

TESTIMONY

NEW YORK CITY COUNCIL, FINANCE COMMITTEE WEDNESDAY, MAY 14, 2014

The Madison Square Garden Company thanks Chairwoman Ferraras and all of the members of the Finance Committee for the opportunity to submit testimony.

Madison Square Garden is one of New York City's most important cultural institutions and has served as a vital economic engine for 133 years. MSG spends almost \$900 million a year on all of its activities, operations and administration. MSG is perennially one of the country's busiest arenas, hosting approximately 400 annual events that attract 4 million people to the heart of NYC each year. Patrons who travel to MSG from outside the city contribute an incremental \$200 million to the city's economy through spending on local businesses such as food, shopping, lodging and parking.

The Arena employs nearly 6,000 full-time, part-time, seasonal and per diem employees and works with 14 different unions. When you add in MSG's other NYC properties, which include Radio City Music Hall and the Beacon Theater, the company spends more than \$1 billion on its activities, operations and administration, employs nearly 8,600 workers and works with 27 unions, while driving more than \$270 million in offsite visitor spending.

In addition, MSG recently completed its entirely self-funded, more than \$1 billion Arena Transformation that created as many as 3,700 union construction jobs at a time when job creation in New York City was more important than ever. This was an unprecedented investment and will allow MSG to attract even more high-caliber events – such as the NCAA Regional East Finals and NBA All-Star Game – driving further revenues to NYC.

Other businesses and organizations throughout NYC receive significant tax breaks and subsidies. It remains patently unfair to single out one company when other entities receive significant public subsidies.

Specifically, the Yankees, Mets, and Nets, have all received significant tax breaks and subsidies. It is estimated that those teams will received more than \$2.3 billion in benefits over the next 40 years. These benefits far exceed the value of MSG's tax abatement over the same period of time.

The Madison Square Garden Arena is synonymous with New York City and one of the most important contributors to its economic and civic vitality. We are proud to be one of the city's largest union employers and the site of more than a century of greatness and enduring moments in sports, entertainment, politics and culture. In addition, MSG is also a philanthropic leader among NYC businesses. Our Garden of Dreams Foundation works with all areas of MSG to bring the magic of MSG to children from its 22 partner organizations – which include the Children's Aid Society, the NYPD and FDNY Widows' and Children's Fund, the Wounded Warrior Project, Harlem Dowling, NYU Medical Center and Morgan Stanley Children's Hospital at NY Presbyterian and the Department of Homeless Services. Madison Square Garden is also unique in the depth and breadth of its response to crises that have faced our region and country. MSG has joined its partners in underwriting, producing and hosting massive relief concerts, including: The Concert for New York City, following 9/11, *The Concert for the*

Gulf Coast, following Hurricane Katrina and *12/12/12*, a *Concert for Sandy Relief*, following Superstorm Sandy. Utilizing MSG's venues, resources and staff, as well as its unparalleled position in the world of music and entertainment, these concerts collectively raised more than \$94 million to address short and long term issues resulting from these tragedies.

Whether through MSG's economic impact, commitment to job creation, dedicated charitable work or its more than one billion dollar investment to transform the Arena, MSG demonstrates its ongoing commitment to fortify and invest in the city it calls home. Singling out MSG when others receive similar or greater tax benefits and other public subsidies is unfair and inconsistent.

CHAIR
Task Force on
People with Disabilities

COMMITTEES

Banks
Cities
Codes
Election Law
Insurance
Judiciary

TASK FORCE
Puerto Rican/Hispanic Task Force



OFFICE OF
NEW YORK STATE
ASSEMBLYMAN
DAVID I. WEPRIN
24TH DISTRICT

DISTRICT OFFICE
185-06 Union Turnpike
Fresh Meadows, New York 11366
718-454-3027
FAX: 718-454-3178

ALBANY OFFICE
Room 602
Legislative Office Building
Albany, New York 12248
518-455-5806
FAX: 518-455-5977

EMAIL
weprind@assembly.state.ny.us

Remarks of Assembly Member David I. Weprin
at a Hearing of the New York City Council Finance Committee on
Repealing Madison Square Garden's Property Tax Exemption
250 Broadway
New York, New York
May 14, 2014

Chairwoman Julissa Ferreras, members of New York City Council Finance Committee, and members of the New York City Council:

My name is David Weprin, Member of the New York State Assembly, representing the 24th Assembly District in Queens, New York. Prior to my election to the Assembly, I served on the New York City Council from 2002-2009, and was Chair of this committee through both of my terms on the Council.

Thank you for allowing me to testify publically regarding the resolution to repeal Madison Square Garden's property tax exemption. This exemption has been in place for too long at the expense of the people of New York.

In 1982, New York granted the Garden this exemption to ensure that the New York Rangers and the New York Knicks would continue to play at home. At the time, this temporary tax break made sense, as Madison Square

CHAIR
Task Force on
People with Disabilities

COMMITTEES
Banks
Cities
Codes
Election Law
Insurance
Judiciary

TASK FORCE
Puerto Rican/Hispanic Task Force



OFFICE OF
**NEW YORK STATE
ASSEMBLYMAN
DAVID I. WEPRIN**
24TH DISTRICT

DISTRICT OFFICE
185-06 Union Turnpike
Fresh Meadows, New York 11366
718-454-3027
FAX: 718-454-3178

ALBANY OFFICE
Room 602
Legislative Office Building
Albany, New York 12248
518-455-5806
FAX: 518-455-5977

EMAIL
weprind@assembly.state.ny.us

Garden not only created many new jobs for New Yorkers, but also gave fans an iconic and lasting home for the Rangers and Knicks.

Over time, it became abundantly clear that this exemption would be permanent. In fact, Edward Koch, who was Mayor of New York City at the time, expressed in an interview several years ago that he believed the exemption would be repealed in 1992. However, Section 429 of New York State law had been worded as to grant this privilege solely to Madison Square Garden, and it was amended to extend the exemption indefinitely. As a result, New York has lost over \$300 million in revenue over the past three decades.

During my tenure on the City Council, as Chair of this very committee, the national economic downturn hit New York. With unemployment rates and budgeting pressures rising, my colleagues and I worked toward the City's recovery. In dire financial times, we absolutely could not afford Madison Square Garden's multi-million dollar tax break. In January of 2008, we passed a resolution in the Council to revoke the Garden's tax exemption. Unfortunately, Albany failed to approve this measure, and to this day, Madison Square Garden has not paid a dime in property taxes.

Last year, as a Member of the New York State Assembly, I introduced a bill (A. 6597) that would repeal Section 429 of the real property tax law, so that New York can finally compel the owners of the Garden to pay their fair share. Senator Diane Savino intends to introduce the counterpart to my bill in the State Senate. My

CHAIR
Task Force on
People with Disabilities

COMMITTEES

Banks
Cities
Codes
Election Law
Insurance
Judiciary

TASK FORCE

Puerto Rican/Hispanic Task Force



OFFICE OF
**NEW YORK STATE
ASSEMBLYMAN
DAVID I. WEPRIN**
24TH DISTRICT

DISTRICT OFFICE
185-06 Union Turnpike
Fresh Meadows, New York 11366
718-454-3027
FAX: 718-454-3178

ALBANY OFFICE
Room 602
Legislative Office Building
Albany, New York 12248
518-455-5806
FAX: 518-455-5977

EMAIL
weprind@assembly.state.ny.us

bill in the Assembly has the support and sponsorship of many legislators, and I expect a similar level of wide support for the Senate counterpart bill.

Therefore, I urge you, Members of the New York City Council, to pass this resolution, because a \$4 billion company should not be tax exempt while hundreds of thousands of our fellow New Yorkers, who pay their taxes, are struggling to get by.



**THE CITY OF NEW YORK
INDEPENDENT BUDGET OFFICE**

110 WILLIAM STREET, 14TH FLOOR
NEW YORK, NEW YORK 10038
(212) 442-0632 • FAX (212) 442-0350 • EMAIL: ibo@ibo.nyc.ny.us
<http://www.ibo.nyc.ny.us>

**Testimony of George Sweeting
Deputy Director, New York City Independent Budget Office
To the Finance Committee of the New York City Council
Regarding the Madison Square Garden Property Tax Exemption**

May 14, 2014

Good morning Chair Ferreras and members of the committee. I am George Sweeting, deputy director of the New York City Independent Budget Office. Thank you for inviting IBO to testify at today's hearing on Madison Square Garden's property tax exemption.

Since 1982, the Garden has been fully exempt from real property tax under a provision of New York State law that effectively only applies to that property. In the current fiscal year this results in a savings for the owners of the Garden of \$17 million. On the Department of Finance's tentative assessment roll for 2015 the estimated market value for the Garden has been increased by nearly \$800 million and is now shown as \$1.2 billion, presumably as the result of the major renovation over the past three years. With a higher market value the value of the exemption will also grow. Although the values will not be final for a few more weeks, at the moment it appears that the amount of the tax expenditure in 2015 will be roughly \$54 million.

I note that the resolution under consideration today draws heavily upon one of the revenue options included in IBO's annual volume of budget options. Just to make it clear, the options in that volume are not recommendations or proposals. IBO does not take a position on whether Madison Square Garden's exemption should be repealed or continued.

What I will do is discuss the exemption from the perspective of broadly accepted standards of tax policy and equity. My purpose is to help inform legislators and other policymakers who will determine the fate of the exemption.

There is broad consensus within the economics field that government subsidies for sports facilities are not an effective use of scarce public resources. There is little evidence that substantial subsidies to sports facilities generate sufficient economic activity that would not have occurred in the absence of the subsidy to return a net fiscal benefit to the locality. Of course, this observation applies to all forms of public subsidy for sports facilities, not just the Madison Square Garden exemption.

Now let me turn to more specific observations about the Garden's exemption. One basic premise of good tax policy is that to the extent that economic development incentives are granted, it is preferable that they be generally available to all qualifying firms.

The Garden's exemption is the only significant property tax exemption in state law that benefits a single private for-profit firm in the city. Because it is enshrined in state law, it is outside the city's control of economic development policy and therefore is increasingly inconsistent with the city's other benefit programs. Most glaring is the open-ended nature of the benefit. Under the city's Industrial and

Commercial Abatement Program (ICAP), for example, tax abatements are granted for a limited time, with the duration depending on location and type of development.

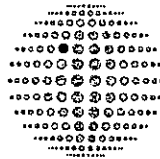
With an open-ended benefit, the city continues to face an annual cost even if the conditions that prompted the initial deal have changed. In 1982, the owners of the Garden argued that their costs, including taxes and energy, were threatening their ability to keep the basketball and hockey teams playing their games in the arena. Today, it is unlikely those conditions remain. With the advent of its own cable television network, more intensive use of the facility to generate advertising revenue, and construction of new luxury boxes and club seating areas with higher ticket prices, the Garden is now by all accounts a highly profitably enterprise.

An economic development incentive provided through a permanent tax exemption offers little chance to withdraw the tax benefit when the city is not getting the full economic benefit envisioned. Consider what happened 18 months ago when the National Hockey League owners locked out the players, forcing the cancellation of 34 out of the 82 games originally scheduled for the 2012-2013 season. The city lost the fiscal benefit from the spending by teams and fans for 17 regular season home games. This marked the third prolonged shut down of either the National Basketball Association or National Hockey League since the exemption was granted. Under current law the exemption remained in effect. It would only lapse if one or both of the two teams were to play their home games in another venue.

Another premise of good tax policy is to avoid favoring one entity over its competitors. The Garden's exemption helps lower its overall cost of operations, but those operations include many events besides basketball and hockey games, such as the circus, ice shows, concerts, and trade shows. In many cases there are competing venues in the city for such events, particularly the small trade shows and the concerts held in the theatre under the Garden's main hall. Venues competing with the Garden for such events are placed at a competitive disadvantage if they are subject to the property tax.

Of course, the Garden also competes against other sports venues for fans and revenue. In recent years the city has subsidized new facilities for the Mets, the Nets, and the Yankees. IBO's most recent estimates of the present value of these city subsidies are \$138 million for Citi Field, \$350 million for the Barclay's arena, and \$362 million for Yankee Stadium. These deals also include additional state subsidies and federal tax-exempt financing. Measured on a comparable basis, which involves estimating the future revenues that would have been generated if the projects had received the standard incentive benefits available to all developers, the Garden's exemption represents a city subsidy of about \$541 million. The Garden's subsidy is larger because the as-of-right benefits that IBO assumes would have been used are less generous than those that would have been available to the other venues when they were constructed.

Again, thank you for the invitation to testify and I would be happy to answer any questions.



PARTNERSHIP
for New York City

TESTIMONY BEFORE THE FINANCE COMMITTEE OF THE NEW YORK CITY COUNCIL

**HEARING ON RESOLUTION CALLING UPON THE STATE LEGISLATURE
TO PASS, AND THE GOVERNOR TO SIGN A.6597/S.4609**

WEDNESDAY, MAY 14, 2014

The Partnership for New York City represents the city's business leadership and its largest private sector employers. We believe MSG's substantial contributions to city and state revenues, both directly through their facilities and indirectly through the economic activity generated by their events, far outweigh the cost of the tax expenditure that is the focus of this hearing.

Last week, the Mayor unveiled a financial plan for the city that made aggressive commitments to housing, education and labor contracts. That plan is only achievable if the city continues to realize at least 3% annual growth in economic output. Anything less will mean a gap in revenues that will render the city unable to support the services and public investments that New Yorkers want and need. The Budget Office and the Partnership are in full agreement that 3% is the target growth number that is required to support the proposed plan.

New York City has had a 3% annual rate of growth over the past five years, outpacing the country. Maintaining this growth depends heavily on three key sectors: technology, tourism and the creative industries (which include media, fashion, and the arts). MSG is an anchor institution in both the tourism and creative sectors, contributing more than \$500 million a year to the city's economy each year and employing 6,000 people in mostly middle-income jobs. The success of MSG as a global sports and entertainment destination has contributed to NYC's status as the nation's #1 tourist destination. MSG events attract more than 4 million people a year, including many visitors from outside the five boroughs and the United States. As a result of the billion-dollar investment to renovate the Garden, MSG's economic contribution has accelerated in the past year and is expected to grow further in NYC if allowed to proceed with its business plan.

Sustained economic growth also depends on the confidence that employers and investors have in state and local government. Employers make decisions about job creation and capital investments for the long term and these decisions depend on consistent and reliable public policy and regulation. Clearly, MSG relied on longstanding public policy with respect to their tax obligations in their decision to modernize their facility and MSG employees rely upon the same for their future job security. For the City Council to arbitrarily reverse a longstanding contract with a solid employer that is playing an important role in the city's economic growth would send a terrible message to the broader business community and would undermine business confidence in city government. We urge the Council to hold this resolution. Thank you.

TESTIMONY BEFORE THE FINANCE COMMITTEE OF THE NEW YORK CITY COUNCIL

**HEARING ON RESOLUTION CALLING UPON THE STATE LEGISLATURE
TO PASS, AND THE GOVERNOR TO SIGN A.6597/S.4609**

**DANIEL GILLOON
LOCAL ONE, INTERNATIONAL ALLIANCE OF THEATRICAL STAGE EMPLOYEES**

WEDNESDAY, MAY 14, 2014

Good morning Chairwoman Ferreras and members of the Finance Committee. My name is Daniel Gilloon and I am here representing James Claffey Jr, President of Local One of the International Alliance of Theatrical Stage Employees (IATSE). Local One of the IATSE is the world's premiere stagecraft union, representing more than 3,200 stage and television studio workers in Manhattan, the Bronx, Staten Island, Westchester and Putnam Counties.

I am here today to support the thousands of working men and women employed by Madison Square Garden and to urge you to vote no on the resolution before you.

In today's unstable economy, steady, good-paying jobs can be hard to come by. I'm pleased to say that virtually all of the employees who work at the Garden's events are union members, and Local One represents hundreds of them.

Like our union, MSG has a long and storied history in New York City. Both organizations share a mutual dedication to the city that is our home. MSG employs thousands, entertains millions, and generates a half of a billion dollars for the city's economy. There are few stages bigger than Madison Square Garden, and just as musicians, athletes and artists dream about performing at this world-renown venue, we take pride in working at the World's Most Famous Arena. Their shows, concerts, and events – over 400 a year, with some days having multiple events – attract the world to MSG. Those shows mean steady work for union members and revenue for New York City.

Throughout each of our negotiations with MSG, the company's management has been fair and reasonable. We have always come to an agreement on issues concerning fair wages and good benefits and we expect to continue to do so for many years to come.

Just as we have found MSG to be respectful and appreciative of its workforce at labor negotiations, we hope the Council will be fair and acknowledge the important role MSG plays in New York City – MSG employs approximately 6,000 people, injects over half a billion dollars into the local economy, and drives more than \$200 million in off-site spending from people visiting New York to attend events at the Garden.

And now, with the completion of the Transformation, MSG has ensured that it will remain the city's premier venue for generations to come – providing much needed job security and peace of mind for Local One members and their families.

Singling out MSG is unfair and unwarranted. In a competitive environment, where businesses are often forced to cut wages and limit benefits, MSG has been steadfast in its commitment to the working men and women of New York City.

Thank you for the opportunity to testify today.



50 Broadway, 29th Floor
New York, NY 10004

T 212 631 0886
F 888 370 3085

www.ALIGNny.org

**Testimony to the New York City Council Committee on Finance,
Regarding the MSG Property Tax Exemption
May 14, 2014**

Good morning. Thank you for the opportunity to provide testimony today. My name is Brigid Flaherty and I am the Organizing Director at ALIGN: the Alliance for a Greater New York. ALIGN is a permanent alliance of community and labor organizations united for a just and sustainable New York.

For the last seven years, ALIGN has coordinated the Getting Our Money's Worth coalition, a broad coalition of over 50 labor, faith, community, environmental and good government groups fighting to make New York's economic development system work for New Yorkers. During this time, we have released numerous reports on this issue. Our report, "The \$7,000,000,000 Wager," was the first of its kind to document, in detail, all forms of local and state tax subsidies in New York and whether they deliver benefits to New York communities.

The report analyzed over a dozen of the largest corporate subsidy programs, and showed that among several poorly devised and wasteful programs, one stands head and shoulders above the rest: known as the "Major League Sports Facilities, Madison Square Garden Property Tax Exemption," this perpetual property tax exemption is perhaps the most outrageous tax break program in NY. There is no other business in NY with a perpetual tax break that applies only to that business to the exclusion of all others.

Tax exemptions typically phase out over time and require some job creation and other community benefits. The MSG exemption is permanent, benefits only a single business, and provides no direct community benefit in return for this investment in taxpayer dollars.

MSG has received approximately \$350 million through this tax exemption since 1982 (around \$16 million per year). In addition, MSG's tax exemption is written into the state tax code, making it exceedingly difficult for NYC taxpayers to have a voice in this deal.

Such tax exemptions serve to deepen inequality by shifting the tax burden from those most able to pay to those least able to pay. This lost tax revenue could instead be used to address inequality in NYC by investing in essential infrastructure and creating jobs for the unemployed. With nearly 1 out of every 2 New Yorkers struggling to make ends meet, this money could also be used to address the shortage of affordable housing in NYC.

I urge City Council to pass a resolution requesting that the State pass and the Governor sign the legislation to repeal the MSG property tax exemption.

Thank you for your time.



11 Park Place, #701
New York, NY 10007
www.goodjobsny.org
212.721.4865

Testimony before the New York City Council Committee on Finance

Proposed Resolution calling upon the New York State Legislature to pass, and the Governor to sign A.6597/S.4609, legislation which would repeal provisions of law granting a real property tax exemption to Madison Square Garden.

May 14, 2014

Comments of Elizabeth Bird, Good Jobs New York

Good morning Chairperson Ferreras and members of the committee. Thank you for your invitation to testify today. My name is Elizabeth Bird and I am the Project Coordinator for Good Jobs New York, a project of Good Jobs First based in Washington, DC in partnership with the Fiscal Policy Institute.

Good Jobs New York promotes accountability to taxpayers in the use of economic development subsidies. Since our launch in 2000, we have worked to improve public participation in and transparency of these subsidy programs including a searchable database of over 40,000 deals approved by the Industrial Development Agency (IDA), the Lower Manhattan Development Corporation and the Industrial and Commercial Incentive Program. We also are closely following investments made in our city in the aftermath of Hurricane Sandy. Our Database of Deals and Eye on Hurricane Sandy Money database are available on our website, www.goodjobsny.org.

As a subsidy watchdog and provider of technical assistance to community-based organizations, GJNY closely watched development in New York City during the Bloomberg Administration. In that time, while we saw many examples of wasteful corporate subsidies, we also saw tremendous strides in transparency, especially at the New York City Industrial Development Agency thanks to the council's passage of Local Law 62 and administrative actions taken by the agency that have enhanced its public hearing process.

Yet, while significant reforms in transparency are laudable, our city continues to engage in providing subsidies to large corporations giving them an unfair advantage over small businesses. Despite the enormous needs facing our city to strengthen infrastructure, protect our most vulnerable populations from the effects of climate change and extend opportunities for education and career readiness to all New Yorkers, we continue to see enormous subsidies given to the City's largest and most profitable corporations. According

to the 2013 Tax Expenditure Report, the value of the property tax exemption to Madison Square Garden for last year was \$16.7 million and is projected to increase each year. This perpetual subsidy, developed in 1982 with no community input, makes no quid pro requirement even to retain jobs for New Yorkers or ensure any other form of public benefit.

It is true that other sports facilities get subsidies (tax-exempt bond financing, a variety of tax breaks and special lease agreements). But the subsidy provided to Madison Square Garden is incredibly unique and cannot really be compared with subsidies provided to other stadiums. As you may know, Good Jobs New York put up a lengthy fight against subsidies provided to build Yankee Stadium. And while we would never defend subsidies given to the likes of the Yankees, to put it in perspective, those deals share costs across the city, state and federal level. The MSG property tax break, however, directly impacts the city's tax base yet because it is written into state law, the city has no ability to hold the property owners accountable for such a large write-off. Furthermore, the city is unable to choose whether or not to grant such a break, no matter how unjustified.

I am unaware of any other example in New York State wherein a tax break is written into law to benefit just one sports entity.

This is not to say investments shouldn't be made in ensuring New York City retains and creates good jobs. But backroom deals like this one made more than 30 years ago are no longer affordable and should not be tolerated. Providing open-ended benefits to one company with ample resources of its own is unnecessary in a time when precious public resources could benefit all employers through investments in education, infrastructure or lowering the tax burden for all small businesses.

By passing this resolution, the Council would send a clear signal that large New York City corporations should pay their fair share in building a stronger and more equitable economy for all.

Thank you for the opportunity to speak to you today.



New York Should Nix the Madison Square Garden Property Tax Exemption

Testimony Presented to the New York City Council
Finance Committee

By James A. Parrott, Ph.D., Deputy Director and Chief Economist
May 14, 2014

The state-authorized real property tax exemption for Madison Square Garden dates from 1982. That was 32 years ago, and light-years in terms of the City's economic situation. If there was ever a need for this exemption, or similar exemptions for highly profitable corporations owning professional sports teams in the largest media market in the country, that time has long passed.

For far too long, there has been a culture of entitlement among large corporations and real estate developers when it comes to local tax breaks supposedly granted to spur the local economy. For nearly two decades, New York City has boasted one of the most vibrant local economies anywhere in the world. Our highly valued real estate reflects that economic vibrancy.

New York City has many pressing economic needs that would be much better served if the City collected the full value of property and other taxes that should be generated in our highly productive economy. Over the past dozen years, the annual value of business tax breaks the City provides has nearly tripled, increasing much faster than the City's overall tax base. The time is long past when the City should turn the corner on such an ill-advised approach.

This City Council resolution calls on the State Legislature to pass, and for the Governor to sign, legislation to repeal that provision of law granting the Madison Square Garden property tax exemption. We urge the Council to pass this resolution and send to Albany for action this term.

It would be much smarter for the City and the State to take the \$17.3 million in property taxes that the City should be collecting each year from Madison Square Garden and invest those resources in a manner that truly boosts the City's economic well-being. Some examples of smarter economic investments include:

- Equipping hard-to-employ workers with skills in demand in today's job market;
- Helping mid-career workers pursue a college education or new vocational skills training so they can qualify for higher pay;
- Connecting local college graduates with some of the City's flourishing tech companies;
- Funding subsidized child care slots that enable parents to get a foothold in the job market;
- Encouraging employers to develop career ladder opportunities; or
- Supporting more business incubators that help fledgling entrepreneurs get established and scale up their home-grown businesses.

Thank you for the opportunity to testify today.

TESTIMONY BEFORE THE FINANCE COMMITTEE OF THE NEW YORK CITY COUNCIL

**HEARING ON RESOLUTION CALLING UPON THE STATE LEGISLATURE
TO PASS, AND THE GOVERNOR TO SIGN A.6597/S.4609**

**STEVE MELISH
BUSINESS REPRESENTATIVE, DISTRICT COUNCIL 9 IUPAT
ON BEHALF OF THE BUILDING & CONSTRUCTION TRADES COUNCIL OF GREATER NEW YORK**

WEDNESDAY, MAY 14, 2014

Good morning Chairwoman Ferreras, and members of the Finance Committee. My name is Stephen Melish, and I am a Business Representative for District Council 9 of the International Union of Painters and Allied Trades, an affiliate of the Building and Construction Trades Council of Greater New York. I am here testifying on behalf of Council President, Gary LaBarbera in urging you to vote no on the resolution before you.

Madison Square Garden has been, and continues to be an economic anchor and creator of good union jobs in New York City. The arena alone employs approximately 6,000 people, and generates over half a billion dollars for NYC's economy.

When MSG embarked on a 3-year transformation of the arena in 2010, New York was in the midst of an economic recession. Construction and large scale renovation projects were virtually non-existent. The hard-working men and women in the construction trades industries were in crisis.

MSG's decision to invest over \$1billion to renovate the arena was an investment in resiliency – both of its iconic arena, and in the local economy. The transformation created 3,700 good-paying union construction jobs that were desperately needed. Simply put, in tough times, MSG remained committed to the working men and women of New York City.

In addition to the thousands of construction jobs that have been created by the renovation, thousands of others are supported each year through the operation of this premier sports and entertainment facility. In fact, the majority of the employees at Madison Square Garden are union employees from painters and electricians to carpenters and engineers. MSG has over 27 collective bargaining agreements, and positive working relationships with 14 different unions.

As a long-time contributor to the city's economic growth and civic life, MSG should be commended and not targeted by a resolution that seeks to single it out in a way that other similarly-situated entities are not.

Thank you again for the opportunity to speak on behalf of my union District Council 9, its 10,000 members and the Building and Construction Trades Council of Greater New York.

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: ANDREW HOLLWECK

Address: _____

I represent: BUILDING CONGRESS

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: BOB MASTER

Address: 80 PINE ST 37th FLR

I represent: CWA District 1

Address: _____

MSG Tax **THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Austin Shafran

Address: 2 Nevins St. Brooklyn NY 11217

I represent: Working Families Organization

Address: _____

◆ Please complete this card and return to the Sergeant-at-Arms ◆

**THE COUNCIL
THE CITY OF NEW YORK** *MSG*

Appearance Card

[]

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 5/14/14

Name: JAMES PARROTT (PLEASE PRINT)

Address: 11 Park Place

I represent: FISCAL POLICY INSTITUTE

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

[]

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

Name: George J. Swartz (PLEASE PRINT)

Address: _____

I represent: Independent Budget Office

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

[]

I intend to appear and speak on Int. No. _____ Res. No. MSG

in favor in opposition

Date: 5/14/14

Name: JESSICA WALKER (PLEASE PRINT)

Address: One Battery Park Plaza, NY, NY

I represent: Partnership for New York City

Address: _____

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Assembly member David Weprin

Address: 185-06 Union Turnpike Forest Hills, NY 11366

I represent: _____

Address: _____

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 12014 Res. No. 1094

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: DANIEL GILLOM

Address: 787 SUMMIT AVE JERSEY CITY NJ 07307

I represent: IATSE LOCAL ONE

Address: 320 W 46th ST NYC NY 10036

THE COUNCIL
THE CITY OF NEW YORK

Appearance Card

I intend to appear and speak on Int. No. 1094 Res. No. _____

in favor in opposition

Date: MAY 14, 2014

(PLEASE PRINT)

Name: Stephen Melish

Address: 736 Conklin Street Farmingdale NY 11735

I represent: District Council 9, I.U.P.A.T.

Address: 45 West 14th Street, NY, NY 10011

Please complete this card and return to the Sergeant-at-Arms

THE COUNCIL
THE CITY OF NEW YORK

MSG

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Brigid Flaherty

Address: 50 Broadway, 29th Floor NY NY 10004

I represent: ALIGN

Address: 76 S. Elliott Pl, Brooklyn NY 11217

◆ Please complete this card and return to the Sergeant-at-Arms ◆

THE COUNCIL
THE CITY OF NEW YORK

MSG

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: May 14, 2014

(PLEASE PRINT)

Name: Elizabeth Bird / Good Jobs New York

Address: 11 Park Place

I represent: Good Jobs New York

Address: _____

◆ Please complete this card and return to the Sergeant-at-Arms ◆