

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE

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September 14, 2016

Start: 10:47 a.m.

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HELD AT: Committee Room - City Hall

B E F O R E: JULISSA FERRERAS-COPELAND

COUNCIL MEMBERS: Ydanis A. Rodriguez
James G. Van Bramer
Venessa L. Gibson
Robert E. Cornegy, Jr.
Laurie A. Cumbo
Corey D. Johnson
Mark A. Levine
I. Daneek Miller
Helen K. Rosenthal
Steven Matteo

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

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

Chris Scott, Executive Director
Neighborhood Development
Department of Small Business Services

Jennifer Kitson, Director
BID Programs
Department of Small Business Services

Frank Lugio
CBRE, Real Estate Management

Eleazar Greenstein, President
Corey Network

Philippe Greenstein
Corey Network

Mark McMillan, District Manager
Queens Community Board 13

Kim Lawton, President
Spring Jam Block Association

Joyce Denny
United Neighborhoods Association

Nadia Burrell

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SERGEANT-AT-ARMS: Quiet, please.

CHAIRPERSON FERRERAS-COPELAND: Good morning. Welcome to today's Finance Committee hearing. I'm Council Member Julissa Ferreras-Copeland. I'm the chair of this committee. I'd like to congratulate Council Member and Minority Leader Matteo on the birth of his beautiful son Ryan [cheers/applause] September 9th.

COUNCIL MEMBER MATTEO: [off mic] Yeah, I was there too long. [laughter]

CHAIRPERSON FERRERAS-COPELAND: Paternity leave, paternity leave.

COUNCIL MEMBER: I did that for two days.

CHAIRPERSON FERRERAS-COPELAND: We've been joined—we've been joined by Majority Leader Van Bramer, Minority Leader Matteo, Council Member Richards, Cornegy, Levine, Johnson, Rosenthal, Cumbo and Miller. Today, we have four items on the agenda. We will vote on a transparency resolution and two land use items on a—and hold a public hearing on one BID. Let's start with the transparency resolution, which sets forth the new designation and changes in designation as certain organizing receive local aging and youth discretionary funding, and funding pursuant

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2 to certain initiatives in the budget. Organizations
3 appearing in the resolution that have not yet
4 completed the pre-qualification process conducted by
5 the Mayor's Office of Contract Services, the Council
6 and other entities are identified in the attached
7 chart with an asterisk. As with all transparency
8 resolutions, council members will have to sign a
9 disclosure form indicating whether or not a conflict
10 exists with any of the groups on the attached list.
11 If any council member has a potential conflict of
12 interest with any of the organizations listed here,
13 she has the opportunity to disclose the conflict at
14 the time of their vote. As a reminder, please
15 disclose any conflicts you may have with proposed
16 subcontractors that are used by organizations
17 sponsored by discretionary funding. These
18 disclosures must be made before the subcontract can
19 be approved. Wilhelm Grant from the General
20 Counsel's Office can assist you with any questions or
21 concerns regarding disclosures.

22 Next, we have the LU item, both of which
23 would make technical amendments to resolutions
24 previously approved by the Council granting property
25 tax exemptions under the City's HFDC Program. The

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2 first is French Apartments in Council Member
3 Johnson's district and the second is Marine Terrace
4 Apartments in Council Member Constantinides'
5 district. The technical amendment, which would be
6 made to both resolutions would be to clarify that
7 the—the shelter rent tax paid by the HDFC would be
8 calculated using the shelter rents collected during
9 the calendar year of 2015. The prior resolution did
10 not specify a year. Lastly, we have the BID item
11 Intro 1242, which relates to the proposed
12 establishment of the Greater JFK Business Improvement
13 District which would be primarily located in Council
14 Member Richards' district with a small portion of the
15 BID located in Council Member Wills' district. On
16 August 16, the committee on Resolution 1178 to set
17 today as a hearing date to hear from individuals who
18 may be affected by the proposed establishment of the
19 Great JFK BID. The Greater JFK BID would be located
20 in an industrial commercial area adjacent to the JFK
21 Airport. The area consists of businesses related to
22 the off-airport air cargo industry such as customs
23 brokers, messengers, logistic services, and freight
24 forwarders. The area covered by the BID will also
25 including nine hotels, manufacturing businesses,

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2 government and government related facilities, and
3 residential homes. The annual \$500,000 budget of the
4 BID would provide services related to district
5 marketing, networking and labor force development,
6 public safety and security, technical services and
7 planning studies for project development and advocacy
8 and administrative work. First, we will hear from
9 any witnesses who wish to testify. Once we have
10 heard any testimony, we will then adjourn the hearing
11 for at least 30 days to allow any property owner
12 within the proposed area of the BID to file an
13 objection to the establishment of the BID with the
14 City Clerk. In the absence of objections filed,
15 either by a majority of all the impacted property
16 owners or by property owners owning a majority of the
17 assessed value of the property within the proposed
18 BID. The committee and the full Council may adopt
19 the legislation established by the Greater JFK BID.
20 In order to do so, the committee and the full Council
21 must be prepared to answer the follow four questions
22 in the affirmative:

23 Were all notices of the hearing for all
24 hearings required to be held published, mailed and as
25 required by law and otherwise sufficient?

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2 Does all the real property within the
3 proposed district boundaries benefit from the
4 establishment of the district except as otherwise
5 provided by law?

6 Is all real property benefitted by the
7 establishment of the district included within the
8 proposed district, and is the establishment of the
9 district in the best interest of the public.

10 If the committee and full Council finds
11 it in the affirmative on these four questions, and
12 the number of objections required to prevent the
13 establishment of the BID are not filed, then the
14 legislation can be adopted. For further details on
15 the establishment of the Greater JFK BID, please
16 refer to the Committee Report and the attached City
17 Planning Commission Report and the BID's Proposed
18 District Plan. Representatives from the Department
19 of Small Business Services are here to provide
20 testimony on the Greater JFK BID. SBS, please come
21 up and my counsel will swear you in, and before that,
22 we will have Council Member Richards the chance to
23 speak on this proposed BID.

24 COUNCIL MEMBER RICHARDS: Thank you,
25 Madam Chairwoman, and I'm here today as the local

1 council member to pledge my support for the creating
2 of the Greater JFK Business Improvement District.
3 For nearly two years we've been working with local
4 business owners and residents on forming this unique
5 business district that is a complex assembly of
6 private properties and the community stakeholders.
7 The JFK off-airport cargo community is home to more
8 than 600 businesses that provide support to products
9 and goods flowing through JFK Airport and other major
10 airports annually. This commerce is not only
11 essential to the city's economy, but also plays a
12 role in the daily lives of thousands of New Yorkers.
13 It also provides a foundation for regional, national
14 and international economies at large. Together,
15 businesses within this district employ almost 8,000
16 workers and occupy approximately 4.1 million square
17 feet and a broad range of industrial and commercial
18 buildings. The air and ocean cargo related
19 businesses exist alongside other light industrial and
20 retail uses, hotels, community service and government
21 facilities as well as more than 150 single-family
22 homes. Without question the district's 525
23 properties represent a unique New York City
24 neighborhood. More than 53% of the proposed district
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2 area businesses serve the trucking and warehousing
3 industry. Consequently, access and circulation
4 improvement, way finding signage and truck parking
5 and storage are key issues that the district aims to
6 address. Challenges such as commercial shipping
7 trucks that exceed the maximum length for loading
8 bays of aging shipping facilities that prompted
9 excessive ticketing, snow removal, difficulties and
10 hostility between businesses and local residents.
11 Limited public transportation for workers and
12 visitors translates to more private vehicles on local
13 roads the need for increased parking. Poor drainage
14 also results in flooding of many locations within
15 this proposed district. The proposed district seeks
16 to build upon the area's diversity and major economic
17 significance by serving as an advocate and providing
18 supplemental services and improvement that support a
19 vision for a strong industrial base, and improved
20 quality of life for all who live, work or visit the
21 district. The formation of the district represents
22 the public-private partnership required to manage
23 daily challenges faced by businesses and residents
24 alike and to plan for the district's future.
25 District wide efforts of the proposed BID are to be

1
2 part of a broader strategic plan and effort that
3 requires close coordination with all government
4 agencies, community boards, civic and-and industry
5 associations, and most importantly with the Port
6 Authority as its plans for future infrastructure,
7 cargo related operations and facilities,
8 transportation parking and access to both the airport
9 facilities and to the regional cargo community for
10 which connectivity is so important. So with that
11 being said, I would like to thank a few people who
12 have really gotten us here. First, I want to start
13 off with the local community who has been pushing for
14 this and pushing for a better quality of life for a
15 very long time, the Spring Jam Block Association and
16 also UNCA Community Boards 12 and 13. And, I also
17 want to acknowledge the consultant to who worked very
18 hard on this project, Barbara Cohen, and also my
19 colleague Council Member Wills, and lastly to my
20 Chairperson Julissa Ferreras, Chairwoman for her
21 leadership in getting us here today. Thank you.

22 CHAIRPERSON FERRERAS-COPELAND: Thank
23 you, Council Member. We will now hear from SBS.

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2 LEGAL COUNSEL: Do you affirm that your
3 testimony will be truthful to the best of your
4 knowledge, information and belief?

5 DEPUTY COMMISSIONER BACKER: I do. Good
6 morning Chair Ferreras-Copeland, the members of the
7 Finance Committee. I am Blaise Backer, Deputy
8 Commissioner of Neighborhood Development at the
9 Department of Small Business Services, and I'm joined
10 by Chris Scott, our Executive Director for
11 Neighborhood Development, and Jennifer Kitson,
12 Director of our BID Program. We're here to testify
13 in support of the establishment of the Greater JFK
14 Business Improvement District. As many of you know,
15 SBS aims to connect New Yorkers to good jobs, created
16 stronger businesses and build a fairer economy. In
17 the Neighborhood Development Division we believe
18 ensuring vitality of the city's commercial corridors
19 is a key part of achieving that goal, and BIDS have
20 been valuable and proven partners in revitalization
21 and economic development across all five boroughs.
22 In addition to our role overseeing and supporting the
23 city's existing network of 72 BIDs, SBS also
24 supervises the BID formation and expansion process
25 serving as an advisor and resource for communities

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2 interested in developing or expanding BIDs. We are
3 careful to ensure that each steering committee we
4 work with adheres to our planning process and
5 policies, solicits robust community input and
6 performs extensive outreach to collect and
7 demonstrate broad based support across all
8 stakeholder groups. Moreover, we are cognizant of
9 the unique nature of each community we assist, and
10 aim to empower local stakeholders to make
11 determinations on proposed services, boundaries and
12 budget size that best suit their community's needs,
13 and appetite and ability to pay assessments. While
14 we always impart strong planning principles and share
15 our data, and best practices from the across the BID
16 network when working with any BID formation and
17 expansion effort. We recognize that the power and
18 effectiveness of BIDs rests in their unmatched
19 understanding of local needs and issues. Speaking
20 specifically about the proposed Greater JFK BID, I
21 want to start by saying that SBS is particularly
22 enthusiastic about this proposal and the great
23 potential it has to address challenges unique to this
24 neighborhood. The JFK Airport is a major contributor
25 to the city's economy and the stakeholders in this

1 area play a vital role in the airport's-airport's
2 ecosystem. The proposed BID boundaries include over
3 600 businesses providing logistical support to the
4 millions of tons of goods that flow through JFK.
5 These freight forwarders, customs brokers, logistical
6 service providers and truck companies co-exist with
7 hotels, government facilities and over 150 single-
8 family homes in an area of the city that has been
9 dramatically underserved. We believe the BID in this
10 neighborhood will be a strong advocate for
11 infrastructure investment, quality of life
12 improvements, more effective collabor-collaboration
13 across the air cargo industry and improve connections
14 to SBS' existing workforce development services.
15 Like our other BID formation efforts, this one
16 involved numerous meetings and consultations with
17 local stakeholders through their planning and
18 outreach phases. Considering the documented support,
19 the transparent and inclusive planning process and
20 exhausted outreach efforts, SBS determined that the
21 effort was ready for the legislative phase. As
22 required by law, the Greater JFK Steering Committed
23 mailed the summary of the City Council Resolution no
24 less than 10 days and no more that 30 days before
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2 today's hearing to the following parties: To each
3 owner of real property within the proposed district
4 at the address shown on the latest city assessment
5 roll, to such other persons as are registered with
6 the city to receive tax bills concerning real
7 property within the district, and to tenants of each
8 building within the proposed district. In addition,
9 SBS arranged for the publication of a copy of the
10 summary of the resolution at least once in the city
11 record. I would also like to acknowledge the members
12 of the BID Steering Committee are present today to
13 testify and answer any questions about the specifics
14 of the proposed plan, and at this time I'm happy to
15 take any questions you might have. Thank you.

16 CHAIRPERSON FERRERAS-COPELAND: Thank
17 you. Does anyone have any questions? Okay.

18 COUNCIL MEMBER RICHARDS: Can you just
19 speak to the benefits of the BID for the local
20 community. I just want those who are home listening
21 to sort of hear it, and—and also when can we
22 anticipate moving forward?

23 DEPUTY COMMISSIONER BACKER: Sorry, what
24 was the last bit?

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2 COUNCIL MEMBER RICHARDS: So when can we
3 anticipate moving forward?

4 DEPUTY COMMISSIONER BACKER: Well, I
5 think as--

6 COUNCIL MEMBER RICHARDS: [interposing]
7 How soon are we going to get this going?

8 DEPUTY COMMISSIONER BACKER: Oh,
9 [laughs]. Well, to timing, as you know, the
10 legislative process I guess we are—we are nearing the
11 end, but, of course, as—once the bill—assuming the
12 bill is approved and then signed into law, it does
13 have to go to the comptroller office and then we do
14 need to with the elected official— the four elected
15 officials including yourself that sit on the BID's
16 board as well as the Law Department to get the
17 District Management Association, which is the non-
18 profit entity that we would contract with to run the
19 BID up and running, gets—get aboard and, you know,
20 get a board formed and our staff. So it does take
21 some time. I—I—I don't want to confirm ourselves to
22 a specific timeline because there are a lot of
23 variables there, but certainly we—we will be doing
24 our best to move that forward as quickly as possible.
25 In regards to services, I think similar to what you

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2 touched on in your statement, I think this BID, you
3 know, will provide some traditional BID services, but
4 as—as you touched on whether it's snow removal,
5 transportation issues, parking issues, you know, a
6 lot around. There's been a lot of truck--

7 COUNCIL MEMBER RICHARDS: [interposing]

8 Truck enforcement.

9 DEPUTY COMMISSIONER BACKER: --ticketing.

10 I'm sorry.

11 COUNCIL MEMBER RICHARDS: Truck

12 enforcement?

13 DEPUTY COMMISSIONER BACKER: Exactly.

14 Truck enforcement. So there's a lot of things there
15 that actually I think were—were part of why we're
16 quite—quite excited about this one is that some of
17 the services, you know, are—are just important pieces
18 of sort coordination and problem solving, urban
19 planning, and looking and working with other city
20 agencies to really, you know, dig in a little deeper
21 than—than we've been able to do on our own, and to
22 help find some solutions that—that work. So, and—and
23 to my testimony about even workforce development it's
24 like a key piece in this part of the city. And while
25 we have a Workforce 1 Center, you know, serving

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2 Jamaica and working on transportation and industrial
3 sectors, we think this will—the BID will create—
4 create a sort of better connection there to those
5 businesses in this BID.

6 COUNCIL MEMBER RICHARDS: And then on the
7 job front how do you plan on ensuring our local
8 residents our local residents can benefit as we staff
9 up? Will there—is there a particular local jobs plan
10 to ensure that local people are given preference when
11 it comes to hiring for the BID?

12 DEPUTY COMMISSIONER BACKER: Yes,
13 certainly. So certainly in regards to BID stuff in
14 particular, which I'm not sure if that was part of
15 your point, but certainly the steering committee and
16 we—we have kind of a best practice I guess you would
17 say where we certainly help BIDs to ensure that they
18 are, you know, creating proper job description and
19 posting those in local outlets so that they can get
20 qualified candidates to apply for any open positions
21 at the BID, and then certainly in regards to your
22 other point in regards to businesses in the area
23 that—our Workforce 1 Center, certainly that's—you
24 know they do a lot of the recruiting and screening
25 for businesses that would be looking for—for

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2 candidates. So that is an--an important part of the--
3 sort of their process is looking for candidates that
4 are pulled from, you know, as wide an area as
5 possible. I think that's where the BID could play
6 that important key piece of ensuring that local
7 residents very geographically local to the businesses
8 themselves are aware of those opportunities.

9 COUNCIL MEMBER RICHARDS: I want to thank
10 you and thank the Commissioner Greg Bishop for all of
11 his work in getting us here, and thank you for your
12 partnership, and we look forward to continued
13 conversations to ensure that this is successful.
14 Thank you.

15 DEPUTY COMMISSIONER BACKER: Yes, you're
16 welcome.

17 CHAIRPERSON FERRERAS-COPELAND: [off mic]
18 Council Member Miller.

19 COUNCIL MEMBER MILLER: Thank you, Madam
20 Chair. Good morning.

21 DEPUTY COMMISSIONER BACKER: Hello.

22 COUNCIL MEMBER MILLER: Could you just
23 elaborate a little more on--on the BID's coordination
24 and the services and how--what--what the impact on that
25 would be on the community in terms of-- We talked

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2 about how this would—the services would—would benefit
3 obviously the residents and the businesses, but speak
4 to the—the—the resident benefits of this in
5 coordination of those services. I know we talked
6 about traffic and—and things like that, which is
7 often the problem. But speak a little beyond that on
8 those benefits to the community?

9 DEPUTY COMMISSIONER BACKER: Okay, I want
10 to make sure—I feel like I had a hard time hearing
11 all of that because of the door.

12 COUNCIL MEMBER MILLER: Okay.

13 DEPUTY COMMISSIONER BACKER: Sorry.

14 COUNCIL MEMBER MILLER: So—so—we—we in
15 the statement you talked about the benefits to
16 community and I'm sorry—to businesses and the
17 residents, and—and elaborate a little bit on traffic
18 congestion and stuff like that. Beyond that, what
19 are the community benefits that should expect?

20 DEPUTY COMMISSIONER BACKER: Sure. So I
21 know some—some residents actually from the Spring Jam
22 Block Association will be testifying and can
23 certainly speak to some of that because they've been
24 very highly involved in the steering committee, but I
25 think in this particular case—I know with that—with

1
2 that block association again it's a-it's an M zone
3 area of the city with single-family residences, and I
4 think, you know, as many of you know, that creates
5 some challenges for our residential property owners.
6 So I, you know, so I think they're just-they're-
7 they're living in an area surrounded by a lot of
8 businesses in industrial property. So I think
9 essentially ensuring that they have a seat a table
10 and a voice on the board of directors. I think it
11 will allow for just much better coordination, and so
12 with regards to traffic and parking and these types
13 of things. I think there-there have been obviously
14 some-some issues with traffic where that, you know,
15 whether the proper truck routes, where-where that's
16 happening around parking again where certain trucks
17 may depending on where they're parked prevent-prevent
18 certain turns. Again, I think the steering committee
19 might be able to speak more-more eloquently to that
20 particular point, but I having toured the-the area
21 myself with them, it's quite obviously where there is
22 just some real bench points that are creating I think
23 some conflict, and I think in this particular-that
24 particular piece, this data I think will be very
25 helpful in solving those issues. And again, above

1
2 and beyond that--as--as sort of typical with some of
3 our other BIDS, I think there will be certain other
4 quality of life service that the BID will be able to
5 assist with. While not necessarily focusing as much
6 onto those side buck sweeping given sort of the
7 nature and geography of this BID there will be
8 obviously some amount of supplement or services and
9 maintenance and beautification that will I think, you
10 know, be a--a benefit to residents. Sure.

11 CHAIRPERSON FERRERAS-COPELAND: [off mic]
12 Thank you-- [on mic] Thank you very much for
13 testifying today.

14 DEPUTY COMMISSIONER BACKER: Sure

15 CHAIRPERSON FERRERAS-COPELAND: And we'll
16 be calling up the next panel. We will hear from
17 Frank Lugio, Barbara Cohen, Eleazar and Philippe
18 Greenstone or Greenstein. I'm sorry if I
19 mispronounced your name [background comments] And
20 then we have one more panel before we ill call up the
21 votes. [pause]

22 BARBARA COHEN: Okay, is that--that's
23 good, right? Okay. My name is Barbara Cohen. I'm
24 the BID consultant to the great JFK Planning
25 Committee. They are and have been and absolutely

1
2 will be a dedicated group of volunteer who are
3 absolutely strongly committed to their—their
4 neighborhood. Approval by community boards, by the
5 Queen—the Queens Borough Board and City Planning. It
6 speaks well of the community leaders, the area
7 stakeholders, government reps all working together.
8 I'll—I loathe to go through all the—the—the numbers
9 as far as the district. I think it's all been said,
10 the—the number jobs and the economic significance of
11 the district. But I will say that it has been a
12 district that is overlooked and misunderstood, and
13 that I—the BID will play really a significant part
14 in—in really educating everyone about the cargo
15 supply chain and—and how things get from here to
16 there and back again. The other part I think that is
17 really critical here is the communication and the
18 communication within the district, and most
19 importantly with the city agencies that provide
20 services to this district. Outreach to all those
21 agencies has been significant in terms of what the
22 BID, what the city services provide and what the BID
23 can supplement, and working together we'll craft the—
24 and prioritize the services that will get into full
25 operation. The \$500,000 budget does represent what's

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2 needed, and it represents what the properties can
3 support. As I said, outreach throughout the process
4 was encouraged and was comprehensive and encouraged
5 everyone to participate both district and non-
6 district members, city agencies, government
7 officials, community boards, civil and block
8 associations and industry representatives both on the
9 airport as well as off the airport with the district.
10 The formation of the—the BID represents the public-
11 private partnership required to manage daily needs
12 and to plan for its future, and we absolutely look
13 forward to getting it underway and taking those next
14 steps to bringing everyone back together. And again,
15 district and non-district members including all the
16 resident groups in the block associations and UNCA
17 and—and—and the Eastern Queens Alliance and—and
18 really everyone as it has—has done from the start to
19 plan an action agenda that really will make a
20 difference. Thank you. [pause]

21 FRAN LUGIO: Good morning. My name is
22 Frank Lugio. I'm the CBRE the real estate management
23 company. We do the leasing and management for
24 America II Corp, which is about 330,000 square feet
25 of space with 90 tenants within this district. I've

1
2 been working in this community for the better part of
3 15 years doing the leasing and management of
4 commercial space in this area, and the BID is being
5 formed strictly to enhance the neighborhood
6 appearance and--and awareness between the local
7 community and--and the--and the business owners, which
8 have co-existed for the last 40 years without any
9 type of organizational structure. That's provided
10 the community to where the local residents along
11 147th Avenue can reach out and tell me--and--and tell
12 me that one of the businesses is operating very late
13 at night and the trucks are idling for long periods
14 of time, and--and now they have a voice to call. And
15 we didn't really have that prior to the last two
16 years of communications we've had because of the
17 IBID. So the funding that we're--we're--we're--we're
18 asking for from the--from the business owners and from
19 their properties within this district the help--is
20 going to help enhance that relationship between the
21 residents and the business owners. We're also
22 looking to increase the awareness of--the local
23 business owners have a tremendous amount of job
24 opportunities. The good news right now, the--the--the--
25 most of the market is full. We have no vacancy. We

1
2 have no warehouse vacancy, and rates are being-being
3 driven up because of that. So want to help increase
4 the awareness to the community that there are jobs
5 there, and we also want to help increase the
6 awareness for the local-local business owners for
7 their-their employees. I think that that's something
8 that-another thing that is going completely neglected
9 to where the local community has been shut our not
10 provided with the opportunity for these jobs. That's
11 my-my-my pitch for five seconds today.

12 ELEAZAR GREENSTEIN: [off mic]

13 CHAIRPERSON FERRERAS-COPELAND: [off mic]

14 You know, push the button and push--

15 ELEAZAR GREENSTEIN: My name Eleazar
16 (sp?) Greenstein. I'm the President of Corey (sic)
17 Network. We are a-a-the front point of-

18 CHAIRPERSON FERRERAS-COPELAND: [off mic]

19 ELEAZAR GREENSTEIN: I-I want to show
20 you.

21 CHAIRPERSON FERRERAS-COPELAND: [off mic]

22 Oh, you want to show me?

23 ELEAZAR GREENSTEIN: It's-it's a helper.

24 COUNCIL MEMBER MILLER: I thought it was
25 time machine actually.

1
2 ELEAZAR GREENSTEIN: So they fall-fall in
3 front of the-the technology that circling the world.
4 We employ in the Jamaica facility about 30 people,
5 and worldwide 110 people. I brought this example
6 just to show what we do. We move the most advanced
7 technology in the world. Each one of your cell
8 phones is inside this small chip that build- this is
9 the way it's done that the silicone on this will be
10 hundreds of thousands of small chips that's in there
11 and make your phone. This stuff is made in New York
12 Upstate in Malta next to Albany.

13 COUNCIL MEMBER MILLER: Not the Galaxy I
14 hope, though. [LAUGHS]

15 ELEAZAR GREENSTEIN: No. You're right.

16 COUNCIL MEMBER: It's not the battery
17 compartment.

18 ELEAZAR GREENSTEIN: It's going to the
19 competition. So this is the stuff that we move. We
20 drive everyday to Malta. We moved it yesterday.
21 It's very important the facility to us because we are
22 advancing to-we just did-we just started two start-up
23 in the local high technology in the area. What is
24 important for us is we are there now for 10 or 12
25 years. Together we think we like the area. We live

1
2 in—in we live with our neighbors in peace. We don't
3 disturb anybody, and what we expect is to grow there
4 and to make the place better for everybody around.
5 As well, we reached Obama (sic) actually. The way we
6 met is we looked for additional employees, and we
7 started to look in St. John University and people
8 that can really advance in the supply chain industry,
9 and it's a very exciting job. My son just finished
10 college, and he's coming to join. So he can grow it
11 into a thousand employees maybe. Thank you.

12 CHAIRPERSON FERRERAS-COPELAND: Thank you
13 for sharing your perspective also in the diversity
14 that exists over there because when you're driving
15 over there you just kind of—

16 CHAIRPERSON MILLER: [interposing] Uh-
17 huh.

18 CHAIRPERSON FERRERAS-COPELAND: --you
19 really don't know what's happening. You're just
20 trying to get to the airport. I don't know if this
21 will help Van Wyck's traffic, but anything that can
22 maybe attempt to. You may begin.

23 FELIPE GREENSTEIN: Hi. My name is
24 Felipe Greenstein. Thanks for having me. So I just
25 joined Corey Network as a recent college grad, just

1
2 moving forward. We just hired two local Queens boys
3 also college grads 2016 to help further the business.
4 It's a growing business, which started 30 years ago
5 as a two or three-man shop and now has grown to 110
6 people. Going forward we could use your guys' and
7 the funding in order to grow this corporation more.
8 I know without clean and efficient area in the JFK-
9 JFK Airport, and the surrounding areas, it's not
10 going to be possible. So with your guys' help, we'll
11 continue to grow this economy and help get people
12 jobs and keep moving into the forefront of technology
13 in the future. Thank you.

14 CHAIRPERSON FERRERAS-COPELAND: Great and
15 just for my own inquiry, on average [coughs] excuse
16 [coughs] excuse me-what the salary range on average
17 for a starting entry level?

18 FELIPE GREENSTEIN: Entry level at \$58,
19 about \$45 to \$50,000 plus bonus.

20 CHAIRPERSON FERRERAS-COPELAND: That's
21 fantastic. Great. Do you have--?

22 CHAIRPERSON MILLER: Well I just wanted
23 to know, thank you so much Frank and I want to thank
24 you for your leadership not only on JFK but also just
25 throughout Southeast Queens as well, and a lot of the

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2 industrial area and—and helping to actually bring
3 together a lot of the business owners. I want to
4 thank you for your—your work here, and I just wanted
5 to get an idea of what is the true feeling the—the
6 pulse on the ground in one sense with the business
7 owners. Are they really excited about this
8 opportunity coming? So I just wanted you to speak a
9 little bit to that.

10 FRANK LUGIO: Fortunately right now the—
11 the—most of my tenants and the people that—that I
12 work with are busy, and we're not—we're seeing a lot
13 of opportunity being created right now. We're—you
14 know the IBID in itself I think we're seeing a lot
15 more communication with the local residents than
16 we've ever seen before. And instead of them actually
17 calling 311, they call my cell. My cell phone is
18 plastered throughout the entire community and
19 everybody knows to call me if there is a problem. So
20 I think from—from an overall sense everybody is—is
21 really happy that the—the IBIDs performed and
22 communication is open but what's—I think what's most
23 important is the—the business owner—the property
24 owners, and—and as the majority at three or four
25 million square feet within this market is owned by

1
2 three-three majority landlords that are all
3 institutional investment managers for pension funds.
4 RREEF America II is Deutsche Bank, CG is the
5 Washington State Pension fund. TA Investments
6 they're an \$11 billion hedge fund for the most part.
7 So they're the property owners, and they at this
8 point right now are all seeing tremendous growth in
9 their rents. Everybody is very happy with that, but
10 we also want to see I think improvement to the area
11 as far as the infrastructure of the streets, and
12 we're hoping that the communication with-with the
13 city and with-with some of this funding we can—we can
14 create studies to better improve the circulation flow
15 of these trailers through-through the, you know,
16 route them through this neighborhood, which is quite
17 intricate and almost, you know, putting a needle
18 through—a string through a needle with this. So we
19 really want to put together funding for that so that
20 we can understand how we can get the trucks off the
21 streets, into our warehouses and get them off the Van
22 Wyck Expressway as quickly and as cleanly as
23 possible.

24 CHAIRPERSON FERRERAS-COPELAND: That's
25 all you should say all the time [laughter] and we are

1
2 with you. Thank you, Chair, and thank you for your
3 vision—for being visionary because this is a very new
4 concept of a BID. I know that we did something
5 similar in Staten Island. So we're really kind of
6 taking big leaps from the perspective of traditional
7 BIDs kind of being the main street to creating these
8 more conceptual BIDs, and I think we're going in the
9 right direction. So, thank you. Thank you for
10 testifying. We call up the next—

11 FRANK LUGIO: [interposing] Thank you for
12 this opportunity.

13 CHAIRPERSON FERRERAS-COPELAND: Yes,
14 we'll call up the next panel.

15 FRANK LUGIO: [interposing] Thank you.

16 CHAIRPERSON FERRERAS-COPELAND: Mark
17 McMillan. Oh, hi Mark. [laughter] Nadia Burrell
18 (sp?) from the Tranship Discount LTD, Joyce Denny for
19 the United Neighborhoods Association and Kim Lawton
20 from the—

21 CHAIRPERSON MILLER: [interposing] Spring
22 Games.

23 CHAIRPERSON FERRERAS-COPELAND: Spring
24 Jam Block Association. That sounds like a very fun
25 block association.

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CHAIRPERSON MILLER: It is.

CHAIRPERSON FERRERAS-COPELAND: Spring
Jam.

CHAIRPERSON MILLER: You make their party
right?

CHAIRPERSON FERRERAS-COPELAND: Well, I
got to come next year. You got to invite me.

CHAIRPERSON MILLER: Yeah, yeah.

CHAIRPERSON FERRERAS-COPELAND: I want to
be at the Spring Jam [laugh] Block Association.

[background comments, pause]

MARK MCMILLAN: Madam Chair, good-good to
see you, and Council Members. Good morning, Madam
Chair Members. My name is Mark McMillan. I am the
District Manager for Queens Community Board 13. I'm
here today representing a community Board, which
unanimously voted to approve the formation of what is
now known as the JFK IBID. The stats you see 600
plus companies, 8,000 employees occupying 4.1 million
square feet, 2,300 plus hotel rooms, MTA bus depots,
SA building and 154 single-family homes. This
district has major economic implications for New York
City and the region as a whole and in addition to the
businesses, there are homes that are directly

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2 impacted by what is—by this vibrant economic
3 activity. Unfortunately, the area has historically
4 been underserved by the city. The streets get beat
5 up by truck traffic creating a moonscape in a low
6 lying area. A lack of coordination between private
7 carting services and DSNY has at times left the area
8 dirtier than it should be, and when it snows the need
9 for plowing is paramount because of the truck
10 traffic, yet this important area has not gotten the
11 attention it deserves. The formation of the
12 Industrial Business Improvement District will serve
13 as a clearing house, a beacon, indeed a central
14 coordinator for the special needs of both the
15 commercial and residential concerns. By putting in
16 place the planning, lines of communication for all
17 the stakeholders and city agencies, issues that have
18 strained—that have strained the patience of the
19 community and the resources of the city in the past
20 can now be alleviated. The IBID would have a budget
21 to purchase equipment, hire personnel and supplement
22 the city's ability to service the immediate needs in
23 the area. It will also offer—offer marketing for the
24 local businesses through signage and banners, street
25 beautification initiatives, and a website. The

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2 overall coordination on all fronts including
3 technical services, planning studies, district
4 marketing, industry networking, labor force
5 development provide a scope of services befitting the
6 economic engine that this area is. Public safety
7 improvements targeting graffiti, snow removal serve
8 both commercial and residential needs. Ultimately,
9 having an advocate for all of these issues through
10 the sanction of the City of New York with the support
11 of Queens Borough President Melinda Katz, Council
12 Members Donovan Richards and Ruben Wills, New York
13 City Controller Scott Stringer, Queens Community
14 Board 13, Spring Down Civic Association, New York
15 City Small Business Services, New York City Economic
16 Development Corporation, the Port Authority, and
17 commercial property owners brings together a myriad
18 of resources that will protect the economic engine
19 and provide for improved conditions for all who live
20 and work in the area. Everything about the creation
21 of the Greater JFK data is a win-win for all
22 involved. As we work to bring the best of government
23 to those it works for, this new entity would be a
24 good example of what can happen when all stakeholders
25 organize for the common good. Queens Community Board

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2 13 urges this committee to enact this legislation,
3 and on behalf of the board and its 200,000 residents,
4 I thank you for your consideration, and it's good to
5 see you again.

6 CHAIRPERSON FERRERAS-COPELAND: Thank
7 you, Mark. I was just commenting that we met primary
8 day 18 or 17 years ago. The irony, you know, it's
9 all full circle. You may begin.

10 KIM LAWTON: Oh. [laughter] Good
11 morning, Chairman. Good morning Council Member
12 Richards, all of the council members. My name is Kim
13 Lawton. I am the President of Spring Jam Block
14 Association. I'm also a co-chair with the IBID, the
15 JFK IBID Committee, and I want to shout out my co-
16 chair Ms. Ellis, who has been doing most of the
17 groundwork, and we also have a lot of people from my
18 community here to support this. I could basically
19 reiterate everything that's been stated in terms of
20 the trucking issues, in terms of infrastructure, in
21 terms of parking, and basically all of those issues
22 are how-is how the Spring Jam Block Association came
23 into fruition. We got flooded not even during Sandy
24 during Irene and we were mad as hell so to speak, and
25 we organized ourselves and we started creating a

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2 relationship with the Councilman's office, with NYPD,
3 DOT, but we really weren't sure ow to go about a lot
4 of things. We found out about the IBID in
5 advertently, and initially we went to a meeting, and
6 EDC didn't even know we were in the neighborhood
7 because it's so unique. Actually, that's why most-
8 why most of us moved there, but through us organizing
9 and coming together and finding out about the IBID,
10 we realized that we had similar problems. I'm going
11 to be honest, Chairman. Like you said, this is a
12 very unique opportunity because we've never really
13 had too many BIDS that have residential, and
14 commercial and government officials, and I do want to
15 commend the councilmen and Barbara Cohen, the
16 consultant, and Frank. He gave us heroes for our
17 block part but, you know, just the men (sic). Thank
18 you. It was great. [background comments] Long
19 heroes, macaroni salad and everything. It was a hit.
20 You know, but the point that I'm making is we
21 organized ourselves and we tried to do our best to
22 improve our quality of life. We met some of the
23 business owners and they talked about parking and
24 they talked about flooding, and they talked about a
25 whole lot of issues, and we're like wow, not only do

1
2 we have the same issues, but guys work here. We live
3 here, and actually even where we live is so unique,
4 we didn't even know we were Community Board 13 until
5 we applied for the Block Party, and we met UNCA and
6 et cetera. So this is a great opportunity to just
7 strengthen the ties for everyone to come together for
8 the residents to have a voice, and what we would like
9 to see is not just talk about business giving jobs to
10 our community. We're hoping maybe we can interview
11 for the Executive Director position. If we're
12 qualified, we would like to see willing and able come
13 in the neighborhood. Some people want
14 beautification. We're asking for sidewalks. So, you
15 know, this IBID like even me being here has empowered
16 it, and it's allowed all of us to have a voice at the
17 table, and I would just appreciate being allowed to
18 be here and speak on behalf of the residents and the
19 owners, and I hope that you approve this proposal,
20 but it's an awesome proposal. Thank you.

21 JOYCE DENNY: My name is Joyce Denny, and
22 I'm the President of United Neighborhood Civic
23 Association and Spring Jam. We chairs are just a
24 street away from each other. However, most of the
25 businesses that Ms. Lawton just spoke about are also

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2 in our area. So what's happening is the same
3 problems that they're having are the same problems we
4 are having. There is nothing different. Ms. Lawton
5 I know they suffer a lot more than we do, but it's--
6 it's time we have flooding like they have. We also
7 have problems with truck parking. We also have
8 problems with trucks coming through our community.
9 The roads are damaging and sometimes the electric
10 wires come down as we just had in November, and there
11 are lots of businesses in our community. I think
12 it's underserved. I think whole community has always
13 been underserved. UNCA has been around since 1954.
14 We've always had these problems and nothing has been
15 done about it since, I would say. No--nobody--

16 CHAIRPERSON FERRERAS-COPELAND: [off mic]
17 [interposing] Until today? (sic)

18 LEE: Pardon? Yes, this is what I'm
19 saying until today. So what I'm--what I'm saying,
20 what I'm looking at is that I feel that the BID can
21 really serve our community well and, you know, and
22 alleviate the stress, and I'm going to sometimes come
23 about with frustrations of everything that's
24 happening in our community, and so I would like to
25 say thank you all, Council for having us here.

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2 Thanks to one of our Council Donovan—Donovan Richards
3 and my City Council, my councilman Ruben Wills for
4 introducing us to this, at least explaining things to
5 us to understand, and we can look and see, you know,
6 what's—what's happening then and now I think we have
7 hope just being here, and speaking with you and
8 hoping that the BID will go through because it will
9 really serve community well. It will be a great
10 enhancement for us. So I'm asking that you look hard
11 into—into things and give us the opportunity to have
12 this BID in our community and I think you gain
13 Council, and I thank you, Kim, and everyone for just
14 having me here to speak on behalf of the BID today.
15 Thank you.

16 NADIA BURRELL: Good morning, Council.
17 My name is Nadia Burrell. I am here actually on
18 behalf of a small business that's located in—on the
19 outskirts of the development planned of action on
20 Rockaway Boulevard, which is a majorly commercial
21 area, and the issue that we're having is that we did
22 not get any notice of the Greater Development Plan
23 until approximately one week ago, which is a week to
24 this meeting. Now, it may be a great service for the
25 neighborhood, but the issue that we have is building—

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2 how are small businesses going to be affected by the
3 tax increase to pay for the development and the
4 company that I work for in particular has a total of
5 17 employees, five of which are full time. It's
6 been—we've been in business for about 35 years but
7 unfortunately due to the decline in our industry
8 increased taxes mean somebody may be get laid off
9 because they can't afford to pay their salary. So,
10 while we appreciate the change that the plan and the
11 BID make the change in the committee, we ask—in the
12 community, we ask that you also consider these small
13 individually owned businesses and how the tax
14 increases are going to affect them and affect their
15 employees as well as those that live in the
16 community. We employ from both the community and
17 without, and we just hope that all of this is
18 considered before you make a decision whether to move
19 forward with the plan. Thank you.

20 CHAIRPERSON FERRERAS-COPELAND: Thank
21 you. Now, I just want for clarity, did you say
22 you're in the footprint or out of the footprint?

23 NADIA BURRELL: We ae on the outskirts.
24 We're literally—I think the block ends on Rockaway
25 Boulevard. We are on Rockaway Boulevard.

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2 CHAIRPERSON FERRERAS-COPELAND: So you
3 will not be impacted by this tax increase.

4 NADIA BURRELL: We won't?

5 CHAIRPERSON FERRERAS-COPELAND: You will
6 not.

7 NADIA BURRELL: Okay.

8 CHAIRPERSON FERRERAS-COPELAND: Because
9 you have to be part of the footprint, and I guess
10 that's where you got, uh, uh, less engagement--

11 NADIA BURRELL: [interposing] Okay.

12 CHAIRPERSON FERRERAS-COPELAND: Because
13 it's specific. When you're in the footprint, they
14 engage with you to the point where you're just like
15 alright already. But I guess it's just--it actually
16 may on the contrary reverberate for you also, and you
17 will see more benefit. Because this corridor is
18 united you will see the benefits hopefully in your
19 business, but my understanding with my experiences it
20 is creating a zone that will create an assessment,
21 and the increase it's really--it's the only way that
22 taxes are actually reinvested because usually taxes
23 go to a general fund. This one is--will be
24 specifically reinvested in this corridor the
25 increase, and they will choose how they want it to be

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2 spread out. So, you will not see a change in your
3 tax bill, and if for any reason you do, then that's a
4 bigger issue that we need to talk about because there
5 should be no landlord increasing or changing rent
6 because of this because this is very specifically
7 delineated in the—in the plan, which is part of the
8 public record. So we can share with you what the
9 zone is.

10 NADIA BURRELL: Okay.

11 CHAIRPERSON FERRERAS-COPELAND: Okay?

12 CHAIRPERSON MILLER: And I'll be happy to
13 take your information and SBS is here and Barbara
14 Cohen is here behind you. So she'll grab you, and
15 then we'll speak certainly.

16 CHAIRPERSON FERRERAS-COPELAND: See,
17 you're getting services all already here. [laughter]

18 CHAIRPERSON MILLER: This is what happens
19 in the People's House.

20 CHAIRPERSON FERRERAS-COPELAND: And I
21 commend you for coming to testify because I think
22 it's an anxiety that many small business owners have,
23 and it's a very valid perspective, and this process
24 is open for an additional 30 days. So that property
25 owners or business owners or community residents that

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2 may oppose this can also submit testimony. So, it's—
3 it's—it's a very democratic and very open process.
4 So, you know, I know that it's not always great to
5 come and testify when everyone is saying how great
6 it. So I commend you for that also.

7 NADIA BURRELL: Thank you and—and to
8 follow up with your question, my actual is how will
9 this affect the small businesses that are in the
10 footprint tax wise?

11 CHAIRPERSON MILLER: So, you should have—
12 we can certainly—we're going to be doing some
13 community engagement stuff around this. So there's
14 going to be some local community meetings that we
15 actually had in particular on this. So I'll—I'll
16 definitely get your information and make sure you're
17 aware of it, and then you should also just speak to
18 SBS on the side, and I think most of this information
19 is online as well. So you can sort of go online. I
20 think it's in the bar that I can sort of give you. I
21 think it's jfkibid.org or something like that, and
22 we'll make sure you have that information. So you—we
23 can arm you with knowledge as—as much as possible.

24 CHAIRPERSON FERRERAS-COPELAND: And there
25 is also a very particular formula that is used, and

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2 any increase in the future if this BID should want an
3 increase it would have to come to before this
4 Council. There's a very long—you know, they've got
5 to go from the beginning. So all the—whatever the
6 percentage that was decided will total up to half a
7 million dollars. That half a million dollars will be
8 reinvested in the Corridor in the manner that the
9 Board chooses. Okay. Alright, thank you very much
10 for coming to testify today. I think we're going to
11 be getting more members to come in. We're in
12 competing hearings now, but thank you for coming to
13 testify. [background comments, pause] And while
14 we're getting members to come in so we can have our
15 vote, I just wanted to congratulate my Counsel
16 Rebecca Chasen, who is expecting. [applause/cheers]
17 I came back this summer and she's got a baby bump.

18 CHAIRPERSON MILLER: She's readying.

19 CHAIRPERSON FERRERAS-COPELAND: She's
20 ready.

21 FEMALE SPEAKER: It's in the water.

22 CHAIRPERSON FERRERAS-COPELAND: It's
23 something in the water, or maybe that age. [pause]
24 Any questions? Any additional questions?

25 [background comment, pause]

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CLERK: William Martin. [pause] William Martin, Committee Clerk, roll call vote Committee on Finance. Council member—Chair Ferreras Copeland.

CHAIRPERSON FERRERAS-COPELAND: I vote aye and I want to congratulate my colleagues Council Member Richards.

CLERK: Gibson.

COUNCIL MEMBER GIBSON: I vote aye and congratulations Council Member Richards.

CLERK: Matteo.

COUNCIL MEMBER MATTEO: Yes.

CLERK: Van Bramer.

COUNCIL MEMBER VAN BRAMER: Aye.

CLERK: Cornegy.

COUNCIL MEMBER CORNEGY: Aye.

CLERK: Rosenthal.

COUNCIL MEMBER ROSENTHAL: Aye.

CLERK: Rodriguez.

COUNCIL MEMBER RODRIGUEZ: Aye.

[pause]

CLERK: By a vote of 7 in the affirmative, 0 in the negative and no abstentions, all items have been adopted.

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CHAIRPERSON FERRERAS-COPELAND: So we'll keep the vote open for 15 minutes. Council staff, if you can make sure your members come in, we'll keep the vote open for 15 minutes.

CLERK: Continuation of roll call Committee on Finance. Council Member Johnson.

COUNCIL MEMBER JOHNSON: I vote aye.

CLERK: Levine.

COUNCIL MEMBER LEVINE: Aye.

CLERK: Miller.

COUNCIL MEMBER MILLER: I vote aye.

[pause]

CLERK: Council Member Cumbo.

[background comments]

COUNCIL MEMBER CUMBO: I vote aye.

CLERK: The final vote, Committee on Finance stands at 11 in the affirmative, 0 in the negative and no abstentions. [pause]

COUNCIL MEMBER ROSENTHAL: The Finance Committee is now adjourned. [gavel]

COMMITTEE ON FINANCE

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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 September 19, 2016