

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE

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May 14, 2015
Start: 10:32 a.m.
Recess: 11:07 a.m.

HELD AT: Committee Room - City Hall

B E F O R E: JULISSA FERRERAS-COPELAND
Chairperson

COUNCIL MEMBERS:
Ydanis A. Rodriguez
James G. Van Bramer
Vanessa L. Gibson
Robert E. Cornegy, Jr.
Laurie A. Cumbo
Corey D. Johnson
Mark Levine
I. Daneek Miller
Helen K. Rosenthal
Vincent M. Ignizio
Rosie Mendez

CHAIRPERSON FERRERAS-COPELAND: Good morning and welcome to today's Finance Committee hearing; I am Council Member Julissa Ferreras-Copeland and I chair the Committee. I wanna thank everyone for joining us today; we've been joined by Council Members Rodriguez, Cumbo, Rosenthal and Cornegy and we're gonna be joined by Ignizio in few minutes.

Today we have seven items on the agenda; a transparency resolution, five LU items and a BID item. Let's start with transparency resolution which sets forth new changes in the designation of certain organizations receiving local aging and youth discretionary funding, as well as new changes in the designation of certain organizations receiving funding pursuant to certain initiatives in the budget.

Organizations appearing in the resolutions that have not yet completed the prequalification process conducted by the Mayor's Office of Contract Services, the Council or another entity are identified in the attached chart with an asterisk (*). As with all transparency resolutions, Council Members will have to sign a disclosure form

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2 indicating whether or not a conflict exists with any
3 of the groups on the attached list. If a Council
4 Member has a potential conflict of interest with any
5 of the organizations listed, he or she has the
6 opportunity to disclose the conflict at the time of
7 their vote. As a reminder, please disclose any
8 conflicts you may have with proposed subcontractors
9 that are used by organizations sponsored by
10 discretionary funding; these disclosures must be made
11 before the subcontractor can be approved; Jeremy
12 Plofker from the General Counsel's Office can assist
13 you with any questions or concerns regarding
14 disclosures.

15 Next we will have the LU items; the first
16 is 404 East 10th Street in Council Member Mendez's
17 district in Manhattan. This property is an HDFC and
18 provides 11 units of affordable housing for low- and
19 middle-income families; this property will receive a
20 retrospective full property tax exemption and a
21 prospective partial property tax exemption for a
22 total exemption period of 40 years. Second is 2629
23 Sedgwick Avenue in Council Member Cabrera's district
24 in the Bronx. This property is an HDFC that provides
25 30 units of affordable housing for low- and middle-

1
2 income families. This property will receive a full
3 35-year property tax exemption. Third, we have
4 Aquinas Deacon Juan Santos in Council Member Rose's
5 district in the Bronx; the property is an HDFC that
6 provides 136 units of affordable housing to low-
7 income senior citizens. This property will receive a
8 partial 35-year property tax exemption. The fourth
9 is 277 Gates Avenue in Council Member Cornegy's
10 district in Brooklyn. This property is an HDFC and
11 provides 36 years of affordable housing for low- and
12 middle-income families. This property will receive a
13 full property tax exemption through Fiscal Year 2024
14 and then will receive a partial exemption for a total
15 exemption period of 30 years. And last, we have
16 Bensonhurst Housing for the Elderly in Council Member
17 Greenfield's district. This property is an HDFC that
18 provides 70 units of affordable housing to low-income
19 seniors; this property will receive a partial 35-year
20 property tax exemption.

21 Each Council Member supports the subject
22 located in his or her district and representatives
23 from HPD are here to answer any questions you may
24 have on the LU requests.
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2 Lastly, we have Resolution 666, which is
3 a BID item related to the Lower East Side Business
4 Improvement District in Council Member Chin's
5 district in Manhattan. The Lower East Side BID was
6 first established in 1993; the majority of the BID is
7 comprised of ground floor commercial units with
8 residential units on upper floors in most buildings.
9 At this time the BID is seeking Council approval to
10 amend its district plan in order to change the method
11 of assessment by creating two assessment subdistricts
12 and by changing the formula by which the assessments
13 are calculated. The BID would also like to modify
14 its existing services, most notably by including
15 economic and community development as a core service.
16 Council Member Chin supports the amendment of this
17 plan and has submitted a letter of support.

18 The resolution sets forth the date and
19 time of hearing that this Committee will hold to
20 consider Int. 764, which is legislation that would
21 effectuate the changes I just described. The hearing
22 will take place on May 27th at 10:00 a.m. in this
23 room. For more details of the specific amendments
24 the BID seeks to make its district plan, please see
25 the Committee Report prepared by Finance Division

1 staff, along with the attached amend district plan.

2 Representatives from SBS are here to answer questions
3 about the BID item.

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5 Council Member Cornegy; would you like to
6 say any... We'll hear from Council Member Cornegy and
7 if Arroyo, Cabrera, Greenfield or Mendez -- oh,
8 Council Member Mendez will follow.

9 COUNCIL MEMBER CORNEGY: Thank you,
10 Madame Chair.

11 277 Gates is proposing and showing
12 affordability for an additional 25 years longer than
13 the current agreement, including all units in the
14 building. Currently only 9 of the 36 are included
15 and lowering the income targets to include lower
16 income community members; no tenants will be
17 displaced. This is a great example of the kind of
18 projects that the Council's new Affordable Housing
19 Task Force, of which I'm a member, will be working to
20 achieve, thanks to the Pratt Area Community Council
21 and HPD for their efforts on this project, which I
22 strongly support. I urge my colleagues to all vote
23 aye.

24 COUNCIL MEMBER MENDEZ: Thank you, Madame
25 Chair.

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2 I'd like to speak to my colleagues about
3 the item that's in front of the Committee today, 404
4 East 10th Street, and I wanna urge my colleagues to
5 vote in favor, but I also wanna go on the record in
6 terms of expressing some reservations. In some part
7 of my district 120 percent of AMI is appropriate; in
8 another part of my district it is not; 80 percent is
9 more appropriate, and the residents of this building
10 are fine moving forward with this, who I want to
11 support this, but I also wanna put on the record that
12 I am having issues with the Article 11 and some of
13 the requirements of the Regulatory Agreement and I am
14 asking HPD for a meeting regarding two other
15 buildings that have previously come in front of this
16 committee so that we can work through the issues of
17 the Regulatory Agreements for those other buildings.
18 So with that, Madame Chair, thank you for giving me
19 this opportunity to speak and again, I would like for
20 my colleagues to vote aye, but I do have some
21 reservations moving forward with other buildings.
22 Thank you.

23 CHAIRPERSON FERRERAS-COPELAND: Thank you
24 Council Member and please let us know if you're able
25 to schedule the meeting and we can assist in any way

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2 and how we can follow up. Thank you. Do we have any
3 additional questions on the BID items for SBS or any
4 of the LU items for today? We've been joined by
5 Majority Leader Van Bramer, Minority Leader Ignizio;
6 Council Member Mendez, who just spoke, and Council
7 Member Levine.

8 Those are our items for today and seeing
9 no further questions, before I call Bill Martin, the
10 Committee Clerk to call the roll, I want to remind
11 everyone that this Monday, the 18th, we will be
12 starting our Fiscal 2016 Executive Budget hearings;
13 the first hearing will take place on Monday at 10:00
14 a.m. in the chambers, where the Committee will hear
15 from OMB; at 12:00 on Monday the public will have an
16 opportunity to come testify; the hearings will
17 continue through the end of May and beginning of June
18 and the full schedule is available on the Council
19 website. For members, once again, you have to come
20 every day to those Executive Budget hearings, as
21 opposed to -- Yeah, I know you wanna be here with me
22 -- I invite you to stay the whole day with me, but
23 obviously you can just come in at whatever part is
24 appropriate and your committee assignments also will
25 be taken -- the attendance will be taken based on

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2 your committee assignments. Also, the first part
3 will be something that we have never done before
4 during Executive Budget; we're going to bringing OMB
5 in the beginning to talk about the 10-year Capital
6 Plan because it had so much detail, and then we'll
7 bring them back at the end, which is more
8 traditional, to talk about the expense side of the
9 budget. So the first part, which is Monday, is
10 capital, 10-year plan and after we hear from all the
11 agencies, we'll talk about the expense at the end.
12 Okay?

13 Billy, will you please call the roll?

14 COMMITTEE CLERK: William Martin,
15 Committee Clerk, roll call vote Committee on Finance;
16 all items are coupled. Chair Ferreras.

17 CHAIRPERSON FERRERAS-COPELAND: I vote
18 aye and I urge my colleagues to do the same.

19 COMMITTEE CLERK: Rodriguez.

20 COUNCIL MEMBER RODRIGUEZ: Aye.

21 COMMITTEE CLERK: Van Bramer.

22 COUNCIL MEMBER VAN BRAMER: Aye.

23 COMMITTEE CLERK: Cornegy.

24 COUNCIL MEMBER CORNEGY: Aye on all.

25 COMMITTEE CLERK: Cumbo.

COMMITTEE ON FINANCE

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1 COUNCIL MEMBER CUMBO: Aye.

2 COMMITTEE CLERK: Levine.

3 COUNCIL MEMBER LEVINE: Aye.

4 COMMITTEE CLERK: Rosenthal. Ignizio.

5 COUNCIL MEMBER IGNIZIO: If I can briefly
6 explain my vote, I wanna vote aye on all items and I
7 just want to congratulate my trusted legal counsel,
8 who will be leaving us soon to go be the District
9 Director for new Congressman-Elect... well Congressman
10 Donovan and I know he's very fond of everybody on
11 this committee and wanted to wish him well.
12 Congratulations, Steve [sic], and I vote aye.

13 [applause]

14 COMMITTEE CLERK: Rosenthal.

15 COUNCIL MEMBER ROSENTHAL: I learned from
16 yesterday. Aye on all. Thank you.

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

20 CHAIRPERSON FERRERAS-COPELAND: Thank you
21 and we'll keep the roll open for another 15 minutes.

22 [pause]

23 COMMITTEE CLERK: Committee on Finance.
24 Council Member Johnson.
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COUNCIL MEMBER JOHNSON: Aye on all.

COMMITTEE CLERK: Final vote, Committee on Finance, is now 9 in the affirmative, 0 in the negative and no abstentions.

[pause]

COUNCIL MEMBER JOHNSON: And with that, the Finance Committee 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 May 18, 2015