



Legislation Text

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**File #:** Res 1069-2016, **Version:** \*

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Preconsidered Res. No. 1069

Resolution to establish that the interest rate to be charged for Fiscal Year 2017 for non-payment of water rents and sewer rents be 9 percent per annum.

By Council Member Ferreras-Copeland

Whereas, Pursuant to sections 11-312(c) and 11-313(e) of the Administrative Code of the City of New York, the Banking Commission is required to recommend to the City Council, not later than the 13<sup>th</sup> day of May of each year, the proposed interest rate to be charged for non-payment of water rents and sewer rents; and

Whereas, Sections 11-312 and 11-313 of the Administrative Code of the City of New York allow the Council to adopt interest rates to be charged for non-payment of water rents and sewer rents that become due and payable on or after July 1, 2005 pursuant to section 11-224.1 of the Administrative Code of the City of New York; and

Whereas, Sections 11-312 and 11-313 of the Administrative Code require the Banking Commission to propose a rate at least six percent per annum greater than the prevailing interest rate charged for commercial loans extended to prime borrowers by commercial banks operating in the City (the “Prime Rate”), to be charged for non-payment of water and sewer rents; and

Whereas, The Banking Commission notes that as of May 10, 2016, the Prime Rate stands at three and one-half percent as published by the Board of Governors of the Federal Reserve System; and

Whereas, The Banking Commission forwarded its recommendation to the Council, by letter dated May 11, 2016, that the interest rate to be charged for non-payment of water rents and sewer rents be 9.5 percent per annum for Fiscal Year 2017; and

Whereas, The Council determines that the interest rate to be charged for non-payment of water rents and

sewer rents should be 9 percent per annum for Fiscal Year 2017; now, therefore, be it

Resolved, That the Council of the City of New York establishes that the interest rate to be charged for Fiscal Year 2016 for non-payment of water rents and sewer rents be 9 percent per annum.

RC LS#8179  
5/19/16