

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE

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July 24, 2013
Start: 10:58 a.m.
Recess: 11:30 a.m.

HELD AT: Committee Room
City Hall

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

COUNCIL MEMBERS:
James S. Oddo
Vincent M. Ignizio
G. Oliver Koppell
Helen D. Foster
Diana Reyna
Joel Rivera
Julissa Ferreras
Lewis A. Fidler
Mark S. Weprin
Leroy G. Comrie, Jr.
Gale A. Brewer
Robert Jackson
James G. Van Bramer
Darlene Mealy

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COMMITTEE ON FINANCE

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[background comments]

CHAIRPERSON RECCHIA: Alright.

[background comments]

CHAIRPERSON RECCHIA: If you have conversations, please take your conversation outside the Committee Room; we're about to begin.

FEMALE VOICE: Sorry.

CHAIRPERSON RECCHIA: It's alright. Good morning, welcome to today's Finance Committee Hearing; my name is Domenic M. Recchia, Jr.; I'm the Chair of this committee; this is our first hearing after the budge adoption on June 26; it's a pleasure to be reunited with all my colleagues; at this time I'd like to recognize all my colleagues who are with us this morning. We have Minority Leader Jimmy Oddo, Council Member Vincent Ignizio, Council Member Oliver Koppell, Council Member Helen Diane Foster, Council Member Diana Reyna, Council Member Joel Rivera; Council Member Julissa Ferreras.

Today we have 5 items on our agenda; we have two land use items, transparency reso and two bills related to property taxes.

Let's start with the two land use items, both of which are in Council Member Melissa Mark-

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2 Viverito's district; these items provide property tax
3 exemption to properties that provide rental housing
4 to low-income families. The first item, 74 West
5 105th Street provides 10 units of rental housing for
6 low-income families; this property will receive a
7 full property tax exemption for 30 years.

8 The next land use item, 153 Manhattan
9 Avenue, provides 64 units of rental housing for low-
10 income families; this property will also receive a
11 full property tax exemption for 30 years.

12 Those are our land use items for today.
13 Council Member Melissa Mark-Viverito supports these
14 items, representatives from HPD also here to answer
15 any questions you may have on these items. We have
16 also been joined by Council Member Lewis A. Fidler.

17 Now let's move on to transparency reso;
18 this resolution sets forth new changes in the
19 designation for certain organizations receiving local
20 age and youth discretionary funding as well as new
21 changing in the designation of certain organizations
22 receiving funding pursuant to certain initiatives in
23 the budget. This is our first transparency reso
24 since the budget adoption, so please review it
25 carefully. Representatives from Council Finance are

1 here to answer any questions you may have in the
2 transparency reso.

3
4 Organizations appearing in the
5 resolutions that have not yet completed the pre-
6 qualification process conducted by the Mayor's Office
7 of Contracts, the Council or another entity are
8 identified with an asterisk (*) next to the. As with
9 all transparency resos, council members will have to
10 sign a disclosure form indicating whether or not a
11 conflict exists. If any council member has a
12 potential conflict of interest with any organization
13 listed, he or she has an opportunity disclose the
14 conflict at the time of their vote. As a reminder,
15 please disclose any conflicts you might have with
16 repose subcontractors that are used by the
17 organizations. These disclosures must be made before
18 the subcontractor can be approved; members will be
19 contacted by the Council of Ethics and Employment
20 Council Nadir (sp?) to complete disclosure forms as
21 necessary.

22 The next item relates to the transfer of
23 the alternative exemption for veterans upon the
24 purchase of real property after the application
25 deadline. This legislation is sponsored by Council

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2 Member Vincent Ignizio, myself and the Speaker,
3 Christine Quinn.

4 As it stands today, the application for
5 filing the veteran property tax exemption must be
6 filed by March 15th in order for the exemption to
7 apply to the new fiscal year beginning July 1st. If
8 a property owner moves or files an application after
9 March 15th, the exemption will not apply to the
10 property up to the subsequent July 1st. The delay
11 results in the veteran waiting up to 16 months for
12 the property tax exemption to apply to the property.
13 During this period the veteran must pay the full
14 amount of property tax even though he or she is
15 eligible and has submitted an application.

16 In 2006, recognizing the burden of this
17 lag time placed on veterans, the State Legislature
18 adopted legislation to allow New York City to adopt
19 the local law providing that once a veteran moves in
20 a new purchased property within the five boroughs of
21 New York City and informs Department of Finance of
22 the move, the veteran's exemption will be pro-rated
23 and transferred immediately to new residence upon the
24 application. The exemption will be reflected in the
25 next property bill paid by the veteran. This bill,

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2 which acts on authority provided by the State will be
3 effective immediately and applied to next year's
4 assessment rolls.

5 The Department of Finance is here to
6 answer any questions you may have on the veterans'
7 bills. Eric Munson's here; he loves to get questions
8 by council members. [laugh]

9 Our next and last piece of legislation is
10 sponsored by Council Member James Oddo, Vincent
11 Ignizio, myself and Speaker Quinn. The item relates
12 to property tax rebate for certain properties
13 affected by Superstorm Sandy. Pursuant to New York
14 City Charter the taxable status of real property in
15 the City was fixed for 2013... this year on January
16 5th, 2012. The real property taxes billed for fiscal
17 year 2013 was based on the condition of the real
18 property on that date. Since the value of these
19 properties were determined before Superstorm Sandy,
20 many property owners are currently paying property
21 tax on properties at their pre-Sandy values which do
22 not affect their current condition. This legislation
23 provides real property tax relief to owners of
24 properties on which there is a building determined by
25 the Department of Buildings to be seriously damaged

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2 and unsafe to enter or occupy or completely
3 demolished as a result of Superstorm Sandy.

4 The council and the administration have
5 worked with the state legislation that would allow
6 New York City to adopt a local law to provide a
7 rebate of real property taxes to owners and tenant
8 stockholders of eligible properties. The amount of
9 the rebate reflects the reduction of the value of the
10 improvements on eligible property for a period of
11 eight months from the date of Superstorm Sandy to the
12 end of FY 2013, which was June 30th. Rebate checks
13 will be mailed in August with the single-family
14 homeowners receiving a median income of \$629,
15 commercial and manufacturing property owners will
16 receive a mean amount of \$3,426.

17 On June 17, 2013 and June 20, 2013 the
18 Assembly and the Senate passed State legislation
19 which is pending the Governor's signature. This law
20 adopts for the provision of State legislation and
21 will go in effect once the Governor signs the State
22 legislation.

23 I wanna thank Council Member James Oddo,
24 Vincent Ignizio, Speaker Christine Quinn for
25 spearheading this issue and I wanna thank the

1 Administration and the Commission of Finance... you
2 hear that Eric, I wanna thank...

3 [laughter]

4 CHAIRPERSON RECCHIA: Commissioner Franco
5 [phonetic]...

6 [background comment]

7 CHAIRPERSON RECCHIA: Okay... very close
8 and effectively with us. I also wanna thank my
9 wonderful Finance staff who's done a great job.
10 Before we hear from Department of Finance on the
11 veterans' new bill and the rebate bill, I'd like to
12 turn the microphone and recognize my colleagues.
13 Vincent Ignizio, if you would like to say a few
14 words.

15 COUNCIL MEMBER IGNIZIO: Yes, thank you
16 Mr. Chairman; I wanna thank you for hearing this bill
17 and... and for our conversations and you helping
18 spearhead it through this great committee and I
19 appreciate your role as chairman and making this
20 possible.

21 Now this is a... a bill which is such
22 common sense and basically what New York City was
23 doing was in fact charging a moving tax to our
24 veterans who moved from the boroughs to the boroughs.
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2 If you moved from Queens to Staten Island or from
3 Staten Island to Queens and you had a veteran's tax
4 exemption, well you would not receive that veterans
5 tax exemption because of your moving. Ultimately it
6 would not be applied until the subsequent tax year;
7 that was just unfair and doesn't make any sense and
8 we were taking several hundred dollars out of
9 veterans' pockets who rightfully protected our
10 country and this is a great bill that's gonna rectify
11 that. I wanna thank Tanisha Edwards who worked with
12 me and my office on making this bill a reality and
13 finding out the limits that we were allowed to impose
14 and also for the New York Post who also gave it a
15 voice in their paper and Speaker Quinn, who upon
16 hearing about the bill was as appalled as we all are
17 and said we have to make this change. So this is a
18 lesson in good government; this a good bill and this
19 is one that's gonna put pockets into those who risked
20 their lives for us and I appreciate it. Thank you
21 very much, Mr. Chairman.

22 CHAIRPERSON RECCHIA: Thank you Council
23 Member. Council Member James Oddo.

24 COUNCIL MEMBER ODDO: Yeah, I'd like to
25 start by thanking the Daily News.

[laughter]

COUNCIL MEMBER ODDO: Just to cov... just to cover bases. No. I... I would just like to thank Speaker Quinn and you, Mr. Chairman for your help with the rebate bill and... and Preston and Emra [phonetic] and Tanisha and everybody at the Finance Division, Senator Andrew Lanza and Assemblyman Mike Cusick for passing it onto the state level, Commissioner Franco and his staff, who early on recognized that this was uncharted territory for us in trying to figure out the assessments of homes impacted by Sandy; I... I appreciate his cooperation and the Administration's. And let me say this though, that this was negotiated; this is the best deal that we can get; clearly we wanted to cover a larger universe of folks and it's my sense and my hope, actually, that certainly not me; I will be long gone, but next year sometime I think this institution is gonna have to go back and the next administration on its own will have to address longer term property taxes of Sandy impacted area, because this is nice, it's good, we'll take it, but much more work is gonna have to be done, so thank you.

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CHAIRPERSON RECCHIA: Thank you Council Member Jimmy Oddo. We've also been joined by Council Member Mark Weprin. Okay. Does... does anybody have any questions? Since nobody has any questions, call the roll.

COMMITTEE CLERK MARTIN: William Martin, Committee Clerk, roll call vote Committee on Finance. Council Member Recchia.

CHAIRPERSON RECCHIA: I vote... [interpose]
[background comment]

CHAIRPERSON RECCHIA: I... it just came out of my good friend, Commissioner Franco. Yeah. I just want... I encourage all my members to vote aye, I vote eye on all.

COMMITTEE CLERK MARTIN: Rivera.

COUNCIL MEMBER RIVERA: I vote aye.

COMMITTEE CLERK MARTIN: Reyna.

COUNCIL MEMBER REYNA: I vote aye.

COMMITTEE CLERK MARTIN: Fidler.

COUNCIL MEMBER FIDLER: Aye.

COMMITTEE CLERK MARTIN: Foster.

COUNCIL MEMBER FOSTER: Aye.

COMMITTEE CLERK MARTIN: Koppell.

COUNCIL MEMBER KOPPELL: Aye.

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2 COMMITTEE CLERK MARTIN: Ferreras.

3 COUNCIL MEMBER FERRERAS: Aye.

4 COMMITTEE CLERK MARTIN: Ignizio.

5 COUNCIL MEMBER IGNIZIO: I also wanna
6 thank Preston for being Preston and I vote aye.

7 COMMITTEE CLERK MARTIN: Oddo.

8 COUNCIL MEMBER ODDO: I like Preston when
9 he's not Preston.

10 CHAIRPERSON RECCHIA: You're just kissin'
11 up 'cause you think he's gonna be the next person in
12 charge of OMD... [crosstalk]

13 COUNCIL MEMBER ODDO: I... I... I read it in...
14 [crosstalk]

15 CHAIRPERSON RECCHIA: that's what it is.
16 [laughter]

17 COUNCIL MEMBER ODDO: I read it in one of
18 the newspapers and I believe everything I read in the
19 newspaper, so... [interpose]

20 [laughter]

21 COUNCIL MEMBER ODDO: I... I... actually I've
22 been referring to him as Director Preston for the
23 last... I vote aye.

24 COMMITTEE CLERK MARTIN: By a vote of 9
25 in the affirmative, 0 in the negative, no

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1 abstentions, all items have been adopted. Members,
2 please sign the Committee reports.

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4 CHAIRPERSON RECCHIA: We'll keep the vote
5 open 'til 11:30.

6 COUNCIL MEMBER WEPRIN: Happy Birthday
7 Domenic, day... a day early. [pause] Council Member
8 Comrie.

9 COUNCIL MEMBER COMRIE: I vote aye on
10 all.

11 COMMITTEE CLERK MARTIN: Vote now stands
12 at 10 in the affirmative. [pause] Council Member
13 Brewer. Council Member Brewer.

14 COUNCIL MEMBER BREWER: I vote aye.

15 COMMITTEE CLERK MARTIN: Council Member
16 Jackson.

17 COUNCIL MEMBER JACKSON: I vote aye on
18 all.

19 COMMITTEE CLERK MARTIN: The vote now
20 currently stands at 12 in the affirmative. [pause]
21 Council Member Van Bramer.

22 COUNCIL MEMBER VAN BRAMER: Aye on all.

23 COMMITTEE CLERK MARTIN: Vote now
24 currently stands at 13 in the affirmative. [pause]

25 FEMALE VOICE: [off mic]

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CHAIRPERSON RECCHIA: Yes, there's five,
yeah.

[pause]

COMMITTEE CLERK MARTIN: Council Member
Mealy.

COUNCIL MEMBER MEALY: I vote aye on all.
[pause]

COMMITTEE CLERK MARTIN: Final vote in
the Committee on Finance is now 14 in the
affirmative, 0 in the negative and no abstentions.

MALE VOICE: The Finance Committee for
July 24th, 2013 is hereby adjourned.

[gavel]

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 there is no relation to any of the parties to this action by blood or marriage, and that there is no interest in the outcome of this matter.



Date 07/29/2013