

CITY COUNCIL
CITY OF NEW YORK

-----X

TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON FINANCE

-----X

November 30, 2009
Start: 11:31 am
Recess: 11:40 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
Robert Jackson
G. Oliver Koppell
Diana Reyna
Joel Rivera
Helen Sears
Albert Vann

A P P E A R A N C E S

COUNCIL MEMBERS:

David Yassky
Vincent Ignizio
James S. Oddo
Peter F. Vallone, Jr.
Rosie Mendez
Charles Barron

1
2 CHAIRPERSON WEPRIN: --is now in
3 session. If the Finance members could come up, or
4 I guess stay in your seats over there is fine.

5 Good morning, welcome to this
6 morning's Finance Committee hearing. I'm David
7 Weprin. I chair the Committee, at least for
8 another 31 days. Today on our agenda are three
9 land use items, most of which are seeking a
10 property tax exemption from HPD under Section 577
11 of the Private Rental Housing Finance Law, which
12 governs rental housing, development fund companies
13 or simply HDFCs.

14 The first Land Use item is the
15 Coretta Scott King Apartments in Council Member
16 Charles Barron's district in Brooklyn. This
17 project will be new construction and consist of
18 one building with 51 units of low-income rental
19 housing for the elderly.

20 The second item is the Haven Plaza
21 in Council Member Rosie Mendez's district in
22 Manhattan. The property tax exemption given to
23 this project will allow the rehabilitation of
24 three buildings with 371 units that will provide
25 rental housing to low-income families.

1
2 The third and last Land Use item is
3 a property located at 2059-2071 Madison Avenue in
4 Council Member Inez Dickens's district in
5 Manhattan. The property tax exemption given to
6 this project will allow the rehabilitation of 53
7 units in one building that will provide rental
8 housing to low-income families. All three Council
9 Members support this project. Anthony Brida from
10 Council Finance is available to answer any
11 questions you may have regarding the Land Use
12 items.

13 Let me introduce the members of the
14 Committee that are here, and you can count for a
15 quorum. We need nine. And we also have a
16 statement from Council Member Inez Dickens in
17 support of the project in her district that I'd
18 like to read into the record. We have our
19 majority leader, Council Member Joel Rivera, from
20 the Bronx; our Deputy Majority Leader, Council
21 Member Leroy Comrie, from Queens; Council Member
22 Oliver Koppell, from the Bronx; Council Member
23 Vincent Ignizio, from Staten Island; Council
24 Member Helen Sears, from Queens; Council Member
25 Peter Vallone, Jr., from Queens although I don't

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

believe he's a Committee Member anymore but he might want to come back; Council Member Vincent Gentile, from Brooklyn; Councilman Jim Gennaro, from Queens; and Council Member, our Assistant Majority Leader, Lou Fidler, from Brooklyn. Is that nine? I think it is. Yes, we have a quorum. Just made it. We also have waiting in the wings, Chairman of the Housing and Buildings Committee Erik Martin Dilan waiting patiently and Council Member Tony Avella, from Queens.

I'm going to read the statement by Inez Dickens. Thank you, Chairman Weprin, for the opportunity to provide a statement before your Committee today in support of this tax exemption for this building in my district, 2059-2079 Madison Avenue. I apologize to my colleagues that I cannot be here in person today. I am currently taking part in a meeting of the Council Leadership. This property, currently under private ownership, is a 55-unit building, all of which are occupied. The current owner has the building enrolled in the Section 8 program but intends on pulling the building out of the program as of February 28th, 2010, should the sale to the new

1
2 owners, Omni LLC, not go through. 43 of the units
3 are Section 8 subsidized and all of these units
4 are one-bedroom and larger. There are also ten
5 studio units that are currently rent-stabilized.
6 The other two units are set-aside for the
7 superintendent and an office. Omi LLC has met
8 with my office as well as attended a meeting with
9 a majority of the tenants in the building to
10 explain the arrangement post-sale. If the tax
11 exemption we are considering today is approved,
12 Omni will reenter the building in the Section 8
13 program, signing a contract for 20 years. The
14 studio units will remain rent-stabilized and any
15 capital improvements made to the studio units will
16 not be passed along to the tenants as major
17 capital improvements, therefore their rent will
18 remain the same; it will be subject to increases
19 as mandated by the New York City Rent-
20 Stabilization Board. Omni, upon the close of the
21 sale, will also embark on a number of important
22 capital improvements that will not require the
23 residents to be moved out. Omni has announced
24 plans for a new boiler, revised security system, a
25 new roof, new flooring and other improvements to

1
2 each individual unit as conditions require. They
3 have agreed to work with the tenants on a
4 personalized basis to see to it that what
5 individual concerns that they have are addressed.
6 This project is a critical one in my district,
7 where the existence and preservation of truly
8 affordable housing has been in steady decline.
9 Omni LLC has committed through accessibility and
10 honest dialogue to partner in maintaining these
11 affordable units for these residents, allowing
12 lives lived and families raised in Harlem in this
13 building to continue without interruption. For
14 all of these reasons I ask my colleagues support
15 on this important item for the residents of 2059-
16 2071 Madison Avenue. I thank you for your time
17 and support.

18 And I'd like to note, the
19 principals from Omni, Eugene Schneur and Mo
20 Vaughan are in the back and available to confirm
21 any statement that's been made or answer any
22 questions. We've also been joined by Council
23 Member Robert Jackson, from Manhattan; Council
24 Member Gale Brewer, from Manhattan; Council Member
25 Rosie Mendez, from Manhattan. Anyone else? I see

1
2 Minority leader Councilman Jim Oddo in the back,
3 but he's getting a lot of attention these days, so
4 he's hovering around there. Any questions about
5 any of these items? Seeing none--yes. Council
6 Member Mendez.

7 COUNCIL MEMBER MENDEZ: One of the
8 items is in my district and I just want to make a
9 brief statement.

10 CHAIRPERSON WEPRIN: Absolutely.

11 COUNCIL MEMBER MENDEZ: Thank you,
12 Chairman Weprin. I am very excited that we're
13 voting on these tax abatements for Haven Plaza.
14 We've been working with the Arch Diocese very
15 closely to get these loans to do the very much
16 needed repairs. The tenants there have been in
17 pretty bad conditions, with the elevators breaking
18 down and other repairs that are needed. So this
19 will go a long way in focusing that all the money
20 does go into the building and that the tenants get
21 to live in better housing and keep them
22 affordable. Thank you very much.

23 CHAIRPERSON WEPRIN: Thank you,
24 Council Member. All right. I'm going to couple
25 the four items and call for a roll please.

1
2 WILLIAM MARTIN: William Martin,
3 Committee Clerk. Roll call on the Committee on
4 Finance. Council Member Weprin?

5 CHAIRPERSON WEPRIN: Aye on all.

6 WILLIAM MARTIN: Rivera.

7 COUNCIL MEMBER RIVERA: Aye on all.

8 WILLIAM MARTIN: Brewer.

9 COUNCIL MEMBER BREWER: Aye on all.

10 WILLIAM MARTIN: Comrie.

11 COUNCIL MEMBER COMRIE: Aye on all.

12 WILLIAM MARTIN: Fidler.

13 COUNCIL MEMBER FIDLER: I was just
14 wondering if Mr. Vaughn has any ideas about who
15 should play first base for the Mets this year.
16 Ike Davis. Okay, for Ike Davis I'll vote Aye on
17 all.

18 WILLIAM MARTIN: Gennaro.

19 COUNCIL MEMBER GENARRO: Yes.

20 WILLIAM MARTIN: Jackson.

21 COUNCIL MEMBER JACKSON: I vote
22 Aye.

23 WILLIAM MARTIN: Koppell.

24 COUNCIL MEMBER KOPPELL: Aye.

25 WILLIAM MARTIN: Sears.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

COUNCIL MEMBER SEARS: Aye.

WILLIAM MARTIN: Gentile.

COUNCIL MEMBER GENTILE: Aye.

WILLIAM MARTIN: Ignizio.

COUNCIL MEMBER IGNIZIO: Aye.

WILLIAM MARTIN: Oddo.

COUNCIL MEMBER ODDO: Yes.

WILLIAM MARTIN: By a vote of 12 in
the affirmative, 0 in the negative and no
abstentions, all items are adopted. Council
Members, please sign the Committee reports.

[Pause]

CHAIRPERSON WEPRIN: We've been
joined by Council Member Charles Barron. One of
the items that we just voted on is in his
district. Would you like to make a statement?

COUNCIL MEMBER BARRON: Yes.

CHAIRPERSON WEPRIN: Well
Councilman Barron will make a statement before we
announce the tally on the vote.

COUNCIL MEMBER BARRON: You can't
change the vote. Yeah, don't let him change the
vote. Thank you very much, Mr. Chair. I just
want to thank the Council so much. This is a

1
2 very, I think, 100% affordable project in my
3 district, so we appreciate all of the support of
4 the City Council. It's named after Coretta Scott
5 King and we're hoping to do some wonderful things
6 around that development. Thank you so much for
7 your support.

8 CHAIRPERSON WEPRIN: Thank you,
9 Council Member. And I'm going to keep the roll
10 open for a half hour, until approximately ten
11 after 12:00. Other than that, we're adjourned.

12 [END OF 1001]

13 [START OF 1002]

14 WILLIAM MARTIN: de Blasio.

15 COUNCIL MEMBER DE BLASIO: I vote
16 Aye.

17 WILLIAM MARTIN: Council Member
18 Vann.

19 COUNCIL MEMBER VANN:
20 Notwithstanding the fact that I was here first, I
21 vote Aye on all.

22 [Pause]

23 WILLIAM MARTIN: Yassky.

24 COUNCIL MEMBER YASSKY: Aye.

25 WILLIAM MARTIN: Roll call on

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

Committee on Finance now stands at 15 in the affirmative, 0 in the negative, no abstentions.

[END OF 1002]

[START OF 1003]

WILLIAM MARTIN: Committee on Finance, Council Member Reyna.

COUNCIL MEMBER REYNA: I vote Aye on all.

WILLIAM MARTIN: Final vote on the Committee on Finance is now 16 in the affirmative, 0 in the negative, 0 abstentions.

[END OF 1003]

[START OF 1004]

[Pause]

[END OF 1004]

[START OF 1005]

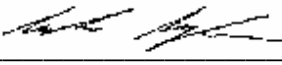
WILLIAM MARTIN: Roll call, Committee on Finance, Council Member Gerson.

COUNCIL MEMBER GERSON: Aye on all.

WILLIAM MARTIN: Revised roll call is now 17 in the affirmative, 0 in the negative, no abstentions.

C E R T I F I C A T E

I, Erika Swyler 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 December 3, 2009