

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE

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September 10, 2014  
Start: 10:24 a.m.  
Recess: 10:55 a.m.

HELD AT: Committee Room-City Hall

B E F O R E:  
JULISSA FERRERAS  
Chairperson

COUNCIL MEMBERS:  
Vincent Ignizio  
Vanessa L. Gibson  
Jimmy Van Bramer  
Steven Matteo  
Ydanis Rodriguez  
Mark Levine  
Ritchie Torres  
Corey Johnson  
Robert Cornegy  
Helen Rosenthal  
I. Daneek Miller

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

Blaise Backer

Deputy Commissioner

Neighborhood Development

Department of Small Business Services

James Mettham

Assistant Commissioner

Neighborhood Development

Department of Small Business

Patrick Cammack

Director for BID Development

Department of Small Business

Steven Grillo

First Vice President

Projects and Programs

Staten Island Economic Development

Corporation

CHAIRPERSON FERRERAS: [gavel] Good

morning and welcome to today's Finance Committee hearing. I'm Council Member Julissa Ferreras and I am the chair of this committee. We've been joined by Council Members Ignizio, Gibson, Van Bramer, Matteo, Rodriguez, Levine, Cumbo and Torres. I hope everyone had an enjoyable Labor Day weekend and a successful first week of school.

We have two items on our agenda today.

The first item is a Capital Budget modification.

This budget modification represents movement of approximately \$16 million of Capital funding between and within city agencies to collect a few misappropriations made at the budget adoption. All increases are offset by an equal of decrease, making the net fiscal impact of the modification zero. All items on the modification are Council items, so if any council member has questions about it, Chima Obichere from the Finance Division is here to answer them for you.

The second item on the agenda is a BID item, Intro 438, which is establishes the West Shore business improvement district in Council Member Matteo's district. On August 21st, this committee

1  
2 voted on a resolution, 381, to set today as the  
3 hearing date to hear from individuals who may be  
4 affected by the establishment of the West Shore BID.  
5 First, we will hear from any witnesses who wish to  
6 testify. Once we have heard every testimony, we will  
7 then adjourn the hearing at least 30 days to allow  
8 any property owners within the proposed BID to file  
9 an objection to the establishment of a BID with the  
10 City Clerk. In the absence of objections filed  
11 either by a majority of all impacted property owners  
12 or of property owners owning the majority of the  
13 assessed value of the property within the BID, the  
14 Committee and the full Council may adopt the  
15 legislation establishing the West Shore BID. In  
16 order to do so the Committee and the full Council  
17 must be prepared to answer the following four  
18 questions in the affirmative: Were all notice of the  
19 hearing for all hearings required to be held  
20 published and mailed as required by law and otherwise  
21 sufficient? Does all the property... does all the  
22 real property within the district boundaries benefit  
23 from the establishment of the district, except as  
24 otherwise provided by law? Is all real property  
25 benefitted by the district including within the

1  
2 district? And four, is the establishment of the  
3 district in the best interests of the public?

4           If the Committee and full Council finds  
5 in the affirmative on these four questions and the  
6 number of objections required to prevent the creation  
7 of the bill are not filed, then the legislation can  
8 be adopted. Council Member Matteo supports the  
9 establishment of the BID, which will be the city's  
10 70th BID and the city's first industrial BID. The  
11 total foreseen budget of the BID would be \$110,000,  
12 which would go towards sanitation, district-wide  
13 improvements, security services and administrative  
14 and advocacy services.

15           I'd like to pause and make a very  
16 important statement here for this Council before I  
17 turn the mic over to Council Member Matteo. Two  
18 years ago, the Finance Committee passed legislation  
19 that created an advisory board that would provide  
20 information to the public about banking needs of the  
21 city and issue a report about how these needs are  
22 being met by the city depository banks. This  
23 legislation is known as the Responsible Banking Act.  
24 Then Mayor Bloomberg vetoed the bill, the Council  
25 overrode the bill... overrode the veto and then the

1 banks sued the Council and claimed that the Council  
2 was preempted by the National Bank Act. I'm happy to  
3 say... I'm going to ask you guys to pay attention.  
4 This is really important to this committee. I'm  
5 happy to say that yesterday a federal judge dismissed  
6 the bank's lawsuit and granted the Council's motion  
7 to dismiss, stating that the banks have not had  
8 standing to bring this suit. This is a big win for  
9 the Council, a big win for the city and a big win for  
10 all municipalities throughout New York State and the  
11 country. The Responsible Banking Act will assist the  
12 city in identifying the city's banking needs and help  
13 us understand and address long-term economic needs.  
14 The court's decisions are also very important because  
15 Tanisha Edwards did the oral argument for the case  
16 and her arguments were cited throughout the court  
17 order. This is a big deal because not only did  
18 Tanisha Edwards argue the case, but she also drafted  
19 the legislation and spent over a year negotiating  
20 with the banks. [cheers, applause] At the time, she  
21 was the only attorney in the Finance Division. I'm  
22 not sure how many attorneys can say they drafted  
23 legislation, negotiated and then defended it in court  
24 and won. Thank you very much. [applause] We are  
25

1  
2 very proud of you. We are very, very proud of you  
3 Tanisha, and congratulations.

4 And now I would like to turn the mic over  
5 for further details on the management structures and  
6 district of the West Shore BID; a description of  
7 services that will be provided and information  
8 regarding the properties located within the BID.  
9 Please refer to the BIDS Committee report and the  
10 attached district plan that you should all have.  
11 Council Member Matteo.

12 COUNCIL MEMBER MATTEO: Both the talented  
13 and vivacious... hey, watch it, watch it. We do have  
14 to share an office in there. Thank you, Madam Chair.  
15 Congratulations to Tanish, a great job.

16 In terms of the West Shore BID, I want to  
17 say how impressed I am with the SIEDC, SBS and the  
18 members... the property owners of the proposed IBID.  
19 This is a one of a kind IBID that we've been working  
20 on for years. I've been... I was on the steering  
21 committee when I was Chief of Staff to my predecessor  
22 and this is a BID that's going to help and bring  
23 economic vitality to an area in my district that,  
24 quite frankly, has been ignored for some time and you  
25 know, what we have been able to do in such a short

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2 time has been nothing short of amazing. You know,  
3 just a few weeks ago, the BID property owners, while  
4 this process is going on, decided that they wanted to  
5 take the bull by the horns and start donating funds  
6 already for services. You don't see that very often  
7 and it goes to the institution of the SIEDC, SBS, my  
8 office through our President that we want to help the  
9 people in the IBID and they want to help themselves  
10 and we've already seen services; we already have seen  
11 improvement. The West Shore is going to be on the  
12 map now and you know, it's important when an area,  
13 like I said before, that has just been ignored, now  
14 is going to proceed with services from the city;  
15 services from themselves; security, which is  
16 extremely important in this area. We're talking  
17 about converting roads from one way to two way to  
18 have better access to the local bridge and it's going  
19 to give them a voice, which they haven't had, a  
20 collective voice where there'll actually be a civic  
21 association where they can come to my office, have  
22 meetings with city agencies and get things done  
23 that's needed over there and again, we've already had  
24 success with the Sanitation Department, who's come  
25 down. DOT has made some improvements in the roads

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2 and it's just a start and I'm excited about this  
3 bill. I'm excited about the partnership through  
4 these dedicated members, who, again, they're just  
5 taking the bull by the horns and they're starting  
6 services now. I look forward to the passage of this.  
7 This is going to be great for the West Shore of  
8 Staten Island. It's going to be great for the city  
9 and I look forward to hearing some of the testimony  
10 today by SBS and SIEDC.

11 CHAIRPERSON FERRERAS: Thank you very  
12 much, Council Member Matteo. Council Member Ignizio.

13 COUNCIL MEMBER IGNIZIO: Thank you very  
14 much and I first want to warn all you guys. You see  
15 how Cornegy got that way? He was messin' with me, so  
16 just [laughter] I want to warn everybody here in the  
17 Council. I want to applaud my colleagues in  
18 government: Council Matteo, who worked very hard on  
19 this BID bringing it to his community, along with  
20 Commissioner Torres, this Council and our great  
21 Chairwoman Ferreras, and this was a model which will  
22 serve Staten Island well and one that we will  
23 continue to employ throughout the borough and great  
24 cooperation between the Council, the Mayor's office  
25 and an individual members coming together for the

1  
2 betterment of this community. So I want to say thank  
3 you to Council Matteo for taking the lead and for  
4 Commissioner Torres for being there every step of the  
5 way, along with Chairwoman Ferreras and Speaker Mark-  
6 Viverito. Thank you.

7 CHAIRPERSON FERRERAS: Thank you, Council  
8 Member. Before we call up SBS, who's going to come  
9 to testify and answer our questions, does anybody  
10 have any questions on the Capital mod? Any council  
11 members have questions on the Capital mod? Again,  
12 Chima Obichere's here if you want to ask some offline  
13 questions also right here. Okay, so SBS, if you can  
14 come up to testify.

15 [Pause]

16 CHAIRPERSON FERRERAS: And just as part  
17 of the rules reform, it's been included that we swear  
18 in the administration, so this is going to be the  
19 first day this committee is doing it and we will be  
20 doing it moving forward and my counsel will swear you  
21 in as soon as everybody sits down.

22 COMMITTEE COUNSEL: Can you please raise  
23 your right hand? Do you affirm that your testimony  
24 will be truthful to the best of your knowledge,  
25 information and belief?

ALL PANELISTS: Yes.

COMMITTEE COUNSEL: Thank you.

CHAIRPERSON FERRERAS: Thank you and you may begin your testimony.

DEPUTY COMMISSIONER BACKER: Thank you.

Good morning, Chair Ferreras and the members of the Finance Committee. I am Blaise Backer, Deputy Commissioner of Neighborhood Development at the Department of Small Business Services. I am joined today by my Assistant Commissioner, James Mettham and Director for BID Development, Patrick Cammack.

SBS supports the establishment of the West Shore Business Improvement District in the borough of Staten Island. The West Shore BID Steering Committee has successfully completed the planning and outreach work consistent with SBS program rules. In addition, SBS has reviewed the boundaries of the proposed BID and found them to be acceptable.

Geographically, the proposed BID includes properties generally bounded on the north by Gulf Avenue and Bloomfield Avenue, on the south by Meredith Avenue, on the east by the West Shore Expressway and on the west by the Arthur Kill. The

1  
2 entire area of the proposed BID is within City  
3 Council District 50, which is represented by Council  
4 Member Steve Matteo.

5 Services to be provided in the West Shore  
6 BID shall include, but not be limited to: private  
7 sanitation and maintenance, private security, signage  
8 and wayfinding improvements, advocacy, administration  
9 and additional services as may be required for the  
10 promotion and enhancement of the District. The  
11 District will be managed by a newly formed District  
12 Management Association and the annual budget for the  
13 District's first year of operation is \$110,420.

14 As required by law, the West Shore BID  
15 Steering Committee mailed a summary of the City  
16 Council Resolution no less than 10 days and no more  
17 than 30 days before today's hearing to the following  
18 parties: to each owner of real property within the  
19 proposed district at the address shown on the latest  
20 city assessment roll, to such other persons as are  
21 registered within the city to receive tax bills  
22 concerning real property within the district and to  
23 tenants of each building within the proposed  
24 district. In addition, SBS arranged for the  
25

1  
2 publication of a copy of the summary of the  
3 resolution at least once in the City Record.

4 I would also like to acknowledge the  
5 members of the BID Steering Committee are present  
6 today to speak and answer any questions about the  
7 specifics of the BID plan. At this time me and my  
8 team are happy to take any questions. Thank you.

9 CHAIRPERSON FERRERAS: Thank you.  
10 Council Member Matteo or does any member have  
11 questions? Well, you did a fantastic job. Thank you  
12 very much. And now we'll have someone from the  
13 Steering Committee of the BID if they can come up to  
14 testify. Thank you.

15 [Pause]

16 CHAIRPERSON FERRERAS: And we've been  
17 joined by Council Members Johnson, Cornegy and  
18 Rosenthal.

19 [Pause]

20 STEVEN GRILLO: Good morning, Madam  
21 Chair, members of the Finance Committee. My name is  
22 Steve Grillo. I am First Vice President of Projects  
23 and Programs at the Staten Island Economic  
24 Development Corporation. I've also been the Project  
25 Manager for the West Shore BID from its inception.

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2 In 2011, through a grant provided by the  
3 New York City EDC, the SIEDC approached property  
4 owners in the Bloomfield and Chelsea sections of  
5 Staten Island about the prospect of creating a BID.  
6 My organization's long-standing work and  
7 relationships with property owners and commercial  
8 tenants made it clear that the BID would  
9 significantly improve the economic development future  
10 of the area. In the time since, SIEDC has assembled  
11 a Steering Committee of property owners and elected  
12 officials that completed a robust and comprehensive  
13 planning outreach program. The 27 property owners  
14 and over 40 businesses are eager to complete the  
15 process and become the first industrial BID under the  
16 de Blasio administration.

17 The West Shore BID is in Staten Island  
18 Community Board 2, which voted 26 to nothing to  
19 support the proposal. The BID contains primarily  
20 industrial zoning, M3-1 and M2-1, and is comprised of  
21 72 lots approximately 230 acres, of which 52 lots and  
22 131 acres are privately owned, while 20 lots and 98  
23 acres are publicly owned. Due to its relative  
24 isolation, the BID area has not received services and  
25 infrastructure, improvements that are required for it

1 to continue to be a modern industrial setting.  
2 Specific budgeted services include private sanitation  
3 and maintenance, private security, signage and  
4 wayfinding improvements and an advocate to  
5 specifically work on behalf of the property owners.  
6

7 The Steering Committee has documented  
8 significant support that represents 73 percent of the  
9 tax lots and 62 percent of the assessed value, which  
10 shows the intent to establish the BID and promote a  
11 program of dedicated businesses who want to  
12 strategically address obstacles to existing  
13 operations, as well as future development. The  
14 Steering Committee understands that the proposed BID  
15 is an environmentally sensitive area and the BID will  
16 only help preserve the environmental assets, beautify  
17 the district and advocate for local landowners,  
18 business owners and other constituents, while in no  
19 way threatening the environmental assets of the area.

20 In addition to the proposed BID, the area  
21 is a focal point for the borough's growing industrial  
22 sector. Programs such as the West Shore Brownfield  
23 Opportunity Area, the proposed West Shore Green Zone,  
24 the West Shore Industrial Business Zone and the  
25 borough President's declaration that the West Shore

1  
2 is Staten Island's "Job Coast" all reinforce the need  
3 for the benefit of creating the West Shore BID.

4 Thank you.

5 CHAIRPERSON FERRERAS: Thank you very  
6 much. Council Member Matteo?

7 COUNCIL MEMBER MATTEO: Thank you, Madam  
8 Chair. I want to start off by thanking SIEDC, Cesar  
9 Claro and Steve Grillo and staff for their great work  
10 and I just have a few questions. I mentioned that  
11 the property owners in the proposed BID have already  
12 stepped up and decided to start services. If you  
13 could just give the committee here just a little bit  
14 more detail on how that's happening and how we're  
15 moving forward.

16 STEVEN GRILLO: The BID's been a  
17 remarkable way to galvanize many of the property  
18 owners that often work very independently and as  
19 individuals, so this has given them an opportunity to  
20 recognize the benefit of working cooperatively. And  
21 we have gotten about a dozen property owners to put  
22 in \$33,000 of their own money prior to the BID coming  
23 to incorporation, as well as a \$30,000 match from the  
24 Richmond County Savings Foundation to start services  
25 early in anticipation of the legislative process. So

1  
2 that we hope within the next few weeks we will have  
3 private sanitation, we will have private security and  
4 hopefully signage and banners as well so that we can  
5 get a jump start on the BID services.

6 COUNCIL MEMBER MATTEO: That's great. If  
7 you could also talk about the economic benefit that  
8 the BID's going to create and that it already started  
9 to create with starting services early.

10 STEVEN GRILLO: The BID has given both  
11 existing and potential property owners a great avenue  
12 to understand the economic benefits of the West  
13 Shore. Recently, with Council Member Matteo, we had  
14 a press conference, which announced that five new  
15 businesses have moved to the BID during this calendar  
16 year, so it's a remarkable opportunity for us, as the  
17 SIEDC, to welcome new industrial businesses and the  
18 reason is that the West Shore BID has created a great  
19 PR and marketing opportunity for the West Shore and  
20 it's also contributed again, to the prospect of  
21 security and road improvements and a lot of other  
22 essential infrastructure that needs to be done.

23 COUNCIL MEMBER MATTEO: Steve, I want to  
24 thank you for your testimony today and for answering  
25 my questions. This is exciting. We're looking

1 forward to the passage next month, so unless my other  
2 colleagues or Madam Chair wants to ask some  
3 questions, I appreciate you being here. Thank you.

4 STEVEN GRILLO: Thank you all for your  
5 time.

6 CHAIRPERSON FERRERAS: Thank you very  
7 much and I just wanted to take this moment to thank  
8 Council Member Matteo. You know, your vision has  
9 meant a lot, both for the city, but for Staten  
10 Island. Your leadership is exemplary and we're  
11 really excited to be able to be part of the 70th BID  
12 of the City of New York. Thank you for your  
13 testimony. I will now ask Billy to read the roll.  
14 Thank you.

15 COMMITTEE CLERK: William Martin,  
16 Committee Clerk. Roll call vote Committee on  
17 Finance.

18 CHAIRPERSON FERRERAS: I'm sorry. We're  
19 going to do that again. I will now ask William  
20 Martin to read the roll, yeah. [background voices]

21 COMMITTEE CLERK: Preconsidered M Budget  
22 mod. Council Member Ferreras.

23 CHAIRPERSON FERRERAS: I vote aye.

24 COMMITTEE CLERK: Rodriguez.  
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COMMITTEE ON FINANCE

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COUNCIL MEMBER RODRIGUEZ: Aye.

COMMITTEE CLERK: Van Bramer.

COUNCIL MEMBER VAN BRAMER: Aye.

COMMITTEE CLERK: Gibson.

COUNCIL MEMBER GIBSON: I vote aye.

COMMITTEE CLERK: Cornegy.

COUNCIL MEMBER CORNEGY: Aye.

COMMITTEE CLERK: Cumbo.

COUNCIL MEMBER CUMBO: Aye.

COMMITTEE CLERK: Johnson.

COUNCIL MEMBER JOHNSON: Aye.

COMMITTEE CLERK: Levine.

COUNCIL MEMBER LEVINE: Aye.

COMMITTEE CLERK: Rosenthal. [Response

not heard]

COMMITTEE CLERK: Ignizio.

COUNCIL MEMBER IGNIZIO: Yes.

COMMITTEE CLERK: By a vote of 9 in the affirmative, 0 in the negative and no abstentions, the item has been adopted. Members, please sign the Committee Report. Thank you.

CHAIRPERSON FERRERAS: Thank you and again, we were voting for the Budget mod. In 30 days

1 we will revisit the BID to take a vote on the BID.

2 Thank you.

3 [gavel]

4 [background voices]

5 CHAIRPERSON FERRERAS: So we will leave  
6 the vote open for 10 minutes. Staff, if Council  
7 member Rosenthal can please come... [background  
8 voices] If the staff of Council Member Rosenthal is  
9 in the room, can you please notify her that she can  
10 come up to vote in the next 10 minutes and Council  
11 Member Miller. [background voices]

12 [gavel]

13 COMMITTEE CLERK: Committee on Finance  
14 continuation of the roll call. Council Member  
15 Rosenthal.

16 COUNCIL MEMBER ROSENTHAL: Yes.

17 COMMITTEE CLERK: The vote now stands at  
18 10 in the affirmative. [background voices]

19 [gavel]

20 COMMITTEE CLERK: Committee on Finance  
21 continuation roll call. Council Member Miller.

22 COUNCIL MEMBER MILLER: I vote aye.

23 COMMITTEE CLERK: The final vote on the  
24 Committee on Finance is 11 in the affirmative, 0 in  
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COMMITTEE ON FINANCE

the negative and no abstentions. The hearing is now  
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 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 09/12/2014