

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE

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October 27, 2016
Start: 10:55 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
Steven Matteo

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

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

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

2 [sound check, pause] [gavel]

3 CHAIRPERSON FERRERAS-COPELAND: [shushing
4 for quiet]. Good morning and welcome to today's
5 Finance Committee hearing. I am Council Member
6 Julissa Ferreras-Copeland, and I am the chair of the
7 committee. We've been joined by Council Members
8 Johnson, Rodriguez, Cornegy, Majority Leader Van
9 Bramer, Council Member Miller, Rosenthal, Richards
10 and Gibson. Today, we will have four items on the
11 agenda, a transparency resolution, and an LU item and
12 two BIDs. We will start with the transparency
13 resolution, which sets for the re-designation and
14 changes in the designation of certain organizations
15 receiving local aging and youth discretionary
16 funding, and funding pursuant to certain initiatives
17 in the budget. [background comments] We're not
18 whispering, folks. We're not whispering. Thank you.
19 Organizations appearing in the resolution that have
20 not yet completed the prequalification process
21 conducted by the Mayor's Office of Contract Services,
22 the Council and another entity identified in the
23 attached chart with an asterisk. As with all
24 transparency resolutions, Council Members will have
25 to sign a disclosure form indicating whether or not a

2 conflict exists within any of the groups on the
3 attached list. If any Council Member has potential
4 conflict of interest with any of the organizations
5 listed, he or she has the opportunity to disclose the
6 conflict at the time of their vote. As a reminder,
7 please disclose any conflicts you may have with the
8 proposed subcontractors that are used by
9 organizations sponsored by discretionary funding.
10 These disclosures must be made before the
11 subcontractor can be approved. Wilhelm Grant from
12 the General Counsel's Office can assist you with any
13 questions or concerns regarding the disclosures.

14 Next, we have the LU item, which is Villa
15 Gardens in Council Member Cohen's district in the
16 Bronx. This property will receive a full 40-year
17 property tax exemption to construct 53 units of
18 affordable housing to the City's HDFC program. Next,
19 we will have the first BID, Intro 1242, which would
20 establish a greater JFK Business Improvement
21 District, which would be primarily located in Council
22 Member Richard's district with a small portion of the
23 BID located in Council Member Wills' district. The
24 Greater Jamaica BID would be located in an industrial
25 commercial area adjacent to the-JFK. The area

2 consists of businesses related to the off-airport air
3 cargo industry. 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. On September 14, 2016, this
9 committee held a hearing to consider Intro 242, and
10 we heard testimony in support of the BID's
11 establishment. It required—as was required by law,
12 the hearing was closed without vote, and the 30-day
13 objection period began to allow property owners
14 affected by the establishment of the BID to formally
15 object to its creation. According to the City Clerk,
16 which whom the objections would be filed, no property
17 owners filed a valid objection to the creating of the
18 Greater Jamaica, JFK BID during the 30-day period.
19 According to the committee, mind— Accordingly, the
20 committee may now vote in favor of Intro 1242 if we
21 can answer the following four questions in the
22 affirmative.

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

2 the real property within the district boundaries
3 benefit from the establishment of the district except
4 as otherwise provided by law? Is all the real
5 property benefitted by the district included within
6 the district; and is the establishment of the
7 district in the best interest of the public? The
8 Department of Small Business Services is here to
9 testify to help us answer those questions. Lastly,
10 we will have the second BID item, which is a
11 resolution concerning the Queens Plaza Court Square
12 Business Improvement District in Council Member Van
13 Bramer's district. This BID was first established in
14 2005 in the area in and around the BID, and
15 constitutes a major transportation retail
16 manufacturing and re-retail hub of Western Queens.
17 Ad the result of a 2001 rezoning, there is now a
18 large daytime working population and increasingly a
19 large residential population. The BID is currently
20 requesting that the Council approve the following
21 changes to it's district plan: An extension of its
22 boundaries to add a new south sub-district to the
23 existing boundaries that would become the north sub-
24 district and to remain the-the entire BID, the Long
25 Island City BID, a change to the method by which

2 assessments are calculated to based on a formula that
3 factor in the assessed value of property and the
4 linear footage—frontage of commercial properties, and
5 a \$350,000 increase in its annual assessment for
6 \$450,000 to bring it to a total of \$800,000.

7 [coughs] Excuse me. The resolution sets fort the
8 [coughs] date and time of the hearing that it—that
9 this committee will hold to consider the legislation
10 that would effectuate the three changes I've just
11 described. The hearing will take place on November
12 16, 2017—16 at 10:00 a.m. in this room. For more
13 details on the specific amendments to the BIDs seek—
14 submitted to its district plan, please see the
15 Committee Report prepared by the Finance Division
16 along with the attached amended district plan. And
17 we will now call up the agency of SBS to come up to
18 testify, and we can follow up with any additional
19 questions. [pause]

20 LEGAL COUNSEL: Do you affirm that your
21 testimony will be truthful to the best of your
22 knowledge, information and belief?

23 DEPUTY COMMISSIONER BACKER: I do. Good
24 morning, Chair Ferreras-Copeland and members of the
25 Finance Committee. I am Michael Blasé Backer, Deputy

2 Commissioner of Neighborhood Development at the
3 Department of Small Business Services. I am joined
4 by Executive Director of Neighborhood Development,
5 Chris Goddard. There are two BID items on the agenda
6 today, a vote on the proposed Greater JFK Business
7 Improvement District and setting a hearing for the
8 proposed Long Island City BID Extension. Today, we
9 would like to report on the results of the objections
10 filed for the City Clerk against the establishment of
11 the proposed Greater JFK BID, and I look forward to
12 coming back in several weeks to testify in support of
13 the Long Island City expansion. At the conclusion of
14 the objection period at 5:00 p.m. on October 14,
15 2016, and taking into consideration any objections
16 filed the next two business days, October 17th and
17 October 18th, 2016, no valid objections were filed
18 with the City Clerk. Three invalid objections
19 representing less than 1% of the total assessed value
20 were filed with the City Clerk for properties within
21 the district, but were submitted without the
22 documentation required for verification. This level
23 of objection is within our acceptable threshold
24 needed to advance the bill for favorable
25 consideration by the full City Council. The

2 Department of Small Business Services supports the
3 establishment of the Great JFK BID. We believe the
4 BID in this neighborhood will be a strong advocate
5 for infrastructure improvements, quality of life
6 improvements, more effective collaboration across the
7 air cargo industry, and improved connections to SBS'
8 existing workforce development services. At this
9 time, I'd be happy to take any questions you might
10 have.

11 COUNCIL MEMBER RICHARDS: No questions.
12 Just wanted to thank you, Chris, and your team for
13 really seeing this notice has been a semi-long
14 process, but I am truly grateful for the partnership
15 with Small Business Services and in particular I have
16 to certainly give a big shout out to the Spring Jam
17 Block Association and UNCA as well who were great
18 partners in moving this along. This community, which
19 is right adjacent to JFK has really suffered a very
20 long time whether it was flooding, a need for better
21 sanitation, truck traffic, better streetscape or
22 better public safety. We understand that this BID
23 will help to not remediate everything, but to
24 certainly move Springfield Gardens into a better
25 direction, and also recently Bartlet (sp?).

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2 Obviously, a dairy (sic) is coming into the area as
3 well. They're relocating from Elmhurst I believe.
4 So, you know, it's going to be increased truck
5 traffic, which means that we're going to need better
6 coordination and better services even more so for
7 this community. But this BID is a huge first step in
8 the right direction, and we look forward to working
9 with all of our partners to ensure that this is
10 successful and up and running as soon as possible.
11 So thank you. Thank you for your partnership.

12 CHAIRPERSON FERRERAS-COPELAND: Thank
13 you, Council Member. Billy.

14 CLERK: William Martin, Committee Clerk.
15 Roll call vote Committee on Finance. Council Member
16 Rodrigues.

17 COUNCIL MEMBER RODRIGUEZ: Thank you,
18 Chair.

19 CHAIRPERSON FERRERAS-COPELAND: Thank you
20 so much for coming to testify today. Before I ask
21 Bill Martin again to read—the Committee Clerk to read
22 the roll, I would like to first say good-bye to two
23 talented and dedicated Finance Division staffer who
24 will be leaving the Council this week, Ellen Eng, who
25 covered the Public Safety and Health Committees will

2 be headed to the public—the Police Department.
3 Brittany Morrissey who covered the Again, Women's
4 Issues, General Welfare and Juvenile Justice
5 committee will be going on to DFTA. We will miss you
6 both terribly, but we wish you the best of luck as
7 you transition to your new roles and the next steps
8 in your career. The Finance Division will be holding
9 a farewell party for Ellen and Brittany this evening
10 at 5:00 p.m. at 121 Fulton, and I hope everyone will
11 be there to stop by and wish them well. But we know
12 that they are not really going that far. So, we're
13 very excited for them. Now, Billy Martin, if you can
14 please call the roll.

15 CLERK: Chair Ferreras-Copeland.

16 CHAIRPERSON FERRERAS-COPELAND: I vote
17 aye.

18 CLERK: Van Bramer.

19 COUNCIL MEMBER VAN BRAMER: Aye.

20 CLERK: Gibson.

21 COUNCIL MEMBER GIBSON: Permission to
22 explain my vote? So congratulations to our
23 colleagues who have items on today's agenda, and I
24 certainly want to join the Chair in congratulating
25 both Brittany and Ellen. Certainly Ellen Eng in her

2 role as our Financial Analyst to the Public Safety
3 Committee has been such a tremendous asset, and while
4 I'm so happy, I'm also heartbroken, because I can't
5 imagine working on this committee without Ellen, but
6 in the three years I've served as Chair, she has
7 been such an incredible part of not just building
8 relationships with the department, the five district
9 attorneys, the CCRB, the Special Narcotics Prosecutor
10 and the Mayor's Criminal Justice, but certainly
11 Ellen's leadership and work are dealing with the
12 Crisis Management System, and our anti-gun violence
13 and Cure Violence providers has been crucial. So I
14 congratulate you. I wish you well, and know that
15 you're only a phone call away because literally she's
16 across the street working now with the NYPD, but
17 congratulations and best wishes to both Ellen and
18 Brittany, and I vote aye on all.

19 CLERK: Cornegy.

20 COUNCIL MEMBER CORNEGY: Aye.

21 CLERK: Cumbo.

22 COUNCIL MEMBER CUMBO: Aye.

23 CLERK: Johnson.

24 COUNCIL MEMBER JOHNSON: I, too, want to
25 congratulate Ellen Eng for her time and service here

2 at the Council. She stepped in over the past more
3 than a year, and worked with us on HHC's budget and
4 difficult financial situation. It was a lot to
5 understand and handle especially with the
6 Administration putting in hundreds of millions of
7 dollars worth of operating dollars to keep it afloat,
8 and she did a fantastic job. So I'm—I'm grateful for
9 her service here at the Council, and I know she will
10 do well at the NYPD, and with that, I vote aye on
11 all.

12 CLERK: Levine.

13 COUNCIL MEMBER LEVINE: Aye on all.

14 CLERK: Miller.

15 COUNCIL MEMBER MILLER: Aye on all.

16 CLERK: Rosenthal.

17 COUNCIL MEMBER ROSENTHAL: Aye.

18 CLERK: Matteo.

19 COUNCIL MEMBER MATTEO: Aye.

20 CLERK: By a vote of 11 in the
21 affirmative, 0 in the negative and no abstentions,
22 all items have been adopted.

23 CHAIRPERSON FERRERAS-COPELAND: Thank you
24 all, and now we will call this hearing to a close.

25 [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 November 15, 2016