

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE

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December 9, 2021
Start: 10:35 a.m.
Recess: 10:47 a.m.

HELD AT: Council Chambers - City Hall

B E F O R E: Daniel Dromm
CHAIRPERSON

COUNCIL MEMBERS:
Adrienne Adams
Alicka Ampry-Samuel
Diana Ayala
Selvena Brooks-Powers
Robert Cornegy, Jr.
Laurie Cumbo
Darma Diaz
Vanessa Gibson
Barry Grodenchik
Karen Koslowitz
Farah Louis
Steve Matteo
Francisco Moya
Keith Powers
Helen Rosenthal
Jimmy Van Bramer

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

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

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2 SERGEANT-AT-ARMS: This is the mic check
3 for the Committee on Finance. We're in the Council
4 Chambers. It is December 9th, 2021. This is Owen
5 Kitowski.

6 SERGEANT-AT-ARMS: Check. Check. Check.
7 One. Two.

8 CHAIRPERSON DROMM: Okay. Good morning
9 and welcome to today's Finance Committee meeting.
10 I'm Council member Daniel Dromm and I am the Chair of
11 the Committee. We have been joined by colleagues
12 Robert Cornegy, Council member Van Bramer, Farah
13 Louis, Ampry-Samuel, Majority Leader Laurie Cumbo is
14 here, Helen Rosenthal, Vanessa Gibson, Karen
15 Koslowitz, Darma Diaz, and Grodenchik is here. Keith
16 Powers is here. And I think I got everybody who is--

17 COMMITTEE COUNSEL: And Ayala.

18 CHAIRPERSON DROMM: And Diana Ayala and
19 Adrienne Adams is here. All right. Good. I think I
20 got everybody. All right. Today, the Committee will
21 be voting on eight items: Intro 1520, four article 11
22 property tax exemptions, and one article 5 property
23 tax exemption, a transparency resolution, and a bid
24 item.

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2 First, we have Intro 1520 of which I am
3 the sponsor. The bill would require the Department
4 of finance to report on the operations of the Parking
5 Violations Bureau, including specific information
6 about the number and types of parking violations and
7 camera violations issued, the Bureau's efficiency of
8 collection of penalties, the adjudication efficiency
9 and outcomes, and separate nation about violations
10 subject to any program of the department that allows
11 for the payment of a reduced fine by waiving a right
12 to a hearing. We heard this bill back on April 29,
13 2019 and the Department of Finance gave testimony in
14 support of the bill then which is reflected in the
15 amended version of the bill that we are voting on
16 today.

17 Next, we have the land use items. Hong
18 Ning Senior Housing in Council member Chin's district
19 is the site of a 156 unit affordable housing
20 preservation project. Today's action would provide a
21 partial 40 year article 11 property tax exemption.
22 Joanna One at 104 to 110 West 144th Street in Council
23 member Perkins district is the site of a 60 unit
24 affordable housing preservation project. Today's
25 action will provide a partial 40 year article 11

2 property tax exemption. 250 West 116th Street, also
3 in Council member Perkins district, as the site of a
4 26 unit affordable housing preservation project.
5 Today's action would provide a partial 32 year
6 article 11 property tax exemption. 1018 East 163rd
7 Street in Council member Salamanca's district is the
8 site of a 97 unit affordable housing preservation
9 project. Today's action would provide a partial
10 three year retroactive article 5 property tax
11 exemption. CVU Estates at 201 and 217 Hamilton
12 Avenue and 80 and 90th Street Marks Place in Council
13 member Rose's district is the site of a 316 unit
14 affordable housing preservation project. Today's
15 action would provide a partial 40 year article 11
16 property tax exemption. Each Council member is
17 supportive of the proposed exemption for the projects
18 in their districts.

19 Next, we have the transparency
20 resolution. The transparency resolution sets forth
21 the new designation and the changes in the
22 designation of certain organizations receiving local,
23 aging, antipoverty, and youth discretionary funding
24 and funding pursuant to certain initiatives in the
25 budget. As with all transparency resolutions,

2 Council members will have to sign a disclosure form
3 indicating whether or not a conflict exists with any
4 of the groups on the attached list. If any Council
5 member house a potential conflict of interest with
6 any of the organizations listed, he or she has the
7 opportunity to disclose the conflict at the time of
8 their about. As a reminder, please disclose any
9 conflicts you may have with proposed subcontractors
10 used by organizations sponsored by discretionary
11 funding. These disclosures must be made before the
12 subcontractor can be approved. Disclosure forms must
13 be completed and submitted prior to the vote on the
14 transparency resolution and may be emailed to Charles
15 Davis.

16 Finally, we have the BID item. Last
17 week, the Committee heard a resolution setting today
18 for a hearing on Intro 2458 which would increase the
19 amount to be expended annually for two business
20 improvement districts retroactive to July 1, 2021.
21 The lower East side BID would increase its annual
22 budget from \$1.3 million to \$2 million and the Hudson
23 Yards BID would increase its annual budget from \$3
24 million to \$6 million. A representative from SBS is
25 here to testify and representatives from the two

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2 BID's are here to answer any Council member
3 questions. Let's go to SBS testimony.

4 COMMITTEE COUNSEL: Okay. I'm going to
5 swear you in, please. Mr. Backer, do you affirm that
6 your testimony will be truthful to the best of your
7 knowledge, information, and belief?

8 DEPUTY COMMISSIONER BACKER: I do.

9 COMMITTEE COUNSEL: Thank you. You may
10 proceed when ready.

11 DEPUTY COMMISSIONER BACKER: Good morning,
12 Chair Dromm and members of the Finance Committee. I
13 am Michael Blaise Backer, Deputy Commissioner of
14 Neighborhood Development at the Department of Small
15 Business Services. It's nice to see all of you in
16 person. I am joined by Roxanne Early and Steven Lee,
17 Director and Senior Program Manager for the Business
18 Improvement District Program. They are up on the
19 balcony. We wish to express our support for the law
20 providing an increase in the amount to be expended in
21 two Business Improvement Districts, or BID's. At
22 SBS, we are working hard to open doors for New
23 Yorkers across the five boroughs, focusing on
24 creating stronger businesses, connecting New Yorkers
25 to good jobs, and fostering thriving neighborhoods.

2 Throughout the pandemic and now into recovery, SBS
3 has been a key provider of program services and
4 critical information to small businesses and
5 commercial corridors alike. We provide guidance to
6 BID use to help businesses comply with key NYC
7 requirements, as well as information on how
8 businesses can ensure safe reopening for employees
9 and customers. In addition, we have coordinated
10 hundreds of hours of interagency response through
11 regular program calls and partnerships with DOT on
12 Open Streets, and the Office of Recovery on
13 commercial districts safety and cleanliness. We
14 believe BID's are central to these efforts and as
15 valuable and proven partners in fostering vitality of
16 the cities neighborhoods and commercial districts.
17 Due to the lingering effects of the COVID 19 pandemic
18 and recovery in our neighborhoods, BID's have been
19 called upon to deliver an increase level of services
20 and support to the small business community. These
21 additional supports address the public health and
22 economic impacts of the pandemic and subsequent
23 recovery in every single BID has been scouring their
24 budget for savings and efficiencies. Part of our
25 role in overseeing and supporting the city's existing

2 network of 76 BID's includes guiding them through
3 legislative processes, including increases to their
4 assessment. To propose an assessment increase, BID's
5 must complete a multi step review process overseen by
6 SBS. The BID Board of Directors, which includes
7 local property owners, merchants, and residents, as
8 well as representatives from the city Comptroller,
9 Borough Pres., city Council, and SBS, must review and
10 approve the proposed assessment increase.

11 Additionally, SBS requires all BID's to submit a
12 five-part justification outlining how the increase
13 will be allocated, minutes from the board meeting
14 when the increase was approved, and letters of
15 support by all city Council members represented in
16 the BID boundaries. SBS then reviews these
17 justifications and determines whether they are
18 sufficient to bring to city Council. As required by
19 law, each of the two BID's published a notice of this
20 public hearing at least once in a local newspaper
21 having general circulation in the district specifying
22 the time and place of today's hearing and stating the
23 proposed amount to be expended annually. Each BID is
24 also certified that they have mailed a letter to
25 property owners informing them about the proposed

2 assessment increase in the time and place of this
3 public hearing. It is a priority of SBS that
4 assessment increase proposals focus on enhancing
5 programs and services provided to the district. The
6 two BID's proposing assessment increases are doing so
7 to address vital needs and changing conditions on the
8 ground. For example, the Lower East Side will
9 provide community programming and public art
10 installations to open streets and public plazas,
11 restore its marketing budget trend in recent years to
12 deliver sanitation and public space maintenance
13 services, and higher a full-time operations manager
14 to oversee and maintain its public assets. For
15 Hudson Yards, the increase will provide sanitation,
16 security, marketing, holiday lighting, streetscape
17 enhancements, and beautification to a service area
18 doubling in size as construction projects are
19 completed. The BID will also implement capital
20 projects proposed in its recently completed
21 streetscape plan and deliver programs and maintenance
22 to Bella Abzug Park. The proposed increases will
23 begin in FY 23 and vary according to budget size,
24 district size, and propose changes in programs and
25 services. The proposed increases are for the Lower

2 East Side from \$1,300,000 to \$2 million and Hudson
3 Yards from \$3 million to \$6 million. The cities 76
4 BID's invest over \$170 million into neighborhood
5 economies in the form of supplemental services and
6 programs that serve more than 93,000 businesses
7 across the city. BID's have been valuable and proven
8 partners in ongoing initiatives and neighborhood
9 revitalization and economic development across the
10 five boroughs, making New York City neighborhoods
11 cleaner, safer, and more vibrant. BID's are also
12 advocating for small businesses and their districts,
13 helping them to navigate government, facilitating
14 networking among fellow business owners, providing
15 business retention support, and attracting shoppers
16 to the area. Currently, BID's have been critical
17 partners in executing the cities pandemic response
18 and reopening. They have been advocates for small
19 businesses, boosting marketing efforts and pushing
20 new programs for those businesses that are open, and
21 remained an important liaison between government and
22 their commercial corridors distributing accurate and
23 up-to-date information and providing direct technical
24 assistance helping businesses apply for grants and
25 loans. The height of the pandemic and distributing

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2 information about reopening safely. In partnership
3 with city government, BID's helped spur job creation,
4 improve the quality-of-life for New Yorkers and
5 visitors, enhance the city's tax base, and strengthen
6 local economies. Representatives from each BID
7 requesting assessment increases are present to answer
8 any questions pertaining to their specific requests.
9 However, I am happy to answer any questions you may
10 have. Thank you.

11 CHAIRPERSON DROMM: Thank you very
12 much. Are there any questions? Okay. Seeing none,
13 I am going to ask Billy Martin, committee clerk, to
14 call the roll.

15 COMMITTEE CLERK: Thank you. Good
16 morning. William Martin, committee clerk. Roll call
17 vote Committee on Finance. All items are coupled.
18 Chair Dromm?

19 CHAIRPERSON DROMM: Aye.

20 COMMITTEE CLERK: Van Bramer?

21 COUNCIL MEMBER VAN BRAMER: Aye.

22 COMMITTEE CLERK: Gibson?

23 COUNCIL MEMBER GIBSON: Aye.

24 COMMITTEE CLERK: Council member Gibson
25 votes aye. Cornegy?

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2 COUNCIL MEMBER CORNEGY: I vote aye.

3 COMMITTEE CLERK: Cumbo?

4 COUNCIL MEMBER CUMBO: I vote aye.

5 COMMITTEE CLERK: Rosenthal?

6 COUNCIL MEMBER ROSENTHAL: I vote aye.

7 COMMITTEE CLERK: Council member Rosenthal
8 votes aye. Grodenchik?

9 COUNCIL MEMBER GRODENCHIK: Aye.

10 COMMITTEE CLERK: Council member
11 Grodenchik votes aye. Adams?

12 COUNCIL MEMBER ADAMS: I vote aye.

13 COMMITTEE CLERK: Council member Adams
14 votes aye. Thank you. Koslowitz?

15 COUNCIL MEMBER KOSLOWITZ: Aye.

16 COMMITTEE CLERK: Council member Koslowitz
17 votes aye. Ampry-Samuel?

18 COUNCIL MEMBER AMPRY-SAMUEL: I vote
19 aye.

20 COMMITTEE CLERK: Thank you. Ayala?

21 COUNCIL MEMBER AYALA: I vote aye.

22 COMMITTEE CLERK: Thank you. Powers?

23 COUNCIL MEMBER POWERS: Aye.

24 COMMITTEE CLERK: Council member Powers
25 votes aye. Louis?

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2 COUNCIL MEMBER LOUIS: I vote aye.

3 COMMITTEE CLERK: Darma Diaz?

4 COUNCIL MEMBER DIAZ: I vote aye.

5 COMMITTEE CLERK: Council member Darma
6 Diaz votes aye. Brooks-Powers?

7 COUNCIL MEMBER BROOKS-POWERS: Aye on
8 all.

9 COMMITTEE CLERK: Thank you. One moment.
10 By vote of 15 in the affirmative, zero in the
11 negative, and no abstentions, all items have been
12 adopted by the committee.

13 CHAIRPERSON DROMM: Okay. Thank you
14 very much. With that, this meeting is adjourned at
15 10:47 a.m. in the morning. Thank you.

16 [gavel]

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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 January 26, 2022