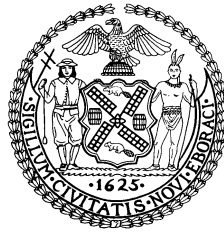


James G. Clynes  
Chair

Latha Thompson  
District Manager



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**The City of New York  
Manhattan Community Board 8  
Housing Committee Meeting  
Brick Presbyterian Church  
62 East 92<sup>nd</sup> Street  
Carnegie Room  
Tuesday, April 6, 2015, 6:30 p.m.**

**CB8 members present:** Ed Hartzog\*, Ellen Polivy\*, Rita Popper\*, David Rosenstein\*, Marco Tamayo, Barry Schneider, Judy Schneider

**Members of the Public:** Thinzar Kyaw, Vandana Ranjan

**CB8 members absent:** Matt Bondy

Posie Di Sesa – Public Member

\*Committee member

The Meeting was called to order at 6:30 p.m.

**Section 421-a Application for 301 East 61<sup>st</sup> Street (a.k.a. 1161 Second Avenue), Block 1436, Lot 1**

The applicant 61<sup>st</sup> and 2<sup>nd</sup> NYC LLC and Owner is applying to HPD for a Preliminary Certification of Eligibility for partial tax exemption under Section 421-a of the Real Property Tax Law..

The applicant intends to build 30 market rate units at the site including one new commercial unit. Because the owner and their representatives did not attend the meeting, the Committee was not able to obtain any information about the project, beyond that contained in the application.

And, according to the application, the applicant/owner is utilizing four separate “Negotiable Certificates of Eligibility” to build the 30 market rate units. These certificates have issuance dates of October 25, 2007, November 26, 2007, June 1, 2012 and June 13, 2012, respectively.

The certificates indicate that affordable housing units were built at 675 Morris Avenue, Bronx, New York; 1450 Jessup Avenue, Bronx, New York; 2277 Bathgate Avenue, Bronx, New York; and, 2040 White Plains Road, Bronx, New York, respectively. A “Temporary Certificate of Occupancy” for the affordable units was issued on: September 4, 2007; October 9, 2007, July 7, 2008; and, August 22, 2007, respectively.

In addition, the Negotiable Certificates of Eligibility” indicate two different “benefit transferee(s)” – Gould 61<sup>st</sup> Street LLC for the certificates issued in 2007; and, 61<sup>st</sup> & 2<sup>nd</sup> NYC LLC for those issued in 2012.

With respect to the applicant/owner’s eligibility for 421-a benefits, the application indicates that the project qualifies under the “underutilized former residential building(s) (A.F.A. test).” The application also indicates that the Manager for the project resides in Lansing, Michigan.

Many questions were raised by this information – including but not limited to: how many affordable units were built at the sites in the Bronx; how much will the total tax abatement be for the life of the abatement; and, why are there two benefit transferees.

The application also indicated that the assessed value of the lot – in the base year – was \$1,567,000. By the start of construction in 2014 the assessed value had risen to \$18,900,000. This latter figure was used to calculate the overall project cost of \$48,767,912. – including \$20,743,115. in construction costs.

Additional issues and questions were raised surrounding the tax treatment and cost estimates of the project, and, as neither the applicant nor its representative was present at the meeting to answer any of these or the previous questions from the Committee or the public - the Committee then passed the following Resolution 7-0-0 (Yes – Hartzog, Polivy, Popper, Rosenstein, Tamayo, Schneider, J., Schneider, B):

WHEREAS, the applicant/owner of 61<sup>st</sup> and 2<sup>nd</sup> NYC LLC and its representatives failed to appear for the Housing Committee meetings and,

WHEREAS, the members of the Committee and public were unable to ask and have answered any questions pertaining to the project and,

WHEREAS, the members of the Committee and public were interested in learning more about the number of affordable apartments that were built in conjunction with the project, the length and extent of the tax abatement for the residents of the building and other related issues and,

WHEREAS, the members of the Committee and public were deprived of an opportunity to have these and other questions answered in a public forum,

THEREFORE, be it resolved that the application is hereby disapproved.

### **Discussion**

Afterwards a discussion ensued involving several issues including: a Committee or Community Board policy regarding the presence or absence of applicants for 421-a and IHP projects; an interpretation of the zoning resolution with respect to bonus floor area calculations; and, a possible working group and/or forum on affordable/inclusionary housing, hosted by the borough president's office.

With respect to the first issue – it was suggested that the committee and by extension the board create or enforce a general policy of disapproval for any applicant who fails to appear before the Housing Committee regarding any inclusionary or 421-a tax abatement housing projects.

In terms of floor area bonus calculations, Marco Tamayo indicated that he would like the Buildings Department to render an interpretation of the Zoning Resolution with respect to this issue. Specifically, there is a question as to whether developers are receiving an overly generous bonus floor area – in connection with the inclusionary housing program – using the current interpretation of the Resolution. As such, an official interpretation of the Zoning Resolution would help to clarify and/or resolve any discrepancies between policy and practice.

Finally, the idea was raised of a working group and /or forum amongst Manhattan Community Board Housing Committees. In particular, it was noted by Louise Carroll of HPD that Community Board 4 has been particularly proactive and successful in terms of dealing with developers when projects are built in their community district.

Given that inclusionary housing, 421-a and other affordable housing programs and proposals are moving to the forefront of public debate and practical effect, it was suggested that an exchange of ideas and information would be beneficial both for the affected communities, as well as developers.

As such, it was suggested that the borough president would be a good conduit for facilitating such a working group and/or forum. Presently 11 of the 12 Manhattan Community Boards (i.e., 2-12) have some form of a housing committee or working group on housing. Since housing affects all residents of the borough, bringing together the voices of the community and elected officials would seem to be beneficial for policy and decision-making, not only for the borough but also the City.

A further discussion of this and the other issues was deferred until the next meeting.

**Old Business.**

There was no old business.

**New Business.**

There was no new business.

There being no further business, the meeting was adjourned at 7:30 p.m.

Respectfully submitted,

Ed Hartzog, Chair

Larry Hockert and Ed Hartzog, Housing Co-Chairs