

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON FINANCE

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September 21, 2011

Start: 10:50am

Recess: 11:14am

HELD AT: Council Chambers
City Hall

B E F O R E: DOMENIC M. RECCHIA, JR.
Chairperson

COUNCIL MEMBERS:

Gale A. Brewer
Leroy G. Comrie, Jr.
Lewis A. Fidler
Helen D. Foster
Robert Jackson
G. Oliver Koppell
Darlene Mealy
Diana Reyna
Joel Rivera
Albert Vann
Fernando Cabrera
Julissa Ferreras
Karen Koslowitz

A P P E A R A N C E S

COUNCIL MEMBERS:

James G. Van Bramer
Vincent M. Ignizio
James S. Oddo

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

Andrew Schwartz
First Deputy Commissioner
NYC Department of Small Business Services

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2 CHAIRPERSON RECCHIA: Good morning
3 and welcome to today's Finance Committee hearing.
4 My name is Domenic M. Recchia, Jr. I'm the chair
5 of this wonderful Committee. I'd like to
6 introduce all my colleagues who have joined us
7 here today. To my left we have Robert Jackson,
8 Joel Rivera, Jimmy Van Bramer, Karen Koslowitz,
9 Julissa Ferreras, Darlene Mealy. To my right we
10 have Fernando Cabrera, Margaret Chin, Al Vann,
11 Helen Diane Foster, Leroy Comrie.

12 Today we have two items on our
13 agenda. We have a BID item and a Land Use item.
14 The transparency resolution that was scheduled for
15 today has been deferred and will go on that
16 resolution the next Stated Meeting on October 5th.
17 With the Land Use item, this property is located
18 at 138-49 Elder Avenue in Queens in Council Member
19 Koo's district. This property will receive a tax
20 exemption to finance the rehab of 191 units on the
21 property, which will rent housing to low income
22 seniors. Council Member Koo supports this item.

23 Now let's move on to the BID item.
24 Today we will vote on Intro 569, which is a local
25 law that would establish a Business Improvement

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2 District in Chinatown, which is located in the
3 district of Council Member Margaret Chin, who
4 supports the establishment of this BID. The total
5 first year budget of this BID is 1.3 million,
6 which would go to sanitation, holiday lighting,
7 administration and other items. The bulk of the
8 assessment—1 million—will go towards sanitation.
9 Please review the BID committee's report and the
10 attached district plan for details on the
11 management structure and district profile of the
12 Chinatown BID along with the services provided by
13 and properties located within the BID. If you
14 remember, On May 26th, this Committee held its
15 first hearing on Intro 569. By law, the Committee
16 had to wait at least 30 days after its first
17 public hearing on the BID before it can again
18 consider any possible vote to approve the
19 legislation to establish the BID. The 30 day
20 period immediately after the public hearing
21 services as an objection period, which gives a
22 property owner effected by this BID a chance to
23 formally object to its creation. When considering
24 Intro 569 by law, the Committee must answer the
25 following four questions: were all notices of

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2 hearing for all hearings required to be held
3 published and mailed as required; does all the
4 real property within the district boundaries
5 benefit the establishment of the district except
6 as otherwise provided by the law; three, is all
7 real property benefited by the district included
8 within the district; and four, is the
9 establishment of the district in the best interest
10 of the public? If the Committee finds in
11 affirmative of these four questions and the number
12 of objections required prevent the creation of
13 such district are not filed, then the legislation
14 can be adopted. The objection period for this
15 creation of this BID ended on June 24th at 5pm.
16 According to the city clerk, 20% or 388 of the
17 1,890 property owners located in the proposed BID
18 filed valid objections. After the May hearing and
19 after the objection period, this Committee held
20 another hearing on September 7th to offer the
21 public another chance to be heard on the BID. At
22 this hearing, we were able to hear concerns of
23 property owners in the BID and address many of
24 them. I am proud to say that the establishment of
25 this BID was a very democratic and transparent

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2 process. In addition to the services provided the
3 district plan through negotiation, small business
4 services has committed to the Council the
5 following: ensure services for garbage collection
6 in the BID are made prior to 8am rather than in
7 the afternoon; ensure objection forms that are
8 used to express a property owner's objection of
9 BID will now be made available on SBS website and
10 not just at the city clerk's office; ensure the
11 minutes of the meeting of the BID's board of
12 directors will be placed on a website of the
13 district management association and such minutes
14 must be translated upon request by a property
15 owner within the Chinatown BID. These provisions
16 reflect the Council's and SBS' commitment to the
17 people of Chinatown and the people of the city of
18 New York. This is another example of the Council
19 and the administration working together and the
20 community working all together for the shared goal
21 of benefiting the public. Shortly, we will hear
22 from the Department of Small Businesses, if they
23 have anything else they would like to add. But at
24 this time, I recognize the Council Member from
25 Chinatown, Council Member Margaret Chin, but

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2 before we hear from her, I want to recognize the
3 Council Member from the Bronx, Oliver Koppell and
4 the Council Member from Brooklyn, Diana Reyna.
5 Council Member Margaret Chin?

6 COUNCIL MEMBER CHIN: Good morning.
7 First of all, I wanted to really thank Council
8 Member Recchia and also all the staff of the
9 Finance Committee, also, my staff and the staff of
10 Council Member Recchia, for working on this to
11 bringing the Chinatown BID coming to the Finance
12 Committee vote today. To me, as someone who grew
13 up in the community, this is a historic day, and
14 working on this project has been a long time
15 coming in our community. And ultimately, I wanted
16 to thank all the community members and property
17 owners for taking their time and interest to come
18 out in the discussion, in the debate and the
19 amount of energy that's been spent on organizing
20 this gives me the confidence that we will have
21 this energy going forward to improve the quality
22 of life in our community, so Chinatown will be
23 cleaner, brighter and a great place for people to
24 live, work and visit. I just hope that we will
25 continue to be able to work together to meet this

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2 goal, so it will an improvement in our community,
3 but also throughout New York City—that Chinatown
4 will be a destination once again and we will be a
5 stronger and healthier community and I urge my
6 colleagues on this Committee to support us on this
7 historic occasion. Thank you.

8 CHAIRPERSON RECCHIA: SBS, would
9 you like to say a few words? Small Business
10 Service, Andy Schwartz [phonetic].

11 ANDREW SCHWARTZ: Good morning,
12 Chairman Recchia and members of the Finance
13 Committee. I'm Andrew Schwartz, first deputy
14 commissioner for the Department of Small Business
15 Services. I'm here today with Laura Rothrock
16 [phonetic] from our BID program. As required by
17 the Business Improvement District law, the
18 Chinatown BID Steering Committee mailed the
19 summary of the City Council's resolution to each
20 owner of real property within the proposed
21 district at the address shown on the latest city
22 assessment rolls or to such other persons as are
23 registered with the city to receive tax bills
24 concerning real property within the district and
25 to tenants of each building within the proposed

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2 district. In addition, SBS arranged for a
3 required publication of a copy of the summary of
4 the resolutions in the city record. We're pleased
5 to report on the results of the objections filed
6 with the city clerk against the establishment of
7 the proposed BID. At the conclusion of the
8 objection period at 5pm on June 24th and taking
9 into consideration any objections postmarked by
10 that date, 562 valid objections were filed with
11 the city clerk. 20.5% of the owners of the
12 property filed objections to the BID. These
13 owners represented 19.7% of the assessed value of
14 all benefitted real property within the district.
15 In addition, 48 invalid objections were filed
16 consisting of 36 invalid objections from
17 properties located outside the BID boundaries, 10
18 objections with no proof of ownership and 2
19 objecting parties who were not actually the
20 property owners. The total assessed value of real
21 property within the district is \$778,440,891 and
22 the total number of properties is 2,320, which are
23 held by approximately 1,891 property owners. Our
24 review concludes that the level objection filed in
25 terms of either the number of property owners or

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2 percentage of assessed valuation is within the
3 acceptable threshold needed to advance the bill
4 for favorable consideration by the full City
5 Council. SBS requests the City Council approve
6 the establishment of the Chinatown BID in
7 Manhattan. The Department of Small Business
8 Services supports the establishment of the BID and
9 in our judgment, the BID will improve business
10 conditions and quality of life in the Chinatown
11 area making it a good place to live, work and
12 visit and laying the groundwork for further
13 neighborhood development activities in lower
14 Manhattan. We appreciate your efforts on debating
15 this topic and bringing this to a vote. Thank
16 you.

17 CHAIRPERSON RECCHIA: Thank you
18 very much. Okay. Any one question, want to
19 testify about the notice--there was an issue about
20 notices, and they were complied with?

21 MALE VOICE: Thank you, Chairman
22 Recchia. I - - that this team. I'm very proud of
23 the team. They have mailed out all the notice
24 occasions in accordance to law and it's far and
25 above what is normally required. Just an example--

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CHAIRPERSON RECCHIA: [Interposing]
No, we don't need examples. That's all I need to know—if it was complied with. Okay. Does any council member--before we move forward, I want to recognize Council Member Jimmy Oddo, Council Member Vincent Ignizio and Council Member Lewis Fidler. Does any council member have any questions? Without seeing any questions, we're going to call the vote.

COMMITTEE CLERK: William Martin, committee clerk, roll call vote in the Committee on Finance. Council Member Recchia?

CHAIRPERSON RECCHIA: Before I cast my vote, I just want to say to the Chinatown community, all of those that were in favor of it, all of those that were opposed to this, we had good dialogue. I met with both sides. I heard what they have to say, and after reviewing thousands of documents and reading about this, I am going to agree with the Council Member from Chinatown, I'm going to support this BID, but I strongly urge those that oppose it, that you work with all of us, so we can make Chinatown a better place than what it is today and we could make sure

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2 that this BID works for the best interests of the
3 people of the city of New York. My door is always
4 open, if you feel there are any issues. You could
5 always call on me. We'll meet with you, and we
6 strongly urge that our staff in the New York City
7 Council is there to work with anyone that feels
8 that something is not working properly. So I
9 strongly urge all my council members to support
10 the Council Member from Chinatown and voting aye.
11 Thank you.

12 COMMITTEE CLERK: Rivera?

13 COUNCIL MEMBER RIVERA: I vote aye,

14 COMMITTEE CLERK: Reyna?

15 COUNCIL MEMBER REYNA: I vote aye.

16 COMMITTEE CLERK: Comrie?

17 COUNCIL MEMBER COMRIE: I vote aye.

18 I want to congratulate Council Member Chin for her
19 tireless work in this effort and to our chair,
20 Domenic Recchia, for supporting her. They had
21 many hearings and many meetings to try to come up
22 with a consensus to make sure that all sides'
23 concerns were heard. I want to thank our city
24 also for making sure that everything was done in a
25 proper manner and everything was documented also.

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So congratulations to all. Aye on all.

COMMITTEE CLERK: Fidler?

COUNCIL MEMBER FIDLER: Aye.

COMMITTEE CLERK: Foster?

COUNCIL MEMBER FOSTER: Aye.

COMMITTEE CLERK: Jackson?

COUNCIL MEMBER JACKSON: Mr. Chair,
may I be excused to explain my vote?

CHAIRPERSON RECCHIA: Yes.

COUNCIL MEMBER JACKSON: Thank you.

I sat through the majority of all of the Finance hearings on this particular matter and I thank you as a Chair for giving so much of your time and energy and listening to all of the constituents for and against this particular matter, and in fact, there was a second hearing that was held in which from my understanding people complained that they were locked out of the first one, and so you opened up a second hearing, so everyone had the opportunity to be heard. From everything that I know and listening to SBS and all the other people testifying, everyone no matter who they were, no matter what side of this particular issue they were, they had the opportunity to be heard. My

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2 understanding is that you indicated you gave as
3 many people the opportunity to have meetings with
4 you and Council Member Chin and SBS, so I'm
5 satisfied as a member of this Finance Committee
6 that due diligence has been had and that all the
7 type of transparencies and notifications were in
8 place. Congratulations to my colleague, Council
9 Member Margaret Chin, who represents Council
10 District 1, all of Chinatown area, and I proudly
11 vote aye.

12 COMMITTEE CLERK: Koppell?

13 COUNCIL MEMBER KOPPELL: Aye.

14 COMMITTEE CLERK: Vann?

15 COUNCIL MEMBER VANN: [no audible
16 response]

17 COMMITTEE CLERK: Mealy?

18 COUNCIL MEMBER MEALY:

19 Congratulations, [off mic].

20 COMMITTEE CLERK: Ferreras?

21 COUNCIL MEMBER FERRERAS: I vote
22 aye.

23 COMMITTEE CLERK: Cabrera?

24 COUNCIL MEMBER CABRERA: I vote
25 aye. Congratulations to Council Member Chin.

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COMMITTEE CLERK: Koslowitz?

COUNCIL MEMBER KOSLOWITZ: I vote
aye.

COMMITTEE CLERK: Van Bramer?

COUNCIL MEMBER VAN BRAMER: Aye.

COMMITTEE CLERK: Ignizio?

COUNCIL MEMBER IGNIZIO: [no
audible response]

COMMITTEE CLERK: Oddo?

COUNCIL MEMBER ODDO: [no audible
response]

COMMITTEE CLERK: Ignizio?

COUNCIL MEMBER IGNIZIO: Yes.

CHAIRPERSON RECCHIA: Is Council
Member Oddo out there? There's another...

MALE VOICE: He's yelling, "Yes."

CHAIRPERSON RECCHIA: No, he has to
come in the room.

COMMITTEE CLERK: Council Member
Oddo?

COUNCIL MEMBER ODDO: [no audible
response]

COMMITTEE CLERK: By a vote of 16
in the affirmative, 0 in the negative and no

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2 abstentions, items are adopted. Members, please
3 sign the Committee report. Thank you.

4 CHAIRPERSON RECCHIA: This
5 concludes this hearing for today. We're going to
6 keep the vote open to 10:30.

7 COUNCIL MEMBER RIVERA: And Rules
8 Committee members, please stay put. We're going
9 to start the Rules Committee in a couple of
10 minutes.

11 COMMITTEE CLERK: Council Member
12 Brewer?

13 COUNCIL MEMBER BREWER: I vote aye.

14 COMMITTEE CLERK: Final vote in the
15 Committee on Finance is 17 in the affirmative,
16 zero in the negative and no abstentions. This
17 meeting is now adjourned.

18 COUNCIL MEMBER BREWER: This
19 hearing is adjourned.

20 [gavel]

C E R T I F I C A T E

I, Kimberley Uhlig certify that the foregoing transcript is a true and accurate record of the proceedings. 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.

Signature _____

Date September 29, 2011