

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON FINANCE

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September 17, 2009  
Start: 11:00am  
Recess:

HELD AT: Council Chambers  
City Hall

B E F O R E:  
DAVID I. WEPRIN  
Chairperson

COUNCIL MEMBERS:  
Gale A. Brewer  
Leroy G. Comrie, Jr.  
Lewis A. Fidler  
James F. Gennaro  
Vincent J. Gentile  
Eric N. Gioia  
Vincent Ignizio  
Robert Jackson  
G. Oliver Koppell  
James S. Oddo  
Diana Reyna  
Joel Rivera  
Helen Sears  
Albert Vann  
David Yassky

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2 CHAIRPERSON WEPRIN: Good morning  
3 and welcome to today's Finance Committee hearing.  
4 My name is David Weprin and I chair the committee.  
5 Today we have several items on our agenda. We  
6 have five Land Use items, two Business Improvement  
7 District items and a local law providing a  
8 biotechnology credit against a general corporation  
9 tax and the unincorporated business tax.

10 First, let's start with the five  
11 Land Use items. The first Land Use item is the  
12 Parkview Senior Citizens Apartments, which seeks a  
13 partial exemption for the rehabilitation of  
14 housing for the elderly. This item is in Council  
15 Member Joel Rivera's district and he supports this  
16 item.

17 The next Land Use item is the Sub  
18 Co Houses for the Elderly, which seeks a partial  
19 exemption for the rehabilitation for housing for  
20 the elderly. This item is in Council Member Maria  
21 del Carmen Arroyo's district and she supports this  
22 item.

23 The next Land Use item is the  
24 United Fellows, this item is a new construction  
25 and seeks a partial exemption. This item is in

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2 Council Member Annabel Palma's district and she  
3 supports this item.

4 The next Land Use item is Finley  
5 Plaza. Finley Plaza seeks a full property tax  
6 exemption for the rehabilitation for rental  
7 housing for the elderly. This item is in Council  
8 Member Helen Foster's district and she supports  
9 this item.

10 The last Land Use item is the  
11 Impact Houses. The Impact Houses seeks a partial  
12 exemption for the rehabilitation of housing for  
13 low income individuals. This item is in Council  
14 Member Inez Dickens' district and she supports  
15 this item.

16 Next we have two BID items. The  
17 first BID item is a pre-considered resolution  
18 which sets a date and time to consider a local law  
19 to extend the Time Square Business Improvement  
20 District to include the Bank of America tower at 1  
21 Bryant Park.

22 The Bank of America tower is a 55  
23 story building with a gross building area of 2.2  
24 million square feet. This building is so large  
25 that it is also partially situated in the Bryant

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2 Park BID. The extended Times Square BID will  
3 integrate the Bank of America Tower into its  
4 security, sanitation, promotion and streetscape  
5 improvement services. Both the Times Square and  
6 Bryant Park BIDS will incorporate the added  
7 property into their marketing and promotional  
8 plans. The pre-considered resolution designates  
9 September 30, 2009 as the hearing date to consider  
10 the local law.

11 The next BID item is related to the  
12 pre-considered resolution just mentioned. This  
13 resolution, which is also pre-considered, sets the  
14 date and time to consider a local law to change  
15 the method of assessment method with respect to  
16 the newly constructed Bank of America tower at 1  
17 Bryant Park in the Times Square BID.

18 The Bank of America tower occupies  
19 a site that falls partly within the Times Square  
20 BID and the extended Bryant Park BID. As  
21 mentioned, this bill would authorize a change in  
22 the method of assessment by creating an additional  
23 new class of commercial properties that exists on  
24 more than one tax lot and exists within the  
25 boundaries of one or more BIDs. As with the

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2 previous resolution, this pre-considered  
3 resolution sets September 30 at 11:00 am as the  
4 date and time for the first hearing.

5           You may remember, from the last  
6 Finance hearing, that these BIDs were slated for  
7 first hearing today. However, because of a  
8 scheduling conflict we had to change the date of  
9 consideration of the local laws that will change  
10 the assessment and extend the boundaries of the  
11 Times Square to September 30th rather than today.

12           The Times Square BID is in the  
13 Speaker's district and, as is the practice, the  
14 Speaker will not comment on the BID items until  
15 after the end of the public comment period, which  
16 will be in September for the assessment resolution  
17 and in November for the extension resolution.

18           Lastly we have Intro 1065, which  
19 provides a tax credit for firms in New York City  
20 focusing on biotechnology. This bill would  
21 provide a credit against the city's general  
22 incorporation tax and the unincorporated business  
23 tax that are substantially identical to New York  
24 State's Qualified Emerging Technical Facilities  
25 Operations and Training Credit. I don't know what

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2 those initials stand for but...

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This credit is a two tiered credit.

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In the first tier, eligible firms would receive

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100% of the credit available, up to \$250,000 per

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calendar year. Firms would be eligible for this

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tier of the credit if firms increase their

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employment level by 5% or more than their

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employment level in their base year. Firms that

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are newly established, newly relocated or did not

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have any employees in the prior year to which the

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credit is claimed are not subject to the base year

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employment increase.

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In the second tier, firms that

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increase their employment level by less than 5% of

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their base year employment, the maximum amount of

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the credit would be 50% of the maximum amount of

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the credit, not to exceed \$125,000. Firms in

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academic incubators are not eligible for the 50%

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credit. The total credits for a given year are

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capped at \$3 million. If credits in a given year

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exceed the cap, the credit will be allocated on a

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prorated basis by the New York City Department of

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Finance. The credit would be for three

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consecutive years starting in January 2010 and

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2 ending in December 2012.

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With 9 world class research institutions, 26 medical centers, 175 hospitals and an unparalleled talent pool, New York City has a natural advantage in the bioscience industry. So I am very proud that we are able to assist young and growing firms develop to their full potential. With the recent development of laboratory space at the East River Science Park and a bio lab at the Brooklyn Army terminal, these spaces along with existing facilities would provide approximately 2 million square feet of laboratory space in New York City.

Accordingly, a credit towards the advancement of biotechnology is necessary to facilitate the growth of this emerging technology. Representatives from the Council on Finance are available to answer any questions you may have regarding the Land Use item and we'll all hear from Ray Majuski, the City Council's Chief Economist on the biotechnology credit.

Let me introduce the members that are here. We have our minority leader, Jim Oddo from Staten Island and Brooklyn, we have Council

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2 Member Vincent Ignizio from Staten Island, Council  
3 Member Albert Vann from Brooklyn, our assistant  
4 majority leader, Council Member Lou Fidler from  
5 Brooklyn, Council Member Robert Jackson from  
6 Manhattan, our deputy majority leader, Council  
7 Member Leroy Comrie from Queens, majority leader  
8 Council Member Joel Rivera from the Bronx, Council  
9 Member Diana Reyna from Brooklyn, Council Member  
10 Vincent Gentile from Brooklyn and Council Member  
11 Helen Sears from Queens. I believe that's a  
12 quorum, is that correct? Ray, do you want to come  
13 up? Ray is here to answer questions if anybody  
14 has any questions. Any question for Mr. Majuski.  
15 If none, anybody have any questions on anything?

16 We're going to couple the following  
17 items, the Times Square BID extension pre-  
18 considered resolution, Times Square BID assessment  
19 change pre-considered resolution, the five pre-  
20 considered Land Use items and Into 1065, the  
21 biotechnology credit. Call the roll.

22 CLERK: William Martin, Committee  
23 Clerk, roll call of the Committee on Finance.  
24 Council Member Weprin.

25 CHAIRPERSON WEPRIN: Aye on all.

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CLERK: Rivera.

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COUNCIL MEMBER RIVERA: I vote aye

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on all.

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CLERK: Reyna.

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COUNCIL MEMBER REYNA: Aye on all.

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CLERK: Comrie.

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COUNCIL MEMBER COMRIE: Aye on all.

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CLERK: Fidler.

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COUNCIL MEMBER FIDLER: Aye on all.

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CLERK: Jackson.

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COUNCIL MEMBER JACKSON: Aye on

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all.

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CLERK: Sears.

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COUNCIL MEMBER SEARS: Aye.

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CLERK: Vann.

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COUNCIL MEMBER VANN: Aye.

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CLERK: Gentile.

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COUNCIL MEMBER GENTILE: Aye on

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all.

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CLERK: Ignizio.

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COUNCIL MEMBER IGNIZIO: Aye.

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CLERK: Oddo.

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COUNCIL MEMBER ODDO: Yes.

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CLERK: By a vote of 11 in the

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2 affirmative zero in the negative and no  
3 abstentions all items have been adopted. Council  
4 Members, please sign the committee reports. Thank  
5 you.

6 CHAIRPERSON WEPRIN: Please sign  
7 the committee reports. I'm going to keep the roll  
8 open for a half hour for approximately 12:15.  
9 Rules is about to start in the chamber. Other  
10 than the 12:15 open roll, we're adjourned.

11 CLERK: Council Member Koppell.

12 COUNCIL MEMBER KOPPELL: Aye.

13 CLERK: Voting on the committee on  
14 Finance currently stands at 12 in the affirmative,  
15 zero in the negative and no abstentions. Council  
16 Member Brewer.

17 COUNCIL MEMBER BREWER: Aye on all.  
18 Thank you.

19 COUNCIL MEMBER: Council Member  
20 Gioia.

21 COUNCIL MEMBER GIOIA: Thank you.  
22 I vote yes.

23 Council Member: Council Member  
24 Yassky.

25 COUNCIL MEMBER YASSKY: Yes.

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2 Council Member: The vote now  
3 stands at 15 in the affirmative, zero in the  
4 negative and zero abstentions. Please sign the  
5 committee votes.

6 Council Member: Gennaro.

7 COUNCIL MEMBER GENNARO: Yes.

8 CLERK: Final vote on the Committee  
9 on finance is now 16 in the affirmative, zero in  
10 the negative and no abstentions, thank you.

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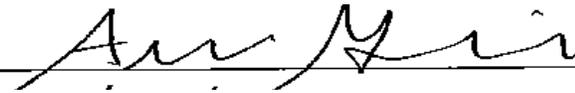
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C E R T I F I C A T E

I, Amber Gibson, 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

A handwritten signature in cursive script, appearing to read "Amber Gibson", written over a horizontal line.

Date September 24, 2009