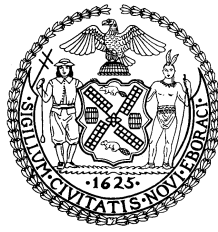


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The City of New York
Manhattan Community Board 8

Public Hearing
Housing Committee

Brick Presbyterian Church
62 East 92nd Street
Youth Floor
Thursday, February 5, 2015, 6:30 p.m.

CB8 members present: Allison Kopf, Lorance Hockert, Ed Hartzog, Elaine Walsh

CB8 members absent: Matt Bondy, David Rosenstein (excused)

The Meeting was called to order at 6:35 p.m.

Affordable Housing Plan Application Pursuant to the Inclusionary Housing Program for 1766-68 2nd Avenue, NY, NY Block: 1555; Lot 1 & 2 (the "IHP Application")

Alvin Schein, attorney for Extell Development Corporation; Mark Ginsberg of Curtis + Ginsberg Architects, LLP; and, Elysa Goldman of Extell Development Corporation came before the Committee and presented an inclusionary housing plan for two parcels at the corner of Second Avenue and 92nd Street – 1766-68 Second Avenue. The location is currently occupied by a structure that is slated to be demolished in order to make room for the new development.

In its place will be two new buildings – 6 and 11 stories tall – that will have 25 permanently affordable apartments. Of these there will be 21 2-bedroom and 4 3-bedroom apartments that will rent for \$1,470 and \$1,691 a month, respectively. They are designated to be permanently affordable, with any future rent increases to be the lesser of either – 1) those proposed by the Rent Guidelines Board; or, 2) the increase in AMI.

The buildings will be built to exceed current environmental standards by 5% and will have retail commercial space on the ground floor of each. There will be recreational space on the roof of each building along with laundry and bike storage facilities. Once completed, the developer will plant trees on the side streets, but not along Second Avenue, due to the on-going subway construction.

The developer will not be applying for a 421-a tax credit or any other government money for the project.

Instead, the project will be funded by private sources and Extell will apply for an Article 11 tax break – making their tax liability for the project \$0.

In exchange for building these apartments, the applicant stated that Extell will receive 115,000 square feet of air rights that they can use on projects within Community District 8. They may also sell these rights to other developers, subject to the aforementioned criteria.

The apartments will be eligible for occupancy by individuals and families who make 80% of the AMI – as calculated by HUD. Due to expected strong demand, a lottery system will be used to select individuals and families for occupancy, with 50% coming from Community District 8.

The selection of tenants and management of the buildings will be done by a yet to be determined administrative agent. The apartments will also have a marketing plan that will be approved by HPD.

At the conclusion of the presentation the public and committee members had many questions including but not limited to: potential sites for inclusion of compensatory air rights; the name of any potential managing agent or non-profit entity; the cost per square foot of air rights; any potential developers who may buy any or all of the air rights; the possibility of controlling rent for the commercial space(s).

The applicant was not prepared to answer these and other questions.

The Committee then passed the following Resolution 4-0-0 (Yes – Hartzog, Hockert, Kopf, Walsh):

Larry Hockert and Ed Hartzog, Housing Co-Chairs

WHEREAS, the City of New York and Manhattan Community District 8 are in need of more affordable housing and,

WHEREAS, the development of inclusionary housing is a positive step towards increasing affordable housing in Community District 8 and,

WHEREAS, the City's Inclusionary Housing Program raise many issues for communities that receive inclusionary housing developments and,

WHEREAS, the proposed development of inclusionary housing at 1766-68 presents many questions that remain unanswered and,

WHEREAS, the Community Board has until March 2nd to make their recommendations to the Department of Housing Preservation and Development,

THEREFORE BE IT RESOLVED THAT, the Committee recommends the applicant return to answer outstanding questions regarding the proposed inclusionary housing project at 1766-68 Second Avenue.

Discussion on Illegal hotels in Community Board 8 – (Joint Item with Zoning and Development Committee)

Kayla Rivera – a tenant organizer - and Dan Evans – a tenant's rights attorney – from the Goddard Community Center SRO Law Project along with Betsy Eichel – a tenant organizer from Housing Conservation Coordinators – and Sarra Hale-Stern, from State Senator Liz Krueger's office, made a presentation to the committee regarding illegal hotels.

As noted during the January Full Board meeting, the Borough President has proposed a resolution for consideration at the February or March Borough Board meeting. As such, the Committee passed the following Resolution 3-1-0 (Yes – Hartzog, Hockert, Walsh; No – Kopf):

WHEREAS, the Borough President of Manhattan has proposed a resolution regarding the proliferation of illegal hotels and SRO units in Manhattan and throughout New York City York and,

THEREFORE BE IT RESOLVED THAT, the Committee recommends that the Full Board support the aforementioned resolution and further instruct the Chair to vote in the affirmative regarding its passage at the next borough board meeting at which said resolution is considered.

Old Business.

There was no old business.

New Business.

There was no new business.

There being no further business, the meeting was adjourned at 8:20 p.m.

Respectfully submitted,