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The City of New York
Community Board 8 Manhattan
Zoning, Development, and Housing Committee
Tuesday, June 23, 2027 – 6:30 p.m.
Conducted remotely on Zoom

MEETING MINUTES

Board Members Present: Michael Anderson, Elizabeth Ashby, Michele Birnbaum, DJ Falkson, Edward Hartzog, Dylan Kennedy*, Craig Lader, Gopi Malathi, Margaret Price, Elizabeth Rose, Marco Tamayo, and Adam Wald

Excused Absences: Anthony Cohn and Jane Parshall
**Public member*

Approximate number of public attendees: 25

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

1. **Presentation and Discussion of Planned Universal Affordability Preference Development at 301 East 71st Street**

   Members of the developer ownership team, attorneys and architects gave a presentation and responded to questions:
   Ariel Torkian - Developer
   Stacey Jacobson - Adler & Stachenfeld - Attorney
   Robert Lautenschläger & James Davidson – Architects

   The proposed development will be a rental building with the following apartment counts and types:

APARTMENT TYPE	MARKET RATE	AFFORDABLE	TOTAL
STUDIO	-	4	4
1 BEDROOM	10	5	15
2 BEDROOM	14	9	23
3 BEDROOM	26	-	26
4 BEDROOM	1	-	1
5 BEDROOM	1	-	1
TOTAL	52	18	70

The average AMI for Affordable Units will be 60%.

The building will be 30 stories - 340’8” including bulkhead.

The project is utilizing air rights that have already been purchased from the three remaining tenement style buildings adjacent to the site on 2^{nd} avenue, as well as remaining development rights from the Knickerbocker high rise building on East 72^{nd} Street.

It will have 138K SF total, of which 100K SF zoning floor area excluding City of Yes credits. The Committee asked what portion of the total square footage is from the site itself, what portion is from air rights, and what portion is from Universal Affordability Preference; the developers will come back with this information.

NE corner 71st & 2nd. Tower on a base. Lots of corners & facets to create sculptural approach; not a simple square. There will be multiple terraces at the top of the building with lighting. Lighting will be turned off at night from upper portion of building; lower portion is for ambient light/safety.

There will be retail on the avenue; tenant entrance is as far east as possible on 71st St.

The presenters then answered questions from the public and the committee, which featured extensive discussion on the economics that are enabling this rental building, when many other developers are building condominiums. The following information includes a mix of comments and responses.

Because the building is under 100 units, under 485x the building can be built without state mandated prevailing wage rates. They will use “Open shop” bidding which can result in a combination of union and non-union labor.

Owners of buildings selling air rights are not required to do any maintenance or improvements to their remaining properties.

Positive to see rentals and affordable rentals; positive to see larger apartments - 3+ bedrooms

How do the economics work such that we can use this example to support other rental development? - This developer only does rentals and never sells. Land cost is reduced by buying development rights rather than actual property.

How does UAP help or hurt the economics? The Bonus is better than prior versions: up to 20%. There was a bonus ratio 3.5:1 of regular floor area to affordable floor area, up to 20%. Under UAP the ratio is now 1:1 ratio, also up to 20%. UAP creates more affordable housing than the previous VIH.

23rd & 24th floors are the amenity package with common outdoor space.

Replacement ratio - another site across the street had 53 units of rentals being demolished, so it would have needed to generate at least 53 affordable units; that site doesn't pencil as a rental. This site had to replace only 18 units; 20% affordable unit requirement is only 15 units, so they could economically go from 15 to 18. This replacement requirement only is in place if a rental building replaces rental units AND is seeking tax benefits; no such replacement requirement exists for a condo building replacing a rental building. There is no requirement to replace residential units if you are building a hospital.

Developer: The system that allows a single tenant to hold up a development is flawed. Proposal to cap the amount the holdout tenant can receive relative to the value of a comparable apartment in the neighborhood.

Affordable apartments will be rent stabilized.

Any restrictions on the affordable tenant use of the amenities? Law now prevents two separate entrances if tax benefits are being used. So only one entrance. Can't restrict access to any part of the building. Potential there may be a fee for using part of the amenities.

Construction will start as soon as they receive UAP regulatory agreement. Approx 2 years to completion.

How often do affordable tenants have to recertify their eligibility? Developer does not engage in the rent-up. 3rd party agent manages with HPD. Tenant has to income qualify to get the apartment; once they are in, there is no subsequent income check or verification if it remains their primary residence. In effect, it is simply a rent stabilized apartment once they are in.

Questions about energy usage, concern expressed about the amount of glass - all electric; in compliance; have to work with ConEd.

Concern that the building is lower density than required in terms of unit count; other commenters appreciated the inclusion of family-sized apartments.

Has the developer done any other projects in NYC? Yes, 250 East 83rd st.

Thank you to the presenters for their presentation, and for developing rental housing.

2. **Old Business**
   There were no items of Old Business.

3. **New Business**
   A committee member commented that we heard things "wrong" with 485x during the discussion, and suggested we get a speaker to discuss 485x, with the potential lead to a policy

discussion/resolution. Another member agreed the law is bad and encourages the wrong things and strange developments. A third member defended 485x. The Co-chairs will consider this for a future meeting topic.

The meeting was adjourned at 7:58 p.m.

Elizabeth Ashby, Anthony Cohn, and Elizabeth Rose, Co-Chairs