

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE

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May 25, 2016  
Start: 10:44 a.m.  
Recess: 11:03 a.m.

HELD AT: Committee Room - City Hall

B E F O R E:

JULISSA FERRERAS-COPELAND  
Chairperson

COUNCIL MEMBERS:

Ydanis A. Rodriguez  
James G. Van Bramer  
Vanessa L. Gibson  
Robert E. Cornegy, Jr.  
Laurie A. Cumbo  
Corey D. Johnson  
Mark Levine  
I. Daneek Miller  
Helen K. Rosenthal  
Steven Matteo

A P P E A R A N C E S (CONTINUED)

1 [gavel]

2 [background comments]

3 CHAIRPERSON FERRERAS-COPELAND: Good  
4 morning and... shhhhhh [gavel]

5 SERGEANT AT ARMS: Quiet please.

6 CHAIRPERSON FERRERAS-COPELAND: Good  
7 morning and welcome to today's committee hearing.  
8 I'm Council Member Julissa Ferreras and I am the  
9 chair of the committee.  
10

11 We have been joined by Council Members  
12 Cumbo, Rosenthal, Matteo, Johnson, Cornegy, Miller,  
13 Levine, and Van Bramer.

14 Before we begin, I wanna thank all the  
15 Finance Committee members who sat with me over the  
16 last two-and-a-half weeks to hear over 70 hours of  
17 testimony on how the Executive Budget affected the  
18 agencies' operations; your participation, your  
19 questions and your input will be integral to budget  
20 negotiations and help us adopt a budget that we can  
21 all be a part of and proud of, thank you so much.

22 Now let's get started. Today we have 11  
23 items on the agenda, we have four resolutions  
24 relating to setting interest rates and seven land use  
25 items; let's start with the resolutions.

1  
2 Every year the Banking Commission  
3 provides recommendations to the Council relating to  
4 the discount of property owners who pay their  
5 property taxes early and the interest rates for  
6 property owners who pay their property taxes and  
7 water charges late.

8 For Fiscal 2017, the Banking Commission  
9 has made the following recommendations: one-half  
10 percent discount rate for individuals who pay their  
11 property taxes early and a 7.5 percent interest rate  
12 for late property taxes for properties with an  
13 assessed value of \$250,000 or less, which accounts  
14 for about 97 percent of all Class 1 properties in the  
15 city and 90 percent of all property in the city, and  
16 18 percent interest rate for late property taxes for  
17 properties with an assessed value of more than  
18 \$250,000 and a 9.5 percent interest rate for late  
19 water charges.

20 After careful consideration of the  
21 Banking Commission's recommendations, the Council is  
22 recommending that one-half percent discount rate and  
23 18 percent property tax late payment rate for  
24 properties with assessed values of more than \$250,000  
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1  
2 be adopted as per the Banking Commission's  
3 recommendation.

4           With respect to the interest rate for the  
5 property... shhhh... guys... with the interest rate for the  
6 late property taxes for properties with an assessed  
7 value of \$250,000 or less, the Council is  
8 recommending the rate to be set at 6 percent. By  
9 setting a slightly lower interest rate, the Council  
10 hopes to provide a measure of relief for homeowners  
11 across the city who may be struggling to afford their  
12 rising property taxes while still providing a  
13 sufficient deterrent to would-be delinquent property  
14 taxpayers.

15           In addition, in order to maintain the  
16 same rate as was adopted last year, the Council  
17 recommends that the later water charge interest rate  
18 be set at 9 percent. Because of certain requirements  
19 in the current law, the Banking Commission is not  
20 authorized to recommend an interest rate less than  
21 9.5 percent; I believe that the Banking Commission  
22 should have more flexibility and authority to be able  
23 to recommend whatever rate they think is appropriate  
24 and therefore, today I am introducing legislation  
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1  
2 that will remove some of the restrictions on the  
3 Banking Commission who are recommending these rates.

4 A representative from the Banking  
5 Commission is here to answer any questions that we  
6 may have on their recommendations or the interest  
7 rates.

8 Now let's turn to the land use items.  
9 All seven land use items are seeking property tax  
10 exemption under the City's HDFC program and all are  
11 supported by their respective council members.

12 First we have the New West I in Council  
13 Member Dickens' district in Manhattan. This property  
14 will receive a partial 40-year exemption to preserve  
15 98 units of affordable housing for low-income  
16 households.

17 Second, we have Riverview I in Council  
18 Member Levine's district in Manhattan. This property  
19 will receive a partial 40-year exemption to preserve  
20 110 units of affordable housing for low-income  
21 households.

22 Third, we have the Riverview II in  
23 Council Member Levine's district in Manhattan. This  
24 property will receive a partial 40-year exemption to  
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1  
2 preserve 63 units of affordable housing for low-  
3 income households.

4 Fourth, we have Story Avenue in Council  
5 Member Salamanca's district in the Bronx. This  
6 property will receive a full 40-year exemption to  
7 construct 212 units of affordable housing for low-  
8 and moderate-income households.

9 Fifth, we have the Norwood Gardens in  
10 Council Member Cohen's district in the Bronx. This  
11 property will receive a full 40-year exemption to  
12 construct 118 units of affordable housing for low-  
13 and moderate-income households.

14 Sixth, we have 491 Gerard in The  
15 Speakers' district in the Bronx. This property will  
16 receive a full 40-year exemption to construct 153  
17 units of affordable housing for low- and moderate-  
18 income households.

19 And last, but not least, we have 147-20  
20 94th Avenue in Council Member Miller's district in  
21 Queens [interpose, background comment]. Thank you,  
22 Council Member Lander. This property will receive a  
23 full 40-year exemption to construct 380 units of  
24 affordable housing for low- and moderate-income  
25 households.

1  
2 Those are the items for today; does  
3 anyone have any questions on the Banking Commission?  
4 Would you like to... [background comments] sure.

5 COUNCIL MEMBER ROSENTHAL: I would just  
6 like to note, Chair, that we did not set through as  
7 many Finance hearings or for as long as you did; you  
8 were here last night till 6:00 and I can't imagine  
9 anyone sat through, listened to, heard, contemplated  
10 as many comments, questions as you did and you know,  
11 you put us to shame, so thank you for your service.

12 CHAIRPERSON FERRERAS-COPELAND: Thank you  
13 very much, Council Member. And you know, we did this  
14 collectively and I have to admit that this year's  
15 actual hearings were a lot shorter than last year's,  
16 so we got through a lot of it together, but also  
17 Council Member Matteo sat through a lot of the  
18 hearings; [background comments] he was a trooper  
19 right alongside. But we all, you know played an  
20 integral role in our questions, were incredibly  
21 powerful and you know, will help us pass a  
22 responsible budget for all New Yorkers. But thank  
23 you, thank you very much, Helen.

24 Do we have any further questions on  
25 today's agenda... statements on today's agenda?

1  
2 Everybody wants to go outside to the sunny weather?

3 [background comments] [laugh] I will now as Billy  
4 Martin, the Committee Clerk, to call the roll.

5 COMMITTEE CLERK: Chair Ferreras-  
6 Copeland.

7 CHAIRPERSON FERRERAS-COPELAND: I vote  
8 aye.

9 COMMITTEE CLERK: Van Bramer.

10 COUNCIL MEMBER VAN BRAMER: Aye.

11 COMMITTEE CLERK: Gibson.

12 COUNCIL MEMBER GIBSON: **[inaudible]**; I  
13 vote aye on all.

14 COMMITTEE CLERK: Cornegy.

15 COUNCIL MEMBER CORNEGY: I vote aye.

16 COMMITTEE CLERK: Cumbo.

17 COUNCIL MEMBER CUMBO: I too wanna share  
18 my congratulations and I also vote aye.

19 COMMITTEE CLERK: Johnson.

20 COUNCIL MEMBER JOHNSON: Aye.

21 COMMITTEE CLERK: Levine.

22 COUNCIL MEMBER LEVINE: Permission to be  
23 very briefly explain my vote. I'm pleased that one  
24 of the bills we're voting on today would extend tax  
25 exemptions to a series of buildings on 135th Street

1  
2 and unlike a lot of cases, there is no current  
3 protection there at all **[inaudible]** stabilized units  
4 and now we're locking in 40 years of protection for  
5 those buildings, so it's a great example of  
6 preservation; I'm proud to vote aye on that and all  
7 the other bills today. Thank you.

8 COMMITTEE CLERK: Miller.

9 COUNCIL MEMBER MILLER: Permission to  
10 explain my vote. Thank you and thank you again for  
11 your service, as you **[inaudible]** last night; it was  
12 great.

13 I just wanna thank for the affordable  
14 project that is coming to Jamaica, Queens; it is the  
15 second one; the first one really to get underway and  
16 380 units is a lot and I thank you, Rebecca  
17 [background comment] and while it was in ULURP, Land  
18 Use certainly lent their expertise and for that I  
19 think it really meets the needs of the community and  
20 that we're really looking forward to it and I thank  
21 everyone for that, and with that I vote aye on all.  
22 Thank you.

23 COMMITTEE CLERK: Rosenthal.

24 COUNCIL MEMBER ROSENTHAL: Aye.

25 COMMITTEE CLERK: Matteo.

1  
2 COUNCIL MEMBER MATTEO: Yes. [sic]

3 COMMITTEE CLERK: By a vote of 10 in the  
4 affirmative, 0 in the negative and no abstentions,  
5 all items have been adopted.

6 [background comments]

7 CHAIRPERSON FERRERAS-COPELAND: We will  
8 keep the roll open for another 15 minutes. Also, I  
9 want to remind everyone that we are now beginning the  
10 throws of our budget negotiations, so tomorrow  
11 morning we will have BNT and in the afternoon we will  
12 have delegation meetings, so please clear up your  
13 schedules. [background comment] Tomorrow is  
14 Thursday. [laughter] Yes, all day. We.. I think.. I  
15 believe it was switched. So just make sure to follow  
16 up with your schedules and pay attention to the  
17 schedule because it will move quickly is what I'm  
18 saying.

19 [pause]

20 COMMITTEE CLERK: Sorry, BNT's at 2. I'm  
21 sorry; BNT's at 2; delegations are at 3. Yes, BNT at  
22 2; delegations at 3.

23 [pause]

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COMMITTEE ON FINANCE

COMMITTEE CLERK: Continuation of roll call, Committee on Finance. Council Member Rodriguez.

COUNCIL MEMBER RODRIGUEZ: Aye.

COMMITTEE CLERK: Final vote now on Committee on Finance stands... all items have been adopted by a vote of 11 in the affirmative, 0 in the negative and no abstentions. Thank you.

C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date June 10, 2016