

Minutes of the Chinatown Working Group (CWG) Full Group Meeting
5:30pm – 7pm, Monday, May7, 2012
American Legion L.T. Kimlau Post 1291

Voting members present: American Legion Post 1291 (Gabe Mui); Asian American Legal Defense and Education Fund (Bethany Li); Bowery Alliance of Neighbors (Mitchell Grubler, David Mulkins); Chinese Staff and Workers Association (Wendy Cheng, Josephine Lee); Committee Against Anti Asian Violence (Billie Zhu); Community Board 1 (Michael Levine); Community Board 2 (Ed Ma, Antony Wong); Immigrant Social Services (Lillian Moy); National Mobilization Against Sweatshops (Michael Lalan, David Tieu); Two Bridges Neighborhood Council (Victor Papa, Wilson Soo).

Press: Sing Tao (Bonnie Li); World Journal (Yi Chen Tu).

Also present: Rob Hollander (Lower East Side Residents for Responsible Development); Zella Jones (NoHo-Bowery Stakeholders Inc.); Irving Lee (Property Tax Payers); Susan Yung (Bowery Poetry Club).

Meeting called to order at 5:45pm, CWG co-Chair Antony Wong facilitating (co-Chair Mae Lee is in Albany)

1. Introductions.

2. Agenda approval.

>>No objections, agenda approved.

3. April minutes approval.

>>No objections, minutes approved by all present.

4. Update on the Memorandum of Understanding between Lower Manhattan Development Corporation and University Settlement Society of New York (CWG fiscal conduit for the RFP), Michael Levine presenting.

Michael Levine: I contacted Angela Rossi who will be the LMDC project manager for CWG's RFP for the consultant. She would like to meet with USSNY there. Antony should arrange such a meeting with USSNY for middle or late May. The vote at LMDC may occur sooner than expected. She would also like to meet CWG at the next CWG meeting at 4pm. Let us put her at the top of the agenda for the next meeting and try to have a wide and representative showing. She will explain any further requirements for completing the process.

Victor Papa: How does this square with our anticipated process?

Michael Levine: We can proceed now, but the advertisement should be posted on our website and the LMDC's website on the same exact day. We can then send prospective applicants the link to the websites.

Victor Papa: How does this relate to the \$15,000 repayment for Jim Solomon?

Michael Levine: Unrelated. She's not responsible for that money.

Victor Papa: Can we discuss that today?

Antony Wong: We will save it for the Coordinating Committee meeting. We are going to jump to the last item. The American Legion is unavailable June 4, can we push our next meeting to June 11?

[No objections.]

>>The next full CWG meeting will be June 11 at 4pm. Angela Rossi will be invited.

5. Letter of support for the Bowery Alliance of Neighbors' Plan for the east side of the Bowery, Mitchell Grubler presenting.

Mitchell Grubler: BAN has proposed to extend the Special Little Italy District height limit to the east side of the Bowery (no zoning change), and has identified some buildings for individual landmarking. CAPZ approved this proposal over two years ago. BAN is asking CWG to send a letter to Amanda Burden of the City Planning Commission to support the BAN-CAPZ proposal.

Victor Papa: I move to write and send such a letter.

Mitchell Grubler: I second the motion.

Michael Levine: I can't vote for such a motion until I see support from CB3. Our CB protocol requires that.

David Mulkins: CB3 has already supported the BAN plan. I have their resolution.

Michael Levine: Can you send me the resolutions by e-mail?

David Mulkins: Yes.

Antony Wong: Can BAN wait for one more month for a vote?

Mitchell Grubler: Yes, we can.

6. Economic Team Preliminary Action Plan, Rob Hollander presenting.

Antony Wong: There was some confusion last month as to what was being presented. Also the notification for this meeting contained the April document, but that is not the document that will be presented now.

Zella Jones: The RFP and criteria on the website need to be updated. Can I be given the RFP and the criteria for the website?

Michael Levine: Those should be updated. Wilson has those documents. They will be sent to you.

Rob Hollander: A little background: the Economic Development Team approved a Preliminary Action Plan in April 2010. The Team ceased meeting sometime thereafter. Several months ago, the CWG co-Chairs convened a series of meetings to review the work that had so far been done. Several community members, in particular property owners belonging to the Tax Payers Association, came to those meetings to discuss and express concerns and even objections. As a result of those meetings we now had three documents: a revised 2010 PAP, the Tax Payers Association written response, and the minutes of the meetings. The document I am presenting attempts to bring all these documents together, minus the controversial items. I omitted controversial items – items that were contested by community voices – so they could be discussed with the community before being included. If anyone feels that those controversial items or any missing items should be included, please e-mail us...

Antony Wong: ...there is a suggestion form on the website.

>>Please send comments on the Economic Consolidation Plan using the CWG website comment form.

Rob Hollander: [Continues. See Consolidation Documents A, B, and C attached.]

Michael Levine: Are all these items within the scope of the RFP?

Rob Hollander: Not all. There's a request to look at the real estate tax burden on property owners and a request to study the BID.

Michael Levine: Anything outside the RFP can endanger the RFP process. A rejected applicant could sue us on the grounds that the scope of work had been falsely represented.

Bethany Li: The RFP's language is sufficiently general to include some of these items. The RFP does mention studying business vitality, so the effects of the BID would be included in that. It may not be necessary to change the details of this document, but we should vote on this compromise document as a whole.

Michael Levine: We not only must remain within the scope, but should also keep in mind how much can be done with only \$150,000.

Rob Hollander: There's also a new item from a CAAAV panel on zoning: Fu Ku Poon mentioned that "living buildings" are preferable to bank buildings which close at 5pm leaving a strip of wasteland. So the effect of banks on the streetscape is included in this plan.

Ed Ma: Is this in the framework of a 197a or c? Does it contradict other community groups in Chinatown? Does it promote businesses development in Chinatown within the city's legal framework? Is it consistent with what we have been doing so far?

Michael Levine: Good question. If most of this is from the RFP, then it is consistent.

Victor Papa: How much leeway do we have with the consultant? How flexible can the consultant be?

Michael Levine: In many ways it is inflexible. We can't change the game, although there is some leeway as Bethany has described. But we must be careful. Analyzing the BID would be beyond the scope.

Irving Lee: What happens if the CWG and the BID conflict in their recommendations? What are the ramifications?

Rob Hollander: The Chinatown BID is not a member of CWG.

Zella Jones: The Chinatown BID is a member of CWG.

Rob Hollander: CPLDC is a member, but the Chinatown BID is not a member.

Michael Levine: The BID and CPLDC are not the same entity even though they may overlap in personnel. Three members of CWG sit on the Chinatown BID, John, Antony and myself. But the actions of the CWG and BID are independent of each other. Is the LES BID a member?

Rob Hollander: Yes.

Michael Levine: Then the Chinatown BID may become a member in the future.

Zella Jones: The LES BID withdrew CWG a couple of years ago. I received a specific e-mail from the LES BID director via Mae to that effect. I think they found there was an internal conflict.

Rob Hollander: The LES BID voted here a few months ago as members.

Zella Jones: I will find the documentation in my records and produce it for you.

Antony Wong: We will look into it.

Robert Lee: As I understand it, one side of the debate over the BID does not trust that the selection of the BID board will include them. What is gained if the consultant, after studying the BID, merely tells us that that is so or not?

Antony Wong: Whom would you have us talk to then?

Robert Lee: I'm just asking why Rob thinks studying the BID would be useful.

Rob Hollander: A BID could benefit property owners. It can also be destructive to the community. We would all benefit by independent study from an objective party like the consultant.

Michael Levine: This is a valid discussion but a study of the BID is not currently within the scope of in the RFP and I strongly recommend that a study of the BID not be included in the RFP. I don't see this fitting in the RFP. It's too much. Unfortunately, I have to leave now.

Bethany Li: It seems to me that it falls well within the scope of considering Chinatown businesses, since the BID impacts them directly.

Rob Hollander: At the April meeting we were given a July 30 [sic] deadline for an Economic PAP for submission with the RFP.

Antony Wong: The deadline seems to be a confusion. After Zella's presentation last month, there was concern that any document that changes the RFP must be final by June 30. So the deadline for the PAP was set. But actually the RFP

already includes an economic scope of work and the RFP is done and voted upon. So we can continue a discussion of the Economic PAP as a separate document.

Zella Jones: We can continue to discuss this at our pleasure until the consultant is actually hired.

Rob Hollander: [Concluding the presentation:] Special permits were not included in this plan because special permits are already included in the RFP/CAPZ agreements. There are no recommendations in this document for Division Street and East Broadway because there has been no consultation with or input from the Fujianese community in the Economic plan process. It would be unwise for CWG to send recommendations about Division Street and East Broadway to the consultant without the consultation and input of the Fujianese community.

Robert Lee: Banks are bypassing their legal requirement to invest locally.

Ed Ma: The banks should follow the Federal quota for community reinvestment. Can bank buildings be prevented?

Irving Lee: If there's a law in place, shouldn't the elected officials enforce the law?

Rob Hollander: If the banks have found loopholes, then no enforcement will help.

Victor Papa: The banks say they comply but their investments may not be useful to the community.

Bethany Li: Also there don't seem to be any significant consequences for noncompliance.

Antony Wong: This Economic presentation will be posted on the website and you can comment on it on the website.

7. Co-Chair elections.

>>The co-Chair term is ending, so we need nominations next meeting.

Community announcements

Antony Wong: Saturday, May 12, 11am-5pm, the 33rd Asian-Pacific American Heritage Festival in DUMBO (note new location). Also, May 13, Passport to Taiwan at Union Square.

Robert Lee: There is an effort to write letters of community support to the military on the day of Private Danny Chen's birthday. [Distributed a letter template.]

Antony Wong: On May 24 at the Pace High School at Hester and Forsyth, there will also be a fundraiser for the family to go to the trial in North Carolina. \$25 admission, \$10 for students. More info at OCA-NY.org

Robert Lee: Our community should also be more involved in Occupy Wall Street to show that Asian Americans are also concerned and are active.

David Tieu: NMASS is organizing for 100% affordable housing in SPURA. We also want to see more public health facilities in our neighborhood (as hospitals are being closed) and more public schools (as we see conversions to charter schools), day care centers (as they are being gutted by the budget) in the process of increasing privatization of public spaces and facilities.

Ed Ma: Chinatown lacks a public meeting place where we can raise a strong community voice and identity and coherence. The power of place is essential.

Meeting adjourned at 7:08pm.

I. Priorities

The Community Economic Goal

The economy of Chinatown should benefit the residents of Chinatown. Development in Chinatown should benefit the residents of Chinatown.

Fundamental Principle of Respect

Any successful vision of Chinatown's future must respect the reliable, steady core source of Chinatown's economy which has been proven over the years to be the local Chinatown goods and services offered to the local Chinatown residents that employ local Chinatown labor. Speculation in Chinatown must not intervene to displace or undermine this reliable core of Chinatown's commerce and overall economy.

II. Direction

Research Goal

Economic research should discover the fundamental and reliable sources of Chinatown's economy *that benefit the local residents*, analyze their character and means, financial sources, material capital, labor resources and space.

A consideration of the future of Chinatown must study and analyze what is currently successful in Chinatown *that benefits the local residents*, what has succeeded in the past in Chinatown *that benefited the local residents*, what is failing in Chinatown, what has failed in the past, and what is succeeding in Chinatown that does not benefit the residents of Chinatown or that primarily benefits others than the residents of Chinatown.

Having identified the successes that benefit the local residents/labor/small businesses, research should identify elements that can support those successes and provide benefits that are not otherwise served by the local economy (e.g., education, health care, job training, technological facilities, credit unions), and identify the threats to those benefits and the threats to the further downsizing Chinatown (e.g., outside developers, outside bank predation, chain stores, outside luxury speculation, rising real estate tax burdens).

Research must carefully regard the neighborhoods surrounding Chinatown. Developments in nearby communities directly and indirectly impact Chinatown, whether it be encroaching hotel or nightlife districts or residential and commercial gentrification, predatory equity or overdevelopment.

Prior Studies

All prior studies of Chinatown must be analyzed *critically* for accuracy and substantiation, for perspective and agenda, for stakeholder interest, and for consistency between data and conclusion. Disinterested studies should be sought (e.g., academic studies) both for data and analysis.

III. Outcomes

Identify:

- available means to enhance the existing businesses that benefit the residents of Chinatown
- business practices that harm Chinatown labor
- economic development strategies in Chinatown that will support locally-serving commerce and local employment opportunities as a priority, both for long-time residents and new immigrants
- education and training opportunities for Chinatown residents and labor
- opportunities and support for new entrepreneurship and new business investment programs targeted for local-serving businesses (e.g., retail, service, and manufacturing) that will employ both long-time residents and new immigrants
- business assistance investment programs and funds to support locally-owned businesses and locally-owned new businesses
- long-term environmental and business improvement efforts to increase business efficiencies thereby increasing revenue, sales, and profits
- zoning designations commensurate with current businesses and allowing for new locally-owned businesses
- means to promote more local contribution from the banks in Chinatown
- (a means to reopen Park Row – as already mentioned in the CWG Transportation Plan)
- ways to bring about tenancy or occupancy for the current and already available, empty/vacant high quality-commercial spaces, utilizing surplus building stocks before planning on more development of them
- existing policies that hinder the sustainability and growth of small businesses
- means to prevent big box/chain/franchises
- ways to relieve the real estate tax burden.

Produce a study of:

- sidewalk vending, food carts, watch and shoe repair, seasonal carts
- parking
- commercial sidewalk use: shop overflows
- open markets (Forsyth Street)
- health care facilities
- educational facilities
- economic trends in Chinatown that are locally owned
- economic trends in Chinatown that are non-locally owned
- contributions to the local economy of banks in Chinatown
- possible role of a credit union
- vacant commercial space
- the effects of bank buildings on the vitality of street-life, shopping and evening foot-traffic
- the effects and consequential trajectory of the Chinatown BID on commerce, development, gentrification, property values, demographics and local ownership and local investment
- a development zone around Lafayette and Centre Streets, from Canal to Broome Streets
- possible special purpose districts
- real estate tax burden
- residential demographics: impact of immigration, the family, the aging population

Background: Community Commentary (Redacted from the Tax Payers Association Response)

Chinatown has an image of being **competitive in its prices**, and its services, products, and commodities are value-oriented. This is the edge that Chinatown has that draws consumers from the five boroughs and tri-state area to come on a regular basis to Chinatown.

Upzoning and/or current zone designations that encourage expansionist development will rapidly upscale and transform Chinatown and erode its community. Already Chinatown has lost 17% of its Asian population between 2000 and 2010. The upzoning of Chinatown, increasing property values, will create corresponding increase in property taxes thus increasing the cost of doing business. This will have an impact on small family-run businesses and small property owners due to greater expenses, leading to potential business failure. This will undermine the low cost of goods and services that are unique to Chinatown resulting in displacement of Chinatown working families.

Besides closure of traffic in Park Row, Chinatown lost a municipal parking lot. The City has yet to replace or replenish these lost parking spaces. **Providing parking** will give an immediate and automatic boost to Chinatown community for all vendors and all businesses, especially vendors. Developers should be mandated to provide sufficient parking for their developments, for the community. Developers should provide transient, affordable, equivalent to municipal parking rates, preclude high price parking.

Eliminate the barrier and security restrictions on Park Row. Resume full pedestrian and Automobile traffic as if prior to 9/11 security changes. This will provide a major stimulus to the Chinatown economy which has been severely affected by the restrictions. Resume access to Municipal Parking at Police Plaza to provide badly needed parking for residents who can choose Chinatown as an ideal location to shop. The Chinatown community and especially the Community Boards must challenge the notion of National Security Threat as a basis for the closure.

Examine lending practices of Chinatown Banks to the community relative to the savings the community provides to these banks. Are banks providing sufficient capital?

There are currently lots of **empty commercial office space**, and lots of vacant commercial office condominiums. 2011-2012 Chinatown has experienced what may be the highest level of commercial/retail/office vacancies ever. Restricting or micromanaging business categories is unlikely to help. **Successful existing models or traditional models should not be curtailed.** If the market can bear concentrations of similar offerings, then a planning program should not endeavor to interfere. Also, in some instances, crowding of like-businesses draws shoppers to a given area. Price competitiveness, being value-oriented, is Chinatown's edge. It draws significant commerce and revenue for Chinatown.

The City should offer loan guarantees or City Development Bond for Small Property Owners who want to develop or renovate their property, or do small developments on their property. This is a good alternative, compared to having to venture with large developers and large real estate firms who do large developments only.

High-end restaurants and bars do not serve the immigrant community that currently lives and works in Chinatown. Many small business owners object to street closings which may harm their business as well as further limit parking.

Centre - Lafayette Streets Development Zone

Economic Development Working Team Current Conditions: Grand to Walker St. (Lafayette, Center, West side of Baxter Sts.)



5/4/2012 Update 5-4-2012

Economic Development Working Team Current Conditions: Grand to Walker St. (Lafayette, Center, West side of Baxter Sts.)

- **Above street level space underutilized on north side of Canal.**
- This area zoned M1-5B and M1-5 in the two blocks bordered by Canal and Walker, Lafayette and Baxter.
- **M1-5B zoning does not allow private medical facilities, undergraduate classrooms, theaters of more than 99 seats – which are no longer economically feasible for live or even art film venues.** Another deleterious effect of this zoning is the frequently used alternative BSA conversions to high-end residential uses, contributing to rapidly rising rents for industrial, manufacturing, commercial as well as residential space.^[1]
- **Lost manufacturing jobs** (out of 21,000...16,000 gone)...garment industry (staggering loss of jobs)^[2]. Chinatown garment manufacture was highly concentrated in the area north of Canal from Broadway to Centre Sts.



More Photography at:
<https://photos.state.gov/libraries/nyc/112/EconomicDevelopmentTour2012/Business5&start=direct&>

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Economic Development Working Team Current Conditions: Grand to Walker St. (Lafayette, Center, West side of Baxter Sts.)

- **Empty office space...** in non-residential buildings. The exit of garment manufacture has left many Manufacturing buildings vacant and their infrastructure and configuration uncompetitive with alternative and more modern manufacturing and commercial uses.
- **Health and Social Service Growth needs places to locate.** Health and social services is the second largest employer.These [health] establishments are probably hospitals or medical centers, which most likely do not employ the majority of their staff from among Chinatown's immigrant population. ^[3]



^[1] Chinatown: Where Tradition Meets Tomorrow, Columbia University Urban Planning Studio, 2003, pgs. 24-25

^[2] The area's largest employer, the garment industry, which in the 1980s employed almost 20,000 people, was shedding jobs at an alarming rate. Overzealous competition and high real estate costs had already led to the loss of about 200 factories over the last decade. After 9/11, the pace quickened as several closed their doors each week; within a year, the number of factories dropped from 270 to approximately 150. Today, there are fewer than 100 in operation. Building Trust, by Robert Webber, N.Y. Shelterforce Online, Issue #16, Summer 2006.

^[3] Chinatown: Where Tradition Meets Tomorrow, Columbia University Urban Planning Studio, 2003, pgs. 15

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Economic Development Working Team Strategies: Grand to Walker St. (Lafayette, Center, West side of Baxter Sts.)

Special Purpose –Economic Opportunity District

- ❑ **Modify existing use groups but preserve light manufacturing opportunities.** See TriBeCa Special Purpose District <http://www.nyc.gov/html/dcp/pdf/zone/art11c01.pdf>
- ❑ **Include anti-displacement criteria** for existing AIR and other DHCR Rent Stabilized units. See <http://www.nyc.gov/html/dcp/pdf/zone/art09c06.pdf>
- ❑ **Create space for business incubators and cooperatives.** Clothing and designer garment finishing (supporting Fashion Week and designers), Home Furnishing Design; Culinary Product; Technology assembly. ^[1]
- ❑ **Re-Purpose Garment Industry Skills** –extremely important in worker base. Create opportunities for garment sample assembly, fashion showcase, important to this resource.
- ❑ **Re-Invent Light Mfg** – Garment/furniture design, electronic assembly/packaging and product testing facilities, art or craft creation. Amend Land-Use definitions if necessary. See TriBeCa Mixed-Use Special District <http://www.nyc.gov/html/dcp/pdf/zone/art11c01.pdf>

^[1] Chinatown: Where Tradition Meets Tomorrow, Columbia University Urban Planning Studio, 2003, pgs. 26-26
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Economic Development Working Team Strategies: Grand to Walker St. (Lafayette, Center, West side of Baxter Sts.)

Special Purpose –Economic Opportunity District (cont'd)

- ❑ **Investigate Manufacturing Cooperatives** with resident training programs and classroom spaces
- ❑ **Develop Training Centers:** Adopt "English Language Learners (ELL) programs among employers for immigrants...job training, skill building all ages/skills. Proximity to Govt entities providing programs and funds for such programs is a plus and could make an excellent case for Chinatown as a NYC Center
- ❑ **Incentivize** educational, cultural, financial institution and community facilities investment in Chinatown facilities.^[2]

^[2] See Cultural and Historic Preservation Preliminary Action Plan, Item 1, paragraph vi

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Economic Development Working Team Strategies: Grand to Walker St. (Lafayette, Center, West side of Baxter Sts.)

• Upzone blocks bordered by Canal, Walker, Lafayette and Baxter

- ❑ These blocks are currently M1-5 where manufacturing use is highly unlikely. The blocks relate to the built environment to the south.
- ❑ As a center triangle and at the MTA Hub these blocks would provide an exceptional opportunity for the "transformational" project cited in the AAFNY, Rebuild Chinatown Initiative and the Columbia Studio studies.
- ❑ Incentivize the inclusion of a major cultural tenancy

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