

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE

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June 13, 2019
Start: 10:28 a.m.
Recess: 10:46 a.m.

HELD AT: Committee Room - City Hall

B E F O R E: DANIEL DROMM
Chairperson

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

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

Bhairavi DeSai, Executive Director,
New York Taxi Workers Alliance

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2 [coughs] [pause] [background
3 comments/pause] [gavel]

4 CHAIRPERSON DROMM: Okay, good morning
5 and welcome to today's Finance Committee meeting. My
6 name is Council Member Daniel Dromm, and I'm Chair of
7 the committee. We have been joined by Council Member
8 Vanessa Gibson, Council Member Keith Powers, Council
9 Member Andy Cohen, and Minority Leader Steve Matteo
10 and Council Member Barry Grodenchik. Today, the
11 committee will be voting on 20 Article XI Property
12 tax exemptions, and holding a hearing on a
13 Preconsidered Introduction. Let's start with the
14 Preconsidered Introduction sponsored by Council
15 Member Rodriguez in relation to reducing the
16 Commercial Motor Vehicle Tax for medallion taxicabs.
17 This bill would reduce the M-CMDT imposed on
18 medallion taxicabs from \$1,000 to \$400 to match the
19 annual tax levy on all other vehicles used for the
20 transportation of passengers. If passed, the bill
21 would be retroactive and deemed to be effective as of
22 May 31, 2019. The Administration while not here in
23 person today, has submitted written testimony
24 supporting the legislation for the record. This is
25 one piece of a package of legislative items that the

2 Council will consider to ease the burden on
3 struggling medallion owners, many of whom have
4 significant debt. The Council is hopeful that by
5 providing a \$600 annual tax deduction to each
6 Medallion taxicab owner. It will help ease that
7 burden. Next we have an Article 20 and Article XI
8 exemptions. The exemption applications are with
9 Speaker Johnson's district, and the districts of
10 Council Members Cabrera, Ayala, Gibson, Perkins,
11 Reynoso, Torres, King, Cohen and Gjonaj.
12 Collectively, the projects would receive Article XI
13 exemptions to support either the construction or
14 preservation of 2,059 affordable units of housing
15 throughout Brooklyn, the Bronx, Manhattan and Queens.
16 All of the Council Members in their relevant
17 districts are supportive these actions. For specific
18 details on each of these projects please see the
19 memorandum prepared by the Finance Division staff,
20 which is available online at the Council's website
21 and part of the official record. Representatives of
22 HPD are here to answer any questions we may have the
23 Article XI exemptions. Do any Council members have
24 any questions? Okay, if there is anybody who would
25 like to testify on the Preconsidered Introduction,

2 we'll hear testimony from the public, and I believe
3 we have one person, and that is Bhairavi DeSai from
4 the New York Taxi Workers Alliance. Okay, and if
5 there's anyone else, please go the sergeant-at-arms,
6 and fill out a form like this, and we will have you
7 up to give testimony. Okay, Ms. DeSai, would you like
8 to start?

9 BHAIRAVI DESAI: Yes, good morning
10 everybody. My name is Bhairavi DeSai. I'm the
11 Executive Director of the New York Taxi Workers
12 Alliance. We represent the drivers in the taxi and
13 for-hire vehicle industry. We have over 21,000
14 members, and while half of them drive for Uber, Lyft,
15 Via or Juno, you know, over 10,000 of them still work
16 in the Yellow Cab industry. We all know that that
17 there is an unprecedented crisis. There's been a
18 race to the bottom for drivers across this industry,
19 and there's been a really unprecedented crisis
20 particularly for the Yellow Cab owner/drivers. As
21 you know, nine professional Yellow Cab and for-hire
22 vehicle drivers committed suicide in a—in a year and
23 a half period because of the economic crisis and
24 despair. Four of the nine drivers were all owner
25 drivers. Even though owner drivers actually

2 represent the smallest percentage of drivers in the
3 entire industry. While reducing the—we call it the
4 tax stamp in the industry. While reducing the tax
5 stamp, you know, by—by \$600 certainly is really just
6 barely a drop in the bucket compared to the massive
7 crisis that people are facing. It is still at least
8 one more step forward, and it's—it's that we're
9 appreciative of this proposal. What we would say is,
10 of course, particularly for the individual owner
11 drivers for it to be an exemption of—of 100% that
12 they shouldn't have to pay anything particularly
13 right now. You know, we've been helping—we've been
14 working with our members on hardship intakes in order
15 to get the banks to reduce the loans. What we're
16 finding is that on average they—they pay about \$6,000
17 a month for their operating expenses. That's just
18 operating expenses alone. What they're booking on
19 the meter now days goes almost entirely to their
20 operating expenses. Half of those expenses are for
21 the medallion mortgage. So, we've been fighting to
22 have that amount reduced. We've—we've seen that on
23 average, owner drivers ending the year after
24 operating expense taking all their family household
25 income into consideration, they're in average in debt

2 of \$28,000 a year. So there's a massive crisis in
3 terms of their annual earnings. A big part of that
4 is just their month-to-month cash flow, and that's
5 why the reduction in this tax would be important to
6 us. As you know, the payment for this tax is coming
7 up within next couple of weeks. Given people are
8 literally living at this point day-to-day, week-to-
9 week, if they're fortunate, they're now living month-
10 to-month. Any kind of a reduction in these fees is
11 something that we consider helpful. Again, I would
12 just reiterate that it be brought down, you know, to
13 zero particularly for individuals owners, and that
14 the city not take any action against them such as the
15 suspension of the medallion for non-payment because
16 once you're suspended, you obviously can't go to
17 work. It just becomes a deeper cycle of debt that
18 families are, you know, really struggling at this
19 point to desperately get out of. Thank you.

20 CHAIRPERSON DROMM: Thank you very much,
21 and, you know, we feel very sensitive about the issue
22 with the taxicab drivers and I have a district that
23 has many drivers as well I represent Jackson Heights
24 and Elmhurst, and so the issues that they're facing
25 right now are very dear to my heart also. I think

2 this is the first step that we're taking and there
3 will soon be a package of items coming up to further
4 address the issue, and we look forward to continuing
5 to work with you on that as we move through the
6 process. Thank you. Yes, Council Member Grodenchik.

7 COUNCIL MEMBER GRODENCHIK: Thank you,
8 Mr. Chairman. I want to thank you for being here
9 today. You have been the face of many faceless
10 individuals. Like Chair Dromm, I have many, many
11 people who I've met with on a one-to-one basis who
12 own medallions who are suffering greatly in Eastern
13 Queens. So, I think this is a very logical first
14 step and only a first step to paring down the
15 enormous deb that these folks are facing, and so I
16 look forward to seeing that package of legislation as
17 well, and we as a Council will be moving forward on
18 this. Thank you for being here this morning. Thank
19 you, Mr. Chairman.

20 CHAIRPERSON DROMM: Okay, thank you very
21 much for coming in and giving testimony. Okay, we
22 have been joined by Council Members Lancman, Van
23 Bramer and Majority Leader Cumbo, and with that, I'm
24 going to ask that we vote on the Preconsidered
25 Resolution. We are not voting on the reduction in

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2 the fees just yet. We're going to first vote on-on
3 the Article XI items

4 CLERK: William Martin, Committee Clerk.
5 Roll call vote Committee on Finance. Chair Council
6 Member Dromm.

7 CHAIRPERSON DROMM: I vote aye.

8 CLERK: Gibson.

9 COUNCIL MEMBER GIBSON: I vote aye.

10 CLERK: Cohen.

11 COUNCIL MEMBER COHEN: Aye.

12 CLERK: Cumbo.

13 COUNCIL MEMBER CUMBO: Aye.

14 CLERK: Lancman.

15 COUNCIL MEMBER LANCMAN: Aye.

16 CLERK: Van Bramer.

17 COUNCIL MEMBER VAN BRAMER: Aye.

18 CLERK: Grodenchik.

19 COUNCIL MEMBER GRODENCHIK: Aye.

20 CLERK: Powers.

21 COUNCIL MEMBER POWERS: Aye.

22 CLERK: Matteo.

23 COUNCIL MEMBER MATTEO: Aye.

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2 CLERK: By a vote of 9 in the
3 affirmative, 0 in the negative and no abstentions,
4 the items have been adopted by the committee.

5 CHAIRPERSON DROMM: Okay, thank you very
6 much. We're going to keep the vote open for another
7 10 minutes or so. We do expect other Council Members
8 to come. I want to thank my colleagues for coming,
9 and we'll see you shortly, most of you, many of you
10 downstairs. [laughs] Thank you. [background
11 comments/pause]

12 CLERK: Continuation roll call, Committee
13 on Finance, Council Member Cornegy.

14 COUNCIL MEMBER CORNEGY: I vote aye.

15 CLERK: The vote is at 10 in the
16 affirmative. [background comments] Continuation
17 roll call, Committee on Finance, Council Member
18 Adams.

19 COUNCIL MEMBER ADAMS: I vote aye.

20 CLERK: The vote is currently 11 in the
21 affirmative.

22 CHAIRPERSON DROMM: Okay, and with that,
23 I'm going to adjourn this meeting at 11:00—excuse at
24 10:46 in the morning. Thank you very much.

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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 June 23, 2019