

COMMITTEE ON FINANCE

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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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October 30, 2019  
Start: 10:31 a.m.  
Recess: 10:50 a.m.

HELD AT: Committee Room - City Hall

B E F O R E: Daniel Dromm,  
Chairperson

COUNCIL MEMBERS:

Adrienne E. Adams  
Robert E. Cornegy, Jr.  
Laurie A. Cumbo  
Vanessa L. Gibson  
Mark Gjonaj  
Barry S. Grodenchik  
Rory I. Lancman  
Farah N. Louis  
Steven Matteo  
Francisco P. Moya  
Keith Powers  
Helen K. Rosenthal  
James G. Van Bramer

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2 CHAIRPERSON DROMM: [GAVEL] Okay, good morning  
3 and welcome to today's Finance Committee meeting. My  
4 name is Daniel Dromm and I'm the Chair of this  
5 Committee. I have been joined by Council Member  
6 Farah Louis, Council Member Barry Grodenchik, Council  
7 Member Robert Cornegy, Council Member Keith Powers,  
8 Minority Leader Steven Matteo, Council Member Rory  
9 Lancman, Council Member Adrienne Adams, and I said  
10 Barry Grodenchik already, yes.

11 Today the committee has four items on the agenda,  
12 three land use items and Intro. 1750 which would  
13 authorize six BIDS to increase their assessments.

14 First, we have the land use items. The first is  
15 Knickerbocker Village Apartments in Council Member  
16 Chin's District in Manhattan. This action would  
17 provide a partial 40-year Article 4 property tax  
18 exemption to support the preservation of 1,590 units  
19 of affordable rental housing.

20 The Strivers Plaza in Council Member Perkins  
21 District. This action would provide a full 40-year  
22 Article 11 property tax exemption to support the  
23 preservation of 117 units of affordable rental  
24 housing.

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2       The third is St. Nicholas Manor Apartments, also  
3 in Council Member Perkins district. This action  
4 would provide a partial 40-year Article 11 property  
5 tax exemption to support the preservation of 112  
6 units of affordable rental housing.

7       Each Council Member is supportive of the  
8 exemptions in their districts.

9       Next, we have the BID item. Intro. 1750 would  
10 authorize five bids and one special assessment  
11 district throughout the city to increase the amounts  
12 they expend annually.

13       The Council previously approved Resolution 1093  
14 on October 17<sup>th</sup>, setting today as the date for a  
15 public hearing on this legislation.

16       The budget increases have been requested by the  
17 property owners within the boundaries of each BID and  
18 would be used to enhance the services they provide.

19       The details about which BIDs would see the  
20 increases and the amounts set forth in the briefing  
21 documents prepared by the Finance staff.  
22 Representatives of the Department of Small Business  
23 Services are here to testify regarding the requested  
24 assessment increases, and we'll hear from them now.

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2 So, I'd like to call up Stephen Lee and Calvin  
3 Brown.

4 COUNCIL CLERK: Good morning. Do you affirm that  
5 your testimony will be truthful to the best of your  
6 knowledge, information and belief?

7 PANEL: Yes.

8 COUNCIL CLERK: Thank you. You may proceed.

9 Good morning Chair Dromm and members of the  
10 Finance Committee. I'm Calvin Brown; I'm an  
11 Assistant Commissioner at the Department of Small  
12 Business Services and I wish to express our support  
13 for the Law providing an increased amount to be  
14 expended to five business improvement districts and  
15 one special assessment district, in which I will be  
16 referring to as BIDs.

17 To propose an assessment increase, BIDs must  
18 complete a multistep review process overseen by SBS.  
19 The BID Board of Directors which include local  
20 property owners, merchants and residents as well as  
21 the city Comptroller, Borough President, City Council  
22 and SBS must review and approve the proposed  
23 assessment increase.

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2       Additionally, SBS requires all BIDs to submit a  
3 five-part justification outlined in how the increase  
4 will be allocated.

5       Minutes from the Board meeting, which the  
6 increase was approved and a letter of support from  
7 the City Council members that are represented within  
8 the BIDs boundaries. SBS then reviews these  
9 proposals and determine whether they are sufficient  
10 to bring to City Council.

11       Additionally, as required by law, each of the six  
12 BIDs published a notice of public hearing at least  
13 once in a local paper having general circulation in a  
14 district specifying the time and the place of today's  
15 hearing, and state in the proposed amount to be  
16 expended annually.

17       Each district has also certified that they have  
18 mailed a letter to property owners informing them  
19 about the proposed assessment increase and the time  
20 and place of the public hearing.

21       It is a priority of the agency that assessment  
22 increased proposals focus on enhancing programs and  
23 services provided to the district. The sixth  
24 districts proposing an assessment increase are doing  
25 so to address vital needs and change in conditions.

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2           These increases will further expand, reinforce  
3 and strengthen the existing core services currently  
4 provided in a business district and include funds for  
5 capital improvements, plaza activation and added  
6 staff capacity.

7           Additionally, portions of these increases will be  
8 used to sustain current levels of sanitation and  
9 public safety programs and services impacted by the  
10 rising costs related to the increase in the minimum  
11 wage.

12           The proposed increases for Fiscal Year 2020,  
13 range from \$360,000 to \$3.2 million, varying  
14 according to the budgets size, district size and  
15 proposed changes in the programs and services.

16           I'm happy to restate the specific amounts for  
17 each of the six districts. 34<sup>th</sup> Street is going from  
18 \$12,640,000 to \$13,000,000. Fifth Avenue from  
19 \$3,207,000 to \$6,414,000. Fulton Mall \$2,100,000 to  
20 \$3,006,750. Metro Tech from \$3,274,492 to  
21 \$4,911,738. Noho \$540,000 to \$800,000 and Union  
22 Square \$2,600,000 to \$4,200,000.

23           The city's 76 BIDs invests in over \$158,000,000  
24 into local economies in the form of supplemental  
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2 services and programs that serve 93,000 businesses  
3 across the city.

4       BIDs have been valuable and proven partners in an  
5 ongoing initiatives of neighborhood revitalization  
6 and economic development across the five boroughs  
7 making New York City cleaner, safer and more vibrant.  
8 BIDs are also advocates for small businesses in their  
9 districts, helping them to navigate government,  
10 facilitate networking among fellow business owners,  
11 providing business retention support and attracting  
12 shoppers to their area.

13       In partnership with the City government, BIDs  
14 help create jobs, improve the quality of life for New  
15 Yorkers and visitors, enhance the city tax base and  
16 strengthen local economies.

17       Representative from each of the BIDs seeking an  
18 assessment increase are present to answer any  
19 questions, as well as myself. Thank you.

20       CHAIRPERSON DROMM: Thank you very much for that  
21 testimony. Are there any questions from the Council  
22 Members?

23       Okay, with that I'm going to ask the Clerk Billy  
24 Martin to call the roll.

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COMMITTEE ON FINANCE

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COUNCIL CLERK: William Martin, Committee Clerk,  
roll call vote Committee on Finance, all items are  
coupled. Chair Dromm?

CHAIRPERSON DROMM: I vote aye.

COUNCIL CLERK: Gibson?

COUNCIL MEMBER GIBSON: I vote aye.

COUNCIL CLERK: Cornegy?

COUNCIL MEMBER CORNEGY: Aye.

COUNCIL CLERK: Cumbo?

COUNCIL MEMBER CUMBO: Aye.

COUNCIL CLERK: Lancman?

COUNCIL MEMBER LANCMAN: Aye.

COUNCIL CLERK: Rosenthal?

COUNCIL MEMBER ROSENTHAL: Aye.

COUNCIL CLERK: Grodenchik?

COUNCIL MEMBER GRODENCHIK: Aye.

COUNCIL CLERK: Adams?

COUNCIL MEMBER ADAMS: Aye.

COUNCIL CLERK: Powers?

COUNCIL MEMBER POWERS: Aye and I want to welcome  
my friends from the Fifth Avenue and 34<sup>th</sup> Street BIDs  
here today. Thanks.

COUNCIL CLERK: Louis?



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2 COUNCIL MEMBER LOUIS: Aye and I quickly want to  
3 make a quick statement. Out of the 76 BIDs in New  
4 York City, the Flatbush [INAUDIBLE 12:38] BID was not  
5 considered for this assessment which is an issue for  
6 us in Flatbush. While they were overlooked by a  
7 particular division from your agency. I would love  
8 for them to be considered next year for the Spring.  
9 There has been a 27 percent increase in services that  
10 are needed particularly in our district.

11 So, I'm listening to all the numbers that you are  
12 throwing out \$400,000 and million. We asked just for  
13 a \$200,000 assessment increase and we were  
14 overlooked. So, we definitely want to be considered  
15 for the next time. Thank you.

16 COUNCIL CLERK: Matteo?

17 COUNCIL MEMBER MATTEO: Aye.

18 COUNCIL CLERK: By a vote of 11 in the  
19 affirmative, zero in the negative and no abstentions.  
20 All items have been adopted by the Committee.

21 CHAIRPERSON DROMM: Okay, thank you very much.  
22 We're going to leave it open for about ten minutes or  
23 so for others to come. Thank you.

24 COUNCIL CLERK: Final vote Committee on Finance,  
25 Introduction 1750 Land use 568, 569 and 570 are

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adopted by the Committee, 11 in the affirmative, zero in the negative and no abstentions.

CHAIRPERSON DROMM: Okay, thank you very much and with that, this meeting is adjourned at 10:50 in the morning. [GAVEL]

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 April 1, 2018