

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE

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March 31, 2015  
Start: 10:47 a.m.  
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HELD AT: Committee Room - City Hall

B E F O R E:  
JULISSA FERRERAS  
Chairperson

COUNCIL MEMBERS:  
COREY D. JOHNSON  
HELEN K. ROSENTHAL  
I. DANEEK MILLER  
JAMES G. VAN BRAMER  
LAURIE A. CUMBO  
MARK LEVINE  
ROBERT E. CORNEGY, JR.  
VANESSA L. GIBSON  
VINCENT IGNIZIO  
YDANIS A. RODRIGUEZ

## A P P E A R A N C E S (CONTINUED)

Michael Blaise Backer  
Small Business Services

Edwin O'Malley  
Director of Administration  
City Council

Marcello Testa  
Fiscal Officer  
City Council

[gavel]

CHAIRPERSON FERRERAS: Good morning and welcome to today's Finance Committee Hearing and I am the chair of the committee. I want to thank everyone for joining us today. We've been joined by Council Members Rosenthal, Cornegy, Johnson, Gibson, and Cumbo. I just wanted to acknowledge that I have my council member for a day and I know that there's, we all are, the women of the city council have brought in young women for council member for the day. My council member is Marra Rajas, very appropriately she, her favorite subject is mathematics. She likes to resolve problems and she's doing great in math. And also her hobbies are dance and gymnastics and wants to be a gymnastics coach at some point. I think you should speak to Council Member Cornegy who has some athletic background, I'm going to let you guess, but I know, but I mean something, more than me at least. But also she participates in the HANAC Corona Beacon which is an afterschool program that I ran for six years. So welcome Marra. And I'm sure we'll take some time so that you can introduce your council member for a day. We've been joined by Majority

1  
2 Leader Van Bramer. Today we are, we have a very  
3 full agenda. I will consider two Land Use items, a  
4 BID item, a transparency resolution, a council  
5 operating budget for fiscal 2016, proposed  
6 resolution 520A proposed by Council Member Levin  
7 which calls upon the state to pass legislation that  
8 would provide a property tax exemption for property  
9 owners who allow vacant lots to be used for the  
10 public benefit, proposed intro 497B sponsored by  
11 Council Member Rosenthal that would make changes to  
12 the manner in which the banking commission makes  
13 recommendations to the council regarding the  
14 interest rates for late payment of property taxes  
15 and water and sewer charges and for the in, for the  
16 early payment of property taxes. Let's start with  
17 the land use items. First we have the Rose Ellen  
18 Smith HDFC in Council Member Arroyo's district in  
19 the Bronx. This provides 29 units of affordable  
20 housing for low income senior citizens. This  
21 property currently receives a partial property tax  
22 exemption and will now also receive a full  
23 retroactive property tax exemption from 2007 to  
24 2015. Next we have HMBDHDFC which is also in  
25 Council Member Arroyo's district in the Bronx. This

1  
2 property provides 18 units of affordable housing  
3 for low income seniors. These, this property  
4 currently receives a partial property tax exemption  
5 and will now also receive a full retroactive  
6 property tax exemption from 2002 to 2015. Council  
7 Member Arroyo supports both of these projects. Next  
8 we have the, the BID item Intro 656 which would  
9 establish a South Shore business improvement  
10 district in Council Member Ignizio's district.  
11 Council Member Ignizio supports the establishment  
12 of the BID. The two first year, the total first  
13 year budget of the BID will be 185 thousand dollars  
14 which will go towards sanitation, security,  
15 marketing, and promotion and administrative and  
16 advocacy services. On April 26<sup>th</sup>, 2015 this  
17 committee held a hearing to consider Intro 656 and  
18 all the testimony that we heard was in support of  
19 the BID's establishment. As required by law that  
20 hearing was disclosed without a vote and a 30 day  
21 objection period began to allow property owners  
22 affected by the establishment of the BID to  
23 formally object to its creation. According to the  
24 city clerk with whom these objections would be  
25 filed only one property owner filed a valid

1  
2 objection to the creation of the South Shore BID  
3 during the 30 day period. According to the  
4 committee may now vote in favor of intro 656 we can  
5 answer the following four questions in the  
6 affirmative; were all notices of the hearing for  
7 all hearings required to be held published, mailed,  
8 and required by law otherwise sufficient, does all  
9 the real property within the district boundaries  
10 benefit from the establishment of a district except  
11 as otherwise provided by the law, is all the other  
12 property benefited by a district included within  
13 the district, and four is the establishment of the  
14 district in the best interest of the public. The  
15 Department of Small Businesses, the Department of  
16 Small Business Services is here to testify to help  
17 us answer those questions. For further details on  
18 the management structure and the district profile  
19 of the South Shore BID, a description of the  
20 services that will be provided, and information  
21 regarding the properties located within the BID  
22 please refer to the BID's proposed district plan in  
23 the committee reports prepared by the finance  
24 division. Before we move on to the next item I just  
25 want to say that I am proud of Council Member

1 Ignizio. This is his first bid and third on Staten  
2 Island and I know he has worked extremely hard to  
3 make the South Shore BID a reality. I'm glad you're  
4 in the room as I'm reading this. I, and a benefit  
5 to his community by encouraging business  
6 development and safety in his area. He not only  
7 helped establish the BID but he also helped to  
8 establish the merchant's association that proceeded  
9 the BID which facilitated the investigation of over  
10 two dozen suspected prescription drug dealers  
11 within the BID's boundaries and he's led to several  
12 arrests. So congratulations and thank you for  
13 showing us what it is possible in our neighborhoods  
14 when we work together to tackle community problems.  
15 I know you were supposed to tour the BID last week  
16 but our plans were delayed by the rain so I look  
17 forward to rescheduling and coming out to Staten  
18 Island soon. Next we have the transparency  
19 resolution which sets forth new changes in the  
20 designation of certain organizations receiving  
21 local aging and youth discretionary funding as well  
22 as new changes in the designation of certain  
23 organizations receiving funding pursuant to certain  
24 initiatives in the budget. Organizations appeared  
25

1  
2 in the resolution that have not yet completed the  
3 prequalification process conducted by the Mayor's  
4 Office of Contracts the council and other entities  
5 are identified in the attached with charts with an  
6 asterisk. As with all transparency resolution  
7 council members will have to sign the disclosure  
8 form indicating whether or not a conflict exists  
9 with any of the groups on the attached list. If a  
10 council member has a potential conflict of interest  
11 with any of the organizations listed he or she has  
12 the opportunity to disclose the conflict at the  
13 time of their vote. As a reminder please disclose  
14 any conflicts you may have with the proposed  
15 subcontractors that are used by organizations  
16 sponsored by discretionary funding. These  
17 disclosures must be made before the subcontractor  
18 can be approved, Jeremy Proctor of the General  
19 Counsel's Office can assist you with any questions  
20 or concerns regarding disclosures. Let's now turn  
21 to, to the council's fiscal 2016 operating budget.  
22 Under the charter the council has until March 10<sup>th</sup>  
23 to submit to the mayor its own operating budget for  
24 the next fiscal year. This budget must be presented  
25 to the mayor for inclusion in the executive budget



1 without amendment by the mayor after the council  
2 approves it. In January the charter date was  
3 extended to April 7<sup>th</sup> by legislation passed by this  
4 committee. This year the council's budget totals  
5 over 61 million dollars which reflects an increase  
6 of 3.16 percent from the council's modified budget.  
7 The council's budget increase reflects an increase  
8 in personal services cost to reflect costs of  
9 living adjustments and an increase in OTPS cost for  
10 rent, legal services, and anticipated IT needs. The  
11 council's administrative service director Ed  
12 O'Malley and our fiscal officer Marcello Testa are  
13 here to answer questions on the council's operating  
14 budget. Next we will consider proposed resolution  
15 520A sponsored by Council Member Levine, Levin  
16 sorry. This resolution calls upon the state  
17 legislature to pass Assembly Bill 6272 and Senate  
18 Bill 4490 and the governor to sign such legislation  
19 which would provide a property tax exemption for  
20 private owned vacant land while such property is  
21 being used for a public benefit. As we all know  
22 space in New York City is in high demand in  
23 particular the city is always seeking more space  
24 than can be used for the public benefit. Using a  
25

1  
2 property tax exemption to encourage owners of  
3 vacant property to allow their properties to be  
4 used for the public benefit for example as a  
5 community garden, an urban farm, or a pop up park  
6 is an innovative way to help accomplish that goal.  
7 Thank you Council Member Levin for bringing this  
8 idea to the forefront and for finding a creative  
9 solution to a long standing issue. Lastly but  
10 certainly not least we have proposed Intro 497B  
11 sponsored by Council Member Rosenthal. This  
12 legislation would make several changes to the way  
13 the banking commission makes its recommendations to  
14 the council for interest rates from the late  
15 payment of property taxes and water and sewer  
16 charges and a discount rate for early payment of  
17 the property tax as well as change it, as change  
18 the default early payment discount rate. As you may  
19 know the banking commission consists of the mayor  
20 who serves as chair, the comptroller, the  
21 commissioner of the Department of Finance. It is  
22 charged with the designation that banks in which  
23 the city will deposit its money and recommending to  
24 the council the interest rate to be charged with,  
25 for delinquent properties and water and sewer

1  
2 payments and the discount rate for early payment of  
3 property taxes. Currently the banking commission is  
4 required to provide recommendations to the council  
5 no later than May 25<sup>th</sup> of each year. Once received  
6 the council can act on the late interest rate  
7 recommendations at any time but may not act on the  
8 early payment discount rate until after June 5<sup>th</sup>.

9 The event that the council takes no act, in the  
10 event that the council takes no action on either  
11 recommended rate the law sets forth default rates  
12 that would be applied until the council acts. With  
13 respect to the late payment interest rate; since  
14 1991 the banking commission has recommended an  
15 interest rate of 18 percent for semi-annual payers  
16 and nine percent for quarterly payers. 95 percent  
17 of tax payers in the city are quarterly payers and  
18 would pay the nine percent late payment interest  
19 rate on delinquent property taxes and water and  
20 sewer charges. With respect to early payment  
21 discount it is a discount provided to tax payers  
22 who pay their property taxes early. The banking  
23 commission recommendations for an early payment  
24 discount have also remained relatively stable over  
25 the years between 1994 to 2005. The banking

1  
2 commission recommended a two percent rate between  
3 2006 and 2011 and one percent rate was recommended  
4 from, from 2012 to 2015 a one percent rate was  
5 recommended. If the council does not act on the  
6 banking commission's recommendation or does not  
7 adopt a rate independent of the banking  
8 commission's recommendations before DOF sends out  
9 its property tax bill the current default discount  
10 rate provided by law is 1.5 percent. Proposed Intro  
11 497B would do several things. First it would  
12 require the banking commission to provide its  
13 recommendations to the council by May 13<sup>th</sup> rather  
14 than May 25<sup>th</sup> thereby allowing more time for the  
15 council to consider recommendations before DOF  
16 sends out the July first property tax bill. Second  
17 it would change the provision that limits the  
18 council from acting on the discount rate  
19 recommendation until after June 5<sup>th</sup> allowing the  
20 council to act at any time after May 14<sup>th</sup>. This  
21 will allow the council to adapt a rate at an  
22 earlier date and provides DOF with more time to  
23 prepare the July 1<sup>st</sup> property tax bills to reflect  
24 the council's adopted percentage. Third, the bill  
25 will eliminate the 1.5 percent default discount

1 rate and link the default rate to a market rate.  
2 Most significantly in my opinion the bill would  
3 also require the banking commission to provide a  
4 justification analysis of, of its recommendations  
5 for the early payment discount and an interest rate  
6 for the late payments of property tax currently.  
7 What the banking commission provides is  
8 recommendation... supervise the council with a  
9 supplement which details a potential effect the  
10 recommendations would have on taxpayer. However  
11 singularly does not specify the factors that were  
12 considered when determining recommendations on the  
13 order rationale for the use of such factors. It  
14 also does not explain the need for a discount  
15 percentage now that the city is not apparently in  
16 need of cash up front each fiscal year. The  
17 justification analysis would provide much needed  
18 transparency about the deliberations and  
19 consideration of the banking commission. I want to  
20 thank OMB, the Department of Finance, and the  
21 department, the Law Department in the Mayor's  
22 Office for working with us on this bill. I would  
23 also like to thank the finance division,  
24 particularly chief council Tanisha Edwards and  
25

1 Deputy Director Chief Economist Roddie Jesky  
2 [phonetic] for all the work on this. I am proud to  
3 be a co-sponsor of this bill and I'd like to  
4 congratulate the prime sponsor who really followed  
5 this through from BNT all the way to this day. I am  
6 so proud of her, Council Member Rosenthal and her  
7 efforts to bring this legislation to fruition. She  
8 has a lot of tenacity and held her gun all the way  
9 through. I know it's been a long road and I commend  
10 you for your advocacy and your leadership on this  
11 issue. Those are all the items for today. We will  
12 take questions, hear testimony on these items in  
13 the order we were, they were discussed. Are there  
14 any questions on the land use items in Council  
15 Member Arroyo's district? Okay. We will now hear  
16 from SBS and anyone else who would like to testify  
17 on the establishment of the South Shore BID. And  
18 while they come up I would like to give Laurie  
19 Cumbo an opportunity to introduce her council  
20 member for the day.

22 COUNCIL MEMBER CUMBO: Good morning  
23 colleagues. I am so very pleased today. I have  
24 Chanelle Daily with me who is from W.E.B Dubois  
25 High School. She is preparing for graduation as we

1  
2 speak. She is currently attending W.E.B. Dubois but  
3 she's also working at a middle school in the area  
4 as an office manager and she's very excited about a  
5 future career in hospitality which she would be  
6 absolutely phenomenal in. And she currently right  
7 now is reading the proposed resolution in regards  
8 to property tax exemption for vacant lots that are  
9 being utilize for public good. So she's going to  
10 have some comments and some questions that she is  
11 going to be willing to share. And it's interesting  
12 we just met yesterday and we became fast friends  
13 and I see her very much as an upcoming me. So I'm  
14 very excited about this relationship. I'm very  
15 excited to welcome her here. And I'm very excited  
16 that all of the council members for a day are here  
17 today. Thank you very much Chair Ferreras.

18 CHAIRPERSON FERRERAS: Thank you Council  
19 Member Cumbo. And welcome. I know they're going to  
20 be leaving us shortly to go have lunch so I just  
21 want to give them an opportunity. SBS you may  
22 begin. Swear you in.

23 UNIDENTIFIED FEMALE: Do you affirm that  
24 your testimony will be truthful to the best of your  
25 knowledge, information, and belief?

1  
2 MICHAEL BACKER: I do. Good morning  
3 Chair Ferreras and members of the Finance  
4 Committee. I am Michael Blaise Backer Deputy  
5 Commissioner of Neighborhood Development, the  
6 Department of Small Business Services. I am joined  
7 by Assistant Commissioner James Mettham and  
8 Director of BID Formation Patrick Cammack. As  
9 required by law the South Shore Business  
10 Improvement District Steering Committee mailed the  
11 summary of the City Council Resolution to the  
12 following parties. Each owner of real property  
13 within the proposed district at the address shown  
14 on the latest city assessment role such other  
15 persons as are registered with the city to receive  
16 tax bills concerning real property within the  
17 district and tenants of each building within the  
18 proposed district. In addition SBS arranged for the  
19 publication of a copy of the summary of the  
20 resolution in the city record. We would like to  
21 report in the result of the objections filed with  
22 the city clerk against the establishment of the  
23 proposed South Shore Business Improvement District.  
24 At the conclusion of the objection period at 5:00  
25 p.m. on March 28<sup>th</sup>, 2015 and taking into



1  
2 consideration any objections filed the next  
3 business day March 30<sup>th</sup>, 2015 one valid objection  
4 was filed with the city clerk. This one valid  
5 objection represents less than one percent of  
6 assessed value and less than one percent of the  
7 owners have all benefited real property situated  
8 within the district. This level of objection is  
9 within our acceptable threshold needed to advance  
10 the bill for a favorable consideration by the full  
11 city council. The Department of Small Business  
12 Services supports the establishment of the South  
13 Shore BID. In our judgment the BID will improve  
14 business conditions and quality of life in the  
15 South Shore Industrial area making it a better  
16 place to do business in laying the ground work for  
17 further neighborhood development activities on the  
18 south shore of Staten Island. Thank you. And at  
19 this time happy to take any questions.

20 CHAIRPERSON FERRERAS: Thank you very  
21 much for your testimony. We've been joined by  
22 Council Member Miller, Minority Leader Ignizio,  
23 Council Member Levine, and Council Member  
24 Rodriguez. Does, I'd like to give this opportunity  
25

1  
2 for Council, Council Member Ignizio to say a few  
3 words.

4 COUNCIL MEMBER IGNIZIO: Thank you Madam  
5 Chairwoman and I appreciate the support of SBS and  
6 your commissioner... with us every step of the way.  
7 This has been a five year initiative that started  
8 with a merchant association, went to an LDC and  
9 ultimately... a BID which will foster greater  
10 community input for... foster more community... in the,  
11 in the area as well as security. And I just, I  
12 think ultimately we prove that this model can work  
13 and I hope it will be exported throughout the city  
14 and hope, and the, the BID model as a whole we know  
15 is a success for one and hopefully we can establish  
16 a greater interest on behalf of other areas in my  
17 community and as we are seeing throughout Staten  
18 Island as well. So thank you Madam Chairwoman and  
19 we welcome you any time as you know. You've been to  
20 the community multiple times but I would love to  
21 bring you on a tour when your schedule permits  
22 perhaps in the summer time when the budget gets  
23 passed. And I appreciate my colleagues for their  
24 support as well.

1  
2 CHAIRPERSON FERRERAS: Thank you very  
3 much an I look forward to coming out to Staten  
4 Island. Do we have any further questions on the  
5 BID? Council Member Cornegy.

6 COUNCIL MEMBER CORNEGY: I don't, I  
7 don't have a question. I just wanted to encourage  
8 the minority leader when he had an opportunity to  
9 have his BID take a look at the Bed-Stuy Gateway  
10 BID and their model as a template for successful  
11 BIDs across the city of New York. Absolutely.

12 CHAIRPERSON FERRERAS: Great. And we're  
13 going to have Council Member Johnson's meat packing  
14 BID will be up next month in April. Do we have any  
15 additional questions or statements? No? Thank you  
16 SBS. Are there any questions on the transparency  
17 resolutions, any disclosures at this time? Nope.  
18 Please make sure to sign your, your forms. Are  
19 there any questions on the council's fiscal 2016  
20 operating budget. Yes. Council Member Rosenthal.  
21 Let's have O'Malley and I'm sorry and Mr. Testa  
22 come up.

23 COUNCIL MEMBER ROSENTHAL: I'm sorry. I  
24 don't have a question, I have a comment.

1  
2 CHAIRPERSON FERRERAS: Okay. But you can  
3 sit down.

4 COUNCIL MEMBER ROSENTHAL: Please. I,  
5 you know this is my first year seeing this and if  
6 you guys could teach OMB how to do this for all the  
7 city agencies we would all be well served. This is  
8 an amazing document. Congratulations to Chair, you  
9 guys. This is what transparency looks like. So  
10 whenever you know we're all sitting in front of the  
11 OMB or the agencies and asking for more details  
12 from now on I'm going to refer them to you. This is  
13 so utterly transparent and clear. It's such a  
14 pleasure to be able to have a document like this,  
15 read through it, be able to see any areas of  
16 concerns that would pop out. It just so happens  
17 that in looking at it it all makes sense to me. So  
18 I don't have any questions. But congratulations to  
19 you and congratulations to you Chair. This is a  
20 remarkable document. Has this ever been done  
21 before?

22 CHAIRPERSON FERRERAS: Yes.

23 COUNCIL MEMBER ROSENTHAL: Oh sorry. But  
24 I don't remember seeing it last year. So for me  
25 it's really cool.

1  
2 CHAIRPERSON FERRERAS: Yes thank you...

3 COUNCIL MEMBER ROSENTHAL: Thank you.

4 CHAIRPERSON FERRERAS: ...though Council  
5 Member Rosenthal and of course thank you to our  
6 team who have to actually produce these but also  
7 deal with all of our offices and, and the technical  
8 work there. Council Member Cumbo.

9 COUNCIL MEMBER CUMBO: Thank you Chair.  
10 Thank you so much for being here. I appreciated  
11 many times you making yourselves available in your  
12 office for my many different questions. Wanted to  
13 just bring your attention to page six of the  
14 document where it talks about Council Member's  
15 budgets and staffs and aids and stipends. So I  
16 guess the difficulty for me here is, is not having  
17 that information from last year. So were there  
18 increases or decreases to these numbers from last  
19 year.

20 EDWIN O'MALLEY: Yes. Basically the  
21 budget is an increase for each member's 12,000  
22 dollars.

23 CHAIRPERSON FERRERAS: I'm sorry Ed. You  
24 have to state your name for the record so...  
25 transcribe...

1  
2 EDWIN O'MALLEY: Edwin O'Malley Director  
3 of... thank you... Edwin O'Malley Director of  
4 Administration for the City Council. So yes there  
5 is a difference, the individual member's budget's  
6 going up will increase that by 12,000 dollars per  
7 member.

8 COUNCIL MEMBER CUMBO: Okay so for the  
9 council members their budget, their, their aids  
10 budget will go up by 12,000 dollars? Their council?

11 CHAIRPERSON FERRERAS: Individually, I'm  
12 sorry, Individually council member's budget will go  
13 up 12,000 dollars to help mitigate future and, and  
14 Ed can speak about this but to mitigate future  
15 living expense and what we just went through with  
16 our colas [phonetic]

17 COUNCIL MEMBER CUMBO: Right.

18 CHAIRPERSON FERRERAS: So this is just  
19 to help Council Members figure out how everyone  
20 pays members differently. So I don't know Ed if you  
21 can speak to those details.

22 EDWIN O'MALLEY: I mean it's basically  
23 just on the, on the cola [phonetic] amount that you  
24 wanted to know? Well for previous cola for the  
25 earlier years it's based upon staffing, on payroll

1  
2 on certain dates. So we went back, we started from  
3 11 and went forward, checked the payrolls to make  
4 sure who was on, whether they were on your staff or  
5 on other member staff or even there was some people  
6 that worked in city government that transferred to  
7 the council. So we covered all of those, covered  
8 the, the, the, the cola retro for that time period  
9 that they were involved. And then going forward  
10 money, additional money was put in to cover current  
11 salaries and this budget will cover salary  
12 increases anticipated starting in September.

13 COUNCIL MEMBER CUMBO: So each member,  
14 when was the last cola adjustment?

15 EDWIN O'MALLEY: Just a few weeks ago.

16 COUNCIL MEMBER CUMBO: I mean prior to  
17 that one.

18 EDWIN O'MALLEY: Oh 2010.

19 COUNCIL MEMBER CUMBO: 2010. And how  
20 often does it happen?

21 EDWIN O'MALLEY: Whenever there's a  
22 contract settlement.

23 COUNCIL MEMBER CUMBO: Okay.

24 EDWIN O'MALLEY: ...with the unions.  
25

1  
2 COUNCIL MEMBER CUMBO: Okay. So from,  
3 from this last one what was gained was a 12,000  
4 dollar increase for each member.

5 EDWIN O'MALLEY: Well in current, in  
6 current year additional money was added also to  
7 cover current salaries.

8 COUNCIL MEMBER CUMBO: Okay.

9 EDWIN O'MALLEY: And then the, the  
10 amount for previous years came out of a different  
11 kind of pot that wasn't in your budget that we  
12 tapped into to do... for your staff.

13 COUNCIL MEMBER CUMBO: And for the one  
14 above that? O-O-1 Council Members, 5,755,500  
15 dollars?

16 EDWIN O'MALLEY: That's your own  
17 salaries.

18 COUNCIL MEMBER CUMBO: That's our own  
19 salaries. Was there any adjustment to that?

20 EDWIN O'MALLEY: I'm sorry.

21 CHAIRPERSON FERRERAS: ...require...  
22 commission... Mayor's Office and we've had an  
23 interesting debate on whether he's going to call  
24 this commission to review our salary increases  
25 because I think Minority Leader Ignizio was around



1  
2 in the last increase when, in 2006 was when we had  
3 our last, our last increase for salaries.

4 COUNCIL MEMBER CUMBO: So there's no  
5 cola that's implied on this?

6 EDWIN O'MALLEY: For members?

7 COUNCIL MEMBER CUMBO: For members. No  
8 cost of living adjustments for the members?

9 EDWIN O'MALLEY: ...say no.

10 COUNCIL MEMBER CUMBO: Okay. Alright  
11 then. That's all my questions. Thank you.

12 EDWIN O'MALLEY: Thank you.

13 CHAIRPERSON FERRERAS: That's a whole  
14 charter change. But council member, we have Cornegy  
15 and I, I think there was any additional questions  
16 on the budget? Council Member Cornegy.

17 COUNCIL MEMBER CORNEGY: Madam Chair I  
18 don't have a question. I just wanted to say as not  
19 to embarrass Ed O'Malley. I just wanted to welcome  
20 you back and say thank you for getting directly to  
21 work and you, you look great.

22 EDWIN O'MALLEY: Thank you.

23 CHAIRPERSON FERRERAS: Any further  
24 questions on the operating budget? Yes.

1  
2 COUNCIL MEMBER CUMBO: One clarity  
3 question. In terms of things such as for council  
4 members on page 20 such as newsletter, postage,  
5 printing, those sorts of things as well as rent  
6 were there adjustments or increases made to those  
7 from the previous year as well.

8 MARCELLO TESTA: Yes.

9 CHAIRPERSON FERRERAS: Your name?

10 MARCELLO TESTA: Hello, my name is  
11 Marcello Testa. I'm the fiscal officer. If you turn  
12 to page four.

13 COUNCIL MEMBER CUMBO: Mm-hmm.

14 MARCELLO TESTA: It shows the, any  
15 adjustments that were made from previous year from  
16 the modified budget. If you see U of A 100 you'll  
17 see the difference of 300 thousand. And that's, we  
18 put 100 thousand for postage and additional hundred  
19 thousand for rent, for the members rents because  
20 their increases and additional hundred thousand  
21 just in OTPS funds... operating of your offices.

22 COUNCIL MEMBER CUMBO: Okay. And how  
23 does that break down per member then?  
24  
25

1  
2 MARCELLO TESTA: The entire budget's  
3 going to be broken down 382 thousand, 284 thousand  
4 per member.

5 COUNCIL MEMBER CUMBO: Oh great.

6 MARCELLO TESTA: Which gets divided up  
7 between PS and OTPS.

8 COUNCIL MEMBER CUMBO: Thank you.

9 MARCELLO TESTA: Based on your own  
10 needs.

11 COUNCIL MEMBER CUMBO: That's right. I  
12 have a lot of need. Thank you.

13 CHAIRPERSON FERRERAS: Ha, thank you  
14 Council Member Cumbo. And of course Ed O'Malley and  
15 Marcello Testa are available for any additional  
16 questions that you may have in reference to the  
17 operating budget. Thank you. Are there any  
18 questions on proposed Intro 520A, and that is  
19 Council Member's Levin's district? Okay. He, he  
20 texted me he was trying to make it but he will not  
21 be able to make it into the hearing. Are there any  
22 questions on proposed Intro 497B and before  
23 questions I'd like give Council Member Rosenthal an  
24 opportunity to speak on her legislation.  
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2 COUNCIL MEMBER ROSENTHAL: Thank you so  
3 much Chair. I, I really just want, I think we've  
4 talked about the bill itself like enough. But I  
5 just, I guess I want to thank the finance  
6 department for your patience and helping us see  
7 this through. You know this is a bill that at the  
8 end of the day I think is, is a good government  
9 bill. There's a lot more transparency about what  
10 goes into the banking commission's recommendation  
11 for the prepay discount. Tanisha and Ray you guys  
12 understood what I was talking about and took it  
13 seriously and I really appreciate that. But Chair  
14 Ferreras this would not have happened without your  
15 putting your back into it, without your wrapping  
16 your head around it which you totally did. You have  
17 been the shining star on this from the first  
18 hearing when you did not let up. I thought I was  
19 going to be asking questions and I sort of had  
20 nothing to say because you had asked all the  
21 questions and shown, you showed what your questions  
22 and your understanding of this issue made it  
23 evident that we needed this bill and the outcome  
24 and this couldn't, would not have happened without  
25 you. So I really appreciate your determination and

1  
2 your willingness to shoulder the burden of getting  
3 it though in the 11<sup>th</sup> hour. I think the city of New  
4 York is, you, you've made a, we've made a quiet and  
5 small but serious impact in the lives of New  
6 Yorkers for better government and for better fiscal  
7 outcome and I can't thank you enough for that.

8 CHAIRPERSON FERRERAS: Thank you Council  
9 Member Rosenthal. And again this is really, speaks  
10 to Council Member Rosenthal; diligence, this was  
11 brought up in BNT last year and it gave quite the  
12 conversation and debate so to bring clarity and  
13 transparency through this process is really  
14 something that we should commend her for. If there  
15 are no further questions in reference to Council  
16 Member Rosenthal's bill I... before I Billy Martin,  
17 the committee clerk, call the roll I want to remind  
18 everyone that the Finance committee jointly with  
19 Civil Service and Labor Committee chaired by  
20 Council Member Miller will be holding a hearing  
21 tomorrow to examine the healthcare savings under  
22 recent collective bargaining agreements. The  
23 hearing will be at 10:00 a.m. tomorrow in this  
24 room. I urge all my colleagues to please coe on  
25 time. Billy you may now read the call, the roll.

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2 COMMITTEE CLERK MARTIN: William Martin,  
3 Committee Clerk. Roll call vote Committee on  
4 Finance. Chair Ferreras.

5 CHAIRPERSON FERRERAS: I proudly vote  
6 aye and I urge my colleagues to do the same.

7 COMMITTEE CLERK MARTIN: Rodriguez.

8 COUNCIL MEMBER RODRIGUEZ: Aye.

9 COMMITTEE CLERK MARTIN: Van Bramer,  
10 Gibson.

11 COUNCIL MEMBER GIBSON: I vote aye.

12 COMMITTEE CLERK MARTIN: Cornegy.

13 COUNCIL MEMBER CORNEGY: I vote aye.

14 COMMITTEE CLERK MARTIN: Cumbo.

15 COUNCIL MEMBER CUMBO: Permission to  
16 explain my vote? I vote aye. And I'm so very proud  
17 of my sister in government on women's history month  
18 for your support and your diligence in bringing  
19 this to the forefront. And I'm very proud to  
20 support you in this. And this is going to mean so  
21 much for so many people who have found it very  
22 difficult to keep up in our fast paced economy  
23 where there have not been many opportunities for  
24 them to catch up if you will in life. So I vote aye  
25 and I'm so very proud of you.

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COMMITTEE ON FINANCE

COMMITTEE CLERK MARTIN: Levine.

COUNCIL MEMBER LEVINE: With heartfelt congratulations to all the sponsors including of course Council Member Rosenthal and Minority Leader Ignizio I vote aye on all.

COMMITTEE CLERK MARTIN: Miller.

COUNCIL MEMBER MILLER: Aye on all.

COMMITTEE CLERK MARTIN: Rosenthal.

COUNCIL MEMBER ROSENTHAL: Aye on all.

Thank you.

COMMITTEE CLERK MARTIN: Ignizio.

COUNCIL MEMBER IGNIZIO: With

congratulations to my colleague Council Member Rosenthal on her hard fought victory I vote aye and I'm grateful for my council members for voting yes on the BID and happy that it's going on to the full council. Thank you Chairwoman.

COMMITTEE CLERK MARTIN: Johnson.

COUNCIL MEMBER JOHNSON: With gratitude that this is the last time that we get to congratulate Council Member Ignizio I vote aye on all.

COMMITTEE CLERK MARTIN: Van Bramer.

COUNCIL MEMBER VAN BRAMER: Aye on all.

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COMMITTEE ON FINANCE

COMMITTEE CLERK MARTIN: By a vote of 11  
in the affirmative, zero in the negative and no  
abstentions all items have been adopted.

CHAIRPERSON FERRERAS: Excellent. Thank  
yu very much. And I call this hearing adjourned.

[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 13, 2015