

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

SUBCOMMITTEE ON PLANNING, DISPOSITIONS AND CONCESSIONS

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April 7, 2010  
Start: 1:20pm  
Recess: 1:35pm

HELD AT: Council Chambers  
City Hall

B E F O R E:  
STEPHEN T. LEVIN  
Chairperson

COUNCIL MEMBERS:  
Council Member Inez Dickens  
Council Member Sara M. Gonzalez  
Council Member Peter A. Koo

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

Carol Clark  
Assistant Commissioner  
Department of Housing, Preservation and Development

Mei Lin Chu  
Representative  
Manhattan Planning Department

Joseph Lynch, Esq.  
Partner  
Nixon Peabody

Salvatore D'Avola  
Executive Director  
Restored Homes HDFC

2 CHAIRPERSON LEVIN: I'm ready.

3 Good afternoon. Oh. Good afternoon, welcome to  
4 the Subcommittee on Planning, Dispositions and  
5 Concessions. I am Council Member Stephen Levin.

6 To my left is Council Member Inez Dickens of  
7 Manhattan, to my right is Council Member Peter Koo  
8 of Queens, and to his right is Council Member Sara

9 Gonzalez of Brooklyn. We have three items on the  
10 agenda today. Land Use Number 66, that is in

11 Community Board District Eight, East Harlem

12 Veterans Initiative, that is--I'm sorry, that's in

13 Council District Eight, Community Board District

14 Eleven in Manhattan. An application submitted by

15 HPD and development for an urban, a UDAP

16 application located at 98-108 East 118<sup>th</sup> Street.

17 We have two speakers on this item today. From HPD

18 is Ms. Carol Clark, as well as Mei-Lin Chu. Ms.

19 Clark?

20 CAROL CLARK: Thank you, Mr.

21 Chairman, I'm Carol Clark, Assistant Commissioner

22 at HPD, and as you noted, I'm joined by our

23 Manhattan Planning Department's Mei-Lin Chu. LU-

24 66, East Harlem Veterans Initiative, consists of

25 the proposed disposition of two vacant lots

2 located, as you said, at 98-108 East 118<sup>th</sup> Street,  
3 for development under HPD's Supportive Housing  
4 Loan Program. The sponsor, Prospero Housing  
5 Development Fund Corporation, whose parent  
6 organization is The Lantern Organization, Inc.,  
7 will construct one six-story building. When  
8 completed, the project will provide 86 residential  
9 units for low income and formerly homeless  
10 persons, plus one superintendent unit. Today, HPD  
11 is before the Council seeking its approval on  
12 designating the disposition area as an urban  
13 development action area and project. Council  
14 Member Melissa Mark-Viverito is in full support o  
15 this project.

16 CHAIRPERSON LEVIN: Wonderful. Mr.  
17 Chu, do you have anything to add on the project?

18 MEI-LIN CHU: No, I don't, thank  
19 you.

20 CHAIRPERSON LEVIN: I do not have  
21 any, any questions about this particular project.  
22 Do any of my colleagues on the, on the Committee  
23 have any questions?

24 MALE VOICE: No.

25 CHAIRPERSON LEVIN: Okay, the

2 hearing on this item is closed. Moving onto the  
3 next item is Preconsidered Land Use Number--oh,  
4 sorry--20105425HAM, Terrific Tenements, that is in  
5 the Council district of Speaker Christine Quinn,  
6 Manhattan Community Board District Four.

7 Application is submitted by HPD, pursuant to the  
8 New York Private Housing Finance Law for approval  
9 to the prior exemption and consent to the  
10 voluntary dissolution of a redevelopment company,  
11 for property located at block 1076, lot 15, and  
12 block 1058, lot 16, Council District Three,  
13 Borough of Manhattan. To testify on Terrific  
14 Tenements, we have Ms. Carol Clark. Thank you.

15 CAROL CLARK: And I'm joined today  
16 by Joseph Lynch of Nixon Peabody, who represents  
17 the owner. Thank you, Mr. Chairman. This item  
18 consists of two buildings known as "Terrific  
19 Tenements," located at 525-531 West 47<sup>th</sup> Street,  
20 and 421-425 West 48<sup>th</sup> Street. The project which  
21 provides 88 residential units of low income  
22 housing, is owned by Clinton CRS Holding Company,  
23 a redevelopment company organized pursuant to  
24 Article 5 of the Private Housing Finance Law.  
25 Under the proposed project, a new owner, Clinton

2 Housing LP will acquire the property with both a  
3 loan from the Housing Development Corporation,  
4 HDC, and with low income housing tax credits.  
5 Clinton Housing, Preservation and HDC will enter  
6 into a regulatory agreement requiring that the  
7 units be rented to families who, whose incomes are  
8 less than 60 percent of the area median income,  
9 which is \$32,200 for an individual, or \$46,000 a  
10 year for a family of four. Today, HPD is before  
11 the Council seeking approval of the dissolution of  
12 the Article 5 redevelopment company that currently  
13 owns the property, and the termination of the  
14 related tax exemption. This will permit us with  
15 moving ahead with a 100 percent low income housing  
16 on this site. Council Member Quinn has been  
17 briefed and indicated her support. Thank you.

18 CHAIRPERSON LEVIN: Thank you very  
19 much, Assistant Commissioner Clark. I don't have  
20 any, any questions on this item, in particular.  
21 Do any of my colleagues have any questions? Mr.  
22 Lynch, would you like to add anything?

23 JOSEPH LYNCH: Nothing at this  
24 time, thank you.

25 CHAIRPERSON LEVIN: Great. Thank

2 you very much, Mr. Lynch; thank you very much, Ms.  
3 Clark. I think that the hearing on this item is  
4 hereby closed. We have one more item to address  
5 at today's meeting, and this is on Land Use Item  
6 Number 41, I'm sorry, 40, excuse me, Land Use Item  
7 Number 40, 20105364HAK, Council District 41, in  
8 Community Board Three, in Brooklyn. This is 917  
9 Gates Avenue, Council Member Darlene Mealy's  
10 district. And this is an asset control area  
11 application. Testifying, again, Assistant  
12 Commissioner Carol Clark, as well as Sal D'Avola  
13 from Restored Homes HDFC. Thank you very much.

14 CAROL CLARK: Thank you, Mr.  
15 Chairman. LU 40 consists of one vacant, three  
16 family home, located as you noted at 917 Gates  
17 Avenue, to be developed under the Asset Control  
18 Area program, which we call the ACA program. In  
19 an effort to revitalize neighborhoods by bringing  
20 vacant homes back into use, and to create  
21 affordable home ownership opportunities for low  
22 and moderate income families, HPD and the Federal  
23 Department of Housing and Urban Development, or  
24 HUD, have undertaken this Initiative. Under the  
25 program, one to four family homes that are

2 acquired by HUD as a result of mortgage  
3 foreclosures, are sold to a not-for-profit  
4 sponsors, Restored Homes HDFC, of which Mr.  
5 D'Avola is the Executive Director, for  
6 rehabilitation and subsequent sale to qualified  
7 purchasers. In collaboration with HPD, Restored  
8 Homes oversees the rehabilitation of these  
9 buildings, and conducts the marketing process  
10 established to identify income eligible  
11 purchasers. Today, HPD is before the Council  
12 seeking approval of a UDAP tax exemption which  
13 will enhance the affordability of the project for  
14 the eligible purchasers. Council Member Mealy has  
15 reviewed the project and indicated her support.

16 CHAIRPERSON LEVIN: Very good. Do  
17 you have anything to add, Mr. D'Avola?

18 SALVATORE D'AVOLA: I do not.

19 CHAIRPERSON LEVIN: Does any--any,  
20 I don't have any questions on this particular  
21 item. Council Member Dickens?

22 COUNCIL MEMBER DICKENS: Deputy  
23 Commissioner, hi. What is going to be the  
24 purchase price?

25 CAROL CLARK: The--



2 COUNCIL MEMBER DICKENS: And how  
3 will it be marketed?

4 SALVATORE D'AVOLA: I, I can answer  
5 that question for you. The purchase, we already  
6 have a buyer, we had a marketing process, a  
7 lottery process, where the homeowner was selected  
8 through that lottery process. And the purchase  
9 price is \$505,000.

10 COUNCIL MEMBER DICKENS: And what  
11 will the, do you set the rents for the, for the  
12 rental units, or will the homeowner?

13 SALVATORE D'AVOLA: The homeowner  
14 will do that, based on what's, what's marketable  
15 in the community.

16 COUNCIL MEMBER DICKENS: And how,  
17 did I hear that there will be a tax, a real estate  
18 tax exemption?

19 SALVATORE D'AVOLA: That's what  
20 we're here before the City Council for, is to get  
21 an approval of that tax exemption.

22 COUNCIL MEMBER DICKENS: For how  
23 many years?

24 SALVATORE D'AVOLA: It would be for  
25 ten years.

2 COUNCIL MEMBER DICKENS: Thank you.

3 CAROL CLARK: Thank you.

4 CHAIRPERSON LEVIN: Any other

5 questions from members of the Committee?

6 Commissioner Clark, Mr. D'Avola, thank you very  
7 much for your testimony. The, the hearing on this  
8 item is hereby closed. That is it for the items  
9 on the agenda for today. I am going to [pause]  
10 we're going to be laying over all other items that  
11 were on the agenda today, and we will be voting on  
12 these three items now. I recommend an aye vote on  
13 all three items. And I will ask the Counsel to  
14 the Committee to call the roll.

15 COUNSEL: Carol Shine, Counsel to  
16 the Subcommittee, Chair Levin.

17 CHAIRPERSON LEVIN: Aye.

18 COUNSEL: Council Member Gonzalez.

19 COUNCIL MEMBER GONZALEZ: [off mic]  
20 Aye.

21 COUNSEL: Council Member Dickens.

22 COUNCIL MEMBER DICKENS: Aye.

23 COUNSEL: Council Member Koo.

24 COUNCIL MEMBER KOO: [off mic] Aye.

25 COUNSEL: By a vote of four in the

2 affirmative, none in the negative, and no  
3 abstentions, the aforementioned items are approved  
4 and referred to the full Committee.

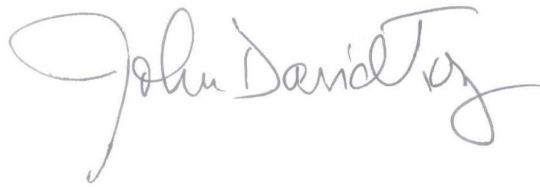
5 CHAIRPERSON LEVIN: We'll leave the  
6 roll open for another ten minutes, for Council  
7 Member Barron if he--Oh, oh, he's at the other  
8 meetings. Five minutes for Council Member Barron.  
9 And hereby this meeting is closed and adjourned.

10 [gavel]

11

C E R T I F I C A T E

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

A handwritten signature in cursive script that reads "John David Tong". The signature is written in dark ink and is positioned above a horizontal line.

Signature \_\_\_\_\_

Date April 23, 2010