

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON FINANCE

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September 30, 2009

Start: 11:00 am

Recess: xx:xx am

HELD AT: Council Chambers
City Hall

B E F O R E: DAVID I. WEPRIN
Chairperson

COUNCIL MEMBERS:
Gale A. Brewer
Leroy G. Comrie Jr.
Bill de Blasio
Lewis A. Fidler
James F. Gennaro
Vincent J. Gentile
Alan J. Gerson
Eric N. Gioia
Vincent Ignizio
Robert Jackson
G. Oliver Koppell
Rosie Mendez
James S. Oddo
Diana Reyna
Joel Rivera
Helen Sears
Albert Vann

A P P E A R A N C E S [CONTINUED]

David I. Weprin
Opening Remarks
Chairperson
Committee on Finance

Jeff Rodus
First Deputy Director of Finance
Committee on Finance

Jeremy Waldrip
Assistant Commissioner
Department of Small Business Services

Judith Rifkin
Chief Financial Officer
Time Square Alliance

Brendan Sexton
Durst Organization

Committee Staff Member

2 [Gavel banging]

3 SERGEANT AT ARMS: Quiet please.

4 CHAIRPERSON WEPRIN: Good morning. We
5 made it under the wire. We've got five minutes to
6 morning. Welcome to today's Finance Committee
7 hearing.

8 SERGEANT AT ARMS: Sit down please.

9 CHAIRPERSON WEPRIN: My name is David
10 Weprin. I chair the Committee. We have a number of
11 items on our agenda. We have two budget related items
12 and two BID items. Let me introduce the members that
13 are here. We have Council Member Albert Vann from
14 Brooklyn; Council Member Lew Fidler from Brooklyn;
15 Council Member Helen Sears from Queens; Council Member
16 Gale Brewer from Manhattan; Council Member Maria del
17 Carmen Arroyo from the Bronx; our Majority Leader Joel
18 Rivera from the Bronx; Council Member Robert Jackson
19 from Manhattan; Council Member Vincent Gentile from
20 Queens; Council Member Leroy Comrie from Queens;
21 Council Member Oliver Koppell from the Bronx; Council
22 Member Alan Gerson from Manhattan; Council Member Jim
23 Gennaro from Queens; Council Member Simcha Felder from
24 Brooklyn; and Council Member Rosie Mendez from
25 Manhattan.

2 The first budget related--and it sounds
3 like a quorum to me. The first budget related item is
4 an expense housekeeping budget modification, MN1, that
5 will reallocate \$4.9 million in appropriates in the
6 Fiscal 2010 Adopted Budget to fund City Council
7 initiatives and transfer funds for the discretionary
8 allocations. At the time the Council prepared to
9 adopt the Fiscal 2010 budget the City had made
10 application to New York State to use Federal American
11 Recovery and Reinvestment Act funding to continue
12 certain programs that had been proposed for reduction
13 or elimination in the Mayor's Fiscal 2010 Executive
14 Budget.

15 Among those were the Department of
16 Youth and Community Development's Out of School Time
17 Program. Approval by the State for the proposed use
18 of stimulus funds had not been finalized at the time
19 of adoption of the 2010 Budget and the Council
20 provided \$4.572 million to DYCD to partially restore
21 the cuts. Subsequent to adoption of the Fiscal 2010
22 Expense Budget on June 19th, 2009, the New York
23 Secretary of State approved the City's proposal. Thus
24 out of the \$4.9 million that is transferred today in
25 the modification among agencies, \$4.6 million of that

2 sum is the result of stimulus funding.

3 As a result of the reallocation,
4 changes to the budget of several agencies are
5 necessary and are reflected in the modification.
6 Additionally we have a transparency resolution
7 relating to the Fiscal 2010 Adopted Budget,
8 specifically the resolution before us today sets forth
9 new designations and/or changes in the designation of
10 certain organizations receiving local ageing and youth
11 discretionary funding as well as new designations
12 and/or changes in the designation of certain
13 organizations to receive funding pursuant to certain
14 initiatives in the Fiscal 2010 Expense Budget. All
15 items in this transparency resolution have been
16 approved by the members of the Budget Negotiating
17 Team.

18 Council Members should have a list of
19 these new designations and changes which is attached
20 to the Resolution. For clarification purposes it is
21 to be noted that organizations appearing in the
22 Resolution that have not yet completed their pre-
23 qualification process conducted by the Mayor's Office
24 of Contract Services, the Council or another entity,
25 are identified in the attached charts with an

2 asterisk.

3 Additionally as with all transparency
4 Resolutions Council Members will have to sign a
5 disclosure form indicating whether or not a conflict
6 exists with any of the groups on the attached list.
7 If any Council Member has a potential conflict of
8 interest with any of the organizations listed, he or
9 she might want to disclose the conflict at the time of
10 their vote.

11 Our last two items are BID items that
12 are related. On September 17th, this Committee voted
13 on legislation that set today as a hearing date for
14 consideration of two local laws that would, one,
15 change the method of assessment for the Time Square
16 BID and two, extend the boundaries of the Time Square
17 BID. These two local laws are needed to include the
18 recently constructed Bank of America Tower at 1 Bryant
19 Park into the Time Square BID. The Bank of America
20 Tower is a 55-story building with a gross building
21 area of 2.2 million square feet.

22 The building is so large that it is
23 also partly situated in the Bryant Park BID. These
24 bills would extend the boundaries to include the Bank
25 of America Tower and create an additional new class of

2 commercial properties that exist in more than one tax
3 lot and exists within the boundaries of more than one
4 BID.

5 Though these BID items are related,
6 we'll only vote on the assessment change today. By
7 law the Committee must wait at least 30 days after the
8 public hearing on the Bid before it can again
9 reconsider and possibly vote to approve legislation to
10 extend the BID. The 30 day period immediately after
11 the public hearing serves as an objection period which
12 gives a property owner affected by this BID a chance
13 to formally object to its extension.

14 Therefore we will lay over the bill
15 that extends the BID boundaries and vote on the
16 assessment change today. According to the BID law,
17 local law to change the assessment of a BID can be
18 adopted if this Committee makes a determination that
19 one, it is in the public interest to authorize such
20 change, two, the tax and debt limitations are not
21 exceeded and three, publish and mail notice
22 requirement is met.

23 We will hear shortly from the Small
24 Business Services to determine whether these
25 requirements have been met. Jeff Rodus, our First

2 Deputy Director of Finance is available should we have
3 any questions. Any question for Mr. Rodus? Okay
4 we'll hear from Jeremy Waldrip.

5 [Pause]

6 MR. JEREMY WALDRIP: Good afternoon.
7 I'm Jeremy Waldrip, an Assistant Commissioner at the
8 Department of Small Business Services. SBS supports
9 the extension of the change in the assessment of the
10 Time Square Business Improvement District and a change
11 in--an extension of the boundaries and a change in the
12 assessment formula at the Time Square Business
13 Improvement District in the Borough of Manhattan.

14 Geographically the extended BID
15 includes properties generally bounded by the Avenue of
16 the Americas and 8th Avenue on the east and west, West
17 53rd Street and West 41st Street on the north and
18 south. In addition the extended district includes an
19 area known as Restaurant Row located on West 46th
20 Street between 8th and 9th Avenues and adding 1 Bryant
21 Park at 1108 Avenue of the Americas to the BID
22 district.

23 Services to be provided in the extended
24 BID district include supplemental sanitation,
25 security, business education and outreach, promotion

2 of the district, planning and design. The budget for
3 the first year of operation in the extended district
4 is \$10,400,000. the change in the method of
5 assessment creates an additional new class of
6 commercial properties where properties that exist in
7 more than one tax lot that have been combined and now
8 exist within the boundaries of more than one Business
9 Improvement District.

10 As required by law the Time Square BID
11 mailed the summary of the City Council Resolution to
12 each owner of real property with the proposed district
13 at the address shown on the latest City assessment
14 roll, to such other persons as registered with the
15 City to receive tax bills concerning real property
16 within the district and to tenants of each building
17 within the proposed district. In addition SBS
18 arranged for the publication of a copy of the summary
19 of the resolution at least once in the City Record.
20 Thank you.

21 CHAIRPERSON WEPRIN: Thank you. Any
22 questions for Commissioner Waldrip? Thank you. I
23 think we have election fatigue.

24 [Pause]

25 CHAIRPERSON WEPRIN: We have two people

2 that have signed up to testify on the Time Square BID.
3 Brendan Sexton from the Jurist Organization and Judith
4 Rifkin from the Time Square Alliance, if you could
5 both come up together.

6 [Pause]

7 CHAIRPERSON WEPRIN: Is it afternoon?

8 Yes I guess it is. Good afternoon.

9 MS. JUDITH RIFKIN: Good afternoon
10 Chairman Weprin and members of the Finance Committee.
11 My name is Judith Rifkin. I'm the Chief Financial
12 Officer of the Time Square Alliance. And I'm speaking
13 today, reading a statement on behalf of Tim Tompkins,
14 the Resident of the Time Square Alliance who had a
15 previous commitment to be out of the country.

16 Time Square Alliance is seeking to
17 amend our district boundary to include 1 Bryant Park.
18 This property will now be included in both Time Square
19 Alliance and the Bryant Park BIDS. The reason for
20 this change is that several smaller properties on the
21 site were originally within the Time Square Alliance's
22 boundaries when these and other lots were combined to
23 build 1 Bryant Park, the new lot included ground that
24 had previously been part of both the Time Square and
25 the Bryant Park BIDs. Therefore the proposed

2 amendment to our district boundaries will make this
3 building a part of both BIDs.

4 Time Square Alliance will provide
5 sanitation, including street cleaning and graffiti
6 removal and security to the public areas around the
7 building and will include the building in all of its
8 marketing and promotion programs. The agreed upon
9 first year's assessment will be \$150,000. No existing
10 properties will pay any additional assessment because
11 of this amendment.

12 The Board of the Time Square Alliance
13 unanimously approved this amendment on May 7th, 2007.
14 In addition the property owner, DURST and primary
15 tenant, Bank of America, as well as Community Boards 4
16 and 5 have all expressed their support. Brendan
17 Sexton of the Durst Organization is here to confirm
18 their support. Thank you.

19 MR. BRENDAN SEXTON: Hi.

20 CHAIRPERSON WEPRIN: Mr. Sexton?

21 MR. SEXTON: Yes. And I think the most
22 important statement to be made on behalf of the
23 building's owners and occupants is that this was
24 enthusiastically sought by us and by them. This is an
25 idea which was proposed by the owners of the building-

2 -actually the developers of the building are the
3 current owners, but while it was still in
4 constructions, DURST has long been a supporter of Time
5 Square BID, for instance and certain has always been a
6 neighbor of and a fan of what the Bryant Park
7 Restoration Corporation has done there. And this was
8 a way to ensure continued allegiance to, participation
9 in and contribution to both of those organizations.

10 So as the party who will have to meet
11 the assessment, I think it's important to go on record
12 as saying that we do this very enthusiastically, and
13 in fact at our own initiation before it was even
14 brought up by anybody else.

15 CHAIRPERSON WEPRIN: I believe Council
16 Member Brewer had a question.

17 COUNCIL MEMBER BREWER: I do. I don't
18 know if this is relevant but I went to the Shosama
19 [phonetic] party, it was the best party imaginable.
20 And it was between those two buildings, one is 1
21 Bryant and one is--

22 MR. SEXTON: [Interposing] Kind of yes.

23 COUNCIL MEMBER BREWER: --Bank of
24 America or something. The reason I ask is what's that
25 space going to be for? And are either Durst or Time

2 Square BID; does the public get to use that space?

3 What--

4 MR. SEXTON: [Interposing] Yes. The--

5 COUNCIL MEMBER BREWER: --what are the
6 ground rules?

7 MR. SEXTON: --that space, for those of
8 you who don't--that's the through block from 42nd to
9 43rd Street which is technically within the boundaries
10 of 1 Bryant Park. It's within the boundaries of the
11 building. I'm glad you enjoyed the party. My wife
12 produced the party--

13 COUNCIL MEMBER BREWER: [Interposing] I
14 know. I know she did.

15 MR. SEXTON: --so thank you. But the
16 space is a public space. There was a zoning
17 requirement that there be pedestrian access but of
18 course as you know if you've been in that space, much
19 more was made of it. A decision was made very early
20 in the design of the building to turn that into---some
21 of the through spaces in Time Square have been fairly
22 dismal and not very good for anything except
23 protection from the weather.

24 But one or two of them have been more
25 than that. And it was decided that this would become

2 the model for future passageways. It would really be
3 a space of value to the public in itself. So it has
4 performance space, it has access to the restaurants--

5 SERGEANT AT ARMS: [Interposing] Quiet
6 please, sit down.

7 MR. SEXTON: --restaurant seating in
8 fact and of course as you saw it's available for
9 events.

10 COUNCIL MEMBER BREWER: So how would
11 either the Time Square BID or Durst tell people about
12 it who might not be in your area and might want to--
13 how do people access it for events that could be free?

14 MR. SEXTON: Well it's not closed but
15 to access it for--they had never thought of it as
16 being an ongoing business to have event there but
17 obviously that event of the other night suggested to
18 them, but the building owner is available and very
19 well known in the neighborhood and I think that
20 probably all that has to be known is that people are
21 interested.

22 COUNCIL MEMBER BREWER: Okay.

23 MR. SEXTON: It's certainly much better
24 to have event there than not. The space, the public
25 passageways that have not worked well have been

2 because they were not heavily used. So the intention
3 is to get as much of the public access as possible
4 there.

5 COUNCIL MEMBER BREWER: Okay. Well
6 then I go back to Tim and say that the Alliance should
7 tell the nonprofit community that is desperate,
8 desperate, desperate, desperate for places to hold
9 events that don't cost, you know, \$500 a square inch--

10 MS. RIFKIN: [Interposing] Um-hum.

11 COUNCIL MEMBER BREWER: And that this
12 would be something that the Time Square BID could
13 offer to the community at large.

14 MS. RIFKIN: Yeah I would say--

15 COUNCIL MEMBER BREWER: --but I'm just
16 saying that nobody's going to know about it if you
17 don't tell them.

18 MS. RIFKIN: I would say we will be
19 happy to work with Durst on that just as we work with
20 other property owners and we promote everything. You
21 know, all the resources in the district, all the time
22 on our website and with our--

23 COUNCIL MEMBER BREWER: [Interposing]
24 Yeah but--

25 MS. RIFKIN: --crossroads promotions--

2 okay--

3 COUNCIL MEMBER BREWER: --I'm talking
4 about something a little bit different--

5 MS. RIFKIN: [Interposing] Yeah.

6 COUNCIL MEMBER BREWER: --which is to
7 talk to the nonprofit--

8 MS. RIFKIN: [Interposing] Nonprofit--

9 COUNCIL MEMBER BREWER: --world--

10 MS. RIFKIN: [Interposing] Yeah.

11 COUNCIL MEMBER BREWER: --which doesn't
12 go to your website.

13 MS. RIFKIN: Yeah.

14 COUNCIL MEMBER BREWER: Ever.

15 MS. RIFKIN: Right.

16 COUNCIL MEMBER BREWER: Okay so you
17 need to literally tell Community Resource Exchange,
18 etcetera--

19 MS. RIFKIN: [Interposing] Right,
20 right.

21 COUNCIL MEMBER BREWER: --that works
22 with this community that is so desperate to survive.

23 MS. RIFKIN: Right.

24 COUNCIL MEMBER BREWER: Okay. They
25 cannot even--this would be an opportunity.

2 MS. RIFKIN: Yeah. No I think we'd be
3 happy to be a partner with Durst in that effort,
4 absolutely.

5 MR. SEXTON: That would be great.

6 COUNCIL MEMBER BREWER: Thank you.

7 MS. RIFKIN: Any other questions?

8 CHAIRPERSON WEPRIN: Any further
9 questions? Okay. I'm going to couple--

10 MR. SEXTON: [Interposing] Thank you.

11 CHAIRPERSON WEPRIN: Thank you, thank
12 you. I'm going to couple Intro 1058, the Time Square
13 BID assessment change. I'm going to couple the budget
14 modification MN1, and I'm going to couple the
15 Preconsidered Transparency Resolution. Intro 1057
16 which I referred to in my opening remarks--

17 SERGEANT AT ARMS: [Interposing] Sit
18 down please, sit down.

19 MS. RIFKIN: [Interposing] Thank you.

20 CHAIRPERSON WEPRIN: --which extends
21 the Time Square BID will be laid over and we will be
22 reconsidered after 30 days from today. We've been
23 joined by Council Member Vincent Ignizio from Staten
24 Island.

25 [Pause]

2 CHAIRPERSON WEPRIN: If all Council
3 Members could review the disclosure list and hand them
4 in and in any case we're going to call the roll. All
5 coupled items.

6 MS. CAROL SHINE: Council Member
7 Weprin.

8 CHAIRPERSON WEPRIN: Aye on all.

9 COMMITTEE STAFF MEMBER: Council Member
10 Rivera.

11 COUNCIL MEMBER RIVERA: I vote aye on
12 all.

13 COMMITTEE STAFF MEMBER: Council Member
14 Brewer.

15 COUNCIL MEMBER BREWER: I vote
16 tentatively aye because I'm still looking at the
17 listing of moving of funding and it looked like there
18 might be a problem so I vote yes but I want to be able
19 to fix it.

20 COMMITTEE STAFF MEMBER: Okay. Duly
21 noted. Council Member Comrie.

22 COUNCIL MEMBER COMRIE: Aye on all.

23 COMMITTEE STAFF MEMBER: Council Member
24 Fidler.

25 COUNCIL MEMBER FIDLER: Mr. Chairman,

2 I'm particularly appreciative of the both the \$1.5
3 million that is being moved to the District Attorneys
4 that's so desperately needed and especially the
5 \$580,000 for shelter beds for children. I think that
6 is always a mitzvah. So I happily vote aye on all.

7 COMMITTEE STAFF MEMBER: Council Member
8 Gennaro.

9 COUNCIL MEMBER GENNARO: [No audible
10 response]

11 COMMITTEE STAFF MEMBER: Council Member
12 Gerson.

13 COUNCIL MEMBER GERSON: Aye on all.

14 COMMITTEE STAFF MEMBER: Council Member
15 Gioia.

16 COUNCIL MEMBER GIOIA: Yes on all.

17 COMMITTEE STAFF MEMBER: Council Member
18 Jackson.

19 COUNCIL MEMBER JACKSON: Aye on all.

20 COMMITTEE STAFF MEMBER: Council Member
21 Koppell.

22 COUNCIL MEMBER KOPPELL: Aye.

23 COMMITTEE STAFF MEMBER: Council Member
24 Sears.

25 COUNCIL MEMBER SEARS: Aye on all.

2 COMMITTEE STAFF MEMBER: Council Member
3 Vann.
4 COUNCIL MEMBER VANN: Aye.
5 COMMITTEE STAFF MEMBER: Council Member
6 Gentile.
7 COUNCIL MEMBER GENTILE: Aye on all.
8 COMMITTEE STAFF MEMBER: Council Member
9 Ignizio.
10 COUNCIL MEMBER IGNIZIO: Yes.
11 COMMITTEE STAFF MEMBER: Council Member
12 Reyna.
13 COUNCIL MEMBER REYNA: I vote aye.
14 COMMITTEE STAFF MEMBER: The vote now
15 stands at 14 in the affirmative, 0 in the negative and
16 0 abstentions. The vote will remain open until 12:45.
17 CHAIRPERSON WEPRIN: Other than that
18 we're adjourned.
19 [Gavel banging]
20 [Pause]
21 CHAIRPERSON WEPRIN: Ethics training.
22 [Pause]
23 COMMITTEE STAFF MEMBER: Council Member
24 Gennaro.
25 COUNCIL MEMBER GENNARO: Yes.

2 COMMITTEE STAFF MEMBER: The vote now
3 stands at 15 in the affirmative, 0 in the negative and
4 0 abstentions.

5 [Pause]

6 COUNCIL MEMBER ODDO: Go.

7 COMMITTEE STAFF MEMBER: Council Member
8 Oddo.

9 COUNCIL MEMBER ODDO: Yes.

10 COMMITTEE STAFF MEMBER: The vote now
11 stands at 16 in the affirmative, 0 in the negative and
12 0 abstentions.

13 [Pause]

14 COMMITTEE STAFF MEMBER: Council Member
15 de Blasio. You want to vote? Yeah.

16 COUNCIL MEMBER DE BLASIO: I vote aye.

17 COMMITTEE STAFF MEMBER: The vote now
18 stands at 17 in the affirmative, 0 in the negative and
19 0 abstentions.

20 [END 1002.MP3]

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C E R T I F I C A T E

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I, Laura L. Springate certify that the foregoing

5

transcript is a true and accurate record of the

6

proceedings. I further certify that I am not related

7

to any of the parties to this action by blood or

8

marriage, and that I am in no way interested in the

9

outcome of this matter.

A handwritten signature in cursive script that reads "Laura L. Springate". The signature is written in black ink on a light-colored background.

10

11

Signature Laura L. Springate

12

Date October 9, 2009

13