



**FINANCE
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THE CITY OF NEW YORK
DEPARTMENT OF FINANCE

Testimony of Sam Miller

**Assistant Commissioner
New York City Department of Finance**

**Before the New York City Council
Committee on Economic Development**

On

**Intro 860
Regarding ICAP Benefits and Safety Code Violations**

October 30, 2008

Good afternoon, Chairman White and members of the City Council Committee on Economic Development. My name is Sam Miller, and I am the Assistant Commissioner for Communications & Government Affairs at the New York City Department of Finance. Thank you for inviting me to speak in support of Intro 860, sponsored by Chairman White, which requires that the Finance Department suspend Industrial and Commercial Abatement benefits when owners who receive these benefits are not in compliance with specific laws addressing building, environmental and fire code standards. I am joined today by David Ehrenberg, Vice President of the New York City Economic Development Corporation, and Dara Jaffee, Finance's Assistant Commissioner for Legal Affairs.

If you recall, EDC played a central role in the City's efforts to overhaul the Industrial and Commercial Incentive Program (ICIP) over the last two years, and we wanted to once again thank the committee for its leadership in those efforts. As Speaker Quinn noted when the full Council passed the new replacement law last month, ICAP is a "leaner, meaner" program that ensures that economic development incentives go to industrial and commercial projects in communities where targeted economic development can make a difference.

Intro 860 will require that Finance revoke ICAP benefits when a property owner fails to cure a violation of the most egregious building code violations that pose an immediate threat to health and safety. The bill also names specific fire code violations and

environmental code violations that will serve as triggers to suspend benefits.

Under the bill, Finance will work with the Department of Buildings, the Department of Environmental Protection and the Fire Department to identify ICAP beneficiaries who are in violation of the relevant safety codes. Finance will notify these owners through their quarterly or semiannual Statement of Account, our property tax bill. Owners will be told that they must resolve their violation within 180 days or lose their ICAP benefits. If after 180 days the owner has not cured the violation, Finance will revoke the benefits. Once an owner cures the violation, Finance will restore benefits at the start of the next quarter, and this will be reflected on the following Statement of Account. Finance will not restore benefits retroactively once a violation is cured. However, if the owner successfully appeals the violation, Finance will restore benefits retroactively.

Thank you for this opportunity to testify before you today. I would be happy to answer any questions.

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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