

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE

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February 26, 2015
Start: 10:25 a.m.
Recess: 10:52 a.m.

HELD AT: Committee Room - City Hall

B E F O R E: MARK LEVINE
Chairperson

COUNCIL MEMBERS:

Julissa Ferreras
Ydanis A. Rodriguez
James G. Van Bramer
Vanessa L. Gibson
Robert E. Cornegy, Jr.
Laurie A. Cumbo
Corey D. Johnson
I. Daneek Miller
Helen K. Rosenthal
Vincent M. Ignizio

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

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

Chris Goddard
Executive Director
Business Improvement District, BID
Department of Small Business Services, SBS

Patrick Cammack
Director
BID Formation and Expansion
Department of Small Business Services, SBS

Michael Moran [sic]
Senior Analyst
Department of Small Business Services, SBS

Steve Grillo
First Vice President
Staten Island Economic Development Corp., SIEDC

2 [sound check, pause]

3 [gavel]

4 CHAIRPERSON LEVINE: Good morning,
5 everybody. In case you are confused, you did not
6 stumble into a Parks Committee and there has not be a
7 coup in the Finance Committee. Chair Ferreras has
8 asked me to sit in for her today at this meeting. I
9 don't want it scandalized. I'll do my best. Big
10 shoes to fill. We are joined today by my colleagues
11 on the Finance Committee, Jimmy Van Bramer, Helen
12 Rosenthal, Laurie Cumbo, Daneek Miller. Andy Cohen
13 is not a Committee member. Joining us to present an
14 item today, and Committee members Corey Johnson.
15 We're going to start with a transparency resolution
16 and we have a Land Use item and we have two BID
17 items. So, first up is our transparency reso, which
18 sets forth new changes in the designation of certain
19 organizations receiving local, aging, and youth
20 discretionary funding. As well as new changes in the
21 designation of certain organizations receiving
22 funding pursuant to certain initiatives in the
23 budget. Organizations appearing in the resolution
24 that have not yet completed a pre-qualification
25 process conducted by the Mayor's Office of Contract

2 Services, the Council or another entity are
3 identified in the attached charts with an asterisk.
4 As with all transparency resolutions, council members
5 will have to sign a disclosure form indicating
6 whether or not a conflict exists with any of the
7 groups on the attached list. If any council member
8 has a potential conflict of interest with any of the
9 organizations listed, he or she has the opportunity
10 to disclose the conflict at the time of their vote.
11 As a reminder, please disclose any conflicts you may
12 have with proposed subcontractors that are used by
13 the organizations sponsored by discretionary funding.
14 These disclosures must be made before the
15 subcontractor can be approved. Jeremy Plofker [sp?]
16 from the General Counsel's Office can assist you with
17 any questions or concerns regarding disclosures.

18 Next, let's turn to the Land Use item,
19 which is the Schervier Apartments in Council Member
20 Cohen's district in the Bronx. This property
21 provides 155 units of affordable housing for low-
22 income senior citizens. This property will receive a
23 partial property tax exemption for 35 years through
24 the City's HDFC Program. Council Member Cohen
25 supports this project, and I would like to invite him

2 to say a few words on behalf of this important
3 initiative.

4 COUNCIL MEMBER COHEN: Good morning.

5 Thank you, colleagues. I really just wanted to take
6 one second of your time to let everyone know what a
7 great organization Schervier is. This is existing
8 housing. This is part of a refinance. So this would
9 preserve 155 affordable units for seniors. I'm
10 enthusiastic about the organization, and I'm
11 enthusiastic about this tax exemption. So I would
12 urge you all to vote yes. Thank you.

13 CHAIRPERSON LEVINE: All right. Lastly,
14 we have two BID items. The first BID is a resolution
15 concerning the establishment of the meat packing area
16 Business Improvement District in Council Member
17 Johnson's district. The resolution sets forth the
18 date and time of the hearing that this Committee will
19 hold to consider the legislation establishing the
20 BID. The hearing will take place on March 11th at
21 10:00 a.m. in this room. This BID will be located in
22 Manhattan in the northernmost part of the West
23 Village, and the southernmost part of the Lower
24 Chelsea. The BID will be comprised of 649 tax lots,
25 which include 154 commercial lots; 472 residential

2 lots, which are primarily individual condominiums;
3 five vacant lots; one parking lot; and 17 government
4 or non-profit properties. The BID will have a first
5 year budget of \$1.6 million. By the subsequent years
6 the BID's budget may rise to \$3.2 million as
7 additional development occurs in the district. The
8 median annual assessment is projected to be
9 approximately \$1.92--excuse me--\$1,920 with the
10 minimum assessment projected to be approximately
11 \$120, and the highest assessment projected to be
12 approximately \$512,000.

13 The second BID item is Intro 656, which
14 establishes the South Shore Business Improvement
15 District in Council Member Ignizio's district. And
16 he has joined us I believe. Yes, indeed. I would
17 like to offer a big congratulations to Council Member
18 Ignizio on his first BID. I know you have been
19 advocating for this BID for a long time, and we're
20 happy to see your hard work and your efforts pay off
21 for your district and for your community.

22 On February 12th, this Committee voted on
23 Resolution 571 to set today as the hearing day to
24 hear from individuals who may be affected by the
25 establishment of the South Shore BID. First, we'll

2 hear from any witness who would like to testify.

3 Once we have heard any testimony, we are going to
4 adjourn the hearing for at least 30 days to allow any
5 property owner with a proposed BID to file an
6 objection to the establishment of the BID with the
7 City Clerk. In the absence of objections filed
8 either by a majority of all impacted property owning a
9 majority of assessed value of the property within
10 BID, the Committee and the full Council may adopt the
11 legislation establishing the South Shore BID. In
12 order to do so, the Committee and the full Council
13 must be prepared to answer the following four
14 questions in the affirmation?

15 1. Were all notices of the hearing for
16 all hearings required to be held published and mailed
17 as required by law and otherwise sufficient?

18 2. Does all the real property within
19 the district boundaries benefit from the
20 establishment of the district except as otherwise
21 provided by law?

22 3. Is all real property benefitted by
23 the district included within the district?

24 4. Is the establishment of the district
25 in the best interests of the public?

2 If the Committee and the full Council
3 finds in the affirmative on these four questions, and
4 the number of objections required to prevent the
5 creation of the BID are not filed, then the
6 legislation can be adopted. Council Member Ignizio
7 strongly supports the establishment of the BID, and
8 the total first year budget of the BID will be
9 \$185,000, which will go towards sanitation, security
10 services, marketing and promotion, and the
11 administrative and advisory services. For further
12 details on the management structure, and the district
13 profile of the South Shore BID, a description of the
14 services that will be provided, and information
15 regarding the properties located within the BID,
16 please refer to the Committee Report in the attached
17 District Plan.

18 Those are our items for today. Before we
19 take questions on these items, I'd like to give
20 Council Member Johnson and then Council Member
21 Ignizio a chance to speak about the BIDs in their
22 districts. So we'll first start with you, Council
23 Member Johnson.

24 COUNCIL MEMBER JOHNSON: Thank you,
25 Council Member Levine, Chair Levine. It is good to

2 be here this morning. I will withhold much of my
3 comments until the actual hearing date where we talk
4 about the BID. But I want to thank Small Business
5 Services for a very long collaborative process to
6 bring us to this point today. It has spanned two
7 community boards, a lot of public meetings, and I
8 finally like we're at a very good place to officially
9 move forward on this. So I thank Chair Ferreras for
10 her support and the Finance Committee staff, and I
11 look forward to discussing this at the March 11th
12 hearing date. Thank you very much.

13 CHAIRPERSON LEVINE: All right. I just
14 want to pause to acknowledged we've been joined by
15 Committee Member, Council Member Ydanis Rodriguez,
16 and I will queue Council Member Ignizio to speak
17 about the South Shore BID.

18 COUNCIL MEMBER IGNIZIO: Thank you, Mr.
19 Chairman, and thanks to members of the committee.
20 We're excited today as a multi-year process, which
21 began with a merchant association that went to an
22 LDC. And ultimately the desire was to become a BID.
23 We are breaking new ground today by allowing for a
24 BID to encompass or include multiple towns. Many
25 communities in Staten Island and they've got some in

2 Queens as well. We have small little towns. So any
3 of themselves a BID doesn't work because the
4 administrative costs would kill the benefit you would
5 get. What we did here is we utilized the train
6 right-of-way as the connector between the three
7 towns, and allowed for one administration to go
8 amongst three towns, which would could provide
9 services. I want to thank the SAEBC, Anthony
10 Rafachillo [sp?], the board that did so much work and
11 SBS that worked with us every step of the way. You
12 know, some of the things that came out of this is we
13 hired some security. And these security guys are
14 former police detectives. They identified and
15 brought down over 25--a 25-member drug organization,
16 I guess we call it, in the down of Great Kills alone.
17 There were several others that were tipped off to the
18 Police Department. And just having that presence
19 there along with the benefit of cleaning up the town
20 and trying to really bring it back to its former
21 state of glory. It's something we're looking to do
22 across these three towns. So we're very excited
23 about it, Mr. Chairman, and I look forward to its
24 expeditious passage. Thank you very much.

2 CHAIRPERSON LEVINE: Are there any
3 questions on the transparency resolution or the Land
4 Use Items from among my colleagues? All right. So
5 now we're going to have representatives from the
6 Small Business Services to provide testimony on the
7 South Shore BID and to answer any questions about the
8 meat packing area BID. So SBS please come up and--
9 You're already up. You're very quick. And we'll
10 have our counsel swear you in.

11 LEGAL COUNSEL: Do you affirm that your
12 testimony will be truthful to the best of your
13 knowledge, information and belief?

14 I do.

15 LEGAL COUNSEL: Thank you.

16 COMMISSIONER BACKER: Good morning,
17 Council Member Levine and members of the Finance
18 Committee. I am Blaise Backer, Deputy Commissioner
19 of Neighborhood Development at the Department of
20 Small Business Services. I'm joined today by my
21 Executive Director of the BID Program, Chris Goddard
22 and Director of the BID Formation and Expansion,
23 Patrick Cammack, and Michael Moran [sic], Senior
24 Analyst. SSB supports the establishment of the South
25 Shore Business Improvement District in the Borough of

2 Staten Island. The South Shore BID Steering
3 Committee has successfully completed the planning and
4 outreach work consisted with SBS policy. In
5 addition, SBS has reviewed the boundaries of the
6 proposed BID and found them to be acceptable.

7 As required by law, the South Shore BID
8 Steering Committee mailed a summary of the City
9 Council Resolution no less than ten days and no more
10 than 30 days before today's hearing to the following
11 parties: To each owner of real property within the
12 proposed district at the address shown on our latest
13 city assessment roll; to such other persons that are
14 registered with the City to receive tax bills
15 concerning real property within the district. And to
16 tenants in each building within the proposed
17 district. In addition, SBS arranged for a copy of
18 the Summary of the Resolution at least once in the
19 City record.

20 I would like to acknowledge the members
21 of the BID Steering Committee who are present today
22 to testify and answer any questions about the
23 specifics of the BID plan. And I would like to
24 congratulate Council Member Ignizio, and thank him

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2 for his commitment to this effort. At this time we'd
3 be happy to take any questions.

4 CHAIRPERSON LEVINE: Go ahead, Council
5 Member Ignizio.

6 COUNCIL MEMBER IGNIZIO: I just wanted to
7 say thank you to you guys for all the hard work that
8 you've done. And if we can just advise members of
9 the Council maybe even a letter that I work with you.
10 Because some of my colleagues have asked me, Hey, how
11 did you do that that you were able to do with small
12 communities and multiple communities in a small
13 geographic area? And I think there is some interest
14 amongst my colleagues, and hope that we can work
15 together on expanding that, okay?

16 COMMISSIONER BACKER: Great.

17 COUNCIL MEMBER IGNIZIO: Thank you very
18 much and thanks for your support.

19 COMMISSIONER BACKER: You're welcome.

20 CHAIRPERSON LEVINE: Any other comments
21 or any questions from committee members for SBS? All
22 right, thank you very much.

23 COMMISSIONER BACKER: Thank you.

24 CHAIRPERSON LEVINE: We do have one
25 member of the public who would like to testify. So I

2 would like to call up Steven Grillo from the Staten
3 Island Economic Development Corp., SIEDC.

4 [pause]

5 CHAIRPERSON LEVINE: Okay. Thank you.

6 STEVE GRILLO: My name is Steve Grillo,
7 and I'm the First Vice President of the Staten Island
8 Economic Development Corporation. The South Shores
9 Merchants' Program was founded in 2010 to create a
10 safe and attractive commercial destination to help
11 foster thriving businesses, provide a variety of
12 retail goods and services, and reap the benefits of
13 collective marketing. Some of the successes are in
14 addition to what Council Member Ignizio has already
15 mentioned is \$17 million in new investment; 42 new
16 businesses in the town; so a \$40,000 grant from the
17 Richmond County Savings Foundation. A \$10,000 grant
18 from Wal-Mart and the drug bust that he had mentioned
19 earlier.

20 In addition to these successes, the South
21 Shore effort has also launched Family Fun Day; the
22 Art in the Towns Program; the Annadale Tree Lighting;
23 and Annual Holiday Lighting in each town. The groups
24 involved in the creation of this BID recognize the
25 important history and the strategic value that this

2 towns place as commercial corridors in the South
3 Shore. However, newly expanded services are required
4 to help keep these areas robust and thriving. SIEDC
5 and the local community look forward to advancing the
6 South Shore BID, and in the refinements [sic], and
7 help expand business opportunities in Great Kills,
8 Eltingville and Annadale. Thank you.

9 CHAIRPERSON LEVINE: Thank you very much.
10 Okay, I want to remind everyone that next Wednesday,
11 March 4th in the Council Chambers the Finance
12 Committee will meet to begin this year's round of
13 preliminary budget hearings. The schedule will be as
14 follows: OMB at 10:00 a.m.; the Department of
15 Finance at 12:00 p.m.; the Department of Design and
16 Construction at 1:30 p.m.; the Comptroller at 2:00
17 p.m.; the Independent Budget Office at 2:30 p.m.; and
18 12:45 we'll hear from members of the public. I
19 expect all of you to be there for the entire duration
20 of this hearing. [laughter] And now, I would like
21 our Committee Clerk, Mr. Martin, to call the roll for
22 the vote.

23 CLERK: William Martin, Committee Clear.
24 Roll call vote Committee on Finance. Council Member
25 Levine.

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2 COUNCIL MEMBER LEVINE: I vote aye on
3 all.

4 CLERK: Rodriguez.

5 COUNCIL MEMBER RODRIGUEZ: [off mic] Aye.

6 CLERK: Van Bramer.

7 COUNCIL MEMBER VAN BRAMER: Aye.

8 CLERK: Cumbo.

9 COUNCIL MEMBER CUMBO: Permission to
10 explain my vote?

11 CHAIRPERSON LEVINE: Certainly.

12 COUNCIL MEMBER CUMBO: I just want to
13 congratulate you, Council Member. This is such an
14 honor, and it's such a--It's what we all strive to do
15 is to create a legacy that will live beyond our
16 years. And to create a difference in people's lives
17 that will transcend beyond this position. So I
18 congratulate you, and I'm very proud of you. I vote
19 aye.

20 CLERK: Johnson.

21 COUNCIL MEMBER JOHNSON: Congratulations
22 to the Minority Leader. I vote aye.

23 CLERK: Miller.

24 COUNCIL MEMBER MILLER: Aye on all.

25 CLERK: Rosenthal.

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2 COUNCIL MEMBER ROSENTHAL: [off mic]

3 Permission to explain my vote.

4 CHAIRPERSON LEVINE: Sure.

5 COUNCIL MEMBER ROSENTHAL: Ditto what my
6 colleague, Laurie Cumbo said. Aye on all.

7 CLERK: Ignizio.

8 COUNCIL MEMBER IGNIZIO: I want to thank
9 my colleagues for their support, and appreciation to
10 the community. And first and foremost for their hard
11 work. They made this happen. I hope it will pay
12 dividends into the future, and, too, I'm happy to
13 share the spotlight with my friend Corey Johnson, and
14 his BID. And I look forward to that being a success
15 as well, and with that I vote aye.

16 CLERK: By a vote of 8 in the
17 affirmative, 0 in the negative and no abstentions,
18 all items have been adopted.

19 CHAIRPERSON LEVINE: We're going to hold
20 the vote open until 11:15 in case someone else can
21 show up.

22 [background discussion, pause]

23 CLERK: Council Member Gibson.

24 COUNCIL MEMBER GIBSON: Good morning. I
25 vote aye on all.

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2 CLERK: Council Member Cornegy?

3 COUNCIL MEMBER CORNEGY: I vote aye on
4 all.

5 CLERK: The final vote in the Committee
6 on Finance is now 10 in the affirmative, 0 in the
7 negative, and no abstentions.

8 [background comments]

9 COUNCIL MEMBER GIBSON: The meeting of
10 the Committee on Finance this morning, Thursday,
11 February 26th is hereby adjourned.

12 [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 March 12, 2015