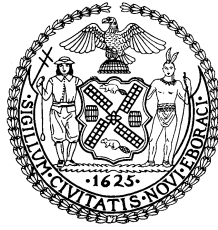


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The City of New York
Manhattan Community Board 8

Public Hearing

Housing Committee Meeting

Brick Presbyterian Church
62 East 92nd Street
Carnegie Room
Tuesday, March 10, 2015, 6:30 p.m.

CB8 members present: Ed Hartzog*, Lorance Hockert*, Rita Popper*, Jim Clynes^, Elizabeth Ashby, Larry Parnes, Marco Tamayo, Elaine Walsh

CB8 members absent: Matt Bondy, Ellen Polivy, David Rosenstein
Posie Di Sesa – Public Member

*Committee member

^Ex-Officio

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

Inclusionary Housing Plan for 405 East 78th Street, NY, NY Block: 1555; Lot 1 & 2 (the "IHP Application")

The application consists of a newly constructed 6-story building with 12 apartments – 11 affordable and one market rate studio. The site area is approximately 2,544 square feet and currently occupied by a structure – containing 16 apartments – that will be demolished. Alvin Schein, attorney for 405 East 78 Realty LP – the owner and applicant – made a presentation on their behalf. The applicant intends to enter into a regulatory agreement with HPD as part of the inclusionary Housing Program. The 11 inclusionary units will be set aside for households earning no more than 80% of AMI (\$50,400 approx.) and will rent for \$1,260 / month. The units will be permanently affordable.

The applicant is applying for an Article XI 30 year tax break and will be turning over ownership to a currently unnamed not-for-profit to manage the building. The not-for-profit will be charged with ensuring the units stay affordable in perpetuity. The initial tenants will be selected by a lottery system, administered by HPD and, half of those chosen will be from Community District 8. The income criteria will be the sole determining factor for eligibility.

In addition to the tax benefit, the applicant will receive approximately 32,500 sq. ft. of air rights (transferable development rights "TDRs") in exchange for building approximately 10,000 sq. ft. of affordable apartments (i.e., - "the generating site"). The applicant receives a 3.5 to 1 bonus ratio because they are not using government funds or grants. The "recipient site" for the 32,500 sq. ft. of air rights is 301 East 80th Street. That site appears to be currently occupied and the applicant was unable to say anything other than the project at that site will be approximately 200,000 sq. ft.

The public and committee members had many questions/comments about the application including but not limited to: the overall net loss (4) of affordable apartments (16 down to 12) at 405 East 78th Street; the way in which tenants left the site (i.e., were they "bought out" or coerced out?); the unnamed not-for-profit; and, the potential current occupants at 301 East 80th Street.

Larry Hockert and Ed Hartzog, Housing Co-Chairs

The applicant was unable to answer these and other questions – as such, the Committee moved to lay the matter over until the May meeting, at which time the applicant will return to answer questions. In the interim, the Committee will notify HPD of its questions and concerns as well as the current disposition of the application.

Guest Speaker – Ms. Louise Carroll, Assistant Commissioner for Inclusionary Housing.

Assistant Commissioner for Inclusionary Housing, Ms. Louise Carroll, spoke to the Committee about the Inclusionary Housing and 421-a partial tax abatement programs. Of particular concern to the Committee was the timing of inclusionary housing applications, the proper way for the Community Board to weigh in on the applications and any deadline(s) for input.

The commissioner noted that a 45 day clock begins to run on IH applications the day they are received by the Community Board and, HPD will not act on an application before 45 days have elapsed. During that time the Community Board can express its views, opinions or stay silent on the matter.

The commissioner also noted that HPD will not act on any application that is not complete and applications are frequently incomplete (as is the one for 405 East 78th Street). In addition, the Community Board can continue to weigh in on applications – as long as HPD has not closed the matter. The commissioner indicated that Community Boards can call applicants back for more questions and information as part of the process. Indeed, several community boards – notably Manhattan Community Board 4 – are quite active in working with developers and HPD on these applications. The policy objective trying to be achieved is that of a more inclusive dialogue between the community, developers and HPD when these projects are built.

Notwithstanding, the commissioner noted that budget constraints had limited her to four staff members in charge of approximately 61 IHP applications. It was suggested that the committee remain proactive in monitoring outstanding IHP applications within the Community District. In addition, because of HPD’s budgetary constraints the not-for-profit entities which manage these projects have become that much more crucial to the program, especially as they are charged with monitoring and maintaining its long-term affordability.

In light of these fiscal issues, HPD has integrated some automation into the process – architects can self-certify project designs online, based on their information. However, HPD still has to approve the affordability of the units before DOB gives developers a certificate of occupancy.

Section 421-a Application for 205 East 92nd Street, Block 1528, Lot 10

The applicant 92nd and 3rd Associates, LLC is applying to HPD for a preliminary certification pursuant to the Section 421-a partial tax abatement program.

The owner intends to build a 36 story tower with residential apartments and amenities including: a gym; two commercial spaces (a fitness facility and a retail space); a school (Windward); and a Plaza. The apartments will also have washer/dryers, a 24 hour doorman and concierge, a children’s playroom, a room for teenagers, a study area, penthouse party room with terrace, a game room and a business center. There is some question as to whether the second set of amenities are for all 231 units in the building or just the 45 market rate apartments that occupy floors 27-35.

There are 47 affordable units set aside for households making 50% and 40% of AMI. In addition, it is not clear whether the applicant will be receiving “air rights” as part of this project. Since neither the applicant and/or its attorney could attend the meeting the committee and public were left with forwarding their questions and issues to the applicant’s attorney.

The applicant will be invited to present at the April meeting, when it can address the committee and public’s questions and issues. In addition, the committee will notify HPD of the current disposition of the application and include a list of its questions and concerns.

Old Business.

There was no old business.

New Business.

There was no new business.

There being no further business, the meeting was adjourned at 8:00 p.m.

Respectfully submitted,

Larry Hockert and Ed Hartzog, Co-Chairs

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