

CITY COUNCIL
CITY OF NEW YORK

-----X

TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON FINANCE

-----X

April 6, 2011
Start: 10:35 am
Recess: 11:15 am

HELD AT: Committee Room
250 Broadway - 16th Fl.

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

COUNCIL MEMBERS:
Gale A. Brewer
Leroy G. Comrie, Jr.
Lewis A. Fidler
Robert Jackson
G. Oliver Koppell
Darlene Mealy
Diana Reyna
Joel Rivera
Albert Vann
Fernando Cabrera
Julissa Ferreras
Karen Koslowitz
James G. Van Bramer

A P P E A R A N C E S

COUNCIL MEMBERS:

Vincent M. Ignizio

James S. Oddo

Ruben Wills

1
2 CHAIRPERSON RECCHIA: All the
3 adults are excited and all the children are
4 crying. McDonald's is going to give out the toys
5 now—just give them out.

6 [background noise]

7 COUNCIL MEMBER COMRIE: As long as
8 they give them out with salads, instead of Happy
9 Meals, french fries...

10 CHAIRPERSON RECCHIA: Alright.
11 Good morning. Welcome to today's Finance
12 Committee meeting. My name is Domenic M. Recchia,
13 Jr. I'm the chair of this wonderful Committee.
14 Today we have a number of items on our agenda.
15 But before I do that, I'd like to introduce
16 everyone who is present here today: Joel Rivera,
17 Diana Reyna, Leroy Comrie, Robert Jackson, Oliver
18 Koppell, Julissa Ferreras, Fernando Cabrera, Karen
19 Koslowitz, Jimmy Van Bramer, Vinny Ignizio and
20 Jimmy Oddo. We also have been joined by Ruben
21 Wills. Gale Brewer, oh my god, it's an honor—
22 pleasure to have you here. Usually, she is
23 teaching on Wednesdays.

24 COUNCIL MEMBER BREWER: [off mic]

25 CHAIRPERSON RECCHIA: Oh, thank you

1
2 very much, your students must love us for having
3 it.

4 First we have two Land Use items.
5 Both Land Use items are HDFCs and in Council
6 Member Diana Reyna's district. The first property
7 is named Los Sures Reyes [phonetic]. The property
8 will receive a full property tax exemption for a
9 rehab of 42 units of rental housing for low-income
10 families. The second is Los Sures Reyes. Is that
11 right? Los Sures too and the property will receive
12 a full property tax exemption for the rehab of 106
13 units of rental housing for low-income families.

14 Our next item relates to the
15 adopted fiscal 2011/2010 expense budget. This
16 Reso sets forth new designation or changes on the
17 designation of certain organization for senior
18 local, aging and youth discretionary funding as
19 well as new designations or changes in the
20 designation of certain organizations to receive
21 funding pursuant to certain initiatives in fiscal
22 2011 and 2010. For clarification purposes, it is
23 to be noted that the organizations appearing in
24 the Reso that have not yet completed the pre-
25 qualification process by the Mayor's Office of

1
2 Contract Services, by the Council or another
3 entity are identified with an asterisk.

4 Additionally as with all transparency reso,
5 Council Members will have to sign a disclosure
6 form indicating whether a conflict exists. If any
7 Council Member has potential conflict of interest
8 with any organization, he or she might want to
9 disclose that prior to the vote. I'd like the
10 remind Council Members that they are now required
11 to disclose any conflict they may have with
12 subcontractors that are used by organizations that
13 sponsor for or apply for discretionary funding.

14 This disclosure must be made before subcontractors
15 are to be approved. Members will be contacted by
16 Council Ethics and Employment and Nadir is here.

17 Where's Nadir? He's here. He can sign the form.

18 Have any questions about whether you have to
19 disclose, he will answer them prior to your voting
20 this morning. Our next piece of legislation is
21 setting the dates for various actions relating to
22 the budget for fiscal 2012. The administration
23 has asked for an extension for the submission of
24 2012 executive budget from April 26th to May 5th in
25 order to give ONB time to incorporate information

1
2 from this year's income tax returns into the
3 revenues forecast for the executive budget by
4 providing the Administration extra time to release
5 the executive budget. The council will need extra
6 time to hold its hearings. We will now conclude
7 no later than June 6, rather than May 25th. This
8 legislation would also extend the other chartered
9 mandated dates relating to the executive budget
10 actions taken by other officials, such as the IBO
11 and borough presidents. The legislation will also
12 change the target budget adoption date, the date
13 for the May submission of revenue estimate and the
14 date for fixing the tax rates from June 5th to June
15 14. So Tuesday June 14th is our goal for budget
16 adoption.

17 Our last piece of legislation is
18 the Atlantic Bid. This legislation sets April 28th
19 at 10 a.m. as the date and time for a hearing to
20 consider legislation that would establish Atlantic
21 Avenue Bid in Council Member Levin and Landers'
22 district. Both Council Members support this bid.
23 Members of the Council Finance are available to
24 answer any questions if you have regarding the bid
25 or the transparency resolution. We also have

1
2 representatives from ONB to answer any questions
3 regarding the budget extension. Also, we have
4 been joined by Darlene Mealy and prior to the
5 vote, Diana Reyna would like to say a few words.
6 Council Member Reyna?

7 COUNCIL MEMBER REYNA: Thank you,
8 Mr. Chair. I just wanted to thank the Housing
9 and Building staff, the Finance staff on the
10 Article 11 for the Los Sures organization, other
11 known as the Southside United HDFC. It's a non-
12 profit neighborhood preservation corporation
13 organization in our Latino community of
14 Williamsburg—the largest which provides affordable
15 housing to our district. This particular action
16 will preserve and stabilize 42 units of rental
17 housing for low-income families, a rehabilitation
18 that provides a full property tax exemption and
19 that is considered phase 1 of Los Sures' action
20 and phase 2 would be a full property tax exemption
21 for the rehabilitation of 106 units rental housing
22 for low-income families. I urge my colleagues to
23 support this action and I as well give my
24 gratitude to the Los Sures organization that has
25 made this possible in order to preserve families

1
2 in Williamsburg--those that have made sure that
3 our neighborhood has become an icon city-wide.
4 Thank you very much.

5 CHAIRPERSON RECCHIA: Recognize - -
6 HPD is in the house? No? Yes? Okay, how are you? I
7 think we might have a question on one of the
8 items? Council Member Gale Brewer, do you have a
9 question?

10 COUNCIL MEMBER BREWER: I know that
11 Diana Reyna and I have been working for years on
12 this HDFC question because I want to know if
13 there's enough of a restrictive deck to-

14 CHAIRPERSON RECCHIA: [Interposing]
15 Gentlemen, hold on. I don't mean to interrupt
16 you. Gentlemen, could you just let this young
17 lady to a microphone so she can identify herself?
18 Gale Brewer, sorry to interrupt you. That's okay,
19 Mr. Oddo, you can just sit right in the back. Go
20 ahead, Council Member Gale Brewer.

21 COUNCIL MEMBER BREWER: Sure.
22 Diana Reyna and I have been fighting for years on
23 this issue either renter or co-op to be sure that
24 in perpetuity the HDFC one way or another stays
25 affordable. In my area of the Westside, they are

1
2 going for \$730,000 each. Having purchased them,
3 this is a co-op site for 250 and the Commissioner
4 knows I'm apoplectic on this issue, so these are
5 rentals. My question is what is the restrictive
6 covenant if any so that they remain no key money,
7 nothing that would indicate that they will not be
8 affordable in perpetuity. How are you planning to
9 do that? You need to put the microphone on. It's
10 on the back.

11 FEMALE VOICE: Okay. I will have
12 to look into that issue when I get back to the
13 agency because I don't have any documentation here
14 that goes into the whereas clauses of any
15 regulatory agreements, but I will definitely get
16 back to you on that issue.

17 COUNCIL MEMBER BREWER: So do you
18 know if there is any aspect to this rental
19 agreement at all even in other examples of such
20 HDFCs?

21 FEMALE VOICE: I can't think of
22 anything off the top of my head. I mean each
23 program has its own regulatory agreements for each
24 individual program. This particular project again
25 I'm going to have to look into it and get back to

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

you.

COUNCIL MEMBER BREWER: Okay, are there any non-profits here, Mr. Chairman, that could answer that question?

CHAIRPERSON RECCHIA: Are there any non-profits here? No. Why don't we do this—why don't we—we'll set up a meeting with HPD and Gale Brewer to get the answers to your questions.

COUNCIL MEMBER BREWER: Alright, or you can just—a phone call because this is, for those of you that don't have HDFCs, is not an issue, but for those who do, I think HPD should have come prepared to answer this question because it is something that we didn't answer 14, 15 years ago and now we're paying the price.

CHAIRPERSON RECCHIA: Okay, we will look into this. We'll set up a meeting and we'll make sure for future that HPD comes here with those informations. Okay. Alright. Any other questions. Without seeing no other questions, can we please call the roll?

CLERK: Kevin Pin, Committee Clerk, roll call in the Committee on Finance. Council Member Recchia?

1
2 CHAIRPERSON RECCHIA: I vote aye
3 and encourage all my council members to vote aye.

4 CLERK: Rivera?

5 COUNCIL MEMBER RIVERA: I vote aye.

6 CLERK: Reyna?

7 COUNCIL MEMBER REYNA: Mr. Chair,
8 may I please be excused to explain my vote?

9 CHAIRPERSON RECCHIA: Yes.

10 COUNCIL MEMBER REYNA: I just
11 wanted to make sure that it's on the record that
12 the affordable housing that we're referring to for
13 Los Sures is going to be affordable housing in
14 perpetuity and this action clearly gives that
15 opportunity. It's a non-profit rental management
16 program and it's not a co-op, an HDFC co-op of
17 which was described earlier by Council Member Gale
18 Brewer, so that this is just a rehabilitation of
19 low-income, very to low and moderate families that
20 will be able to in perpetuity have access to
21 affordably for years to come by this almost 40-
22 year organization. Thank you very much. I vote
23 aye.

24 CHAIRPERSON RECCHIA: Yeah, and I
25 made that very clear in my opening statement also-

1
2 that this is a non for profit that's running this
3 and it's not a rental unit and not ownership—not a
4 co-op 'cause there is some questions that Gale
5 Brewer has with the co-ops. Is that correct
6 Council Member Brewer? Okay. Call the roll.

7 CLERK: Brewer?

8 COUNCIL MEMBER BREWER: I vote aye,
9 but want to make sure that I see at some point
10 whatever restrictive deck [phonetic] forever
11 because God forbid something happens to the non-
12 profit, I want to be sure that that building does
13 not change its status. Thank you.

14 CLERK: Comrie?

15 COUNCIL MEMBER COMRIE: I'm going
16 to vote aye on all. I would hope that HPD speaks
17 to Council Member Brewer before today's stated so
18 that she can have the clarity she needs before we
19 all vote on the project at the end, but based on
20 everything that I've heard for both—and actually
21 for Council Member Reyna also, so that they can
22 both be totally clear about the long-term
23 perpetuity of affordability for both their
24 projects and that should be able to happen before
25 stated today. I vote aye on all.

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

CLERK: Fidler?

COUNCIL MEMBER FIDLER: I have some
hesitance about the Atlantic Avenue bid, but I'm
going to vote aye on all today, and I hope they'll
be able to answer my questions when they come in.

CLERK: Jackson?

COUNCIL MEMBER JACKSON: I vote aye
on all.

CLERK: Koppell?

COUNCIL MEMBER KOPPELL: Aye.

CLERK: Mealy?

COUNCIL MEMBER MEALY: Thank you.
I vote aye on all.

CLERK: Ferreras?

COUNCIL MEMBER FERRERAS: Aye on
all.

CLERK: Cabrera?

COUNCIL MEMBER CABRERA: Aye.

CLERK: Koslowitz?

COUNCIL MEMBER KOSLOWITZ: Aye.

CLERK: Van Bramer?

COUNCIL MEMBER VAN BRAMER: Aye on
all.

CLERK: Ignizio?

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

COUNCIL MEMBER IGNIZIO: [off mic]

CLERK: Oddo?

COUNCIL MEMBER ODDO: Yes.

CLERK: By vote of 15 in the affirmative, zero in the negative and no abstentions, all items have been adopted. Members please sign the Committee reports.

CHAIRPERSON RECCHIA: Also, I would like to make an announcement. The date for the Atlantic Avenue bid hearing is April 28th. Okay? And that's 10 A.M. Alright? And we'll have all the proper agencies there. Okay? Without seeing any further questions, this meeting is adjourned. Everybody we have housing and buildings next and don't forget it's Library Day today. Jimmy Van Bramer-14? Housing - - 14? Jimmy Van Bramer. We have Library Day festivities in the park. Okay? 11 o'clock. Alright? - - 12. Alright, Jimmy, Vinny Gentile--both of them working together for libraries. Leave the vote open for a half hour. We're going to leave the vote open for a half hour. I recognize--excuse me, Al Vann needs to vote.

CLERK: Vann?

1
2
3
4
5
6
7
8
9
10

COUNCIL MEMBER VANN: Aye on all.

CLERK: The vote stands at 16 in
the affirmative, zero in the negative and no
abstentions.

CHAIRPERSON RECCHIA: Alright, this
meeting is adjourned. Vote is held open for a
half hour.

COUNCIL MEMBER REYNA: This meeting
on finance is adjourned.

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

Kimberley Uhlig

Date

April 18, 2011