

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON FINANCE

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June 13, 2012  
Start: 10:44 am  
Recess: 10:55 am

HELD AT: Council Chambers  
City Hall

B E F O R E: DOMENIC M. RECCHIA, JR.  
Chairperson

COUNCIL MEMBERS:

Gale A. Brewer  
Leroy G. Comrie, Jr.  
Lewis A. Fidler  
Helen D. Foster  
Robert Jackson  
G. Oliver Koppell  
Darlene Mealy  
Diana Reyna  
Joel Rivera  
Albert Vann  
Fernando Cabrera  
Julissa Ferreras  
Karen Koslowitz

## APPEARANCES (CONTINUED)

James G. Van Bramer  
Vincent M. Ignizio  
James S. Oddo

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2 CHAIRPERSON RECCHIA: Okay. Are we  
3 ready? Good morning. Welcome to today's Finance  
4 Committee meeting. My name is Domenic M.  
5 Recchia, Jr. I'm the chair of this wonderful  
6 Committee. We're joined here today by Julissa  
7 Ferreras, Karen Koslowitz, Gale Brewer, Lewis  
8 Fidler, Fernando Cabrera, Helen Diane Foster,  
9 Charles Barron, Liz Crowley, Darlene Mealy, Oliver  
10 Koppell, Leroy Comrie, Al Vann. Okay.

11 Today is the first meeting of the  
12 Finance Committee since our budget hearing ended a  
13 short while ago. The Finance Committee has met so  
14 we have a lot of items on our agenda today. We  
15 have a total of nine items we will vote out of  
16 Committee this morning. My counsel, Tanisha  
17 Edwards, e-mailed briefing reports to members last  
18 night, so I won't go into great detail over the  
19 items, but I will provide a brief overview.

20 The first item we have on the  
21 agenda today is proposal 688, a bill sponsored by  
22 Council Member Vincent Ignizio, codifies the  
23 Department of Finance existing, but new practice  
24 of requiring proof of eligible proof by taxpayer  
25 for property tax exemption. The bill - - property

1  
2 tax exemptions go to the people who are really  
3 entitled to them.

4           The next item is preconsidered  
5 Intro sponsored by myself and Council Member Jimmy  
6 Vacca. The bill would transfer the collection of  
7 commercial motor vehicle tax from medallion taxi  
8 owners from the Taxi and Limousine Commission to  
9 the Department of Finance. Due to TLC's  
10 collection practice, medallion owners had to pay  
11 \$2,000 upfront over two years, collection by DOF  
12 would permit allowing medallion owners to pay  
13 their tax of four installments over two years.

14           The next item is preconsidered reso  
15 that calls upon the legislation to extend the - -  
16 New York City to provide a biotech credit against  
17 general corporation and urban corporation business  
18 tax and banking corporation tax for an additional  
19 four years without the state legislation in New  
20 York City's authorization to continue the biotech  
21 tax credit will expire on December 31<sup>st</sup>, 2012.

22           The next item is preconsidered reso  
23 that calls upon the state legislators to introduce  
24 and to pass and to have signed by the governor a  
25 piece of legislation that would authorize New York

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2 City to provide an angel investor credit against  
3 the unincorporated business tax and personal  
4 income tax for biotech companies and medical  
5 technology companies. Angel investors are  
6 affluent individuals who provide personal capital  
7 to start up companies often through a trust fund  
8 or a business. Angel investors are critical for  
9 small start ups seeking capital because the  
10 smallest venture capital funds are not interested  
11 in investments of less than one million. Over 20  
12 states including New Jersey have some form of  
13 angel investor credit, so - - the legislation - -  
14 legislation that would provide this credit to New  
15 York City.

16 Before we move on this next item, I  
17 want to note that the Finance Division staff  
18 Tanisha Edwards, Ray Majesky [phonetic], and Paul  
19 - - drafting a very complex tax legislation that  
20 is pending in Albany on the biotech and the angel  
21 tax credit for biotech. Our Senate bill was  
22 introduced and passed this week, and we are  
23 waiting for bill numbers for the angel investor  
24 credit, and we expect to get that later this week,  
25 so good job to my staff, Tanisha, Ray and Paul,

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2 who worked very closely under the leadership of  
3 Preston Niblack and First Deputy Jeffrey Rodus. I  
4 want to just say thank you to the entire Finance  
5 staff during these tough times. Everybody has  
6 been working late and I really appreciate all that  
7 they are doing.

8           The next five items are resos that  
9 adopt the Banking Commission recommendations on  
10 interest rates for the late payment of water  
11 charges and property taxes. The Commission  
12 recommended 9 percent for small properties and 18  
13 percent for larger properties. They also  
14 recommend a 1 percent discount rate for  
15 individuals who pay their property tax early.  
16 These are all the items on today's—members of the  
17 Banking Commission are here to answer any  
18 questions regarding the Banking Commission  
19 recommendations and members from the Taxi and  
20 Limousine Commission are here to answer any  
21 questions regarding the commission motor vehicle  
22 tax bill. We also have reps from the Department  
23 of Finance to answer any questions on the  
24 exemptions verification bill. Finance staff is  
25 also here to answer any questions on any of the

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items. Anybody have any questions? Okay.

Without seeing any questions--

COUNCIL MEMBER BREWER:

[Interposing] I have a question.

CHAIRPERSON RECCHIA: I knew it.

COUNCIL MEMBER BREWER: My

question--will we get a lot more jobs as a result  
of these tax credits for the biotech--?

CHAIRPERSON RECCHIA: Yes, and Ray  
can give me some numbers, but without this, okay,  
a lot of investors won't want to invest in New  
York City because they could go somewhere else and  
put their money and invest 'cause they'll get the  
tax credit. You know, a lot of time these  
investors they take chances and they put millions  
of dollars up and majority of the projects don't  
work out, so this way they get something in return  
and we increase them to stay here, spend the money  
here and invest here. Ray, do you want to add to  
that?

MALE VOICE: [off mic]

CHAIRPERSON RECCHIA: Paul, you  
have to state your name for the record.

RAY MAJESKY: Ray Majesky, Council

1  
2 Finance. Yeah, I think Domenic got it pretty  
3 well. The only thing I'd add is we--the city's  
4 been making a series of investments to get this  
5 industry to locate in New York City. This is  
6 meant to be complementary to things like - - in  
7 Brooklyn, the East Side Science Center, so we've  
8 made investments to create facilities to allow  
9 this industry to grow. At the moment the industry  
10 is actually very small in this city, and this is  
11 meant to be complementary thing. Only now, only  
12 in the last year or so have we really developed  
13 the kind of space that would allow commercial  
14 biotech to get developed in the city.

15 CHAIRPERSON RECCHIA: Okay, are you  
16 satisfied with that answer?

17 COUNCIL MEMBER BREWER: - - [off  
18 mic].

19 CHAIRPERSON RECCHIA: Use the mic.

20 COUNCIL MEMBER BREWER: How many  
21 jobs do we have now compared to what you hope  
22 would be available and if their tax abatement is  
23 flourishing?

24 RAY MAJESKY: The abatement is not  
25 meant to be a big thing. I mean, the number of



1  
2 jobs in the city right now in this sector because  
3 as I say there is only lab space for experimental,  
4 for a very small number of firms in the city, so  
5 number of jobs right now is in the low hundreds.  
6 We're hoping to be adding on jobs to the tune of a  
7 couple hundred a year. This is not a solve New  
8 York City's unemployment problem - - .

9 COUNCIL MEMBER BREWER: Thank you  
10 very much, Mr. Chair. A little substance you  
11 know.

12 CHAIRPERSON RECCHIA: We love  
13 substance. That's why we gave you a briefing  
14 paper last night, so you can read all about the  
15 substance. Okay, before we let Vincent Ignizio  
16 make an opening statement, Ms. Darlene Mealy—  
17 Council Member Darlene Mealy has to vote.

18 COUNCIL MEMBER MEALY: I vote aye  
19 on all.

20 CHAIRPERSON RECCHIA: Okay.

21 COUNCIL MEMBER IGNIZIO: Thank you  
22 very much, Mr. Chairman. Very briefly to my  
23 colleagues, I wanted to thank the Chair and  
24 Speaker and Tanisha in particular for her work  
25 and help on 688-A. It's a fiscally responsible

1  
2 bill to ensure the eligibility requirements are  
3 actually met with regards to tax abatement, tax  
4 exemptions in the city. I'm just very proud of  
5 it, and I wanted to thank our friends over at  
6 Finance particularly Commissioner, who has been  
7 great with me, and my staff in working with the  
8 bill. I think we built a better mouse trap today  
9 and something that the city is going to be  
10 grateful for for generations to come, so I thank  
11 you, Chairman, for being a man of your word as you  
12 always are and Tanisha for really working with me  
13 day in and day out on it and I look forward to its  
14 passage. Thank you.

15 CHAIRPERSON RECCHIA: Okay, Council  
16 Member Brewer would like to make a statement. - -  
17 Okay. Call the vote.

18 COMMITTEE CLERK: William Martin,  
19 Committee Clerk. Roll call vote in the Committee  
20 on Finance. Council Member Recchia?

21 CHAIRPERSON RECCHIA: Aye on all.

22 COMMITTEE CLERK: Rivera?

23 COUNCIL MEMBER RIVERA: I vote aye  
24 on all.

25 COMMITTEE CLERK: Brewer?

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2 COUNCIL MEMBER BREWER: I vote aye  
3 on all, thank the staff and the reason I asked the  
4 question is 'cause we are being filmed and it is  
5 good for the public to know a little bit more  
6 about the topic. Thank you very much,

7 COMMITTEE CLERK: Comrie?

8 COUNCIL MEMBER COMRIE: Aye on all.

9 COMMITTEE CLERK: Fidler?

10 COUNCIL MEMBER FIDLER: Aye on all.

11 COMMITTEE CLERK: Foster?

12 COUNCIL MEMBER FOSTER: Aye on all.

13 COMMITTEE CLERK: Koppell?

14 COUNCIL MEMBER KOPPELL: Aye on

15 all.

16 COMMITTEE CLERK: Vann?

17 COUNCIL MEMBER VANN: Aye.

18 COMMITTEE CLERK: Ferreras?

19 COUNCIL MEMBER FERRERAS: Aye.

20 COMMITTEE CLERK: Cabrera?

21 COUNCIL MEMBER CABRERA: Aye.

22 COMMITTEE CLERK: Koslowitz?

23 COUNCIL MEMBER KOSLOWITZ: Aye on

24 all.

25 COMMITTEE CLERK: Ignizio?

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COUNCIL MEMBER IGNIZIO: Aye.

COMMITTEE CLERK: By a vote of 13  
in the affirmative, zero in the negative and no  
abstentions, all items have been adopted.  
Members, please sign the Committee Reports.  
Thanks.

CHAIRPERSON RECCHIA: I would like  
to thank everyone and thank the staff and also, I  
would like to—since we are going live now and  
everybody can see our hearings, if anyone from the  
public has any questions about a hearing or like  
further information, they can call my office at  
(212) 788-7045 or they can call my attorney,  
Tanisha Edwards at (212) 227-2923. Okay, so you  
can call our offices. We love to hear from you,  
love to address any questions you might have. I  
thank Gale Brewer for bringing that to our  
attention. This meeting is adjourned.

[gavel]

CHAIRPERSON RECCHIA: We're going  
to leave the vote open for a half hour.

[pause]

COMMITTEE CLERK: Council Member  
Oddo?

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COUNCIL MEMBER ODDO: Yes.

COMMITTEE CLERK: The vote now  
currently stands at 14 in the affirmative.

[long pause]

COMMITTEE CLERK: Council Member  
Van Bramer?

COUNCIL MEMBER VAN BRAMER: Aye on  
all.

COMMITTEE CLERK: The vote now  
currently stands at 15 in the affirmative.

[background conversation]

COMMITTEE CLERK: Council Member  
Jackson?

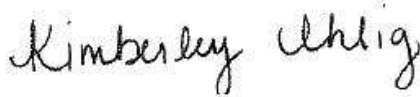
COUNCIL MEMBER JACKSON: I vote aye  
on all.

COMMITTEE CLERK: The vote now  
stands at 16 in the affirmative.

C E R T I F I C A T E

I, Kimberley Uhlig certify that the foregoing transcript is a true and accurate record of the proceedings. I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.

Signature \_\_\_\_\_



Date \_\_\_\_\_

June 26, 2012\_\_\_\_\_