

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE

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JUNE 16, 2022
Start: 10:47 A.M.
Recess: 11:02 A.M.

HELD AT: HYBRID HEARING - COUNCIL CHAMBERS -
CITY HALL

B E F O R E: JUSTIN L. BRANNAN, CHAIRPERSON

COUNCIL MEMBERS: DIANA I. AYALA
CHARLES BARRON
GALE A. BREWER
SELVENA N. BROOKS-POWERS
DAVID M. CARR
AMANDA FARIAS
KAMILLAH HANKS
CRYSTAL HUDSON
ARI KAGAN
FARAH N. LOUIS
FRANCISCO P. MOYA
CHI A. OSSE
KEITH POWERS
PIERINA ANA SANCHEZ
MARJORIE VELASQUEZ
JULIE WON

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

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2 SERGEANT AT ARMS: Good morning everyone.

3 At this time can the host please start the stream?

4 Sergeants can you please starting the recording?

5 SERGEANT AT ARMS 2: Recording in

6 progress.

7 SERGEANT AR ARMS: PC recording is done.

8 SERGEANT AT ARMS 3: Cloud is recording.

9 SERGEANT AT ARMS: Good morning everyone.

10 Welcome today's Hybrid New York City Council Hearing

11 with the Committee on Finance. At this time will all

12 panelist please turn on your videos? To minimize

13 disruption please place electronic devices to vibrate

14 or silent. Thank you for your cooperation. Chairs

15 we are ready to begin.

16 CHAIRPERSON JUSTIN BRANNAN: (Gavel

17 pounding). Thank you Sergeant. Good morning and

18 welcome to today's Finance Committee Meeting. I'm

19 Council Member Justin Brannan and I'm the Chair of

20 this committee. Today we've got four items on the

21 agenda. An article XI tax exempt project and three

22 resolutions relating to the non-payment of property

23 taxes. A pre-considered resolution approving an

24 exemption from real property taxes for property

25 located at block 2697, lot 18 and 19 and block 2732,

2 lot 31 in the Bronx located in Council Member
3 Salamanca's district pursuant to section 577 of the
4 Private Housing Finance Law. Council Member
5 Salamanca is fully supportive of this project. The
6 project will also be subject to HPDs homeless
7 requirements which stipulates that during the
8 construction period upon vacancy and unit turn over -
9 - sorry, upon vacancy and unit turnover every other
10 unit will be subject to a homeless preference in
11 rental to new tenants as governed by HUD approved
12 tenant selection plan until 20 percent of the total
13 units in the projects are occupied by households that
14 were formerly designated as homeless at the time of
15 their initial occupancy. Next, we move on to three
16 related resolutions. Resolution 192, 193 and 194
17 pursuant to the both the Charter and the
18 administrative code. Every year the New York City
19 Banking Commission approves resolutions recommended
20 to the City Council proposed interest rates for non-
21 payment of property taxes. For FY 23, the Banking
22 Commission recommends the following interest rates
23 for non-payment of property taxes. Properties with
24 an assessed value of no more than \$250,000, six
25 percent, properties with an assessed value of more

2 than \$250,000 but less than \$450,000, 12 percent and
3 properties with an assessed value of more than
4 \$450,000, 18 percent. To be clear, the assessed
5 values used here refer to the DOF assessed values
6 which are set at a fraction of market value. So to
7 have an assessed value of \$250,000 a class I home
8 would have to be worth at least \$4.1 million. And
9 it's likely worth much more. So to put it simply,
10 the first category applies to over 90 percent of the
11 property in New York City which includes the vast
12 majority of our homeowners while the larger two are
13 largely investor owned property. The committee is
14 voting on lower interest rates for the non-payment of
15 property taxes and the Banking Commission recommended
16 and we're voting as follows: For non-payment of
17 property taxes, properties with an assessed value of
18 no more than \$250,000, 4 percent. Properties with an
19 assessed value of more than \$250,000 but less than
20 \$450,000, 7 percent, and properties with an assessed
21 value of more than \$450,000, 14 percent. So where
22 the Banking Commission wanted 6 percent, we're doing
23 4. Where they wanted 12 percent we're doing 7 and
24 where they wanted 18 percent we're doing 14. These
25 interest rates will be the second lowest rates

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2 charged in each of these categories. I recognize
3 that we must do more to help struggling homeowners.
4 That's why I want to make sure all my colleagues and
5 the public are aware that myself, along with Council
6 Member David Carr are re-introducing legislation
7 today that have been previously drafted by the former
8 finance chair, Danny Dromm. The bill is sponsored by
9 myself and Council Member Carr will allow the Council
10 to set a lower interest rate for homeowners who enter
11 in to payment plans or a property tax deferral
12 program. This will allow us to target relief
13 directly to those who need it most while ensuring
14 that we can set penalty rates that are fair but still
15 encourage timely compliance from property owners who
16 are able to pay. I look forward to scheduling a
17 hearing on this bill in the very near future and
18 getting it done. With that, I'll now ask Billy
19 Martin our Committee Clerk to call the roll.

20 WILLIAM MARTIN, COMMITTEE CLERK: Good
21 morning. William Martin, Committee Clerk roll call
22 vote Committee on Finance. All items are coupled.
23 Chair Brannan?

24 CHAIRPERSON JUSTIN BRANNAN: I vote aye.

25 WILLIAM MARTIN, COMMITTEE CLERK: Ayala?

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2 DIANA AYALA: Aye.

3 WILLIAM MARTIN, COMMITTEE CLERK: Moya?

4 Powers?

5 KEITH POWERS: Aye.

6 WILLIAM MARTIN, COMMITTEE CLERK: Louis?

7 FARAH LOUIS: I feel short this chair.

8 Permission to explain my vote?

9 CHAIRPERSON JUSTIN BRANNAN: Yes.

10 FARAH LOUIS: Thank you Chair. I'm going

11 to abstain on 192 and vote yes on 193 and 194.

12 Reasons being homeowners in my district are

13 definitely upset about a property tax, a property

14 increase and this is a conversation that has happened

15 over the years and I just want to make sure I stand

16 with my community and look forward to working not

17 only with this committee but the Department of

18 Finance to do a better job at communicating, uh, this

19 information. Thank you.

20 WILLIAM MARTIN, COMMITTEE CLERK: Thank

21 you. Brooks-Powers?

22 SELVENA BROOKS-POWERS: Aye on all.

23 WILLIAM MARTIN, COMMITTEE CLERK: Barron?

24 CHARLES BARRON: Explain my vote. You

25 know once again I think y'all are making a mistake.

2 This is a regressive taxation even though last year
3 they said the late payments doubled, yes, because we
4 in a pandemic and it doesn't make sense to penalize
5 people in the pandemic and when they tell you don't
6 worry about it because most of the people you are
7 concerned about have a mortgage and it includes the
8 property tax therefore they won't be affected by it.
9 That is not true. There are people on fixed incomes
10 that will be affected by this and they have already
11 paid their mortgages so they are independently paying
12 their taxes. They will be affected by this and
13 they're not going to ruin the whole cash flow of the
14 whole entire city is going to be ruined by these late
15 payment of taxes. So the Council did better than the
16 bank, you better do better than that banks, that's
17 the least you could do as the people's City Council
18 but you doing bad for the people when you do this
19 kind of stuff. All we had to do is do 0.5 a meniscal
20 increase so we don't have the default position take
21 over. We would have done our due diligence for our
22 people. This is a bad move but you all were
23 convinced that this is something that was good for
24 the city, good for our people and it was not. It's
25 regressive and it's going to hurt some of our people

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2 no matter what kind of programs you try to put
3 together. I affirmly loudly vote no, no, no.

4 WILLIAM MARTIN, COMMITTEE CLERK: That's
5 three nos.

6 CHARLES BARRON: And aye on the other
7 stuff.

8 WILLIAM MARTIN, COMMITTEE CLERK: Can I
9 just have you reconfirm on the three resolutions?
10 You are voting no on three resolutions?

11 CHARLES BARRON: Yes.

12 WILLIAM MARTIN, COMMITTEE CLERK: Thank
13 you. Brewer?

14 GALE BREWER: I vote aye.

15 WILLIAM MARTIN, COMMITTEE CLERK: Farias.

16 AMANDA FARIAS: Permission to explain my
17 vote.

18 WILLIAM MARTIN, COMMITTEE CLERK: Yes.

19 AMANDA FARIAS: I just want to say it for
20 the record that this body is making a pro-active
21 choice and determining on much lower rates than if we
22 did not act on these percentages and we are actually
23 look out for our homeowners with this, with this
24 action of pro-active governance. Without it

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2 homeowners would be hit with heavier fines and with
3 that I vote aye on all.

4 WILLIAM MARTIN, COMMITTEE CLERK: Hanks?

5 KAMILLAH HANKS: I vote aye on all.

6 WILLIAM MARTIN, COMMITTEE CLERK: Hudson?

7 CRYSTAL HUDSON: Aye on all.

8 WILLIAM MARTIN, COMMITTEE CLERK: Kagan.

9 ARI KAGAN: Permission to explain my
10 vote.

11 CHAIRPERSON JUSTIN BRANNAN: Yes.

12 ARI KAGAN: Thank you. I represent
13 Brooklyn and many of them are struggling. Especially
14 in the pandemic and it's very, very typical to vote
15 for a penalty if they are like late with payment or
16 non-property for the property taxes but they were
17 assured in writing by the New York City Council and
18 by their colleagues in the State Legislature that the
19 City Council vote against this proposal. The penalty
20 will be higher if I vote no or abstain from this
21 vote. And I'd also like to Intro 1262 that the vote
22 for homeowners who have a payment plan through the
23 TIL program in the future [bad audio] yes or no.

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2 WILLIAM MARTIN, COMMITTEE CLERK: I'm
3 sorry Council Member, what was your vote I missed it.
4 My apologies. Council Member Kagan?

5 CHAIRPERSON JUSTIN BRANNAN: Council
6 Member Kagan just tell us again how you vote. Just
7 clarify.

8 ARI KAGAN: I'm voting yes on all,
9 reluctantly.

10 WILLIAM MARTIN, COMMITTEE CLERK: Okay.
11 Thank you sir. Thank you. Osse?

12 CHI OSSE: Aye on all.

13 WILLIAM MARTIN, COMMITTEE CLERK:
14 Sanchez?

15 PIERINA SANCHEZ: Aye on all.

16 WILLIAM MARTIN, COMMITTEE CLERK:
17 Velazquez?

18 MARJORIE VELAZQUEZ: Permission to
19 explain my vote?

20 CHAIRPERSON JUSTIN BRANNAN: Of course.

21 PIERINA SANCHEZ: Aye on all items. But
22 I want to disclose on the record that my husband is a
23 Deputy Commissioner for DEP and these rates
24 indirectly affect water bill penalty rates. Thank
25 you.

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2 WILLIAM MARTIN, COMMITTEE CLERK: Won?

3 JULIE WON: Aye on all.

4 WILLIAM MARTIN, COMMITTEE CLERK: Carr?

5 DAVID CARR: Aye on all.

6 CHAIRPERSON JUSTIN BRANNAN: Billy, we're
7 just going to hold it open just for a minute for
8 Moya. For Council Member Moya. He's on his way
9 here. Yeah, can you just hold it open for a moment?
10 Everyone who voted can go. We're just going to hold
11 it open for Council Member Moya. Anyone that's here
12 for rules should stick around too. There's more fun
13 to come. We need nine people to stay in the room as
14 per new rules. Keith Powers don't go anywhere.
15 Yeah.

16 WILLIAM MARTIN, COMMITTEE CLERK:
17 Continuing with roll call. Committee on Finance.
18 Council Member Moya?

19 FRANCISCO MOYA: I vote aye on all.

20 WILLIAM MARTIN, COMMITTEE CLERK: Thank
21 you. One moment. Okay. Today's vote Committee on
22 Finance. All items have been adopted by the
23 Committee with 17 in the affirmative, 0 negative, no
24 abstentions with the following: Resolution 192
25 adopted by the Committee with 15 in the affirmative 1

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2 in the negative, 1 abstention. And Resolutions 193
3 and 194 have been adopted by a vote of 16 in the
4 affirmative, 1 in the negative and 0 abstentions.
5 Mr. Chair, that is a fully Committee.

6 CHAIRPERSON JUSTIN BRANNAN: Thank you
7 Billy. With that our meeting is adjourned. (gavel
8 pounding)

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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 JULY 26, 2022