In the Matter of the
NEW YORK CITY
LANDMARKS PRESERVATION COMMISSION

BEFORE:

ROBERT TIERNEY, Chairperson

Landmarks Preservation Commission
1 Centre Street
New York, New York 10007

October 29th, 2013
1:30 p.m.

TRANSCRIPT OF PROCEEDINGS

Reported By:

DANIELLE CAVANAGH

STENO-KATH REPORTING SERVICES, LTD.
139 MAMARONECK AVENUE
MAMARONECK, NEW YORK 10543
(212) 95-DEPOS (953-3767) * (914) 381-2061
FACSIMILE: (212) 681-1985 * (914) 381-2064
EMAIL: Stenokat@verizon.net
Stenokath@verizon.net
PRESENT:

Commissioners:

ROBERT TIERNEY, Chairman
MICHAEL DEVONSHIRE
LIBBY RYAN
FREDERICK BLAND
MICHAEL GOLDBLUM
MARGERY PERLMUTTER
DIANE CHAPIN

Staff:

MARK SILBERMAN, ESQ.
SARAH CARROLL
WILLIAM NEELEY
MS. CARROLL: Item No. 5 is an application for a Certificate of Appropriateness in the Borough of Manhattan, Docket No. 12-7519, Block 1459, Lot 22, 429 East 64th Street, the City and Suburban Homes Company First Avenue Estate, an Individual Landmark, two six-story apartment buildings designed by Philip H. Ohm, built as part of the model tenement complex City and Suburban Homes First Avenue Estates in 1914 to 1915, and altered in 2006. This is an application to demolish the buildings, pursuant to the Rules of the City of New York 25-309 on the grounds that they generate an insufficient economic return.

MR. NEELEY: Good afternoon, Commissioners, William Neeley with the Preservation Department Staff. The project team is coming in. While they're getting settled, I'll note that this is an application by the owner of the City and Suburban Complex to demolish the two eastern-most buildings, which are located at the corner of York Avenue, 429 East 64th Street and 430 East 65th Street. You've heard this proposal last on June 11th, 2013. Since the hearing, the original hearing in the public meeting, the application has
made a submission to the Commission in response to public testimony and questions by the Commissioners and in response to a presentation made on behalf of the Friends of the Upper East Side Historic Districts. This document was distributed to you at the time they were submitted.

Today, the applicant will summarize the information in the most recent and the previous submission and answer any questions you might have.

CHAIR TIERNEY: We're going to open the hearing solely for the purpose of having the applicant give remarks, as Bill just alluded. A motion to open.

(Whereupon, the motion is moved by a Commission Member.)

CHAIR TIERNEY: Second.

(Whereupon, the motion is seconded by a Commission Member.)

CHAIR TIERNEY: Without objection, the hearing is open for this purpose. Go right ahead.

MR. SELVER: Mr. Chairman, Members of the Commission, I'm Paul Selver. I'm a member of the firm of Kramer Levin Naftalis & Frankel. We
are Special Land Use Counsel to Stahl York Avenue Company, which is the owner of the property at issue here and the applicant. I'm going to try to summarize today I think what -- with the focus on what was in our most recent submission, but there'll be some history as well.

I'm going to begin with the proposition that this case is different from other hardship proceedings that the Commission has seen. It doesn't involve a property that was sold for redevelopment immediately prior to designation, as was the case in Mount Nebo and was the case in KISKA. It doesn't involve a property that was fully rented up, fully ongoing at the time of designation, and it doesn't involve a property that has been designated for many years. Rather, the history of this particular landmark, these particular buildings, have followed a much more winding road.

As you know, our client has consistently argued that these buildings are not landmarks, either individually or as a part of the larger full block development. They were carved out in the 1990 designation of the block by the
Board of Estimate. That decision was upheld by the Supreme Court. And with respect to these buildings, there was no appeal. There was an appeal in a companion case involving the City and Suburban York Avenue Estates, and in that case, the Appellate Division reversed the Supreme Court and reinstated the full block designation.

However, for the rest of the 1990s, and actually even until 2006, there were no actions taken in the direction of designating these buildings. During that period, it was not unreasonable to believe that the Landmarks Commission was not pursuing the redesignation of the two properties. And this was because there was already one full block light-court tenement landmark that had been designated. So the City was assured of preservation of that type of development and that type of model tenement, and it was because, as we have consistently maintained, these buildings are actually very significantly different from those on the balance of the block in terms of their architect, in terms of their history, and in terms of their plans.

So beginning in the late 1990s, Stahl
took the first concrete steps toward redeveloping
this site by keeping vacant apartments unleased and
emptied -- vacated apartments. It continued to
maintain the buildings in accordance with law and
to provide full services for the tenants who were
there. But it also stopped making capital
improvements to the building, all of this in
anticipation of redeveloping the property once the
buildings had been vacated in an entirely legal and
appropriate manner.

However, in 2006, the Commission was
asked to redesignate the two buildings, and in
response to this request, it formally did so. At
the time, there were 50 apartments -- a little over
50 -- 53 apartments, in the two buildings that were
vacant. Stahl challenged the redesignation because
it believed, as it believed in 1990 and still
believes today, that these buildings do not meet
the criteria for designation under the Landmarks
Law. That challenge, as you know, was
unsuccessful, and so we are here with this hardship
proceeding.

What makes this hardship proceeding
unique is that it involves properties that in order
to be redeveloped, had been partially vacated and
not upgraded in reasonable reliance on a court
decision and the course of conduct by an
administrative agency. The result was that at the
time they were designated, these buildings were not
fully rented up and they were in need of capital
improvements. A substantial capital investment
would have been required to make them marginally
competitive with the other rental properties in the
neighborhoods. And we believe that we've shown in
the course of these proceedings that the
investment, the level of investment that was
required, was far greater than can be supported by
the achievable rents.

We haven't in this proceeding argued
that the hardship test under the Landmarks Law, an
inability to earn 6 percent on a property's
assessed valuation, is unconstitutional. But I
have to say that we are reserving the
constitutional claim because we think it is not
without merit and it may be one that our client
would seek to assert in any challenge to a decision
against it in this case. What we do want to say
here though is that we believe that it's incumbent
on the Landmarks Commission to bear in mind just how artificial and how divorced from economic reality the Landmarks Law's test really is.

First, the starting point of this test does not fully reflect the basic value of the property. This is because the Department of Finance uniformly assesses multiple dwellings at 45 percent of their market value, turning a nominal 6 percent return into a real 3 percent rate of return, far lower than the return that's acceptable to any owner of New York City Real Estate.

Secondly, and important in this particular case -- it may not be in others, but in this case -- it fails to recognize a substantial portion of the costs of major repairs or capital upgrades to a building. This is because it allows consideration of only 45 percent of the hard costs of the work, not even all of it, 45 percent of the hard cost of the work. It does not either recognize or allow to be taken into account the professional fees, permit fees, insurance charges, and other soft costs that are incurred as a part of this work. These soft costs, according to Cushman & Wakefield, can add up to as much as one half the
cost of the work. So basically, three quarters of
the cost of the work does not get accounted for in
assessing, as a part of the hardship test.

The bottom line is that in order to
prevail in a case such as this, an owner must
demonstrate that its property is incapable of
earning a reasonable return on investment that is
far below the nominal 6-percent return set in the
Landmarks Law and even further below what the
industry considers acceptable. We know of no owner
who would make the investment necessary to upgrade
the building if it knew its return was going to be
so limited.

Nevertheless, and despite the
uneconomic assumptions that it was required to make
in performing the hardship analysis, we
respectfully submit that the facts supporting
Stahl's application show that the stabilized
operation of the York Avenue buildings as landmarks
today would -- or excuse me -- in 2009, in the
test year, would not have earned a reasonable
return. Let's look briefly at the facts that are
undisputed, the facts that are disputed, and what
these facts show.
There's no material dispute in the administrative record about the substantial accuracy of the description of the buildings on the two properties, their repair and renovation costs, or their operating expenses.

No one has disputed the essential facts regarding the buildings. They are 6-story walk-up apartment buildings that are wholly lacking in modern amenities. They contain 190 very small apartments with an average rentable square footage of about 371 square feet. And there were 53 vacant apartments in November 2006, when the buildings were redesignated, and 97 vacant apartments at the end of the 2009 test year.

Nor has there been any significant dispute regarding the applicant's detailed estimates of repair and/or rehabilitation costs under each of the several different scenarios that were presented to the Commission. These estimates were prepared by Gleeds New York, an independent and very experienced construction cost consultant, after inspection of the York Avenue buildings and each of their vacant apartments. The lowest cost of these scenarios was the so-called minimum
habitability scenario, which involved only repairs and improvements to the 97 vacant apartments necessary to render them legally habitable and did not involve any capital improvements to the buildings as a whole. Gleeds estimated that the cost of this scenario in the 2009 test year would be about $4 million.

At the other end of the range of rehabilitation scenarios was a so-called market rehab scenario, which was designed to make the apartments reasonably marketable, albeit far from luxurious. This scenario included both a higher level of work in individual apartments than did the minimum habitability scenario and building-wide capital improvements, such as electrical upgrades and fully renovated kitchens and baths, that were not included in the minimum habitability scenario. Gleeds estimated the 2009 cost of the market rehab scenario to be about $16.7 million.

To date, there's nothing in the administrative record, from an expert or from anyone else, that seriously disputes the essential accuracy of either of these investments, or at least we haven't heard anything in the administrative record.
Finally, there's no dispute on the record as to the essential accuracy of Cushman and Wakefield's estimates of operating expenses under the various scenarios that were examined. These estimates were derived from historic expense data for the York Avenue buildings and expense data for comparable properties. For both the minimum habitability scenario and the market rehab scenario, Cushman estimated 2009 expenses to be in the range of $24 per gross building square foot.

Thus, the question of whether Stahl is able to earn a reasonable return within the meaning of and pursuant to the statutory standards of the Landmarks Law comes down to a question on the record of how much income these buildings were capable of generating in 2009. The answer to that question lies in the two areas in which the record shows a material dispute. These are the projected market rents for the 97 units that were vacant in 2009 and the appropriate allowance for vacancy and collection losses. Our focus here will be on the market rehab scenario, as that scenario produced the highest returns of any that we studied.

Cushman & Wakefield looked at rents
agreed to in leases actually entered into in 2009 in over 100 buildings on the Upper East Side. Most were in elevator buildings, but about 15 percent were in walk-up buildings located between East 60th Street and East 84th Street. It adjusted the rents in the 89 elevator buildings using a factor recognized by HR&A as reasonable in establishing the difference between rents generally in elevator and non-elevator buildings, and it concluded that the York Avenue buildings should rent for about somewhere between 36.80 and 43.80 per rentable square foot after adjustment for no elevators but prior to adjustments for layouts, finishes and amenities. It found that the 14 walk-up apartment buildings showed apartments renting at between $37 and $39 per rentable square foot, again, without any consideration as to layouts, finishes and amenities. Based on these analyses and on earlier analyses of rents in other buildings within the First Avenue Estate on the block and an additional four buildings offsite, and an extensive adjustment of those, of the rents in those buildings, it concluded reasonably that the York Avenue buildings could, after a market rehab, rent for an average of
$40 per rentable square foot.

We also note that Cushman's estimate of $20 per rentable square foot for units that had undergone the minimum habitability rehabilitation has also not been challenged by a showing of rents from apartments that had gone through a similar and comparable rehabilitation process. We believe that such a challenge would've been unsuccessful in any event. This is because even if the rent projected in this scenario was increased to $30 per rentable square foot or $35 per rentable square foot and all other financial considerations, including the 10-percent vacancy rate were kept constant, the buildings would still not achieve the 6-percent return within the meaning of the Landmarks Law.

Cushman's professional analyses were disputed by HR&A Advisors. Unfortunately, HR&A's reports were materially inaccurate in their conclusions as to rents. And as a result, they shed more heat than light on what has become the key area of disagreement in this proceeding.

HR&A's basic conclusion was that the apartments in the York Avenue buildings could, after a minimum habitability rehabilitation, be
rented at $50 per rentable square foot. This result is ludicrous in the context of the quality of the apartments that such a rehabilitation would have produced. But it's also excessive in the context of a market rehab for reasons that I'll go into briefly now.

HR&A reached this conclusion by imputing average rents per apartment in its comparable buildings directly to the apartments in the York Avenue buildings rather than calculating and applying rents on a per-square-foot basis. This approach is methodologically unsound because, as real estate professionals know, it does not acknowledge that one of the most important variables, if not the most important variable, in the rent level of an apartment is its size. And it is particularly inappropriate here because HR&A has conceded that the average size of its comparable apartments was materially, that is more than 15 percent, greater than the average size of the apartments in the York Avenue buildings.

HR&A's projection of market rents for the York Avenue buildings is based on, second, it's based on listed or asking rents, and not actual
rents, for its comparable apartments. The fact is that listed or asking rents were significantly higher than rents at which apartments were leased in 2009. These records show that Stahl's real property tax counsel has reviewed the Department of Finance RPIE. That's Real Property Income and Expense filings for each of the HR&A's buildings in 2009. These records show that, assuming that the rentable square footage equals 90 percent of a building's gross residential area, the HR&A buildings have an actual or imputed 2009 rent of between $38 and $44 a rentable square foot, depending on the level of vacancy and collection loss used. Rents of this magnitude are not consistent with HR&A's projection of market rents in excess of $50 a square foot for the York Avenue apartments, particularly given the superior level of finishes and amenities in HR&A's comparable apartments.

Finally, we call your attention to the fact that the only way HR&A was able to show that the York Avenue buildings could not earn a reasonable return -- or could earn a reasonable return was by manipulating the data in the record.
As we noted, HR&A's analysis was predicated on matching projected rents of more than $50 a rentable square foot with a $4 million minimum habitability scenario for rehabilitation, a scenario that would've only rendered the York Avenue buildings' vacant apartments code compliant and legally habitable. It did not, as I've said, include improvements that were part of the market rehabilitation scenario, and were certainly part of the work on HR&A's comparables, such as upgrading of electrical systems and renovated kitchens and bathrooms. It's simply inconceivable that the small walk-up apartments in the York Avenue buildings could have achieved rents of more than $50 a square foot, which are higher than the average rents in any of the comparables examined by either Cushman or HR&A, under the very limited minimum habitability scenario. Moreover, even if we were to assume that the apartments in the York Avenue buildings could rent at $50 a square foot and that all of HR&A's other income and expense assumptions remained unchanged, the HR&A analysis would still fail to produce -- would fail to produce a reasonable return if it were based on the
proper amount of capital investment, the $16.7 million spent in the market rehab scenario.

Turning to vacancy and collection losses, we find a smaller disagreement, but one that is important nevertheless. Cushman & Wakefield assumed that stabilized revenues at the York Avenue building would be reduced by a 10-percent vacancy and collection loss factor.

This assumption is based on the specific circumstances of the buildings themselves. They are 100-year-old 6-story walk-up structures with tiny, awkwardly-laid-out apartments that are devoid of modern amenities. They are relatively far from subways and do not have immediate access to retail services. As a result, they have tended to attract a younger and more transient population and, therefore, experience more significant tenant turnover.

In addition, collection losses at these buildings are significant, with about 20 percent of the tenants in arrears of their rent at any given time. Together, these factors support Cushman's assumption of a 10-percent vacancy and credit loss for the buildings under stabilized
By way of contrast, HR&A relied entirely on citywide vacancy statistics in deciding to use a 5-percent vacancy and collection allowance. It did not take into account the particular circumstances surrounding the York Avenue buildings, which could lead to a higher-than-average loss factor. Nor did it recognize, as we pointed out in our last submission, that citywide vacancy statistics tend to understate actual vacancy rates. And finally, it failed to identify any separate collection loss. Given these deficiencies, HR&A's projection of a vacancy and collection loss factor of only 5 percent for the York Avenue buildings is neither realistic nor we believe credible.

Here and in this case over the past period of this application, the applicant has analyzed the financial consequences of abandoning its long-standing plan to redevelop the York Avenue property with a new building, and of restoring the York Avenue buildings to full occupancy under a variety of different scenarios. For each scenario that was analyzed, Gleeds produced a detailed
estimate of the capital costs and Cushman & Wakefield estimated maintenance and operating expenses. None of these estimates have been discredited.

Cushman also projected achievable market rents and a vacancy and collection loss factor for each scenario. The rents were based on verified actual rents in a number of comparable buildings, including other buildings in the First Avenue Estates, and they were adjusted appropriately to account for differences in location, condition and level of amenities. Cushman's vacancy and collection loss reflected the specific conditions at these buildings. The evidence in the record that questions the conclusions that Cushman reached is not based on adequately analyzed data. It's based in inadequately analyzed data and on information that, whatever it's general applicability, is not appropriate for use in assessing conditions of the buildings. We believe that such evidence is neither credible nor when reviewed, critically persuasive.

Together, the analyses submitted by
Stahl have conclusively shown that, we believe, that under each scenario for returning the York Avenue buildings to a stabilized occupancy, the achievable net rents would have been insufficient to generate a 6-percent return on the York Avenue property's assessed valuation after adjustment to account for the hard construction costs associated with each scheme.

And I want to stress that what we're really focusing on here is the fact that in many ways the construction costs that were required to put the buildings back together, the buildings that had been partially vacated in an entirely legal manner, and at a time when there was no question that they could be vacated, are what's really driving this more so than anything underlining. And that's what makes this case different from other cases.

For that reason, we believe we've demonstrated that it's not possible, even under the low reasonable return threshold set forth in the Landmarks Law, to earn a reasonable return on the assessed valuation of these properties.

We urge the Commission to grant this
Landmarks Preservation Commission - 10/29/13

hardship application, and I'm happy to answer any questions.

CHAIR TIERNEY: Questions? Further questions from the Commission Members?

MR. SILBERMAN: I'm going to go through these later.

CHAIR TIERNEY: Any questions of Counsel for the applicant? Go ahead.

MS. PEARLMUTTER: I'm just going to work my way backwards. Interrupt whenever you feel. I'm just going to work my way backwards. I think I understood that you said that because the building was vacated by the property owner in expectation of demolition; that's why it fails to realize a reasonable return on investment, because you -- so I'm trying to put that together.

MR. SELVER: No. What I said, Commissioner, was that the amount of money required to restore the apartments to a condition where they could be occupied or where they -- legally occupied, or where they could be competitive with other rental apartments in the neighborhood was what -- the amount of money that was required to restore them once they had been vacated was more than would be supported by
the rents that those apartments could generate.

MS. PEARLMUTTER: But at the same time doesn't understanding whether or not you'd be able to rent up, whether you minimally or moderately or extremely renovate, doesn't that depend on an active, aggressive marketing campaign? And in your papers, you say that actually the campaign consisted more or less of an office that people could go into between the hours of something like 8:00 and 4:00, and word of mouth. It's not listed with any brokers. I've talked about this before. I actually have direct experience with going on the so-called website, where, in fact, it's not a website. It shows the address if you know what the address is, and it gives you no other information except a phone number. That's not how we find out whether there are units vacant. So -- and, in fact, friends have called because I've told them what a great deal of an apartment this would be, and they've got nowhere. And so it seems to me that there isn't any evidence in the record, with all due respect, that the apartments have been aggressively rented.

MS. RYAN: Marketed.

MS. PEARLMUTTER: Marketed, marketed.

MR. SELVER: May I respond to that?
Because that's not an issue here. What we've assumed in the analysis that produces the -- that we made, that addresses the 6-percent return, were that the buildings were in a stabilized occupancy with a 10-percent vacancy and collection loss factor. Now, you can argue whether the 10 percent is right or whether it should be 5 percent or 15 percent, whatever it is. But we've -- how -- we've assumed these properties, these apartments, were marketed. We've assumed there were tenants in them. We've assumed that there's a reasonable turnover of tenants and that they are consistently being marketed so that there is a reasonable turnover in tenants. What might have been said with respect to the marketing of the apartments and the balance of the complex today, and there may be reason to dispute that, is not relevant to the analysis that we presented using the 10-percent vacancy factor.

MS. RYAN: I think one of the things that is being addressed here is that there's a large amount of money for the expense of lease-up in your analysis, and I think what we're trying to say is that actually no lease-up efforts have been made.
So that's an expense that doesn't seem to be relevant in the analysis. And I think it's also worth noting that in all of the, both internal to the real estate industry and external to the public databases where one could find apartments, these addresses appear nowhere.

But the other question that I had for you is one assumption you made about -- and believe me, you don't need to be in the real estate business to know the answer to this -- is that size is the most important determinant of value of an apartment. I think we all know it's location, location, location. And I don't think that that has been given the appropriate weight in this analysis.

MR. SELVER: If I may respond to that? I can stand corrected, but I believe that in all but an initial analysis, I think maybe the first analysis, did include a rent-up period. In every subsequent analysis we have taken that out. There are no soft costs in any of the subsequent analyses and they're not accounted for as a part of what I call "the denominator," which is the amount of money that we have to earn 6 percent against.
So with all due respect, Commissioner, I think if you look at the more recent analysis, you'll find that we did not include that factor in our analysis. And with respect to "location, location, location," you're probably right, but what we're measuring, the comparables that we're using are all in roughly comparable locations, maybe even slightly better locations to the extent that they're located further to the west. So we think size is a very relevant differentiator in these particular cases.

MR. SILBERMAN: Paul, if I could just follow up, I think the reason some of the Commissioners are asking about the other apartments is because, contrary to what you just stated, the level of rent and the vacancy level in the other apartments is a crucial factor in determining rent levels as the building lease is up. First of all, you use them as comparables and the fact that they are highly vacant, extremely, unheard of high vacancy rate for any building that you can point to, you've argued will drive down the prices that one could get for these apartments.

So you're using it in both ways. Not
only are you using it in an effort to show that you can't get a lot for these apartments, but you're also using it to say because they're vacant that that would in fact drive down the ability, even if you could arguably get higher rents than you're proposing they could get for the subject properties, you couldn't get them because there'd be cheaper vacancies up the street a couple of buildings away.

MR. SELVER: Then I may be misunderstanding something, Mark, because, you know, it's certainly in our more recent submissions. The Cushman analyses have not looked just at other apartments on the block. There are at least 100 other apartments --

MR. SILBERMAN: No, I agree, it's partly used.

MR. SELVER: -- in other areas which are used to support the $40-per-square-foot valuation. And we think, actually, that the numbers for, that the real numbers for the HR&A apartments, are generally supportive of the $40-a-square-foot rent projection based on 2009 for the vacant apartments. We're not -- I know we have
made that argument in certain situations in the past. I don't think that that argument applies to the, certainly to the current analysis, the most recent analysis that we've done. And we would stand by the $40 a square foot without having to rely on either the rent levels of the other buildings except to the extent that they might represent a comparable that we're working off of and comparing ourselves to and without having anything to do with the vacancy rate in the balance of the complex.

MR. SILBERMAN: So, Paul, I guess what I don't understand is -- so it's your statement that the building, that anything over $40 isn't substantiated except with a major building-wide renovation, and yet Cushman & Wakefield looked at comparable rents in other buildings on the block, I'm looking now at page 22 of the May 1st, 2010 report, and they show price per square foot for apartments in the other buildings as high as -- there's $50 a square foot, there's $54 a square foot. There's a lot. There's $40, $47, $45. So on what basis is the claim that somehow -- and there's no claim these buildings,
these apartments, are renovated to any greater level than what would be renovated into a habitable condition.

MR. SELVER: Can I respond to that in a written submission? Because I'm not that familiar with that level of detail.

MR. SILBERMAN: Sure.


MS. PEARLMUTTER: I have more comments, questions, so on. So just a premise, to preface all of this, our job here is to protect historic buildings and not to sort of be taken in by certain kinds of arguments by a landlord whose job -- by a property owner whose goal is to tear a building down. We're supposed to be listening to the testimony. And don't forget, very many people at this table are architects or people involved in the construction and building industry. So when you say that there's been no credible evidence to refute, for example, construction costs, well, that's actually not true because many people at this table are very familiar with construction costs. So when you look at the construction costs that are submitted with the materials, we are able
to evaluate them, or many of the people at the table are able to evaluate them to determine whether they are credible. And there have been questions over the course of these many years of this application where we have questioned the construction costs, for example, the huge construction costs associated with delivering materials and the sequencing of the construction where it seems as if you can only renovate four apartments at a time, or something like that, when that's simply not credible.

And so you use in your argument very often this language that the HR&A report is flawed or misleading or not credible, but I would hazard to say that the information that we're receiving is certainly misleading when it comes to things like construction costs, when it comes to things like apartment values, given what we simply know in the marketplace and the other information that we've been provided by HR&A.

And I do want to say that with HR&A's last report, they specifically didn't touch any of the other numbers. They made that clear. They said, "We're only going to modify one number, which
is the comparables, and leave everything else in place just so that we can make our conversation cleaner." And just changing those comparables, they could show that the building would realize a reasonable return. They didn't, had they been asked to or had they taken the time to -- and don't forget this is volunteers who are doing this kind of work for us -- had they taken the time to go back and do cost estimates, then it'd be a whole other big conversation. It doesn't mean by any stretch that they accepted any of the other data. I need to make that clear.

The other thing is that because our job is to try to protect the building, there's other options for this building than simply renovating in the various ways to keep it sort of at the lowest level of the food chain in terms of occupancy. There's also ways of renovating the building to be more and more desirable by levels. You could also, for example, have come to the Commission and ask to add floors to the building. You've never done that. That would certainly raise your potential for economic return.

And then in terms of analysis, you're
doing this kind of a blending where you take all of the apartments and blend it together into one price per square foot. I'm working on a project right now where we actually look at each apartment type, therefore, each square footage for the apartment type. So there are two-bedroom units in this building, there are one-bedroom units, there are tiny units. There's a whole range. And you look at the value against each unit range and then you can compare apples to apples instead of blending it down.

MS. RYAN: And its floor and location in the building, which are further distinctions.

MS. PEARLMUTTER: Right, exactly.

And so we haven't done that so we're getting this sort of skewed look at the so-called 362-square-foot apartments when, in fact, they're not that. There are maybe a few that are, in fact, that. I don't actually know. But we certainly saw some really large light-filled -- because there was a comment about these being somber apartments. On the contrary, they're some of the brightest apartments I've ever been in. They have windows on three sides.
And then lastly, I just want to say, this is kind of -- I'm not sure how this goes, but I've talked about this before. You made this application in 2009. You said that during the period of the application -- well, the period of the application has been four years moving on to five years. And I think that when you talk about an application like this, to ask for the demolition of the building, and you fixate it on a 2009 value, that's one thing when you prosecute the application actively, when you submit materials on time within short periods to allow the Commission to respond. But when you drag this out to the point where we're in 2000-almost-14, where market values are out of the -- unbelievable -- it defies credibility that you cannot today make a reasonable return on your investment. And I protest that we should be looking at today's values because the building will be torn down today, not in 2009.

MR. SELVER: I just want to say -- I'm not going to respond to the whole thing. You know, if people had asked to us to do individual apartment analyses and people had presented us with -- I think when we did specific questions on
the construction cost numbers, we did go back to
Gleeds and Gleeds explained them. Maybe you feel
they did not explain the, to your satisfaction, but
that's a different issue. If there are questions,
if there are comments, if there are disagreements,
we've tried to respond to them on the record. If
there are things that are not on the record of the
proceeding and that we don't know about, then we
can't very well respond to them and we can't
address them. You know, that's the way it is.

CHAIR TIERNEY: Anybody else?

MR. SILBERMAN: Commissioners, I just
want to -- and, Paul, we will provide you with a
copy of this afterwards, the Staff has been looking
at some of the issues that have been raised. While
you have these before you, I'm just going to sort
of, for purposes of the record, I'll discuss them
briefly, because we believe that the relationship
of the subject buildings and their apartments to
the rest of the complex is important. And we think
it's critical, in fact, to the way they are arguing
their case. And we believe that the differences
between them are overstated. We believe that on
the one hand, we should look at talking -- looking
at comparing these apartments to the apartments in other buildings, recognizing that because they're all owned by the applicant and the applicant was clearly operating them as a unit, was going to move tenants from these buildings into the other buildings, that the vacancy rates in these buildings are highly artificial. The record is clear, I think, notwithstanding what Mr. Selver says, that there is no active leasing program for the rest of this complex and, in fact, time and time again people go to this building and are told there are no apartments available or come back later. So there is no effort to actually market them, and that will affect, of course, the rents one could get.

So even though I spoke about rents here that were submitted by Cushman & Wakefield showing up to $50 a square foot, that is, in fact, perhaps an artificial rent, artificially low, or it's artificial because it's manufactured by the applicant who was selectively letting apartments on or off the market. So it's very unclear.

But for purposes of our discussion, I think what we've done is, one of the arguments that
the applicant has made is that the apartments in
the other building are substantially larger than
the apartments in these buildings, and there seems
to be a problem, and hopefully we'll iron this out.
We've gone and looked at the tax records submitted
by the applicant and when we -- in terms of gross
square footage on the subject buildings, there's
446 feet gross square footage per apartment. The
applicants are claiming that the other buildings
are substantially bigger. When we have looked at
the information submitted to the Tax Commission, in
fact, that's not the case.

There are three other blocks or lots
on this block comprising the City and Suburban
Complex. The one, the two buildings on First
Avenue, they're large. That's a larger building.
That has 157,078 square feet of residential floor
area and 142 apartments. That gives you a gross
square footage of 1,106. But the rest of the
buildings, more than 75 percent of the apartments
are located in the mid blocks on the other two
apartments. And those buildings have average gross
square footage of 360 square feet per apartment,
compared to 440 square feet in the subject
building.

So we're trying to figure out why there's been an emphasis on the apartments being small and cramped when, in fact, most of the other apartments in this complex are perhaps smaller. We don't know. The applicant has been unable to give us leasable square footage numbers, and, in fact, has stated that the estimate of 450 square foot on average leasable for the rest of the complex is just a guess based on sampling of apartments. So we don't know how that can be the case if 75 percent of the apartments have, in fact, gross square footage of 360. So we're not sure how they can come up with 450 square feet. Perhaps they can provide that information.

In addition, superior layouts. The statement is that many of the apartments in the other buildings have more regularly-shaped bathrooms and bedrooms, which can accommodate standard-size fixtures and furnitures, including the queen-size bed, which is a big issue. Now, there's no data to support this claim. Many of the apartments in the subject building, in fact, 50 percent, have regularly-shaped bathrooms. So
I'm not sure what "many" means in the context of these other, the buildings in the other complex.

With respect to bedrooms capable of holding a queen-size bed, there's no data on, in fact, which apartments can or cannot hold a queen-size bed. And moreover, we've looked at, the vast majority of the walls in these apartments are nonbearing walls that can be easily moved. In fact, when Bill Neeley and I did the site visit a few weeks ago and looked at 55 apartments, and it was remarkable that a number of them had been changed very simply by removing a wall. And one question is: Could you simply move a wall a few inches or feet and get a queen-size bed if that's such a critical issue? And we looked at the fourteen plans that Project Consult looked at, and four of those plans were for a studio, two rooms. Those don't count. You can get a queen-size bed in a studio. Of the remaining ten, eight could easily accommodate a queen-size bed, if you needed to, because there's no dimensions showing you couldn't, in fact, get a queen-size bed. But if you needed to, you could easily move a wall a foot to accommodate a queen-size bed. So we believe that
difference doesn't account for much.

The fact that the other buildings are closer to retail uses along First and Second Avenue and closer to the subway, again, we don't believe that has -- there's been no substantiation on the impact on rents. First, half of those buildings are closer to York Avenue, anyway, because they're the mid-block buildings.

And in addition, we've also, Staff has looked at Walkscore.com, which is a website used by a lot of real estate companies to market apartments. They give scores for apartments and, in fact, there's no difference statistically-speaking between York Avenue and First Avenue in terms of their ratings. In terms of transit, they both got 100, a perfect score on transit. And with respect to retail, York Avenue gets a 97, First Avenue gets 100. There's almost no difference between them. In addition, we also point out that the other City and Suburban Complex up on 78th and 79th has a similar walk score, but a lower transit score than this one.

In addition, other issues have been interior courtyards, creating a safety concern.
Again, there's no evidence that there is any safety concerns or any issue. Moreover, there's been no application to -- that could be addressed by putting in a camera, lights, or even a gate. They could come to the Commission and we'd give them a gate or they could apply for one and appropriate control could be discussed.

And finally, and I think this is important, there's been a lot of discussion about finishes in the apartments in the other buildings. There's no evidence that those finishes are any different than what would be used in the renovated apartments here. If you look at the level of renovations for level three, which is the vast majority, of the single biggest group of apartment changes, they include new kitchens, fixtures, and new bathroom fixtures, painting, all the plaster work is fixed, they're all painted. So these are apartments that are going to have your standard new inexpensive apartment furnishings. If you look at the pictures supplied by Cushman & Wakefield and by Project Consult, they look to be the same fixtures we see now when we go to the apartments, when Bill and I were looking at the apartments.
So we believe that for purposes of discussing the ability to, what rent could be generated by minimally-renovated apartments, we believe we can look to the other apartments in the complex. And we'll be providing additional information in the future.

Are there any questions from the Commissioners or anything?

(No response.)

MR. SILBERMAN: And, Paul, I will provide you with this.

MS. PEARLMUTTER: I just want to add to that though, because those units are also held vacant.

MR. SILBERMAN: Of course.

MS. PEARLMUTTER: I mean, so it's not actually representing the market rate because, you know, they're saying, "Oh, my God. These things are so hard to rent up even though we have new kitchens and new bathrooms," when in fact you have to try in order for someone to rent it.

MS. RYAN: I think other things that's happened since this application was made is the proposal for micro-housing units that the City
is getting behind and the demand for those are extremely high. So I think that's something that needs to be incorporated into the analysis.

MS. PEARLMUTTER: But to pick up on that, I know the submission distinguishes the microunits from these buildings because those are going to be in brand-new apartments. But, in fact, Tudor City is one of the most famous collection of incredibly desirable, wish-I-had-one microunits. And by the way, there were plenty more where they came from. It's not a novel concept and they're all in quite old buildings. Many of them are walk-ups, otherwise known as tenements buildings, which is what this is.

MR. SILBERMAN: And finally, just to support this notion that based on what the applicant has given us, in 2009, they provided examples to show that listed rents were -- that taking rents could be different than listed rents. So they provided evidence of that and we looked at that. But the point is that the average rent was still 1,428 per apartment in 2009, even with the preferential rents that were given, and that the preferential rents, almost none of them occurred on
a base rent that was below, I believe, 1,200. I'll have to double-check that. So the preferential rents all occurred at the very, very high end of the analysis.

MS. PEARLMUTTER: I have a question about these rents since we're talking about having to use 2009 figures. I know when you're looking at sales comparables, there are databases that tell you what was sold in those years. But are there actually databases that tell you what was leased up in 2009? Many of those tenants, five years later, have moved. The leases are renewed every two years, so where's the access to that data?

MS. RYAN: It's not public, but you could find it.

MS. PEARLMUTTER: Of something going back to 2009?

MS. RYAN: Yes.

CHAIR TIERNEY: Okay. Do you have any final comments?

MR. SELVER: No.

CHAIR TIERNEY: Okay. We're going to close. This has been useful, productive, informative. And we're going to leave the record
open for two more weeks from today, close the hearing for today. Motion.

(Whereupon, the motion is moved by a Commission Member.)

CHAIR TIERNEY: Second.

(Whereupon, the motion is seconded by a Commission Member.)

CHAIR TIERNEY: The hearing is closed, and we'll go to the next item. Thank you.

Thanks, Paul.

MR. SELVER: Thank you.

(Time noted: 2:23 p.m.)
CERTIFICATE

CITY OF NEW YORK   )
COUNTY OF RICHMOND ) ss.:

I, DANIELLE CAVANAGH, a Notary Public within and for the City of New York, do hereby certify:

I reported the proceedings in the within-entitled matter, and that the within transcript is a true record of such proceedings, as amended.

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.

IN WITNESS WHEREOF, I have hereunto set my hand this 31st day of October, 2013.

_______________________
DANIELLE CAVANAGH

STENO-KATH REPORTING SERVICES, LTD.
(212) 95-DEPOS (953-3767) * (914) 381-2061 stenokath@verizon.net
### Landmarks Preservation Commission
October 29, 2013

|-----------------------|---------------------|

### 1

|-----------------|-------------------------------------|

### 2

|-----------------|-----------------|

### 3

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>33 [1] 33:1</td>
<td>34 [1] 34:1</td>
</tr>
</tbody>
</table>

### 4


### 5


### 6


### 7

| 8 [1] 8:1 | 8:00 [1] 24:10 |

Steno-Kath
212.953.3767 * 914.381.2061
stenokat@verizon.net

Sheet 1

$16.7 - 89
Steno-Kath
212.953.3767 * 914.381.2061
stenokat@verizon.net
disputes  [1] 12:23
distinctions  [1] 33:14
distinguishes  [1] 43:6
distributed  [1] 4:6
districts  [1] 4:6
division  [1] 6:7
divorced  [1] 9:3
docket  [1] 3:4
doing  [2] 32:8 33:2
double-check  [1] 44:3
33:12 34:20
drag  [1] 34:14
driving  [1] 22:17
dwellings  [1] 9:8
22:39 33:5,6,10
earlier  [1] 14:19
26:25
earning  [1] 10:8
east  [7] 3:5,22,22 4:5 14:3,5,6
eastern-most  [1] 3:20
efforts  [1] 25:25
eight  [1] 39:20
elevator  [3] 14:4,7,9
elevators  [1] 14:13
emphasis  [1] 38:4
emptied  [1] 7:4
entered  [1] 14:2

equals  [1] 17:10
establishing  [1] 14:8
5,10 40:12
32:10
evaluate  [2] 31:2,3
even  [12] 6:10 9:19 10:10 15:10 18:
19 22:21 27:8 28:5 36:17 41:5 42:
20 43:23
event  [1] 15:10
everything  [1] 32:2
41:2 43:21
exactly  [1] 33:15
examples  [1] 43:19
except  [3] 24:16 29:8,16
excess  [1] 17:17
excessive  [1] 16:5
excuse  [1] 10:21
expectation  [1] 23:15
23 26:2
experienced  [1] 11:22
expert  [1] 12:22
explain  [1] 35:4
explained  [1] 35:3
extensive  [1] 14:22
external  [1] 26:5

F

20 28:5 33:18,19 35:22 36:11,19 37:
13 38:5,8,13,24 39:6,9,23 40:3,14
42:21 43:8

25:7,20 27:4,18
factors  [1] 19:23
famous  [1] 43:9
feel  [2] 23:12 35:3
39:15
few  [3] 33:19 39:10,14
figure  [1] 38:3
figures  [1] 44:8
filings  [1] 17:8
final  [1] 44:21
16
finishes  [5] 14:14,18 17:19 41:11,
12
firm  [1] 4:25
26:20 27:19 37:16 40:4,7,16,19
five  [2] 34:8 44:12
fixate  [1] 34:10
fixed  [1] 41:19
flawed  [1] 31:14
floors  [1] 32:22
focusing  [1] 22:11
follow  [1] 27:14
followed  [1] 5:19
food  [1] 32:18
foot  [21] 13:11 14:13,17 15:2,4,12,
12 16:2 17:13,17 18:4,16,21 29:6,
21,22,23 33:4 36:19 38:9 39:24
footage  [9] 11:11 17:10 33:6 37:8,
9,20,24 38:8,14
<table>
<thead>
<tr>
<th>K</th>
<th>legal</th>
<th>maintained</th>
</tr>
</thead>
<tbody>
<tr>
<td>keep</td>
<td>legally</td>
<td>maintained</td>
</tr>
<tr>
<td>keeping</td>
<td>less</td>
<td>maintenance</td>
</tr>
<tr>
<td>kept</td>
<td>letting</td>
<td>major</td>
</tr>
<tr>
<td>key</td>
<td>level</td>
<td>majority</td>
</tr>
<tr>
<td>kinds</td>
<td>levels</td>
<td>manhattan</td>
</tr>
<tr>
<td>kiska</td>
<td>leasable</td>
<td>manipulating</td>
</tr>
<tr>
<td>kitchens</td>
<td>leavin</td>
<td>manner</td>
</tr>
<tr>
<td></td>
<td>lies</td>
<td>manufactured</td>
</tr>
<tr>
<td></td>
<td>light</td>
<td>many</td>
</tr>
<tr>
<td></td>
<td>light-court</td>
<td>marginally</td>
</tr>
<tr>
<td></td>
<td>little</td>
<td>mark</td>
</tr>
<tr>
<td></td>
<td>located</td>
<td>market</td>
</tr>
<tr>
<td></td>
<td>long-standing</td>
<td>marketable</td>
</tr>
<tr>
<td></td>
<td>looking</td>
<td>marketed</td>
</tr>
<tr>
<td></td>
<td>look</td>
<td>marketing</td>
</tr>
<tr>
<td></td>
<td>little</td>
<td>marketplace</td>
</tr>
<tr>
<td></td>
<td>located</td>
<td>matching</td>
</tr>
<tr>
<td></td>
<td>long-standing</td>
<td>meeting</td>
</tr>
<tr>
<td></td>
<td>looking</td>
<td>means</td>
</tr>
<tr>
<td></td>
<td>look</td>
<td>measuring</td>
</tr>
<tr>
<td></td>
<td>looking</td>
<td>meet</td>
</tr>
<tr>
<td></td>
<td>look</td>
<td>members</td>
</tr>
<tr>
<td></td>
<td>looking</td>
<td>merit</td>
</tr>
<tr>
<td></td>
<td>look</td>
<td>methodologically</td>
</tr>
<tr>
<td></td>
<td>looking</td>
<td>micro-housing</td>
</tr>
<tr>
<td></td>
<td>looking</td>
<td>microunits</td>
</tr>
<tr>
<td></td>
<td>lower</td>
<td>mid</td>
</tr>
<tr>
<td></td>
<td>lowest</td>
<td>mid-block</td>
</tr>
<tr>
<td></td>
<td>modest</td>
<td>might</td>
</tr>
<tr>
<td></td>
<td>made</td>
<td>million</td>
</tr>
<tr>
<td></td>
<td>maintained</td>
<td>mind</td>
</tr>
<tr>
<td></td>
<td>managing</td>
<td>minimally</td>
</tr>
<tr>
<td></td>
<td>minimum</td>
<td>minimally-renovated</td>
</tr>
<tr>
<td></td>
<td>minimum</td>
<td>minimum</td>
</tr>
<tr>
<td></td>
<td>minute</td>
<td>misleading</td>
</tr>
</tbody>
</table>

Steno-Kath
212.953.3767 * 914.381.2061
stenokat@verizon.net

Sheet 7
keep - misleading
<table>
<thead>
<tr>
<th>Place</th>
<th>32:3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plan</td>
<td>20:21</td>
</tr>
<tr>
<td>Plans</td>
<td>6:24 39:16,18</td>
</tr>
<tr>
<td>Plaster</td>
<td>41:18</td>
</tr>
<tr>
<td>Plenty</td>
<td>43:11</td>
</tr>
<tr>
<td>Point</td>
<td>9:5 27:22 34:14 40:21 43:22</td>
</tr>
<tr>
<td>Pointed</td>
<td>20:10</td>
</tr>
<tr>
<td>Population</td>
<td>19:17</td>
</tr>
<tr>
<td>Portion</td>
<td>9:16</td>
</tr>
<tr>
<td>Possible</td>
<td>22:21</td>
</tr>
<tr>
<td>Potential</td>
<td>32:24</td>
</tr>
<tr>
<td>Predicated</td>
<td>18:2</td>
</tr>
<tr>
<td>Preface</td>
<td>30:12</td>
</tr>
<tr>
<td>Preferential</td>
<td>43:24,25 44:3</td>
</tr>
<tr>
<td>Premise</td>
<td>30:12</td>
</tr>
<tr>
<td>Prepared</td>
<td>11:21</td>
</tr>
<tr>
<td>Presentation</td>
<td>1:4:4</td>
</tr>
<tr>
<td>Presented</td>
<td>11:20 25:19 34:24</td>
</tr>
<tr>
<td>Prevail</td>
<td>10:6</td>
</tr>
<tr>
<td>Previous</td>
<td>1:4:9</td>
</tr>
<tr>
<td>Price</td>
<td>29:20 33:3</td>
</tr>
<tr>
<td>Prices</td>
<td>27:23</td>
</tr>
<tr>
<td>Prior</td>
<td>2:5,12 14:1</td>
</tr>
<tr>
<td>Probably</td>
<td>1:27:6</td>
</tr>
<tr>
<td>Problem</td>
<td>37:5</td>
</tr>
<tr>
<td>Proceeding</td>
<td>7:23,24 8:16 15:22 35:9</td>
</tr>
<tr>
<td>Proceedings</td>
<td>5:10 8:12</td>
</tr>
<tr>
<td>Process</td>
<td>15:8</td>
</tr>
<tr>
<td>Produce</td>
<td>18:24,25</td>
</tr>
<tr>
<td>Produced</td>
<td>13:23 16:5 20:25</td>
</tr>
<tr>
<td>Produces</td>
<td>25:3</td>
</tr>
<tr>
<td>Productive</td>
<td>44:24</td>
</tr>
<tr>
<td>Professional</td>
<td>9:22 15:17</td>
</tr>
<tr>
<td>Professionals</td>
<td>16:14</td>
</tr>
<tr>
<td>Program</td>
<td>36:10</td>
</tr>
<tr>
<td>Project</td>
<td>3:17 33:4 39:17 41:23</td>
</tr>
<tr>
<td>Projected</td>
<td>13:19 15:10 18:3 21:</td>
</tr>
<tr>
<td>Projection</td>
<td>16:23 17:16 20:14 28:24</td>
</tr>
<tr>
<td>Proper</td>
<td>19:2</td>
</tr>
<tr>
<td>Property's</td>
<td>8:2 18:22 7:</td>
</tr>
<tr>
<td>Proposal</td>
<td>2:3 23 42:25</td>
</tr>
<tr>
<td>Proposing</td>
<td>1:28:7</td>
</tr>
<tr>
<td>Proposition</td>
<td>5:9</td>
</tr>
<tr>
<td>Prosecute</td>
<td>34:11</td>
</tr>
<tr>
<td>Protect</td>
<td>30:13 32:15</td>
</tr>
<tr>
<td>Protest</td>
<td>34:18</td>
</tr>
<tr>
<td>Provide</td>
<td>7:6 35:14 38:16 42:12</td>
</tr>
<tr>
<td>Provided</td>
<td>31:21 43:18,21</td>
</tr>
<tr>
<td>Providing</td>
<td>42:6</td>
</tr>
<tr>
<td>Public</td>
<td>3:25 4:3 26:5 44:15</td>
</tr>
<tr>
<td>Purpose</td>
<td>4:12,21</td>
</tr>
<tr>
<td>Purposes</td>
<td>35:18 36:24 42:2</td>
</tr>
<tr>
<td>Pursuant</td>
<td>3:12 13:14</td>
</tr>
<tr>
<td>Pursuing</td>
<td>6:14</td>
</tr>
<tr>
<td>Put</td>
<td>22:13 23:17</td>
</tr>
<tr>
<td>Putting</td>
<td>41:5</td>
</tr>
<tr>
<td>Quality</td>
<td>16:3</td>
</tr>
<tr>
<td>Quarters</td>
<td>10:2</td>
</tr>
<tr>
<td>Queen-size</td>
<td>38:22 39:5,7,15,19,21,23,25</td>
</tr>
<tr>
<td>Questioned</td>
<td>31:6</td>
</tr>
<tr>
<td>Questions</td>
<td>4:3,10 21:16 23:3,4,5,8,30:12 31:5 34:25 35:25 42:8</td>
</tr>
<tr>
<td>Quite</td>
<td>43:13</td>
</tr>
<tr>
<td>Raise</td>
<td>32:23</td>
</tr>
<tr>
<td>Raised</td>
<td>35:16</td>
</tr>
<tr>
<td>Range</td>
<td>12:9 13:11 33:9,10</td>
</tr>
<tr>
<td>Rate</td>
<td>9:10 15:14 27:22 29:11 42:18</td>
</tr>
<tr>
<td>Rates</td>
<td>20:12 36:7</td>
</tr>
<tr>
<td>Rather</td>
<td>5:17 16:11</td>
</tr>
<tr>
<td>Ratings</td>
<td>40:16</td>
</tr>
<tr>
<td>Reached</td>
<td>16:8 21:17</td>
</tr>
<tr>
<td>Real</td>
<td>9:10,12 16:14 17:5,7 26:5,10 28:22 40:12</td>
</tr>
<tr>
<td>Realistic</td>
<td>20:17</td>
</tr>
<tr>
<td>Reality</td>
<td>9:4</td>
</tr>
<tr>
<td>Realize</td>
<td>23:16 32:5</td>
</tr>
<tr>
<td>Really</td>
<td>9:4 22:11,16 33:21</td>
</tr>
<tr>
<td>Reasonably</td>
<td>12:12 14:24</td>
</tr>
<tr>
<td>Reasons</td>
<td>16:6</td>
</tr>
<tr>
<td>Receiving</td>
<td>31:16</td>
</tr>
<tr>
<td>Recent</td>
<td>4:9 5:6 27:3 28:13 29:5</td>
</tr>
<tr>
<td>Recognize</td>
<td>9:15,21 20:10</td>
</tr>
<tr>
<td>Recognized</td>
<td>14:8</td>
</tr>
<tr>
<td>Recognizing</td>
<td>36:3</td>
</tr>
<tr>
<td>Records</td>
<td>17:5,9 37:6</td>
</tr>
<tr>
<td>Redesignate</td>
<td>7:13</td>
</tr>
<tr>
<td>Redesignated</td>
<td>11:14</td>
</tr>
<tr>
<td>Redesignation</td>
<td>6:14 7:17</td>
</tr>
<tr>
<td>Redevelop</td>
<td>20:21</td>
</tr>
<tr>
<td>Redeveloped</td>
<td>8:2</td>
</tr>
<tr>
<td>Redeveloping</td>
<td>7:2,9</td>
</tr>
<tr>
<td>Redevelopment</td>
<td>5:12</td>
</tr>
<tr>
<td>Reduced</td>
<td>19:8</td>
</tr>
<tr>
<td>Reflect</td>
<td>9:6</td>
</tr>
<tr>
<td>Reflected</td>
<td>21:14</td>
</tr>
<tr>
<td>Refuse</td>
<td>30:21</td>
</tr>
<tr>
<td>Regarding</td>
<td>11:8,17</td>
</tr>
<tr>
<td>Regularly-shaped</td>
<td>38:19,25</td>
</tr>
<tr>
<td>Rehabilitation</td>
<td>11:18 12:10 15:5,8,25 16:4 18:5,10</td>
</tr>
<tr>
<td>Reinstated</td>
<td>6:8</td>
</tr>
<tr>
<td>Relationship</td>
<td>35:19</td>
</tr>
<tr>
<td>Relatively</td>
<td>19:14</td>
</tr>
<tr>
<td>Relevant</td>
<td>25:18 26:3 27:11</td>
</tr>
<tr>
<td>Reliance</td>
<td>8:3</td>
</tr>
<tr>
<td>Relied</td>
<td>20:3</td>
</tr>
</tbody>
</table>
Landmarks Preservation Commission
October 29, 2013

...
understood [1] 23:13
undisputed [1] 10:24
uneconomic [1] 10:16
unfortunately [1] 15:18
unheard [1] 27:21
uniformly [1] 9:8
unique [1] 17:25
unleased [1] 7:3
unreasonable [1] 6:13
unsound [1] 16:13
until [1] 6:10
upgrade [1] 10:12
upgraded [1] 8:3
upgrading [1] 18:11
upheld [1] 6:2
upper [2] 4:5 14:3
useful [1] 44:24
uses [1] 40:4

V

vacancies [1] 28:9
values [5] 31:19 34:15,19
variable [1] 16:16
variables [1] 16:16
variety [1] 20:24

verified [1] 21:9
visit [1] 39:10
volunteers [1] 32:8

W

wakefield's [1] 13:4
walk [1] 40:22
walk-ups [1] 43:14
walls [2] 39:8,9
weight [1] 26:15
west [1] 27:10
whenever [1] 23:11
where's [1] 44:14
whereupon [4] 4:15,18 45:4,7
wholly [1] 11:9
william [1] 3:16
winding [1] 5:20
windows [1] 33:24
wish-i-had-one [1] 43:10
without [5] 4:20 8:22 14:17 29:6,10
word [1] 24:11
working [2] 29:9 33:4
worth [1] 26:4

Steno-Kath
212.953.3767 * 914.381.2061
stenokat@verizon.net