

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE

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June 25, 2020  
Start: 11:16 a.m.  
Recess: 11:39 a.m.

HELD AT: Remote Hearing

B E F O R E: Daniel Dromm  
CHAIRPERSON  
  
Jumaane Williams  
Public Advocate

COUNCIL MEMBERS:  
Keith Powers  
Helen Rosenthal  
Diana Ayala  
Mark Gjonaj  
Vanessa L. Gibson  
Francisco Moya  
Barry Grodenchik  
Rory I. Lancman  
Jimmy Van Bramer  
Adrienne E. Adams  
Karen Koslowitz  
Laurie A. Cumbo  
Robert E. Cornegy, Jr.  
Alicka Ampry-Samuel  
Farah N. Louis  
Steven Matteo

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

1 COMMITTEE ON FINANCE

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2 UNIDENTIFIED: At this time, can  
3 Sergeants please start their recordings? Sergeant?  
4 Sergeant Leonardo, you may begin your opening  
5 statement.

6 SERGEANT-AT-ARMS: Good morning and welcome  
7 to today's New York City Council remote hearing on  
8 the Committee on Finance. At this time, would all  
9 panelists please turn on their video? To minimize  
10 disruption, please place electronic devices on  
11 vibrate or silent. Thank you for your cooperation.  
12 We are ready to begin.

13 CHAIRPERSON DROMM: Okay.

14 [gavel]

15 CHAIRPERSON DROMM: Good morning and  
16 welcome to today's meeting of the Committee on  
17 Finance. I am Council member Daniel Dromm and I am  
18 the Chair of the Committee. We have been joined by  
19 the Public Advocate Jumaane Williams and Council  
20 members Koslowitz, Adams, Chin, Grodenchik, Lancman,  
21 Perkins, Powers, Yeger, Van Bramer, Matteo, Ayala,  
22 Rosenthal, Moya, Louis, Gjonaj, Ampry-Samuel, Cumbo,  
23 and Gibson. Today, the Committee will be voting on  
24 nine items which include proposed Intro 1952 a,  
25 sponsored by Council member Gibson, which would

2 require the administration to create an online  
3 database to track the funds in connection with COVID-  
4 19 pandemic. Proposed Intro 1964 A and 1974 A,  
5 sponsored by Council member Margaret Chin and the  
6 Public Advocate Jumaane Williams, respectively, which  
7 would authorize the Counsel to adopt interest rates  
8 targeting certain and property owners who are  
9 financially impacted by COVID-19, as well as the  
10 accompanying resolution setting the authorized rates.  
11 Three resolutions relating to the banking  
12 commission's recommendations on banking on interest  
13 rates and to resolutions relating to interest rates  
14 targeting certain property owners who were  
15 financially impacted by COVID-19 and an article 11  
16 property tax exemption. Proposed Intro 1952 A would  
17 require the Mayor to establish and maintain a public  
18 online searchable and interactive database and help  
19 track the funds appropriated to and used by the  
20 Council for COVID-19-- excuse me. Used by the city  
21 for COVID-19 spending. The database would include  
22 data on the city's spending related to COVID-19  
23 funds. The database would cover agency expense and  
24 capital expenditures, city procurement contracts, and  
25 grants or loans associated with COVID-19 funds. I am

2 going to invite Council member Gibson to speak in  
3 support of the bill. Council member Gibson?

4 COUNCIL MEMBER GIBSON: Good morning, Chair  
5 Dromm, and thank you to members of the Finance  
6 Committee. I'm grateful for the opportunity to speak  
7 this morning about Intro 1957-- Sorry. 1952 A,  
8 which is a bill that would require the city of New  
9 York to create a public database on its website that  
10 would track all expenditures of federal, state, and  
11 local funds for addressing the COVID-19 pandemic,  
12 including agencies spending, city procurement  
13 contracts, grants, as well as loans. The structure  
14 of this legislation was really fired by super storm  
15 Sandy and my tracking system that was applied in  
16 local law 140 of 2013. The COVID-19 expenditures,  
17 any expense or capital expenditure, by city agencies  
18 for the services, good, or materials, programs, or  
19 construction paid for with any COVID-19 funds  
20 provided that such term shall only include personnel  
21 expenditures that are tracked as such for  
22 reimbursement. We also are looking add a wide range  
23 of participating agencies, including SBA, FEMA, as  
24 well as the state health department, New York City,  
25 H&H, the Department of Ed, SBS, NYPD, OMB, DCAS, just

2 to name a few. The Mayor will create and maintain a  
3 public, online, searchable, and interactive database  
4 on New York City's website that will include  
5 summaries of all the management of COVID-19 funds.  
6 The data included will also be available in a format  
7 that is easily able to read and download and  
8 available without any registration requirement or  
9 restrictions in its use. This bill is really  
10 important during this season, as we are dealing with  
11 the pandemic and we are reopening the city of New  
12 York and we believe that will serve as a powerful  
13 tool of, not only accountability, but transparency to  
14 ensure that resources are reaching the hardest hit  
15 communities across our city. We know that thousands  
16 of New Yorkers have lost their battle to the COVID-19  
17 pandemic and many New Yorkers are New Yorkers of  
18 color. They are older New Yorkers, 60 and older, and  
19 many of them had underlying health conditions. So,  
20 we want to make sure that there is equity and how we  
21 are making investments in communities of color and  
22 emigrant communities. And we must make sure to do  
23 everything in our power to protect vulnerable and  
24 marginalized New Yorkers. It is our fundamental duty  
25 to ensure that we are using this money wisely and

2 effectively and efficiently and this COVID-19  
3 spending tracking database will really provide a lot  
4 of information that we need now, as well as moving  
5 forward. I want to thank my cosponsor, Council  
6 member Mark Treyger, who really did a lot to make  
7 this bill happen, obviously, since his district of  
8 southern Brooklyn was so much impacted by super storm  
9 Sandy. I want to thank our Speaker Corey Johnson for  
10 his leadership, Chair Danny Dromm, all the members of  
11 this committee and, certainly, the legislative  
12 division. Thank you to Rebecca Chasen, and know a  
13 break and everyone at the finance division for all of  
14 your work and I as all of my colleagues to vote aye  
15 on this important piece of legislation related to the  
16 tracking COVID-19 spending in our city. Thank you so  
17 much, Mr. Chair.

18 CHAIRPERSON DROMM: Thank you very  
19 much, Chair Gibson. Now, turning to the two bills  
20 authorizing the Council to adopt interest rates  
21 targeting certain property owners who are financially  
22 impacted by COVID-19. Proposed Intro 1964 A,  
23 sponsored by Council member Chin would authorize the  
24 city Council to adopt a 7.5 percent late payment  
25 interest rate available to the small rental and

2 commercial buildings that have paid their property  
3 taxes on a semiannual basis and have been adversely  
4 impacted by the COVID-19 crisis. The lowered  
5 interest rate would be available between July 1 and  
6 October 15. These properties would otherwise be  
7 subject to an 18 percent interest rate. So, the  
8 bills would provide these property owners meaningful  
9 relief to address the cash flow issues that many of  
10 them are facing. Next, we have proposed Intro 1974  
11 A, sponsored by the Public Advocate which would  
12 authorize the Council to adopt a zero percent  
13 interest rate for late payment on property taxes due  
14 July 1st. This lower rate would be available to the  
15 COVID-19 impacted homeowners who pay their taxes on a  
16 quarterly basis and have incomes below 150,000  
17 dollars. The lower interest rate would be applicable  
18 through September 30. In short, this Bill will allow  
19 the Council to provide moderate interest rate--  
20 excuse me. Moderate income homeowners who have been  
21 impacted by COVID-19 more time to pay their property  
22 taxes with no penalty. In addition to the bells, the  
23 Committee will be voting on the two resolutions to  
24 set the interest rates as authorized by the  
25 legislature. I will now turn that over to Council

2 member Chin and the Public Advocate for their remarks  
3 on the bills. Council member Chin?

4 COUNCIL MEMBER CHIN: Thank you, Chair  
5 Dromm. And thank you to the members of the Finance  
6 Committee. Today, we will be voting on my  
7 legislation, Intro 1964 A which will reduce the  
8 interest rate on nonpayment of property taxes on July  
9 1 for certain small property owners affected by  
10 COVID-19. This would apply to properties with an  
11 assessed value between 250,000 and 750,000 and that  
12 have experienced a 50 percent income declined between  
13 March 7 and June 30, compared to last year. It will  
14 also apply to properties within assessed value over  
15 250,000, contains no more than 30 residential units,  
16 at which at least 50 percent are rent regulated who  
17 have experienced a 20 percent income decline in that  
18 period. Small property owners of [inaudible  
19 00:09:12], tenement buildings, [inaudible 00:09:15]  
20 East side have been languishing for some relief, and  
21 any kind of relief from the city since the brink of  
22 the shutdown. These are loads of midsize buildings  
23 with the majority rent regulated residential tenants  
24 that have been passed by family members to family  
25 members for generations. Or in Chinatown, managed

2 and owned by family associations that have shaped the  
3 culture of this community from the beginning. Many  
4 of these owners have had to deal with loads of unfair  
5 property tax assessment systems and high operating  
6 expenses and are not interested in selling their  
7 building to these speculators. Now, they are being  
8 forced to pay their property tax deadline by July 1,  
9 even though their commercial tenants, their main  
10 source of income, have had to shut their doors  
11 overnight. To the owners who have helped their small  
12 businesses tenants adjust, I think you. Our  
13 government has, for too long, turned a blind eye to  
14 the constituencies unique challenges and calls for  
15 relief. Today, we are taking a first, but important  
16 step to offers some help. I know this wasn't an easy  
17 fight, so I think the entire committee on finance  
18 team, including LaTonya McKinney, Rebecca Chasen,  
19 Emory Eddie, Rain Machesky [sp?], Andrew Wilburn, and  
20 Noah Briggs, as well as my legislative director,  
21 Marion Guerra, for never giving up. The  
22 administration was giving us such a hard time. And I  
23 want to thank the Speaker, Chair Dromm, and Jason for  
24 your incredible leadership. The fight continues and

2 I hope all my colleagues will vote yes on the bill.  
3 Thank you.

4 CHAIRPERSON DROMM: Thank you very  
5 much, Council member Chin. Let's now hear from the  
6 Public Advocate Jumaane Williams.

7 PUBLIC ADVOCATE WILLIAMS: Thank you very  
8 much, Chair Dromm and members of the Committee on  
9 Finance for holding a vote today on mine and other  
10 bills. Today, the committee will vote on my bill,  
11 Intro number 1974 A, which provides economic relief  
12 for certain property tax owners who have been  
13 affected by COVID-19. Excuse me. According to the  
14 New York State Department of Labor, 1.5 million New  
15 Yorkers received unemployment benefits in May, which  
16 does not include the thousands of pending  
17 applications. The economic impact that COVID-19 has  
18 had on the city and our residents can be felt and  
19 seen everywhere. While we enter the final days  
20 before the budget must be adopted, what must be  
21 central in these negotiations is the need to ease the  
22 financial burden on New Yorkers by investing in vital  
23 social supports. Intro number 1974 A balances the  
24 need for the city to collect property taxes to pay  
25 for those social supports, which is our biggest

2 revenue source, while extending economic relief to  
3 those who need it the most. Intro number 1970 A D  
4 furs July's property tax payment to October, giving  
5 New Yorkers more time to pay their tax liability with  
6 no interest applied. If property owners still  
7 struggle to make their payments by October, they can  
8 then apply for the cities property tax aide program  
9 which provides an installment agreement. The  
10 property tax deferral is applied to residential  
11 properties within assessed value-- not market value,  
12 but assessed value of 250,000 or less, where the  
13 property is the owner of primary residence. Property  
14 owners with combined income up to 150,000 dollars,  
15 property owners who have been adversely affected by  
16 COVID-19, including having been diagnosed with or  
17 family member diagnosed with COVID-19, experienced  
18 symptoms of COVID-19 and sought a medical diagnosis,  
19 who lost the primary source of income due to COVID-19  
20 between March 7 and June 30, 2020, which continued  
21 for at least one month. Would like to recognize and  
22 thank the Mayor's Office for helping, to a necessary  
23 agreement and, of course, the Council Finance  
24 Department, Noah Briggs, Rebecca Chasen, for their  
25 work on the bill. And my staff, director of

2 legislation, Casey Addison, legislation associates  
3 Annika Shale, and Brandon Jordan, first deputy public  
4 advocate Nick Smith and chief deputy public advocate  
5 for policy Veronica Avis and my entire policy  
6 division. Thank you.

7 CHAIRPERSON DROMM: Thank you very  
8 much. Somebody means to mute themselves. There is  
9 some background noise. Please check to be sure that  
10 you are muted. Thank you. Next, we have the five  
11 resolutions that would set certain interest rates for  
12 fiscal 2021. Every year, the Banking Commission  
13 provides recommendations to the Council relating to  
14 the discount received five property owners who pay  
15 their property taxes early and the interest rates  
16 paid by property owners who pay their property taxes  
17 late. For fiscal 2021, the Banking Commission has  
18 made the following recommendations. A one half of  
19 one percent discount rate for those who pay their  
20 property taxes early, a 3.5 percent interest rate for  
21 the first quarter of fiscal year 2021, and a five  
22 percent for the second, third, and fourth quarters of  
23 fiscal 2021 for the late payment of property taxes on  
24 properties with an assessed value of 250,000 dollars  
25 or less and an 18 percent interest rate for fiscal

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2 2021 for the late payment of property taxes on  
3 properties within assessed value of more than 250,000  
4 dollars. After careful consideration of the Banking  
5 Commission's submission to the Council, the Council  
6 is recommending that the interest rate be approved as  
7 set forth by the Banking Commission's  
8 recommendations. Lastly, we have an article 11  
9 property tax exemption. 3415 Knox Place in Council  
10 member Cohen's district would receive a full 40 year  
11 article 11 exemption to preserve 25 units of  
12 affordable rental housing. The Council member is  
13 supportive of the project. So those are all of  
14 today's items. Are there any questions? Okay. I  
15 will now as William Martin, Committee Clerk, to call  
16 the roll.

17 COMMITTEE CLERK: Good morning. William  
18 Martin, Committee Clerk, roll call vote Committee on  
19 Finance. All items are coupled. Chair Dromm?

20 CHAIRPERSON DROMM: I vote aye.

21 COMMITTEE CLERK: Gibson?

22 COUNCIL MEMBER GIBSON: I vote aye.

23 COMMITTEE CLERK: Cumbo? Council member  
24 Cumbo?

25 UNIDENTIFIED: I'll call her, Billy.

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2 COMMITTEE CLERK: Koslowitz?

3 COUNCIL MEMBER KOSLOWITZ: I vote aye.

4 COMMITTEE CLERK: Lancman?

5 COUNCIL MEMBER LANCMAN: Aye.

6 COMMITTEE CLERK: Rosenthal?

7 COUNCIL MEMBER ROSENTHAL: You know, with  
8 congratulations to the finance staff and the bill  
9 sponsors, especially Council member Gibson, your  
10 legislation is exactly the transparency that this  
11 city needs. And you can tell by reading through the  
12 committee report how hard this staff worked on it.  
13 So I really want to thank you and congratulate you  
14 and, with that, I'm voting aye on all.

15 COMMITTEE CLERK: Van Bramer?

16 COUNCIL MEMBER VAN BRAMER: I vote aye.

17 COMMITTEE CLERK: Grodenchik?

18 COUNCIL MEMBER GRODENCHIK: Aye.

19 COMMITTEE CLERK: Adams?

20 COUNCIL MEMBER ADAMS: I vote aye.

21 COMMITTEE CLERK: Ampry-Samuel?

22 COUNCIL MEMBER AMPRY-SAMUEL: I vote  
23 aye.

24 COMMITTEE CLERK: Ayala?

25 COUNCIL MEMBER AYALA: I vote aye.

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2 COMMITTEE CLERK: Moya?

3 COUNCIL MEMBER MOYA: I vote aye.

4 COMMITTEE CLERK: Powers?

5 COUNCIL MEMBER POWERS: Aye.

6 COMMITTEE CLERK: Louis?

7 COUNCIL MEMBER LOUIS: I vote aye.

8 COMMITTEE CLERK: Cumbo? Gjonaj?

9 Matteo?

10 COUNCIL MEMBER MATTEO: I'm going to,  
11 because I think some of these rates should be lower  
12 and actually zeroed out, I'm going to vote no on  
13 1347, 1348, 1349, and aye on the rest.

14 COUNCIL MEMBER GJONAJ: Yeah. I'm on. All  
15 you've got to do is just-- Yeah.

16 COMMITTEE CLERK: Council member Gjonaj?

17 COUNCIL MEMBER GJONAJ: Aye on all. I  
18 vote aye on all. Do you hear me?

19 CHAIRPERSON DROMM: Yes.

20 COMMITTEE CLERK: Yes, sir. Thank you.

21 COUNCIL MEMBER GJONAJ: Thank you. Thank  
22 you.

23 COMMITTEE CLERK: Council member Cumbo?

24 All items on today's finance committee have been  
25 adopted by a vote of 15 in the affirmative, zero in

2 the negative, and no extensions with the exception of  
3 three pre-considered resolutions in regarding to the  
4 setting of fiscal interest rates which have been  
5 adopted by the Committee 14 in the affirmative, one  
6 in the negative, and no extensions. Thank you.

7 CHAIRPERSON DROMM: I guess we're going  
8 to now adjourn this meeting and I will do that saying  
9 that it is 11:39 a.m. in the morning and this meeting  
10 is now adjourned.

11 [gavel]

12 CHAIRPERSON DROMM: Thank you.

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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 \_\_\_\_\_ July 1, 2020 \_\_\_\_\_