

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

1

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CITY COUNCIL
CITY OF NEW YORK

----- X

TRANSCRIPT OF THE MINUTES

Of the

NEW YORK CITY ADVISORY
COMMISSION ON
PROPERTY TAX REFORM

----- X

May 11, 2021
Start: 6:01 PM
Recess: 6:59 PM

HELD AT: REMOTE HEARING (VIRTUAL ROOM 4)

B E F O R E: Marc V. Shaw,
Chairperson for New York City
Advisory Commission on Property
Tax Reform

COMMISSION MEMBERSHIP:

Allen P. Cappelli
Carol O'Cleireacain
Kenneth J. Knuckles
James Parrott
Gary Rodney
Elizabeth Velez

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

2

A P P E A R A N C E S

1
2
3 Michael Cusick
4 NYS Assembly Member

5 Michael Tannousis
6 Assembly Member of the 64th Assembly District.

7 David Carr Chief
8 Staff council, speaking on behalf of Minority
9 Leader Steven Matteo.

10 Michael Reilly
11 Assemblyman or the 62nd Assembly District

12 Elena Imperato
13 Co-op Building Manager

14 Sal Albanese
15 Former Councilman

16 Michael Ienuso
17 Staten Island Homeowner

18 Vijay Dandapani
19 President and CEO of the Hotel Association of New
20 York City

21 George S. Wonica
22 Conservative Party Candidate for the 50th
23 District for City Council

24 Jeffrey Golkin
25 Attorney and Advocate for Property Owners

Laura Timoney
Homeowner

Mary Ann Rothman
Executive Director of the Council of New York
Cooperatives and Condominiums

Kamillah Hanks
Candidate for City Council, Property Owner on
Staten Island, Founder of the Minority Women in
Business, And Community Advocate.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

3

A P P E A R A N C E S (CONT.)

Michael Batson
Member of the Professional Staff Congress

Barbara Bowen

Nicole Malliotakis

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

4

SERGEANT SADOWSKY: PC recording has started.

CHAIRPERSON SHAW: Alright, thank you. Uh...

SERGEANT PEREZ: Give me a second, hold on.

Cloud recording and back up recording is starting.

Good evening, welcome to this remote hearing of the New York City Advisory Commission on Property Tax Reform. Everyone, please turn on your video at this time. Silence all electronic devices.

All written testimony can be submitted at nyc.gov/propertytaxreform/testimony. Again, that is nyc.gov/propertytaxreform/testimony. Thank you, Chair, you're ready to begin.

CHAIRPERSON SHAW: Thank you... Thank you, Sergeant. Hi, my name is Marc Shaw, I'm the Chair of the New York City Advisory Commission on Property Tax Reform. Today's Zoom hearing is the first of five borough based hearings on the preliminary report of the Advisory Commission. The Brooklyn Zoom hearing has been scheduled to May 27th at 6:00 P.M. and the hearings will soon be scheduled for Queens, Bronx, and Manhattan.

If you are unable to attend your borough's hearing, please know that members of the public may attend any hearing regardless of their home

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

5

1
2 borough. As a reminder, all people wishing to
3 testify, must register on the Advisory
4 Commission's website at least 24-hours prior to
5 the start of the hearings.

6 Also, for members of the public who are
7 listening, who'd like to submit written testimony,
8 they may do so at any time at any time at
9 nyc.gov/propertytaxreform/testimony.

10 In January of 2020, the commission released
11 ten preliminary recommendations to reform the
12 property tax system. Hearings were initially
13 planned to begin in March 2020 but delayed to due
14 to COVID-19. We request that public testimony
15 specifically respond tonight to the commission's
16 ten recommendations. I will now read the
17 commission's ten preliminary recommendations:
18 One, the commission recommends moving co-ops,
19 condos, and rental buildings, with up to ten
20 units, in to a new residential class along with
21 one to three family homes. The property tax
22 system will continue to consist of four classes of
23 property: Residential, large rentals, utilities,
24 and commercial.

25

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

6

1
2 Two, the commission recommends using a sales
3 based methodology to value all properties in the
4 residential class.

5 Three, the commission recommends assessing
6 every property in the residential class at its
7 full market value.

8 Four, the commission recommends that annual
9 market value changes in the new residential class
10 be phased in over five years at a rate of 20
11 percent per year. And that assessed value growth
12 caps should be eliminated.

13 Five, the commission recommends creating a
14 partial homestead exemption for primary resident
15 owners with income below a certain threshold. The
16 exemption would be available to all eligible
17 primary resident owners in the residential class
18 and would replace the current condo co-op tax
19 abatement.

20 Six, the commission recommends creating a
21 circuit breaker within the property tax system to
22 lower the property tax burden on low income
23 primary resident owners based on the ratio of
24 property tax paid to income.

25

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

7

1
2 Seven, the commission recommends replacing the
3 current class share system with a system that
4 prioritizes predictable and transparent tax rates
5 for property owners. The new system would freeze
6 the relationship of tax rates among the tax
7 classes for five year periods after which the city
8 would conduct a mandated study to analyze if
9 adjustments need to be made to maintain
10 consistency in the share of taxes relative to fair
11 market value born by each class.

12 Eight, the commission recommends that current
13 evaluation methods should be maintained for
14 properties not in the new residential class, which
15 includes rental buildings with more than ten
16 units, utilities, and commercial.

17 Nine, the commission recommends a gradual
18 transition to the new system for current owners,
19 with an immediate transition in to the new system
20 whenever property in the new residential class is
21 sold.

22 Finally, ten, the rec... The commission
23 recommends instituting a comprehensive review of
24 the property tax system every ten years.

25

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

8

1
2 I would like now to introduce the public to
3 the other members of the commission. And, we'll
4 go around in alphabetical order, but since this is
5 Staten Island, it just so happens that it starts
6 with Allen Cappelli. So, Allen, you're on.

7 ALLEN CAPPELLI: Hello there, well first of
8 all, I'd like to thank Mayor de Blasio and Speaker
9 Corey Johnson for giving me an opportunity to take
10 on the latest heavy challenge facing New Yorkers,
11 and especially facing Staten Islanders. And, I
12 have enjoyed it to date.

13 Unfortunately, a year ago, we got shut down
14 because of COVID. We had done a lot of work until
15 that point, and now we are hopefully ready to come
16 up with final recommendations that can serve as a
17 blueprint for equity for all of New York. But my
18 heart is also looking for equity for Staten
19 Islanders, since I have been out here virtually
20 all of my life.

21 I just want to assure the members of the
22 public that the members of this commission are
23 some of the greatest minds I've met in government.
24 And I'm very confident that together we'll come up
25 with something that will serve the needs of this

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

9

1 region for years to come. So, thank you for
2 joining in. We will take everything you say
3 seriously, and good luck to us all.
4

5 CHAIRPERSON SHAW: Carol, you're up. Unmute.

6 CAROL O'CLEIREACAIN: Sorry, I thought I was
7 gonna be unmuted, okay. I'm Carol O'Cleireacain,
8 and I too am looking... Really looking forward to
9 hearing how people are reacting to this. We
10 worked really hard on this proposal. I am
11 currently an Adjunct professor up at Columbia
12 University, but I have in my past been both the
13 Finance Commissioner of New York City and the
14 Budget Director of New York City. So, no good
15 deed has gone unpunished and here I am for more
16 work. Thank you.

17 CHAIRPERSON SHAW: Mr. Knuckles?

18 KENNETH KNUCKLES: Good evening Chair Shaw and
19 colleagues and to the citizens of Brooklyn. Good
20 evening, my name is Kenneth Knuckles. I am
21 currently the Vice Chair of the New York City
22 Planning Commission. I am a lawyer with a
23 background in public service. I served along
24 Commissioner O'Cleireacain during the Dinkins'
25 administration, where I was Commissioner of

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

10

1
2 General Services. I reside in the Northeast
3 Bronx, and I am a... an owner of a two-family
4 home where I've resided for 38 years. And I look
5 forward to the input and testimony from this
6 evening. Thank you.

7 CHAIRPERSON SHAW: James Parrott, you're next.

8 JAMES PARROTT: James Parrott, Director of
9 Economic and Fiscal Policies at the Center for New
10 York City Affairs. I am... am an owner of a two
11 family home in Parkville Brooklynn and have been
12 for the past 25 years. This has been a very
13 intense process, unfortunately interrupted, as
14 many things were, by COVID. It is an eminently
15 serious proposal. We're all aware that property
16 tax reform has... is long overdue, and has
17 awaited a thorough, comprehensive examination.
18 Which, I think we have... have begun. We're very
19 much looking forward to getting input and feedback
20 from property owners through... across New York
21 City beginning in Staten Island this evening.
22 Thank you.

23 CHAIRPERSON SHAW: Thank you. And, finally,
24 Elizabeth Velez?

25

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

11

1
2 ELIZABETH VALEZ: Good evening, everybody and
3 I echo all the commission members with the desire
4 to create a property tax systems that's fair,
5 predictable, and transparent. I am a private
6 business person running a construction firm in New
7 York City all my life. Born in Brooklyn. I'm a
8 renter... was a renter in Manhattan and am now a
9 renter in... The Bronx. So, looking forward to
10 hearing all your comments regarding the report
11 that was prepared last year. Thank you, Mr.
12 Chair.

13 CHAIRPERSON SHAW: Thank you, Elizabeth. So,
14 in... in addition to the commission members,
15 which all just introduced themselves, we... we
16 have with us a number of Ex-Officio Members of the
17 commission, both from the city council as well as
18 the mayor's office. So, they are both here as Ex-
19 Officio Members and are listening to the
20 testimony. With that I'd like to turn it over to
21 our moderator tonight, Rebecca Chasan, to walk us
22 through the public hearing part of this process.

23 COMMITTEE COUNSEL: Thank you, Chair Shaw. My
24 name is Rebecca Chasan, and I am Counsel to the
25 New York City Council's Committee on Finance.

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

12

1
2 Before we begin, I want to remind everyone that
3 you will be on mute until you are recognized to
4 speak, at which time you will be unmuted by the
5 Zoom host. If you mute yourself after you have
6 been unmuted, you will need to be unmuted again by
7 the host. Please be aware that that there could
8 be a momentary delay in that process, so please
9 bear with us and be patient.

10 I will be calling on panelists to testify one
11 by one. So, please listen for your name to be
12 called. During the hearing, commission members,
13 (BACKGROUND NOISE 10:04) you have the ability to
14 unmute yourself, so please do so at the
15 appropriate time when you have questions, but
16 please remember do go back on mute once you have
17 concluded your questions.

18 We will now hear testimony from the public.
19 For panelist, once your name is called, a member
20 of our staff will unmute you, and the Sergeant at
21 Arms will give you the go ahead to begin. Please
22 wait for the Sergeant to announce that you may
23 begin before delivering your testimony, and you
24 will have two minutes to present your testimony.

25

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

13

1 We will first hear from Assembly Member Cusick,
2 followed by Assembly Member Tannousis.

3
4 SERGEANT SADOWSKY: Time starts now.

5 ASSEMBLY MEMBER CUSICK: Thank you, thank you
6 members of the commission. I want to thank all of
7 you for having this. And I want to applaud you
8 for having it by borough, because representing
9 Staten Island, and many of you are from Staten
10 Island understand the unique needs, particularly
11 when it comes to property taxes here in our
12 borough. Because I... we have two minutes, I
13 am... I am going to submit a written testimony to
14 address each of the points in your report. Bu, I
15 wanted to just focus on one because of the short
16 time limit. And that, uh, and... And give you
17 maybe some... some research to help you with it.

18 On point six, the commission recommends the
19 circuit breaker, which I strongly agree with you.
20 I think it is a great tool to provide fairness in
21 the property tax system in New York City. And I
22 just wanted to let you know that the New York
23 State assembly and senate, we have a bill that's
24 in the legislature already that addresses the
25 circuit breaker system. And I do think that this

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

14

1 is one of the fair ways of addressing it and
2 addressing the fairness issue of distributing
3 property taxes. The bill number in the assembly
4 in A4744. And I do think that it is something
5 that we could work together with. It is a bill I
6 sponsor, and Senator Gianaris, in the senate, has
7 sponsored for the last two years. And, I think
8 working with the city and working with the
9 commission, it is definitely something that I
10 think will address the fairness issue,
11 particularly the one that Staten Islanders face
12 when it comes to property taxes.

14 I want to also say that I hope that we can
15 continue this commission, your great work, you
16 know, on a daily basis... (CROSS-TALK)

17 SERGEANT AT ARMS: Time... (CROSS-TALK)

18 ASSEMBLY MEMBER CUSICK: I would like to have
19 it occur each year, to have you continue on,
20 because I think the commission would be a good
21 watchdog as we move forward with any of the issues
22 that you come up with in your report. Thank you
23 for your time.

24 COMMITTEE COUNSEL: Thank you, Assembly
25 Member. We will now hear from Assembly Member

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

15

1
2 Tannousis, followed by David Carr on behalf of the
3 Council's Minority Leader Steven Matteo.

4 SERGEANT AT ARMS: Time starts now.

5 ASSEMBLY MEMBER TANNOUSIS: Thank you so much
6 to the Commissioner for having me here today.
7 Happy to see that there's many Staten Islanders on
8 this commission. My name is Michael Tannousis,
9 and I'm the Assembly Member representing the 64th
10 Assembly District, which encompasses the east
11 shore of Staten Island and a portion of Bay Ridge,
12 Brooklyn.

13 As many of you know, there was a severe
14 inequity in this city when it comes to property
15 taxes. Property owners throughout my district,
16 both in Staten Island and Bay Ridge, have been
17 treated unfairly, paying higher property taxes
18 than other areas of the city. The Staten Island
19 median effective tax rate is 1.12 percent;
20 citywide median effective tax rate... I'm sorry
21 the Staten Island median effective tax rate is .12
22 percent; the citywide median effective tax rate is
23 .95 percent.

24 In the district where Mayor de Blasio resides,
25 they pay .26 percent. The lowest rate in all five

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

16

1 boroughs. On average, Staten Islanders pay
2 property taxes on 98.5 percent of their actual
3 home values. While the average for homeowners in
4 the other boroughs is about 87.2 to 88.5 percent.
5 When Mayor de Blasio ran for office back in 2013,
6 he ran on a platform devoted to ending the tale of
7 two cities, which he vowed to do something in
8 regards to the property tax inequalities.
9 Obviously, to date, nothing has happened. We've
10 had COVID. But I'm happy to see that we're taking
11 that... that you're taking on that battle now.

12
13 These public hearings are a long time coming.
14 An overhaul is desperately needed, and as I told
15 Mayor de Blasio back in February, during the
16 budget hearings, New York City residents are
17 fleeing in droves, our fellow residents,
18 especially Staten Islanders, do not feel that
19 they're getting their fair share from our local
20 government.

21 Reports have been released recently that have
22 shown real estate revenue in nearby New Jersey has
23 increased as a result of the New Yorkers moving
24 there from New York City. So, something needs to
25 be done. It needs to be done now. I thank you so

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

17

1
2 much for doing this. And, uh, and on behalf of
3 the Staten Islanders, thank you so much, and I
4 hope to see good things from you guys in the
5 future. Thank you.

6 COMMITTEE COUNSEL: Thank you. We will now
7 hear from David Carr on behalf on Council Minority
8 Leader Steven Matteo, followed by Assembly Member
9 Michael Reilly.

10 SERGEANT AT ARMS: Time starts now.

11 DAVID CARR: Good evening, as was stated, my
12 name is David Carr, Chief of Staff for Council
13 Minority Leader Steven Matteo, and this is his
14 testimony presented on his behalf.

15 Thank you for the opportunity to share my
16 thoughts about the Commission's Preliminary
17 report. We know it's been a long process that was
18 unavoidable thanks to the COVID-19 pandemic. And it
19 puts additional pressure on us for us to complete
20 this work this year.

21 The commission's first and most important
22 consideration that must guide all deliberations, is
23 first do no harm. While unintended consequences are
24 inevitable, whenever government seeks to reform a
25 complicated system, the commission must make every

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

18

1 effort to ensure that any reforms made do not make
2 the situation worse.

3
4 In fact, I would like to state clearly and
5 unequivocally that the result of this process has to
6 be lower property taxes for Staten Islanders.
7 Property taxes are too high and they're ever-
8 increasing. Now more than ever, with the economic
9 devastation caused by the pandemic and inflationary
10 pressures in our economy, the steady creep of
11 property taxes must be reversed. It's vitally
12 important if we expect to continue to have a
13 middleclass in this city.

14 The tax system has long been confusing,
15 antiquated, and inequitable. The average New Yorker
16 cannot explain how their property tax is determined,
17 and it's a welcome recommendation that the commission
18 wants to adopt an easily understandable system moving
19 forward. Predictability is another important goal.
20 From year to year homeowners should have the ability
21 to predict approximately what they will be paying in
22 the future.

23 For many years, middleclass home owners justified
24 staying in our city because property taxes were lower
25 here relative to nearby suburban communities in

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

19

1 Jersey, Long Island, and the Hudson Valley. But, now
2 we are seeing more and more flee the city due to the
3 increasing property taxes in closing the gap between
4 nearby counties.
5

6 In that vein, I would like to point out that
7 recommendation five would create a partial homestead
8 exemption for primary resident home owners with an
9 income below a certain threshold. And, similarly,
10 recommendation six, the circuit breaker, is also tied
11 to an income... a specific... an unspecified
12 income. We need to define what that income and that
13 threshold is going to be. And it's key for these
14 recommendations in order to accurately reflect those
15 who actually need help. If we set those thresholds
16 too low, then these recommendations will not help our
17 (INAUDIBLE 17:56)... (CROSS-TALK)

18 SERGEANT AT ARMS : Time (INAUDIBLE 17:58)

19 DAVID CARR: Who are not wealthy by any average
20 definition. They have to be carefully crafted to
21 include middleclass homeowners, many of whom are
22 struggling to make ends meet. We have an
23 opportunity make changes to make our property
24 taxes fairer and more predictable and more
25 transparent. I look forward to working with the

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

20

1
2 commission to ensure that we provide a fair
3 property tax system that provides meaningful
4 relief from burdensome taxation now and in to the
5 future. Thank you.

6 COMMITTEE COUNSEL: Thank you. We'll now
7 hear from Assembly Member, Michael Reilly,
8 followed by Elena Imperato.

9 SERGEANT AT ARMS: Times starts now.

10 COMMITTEE COUNSEL: Assembly Member, you may
11 begin when ready.

12 MICHAEL REILLY: Good evening everyone, my name
13 is Michael Reilly, I... I am the Assemblyman for
14 the 62nd Assembly District, which represents the
15 south shore of Staten Island. First, I just want
16 to thank the Property Tax Commission for taking on
17 this work and making sure that we address these
18 issues.

19 I appreciate that the Property Tax Commission
20 is making an effort this evening to here from
21 Staten Island homeowners who have carried the
22 burden for many years now... of rising property
23 taxes. Part of me understands that this is a
24 result of rising home values, a sign that would
25 otherwise be a good indicator of our community

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

21

1
2 being a desirable one to live in. However, this
3 has led to us to discover inequities within our
4 city's property tax system.

5 I understand that there are recommendations
6 for possible reforms being made through the state
7 legislature, which would fall within my pre...
8 purview as a state legislator. But, the root of
9 this issue is connected to the city's antiquated
10 and inaccurate assessment of class one properties,
11 many of which are located on Staten Island and the
12 outer boroughs -- based on statistical data, as
13 opposed to in person assessments by qualified
14 assessors, which is actually already mandated by
15 state law.

16 While I am... I am happy to see that the
17 Property Tax Home Commission is attempting to move
18 the needle on this issue by finally receiving
19 testimony again, the bottom line is that we need
20 to move quicker. The clock is ticking, and each
21 minute we wait to address the crushing cost of
22 living here in New York City, which includes
23 the... the out of control property taxes, is
24 another person, another family, that will flee
25 this state for somewhere with less taxes, and

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

22

1 quite frankly, a much better quality of life. I
2 hope that the members of the Property Tax Reform
3 Commission listen with full ears to the testimony
4 provided tonight, not only from the electeds, but
5 mainly from the residents of our community.
6 Because, if we fail to address these concerns, New
7 York City... City will continue to head down this
8 road of fiscal decline. I thank you for
9 everything you're doing. And, I want to echo my
10 colleague, Michael Cusick's, sentiment that I
11 think it would be great to have the commission in
12 existence and continually monitor. Because this
13 issue is not gonna go away overnight, and I think
14 it's a long term effort. And I appreciate all the
15 work that you're doing. Thank you so much.

17 COMMITTEE COUNSEL: Thank you. I will now hear
18 from Elena Imperato followed by Sal Albanese.

19 SERGEANT AT ARMS: Time starts now.

20 ELENA IMPERATO: Hi, good evening, I just want
21 to say thank you to the commission for giving me
22 this opportunity to speak. I manage a 72 unit co-
23 op building (BACKGROUND NOISE 21:18) on Staten
24 Island. And there's so many... They're paying
25

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

23

1
2 more taxes per unit than most single family
3 residential homes on Staten Island.

4 There is very... it's based on comparable
5 rentals instead of comparable sales in the
6 building. And buildings that have a higher sale
7 bases on Staten Island are paying less in real
8 estate taxes for their whole building than we are.
9 We're in the Diamond Hills area of Staten Island,
10 and the co-op tax abatement versus the partial
11 homestead exemption for primary owners with income
12 below a certain threshold, I believe that all co-
13 op and condo owners, regardless of their income,
14 should receive this exemption if this is their
15 primary residence.

16 And I've already submitted documentation to
17 you via email in regards to the property taxes --
18 how much they've increased over the years for the
19 building. I hope someone gets a change to take a
20 look at it. (BACKGROUND NOISE 22:26) Thank you
21 very much for your time. I appreciate it.

22 COMMITTEE COUNSEL: Thank you for your
23 testimony. I will now hear from Sal Albanese
24 followed by Michael Ienuso.

25 SERGEANT AT ARMS: Time starts now.

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

24

1
2 SAL ALBANESE: Good evening, this is former
3 Councilman Sal Albanese, and it's great to look
4 out at the commission and see some very brilliant
5 minds that I've known for a long time. So, I'm
6 really... I'm really optimistic about the
7 commission. Let me... Let me... Let me say that
8 this is a difficult task that you have... that
9 you've taken on. And I appreciate it and thank
10 you for doing it. But it's clear that the
11 inequities in the system have resulted in Staten
12 Island residents and other middleclass and working
13 class neighborhoods in this city being taxed
14 unfairly for years. And I... and the proper...
15 this property tax system is a mystery. Nobody can
16 figure it out. It's overly complex. It's opaque.
17 And it's arcane as well as unfair.

18 When you have a home owner on Staten Island
19 who owns a home where it's six hundred thousand
20 dollars, paying eight thousand dollars in property
21 taxes, and then somebody Park Slope, who owns a
22 home that's worth over a million dollars paying
23 four grand, you could understand how frustrating
24 it is and angry people get. And also, it erodes
25 the faith... faith in government. And I hear

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

25

1 this all the time around Staten Island. That's
2 it's... it's a major, major issue, and as was
3 pointed out by other legislators, folks leave the
4 city because they can't... their property...
5 their...`their property rich and cash poor.
6 And... And these taxes continue to go up, and
7 they're unfair.
8

9 We need a property taxes and it's predictable,
10 transparent -- the opposite of we have today.
11 Some of the recommendations that you've put
12 forward are really excellent, they're good. I
13 echo Michael Cusick with the circuit breaker
14 number six. I think that's an excellent idea.
15 However, any recommendation that places a heavier
16 burden on working... On middleclass and working
17 class folks in this city that are property owners,
18 is a nonstarter.

19 And I go back in to the late 70's when there
20 was a huge middle... (CROSS-TALK)

21 SERGEANT AT ARMS: Time.

22 SAL ALBANESE: There was... There was a
23 movement to tax folks at a hundred percent of
24 their value when... and... real estate value,
25 and people when berserk. And there was a huge

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

26

1
2 backlash. Whatever you do, it has to be fair,
3 predictable, and politically acceptable. You have
4 to make it politically acceptable; all...
5 Although, it's not going to... Otherwise, it's
6 not gonna work. Thank you.

7 COMMITTEE COUNSEL: Thank you. I will now hear
8 from Michael Ienuso followed by Vijay Dandapani.

9 SERGEANT AT ARMS: Time starts now.

10 MICHAEL IENUSO: Yes, hello, I want to thank
11 the commission today for listening to us. I'm a
12 homeowner in Staten Island; my name is Mike
13 Ienuso. I would also like to thank Councilman
14 Matteo and Cusick, in which I live in their
15 district.

16 The reason for this, uh, in fact I actually
17 talked to Allen Cappelli, and I want to thank him
18 for his service with the MTA and being on the
19 advisory commission.

20 I'm a four year Navy veteran with an honorable
21 discharge from 1975 to 1979. I worked for the
22 Transit Authority for 40 years. And I lived in
23 Brooklyn. I was born in Brooklyn, and I lived in
24 Staten Island. I retired in June of '17. Governor
25 Cuomo finally passed The Buy Back bill S-7160 and,

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

27

1
2 A-9531 back in 2016. He signed this Buy Back
3 bill, and I'm asking the Department of Finance and
4 the commission to lower property taxes on Staten
5 Island for all of its citizens.

6 Also, for the main reason why I'm calling is
7 that I would like for New York City to opt in on
8 the Cold War Veteran's Exemption from real
9 property taxation. When Governor Cuomo passed
10 that Buy Back bill it said that any military
11 person would be considered a veteran. Now, being
12 that I live in Staten Island, I would have to move
13 out of the city and move somewhere else in the
14 state to get my Cold Water... Cold War Veteran's
15 Property Tax Exemption, which I think is very
16 unfair.

17 We've been trying to change this for a while,
18 with the help of Assemblyman Cusick, Senator
19 Lanza, and also Councilman Matteo. And I
20 appreciate David Carr for being there today, and
21 Allen Cappelli. And I just hope that we can opt
22 in... (CROSS-TALK)

23 SERGEANT AT ARMS: Time

24 MICHAEL IENUSO: for that property tax
25 exemption for the Cold Veterans. I want to thank

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

28

1
2 the commission for their time, their
3 consideration, and all their efforts from now and
4 in to the future.

5 COMMITTEE COUNSEL: Thank you so much. We will
6 now hear from Vijay Dandapani followed by George
7 Wonica. Mr. Dandapani, I just want to make sure
8 that you're at a safe place to testify?

9 VIJAY DANDAPANI: Yes and thank you.

10 COMMITTEE COUNSEL: Thank you.

11 SERGEANT AT ARMS: Time starts now.

12 VIJAY DANDAPANI: Thank you, my name is
13 Vijay... Oh, thank you, my... My name is Vijay
14 Dandapani, I'm President and CEO of the Hotel
15 Association. I want to thank the commission
16 members for their effort over here. And I know
17 where the focus is... Thus far been on
18 residential; I've testified before in early
19 hearings.

20 I represent the hotel industry with 50,000
21 workers, Pre-COVID, and over 300 hotels in our
22 association. Our industry was very severely
23 affected by the COVID Crisis, more so than any other,
24 and we, unlike, other than tax class four, bear the
25 property tax burden ourselves.

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

29

1
2 And, while it has trended down a little bit this
3 year, despite revenues going around... Going down 85
4 percent, really the trending down the RPG bill for us
5 is about 25 percent on average. So, we are
6 suggesting some sensible solutions to these very
7 critical issues just so that hotels can reopen more
8 quickly. One of the... And, I submitted written
9 testimony, bearing in mind we have only two minutes.
10 But, at a minimum we'd like to get another look at
11 appraisals for... And reassess the need (INAUDIBLE
12 29:25) our traditionally used to... To be taken
13 another look at, on account of the fact that during
14 COVID we had to spend considerably more. And, to
15 reopen, we'll be spending considerably more on
16 (INAUDIBLE 29:37), and that really plays in to our
17 access value.

18 So, we urge the Property Tax Commission to
19 consider that aspect with regard to us being in tax
20 class four. Our revenue... Our day to day, unlike
21 others in class four, which really has (INAUDIBLE
22 29:51), we all know that the hotel industry plays a
23 critical role in the economic come back for the city,
24 and in order to contribute to this effort, hotels
25 must get through these economically difficult times,

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

30

1
2 and the tax burden is a critical part of that, uh,
3 in... In... In enabling us.

4 I thank you all for your time, and I thank the
5 commission members for your devotion to this very
6 important task. We realize there's inequities all
7 around, but these... We, too, look for transparency
8 and predictability. Thank you again for your time.

9 COMMITTEE COUNSEL: Thank you. We will now
10 hear from George Wonica followed by Jeffrey
11 Golkin.

12 SERGEANT AT ARMS: Time starts now.

13 GEORGE WONICA: Well, first I want to thank
14 this commission for taking on this task.
15 Obviously, it's a very difficult one. My name is
16 George S. Wonica, and I'm the Conservative Party
17 Candidate for the 50th District of the City
18 Council.

19 For the last eight years, and even longer,
20 Staten Islanders had borne the brunt of unfair
21 policies from New York City bureaucrats. It's
22 mainly why we call ourselves the forgotten borough
23 in Staten Island. Staten Islanders want a
24 government that works for them and is always
25 willing to pay our fair share. But,

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

31

1
2 unfortunately, we've never gotten our fair share
3 in return.

4 Now, there are a lot of reason for this, but
5 this hearing doesn't have time for that. This
6 hearing is about something that we should have
7 been done (SIC), but never has been addressed in
8 the last eight years. Staten Islander's property
9 taxes have gone through the roof in recent years.
10 Yet, other boroughs, specifically, as said
11 earlier, where our mayor owns property, gets
12 different treatment. Let me say that again,
13 different treatment.

14 We talk about a tale of two cities, well, you
15 can't get any different than that. In an era where
16 Staten Islanders are struggling to get back on
17 their feet after the COVID-19 epidemic, we must
18 address this enact... Inadequacies now.

19 Staten Islanders cannot simply afford to wait
20 while people are still struggling to pay their
21 bills to get back on their feet, and while the
22 city still tries to figure out how to pay for it
23 all. Like all Staten Islanders work remotely, a
24 lot of these hearings could have been done over a
25 year ago, just as we've all worked that way.

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

32

1
2 Any decisions made by this panel, and the
3 wonderful work you've... Ladies and gentleman
4 have done, is likely gonna take more time to
5 implement. And, quite frankly, Staten Islanders
6 just don't have time for that. Enough is enough,
7 and we really need this change yesterday. Thank
8 you very much for your time, and I appreciate the
9 opportunity.

10 ALLEN CAPPELLI: Hello? I'd like to just
11 address Mr. Wonica for a second, if I might. I
12 agree with you, George. There is a lot of work to
13 that needs to be done. I agree with Michael
14 Cusick, and Assemblyman Tannousis, and Assemblyman
15 Reilly, that the state legislature needs to make
16 sure that this effort doesn't die at the end of
17 this year. We are gonna put out a plan that is
18 gonna be a blueprint for reform. It's not gonna
19 get passed by the legislature this year or by the
20 city council this year, because it's not gonna
21 happen before the end of the year.

22 But we need to make sure that this does not go
23 away. And the best way to do that, is for the
24 state legislature to ensure that there's some
25 oversight on this issue. We'll draw up the

1
2 blueprint, you know, once we get all of the
3 testimony from around the city. But we need the
4 state legislature and the city council to make
5 sure that this effort doesn't die at the end of
6 2021. Thank you.

7 COMMITTEE COUNSEL: We will now hear from
8 Jeffrey Golkin followed by Laura Timoney.

9 SERGEANT AT ARMS: Time starts now.

10 JEFFREY GOLKIN: Okay, my name is Jeff Golkin, I
11 am an attorney and advocate for property owners for
12 the past 40 years. The commission's recommendations
13 involving creation of a new tax class and assessing
14 it a 100 percent at market value will have a
15 devastating effect and impact on the smallest and
16 most vulnerable property owners -- Single family
17 home owners like Mr. Ienuso, mom and pops, small
18 businesses, small walk ups, four to ten units, and
19 small co-ops, condos, two to ten units.

20 These recommendations were pre-COVID and may
21 have not accounted for the changed market for
22 changed behaviors, for changed consumer habits, and
23 the financial impact of the pandemic on small
24 property owners.

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

34

1
2 Assessments for the smallest properties will
3 increase substantially from assessments currently
4 based upon effective market value to 100 percent
5 based upon true market value and sales. Protected
6 caps enjoyed for that past 40 years will be
7 eliminated.

8 To cushion the blow of these higher assessments,
9 which the commission acknowledges will in fact
10 occur, we've recommended five year phase ins,
11 partial homestead exemptions, and circuit breakers.
12 These additions will cause as much confusion around
13 fantasy property taxation as the commission seeks
14 to eliminate. And yet, no detail has been provided
15 to explain how these exemptions and circuit breakers
16 will compensate for the removal of protective caps
17 or the elimination of co-op and condo abatements.

18 Page 66 of the Commission's Report acknowledges
19 that income thresholds for primary residence to be
20 eligible for homestead exemptions have not yet been
21 determined. And, until these details are provided,
22 these recommendations cannot be considered. And,
23 what of tax classes two, three, and four -- those
24 owned by Miss Imperato, with the 72 unit co-op in
25 Staten Island, or Mr. Dandapani, the class four?

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

35

1
2 These issues have to be addressed in these
3 classes as well, or it's a missed opportunity. It
4 must be part of any comprehensive tax reform. The
5 concern I have is that the smallest and most
6 vulnerable of property owners will suffer
7 detrimental consequences from the recommendations
8 in their current form. And I... (CROSS-TALK)

9 SERGEANT AT ARMS: Time...

10 JEFFREY GOLKIN: And I would be remiss if I didn't
11 recognize Miss O'Cleireacain, who in 1990, was my
12 featured speaker at a major event at the tax reform
13 issue on the city bar. So, this has been... It's
14 been 30... 30 some odd years, she she's still at
15 it. And so I thank her and all the commissioners
16 for addressing these issues and the concerns that I
17 have raised. I've also submitted written testimony.
18 So, thank you again.

19 COMMITTEE COUNSEL: Thank you. We will now here
20 from Laura Timoney followed by Mary Ann Rothman.

21 SERGEANT AT ARMS: Time starts now.

22 LAURA TIMONEY: Good evening, my name is Laura
23 Timoney. I am a lifelong New Yorker and lived on
24 Staten Island for about 29 years now. My husband
25 is a retired first responder. And, just to give

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

36

1
2 you a little context here, I read through all of
3 the ten recommendations, and I'm probably still just
4 as confused as I was before I read the ten
5 recommendations.

6 Since we bought our house, our property taxes,
7 when we first moved here were just under (BACKGROUND
8 NOISE 37:36) \$3,200.00, and our house value was
9 about \$200,000.00. If our house value went... It
10 went up about four times its... Its asking price
11 when we bought it, if our taxes only went up that
12 much, they'd be \$5,200.00 now. But they're not,
13 they're over \$9,000.00.

14 My husband's pension, our taxes... Our property
15 taxes are 25 percent of his pension. My sisters in
16 New Jersey, in Monmouth County, pay less property
17 tax than I do here in Staten Island. So, the other
18 piece of this, right, just if you're... If you're
19 working on a budget in a house, we have no freeway
20 of getting on to Staten Island, right? We've got
21 bridge tolls on top of that, I can remember
22 testifying when Guy Molinari was borough president,
23 about the toll increases on the Verrazano. Back then,
24 we actually paid more in bridge tolls than we did in
25 property taxes.

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

37

1
2 So, we get slammed left, right, center. And it's
3 very hard to actually stay here. So, I ask you, you
4 know, the ten recommendations, I still can't figure
5 out what I'm gonna be paying. Please, consider
6 lowering property taxes out here. They are
7 ridiculously expensive. They've gone up
8 exponentially, and to be honest, I don't know how much
9 longer we can live here if numbers keep increasing.
10 So, thank you, I appreciate your work, and love the
11 Senior citizen discount, and all for veterans getting
12 discounts as well. Thank you.

13 COMMITTEE COUNSEL: Thank you very much. We'll
14 now hear from Mary Ann Rothman followed by Kamillah
15 Hanks.

16 SERGEANT AT ARMS: Time starts now.

17 MARY ANN ROTHMAN: Good evening and thank you for
18 this opportunity to testify. My name's Mary Ann
19 Rothman, I'm the Executive Director of The Council of
20 New York Cooperatives and Condominiums, representing
21 hundreds of homeowners and housing cooperatives and
22 condominiums in all five boroughs of New York City
23 and beyond.

24 Since 1990, when we founded The Action Committee
25 for Reasonable Real Estate Taxes, we've advocated for

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

38

1 fair, equitable, and easily understood property taxes
2 for all of New York City. We thank the advisory
3 commission for its preliminary report. These ten
4 proposals set us on a pathway to having one class for
5 all of the city's residential property, with easily
6 understood assessments based on market prices. We
7 also thank you for recommencing these hearings, which
8 were interrupted by the COVID pandemic.
9

10 We do have comments on several of the proposals.
11 Today, I'd like to comment on Proposal Five, which
12 suggests that the home owner exemption would be, and
13 I quote, "For primary resident owners with income
14 below a certain threshold." We contend that every
15 New Yorker whose home is their primary residence, is
16 entitled to a homeowner exemption. Home ownership is
17 a commitment to New York City that deserves
18 acknowledgement. We would; however, welcome a
19 discussion centered around gradation in the
20 percentage of this exemption.

21 We have further comments about seeking a much
22 fuller gamut of circuit breakers, about a longer
23 phase in of the new system, and we object very
24 strongly to the harsh 'Welcome Stranger' Provision of
25 proposal number nine, which would be completely

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

39

1 unworkable in housing cooperatives in any event. We
2 look forward to future hearings, and we thank you for
3 this opportunity to express our views.
4

5 COMMITTEE COUNSEL: We will now hear from
6 Kamillah Hanks followed by Michael (BACKGROUND
7 NOISE 41:29) Batson.

8 SERGEANT AT ARMS: Time starts now... (CROSS-
9 TALK 41:33)

10 CAROL O'CLEIREACAIN: Excuse... Excuse me, is
11 it possible for me to go back to Miss Rothman for
12 just one second?

13 COMMITTEE COUNSEL: Yes, Commissioner...
14 (CROSS-TALK 41:40)

15 CAROL O'CLEIREACAIN: Do you have... Do you
16 have a... You have full set of proposals, a
17 full... A... A lengthy set of reactions here
18 that we can look at, Mary Ann? Because these were
19 very thoughtful... What you were raising here.

20 MARY ANN ROTHMAN: Uh, the... The... My plan is
21 to... To visit with you in every borough, and to
22 comment on a different proposal each time.

23 CAROL O'CLEIREACAIN: Well, you... Have you
24 put something in writing, I guess is what I'm
25 asking for?

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

40

MARY ANN ROTHMAN: We're... (CROSS-TALK 42:04)

CAROL O'CLEIREACAIN: It would be very useful.
Yeah, it would be very useful, thank you. (CROSS-TALK 42:06)

MARY ANN ROTHMAN: You... You... You want it earlier than the end of the hearings?

CAROL O'CLEIREACAIN: No... Yes, I... I... I would like it as soon as possible. Uhm... (CROSS-TALK 42:13)

MARY ANN ROTHMAN: Okay, I will do my best...

(CROSS-TALK 42:14)

CAROL O'CLEIREACAIN: But... But whatever you can do, yes. Thank you very much.

MARY ANN ROTHMAN: Thank you.

COMMITTEE COUNSEL: We will now turn to Kamillah Hanks followed by Michael Batson.

SERGEANT AT ARMS: Time starts now.

KAMILLAH HANKS: Hi, I want to thank the... Thank you so much to the Advisory Commission for hosting this. I see all of my colleges here, and I'm really happy that we've taken this time to talk about such an important issue.

So, hello, my name is Kamillah Hanks, and I'm a candidate for city council, I'm a property owner

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

41

1
2 on Staten Island, and founder of the Minority
3 Women in Business, and an advocate for my
4 community. I come before you to talk to you today
5 about equity.

6 You hear regularly from those on Staten Island
7 that we are the forgotten borough. But, a lot of
8 times that is true, but it's not true when it
9 comes to... When it's time to collect. We are
10 definitely not forgotten. Staten Island pays the
11 highest effective property tax in... Rate in the
12 city. This body is well aware of that fact, and
13 the fact that homeowners in predominately minority
14 neighborhoods are over assessed by an average of
15 \$844.00 for... Per homeowner.

16 We all know that as property values increase,
17 so do assessed values and our taxes. But I've
18 seen taxes more than triple in less than 20 years.
19 You know what hasn't tripled? Our income.
20 Because, while the commission is aware of these
21 facts and these statistics, I just want to put
22 some humanity on the conversation. I purchased my
23 home when I was 27 years old making \$33,000.00 a
24 year.

25

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

42

1
2 With the current tax system, none of my
3 children live here. I can't see my grandchildren,
4 and that is because of the tax system and the high
5 property values that we've assessed. And my kids
6 cannot live here as long as... As well as other
7 young people who have left here.

8 So, to keep this really short, we are doing
9 the governors of other states a huge favor by
10 giving our hard working residents and tax base to
11 states that are more inviting to homeowners and
12 residents. I thank you very much, and I
13 appreciate the opportunity.

14 COMMITTEE COUNSEL: We will now hear from
15 Michael Batson followed by Barbara Bowen.

16 SERGEANT AT ARMS: Time Starts now.

17 MICHAEL BATSON: Hi, Thank you for this
18 opportunity to offer the commission some
19 testimony. I'm here as a member of the
20 Professional Staff Congress, the union that
21 represents 30,000 faculty and staff at the City
22 University of New York, CUNY, and also as a
23 lecturer at the College of Staten Island, and a
24 lifelong SI resident. You will hear, right after
25

1
2 me, from the president of PSC, who will provide
3 greater context.

4 We want to call your attention to a
5 significant source of untapped revenue from the
6 property tax exemptions given to private
7 universities in New York City, specifically New
8 York University and Columbia University. We are
9 proposing a rethinking of those tax exemptions as
10 one way to invest in and provide needed resources
11 for New York City's public university, CUNY. We
12 fully acknowledge and respect the incredibly
13 important role both NYU and Columbia play in the
14 intellectual and cultural life of this city, but
15 it is also the case, that both institutions
16 benefit tremendously from the services and
17 cultural milieu of this city.

18 And we also recognize that they are not the
19 schools where the majority of New York City high
20 school graduates go. Roughly 60 percent of New
21 York City high school graduates will attend a CUNY
22 college.

23 NYU has an endowment of a little over four
24 billion dollars. Based on The Department of
25 Finances formula for determining market value, on

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

44

1
2 the properties that they hold in Brooklyn and
3 Manhattan, amount to about Three Point Seven
4 Billion. The potential forgone tax revenue from
5 that would be about a hundred and eighty-eight
6 point five million dollars.

7 Also, based on The Department of Finance's
8 figures for Columbia, which has an endowment of a
9 little bit over Eleven Billion Dollars, their
10 property holdings would amount to five point six
11 billion, with a corresponding property tax of two
12 and seventy four million. That is a total of four
13 hundred and sixty three million, close to half a
14 billion dollars in forgone property taxes per
15 year. These numbers, which were originally
16 prepared for testimony in 2018, so these figures
17 could be low.

18 We propose, in the spirit of equity, which a
19 lot of this conversation tonight is about,
20 rethinking this. While NYU and Columbia pay no
21 property taxes, and the students get the benefit
22 of small classes, full time professors, and
23 readily available counsel, and abundant
24 technology. CUNY... (CROSS-TALK 46:51)

25 SERGEANT AT ARMS: Time...

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

45

1
2 MICHAEL BATSON: struggles. I have spent the
3 last two semesters teaching students in crisis.
4 They or their family members have been on the
5 front lines of this pandemic. They're delivering
6 our groceries; they're working in the
7 supermarkets. I have students who have been
8 evicted, sleeping in their cars, doing their
9 assignments on their phones, because they don't
10 have a computer or WI-FI. In some ways, this
11 pandemic has only highlighted an existing
12 structural crisis of inequality. And we would
13 like a rethinking of these tax exemptions to bring
14 a little bit more equity to these schools in New
15 York City. Thank you very much.

16 COMMITTEE COUNSEL: Thank you. And we'll now
17 hear from Barbara Bowen.

18 SERGEANT AT ARMS: Time starts now.

19 BARBARA BOWEN: Okay, good evening, everyone,
20 thank you so much. Thank you members of the
21 commission for the tremendous amount of work
22 behind every line of the recommendations and for
23 the opportunity tonight.

24 I'm going to pick up where my colleague,
25 Michael Batson, left off. And he was speaking

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

46

1
2 about an existing structural inequity. The first
3 commissioner who spoke, Allen Cappelli, spoke
4 about the proposals as a blueprint for equity. We
5 feel there is a significant missing element in
6 that blueprint for equity, and its urgency has
7 been revealed in especially dramatic ways over the
8 last year.

9 As Michael said, we believe that the
10 commission should consider whether it is still
11 appropriate to exempt the big private universities
12 from virtually all New York City property taxes.
13 And, as Michael said, the total value is something
14 around a half - billion dollars. And,
15 specifically, we ask that you consider whether the
16 two largest private universities, NYU and
17 Columbia, both of which receive enormous benefit
18 from NYC public services, should continue to be
19 exempt from almost all property taxes.

20 I want to be clear that this is not an attack
21 on NYU and Columbia, I... They add tremendous
22 value to our city, to the cultural life, to all of
23 our lives, which for me, as an academic, a deep
24 value. But, when the state law on taxation of
25

1 public universities was set up, I don't think it
2 contemplated endowments of this size.
3

4 And that's where we focus on these two large
5 universities. But the benefits they receive from
6 the city include all kinds of city services, such
7 as transit, parks, firefighters, sanitation, and
8 police, all of which they receive without that tax
9 being paid. And, at the same time, New York
10 City's public university, where the majority of
11 college students go, including thousands on Staten
12 Island, is starved, systemically starved in a way
13 that we feel has origins in institutional
14 racialized austerity.

15 And the other private universities do not pay
16 the property taxes. We believe that this is an
17 opportunity that the council or that the
18 commission has missed, to highlight not only
19 revenue neutrality, but forgone revenue, which
20 could be collected, perhaps not even the full
21 extent of their property tax of forgone...

22 (CROSS-TALK 50:04)

23 SERGEANT AT ARMS: Time...

24 BARBARA BOWEN: but... Thank you, I'll just
25 finish this sentence. But, in a payment in lieu

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

48

1
2 of taxes, a pilot, which could direct some of that
3 revenue to the city, earmarked for the
4 thousands... Hundreds of thousands of students,
5 who attend the City University of New York, CUNY,
6 in substandard conditions.

7 So, if we are seeking equity and fairness
8 through property taxation, and I commend you for
9 that, a significant, untouched, resource here is
10 the... is a potential of a pilot, specifically
11 from NYU and Columbia going to CUNY, and that
12 would be a major step towards systemic equity and
13 ending systemic racism in this city. Thank you
14 very much.

15 ALLEN CAPPELLI: I'd just like to respond to
16 Miss Bowen, and actually Mr. Batson as well. I
17 remember vividly your testimony last year, this
18 report that we issued was not meant to be a total
19 salvation of all of the issues. It was to get
20 somethings down there.

21 We take your suggestions seriously, as well as
22 the other people who testify, and hopefully at the
23 end, we'll come up with something that is as fair
24 as we can get it. Thank you.

25

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

49

1
2 BARBARA BOWEN: Thank you very much, Mr.
3 Cappelli, and thanks for your phrase of "blueprint
4 for equity", we think that a pilot for CUNY,
5 designated specifically for CUNY students should
6 be part of a blueprint for equity. And there's a
7 big opportunity right now in front of the
8 commission, especially after this horrible year of
9 COVID, which has exposed and deepened every
10 existing inequity in the city. This is a big
11 chance, and we call on you to take this bold step
12 and call for a pilot. Thank you.

13 COMMITTEE COUNSEL: Thank you. We'll now hear
14 from Representative Nicole Malliotakis.

15 SERGEANT AT ARMS: Time starts now.

16 NICOLE MALLIOTAKIS: Thank you, and good
17 evening to all the members of the commission and
18 all the participants today. I, first of all, I
19 want thank our commission for having this round of
20 hearings, particularly Allen Cappelli, who I think
21 brings a strong voice for the people of Staten
22 Island, a much needed voice on this commission.
23 Because Staten Island is particularly affected by
24 the current property tax structure.
25

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

50

1
2 The two main points, because I don't have a
3 lot time, but I want to make is, is there's no
4 reason why the people of Staten Island or Southern
5 Brooklyn, should be subsidizing the property taxes
6 of other parts of the city. And, under the
7 current structure, that is exactly what happened.

8 I have often times used my own home as an
9 example, comparing it to Mayor de Blasio's home,
10 and the fact that I pay thousands of dollars more
11 in property taxes despite the fact that the
12 Mayor's Home Park Slope, is valued at three times
13 the amount of my home. That is the type of
14 structure that we need to reform, and that what
15 your recommendations seek to do.

16 So, I would urge you to continue to look at
17 the ways we can rectify this so the working class
18 communities of our city are not subsidizing the
19 more affluent and wealthier communities of our
20 city. That's the first point.

21 The second point is the need for New York City
22 to have a property tax cap. The rest of New York
23 State, every municipality in our state, has a two
24 percent cap. Somehow, New York City was left out
25 of this. And, it was before, you know, this mayor

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

51

1 was elected. It was before this speaker was in
2 the state assembly, before this senate president
3 was in the state senate.
4

5 So, I think this is an opportunity, with new
6 leadership, to be able to reform that to ensure
7 that New York City is not left behind, but indeed
8 has a property tax cap as well to the levee. The
9 levee has gone up well over 50 percent under Mayor
10 de Blasio, even though he's not increased the tax
11 rate. By implementing a cap to the levee, we can
12 make sure we hold the line on property taxes.

13 Thank you.

14 COMMITTEE COUNSEL: Thank you so much. I
15 believe at this point we've called on everybody in
16 the Zoom who's registered to testify. But, if
17 we've inadvertently forgotten to call on someone,
18 and you'd like to speak, please use the Zoom raise
19 hand function, and we can call on you now.

20 Okay, seeing none, Commissioner Shaw,
21 everybody who has signed up to testify has done
22 so.

23 CHAIRPERSON SHAW: Okay, thank you, Rebecca.
24 I'd like to thank all the members of the public
25 and elected officials, who joined us tonight to

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

52

1 give back on the Commission's Preliminary Report.

2 Your comments are important as the commission

3 develops its final recommendations. As a

4 reminder, the commission will be holding a

5 Brooklyn based Zoom hearing on Thursday May 27th.

6 Hearings in Queens, The Bronx, and Manhattan will

7 be scheduled soon.

8
9 Members of the public may attend any hearing

10 regardless of their home borough. If you wish to

11 testify, you must register on the Advisory

12 Commission's website at least 24 hours prior to

13 the start of the hearing. Also, for members of the

14 public who are listening who would like to submit

15 written testimony, you may do so at any time. To

16 register to testify or submit written testimony,

17 please visit the commission's website at

18 nyc.gov/propertytaxreform.

19 Finally, I would like to thank the commission

20 members for their time tonight, and especially the

21 staffs of the city council and the mayor's office

22 for making this hearing possible, because we

23 couldn't have done it without the staff that did

24 the work behind the scenes to make this go as

25

1 smoothly as it does. So, thank you all and
2
3 goodnight.

4 KENNETH KNUCKLES: Marc?

5 CHAIRPERSON SHAW: Yes?

6 KENNETH KNUCKLES: Before we leave, number one,
7 I want to apologize to my colleague Allen
8 Cappelli, for my faux pas at the beginning. And I
9 promised to say Staten Island before the Brooklyn
10 hearing. That's... That's the first thing.
11 Secondly, hopefully, we will get a transcript of
12 the testimony tonight, which I found quite
13 informative and thought provoking.

14 CHAIRPERSON SHAW: (LAUGHING) I'm staying up
15 tonight to type it up.

16 KENNETH KNUCKLES: (LAUGHING) Thank you.

17 ALLEN CAPPELLI: I'd just like to thank my Vice
18 Chair on the City Planning Commission, Kenneth
19 Knuckles, for his apology, and I accept it.

20 I would also like to say, that just as a
21 personal experience, being on this commission,
22 walking in to a room with the members of the
23 commission and the ex-officio members, and the
24 staff from the mayor's office, and the staff from
25 the city council, has been an extraordinary

1
2 experience, recognizing that I'm probably the
3 least smartest person in the room.

4 And these are people who have tremendous
5 experience, and have put in a trem... An enormous
6 amount of time on this. So, I want you all to
7 know that I'm watching them, I have to work twice
8 as hard because they're very talented, but they
9 have your interest at heart. And, I'd also like
10 to say that I'm here, my daughter's about to give
11 birth, I gonna become a grandfather for the first
12 time tonight. And I'm sharing that with you all
13 as my friends and neighbors and thank you.

14 CAROL O'CLEIREACAIN: Mazel tov, as they say in
15 Ireland.

16 KENNETH KNUCKLES: Congratulations, Allen.
17 (CROSS-TALK 57:56)

18 CAROL O'CLEIREACAIN: Congratulations.

19 (UNKNOWN): Congratulations... (CROSS-TALK
20 57:58)

21 CHAIRPERSON SHAW: Congratulations... (CROSS-
22 TALK 57:59)

23 KENNETH KNUCKLES: What a grandpa you'll make!

24 RAYMOND MAJEWSKI: Congratulations, Allen.
25

NEW YORK CITY ADVISORY COMMISSION
ON PROPERTY TAX REFORM

55

CHAIRPERSON SHAW: Alright, thank you again,
everybody for your time. We'll... We'll...
We'll see you at our next hearing. Thanks...

(CROSS-TALK)

CAROL O'CLEIREACAIN: Yeah, bye-bye.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

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 June 30, 2021