

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE

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DECEMBER 7TH, 2015

Start: 10:38 A.M.

Recess: 11:27 A.M.

HELD AT: COMMITTEE ROOM - CITY HALL

B E F O R E: JULISSA FERRERAS-COPELAND
CHAIRPERSON

COUNCIL MEMBERS:

LAURIE CUMBO
VANESSA GIBSON
COREY JOHNSON
MARK LEVINE
STEVEN MATTEO
YDANIS RODRIGUEZ
HELEN ROSENTHAL
JAMES VAN BRAMER

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

Michael Blaise Backer
Deputy Commissioner of Neighborhood
Development at the Department of Small
Business Services

Dave Lombino
Director of Special Projects at Two Trees
Management

Tucker Reed
President of the Downtown Brooklyn
Partnership

Keith Stubbefield
Chief Financial Officer and Vice President
for Finance Administration for the
Brooklyn Academy of Music

2 CHAIR FERRERAS-COPELAND: Good morning
3 and Happy Hanukkah to all those celebrating. Welcome
4 to today's Finance Committee hearing. I Council
5 Member Julie Ferreras-Copeland and I Chair the
6 Committee. We've been joined by Council Members;
7 Mendez, Johnson, Matteo, Van Bramer, Rosenthal and
8 Levine. Let's start with the Land Use items. The
9 first is Mascot Flats in Council Member Mendez's
10 district in Manhattan which provides 19 units of
11 rental housing to low and middle income households.
12 The Council previously granted this property a 40
13 year property tax exemption due to City's HDFC
14 program on the condition that HDP and HDFC enter into
15 a regulatory agreement by a certain date. Through no
16 fault of the HDFC the regulatory agreement has not
17 signed, has not been signed by that date, so today we
18 are voting to extend the deadline to November 1st,
19 2016. Council Member Mendez supports this project
20 and this action. The second Land Use item is
21 Gottesgan House in Council Member Kallos's district
22 in Manhattan, which provides 8 units of rental
23 housing to low income households. This property
24 would receive a full 40 year property tax exemption
25 through the City's HDFC program. Council Member

2 Kallos supports this project. Representative from
3 the Department of Housing Preservation and
4 Development are here to answer any questions we may
5 have on these Land Use issues. Council Member
6 Mendez.

7 COUNCIL MEMBER MENDEZ: Thank you madam
8 Chair as you mentioned this is I think maybe the 3rd
9 time this is coming before us so it's something that
10 we really want to do. Both the administration and I
11 and the cooperators as you mentioned there's been
12 some administrative glitches and we are well on our
13 way. I'm very excited this is much needed for this
14 (inaudible) and so many others and you know just as
15 did in the Land Use Subcommittee where I just talked
16 about my concerns because when I reached out to the
17 cooperators they did not know that this was coming to
18 the City Council and I... I know there has been
19 meetings I thought with the actual cooperators but
20 it's also with the HDFC coalition and UHAB which is
21 fine with me as long as we're on our way to try to
22 work out the problem areas that we have with the
23 regulatory agreements. So I want to thank HPD and I
24 want to thank everyone who's worked on this project
25 and thank you Madam Chair.

2 CHAIR FERRERAS-COPELAND: Thank you
3 Council Member Mendez. We next we have the bid item
4 Intro. 1007, which relates to the MetroTech Area
5 Business Improvement District in Council Member
6 Cumbo's district. On November 24th this Committee
7 voted on resolution 911 to set today as the hearing
8 date to hear from individuals who may be affect by
9 the proposed changes of the MetroTech Area BID. The
10 MetroTech Area BID was first created in 1991 centered
11 on the City's sponsored MetroTech Office Development.
12 Since than the area has been rezoned to include a
13 cultural district surrounding the Brooklyn Academy of
14 Music with new public pauses, new performance and
15 rehearsal spaces, a library and office space for Arts
16 organizations. In order to provide services, the new
17 business cultural and arts organizations coming into
18 the area, the bid seeks to do 3 things; extend it's
19 boundaries to include 10 new blocks surrounding the
20 Brooklyn Academy of Music, and other cultural
21 facilities and the Atlantic Center Mall. Increase
22 its annual assessment from approximately \$2.6 million
23 to just over \$3.6 million and change the method by
24 which it's calculates the assessment by creating two
25 assessments sub districts. First we will hear from

2 any witness who wish to testify once we have heard
3 any testimony we will then adjourn the hearing for a
4 least 30 days to allow any property owners with an
5 existing, the existing bid or proposed extension to
6 file an objection to the extension of the bid with
7 the City Clerk. In the absence of a objections filed
8 either by a majority of all impacted property owners
9 or by property owners owing a majority of the asses
10 value of the property within the proposed extended
11 bid. The Committee and the full Council may adopt
12 the legislation extending the MetroTech Area BID. In
13 order to do so they Committee and the full Council
14 must be prepared to answer the following 4 questions
15 in the affirmative; were all notices of hearing for
16 all hearing required to be held published mail as
17 required by law in otherwise sufficient; does all the
18 real property within the extended district boundaries
19 benefit from the extension of the district except..
20 except as otherwise provided by law; is all real
21 property benefited by the extension of the district
22 included within the proposed extension and is the
23 extension of the district in the best interest of the
24 public. If the Committee and full Council finds it's
25 affirmative on these 4 questions and the number of

2 objections required to prevent the extension of the
3 bid are not filed, then the legislation can be
4 adopted. In addition, the Committee and the full
5 Council must determine that it is in the public
6 interest to authorize and increase in the maximum
7 annual expenditure amount that the relevant tax and
8 debt limits will not be exceeded and that the notice
9 of the increase proposed expenditures amount are
10 properly published. Council Member Cumbo supports
11 the proposed extension and other changes to the bid
12 for further details on the MetroTech Area BID, please
13 refer to the Committee report and the attached City
14 Planning Commission report on the bids proposed
15 extended district plan. Those are our items for
16 today, I wish to first open the floor for questions
17 on the Land Use Items and then we will hear from the
18 Department of Small Business Services and anybody
19 else who wishes to speak on the MetroTech Area BID.
20 Does anybody have any questions for on the Land Use
21 Items? No? SBS you may come and testify.

22 UNKNOWN: Do you affirm that your
23 testimony will be truthful to the best of your
24 knowledge, information and belief?

2 MICHAEL BLAISE BACKER: I do. Good
3 morning Chair-Ferraras-Copeland the members of the
4 Finance Committee. I am Michael Blaise Backer,
5 Deputy Commissioner of Neighborhood Development at
6 the Department of Small Business Services. I am
7 joined by our Executive Director of Neighborhood
8 Development, Kris Goddard, and our BID program
9 Director, Jennifer Kitson. We are here to testify in
10 support of the expansion of the MetroTech Business
11 Improvement District into the Brooklyn Cultural
12 District.

13 As the oversight agency for the City's
14 BID program, SBS oversees the BID formation and
15 expansion process, and services as an advisor and
16 resource for BID expansion steering committees. SBS
17 will only introduce BID proposals into the
18 legislative process if we believe that the steering
19 committee has followed the planning process
20 correctly, solicited robust community input, and has
21 sought to collect and demonstrate broad based support
22 across all stakeholder groups.

23 Speaking specifically to the Brooklyn
24 Cultural District, it has been an important priority
25 of the de Blasio administration to develop a

2 mechanism by which to ensure that proper maintenance
3 of the public investment in the area's public spaces
4 and sidewalks. Because there are already 4 BIDs
5 abutting the Brooklyn Cultural District, and given
6 both the small geography and the number of non-
7 assessment paying properties, SBS determined that the
8 expansion of 2 BIDs, MetroTech and FAB alliance was
9 preferable to creating an entirely new one. We
10 expect to be here discussing the proposed FAB
11 Alliance expansion in a few week.

12 SBS initiated an inclusive process with
13 the local stakeholders, including DBP, FAB Alliance,
14 and many of the cultural organizations and large
15 local property owners, on developing the precise
16 boundaries for the 2 BID expansions taking place in
17 order to cover the entire cultural district. The
18 expansion steering committee proceeded to hold
19 numerous meetings, and SBS attended every one of
20 them, to ensure the administration's input was being
21 incorporated.

22 We were encouraged by DBP's extensive
23 outreach effort to the residential and commercial
24 community, and of the responses received, there was
25 overwhelming support. Considering the high

2 proportion of documented assessed value support, the
3 transparent and inclusive planning process, and
4 exhaustive outreach efforts to all stakeholder
5 groups, SBS determined that the BID expansion
6 proposal was ready for CPC and Finance Committee
7 submission.

8 As required by law, the MetroTech BID
9 Expansion Steering Committee mailed the summary of
10 the City Council Resolution, no less than 10 days and
11 no more than 30 days before today's hearing, to the
12 following parties; to each owner of real property
13 within the existing district and proposed expansion,
14 at the address shown on the latest City Assessment
15 roll; to such other persons as are registered with
16 the City to receive tax bills concerning real
17 property within the existing district and proposed
18 expansion and to tenants of each building within the
19 existing district and the proposed expansion area.

20 In addition, SBS arranged for the
21 publication of a copy of the summary of the
22 Resolution at least once in the City Record.

23 It is important to not this BID expansion
24 proposed has received the written support of Brooklyn
25

2 Borough President Eric Adams, Council Member Laurie
3 Cumbo and Stephen Levin, and Community Board 2.

4 The BID expansion effort is represented
5 here today by DBP staff, existing BID board members,
6 and member of the BID Expansion Steering Committee,
7 all of whom will be available to answer any specific
8 questions that I'm unable to answer.

9 At this time I'm happy to take any
10 questions you might have. Thanks.

11 CHAIR FERRERAS-COPELAND: Thank you and
12 were going to have Council Member Cumbo speak on her
13 bid.

14 COUNCIL MEMBER CUMBO: Thank you Chair
15 Copeland and I want to thank everyone that has joined
16 us here today. I just want to echo the sentiments
17 that were expressed by My Blaise Backer in terms of
18 the fact that the Borough President Eric Adams,
19 myself, Council Member Steve Levin and many other are
20 in favor of this. And this is going to be an
21 incredible opportunity as we are Brooklyn Cultural
22 district. We're really a in essence creating
23 something very new and very exciting that I'm sure
24 can be replicated throughout the City as our cultural
25 district continue to grow and expand, I'm very

2 pleased that we are taking this additional step to
3 make sure that our cultural district is as
4 assessable, as safe, as convenient and that is
5 amazing as possible, do I strongly urge all of my
6 colleagues to support this. This is going to be
7 something that's going to benefit not only Brooklyn,
8 New York but the entire City of New York as people
9 from all over the world travel to this cultural
10 district for cultural experiences, for economic
11 opportunities, for the ability to have a small
12 business community that's thriving in the district,
13 this is going to support all of those areas and I
14 want to at this time thank our Chair Julissa
15 Copeland, Ferreras-Copeland, I also want to thank
16 Latonya McKinnie and I also want to thank Tanisha
17 Edwards who's very dynamic and very phenomenal and I
18 also want to thank all my colleagues and I also want
19 to thank Drew Gabriel on staff and everyone that is
20 here as well as Rebecca Chasen, so thank you all so
21 much and I strongly urge you to support this and I
22 thank my colleagues for being here.

23 CHAIR FERRERAS-COPELAND: Thank you
24 Council Member Cumbo and were going, does anyone have
25 any additional questions to the SBS, the SBS, to SBS?

2 No, good job, great presentation. Thank you. We're
3 going to call up the next panel. Tucker Reed, Dave
4 Lambino and Keith Stubblefield. Hi. You may begin
5 your testimony.

6 TUCKER REED: Ok good morning Chairperson
7 Ferreras-Copeland, your fellow Committee Members my
8 name is Tucker Reed, I'm the president of the
9 Downtown Brooklyn Partnership and I thank you for
10 your time today to discuss the expansion of the
11 MetroTech Business Improvement District. We're a
12 local economic development corporation that currently
13 manages 3 business improvement districts; the Fulton
14 Mall Improvement Association, the Court Livingston
15 Schemerhorn BID and the MetroTech BID.

16 For three years the Downton Brooklyn
17 Partnership at the request of area stakeholders has
18 explored the formulation of a new BID to cover areas
19 of the Brooklyn Cultural District, the Atlantic Mall,
20 Terminal and Center. To be frank, given the area's
21 history and complexity, it's kind of a marvel that we
22 sit here before you today.

23 But all told the (inaudible) has been the
24 focus of \$100 million of public investment and is
25 currently undergoing a major construction boom to

2 complete the long planned Brooklyn Cultural district.
3 The next three year will see the addition of 300,000
4 square feet of new commercial office space. Over
5 1,000 new resident units, nine cultural institutions,
6 over 100,000 square feet of new street level retail
7 and close to 32,000 square feet of public space
8 including four city owned plazas. The expansion area
9 also encompasses highly traffic areas like Atlantic
10 Center, Terminal and Mall as well as the busy DeKalb
11 corridor leading from Brooklyn Technical High School
12 to Flatbush Avenue.

13 The incredible variety of uses also poses
14 unique challenges when it comes to fairness as there
15 are a number of exempt properties because of the
16 cultural institutions lack of commercial density,
17 mostly residential development compounded by
18 preponderance of public space.

19 To ensure fairness a steering committee
20 comprised of 25 diverse areas stakeholders, including
21 property owners, business owners, residents, cultural
22 groups and representatives of Community Board 2 was
23 formed to complete and guide the creation of a
24 maintenance entity to cover these new and invaluable
25 assets.

2 The committee undertook an extensive and
3 transparent outreach process to ensure current
4 property owners, residents and business owners
5 understood the value of expansion. We went door to
6 door along DeKalb Avenue, worked with Condo Boards to
7 communicate with tenants directly, and met personally
8 with whoever would have us. Our efforts received
9 overwhelming support.

10 Because the expansion area has many
11 residential properties and additional voting
12 residents will be added to the MetroTech board,
13 making a total for a total of three and permanent
14 non-voting seat for Community Board 2 was also added.
15 Furthermore, a residential advisory committee
16 comprised of residents, both renters and owners, in
17 the district will be created. This committee will
18 meet with the board regularly to provide additional
19 insight and address any concerns they may have.

20 We are also very excited about the public
21 programming potential for the area. It's a rare
22 opportunity to have 9 cultural institutions within a
23 few blocks, even rarer for them to partner and create
24 world class public programming. The cultural groups
25 were thoroughly enmeshed in our planning process

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2 including BAC, BRIC, Mark Morris and Theatre for a
3 New Audience all these groups served on the Steering
4 committee and will form the core of a Cultural
5 Programming committee to determine and plan future
6 activities. There will also be a non-voting board
7 seat for the cultural institutions that will rotate
8 amongst the groups.

9 Thank you for your time today and I look
10 forward to answering any questions you may have.

11 DAVE LOMBINO: Good morning I'm Dave
12 Lombino the Director of Special Projects at Two Trees
13 Management. Thank you Chairperson Ferreras-Copeland
14 and Council Member Cumbo and the rest of the
15 Committee for having me here today. Today I speak to
16 you in my capacity as the Chair of the Steering
17 Committee to expand the MetroTech BID. Two Trees is
18 the largest residential property owner in the
19 expansion area when we finish our building that's now
20 going up at the heart in the heart of the Brooklyn
21 Cultural District known as the BAM South site on
22 Lafayette between Ashland and Flatbush. That project
23 came before the Council before many of you at a
24 URLURP a couple of years ago.

25

2 The area included in this expansion
3 effort is already one of the busiest in the Borough
4 as many of you know. With the completion of the
5 development projects, the Brooklyn Cultural District
6 will be magnified several fold. It will be one of
7 the most unique neighborhoods in the Borough with
8 many different cultural groups. Our building will
9 actually have four new cultural groups, BAM will be
10 expanding their cinema, we have a dance rehearsal
11 studio for 651 arts, Mocada (sp) is moving into our
12 building, were very excited about and the Brooklyn
13 Public Library will have a branch there as well. In
14 addition our building will have a 16,000 square foot
15 public plaza. This neighborhood is open space
16 starved so were excited to be able to offer that and..
17 and to work with this BID to program it in a. in a
18 dynamic and diverse fashion. So this BID expansion
19 is important for our property but the district as a
20 whole as well and were... were very excited about that.
21 We have a long history as an advocate for bids, We
22 were instrumental in the creation of the DUMBO BID
23 and we own the largest property owner Court
24 Livingston Schermerhorn BID as well, so were
25 sensitive to the needs and impressed with the

2 outreach efforts that Tucker and SBS and Andrew
3 (inaudible) in particular have gone through with this
4 particular proposal as evidence by the fact that we
5 received the unanimous approval at community board
6 level. We strongly believe that expansion in its
7 current form is the best solution to a complicated
8 issue, and one that not only equitably distribute the
9 cost to ensure the greatest degree of fairness, but
10 also ensures the highest level of service and
11 benefits. One interesting thing to note is this BID
12 will actually commit money through it's annual budget
13 to cultural programming, I think that's a terrific
14 new innovation in one that will that we worked hard,
15 Tucker worked very hard with partners in Government
16 to make a reality and I think it's something that can
17 be implemented elsewhere but it's a very innovative
18 and a great new, a great public amenity. So thank
19 you, I ask you for your support and a yes vote.
20 Thanks again.

21 KEITH STUBBLEFIELD: Thank good morning
22 Chair Ferreras-Copeland, Majority Leader Jimmy Van
23 Brammer, thank you for those nice words Laurie, it's
24 very exciting. This moment is finally here. My name
25 is Keith Stubblefield, I'm the Chief Financial

2 Officer and Vice President for Finance Administration
3 for the Brooklyn Academy of Music and I'm here today
4 not only representing BAM but the other cultural
5 organizations that will call the expanded MetroTech
6 BID home. Development of this area has been in the
7 planning stages for decades and it nothing short of
8 remarkable that it's finally happening. If you were
9 there right not it's an enormous construction site
10 but I think things a, Dave just told me that there
11 building will be topped off this year and then things
12 are I think in you'll really starting to see how
13 great it's going to be. BAM has a long history of
14 neighborhood engagement. We work very closely with
15 local elected officials, community groups and
16 partners to ensure the residents of the immediate are
17 provided with the highest quality programming. Since
18 this is our home we care very deeply obviously about
19 the neighborhood, one of my staff Tamara McCall has
20 been the Chairperson of the Fab Alliance for example
21 since its inception over 5 years ago. So we know how
22 beneficial BIDS can be. BAM also serves on the board
23 of the Downtown Brooklyn Partnership has been pleased
24 by the accomplishment of the organization in it
25 recent, in its recent existence.

2 Throughout the expansion planning process
3 rather with BAM on the Steering Committee, equity
4 among stakeholders was at the forefront of every
5 discussion. As an institution deeply rooted in the
6 community we were impressed with the transparency and
7 delicacy of these outreach efforts. Understanding
8 the numerous properties in the expansion area are
9 exempt, ours included, it was easy, it was not easy
10 to find a solution that was fair to all parties.

11 The four largest cultural groups in the
12 area, BAM included understand that we will be huge
13 beneficiaries of this effort and as such have agreed
14 to collectively contribute \$10,000 annually to the
15 BIDS programming budget, this is in reference to the
16 programming budget that Dave, Dave proposed so not
17 only are the developers putting money in, the
18 cultural are putting money in which is not... not... not
19 normal for a BIDS. Most nonprofits usually don't
20 participate financially. Furthermore will provide
21 our expertise to develop top quality programming in
22 the area's new public space. We look forward to
23 working with area stakeholders to further these
24 plans.

2 When the construction fences... fences
3 finally come down, this will not only be the most
4 exciting neighborhood in Brooklyn, it will also be a
5 tourism magnet, drawing visitors from all over the
6 world to experience the unique cultural programming
7 that can only be found in the Brooklyn Cultural
8 District.

9 BAM and the other and the areas other
10 cultural groups fully support this effort and
11 respectfully ask that you approve this expansion
12 plan. Thank you.

13 CHAIR FERRERAS-COPELAND: Do we have any
14 additional questions for this panel? No, great. Yes,
15 thank you. With no further questions thank you very
16 much for coming this morning to testify. I want to
17 thank Council Member Cumbo for her vision and
18 leadership with all of your partners in this. I
19 think it's remarkable that we have cultural
20 institutions, not only invested but also that these
21 entities will begin to give back directly to the
22 cultural institutions. Those are our items for
23 today, I will first open the floor for, sorry we
24 already did that. Before I ask Billy Martin,
25 Committee Clerk to call the role, I'd like to remind

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2 my colleagues that this Committee will be holding a
3 hearing jointly with the Committee on Aging on
4 Wednesday, December 9th at 1:00 p.m. in this room.
5 The topic of the hearing will be to update, to
6 (inaudible)update from the Department of Finance
7 outreach and enrollment efforts for Scree and Dree
8 (sp)and proposed 798-A, sponsored by Council Member
9 Cornegy which would require certain notifications to
10 Scree and Dree tenants regarding preferential rents.
11 Billy you may now read the call, call the roll.

12 COMMITTEE CLERK: William Martin,
13 Committee Clerk, roll call vote, Committee on
14 Finance. Chair Ferreras-Copeland.

15 CHAIR FERRERAS-COPELAND: I vote I.

16 COMMITTEE CLERK: Van Brammer.

17 COUNCIL MEMBER VAN BRAMMER: I just want
18 to congratulate Council Member Cumbo, we were in the
19 district on Friday for a town hall with many of the
20 theatre companies that are about to call her district
21 home. She's done an amazing job sheparding this
22 through so with congratulations to Council Member
23 Cumbo and with appreciation for how much you love
24 cultural and the art, I proudly vote I.

25 COMMITTEE CLERK: Cumbo.

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2 COUNCIL MEMBER CUMBO: Permission to
3 explain my vote.

4 CHAIR FERRERAS-COPELAND: Of course.

5 COUNCIL MEMBER CUMBO: I just want to say
6 that I'm thrilled about this opportunity and as many
7 of you know the arts are certainly my passion and for
8 us to be able to infuse the arts into this expansion
9 is going to be incredible and I hope that it sets a
10 president throughout the City of New York. So I
11 certainly want to thank everyone again, I can't
12 stress enough my thanks to everyone here that has
13 made this possible, so Chair Ferreras I proudly vote
14 I.

15 COMMITTEE CLERK: Johnson.

16 COUNCIL MEMBER JOHNSON: I.

17 COMMITTEE CLERK: Levine.

18 COUNCIL MEMBER LEVINE: With
19 congratulations to Laurie Cumbo, pleased to vote I.

20 COMMITTEE CLERK: Rosenthal.

21 COUNCIL MEMBER ROSENTHAL: With sincere
22 congratulations to Laurie Cumbo, I proudly vote I.

23 COMMITTEE CLERK: Matteo.

24 COUNCIL MEMBER MATTEO: I vote I.

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2 COMMITTEE CLERK: By a vote of 7 in the
3 affirmative, 0 in the negative and no abstentions all
4 items have been adopted.

5 CHAIR FERRARAS-COPELAND: We will keep
6 the role open for 5 minutes, 5 minutes the role will
7 remain open for 5 minutes.

8 COMMITTEE CLERK: Continuation roll call,
9 Committee on Finance, Council Member Gibson.

10 COUNCIL MEMBER GIBSON: I vote I.

11 COMMITTEE CLERK: Vote now currently
12 stands at 8.

13 [pause]

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

16 COUNCIL MEMBER RODRIGUEZ: I.

17 COMMITTEE CLERK: Final vote, Committee on
18 Finance is now 9 in the affirmative, 0 in the
19 negative and no abstentions.

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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 December 18, 2015