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CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE

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May 27, 2021
Start: 9:09 a. m.
Recess: 9:37 a. m.

HELD AT: REMOTE HEARING (VIRTUAL ROOM 1)

B E F O R E: Daniel Dromm,
Chairperson

COUNCIL MEMBERS:

- Adrienne E. Adams
- Alicka Ampry-Samuel
- Barry S. Grodenchik
- Darma V. Diaz
- Diana Ayala
- Farah N. Louis
- Francisco P. Moya
- Helen K. Rosenthal
- James G. Van Bramer
- Karen Koslowitz
- Keith Powers
- Laurie A. Cumbo
- Robert E. Cornegy, Jr.
- Selvena N. Brooks-Powers
- Steven Matteo
- Vanessa L. Gibson

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A P P E A R A N C E S

Rebecca Chasan
Counsel to the New York City Council's
Committee on Finance

Michael Blaise Backer
Deputy Commissioner of Neighborhood
Development at the Department of Small
Business Services

Roxanne Earley
Director, BID Program
Department of Small Business Services

Stephen Lee
Director and Senior Program Manager for the
Business Improvement District Program

James Mettham
Executive Director Flatiron/23rd Street
Partnership

Mario Messina
President/Partner of the 29th Street Neighborhood
Association

Hersh Narola
Owner Bombay Sandwich Company

Michal Bierut
Owner of Pentagram

Jordan Barowitz
Vice President of Public Affairs
The Durst Organization

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SERGEANT JONES: Pc has started.

SERGEANT KOTOWSKI: Cloud recording has started.

SERGEANT PEREZ: Back up is rolling. Sergeant
Martinez?

SERGEANT MARTINEZ: Good morning, and welcome to
today's remote New York City Council hearing of the
Committee on Finance. At this time, would all
panelist please turn on their video for
identification purposes? If you wish to submit
testimony, you may do so via email at the following
address: testimony@council.nyc.gov. Thank you for
your cooperation. We are ready to begin.

CHAIRPERSON DROMM: Thank you Sergeant Martinez,
and thank you to all of the Sergeants At Arms that
are here to help us today to conduct this hearing.
Appreciate it very much.

Good morning, and welcome to today's meeting of
The Committee on Finance. I am council member Daniel
Dromm, and I am the chair of the committee.

This morning we are joined by council members
Koslowitz, Van Bramer, Gibson, Cornegy, Rosenthal,
Grodenschik, Adams, Ampry-Samuel, Ayala, Moya, Powers,
Louis, Darma Diaz, Matteo, and Brooks-Powers.

1

2 Today the committee will be voting on six items:

3 An expense budget modification, a revenue budget
4 modification, and the four Article XI property tax
5 exemptions.

6 And, we'll also hold a public hearing on intro
7 number 2291, which relates to the Madison 23rd
8 Flatiron/Chelsea BID.

9 First, we have the modifications. The expense
10 budget modification represents movements of
11 approximately 1.5 billion dollars of funding between
12 and within city agencies to reallocate appropriations
13 in the city's expense budget, and has a net impact of
14 zero dollars. The revenue budget modifications
15 recognizes approximately 1.3 billion dollars in new
16 revenues in fiscal 21', with funds to be used to
17 replenish the retiree health benefits fund in the
18 current fiscal year.

19 Next, we have three Land Use items. The first is
20 Dora Collazo in Council Member Rivera's district.
21 This action would provide a full 40-year Article XI
22 property exemption to support the preservation of 41
23 units of affordable rental housing.

24 The second is Light Hall in Council Member
25 Levine's district. The action would provide a full

1
2 40-year Article XI Property Tax Exemption to support
3 the preservation of 42 units of affordable rental
4 housing.

5 The third is 840-50 Saint Marks Avenue in Council
6 Member Cornegy's district. The action would provide a
7 full 40-year Article XI Property Tax Exemption to
8 support their preservation of five units of
9 affordable home ownership.

10 The fourth is 3800 Putnam Council Member Eric
11 Dinowitz's district. The action would provide a
12 partial 35-year Article XI Property Tax Exemption to
13 support the preservation to support the preservation
14 of 44 units of affordable rental housing.

15 Each council member is supportive of the
16 exemptions in their district.

17 Last, we have the public hearing (INAUDIBLE 3:33)
18 number 2291, which relates to the
19 Madison/23rd/Flatiron/Chelsea BID, which is mostly in
20 The Speaker's district, with small portion in Council
21 Member Powers and Rivera's districts.

22 Today's public hearing is to hear from
23 individuals who may be affected by the proposed
24 changes to the BID.
25

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2 The BID is currently requesting that the council
3 approve the following changes to the district plan.

4 One, Extending BID boundaries. Two, Increasing
5 the BID annual assessment from 3.25 million to 6
6 million dollars. And, three, changing method
7 assess... assessment, on which the district charge
8 is based to create formula based on use class.

9 The changes are being requested, because the
10 current service area, and the proposed extension area
11 have experienced substantial population and
12 (INAUDIBLE 4:22) growth since the BID was first
13 established in 2005. As a result, there has been
14 increased demand for retail, hotels, and services in
15 the area, west of, and within the current BID area.

16 The southward areas of the BID also experienced
17 increased demand as businesses and technology
18 (INAUDIBLE 4:40) the arts, media and professional
19 services sought office space with in the BID's
20 historical commercial buildings.

21 Therefore, it has been suggested that there is a
22 greater need for BID services and to develop more
23 cohesive marketing strategy to support area
24 (INAUDIBLE 4:55) businesses.
25

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2 Once we have heard today's testimony from
3 witnesses who wish to testify about the BID, we will
4 adjourn the hearing for at least 30 days to allow any
5 property owner within the proposed area of the BID to
6 file an objection to the extension of the BID with
7 the city clerk.

8 In the absence of objections filed, either by
9 majority of all the impacted property owners or by
10 property owners owning the majority of the assessed
11 of the value of the property, within the proposed
12 expanded BID, the committee and the full council may
13 adopt the legislation expanding the Madison/23rd/
14 Flatiron/ Chelsea BID respectively. In order to do
15 so, the committee and the full council must be
16 prepared to answer the following four questions in
17 the affirmative.

18 Were all notices of (BACKGROUND NOISE 5:43)
19 appearance for all hearings required to be held,
20 published and mailed as so required? Let me say
21 that again, were all notices of the hearings for all
22 hearings, required to be held, published, and mailed
23 as so required?

24 Does all the (BACKGROUND NOISE 5:56) real
25 property within the district boundaries benefit from

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2 the establishment or expansion of the district,
3 accept as otherwise provided by the law?

4

5 Is all real property benefited by the district
6 within the district? And, is the establishment or
7 expansion in the district in the best interest of the
8 public? If the committee and full council find in
9 the affirmative, on these four questions, and the
10 number of objections required to prevent the
11 establishment or expansion of the BIDs are no filed,
12 then legislation can be adopted.

13

14 Additionally, for the
15 Madison/23rd/Flatiron/Chelsea BID, the committed and
16 the full council must determine that it is in the
17 public interest to authorize an increase in the
18 maximum annual expenditure amount, that the relevant
19 tax and debt limits will be exceeded, and that the
20 notice of the increased proposed expenditure amount
21 was properly published.

22

23 Representative... representatives from the
24 Department of Small Business Services are here to
25 provide testimony on the bid item, and then we also
26 have testimony (BACKGROUND NOISE 6:58) members of the
27 public.

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2 SBS, please allow my counsel to swear you in, and
3 then you may begin your testimony.

4

5 COMMITTEE COUNSEL: Good morning, do you affirm
6 that your testimony will be truthful to the best of
7 your knowledge, information (BACKGROUND NOISE 7:15)
and belief?

8

9 M. BLAISE BACKER: I couldn't... I'm sorry,
I'll try that again... (CROSS-TALK)

10

11 COMMITTEE COUNSEL: Did we get that? I don't think
we... (CROSS-TALK)

12

M. BLAISE BACKER: I do.

13

14 COMMITTEE COUNSEL: Thank you. Alright, you may
begin. (BACKGROUND NOISE 7:28) Oh, I think he needs
15 another (INAUDIBLE 7:30)... There we go.

16

17 MICHAEL BLAISE BACKER: Alright. Good morning,
Chair Dromm and members of The Finance Committee. I
18 am Michael Blaise Backer, Deputy Commissioner of
19 Neighborhood Development at The Department of
20 Small Business Services. I am joined by Roxanne
21 Earley and Steven Lee, Director and Senior Program
22 Manager for the Business Improvement District
23 Program.

24

25 I wish to express the administration's support
for the local law authorizing expansion of the

1
2 Madison/23rd/ Flatiron/ Chelsea Business Improvement
3 District more commonly known as The Flatiron
4 Partnership of Manhattan.

5 At SBS, we are working hard to open doors for New
6 Yorkers across the five boroughs; focusing on
7 creating stronger businesses connecting New Yorkers
8 to good jobs and fostering thriving neighborhoods.

9 Even through the pandemic, SBS has been a key
10 provider of programs, services, and critical
11 information to small businesses (BACKGROUND NOISE
12 8:13) and commercial (BACKGROUND NOISE 8:14)
13 corridors alike.

14 Specifically, my team in regular communication
15 with BIDS and community partners, hosting weekly open
16 calls to coordinate response and recovery across
17 agencies and (BACKGROUND NOISE 8:22) BIDS, sending
18 out updates on city and state guidelines and
19 regulations, and providing business resources to help
20 those impacted by the crisis.

21 We have also pivoted to virtual training for BIDS
22 and our community partners on topics such as economic
23 and legal assistance for businesses, best practices
24 for businesses continuity and promotion, adjusting go
25 remote operations, and planning ahead for recovery.

1
2 We believe that these efforts are central to
3 supporting our community partners like BIDS were
4 (BACKGROUND NOISE 8:48) valuable and proven partners
5 in fostering the vitality of the city's neighborhoods
6 and commercial districts.

7 In addition to our role of overseeing and
8 supporting the city's existing network of 76 bids,
9 the SBS also supervises the BID formation and
10 expansion process serving as an advisor and resource
11 for the community's interested in planning or
12 expanding BIDS.

13 We are careful to ensure that each steering
14 committee we work with adheres to our planning
15 process and policies, solicits for best community
16 input, and performs extensive outreach to demonstrate
17 broad based support across all stakeholder groups.

18 We are cognizant of the unique nature of each
19 community we assist, and empower local stakeholders
20 to make determinations on proposed supplemental
21 services, boundaries, budget size that best suits
22 their community's needs appetite and ability to pay
23 assessments and the formula that distributes the
24 assessment in an equitable manner.

25 While we impart strong planning principles and

1
2 share out data and best practices from across the BID
3 network, when working with any BID formation and
4 expansion effort, we recognize that the power and
5 effectiveness of bids rest in their unmatched
6 understanding of local needs and issues.

7 Like other BID's expansions in recent years, the
8 Flatiron expansion effort involved numerous meetings
9 with local stakeholders. After extensive outreach
10 and close coordination with key stakeholders, SBS
11 determined that the documented support among all
12 stake holder groups, including over 50% of the area's
13 total assessed value signing in favor, was sufficient
14 to submit before the city planning commission.

15 The proposed amendments to the district plan were
16 presented before the city planning commission on
17 January 20, 2021 and was subsequently approved.

18 Further, this bid expansion effort has received
19 the written support from Speaker Corey Johnson and
20 council members Carlina Rivera and Keith Powers.
21 They've also received support from Manhattan
22 Community Boards four and five.

23 During the initial shutdown, when many parts of
24 the city closed, and outreach efforts for formations
25 ground to a halt, Flatiron Partnership provided

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2 crucial support to the expansion area, including
3 providing PPE, commercial tenant legal guidance, and
4 marketing support as businesses adjusted their
5 business models or began to reopen.

6 In light of COVID, SBS requested the Flatiron
7 Partnership conduct additional outreach above and
8 beyond the traditional requirements. Specifically, we
9 requested that the committee send notifications to
10 all stakeholders in the district, and provide them an
11 opportunity to give feedback or withdraw support due
12 to any impacts from the pandemic.

13 Before beginning the formal legislative process,
14 the partnership conducted additional mailings and
15 outreach in the expansion area, and was able to
16 confirm continuing majority support for this
17 expansion, in the form of new statements of support,
18 as well as reaffirmed ballots. No stakeholders
19 withdrew their support for this expansion.

20 The proposed amended (BACKGROUND NOISE 11:17)
21 district plan will first extend the boundaries of the
22 bid to provide supplemental services, including
23 sanitation, security, marketing, public space
24 management, and social services to an expanded area.
25

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2 The existing district includes properties
3 generally bound from 21st Street to 29th Street
4 between 3rd and 6th Avenues.

5 The proposed expansion will extend the boundaries
6 to generally include properties south of 20th and
7 north of 32nd.

8 The district would nearly double in size by
9 adding an additional 327 tax lots -- going from 405
10 assessable tax lots to a total of 732.

11 Second, the proposed amended district plan will
12 change the method of assessment by creating a mixed
13 use class. When the BID was formed in 2003,
14 neighborhood leaders determined commercial square
15 footage was the most equitable means of assessing
16 properties given the concentration of commercial
17 uses.

18 Since the BID's formation, the neighborhood's
19 become increasingly mixed use. In order to maintain
20 the current level of services, and to meet the
21 growing needs of all stakeholders in Flatiron, the
22 steering committee determined it was necessary to
23 create a new, mixed use property class to assess
24 residential square footage of large mix use buildings
25 above 2,000 square feet. Buildings within this

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2 class, will be assessed with the class A commercial
3 rate for its total retail, commercial, or
4 professional square footage and 40% of the class A
5 commercial rate for its total residential square
6 footage. The proposed change will result in a more
7 equitable distribution of the assessment and we
8 believe will result in a fair assessment of district
9 properties.

10 Finally, the proposed amended district plan will
11 authorize an increase in the amount to be expended
12 annually in the district from 3 million, 250 thousand
13 dollars to 6 million dollars as the extended the
14 district boundaries will require the Flatiron
15 Partnership to provide its supplement services to the
16 expanded geography.

17 As required by law, The Flatiron Partnership
18 mailed the summary of the City Council Resolution no
19 less than 10 days, and no more than 30 days before
20 today's hearing to the following parties: To each
21 owner of real property within the proposed district
22 and the address shown on the latest city assessment
23 roll, to such persons who are registered with the
24 city to receive tax bills concerning real property
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2 within the district, and to tenants of each building
3 within the proposed district.

4 Further, SBS arranged for the publication of a
5 copy of the summary of the resolution at least once
6 in the city record.

7 I would like to acknowledge that the bid
8 expansion effort is also represented here today by
9 James Mettham Executive Director of the Flatiron
10 Partnership, and other members of the Steering
11 Committee, who will also be providing testimony and
12 answering questions.

13 At this time, I'm happy to take any questions you
14 may have. Thank you.

15 CHAIRPERSON DROMM: Are there any members who have
16 questions? Okay, just one moment.

17 We will now here from the public, and I will ask
18 counsel to call out the witnesses to testify. You
19 will each have two minutes for your testimony.
20 Counsel?

21 COMMITTEE COUNSEL: Thanks, Chair Dromm. When
22 it's your turn to testify, you'll be sent an unmute
23 request from the sergeant, so just accept that so
24 that we'll be able to hear you.

25 We will first hear from James Mettham.

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SERGEANT MARTINEZ: Clock is ready.

JAMES METTHAM: Good morning, Chair Dromm and honorable members of The City Council Finance Committee. My name IS James Mettham, I'm the Executive Director of The Flatiron/23rd Street Partnership. Thank you for considering our proposed expansion on Madison/23rd/ Flatiron/ Chelsea Business Improvement District this morning.

Since its formation in 2006, the partnership has been a dedicated steward of a dynamic business district and mixed use Neighborhood around Madison Square Park in Midtown South. We do this through reliable community engagement and trust on top of our day in and day out deployment of supplemental quality of life services, homeless outreach, district marketing, public space management, and business support and advocacy.

While the partnership has played an important role in the Flatiron areas ongoing growth and vibrancy over the past decade plus, the greater neighborhood around the BID has changed in character and uses as well. An increasing number of businesses and residents of the NoMad, 6th Avnue, and Ladies' Mile historic district, and regularly asks the

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2 partnership the same level of consistent support and
3 services that are provided inside the BID today.

4 So, in 2016 a steering committee was composed of
5 local property owners, businesses, residents, and
6 non-profits was formed to guide the exploration
7 (BACKGROUND NOISE 15:32) of suspension of the BID.

8 Over the past four years, this steering
9 committee, in close coordination with SBS, has openly
10 debated boundaries and budgets and culminated in a
11 revised district plan that believe that can be
12 successfully and sustainably executed across a larger
13 district from day one.

14 These key components again include expanding the
15 boundaries from 20th Street up to 31st street, going
16 up 5th Avnue and Park Avenue South respectively. It
17 means doubling the size of today's BID.

18 The expansion offers BID programs consistent with
19 those currently provided in the existing neighborhood
20 and BID. Again, those are supplemental sanitation,
21 public safety initiatives, homeless outreach, and
22 streetscape planning and beatification, retail
23 promotions and advocacy, and maintenance of
24 improvements that we install. And, again
25 underwriting this will be... of any services

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2 proposed 6 million dollar per year assessment budget.
3 And, as mentioned by (BACKGROUND NOISE 16:26) Deputy
4 Commissioner Backer, we're proposing a larger mixed
5 use building assessment class to more actively
6 integrate income producing owners that contribute to
7 greater pedestrian density and curb congestion.

8 Over the course of (INAUDIBLE 16:36) sorry...
9 Time out?

10 COMMITTEE COUNSEL: Do you want to wrap up?

11 JAMES METTHAM: Sure! Sure, just... So, just to
12 say, these selective efforts have been widely
13 embraced by the expansion stakeholders across the
14 four years, and particularly over the past year since
15 the pandemic started. And, I again just want to
16 thank you the committee for their consideration
17 and I appreciate your support, and I'm looking
18 forward to working on this.

19 CHAIRPERSON DROMM: Thank you, and, let me say
20 we've also been joined by Majority Leader Laurie
21 Cumbo.

22 COMMITTEE COUNSEL: We will now hear from Mario
23 Messina followed by Hersh Narola.

24 SERGEANT MARTINEZ: Clock is ready.

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2 MARIO MESSINA: Thank you. Good morning, Chair
3 Dromm, committee members. We appreciate the
4 opportunity to testimony this morning. I'm Mario
5 Messina, one of the founders and partners of the 29th
6 Street Neighborhood Association. I represent over
7 400 members, primarily residents, and small business
8 owners. I can safely say that we are all excited
9 about the prospect of the BID expansion. As a matter
10 of fact, we have been asking for it for the past 7 or
11 8 years.

12 We are welcoming (INAUDIBLE 17:49) suspension,
13 because we know, since we are witnessing especially
14 in this difficult moment, how important are the
15 services provided by the BID in promoting a better
16 quality of life.

17 You can see the difference between the area
18 serviced by the BID and the areas that are not. The
19 areas serviced by the BID is clean, greener, free of
20 graffiti, and it is safer without panhandlers and
21 drug dealers. They also provide an excellent
22 outreach program for homeless. All services I've
23 listed are very much needed during this difficult
24 times to foster the growth of our area.

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2 In a few circumstances we had the opportunity to
3 (BACKGROUND NOISE 18:39) witness the big play of
4 balancing needs of the business and resident
5 communities in this evolving mixed use neighborhood.

6 We are looking forward to this expansion to the
7 benefit and improved quality of life very much needed
8 in our neighborhood.

9 Thank you very much for the opportunity to
10 testify this morning. Is there any questions?

11 (BACKGROUND NOISE 18:58)

12 COMMITTEE COUNSEL: Thank you so much. We'll now
13 hear from Hersh Narola followed by Michal Bierut.

14 SERGEANT MARTINEZ: Clock is ready.

15 HERSH NAROLA: Thank you, good morning, Chair
16 Dromm and fellow commissioners. My name is Hersh
17 Narola. My wife and I own and operate Bombay
18 Sandwich Company a vegan and vegetarian fast casual
19 restaurant located at 48 West 27th Street in the
20 proposed expansion area of the Flatiron BID. I
21 appreciate the opportunity to provide my support for
22 the proposal today.

23 We started our business in 2012 at Brooklyn's
24 Marksburg, and then in 2014, opened our first brick
25 and mortar location in the NoMad neighborhood. We

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2 chose this location to the... Due to its proximity
3 to the busy 6th Avenue corridor, as well as the large
4 number of office workers and nearby transportation
5 hubs.

6 48th West 27th Street lays just outside the area
7 currently serviced by the Flatiron BID, between
8 Broadway and 6th Avenue. The blocks near us receive
9 additional cleaning and maintenance and other
10 services including graffiti removal, planted tree
11 beds and flower baskets, and colorful banners
12 sponsored by the local businesses.

13 Our block, and in particularly 6th Avenue, would
14 be transformed with the BID's services. And, I
15 firmly believe we would benefit from increased foot
16 traffic.

17 We also chose this location for the café' as it
18 directly abuts a privately owned public space, Pops.
19 The Pops is currently being renovated, and we're
20 aware that the flatiron BID successfully maintains
21 and manages the Flatiron public plazas.

22 There may be future opportunities to collaborate
23 with the BID and property owner to activate this
24 space for positive community use if the BID expansion
25 is granted. We believe that the proposed assessment

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2 is but a small price to pay for the services that'll
3 be provided by the Flatiron BID, and not only for our
4 block of West 27th Street, but also the 6th Avenue
5 and the entire expansion area.

6 The BID will be instrumental in helping cultivate
7 safe, inviting surroundings to welcome much needed
8 foot traffic to the neighborhood that will keep us
9 and other ground floor shops open for Business post
10 COVID (BACKGROUND NOISE 21:15)

11 SERGEANT MARTINEZ: Time expired.

12 HERSH NAROLA: Alright, I just... I guess that
13 almost wraps up my testimony. Thank you again this
14 morning for providing the opportunity to support the
15 proposed Flatiron BID. (BACKGROUND NOISE 21:30)

16 COMMITTEE COUNSEL: Thank you for your testimony.
17 We will now hear from Michal Bierut followed by
18 Jordan Barowitz.

19 SERGEANT MARTINEZ: Clock is running... (CROSS-
20 TALK)

21 MICHAL BIERUT: My name is Michal Bierut... My
22 name's Michal Bierut. I'm an owner of the New York
23 City design firm Pentagram.

24 Our first office, 40 years ago, was on the 17th
25 floor of 212 5th Avenue at the corner of 26th Street.

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2 We began in 1980 with just a dozen people. At
3 the end of the decade, we had tripled in size; we
4 were looking for a new home. We found it a few doors
5 down the same block, 4 story former bank turned
6 nightclub at 204 5th.

7 The neighborhood back then, as you will remember,
8 was not great. It was dirty. It was dangerous.
9 Dark after business hours. Abandoned on weekends.
10 It was risky to take a shortcut across Madison Square
11 Park. Yet, we thrived there, and our neighborhood
12 would, too, thanks to a new organization called The
13 Flatiron/23rd Street Partnership.

14 As business owners, and eventually landlords, we
15 joined this collation early and enthusiastically,
16 and the partnerships saw results from the start,
17 cleaner sidewalks, safer streets, increasingly
18 diverse and vibrant retail. What was once a nameless
19 area became increasingly a destination with a
20 beautiful park at its center.

21 We tripled in size again. Our building could no
22 longer hold us. Reluctantly, and with great internal
23 debate, we decided to move. Looked all over the
24 city. Ended up signing a lease for a beautiful space
25 in the top two floors of 250 Park Avenue South, just

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2 south of 20th Street. It is barely outside the
3 borders of the Flatiron/23rd Street Partnership --
4 even though we get the benefits of the partnership's
5 work just by stepping outside our door and crossing
6 the street.

7 Now we've got an opportunity to extend the
8 boundaries of the district include our address and
9 many of the wonderful homes, businesses, stores, and
10 restaurants that surround this amazing area.

11 Coming out of a once in a lifetime pandemic,
12 we're at a delicate moment in the life of this city.
13 Moving ahead will take energy, imagination, and grit
14 from all of us. Fortunately, those attributes are in
15 great supply. At the Flatiron/23rd Street
16 Partnership, the momentum's on our side.

17 For our neighborhood, for our community, for the
18 city, I strongly support the expansion of this
19 district. We need it more than ever.

20 Thank you Chair Dromm. Thank you council
21 members. And, thank you for giving me this time to
22 testify on behalf of my favorite BID.

23 (BACKGROUND NOISE 23:40)

24 COMMITTEE COUNSEL: Thank you. We'll now hear
25 from Jordan Barowitz.

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SERGEANT MARTINEZ: Clock is ready.

JORDAN BAROWITZ: Good morning council members, my name is Jordan Barowitz. I'm the Vice President of Public Affairs at the Durst Organization. I testify today in support of the (INAUDIBLE 23:57) application to expand the Flatiron/23rd Street BID.

The Durst Organization owns 855 Avenue of the Americas at 31st Street, which is within the boundaries of the expanded BID.

855 is a true mixed use building. It composes 55 thousand square feet of retail, 120 thousand square feet of office space, and 375 units of rental housing, of which 25 percent are income restricted and reserved for people earning a fracture of New York's AMI.

855 is part of the large mixed use assessment class, and will pay in assessments on its commercial and residential square footage.

We believe mixed use buildings benefit from services for the BID and support contributing to the much needed supplemental services of the BID along 6th Avenue via the BID assessment.

We have heard concerns that assessments on residential space would translate in to increases in

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2 rent. BID assessments would be absorbed by the
3 building owner and not the tenants. This will happen
4 for two reasons. All units, even the market rate
5 units built under the 421-A program are rent
6 stabilized. And, all rent stabilized increase are
7 governed by the rent guidelines board. Even if a
8 unit is not rent stabilized, rents are determined by
9 the demand for the apartment, not expenses. Case in
10 point, Manhattan rents are down nearly 20 percent
11 year over year, despite an increase in taxes,
12 insurance, and other operating expenses.

13 Additionally, the proposed BID expansion area is
14 at the nexus of NoMad, Midtown South, and Flatiron.
15 This is a heavily trafficked and a dense mixed use
16 district, with large office, residential, and retail
17 corridors that attract many visitors, including a
18 considerable population of non-domiciled individuals.

19 The proposed expansion area strains under the
20 burden of the need for increased... (CROSS-TALK
21 25:56)

22 SERGEANT MARTINEZ: Time is expired.

23 JORDAN BAROWITZ: (INAUDIBLE 25:57) homeless
24 outreach, and advocacy.

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2 The expanded BID will improve the streetscape,
3 make residents and visitors safer, and increase the
4 services for those suffering from addiction and
5 mental health challenges. Thank you.

6 COMMITTEE COUNSEL: Thank you. Chair Dromm that
7 is all the public testimony that we have for today.
8 You're on mute, Chair.

9 CHAIRPERSON DROMM: Thank you very much, and thank
10 you all for coming in today to give your testimony.
11 I will now ask Matt DiStefano, our committee clerk,
12 to call the vote, not on this issue, but on the land
13 use items and the budget modifications.

14 COMMITTEE CLERK: Good morning, Matthew DiStefano,
15 Committee Clerk; Committee on Finance. Roll Call
16 Vote, all items are coupled. Chair Dromm?

17 CHAIR DROMM: I vote aye.

18 COMMITTEE CLERK: Koslowitz?

19 CHAIR MEMBER KOSLOWITZ: I vote aye.

20 COMMITTEE CLERK: Van Bramer?

21 CHAIR MEMBER VAN BRAMER: (NO RESPONSE)

22 COMMITTEE CLERK: Council Member Van Bramer?

23 CHAIR MEMBER VAN BRAMER: I vote aye.

24 COMMITTEE CLERK: Gibson?

25 CHAIR MEMBER GIBSON: (NO RESPONSE)

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COMMITTEE CLERK: Council Member Gibson?

COUNCIL MEMBER GIBSON: Sorry, I was muted. I
vote aye. Thank you.

COMMITTEE CLERK: Cornegy?

CHAIR MEMBER CORNEGY: I vote aye.

COMMITTEE CLERK: Cumbo?

CHAIR MEMBER CUMBO: I vote aye.

COMMITTEE CLERK: Rosenthal?

CHAIR MEMBER ROSENTHAL: I vote aye, thank you.

COMMITTEE CLERK: Grodenchik?

CHAIR MEMBER GRODENCHIK: Aye.

COMMITTEE CLERK: Adams?

CHAIR MEMBER ADAMS: I vote aye.

COMMITTEE CLERK: Ampry-Samuel?

CHAIR MEMBER AMPRY-SAMUEL: I vote aye.

COMMITTEE CLERK: Ayala?

CHAIR MEMBER AYALA: Aye.

COMMITTEE CLERK? Moya?

CHAIR MEMBER MOYA: I vote aye.

COMMITTEE CLERK: Powers?

CHAIR MEMBER POWERS: I vote aye.

COMMITTEE CLERK: Louis?

CHAIR MEMBER LOUIS: I vote aye

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2 COMMITTEE CLERK: Darma Diaz?

3 CHAIR MEMBER DARMA DIAZ: I vote aye.

4 COMMITTEE CLERK: Brooks-Powers?

5 CHAIR MEMBER Brooks-Powers: I vote aye.

6 COMMITTEE CLERK: Matteo?

7 CHAIR MEMBER MATTEO: Aye.

8 COMMITTEE CLERK: By a vote of 17 in the
9 affirmative, 0 in the negative, and no abstentions,
10 all the items have been adopted. Thank you.

11 CHAIRPERSON DROMM: Thank you very much. And, with
12 that, this meeting is adjourned at nine... Excuse me
13 eight... 8:30... Excuse me 9:00... at 9:37 in the
14 morning. Thank you everyone.

15 SERGEANT JONES: And, we've ended the live.

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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 6, 2021