the developer is pursuing New York State program
3 which will require third party verification of the
4 actual efficacy of the cleanup.

5 With respect to it is an approval on our Boards
6 part with conditions and recommendations. The
7 recommendations have to do with outreach to seniors
8 in a marketing way, just similar to what Council
9 Member Salamanca was recommending in his district in
10 an earlier application today. And the street on
11 which this is located is one of the most dangerous in
12 our district and so, it is essential that we have the
13 Construction Coordinating Committee through the
14 Community Board.

15 The recommendations were that 75 percent of the
16 affordable units be below 100 percent AMI and I
17 believe that the testimony and the questions from the
18 Council Members today reinforce the need for truly
19 affordable, affordable housing. At present, we are
20 at 50 percent of the affordable units. I understand
21 that this is an equation that needs to be balanced
22 but perhaps the Collegiate money or some other way of
23 tinkering with that equation can get us to the
24 required amount.

25 SERGEANT AT ARMS: Time.

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MARK DILLER: Thank you very much for this
3 opportunity and for this chance to add affordable
4 housing to our community.

5

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CHAIRPERSON ADAMS: Thank you. Thank you very
much Mr. Diller. Counsel, are there any other
7 members of the public wishing to testify?

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JEFFREY CAMPAGNA: Council Rosenthal, you do you
have any questions? Any other Council Members?

10

CHAIRPERSON ADAMS: Council Member questions.

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JEFFREY CAMPAGNA: If you are a Council Member
who has questions, please press the raise hand button
13 in the panelist view.

14

There are no Council Member questions.

15

CHAIRPERSON ADAMS: Okay, the witness is excused.

16

MARK DILLER: Thank you.

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CHAIRPERSON ADAMS: Counsel, I'll ask one more
time if there are any other members of the public who
19 wish to testify on L.U. 661 and the Preconsidered
20 L.U. for Application Number 20205412 HAM, both
21 concerning the 266 West 96th Street project.

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JEFFREY CAMPAGNA: There are three witnesses from
the public. The next one is Richard Iorio and I see
24 that Council Member Rosenthal has raised her hand.

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RICHARD LORIO: Hello.

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2 SERGEANT AT ARMS: Richard, your clock will start
3 now.

4 RICHARD IORIO: Okay.

5 CHAIRPERSON ADAMS: You have two minutes.

6 RICHARD IORIO: Yeah, how are you doing? Just
7 give me one minute, I was making sure that everybody
8 could hear me.

9 Good afternoon Madam, my name is Richard Iorio.
10 I have been a member for the SCIU 32 BJ for over ten
11 years. I'm an essential residential worker and I'm
12 speaking today on behalf of my union to express our
13 support for the proposed project at 266 West 96th
14 Street.

15 32BJ supports responsible development and creates
16 good property service jobs and pay the prevailing
17 wage. While I report the federal properties has made
18 a credible commitment to these jobs created by this
19 project that will be good jobs that pay the
20 prevailing wage. But this throughout this crisis
21 Fetner has acted as a responsible employer and
22 continues to put the needs of their essential workers
23 first. The jobs created by this development will
24 give workers from diverse backgrounds the access to
25 upward mobility and security. We need jobs like this

1
2 more than ever. In addition, we strongly support the
3 much needed permanently affordable housing, this
4 project brings to the upper west side. This housing
5 that workers like me stand to benefit greatly from.

6 On behalf of more than 6,032 BJ members that live
7 and work in Community District 7 and our larger New
8 York City membership, we respectfully urge you to
9 approve the project.

10 Thank you.

11 CHAIRPERSON ADAMS: Thank you.

12 JEFFREY CAMPAGNA: Council Member Rosenthal has a
13 question.

14 CHAIRPERSON ADAMS: Council Member Rosenthal.

15 COUNCIL MEMBER ROSENTHAL: Thank you very much.

16 With apologies, I actually just wanted to thank Chair
17 Mark Diller from Community Board 7 for his time and
18 for his coming to testify today. You know, his
19 dedication and the dedication of the Community Board
20 and thinking through the details of the project are
21 incredibly helpful. So, I really just wanted it to
22 be on the record thanking him today.

23 Thank you, Chair Adams, you are amazing to watch
24 in action.

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CHAIRPERSON ADAMS: Thank you so much Council
3 Member Rosenthal. Counsel, please call the next
4 witness.

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JEFFREY CAMPAGNA: The next witness on L.U. 661
6 is Sara Lind.

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CHAIRPERSON ADAMS: Ms. Lind.

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SARA LIND: Can you hear me?

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CHAIRPERSON ADAMS: I can hear you; you have two
10 minutes.

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SERGEANT AT ARMS: Clock starts now.

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CHAIRPERSON ADAMS: Go ahead Ms. Lind.

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SARA LIND: Can you hear me now?

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CHAIRPERSON ADAMS: Yes.

15

SARA LIND: Okay, great. Thank you. So, thank
16 you so much to everyone and your commitment to
17 affordable housing. I'm the Co-Secretary of
18 Community Board 7. I'm here to speak in support of
19 the project.

20

Last summer, my 80 year old mother in law was
21 facing homelessness. She was on the verge of moving
22 into a shelter because she couldn't find anywhere
23 affordable to live.

24

Obviously, that was unacceptable to us, so she

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moved in with us, which is lucky but so many seniors

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2 in our city and our community are on the edge of
3 homelessness and don't have any support system.

4 So, I know that some people have questions on the
5 microunits but I believe they are exactly the kind of
6 thing we need more of. I guarantee you that my
7 mother in law would rather have her own microunit
8 than be sleeping on the bottom bunk of my six year
9 old sons bed or God forbid in a shelter.

10 New York is facing an affordable housing crisis
11 and it's critical that we build more housing and more
12 affordable housing. I continue to call on the
13 developers to lower the AMI for the affordable units
14 especially the microunits. The people in our
15 community who most need these microunits need them at
16 deep affordability. Frankly, my mother in law would
17 not be able to afford the unit at 60 percent of AMI
18 and I would also note, which was raised by Council
19 Member Miller earlier that she would also not qualify
20 for the homeless set aside units because she has
21 never actually been homeless and never gone through
22 the shelter system but she has been housing insecure
23 for years. So, that's something I do hope that the
24 Council will take up.

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2 I wanted to note the question of density and
3 COVID was raised earlier and I know that the governor
4 has been continually saying that density is the
5 problem but we know from places like South Korea and
6 Singapore which are incredibly dense places with very
7 few cases, that density is not the problem. In fact,
8 over crowding and unequal access to healthcare and
9 lack of early ineffective government action is the
10 problem.

11 In New York City, we know that the places with
12 the most current cases are actually not those that
13 are most dense, but those with the most overcrowding.

14 So, to the extent that overcrowding contributes
15 to poor health outcomes, projects like this one that
16 help people get into their own housing -

17 SERGEANT AT ARMS: Time.

18 SARA LIND: Will alleviate overcrowding and make
19 New York City more resilient in the future.

20 Thank you.

21 CHAIRPERSON ADAMS: Thank you. Thank you so much
22 for your testimony. Counsel, are there any more
23 members of the public wishing to testify at this
24 time?

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2 JEFFREY CAMPAGNA: Council Member Rosenthal has a
3 question.

4 CHAIRPERSON ADAMS: Council Member Rosenthal.

5 COUNCIL MEMBER ROSENTHAL: Thank you. It's like
6 a great day for me to see my Community Board 7
7 colleagues.

8 SARA LIND: Thank you.

9 COUNCIL MEMBER ROSENTHAL: So, I really just want
10 to thank you Sara for taking the time to testify and
11 bringing up the example of your mother in law, which
12 exactly speaks to council Member Miller's point. I
13 was going to ask you if she would have been able to
14 afford a microunit at any one of the levels. So, I
15 think that's an incredibly important point and an
16 incredibly big failing on the part of HPD not to
17 recognize all the people who are in that situation.
18 You know, when we talk about affordable senior
19 housing, we say it takes seven years for someone, a
20 senior, to find affordable housing but boy, we're not
21 even including your mother in law when we think of
22 those numbers. So, I really appreciate your time and
23 your bringing that story forward. It's very
24 important for this conversation and I thank you and
25 I'm grateful for you as always. Thank you, Sara.

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CHAIRPERSON ADAMS: Thank you. Thank you,
Council Member Rosenthal.

JEFFREY CAMPAGNA: Council Member Barron also has
a question.

CHAIRPERSON ADAMS: Yes, Council Member Barron.

COUNCIL MEMBER BARRON: Yes, thank you Madam
Chair. It's not a question, just a comment as we're
wrapping up and I just want to commend you. You did
a great job in keeping these things moving. It's
technical, it's first time and you did a great job.

CHAIRPERSON ADAMS: Thank you.

COUNCIL MEMBER BARRON: And I also want to send
great kudos to all the technical people that we don't
see but who are making this run so smooth. Thank
you. Jeff, good job, thank you so much.

CHAIRPERSON ADAMS: Thank you. Thank you very
much Council Member Barron for that. I appreciate
it. Counsel?

JEFFREY CAMPAGNA: The next witness on L.U. 661
is Sheldon Fine.

SHELDON FINE: Can you hear me?

CHAIRPERSON ADAMS: Yes, we can. Mr. Fine? Mr.
Fine, are you there?

SHELDON FINE: Yes, can you hear me now?

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CHAIRPERSON ADAMS: We can hear you now.

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SHELDON FINE: Thank you.

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SERGEANT AT ARMS: The clock starts now.

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CHAIRPERSON ADAMS: Two minutes.

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SHELDON FINE: Okay, as President of the West

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Side Federation for Senior and Supportive Housing,

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which has 28 buildings on the west side, west hall

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and the south Bronx, dedicated to low income, largely

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seniors but low income housing for people, supportive

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housing for people in need, I'm acutely aware of the

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need for affordable housing. And in this situation,

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we have an opportunity.

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There is six developments between 91st Street and

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96th Street that are either planned or being built

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and this is the only one that has any possible

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affordable housing as a part of the plan. The fact

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that 40 percent are affordable, certainly we could do

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better with the AMI situation but it's significant.

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We have people, we have 5,000 people on three of our

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waiting lists and they were cut off. People who

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would fit into a lot of this affordable, these

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affordable ranges.

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This developer has been communicating well by the

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community and accessible for questions and

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suggestions and responsive and that's reassuring for the future. What we love is this area is accessible by transportation okay, including elevator to the subway. Amongst the other situations that we find positive are that the amenities are available to all residents, not just the market rate residents. And that the, we're preservationists that the façade of the MTA Substation is being preserved and extended. So, it's attractive for our community.

Most important, with the Brownfield Cleanup Program, we assured of that and we're worried not only about the buildings there but the school on 96th and Broadway.

Overall, the need is great. Let's be reasonable in seeing what can be done by the developer of HPD and the city to bring more affordability but let's not throw away the one opportunity that's available in that area because of not having everything we want.

CHAIRPERSON ADAMS: Thank you Mr. Fine. Your time is up, we appreciate your testimony. Thank you so much.

JEFFREY CAMPAGNA: Council Member Rosenthal has a question.

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CHAIRPERSON ADAMS: Council Member Rosenthal.

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COUNCIL MEMBER ROSENTHAL: Na, it's just the
usual thank you to the Community Board 7 members.

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Wow three today that's my good fortune. Sheldon,

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thank you for your help and for your testimony. I

7

really appreciate it.

8

SHELDON FINE: Thank you.

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CHAIRPERSON ADAMS: Thank you. Okay, back to you
Counsel.

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JEFFREY CAMPAGNA: There are no more members of
the public signed up to testify before this item.

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CHAIRPERSON ADAMS: Okay. There being no other

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members of the public who wish to testify on L.U.

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659, 660, 661 and Preconsidered Application Number

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20205412 HAM. The public hearings on these items are

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now closed and that concludes today's business. All

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items on today's agenda are hereby laid over. I

19

remind you that if you have written testimony on

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today's items, you may submit it to

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landusetestimony@council.nyc.gov.

22

Please indicated the L.U. number or the project

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name in the subject heading and now I would like to

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do my thank you' s. I thank you to all of my

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colleagues who are here today, especially those who

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had items before this committee. I'd like to thank my colleagues again, for being so thoughtful and taking your time out to be here at this hearing today.

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Subcommittee Council, you are outstanding. Thank you so much for being my right hand and my left hand and my texting buddy to keep me on track. Thank you very much Jeff. Thank you to all of our amazing Land Use Staff, we couldn't do this without you, without your guidance, you make us really, really look good in these Zoom hearings.

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Thank you so much. Sergeant at Arms, thank you for participating in today's hearing and all of your hard work behind the scenes. Everybody else who is behind the scenes, everybody that testified today, we do really thank you very much for being a part of this historic Landmarks Zoom hearing.

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And with that, this meeting is hereby adjourned.

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[GAVEL]

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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 April 1, 2018