

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE

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June 11th, 2021
Start: 10:35 a.m.
Recess: 11:40 a.m.

HELD AT: Remote Hearing (Virtual Room 1)

B E F O R E: Daniel Dromm
CHAIRPERSON

COUNCIL MEMBERS:
Adrienne Adams
Alicka Ampry-Samuel
Diana Ayala
Selvena Brooks-Powers
Robert Cornegy, Jr.
Laurie Cumbo
Darma Diaz
Vanessa Gibson
Barry Grodenchik
Karen Koslowitz
Farah Louis
Steve Matteo
Francisco Moya
Keith Powers
Helen Rosenthal
Jimmy Van Bramer
Rafael Salamanca

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

Jeffrey Shear, Deputy Commissioner of Treasury
and Payment Services
Department of Finance

Mary Christine Jackman, Assistant Commissioner
And City Treasurer
Department of Finance

2 SERGEANT-AT-ARMS: PC recording is
3 underway.

4 SERGEANT-AT-ARMS: Cloud recording is
5 underway.

6 SERGEANT-AT-ARMS: Backup is rolling.

7 SERGEANT-AT-ARMS: Sergeant Martinez?

8 SERGEANT-AT-ARMS: Good morning and welcome
9 to today's remote New York City Council hearing of
10 the Committee on Finance. At this time, would all
11 panelists please turn on their video? To minimize
12 disruption, please silence all your electronic
13 devices and, if you wish to submit testimony, you may
14 do so via email at the following address:
15 testimony@Council.NYC.gov. Once again, that is
16 testimony@Council.NYC.gov. Thank you for your
17 cooperation. We are ready to begin.

18 CHAIRPERSON DROMM: Thank you very
19 much, Sergeant Martinez, and to all the sergeants,
20 thank you, as well, for all the hard work that you do
21 for all of us. Good morning and thank you will for
22 attending today's virtual hearing. I am Council
23 member Daniel Dromm and I am the Chair of the Finance
24 Committee. I don't have a list of colleagues yet,
25 but I will get that and I will announce the

momentarily. Today's hearing will focus on three pieces of legislation: Intro 1859 sponsored by Minority Leader Matteo which would make permanent the expansion of the alternative veterans exemption that the Council originally passed in 2017 and two preconsidered introduction sponsored by Council members Moya and Chin which would authorize the Council to interest rate relief from fiscal 22 for certain Covid 19 impacted property owners unable to pay their real property taxes on time.

Let's start with Intro 1859, sponsored by Minority Leader Matteo, which would eliminate the current June 30th, 2022 sunset provision in relation to the expansion of the alternative veterans exemption that the Council originally passed in 2017. In 1984, the state legislature enacted the alternative veterans exemption which exempts a percentage of assessed value of the primary residence of qualifying veterans for certain members of her family. In 2016, state legislation authorize the city, through local law, to extend the exemption of the school rate part of the property tax which the Council and the Mayor agreed to do as part of the fiscal 2018 budget negotiations. Minority leader

2 Matteo was also a sponsor of the legislation which
3 passed in June 2017. At the time, the Council
4 projected that the impact of the legislation would be
5 to add an average savings of \$595 per year per
6 veteran household on top of the average existing
7 exemption savings of \$545 per year. However, the
8 legislation included a sunset provision of June 30,
9 2022. Minority Leader Matteo's intro number 1859
10 proposes to eliminate the sunset provision thereby
11 making the 2017 changes permanent. I'm going to
12 invite Minority Leader Matteo to speak about his
13 bill. Council member or Minority Leader Matteo?

14 MINORITY LEADER MATTEO: Thank you,
15 Chair Dromm. I appreciate it. Four years ago, the
16 city Council passed the alternative exemption for
17 veterans, a bill I sponsored that expanded the prior
18 veteran exemption to include the school portion of
19 property taxes. The alternative exemption is
20 available for veterans who served in a time of war as
21 well as disabled veterans and Goldstar parents.
22 Currently, about 39,000 veterans and their families
23 take advantage of the veterans alternative exemption
24 with the median additional savings of \$723 off of
25 their tax bills. This financial relief is needed now

2 more than ever as so many New Yorkers have suffered
3 losses during this pandemic and the consequential
4 economic downturn. However, as part of a compromise
5 with the administration when we pass to this
6 legislation, the alternative exemption for veterans
7 is set to sunset next June at the end of fiscal year
8 2022. I think most of my colleagues would agree that
9 not only is the 40 million the city currently
10 foregoes on property taxes from the alternative
11 exemption for veterans affordable, but absolutely
12 imperative. We could allow the next Council to
13 tackle this legislation, but I believe it is our
14 responsibility to ensure the exemption continues to
15 exist as long as our veteran neighbors remain in the
16 city. After all they have given to us and our
17 country, they deserve it. Thank you, Chair Dromm.

18 CHAIRPERSON DROMM: Thank you very
19 much, Minority Leader Matteo. Let me announce that
20 we have been joined by, obviously, Minority Leader
21 Matteo, Council members Koslowitz, Van Bramer, Adams,
22 Powers, Diaz, Brooks-Powers, Ampry-Samuel,
23 Grodenchik, Moya, Rosenthal, and Louis. And if
24 others join us, I'll make that announcement later on.
25 Thank you. And next, we have the interest rate

2 relief bills. We are now in our 15th month of the
3 Covid 19 pandemic. The governor has announced he
4 will relax the remaining restrictions on businesses
5 as soon as we cross the 70 percent vaccination target
6 which should be any day now. However, it is
7 important to remember how bad it has been. Almost
8 109,000 New Yorkers have been hospitalized and more
9 than 33,300 have lost their lives due to Covid 19.
10 The Governor's pause shut down of nonessential
11 businesses unleashed economic shocks that have had
12 immediate widespread negative impacts on the city's
13 homeowners and both residential and commercial
14 tenants and property owners. Many property owners
15 experience a disruption to their incomes and many
16 businesses struggled to make their rent or stay open
17 because of Covid 19. While widespread foreclosures
18 and evictions have thus far been deferred due to the
19 federal and state eviction moratorium, there is a
20 mounting burden of deferred mortgage payments and
21 rents. To understand the scale of the deferred
22 payments, consider that the state is now in the
23 process of distributing \$2.7 billion in rental
24 housing assistance provided under the American Rescue
25 Plan Act, but it is estimated that the funds will

2 cover less than 80 percent of back rent, utilities,
3 and late fees of statewide as of March 21. And that
4 is just residential rent. Many commercial landlords
5 have not been able to collect rent from their
6 commercial tenants either. Shopping centers, hotels,
7 and restaurants have been especially hard-hit. Each
8 year, by Council adopts the interest rates to be
9 applied to the late payment of property taxes to
10 incentivize timely payment which is essential to
11 keeping the city running because we rely on property
12 tax collections to the funds approximately 30 percent
13 of the city's budget. However, last spring, it
14 became clear that many Covid 19 impacted property
15 owners would have difficulty paying their property
16 taxes on time and not charging regular interest rates
17 on their late payments would be punitive. According
18 to the Council-- accordingly, the Council adopted
19 legislation and test set lower late payment interest
20 rates in the first quarter of fiscal 21 for certain
21 properties whose owners had been impacted by Covid
22 19. Ultimately, only 99 properties in total took
23 advantage of these programs. This year, Council
24 member Moya and Council member Chin have proposed
25 legislation that would provide the Council with

2 authority to, again, adopt reduced interest rates,
3 but under expanded circumstances and the entire year
4 to provide targeted relief to the property owners who
5 are still struggling as a result of the pandemic. I
6 am going to invite the sponsors to speak about their
7 bills, hearing first from Council member Moya and
8 then from Council member Chin. Council member Moya?

9 COUNCIL MEMBER MOYA: Thank you so much,
10 Chair Dromm, and good morning to everyone and my
11 colleagues here. As you know, as New York opens up
12 and people are welcoming back a new normal, we still
13 have many New Yorkers struggling to get back on their
14 feet. From food insecurity to rent and mortgage
15 payments. Part of having an equitable recovery is
16 ensuring that we can provide relief to the New
17 Yorkers that were hardest hit by Covid. One way is
18 ensuring that homeowners, including those in co-ops,
19 have the opportunity to get relief on interest rates.
20 This bill I am introducing is for property owners of
21 the dwelling unit and condominiums or a property held
22 in the cooperative form of ownership for such
23 property assessed value is divided by the number of
24 residential dwelling units that is 250,000 or less
25 per unit with an income of 150,000 or less. It would

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2 apply to property owners or a member of their
3 household who are adversely affected by the Covid 19
4 pandemic because they were diagnosed with Covid 19 or
5 sought medical diagnosis or experienced the loss of a
6 primary source of income because of Covid 19 between
7 March 17th, 2020 and June 30th, 2021. This relief
8 would ensure the interest rate would be charged would
9 be zero percent for nonpayment of taxes on the
10 property due on July 1st, 2021, October 1st, 2021,
11 January 1st, 2022, or April 1st, 2022. Covid, as we
12 all know, has left no one behind on the financial
13 front and this would provide relief, especially for
14 the communities disproportionately impacted by this.
15 And I thank you all and I hope that you join me in
16 support of this bill. Thank you, Chair.

17 CHAIRPERSON DROMM: Thank you, Council
18 member Moya. Council member Chin?

19 COUNCIL MEMBER CHIN: Thank you. Good
20 morning. Thank you, Chair Dromm, for allowing me to
21 speak briefly about my legislation. You know, last
22 year we wanted to help mom-and-pop small property
23 owners who were struggling in the wake of the Covid
24 19 pandemic, especially in my district where a lot of
25 these small property owners are legacy owners, a

2 building that has been owned by generations or
3 buildings that have been owned by family
4 associations. In the weeks leading up to the
5 adoption last year, we had a very real concern about
6 cash flow shortage. This year, we are in much better
7 shape after receiving aid from Washington. We need
8 to make sure that people who own and maintain these
9 small properties can also get through the pandemic.
10 Last year, we were able to adopt a 7.5 percent
11 interest rate for nonpayment for our city's property
12 tax for small property owners. For these small
13 properties, we are hoping to have a better reduction
14 in interest rates this fiscal year and we want to
15 give them real support for those who have a large
16 reduction in income as a result of the pandemic.
17 After seeing the effects of last year's program, our
18 goal this year is to create an even wider eligibility
19 range for small property owners and we are also
20 extending the timeline from one fiscal quarter to the
21 whole year. And my legislation would deal with
22 properties that are assessed about the use of over
23 \$250,000 in fiscal year 22. I am proud of the work
24 that we were able to do last year and we hope that we

2 can continue to expand and help more small property
3 owners and more New Yorkers. Thank you, Chair Dromm.

4 CHAIRPERSON DROMM: Okay. Thank you
5 very much, Council member Chin. We have also been
6 joined by a Council member Cornegy. We are also
7 joined by a representative of the Department of
8 Finance, including Jeffrey Shear, Deputy Commissioner
9 of Treasury and Payment services, Mary Christine
10 Jackman, Assistant Commissioner, and the city
11 Treasurer-- Excuse me. Assistant commissioner and
12 city Treasurer, Tim Sheerest, Deputy Commissioner of
13 Property. Before we hear their testimony, I will
14 turn it over to our committee counsel for some
15 procedural announcements and then to swear in the
16 witnesses.

17 COMMITTEE COUNSEL: Thank you, Chair
18 Dromm. My name is Noah Brick and I am counsel to the
19 New York City Council Committee on Finance. Before
20 we begin, I want to remind everyone that you will be
21 on mute until you are recognized to speak at which
22 time you will be on muted by the zoom host. If you
23 mute yourself after you have been muted, you will
24 need to be on muted again by the host. Please be
25 aware that there could be a delay in muting and un-

2 muting, so please be patient. I will be calling on
3 panelists to testify, so please listen for your name
4 to be called. We will begin with testimony from the
5 administration and followed by questions from Council
6 members. During the hearing, if Council members
7 would like to ask questions, please use the Salem
8 raise hand function in you will be called all in
9 order. We will be limiting Council member questions
10 to five minutes, including responses. I will now
11 administer the affirmation to the administration
12 witnesses and you will be called on to so affirm at
13 the end. Do you affirm that your testimony will be
14 truthful to the best of your knowledge, information
15 and, and belief? Mr. Shear?

16 DEPUTY COMMISSIONER SHEAR: I do.

17 COMMITTEE COUNSEL: Ms. Jackman?

18 ASSISTANT COMMISSIONER JACKMAN: I do.

19 COMMITTEE COUNSEL: And I believe we
20 are no longer joined by Mr. Sheerest. So, Deputy
21 Commissioner Shear, you may begin when ready.

22 DEPUTY COMMISSIONER SHEAR: Thank you.

23 Good morning, Chair Dromm, and members of the
24 Committee on Finance. My name is Jeffrey Shear. I
25 am Deputy Commissioner for treasury and payment

2 services for the New York City Department of Finance.
3 I am joined by Mary Christine Jackman, the city's
4 Treasurer who also serves as finance Commissioner
5 Soliman's representative on and Sec. to the New York
6 City Banking Commission. I am here today to testify
7 on to prey considered Council bills that address what
8 interest rate the city should charge the property
9 owners when they have late payments on their New York
10 City property taxes in tax year 2022. Property taxes
11 are the city's biggest single source of tax revenue,
12 accounting for \$31 billion were nearly half of the
13 cities total tax revenues, but without this revenue,
14 the city would not be able to pay gets teachers, it's
15 first responders, and its vendors to provide crucial
16 services to New Yorkers. This includes the provision
17 of critical goods and services needed at the result
18 of the Covid 19 pandemic in the distribution of
19 hundreds of thousands of meals each day to make sure
20 that no one goes hungry. The administration strongly
21 supports the recommendation of the New York City
22 Banking Commission to provide relief to property
23 owners that continued to struggle due to the impact
24 of the pandemic. The Banking Commission balanced
25 this acknowledgment of some struggling property

2 owners with the fact that New York City is on a path
3 to full recovery for all of us. The Covid rate has
4 declined to 1.36 percent. As of June 10th, 8.6
5 million vaccinations have been given and 64.2 percent
6 of adults have received at least one vaccination.
7 More people are returning to offices and retail
8 stores and Broadway begins to reopen later this month
9 with the return of Springsteen on Broadway. As a
10 result, the Banking Commission recommended a program
11 whereby owners of small and midsize properties that
12 had been impacted by Covid could have the interest
13 rate on late property tax payments reduced for the
14 first quarter of fiscal year 22. For properties with
15 an assessed about you under \$250,000, the interest
16 rate would be reduced from the recommended rate of
17 4.5 percent to zero percent. For properties with an
18 assessed value of over \$250,000, the interest rate
19 would be reduced from the recommended rate of 18
20 percent to 7.5 percent. This relief is being
21 recommended, that even though the late payment
22 interest rate that New York City charges property
23 owners is significantly lower than that charged in
24 other large cities and counties. Attached to this
25 testimony is a graph showing the interest rates of

2 several large cities. The five percent interest rate
3 that the city currently charges for properties with
4 an assessed value under \$250,000 is lower than the
5 interest rate charged by eight other cities. For
6 properties with an assessed value over \$250,000,
7 there were three cities that charge a higher rate
8 than the current 18 percent interest rate, one city
9 that charges the same rate, and for cities that
10 charge a lower rate. However, this comparison omits
11 the fact that seven of the eight other cities charge
12 penalties in addition to the interest charges. These
13 penalties are incurred as part of the delinquent
14 accrual process and are not associated with
15 enforcement actions. New York City does not impose
16 penalties on top of interest. Furthermore, the
17 administration worked with the Council last year to
18 provide another measure of relief pursuant to local
19 law 24. One of the provisions of this bill was to
20 create 1/3 tier of properties to be charged a lower
21 interest rate. For many years, the city has had to
22 late payment interest rates, one for properties with
23 an assessed value under 250,000 and another for
24 properties with an assessed value over \$250,000.
25 Starting on July 1st, there will be 1/3 category for

2 mid value properties with an assessed value between
3 250,000 and \$450,000. The Banking Commission has
4 recommended to the Council that this rate for fiscal
5 year 22 should be 12 percent, reducing by one third
6 the interest that would be charged on these
7 properties for late payments. With all this in mind,
8 we have very strong reservations regarding the two
9 Council bills. The bills expand the time. During
10 which interest rate relief would be given from the
11 first quarter of the calendar year to the entire
12 year. They also would greatly expand the number of
13 property owners eligible for relief. For example,
14 the bill pertaining to properties with an assessed
15 value over \$250,000 would be available to all class
16 two and all class for owners including large
17 landlords and multinational companies that own
18 properties worth tens or hundreds of millions of
19 dollars. Such owners would need to certify that they
20 experienced a 50 percent drop in income during any
21 six month period going back to March 2020 and they
22 would be charged the interest rate for smaller
23 property owners. 3.25 percent for the first quarter
24 of fiscal year 22 and 4.5 percent for the remainder
25 of the year as recommended by the Banking Commission.

2 The city would not have the time nor the resources to
3 review the documentation submitted for accuracy. If
4 many commercial owners and large landlords were to
5 take advantage of what is effectively an offer to
6 borrow money from the city at interest rates that are
7 competitive with commercial loans, the city could
8 suffer a precipitous decline in its cash reserves.
9 These reserves are needed to meet all the fiscal
10 obligations of the city, including paying its vendors
11 and making payroll. The expansion of the program is
12 compounded by the length of time that property owners
13 would be given under these bills to apply for such
14 relief. Owners would have until June 15th, 2022 to
15 apply for such relief. That means the city would not
16 know the scope of the program and its impact on cash
17 reserves until that date. Such a long time frame is
18 not necessary because Covid impacted owners know
19 today whether they need this relief. There also is
20 the potential for much confusion regarding the actual
21 liability of these properties for such an extended
22 period. For example, our standard payment plans
23 require owners to keep current with the accrual of
24 new charges on a monthly or quarterly basis. A
25 property with partial or current to early in the

2 year, but if it applied for interest relief by next
3 June, that could dramatically affect its status after
4 the fact. Difficult for owners to pay no property
5 taxes in FY 22 to pay two years' worth of taxes in
6 fiscal year 23. Finally, the length of the program
7 combined with the extended application time would
8 make this program very difficult for DOF to
9 administer. Making interest adjustments for
10 potentially thousands of properties at different
11 intervals is not a process to which the department
12 could easily adapt. As we noted, the
13 administration's supports lower interest rates in the
14 first quarter of fiscal year 22 to aid in the
15 recovery, but feels that would ostensibly enact such
16 a large relief program that could imperil the city's
17 cash reserves send a signal that we are taking a step
18 backwards at exactly the time that the city economy
19 is ramping up. In fact, overall, the city is
20 delinquency rate on property taxes is up slightly
21 this year, 2.4 percent compared to the same time last
22 year, 2.1 percent. We look forward to continuing
23 conversations on what the Council intends to propose
24 as recommendations for interest rates. For the 2021,
25 2022 tax year, the Banking Commission has recommended

2 that property owners with an assessed value under
3 250,000 pay a 3.25 percent rate for the first quarter
4 and 4.5 percent rate for the remainder of the year.
5 The Commission also has recommended a late payment
6 interest rate of 12 percent for property owners
7 within assessed value over \$250,000 and under
8 \$450,000. And 18 percent for property owners with an
9 assessed value over \$450,000. The New York City
10 administrative code requires that DOF charge the full
11 interest rate if the Council does not act timely.
12 These rates are seven percent for property owners
13 with an assessed value under \$250,000, 13 percent for
14 property owners within assessed value between
15 \$250,000 and \$450,000 and 15 percent for property
16 owners with an assessed value over \$450,000. Lastly,
17 the regarding Intro 1859, the department supports the
18 continuation of applying the alternative veterans
19 exemption for wartime and combat veterans to the
20 portion of the property tax levy for school purposes.
21 Beginning July 1st, 2017, the exemption has been
22 allowed for the school portion of the property tax.
23 Introduction 1859 prevents this provision from
24 expiring. Thank you.

2 CHAIRPERSON DROMM: Thank you very
3 much. I am going to go to Minority Leader Matteo in
4 a minute, but we been joined also by Council member
5 Yeger. Minority Leader Matteo, you have questions, I
6 know.

7 MINORITY LEADER MATTEO: I appreciate
8 that, Chair Dromm. Deputy Commissioner, thank you.
9 It's good to see you. I am focusing on the last
10 paragraph of your testimony right now for my Intro
11 1859. You know, in a perfect world, four years ago
12 we wouldn't have included a sunset clause, but that
13 was part of the negotiations to pass the bill, so it
14 was not something I wanted, but something that we
15 needed to pass the bill at the time, so I am
16 extremely pleased to see that the department supports
17 the continuation of the veterans exemption. So, I
18 just have a few questions for the record as we move
19 forward to pass this bill and to get rid of the
20 sunset. So, in my opening statement, I said that
21 there is about 39,000 veterans and their families
22 that take advantage of the exemption. About \$723 off
23 of their tax bill and about 40 million total. Do you
24 agree with that? Are your numbers the same?

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2 DEPUTY COMMISSIONER SHEAR: My numbers are
3 similar, but slightly different, so I am going to
4 review them.

5 MINORITY LEADER MATTEO: Okay.

6 DEPUTY COMMISSIONER SHEAR: Bear with me
7 one moment.

8 MINORITY LEADER MATTEO: Sure.

9 DEPUTY COMMISSIONER SHEAR: So, I will
10 start with the numbers. So, the numbers as of May
11 25th it is a total of 37,103 veterans that are
12 receiving the exemption.

13 MINORITY LEADER MATTEO: Okay.

14 DEPUTY COMMISSIONER SHEAR: And I have a
15 borough breakdown--

16 MINORITY LEADER MATTEO: Please.

17 DEPUTY COMMISSIONER SHEAR: which I
18 believe has also been requested.

19 MINORITY LEADER MATTEO: Yep.

20 DEPUTY COMMISSIONER SHEAR: So, in
21 Manhattan the numbers 3337. In the Bronx that number
22 is 2962. In Brooklyn, that number is 7533. In
23 Queens, the number is 14,844, and in Staten Island,
24 the number is 8427. Our figures indicate that the

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2 average value of the benefit in fiscal year 21 is
3 \$1112.

4 MINORITY LEADER MATTEO: 1112, you
5 said?

6 DEPUTY COMMISSIONER SHEAR: Yes.

7 MINORITY LEADER MATTEO: Okay.

8 DEPUTY COMMISSIONER SHEAR: And that the
9 total value of the exemption in fiscal year 2021 is
10 \$43.7 million.

11 MINORITY LEADER MATTEO: Okay. And
12 getting rid of the sunset will not change that total?

13 DEPUTY COMMISSIONER SHEAR: Right.

14 MINORITY LEADER MATTEO: Okay. Okay.

15 Do you know the average age of anyone receiving the
16 exemption?

17 DEPUTY COMMISSIONER SHEAR: We do not have
18 that information.

19 MINORITY LEADER MATTEO: Okay. If you
20 can get it to us, I would appreciate it.

21 DEPUTY COMMISSIONER SHEAR: Council
22 member, I don't believe that in applying that that we
23 require age.

24 MINORITY LEADER MATTEO: Okay.

25

2 DEPUTY COMMISSIONER SHEAR: But we will
3 double check.

4 MINORITY LEADER MATTEO: Okay. If you
5 have it, that's fine. So, when we passed it, there
6 was a lot of outreach. I just want to, just for the
7 record, can you tell me what kind of outreach DOF
8 does to let veterans know about the exemption?

9 DEPUTY COMMISSIONER SHEAR: Yes. so,
10 DOF's main approach in terms of constituent outreach
11 is through our external affairs outreach unit. So,
12 our team partners with elected officials such as
13 yourself and other networks to conduct seminars and
14 events to disseminate information regarding exemption
15 eligibility that is for all exemptions including, and
16 especially, the additional veterans exemption and we
17 include in that outreach any change in eligibility
18 requirements so that we can solicit as many eligible
19 new applicants as we can.

20 MINORITY LEADER MATTEO: And are there
21 renewals for the exemption or is that you just have
22 it and you're just going to continue to have it and
23 you don't have to do anything else. Obviously, we're
24 just getting rid of the sunset here, so we're not
25 changing anything in terms of the actual substance of

2 the bill, but just getting rid of the sunset, so I
3 would assume that that would stay the same?

4 DEPUTY COMMISSIONER SHEAR: Yes. So,
5 unlike some other exemptions, there is no
6 statutory renewal requirement to retain the veterans
7 exemption once people show that they are qualified.

8 MINORITY LEADER MATTEO: And so, it is
9 up to-- I guess my question is everyone who is
10 qualified for the exemption get the exemption do you
11 know?

12 DEPUTY COMMISSIONER SHEAR: As far as I
13 know, they do.

14 MINORITY LEADER MATTEO: Okay.

15 DEPUTY COMMISSIONER SHEAR: As long as
16 they apply.

17 MINORITY LEADER MATTEO: Okay. So, I'm
18 going to just follow up with your office on that, as
19 well, because as we move to pass this bill and get
20 rid of the sunset. Obviously, it will be more
21 veterans will see it again because of our outreach,
22 so I just want to make sure that everyone who is
23 entitled to the exemption will get it. So, I
24 appreciate the department's support on this. I think
25 it's extremely important that we do not leave this to

2 the next Council or the next administration and that
3 we act now. So I appreciate it. I appreciate the
4 support. Chair Dromm, I appreciate your support, as
5 always, and I send it back to you.

6 DEPUTY COMMISSIONER SHEAR: And
7 representing the administration, we support your
8 leadership on the issue, Minority Leader Matteo, and
9 we also appreciate working with the entire Council in
10 our outreach efforts. You help us outreach better.
11 You know how to outreach to people when we work
12 together in partnership and that is the best possible
13 outreach.

14 MINORITY LEADER MATTEO: Absolutely.
15 Thank you, Deputy Commissioner.

16 CHAIRPERSON DROMM: Okay. Thank you,
17 Deputy Commissioner. I have a few questions and then
18 I think we have some Council members, as well. Last
19 year, only 61 people participated in the Covid
20 reduced interest rate for homeowners and 38 people
21 participated in the one for smaller commercial and
22 rental buildings. Why did the Banking Commission
23 recommend that we do these programs again, even
24 though they had such a low pickup rate?

2 DEPUTY COMMISSIONER SHEAR: Thank you,
3 Chair Dromm. We implemented this program last year
4 with the Council knowing that many people were
5 impacted by Covid, but without knowing how many
6 property owners would need this particular program.
7 We think it is important to retain this program for
8 one more year regardless of its size and we must keep
9 in mind that many policies and programs were
10 implemented at the federal, state, and local level to
11 address the wide-ranging impacts of the pandemic and
12 the numbers of people helped by each policy and
13 program very significantly.

14 CHAIRPERSON DROMM: So, why do you
15 think the take-up rate was so low?

16 DEPUTY COMMISSIONER SHEAR: Well, for
17 owners of lower value properties, the amount of the
18 benefit is low. This can be seen by looking at a
19 typical tax bill of \$5000 a year for a tax class one
20 property or condominium. The amount of deferred
21 taxes for mom one quarter is \$1250. The amount of
22 interest that accrues over one quarter at 3.25
23 percent interest is a little more than \$10, however,
24 before we look at increasing the amount of the
25 benefit, we must keep in mind that forgiving interest

2 is a necessary and inefficient tool because it
3 addresses one segment of the population of properties
4 compared to the American Rescue Plan Act, for
5 example, which supplied direct relief to every person
6 from moderate income families and because of the way
7 it leverages the delay in property tax dollars
8 received. In this example, the city had a delay in
9 its receipt of \$1250. For every dollar of benefit,
10 the cities cash flow is impacted 125 times more. The
11 more the benefit is increased, the bigger the hit on
12 city cash flow. That being said, DOF acknowledges
13 two factors that could have impacted the take up rate
14 last year. One is that locals establishing the
15 program were passed last June after DOF already had
16 mailed property tax bills that were due on July 1st.
17 Many owners already had remitted payments in advance
18 of the July 1st due date. The other factor is that
19 DOF focused on how to quickly process the
20 applications it received by allowing them to be
21 uploaded directly into our property tax system. As a
22 result, applications were processed in days. The
23 need to quickly and properly process applications did
24 not give us sufficient time to publicize the program
25 is much as we would have liked.

2 CHAIRPERSON DROMM: So, can you tell me
3 a little bit about what you did do in terms of
4 advertising the availability of the program last
5 year?

6 DEPUTY COMMISSIONER SHEAR: Yes. So, DOF
7 has developed a prominent webpage on its website last
8 year that included the link for the online
9 application and explained in detail all over the
10 eligibility requirements. We also integrated
11 integration about the program into our property owner
12 outreach efforts that cover such things such as
13 exemptions and property tax payment plans. This is
14 the same outreach unit that I was describing a few
15 minutes earlier to the Minority Leader Matteo which
16 we used to let owners know about exemptions such as
17 the additional veterans exemption. We immediately
18 made sure that our presentations included information
19 on the program.

20 CHAIRPERSON DROMM: So, do you see any
21 problems with this year's proposal which would
22 require informing late payers with been assessed
23 value, I think, of about 250,000 or less of the
24 reduced interest rate program?

2 DEPUTY COMMISSIONER SHEAR: So, DOF is
3 amenable to notifying late payers with an assessed
4 value under \$250,000 of the existence of the program.
5 This could be done more effectively and efficiently
6 with a separate mailing to those owners rather than
7 trying to included in the second quarter property tax
8 bill. The property tax bill already includes a lot
9 of information, so any publicity about this program
10 could be easily get lost. Furthermore, it would be
11 difficult to customize the bills of just the owners
12 who are late in making payments. We would send a
13 special letter before the second quarter property tax
14 bills.

15 CHAIRPERSON DROMM: So, are you saying
16 once you know who is late, is that when you know when
17 the second bill?

18 DEPUTY COMMISSIONER SHEAR: So, we would
19 wait a certain period after the first bill is paid,
20 so probably about halfway. The bills are spaced
21 three months apart, so roughly 6 weeks or so after
22 the first bill was due, if it wasn't paid, we would
23 send a separate notification to everyone who was late
24 at that point to, A, informed them that they are late
25 and, B, to advise them of the existence of the

2 program. We think that would be a more effective and
3 efficient way to let these owners know about the
4 program rather than trying to wait a full three
5 months and having it as one more item in our property
6 tax bill.

7 CHAIRPERSON DROMM: Okay. Thank you.
8 God it. And I just want to remind folks that 250,000
9 and assessed value does not mean market value for
10 folks that are listening out there. The last thing
11 the administration was very concerned about the
12 potential impact of late payment of property taxes on
13 the city's rather tight cash flow and you mentioned
14 that a little bit before and was, therefore, hesitant
15 to make the Covid hardship programs to broad. So,
16 given the influx of federal relief and other changed
17 factors, how would you characterize the cash flow
18 situation this year?

19 DEPUTY COMMISSIONER SHEAR: So, currently,
20 the cities cash reserves are at \$11 billion, so they
21 are high as of today. However, during the course of
22 the fiscal year, they vary quite a lot and we do
23 expect them to be dropping by July 1st, I believe, to
24 \$4 billion and I am going to ask the city's
25 treasurer, Mary Christine Jackman, to talk about how

2 they are expected to decline further during the
3 fiscal year before they increase again.

4 MARY CHRISTINE JACKMAN: Thank you.

5 Good morning. Chair Dromm, we are expecting that the
6 cash flow reserves, the cash reserves, are going to
7 decrease quite substantially. Right now, we are at
8 11 billion, but there is 7 billion going out in the
9 next two weeks that we know I'll for sure and that is
10 not including anything that people have forgotten to
11 notify us about. We expect it to be approximately 4
12 billion by the time we get to July 1st, but the low
13 point for the year is always the end of November,
14 beginning of December and right now we are
15 anticipating that it will only be about 1 billion or
16 1 billion in day half at that point which makes it
17 difficult to meet all of our obligations and to stay
18 on top of it.

19 CHAIRPERSON DROMM: How does that fit
20 in historically? Is that--

21 MARY CHRISTINE JACKMAN: 2019, the
22 balance was 2.47 billion-- or 2.297 billion and then
23 in 2020 it was 2.397.

24 CHAIRPERSON DROMM: And what did you
25 say it would take it down to? One?

2 MARY CHRISTINE JACKMAN: one. We are
3 estimating about one and a half billion.

4 CHAIRPERSON DROMM: So a little lower.
5 Okay.

6 MARY CHRISTINE JACKMAN: Yes.

7 CHAIRPERSON DROMM: Okay. Thank you.

8 MARY CHRISTINE JACKMAN: Sure.

9 CHAIRPERSON DROMM: Is the
10 administration supportive of extending the reduced
11 interest rates? I heard in your testimony that you
12 had deep concerns. Can you elaborate further on
13 that, Deputy Commissioner?

14 DEPUTY COMMISSIONER SHEAR: Yes. We do
15 not think it wise to extend the program beyond the
16 first quarter of the fiscal year. The city's economy
17 is in recovery and a temporary program is needed as
18 we transition, but we do not need the program to last
19 for the full fiscal year. Also, there could be
20 unintended consequences for owners who delay paying
21 their property taxes for one full year and then would
22 be required to pay two years' worth of taxes in
23 fiscal year 2030. We know that many owners have
24 taken advantage of our monthly billing option because
25 regular billing helps them manage their budgets.

2 Some owners may find it difficult to resume paying
3 property taxes after not paying for a year. Our
4 experience with temporary programs is having a long
5 application period does not necessarily increase
6 participation.

7 CHAIRPERSON DROMM: So, we only had 99
8 people participate last year. Are you worried also
9 that if you were to extend it, you would see greater
10 participation at a higher cost?

11 DEPUTY COMMISSIONER SHEAR: I think when
12 the greater length of time and the entire fiscal
13 year, way that is combined with the eligibility which
14 would be open for under one provision all class two
15 class four property owners who declare a loss of
16 income, that potential their concerns us. We
17 definitely want to engage in a dialogue with the
18 Council about potential expansion along the lines of
19 broadening eligibility regarding assessed value cut
20 off. For example, the number of units which were to
21 love the criteria that were used last year, but we
22 are concerned about having a program that is eligible
23 to all and that extends for the entire fiscal year.

24 CHAIRPERSON DROMM: And that includes
25 co-ops. That is one of your concerns?

2 DEPUTY COMMISSIONER SHEAR: So, for co-
3 ops, we definitely want to engage in the dialogue
4 with the Council on co-ops. We think that co-ops can
5 be folded into the programs. One challenge to
6 consider is that the reduced interest would accrue to
7 the entire co-op building and not to the individual
8 shareholders who are impacted by Covid, but we
9 definitely are open to having a conversation to
10 include co-ops in the program.

11 CHAIRPERSON DROMM: Okay. Thank you.
12 Good. Let me go back to Mary Christine Jackman, if I
13 may, just to ask why do you expect the cash flow to
14 be at about one point-- sorry. I keep forgetting.
15 1.1 or 1.2, if I'm not mistaken, dollars?

16 MARY CHRISTINE JACKMAN: We are
17 expecting it to be-- Chair Dromm, we are expecting
18 it to be less because we are expecting slower payment
19 this here based on a number of the programs that are
20 available and we are also expecting that the payments
21 that we need to receive will be on lower assessed
22 values.

23 CHAIRPERSON DROMM: Does cash flow and
24 include what was collected in personal income taxes?

2 MARY CHRISTINE JACKMAN: The cash flow
3 includes everything that comes into the city, so
4 everything is included in the area and some manner,
5 shape, or form.

6 CHAIRPERSON DROMM: So, it is my
7 understanding that personal income taxes are at a
8 much higher rate than what was originally expected.
9 Does that factor into your decision or your concern
10 about it dropping to one point-- what is exactly the
11 number? I keep forgetting.

12 MARY CHRISTINE JACKMAN: One and a half
13 billion. Let's use one and a half billion.
14 Remember, that is a projection and, yes, it is
15 factored in. We are just concerned because,
16 remember, over half of the incoming money is property
17 taxes. That is over half of it. So, what happens
18 with property taxes definitely, definitely affects
19 the overall cash flow.

20 CHAIRPERSON DROMM: Okay. Great.

21 DEPUTY COMMISSIONER SHEAR: I would just
22 want to add that Mary Christine and her team do
23 constantly update the projections so that when there
24 are developments-- so, for example, the as you
25 mentioned, Chair Dromm, if personal income taxes are

2 running higher than expected, that is folded in. We
3 tend to see developments in both directions, so what
4 can happen is that revenue may be higher for one tax
5 and it may be lower for another tax or spending may
6 be higher than expected. So, it is traditional,
7 based on the absent flows that December 1st tends to
8 be the low point of the year and we do have to make
9 sure that, at that point, we do have sufficient rest
10 serves to meet the city's payroll.

11 CHAIRPERSON DROMM: And so, are you,
12 basically, saying you expect the property taxes to be
13 lower and the personal income tax to be higher?

14 MARY CHRISTINE JACKMAN: That is
15 factored into it, yes. But we are very focused on
16 and very concerned about the property taxes.

17 CHAIRPERSON DROMM: Okay. All right.
18 Thank you. I know that Council member Chin has some
19 questions. We're going to go to her. Thank you,
20 again.

21 MARY CHRISTINE JACKMAN: Thank you.

22 DEPUTY COMMISSIONER SHEAR: Thank you.

23 COUNCIL MEMBER CHIN: Thank you, Chair
24 Dromm. Thank you, Commissioner. I know last year we
25 were able to, you know, bring the late payment

2 interest rate down to seven and a half percent. I
3 mean, knowing the property owners and even the small
4 property owners in my district, I mean, they struggle
5 and everybody-- they want to pay their taxes because
6 they don't want to lose their building. They don't
7 want their building to be on the lien sale and these
8 are buildings that has been and families for
9 generations or, you know, family associations that
10 people have contributed hard earned money to purchase
11 the building and they don't want to sell and
12 speculators are calling them every other day. So, we
13 have to give them some relief and the way the
14 property tax system is not fair to begin with, so
15 last year we were only able to do it for one quarter
16 and, as you mentioned, you know, a lot of people
17 probably didn't even know about the program and they
18 weren't able to take advantage of it and that is why
19 we are proposing to at least extend this for the
20 whole year, so that people can have, you know,
21 sufficient time to be able to help them. So, my
22 question to you is that, when you were talking about
23 the delinquent rate, it's not that many, so we are
24 really talking about helping people who really need
25 the help. I don't think property owners are going to

2 intentionally not pay their tax and, looking at the
3 interest rate, you know, they don't want to pay more.
4 I mean, so were helping people who are really, you
5 know, in dire need so that we don't put the burden
6 on-- before it was 18 percent. That was a lot to
7 add on to, you know, the tax for late payment. And
8 so, I think my question is like why not extend this
9 for the year and since it is not that big chunk of
10 our property tax, right, the delinquent payment. So,
11 we are still getting the property tax that we need,
12 so what is the hesitation on the administration's
13 part?

14 DEPUTY COMMISSIONER SHEAR: Thank you,
15 Council member. So, first, I do want to be clear
16 that we agree with you that relief and this is why we
17 have proposed low interest rates to begin with.
18 Interest rates that are lower than in other cities
19 and this is why we work with you and the Council to
20 create this third tier that charge is a much lower
21 interest rate for property owners within assessed
22 value between 250 and \$450,000. And I would like to
23 say I agree with your statement that there are owners
24 who are struggling and we want to work with you to
25 best target this program to those owners. We are

2 concerned about having eligibility that is too broad
3 and I must emphasize that, when we process the
4 applications for this program, we really do so on the
5 honor spaces. We don't have the time if an owner
6 declares that they need the help and they do not
7 qualify to be able to withhold that help and we do,
8 again, remain concerned that property owners, at the
9 time that we are recovering from the pandemic, would
10 be enticed to withhold payments for a full year and
11 then face the prospect of having to pay two years'
12 worth of property taxes in the following fiscal year.
13 So, again, we share your concern and we want to work
14 with you like we did last year to create a bill that
15 balances the need to help those who are struggling
16 along with the concerns about being overly broad.

17 COUNCIL MEMBER CHIN: What is the
18 percentage of the property tax that the city collects
19 of owners that have late payments? Do we have any
20 idea?

21 DEPUTY COMMISSIONER SHEAR: Yes. So, this
22 year it is-- the most recent information we have is
23 that it is 2.4 percent compared to 2.1 percent in the
24 previous year.

2 COUNCIL MEMBER CHIN: Okay. So, it is
3 still a very small percentage. So, I don't think--

4 DEPUTY COMMISSIONER SHEAR: Yes. It is.

5 COUNCIL MEMBER CHIN: property owners are
6 going to intentionally hold back the money and then
7 procure the interest rate, which is still higher than
8 going to a bank. Yeah. That really doesn't make
9 sense to me. I mean, we're just trying to help
10 people who are struggling. And let's simplify the
11 process so that they can get the help that they need.
12 And that's what we're trying to do because they are
13 struggling. A lot of them are not getting rent
14 payments and their property tax every year goes up.
15 I mean, that is the biggest complaint that I hear
16 from constituents, especially from small property
17 owners. The property tax keeps going up and they are
18 not-- they're not collecting rent and so we are just
19 trying to see what we can do to help them at least a
20 bit so that they can recover at the same time that
21 the city is recovering. And the Banking Commission,
22 I guess one other question is the Banking Commission,
23 now they are making a recommendation about this new
24 tier from 250 to 450 at a 12 percent rate? How did
25 they come up with that?

2 DEPUTY COMMISSIONER SHEAR: So, let me
3 address your first question, Council member and I
4 want to acknowledge that you have been in active and
5 effective advocate for small business owners and
6 small property owners and we really want to work with
7 you and the Council to create a more targeted
8 program. We share your goals of trying to assist
9 those owners. With regard to the third tier to
10 create lower interest rates for mid value properties,
11 that is something we worked on with the Council. So,
12 the third tier that was recommended by the Banking
13 Commission is actually required by local law 24 of
14 2021. So that law created that new third tier and
15 the Banking Commission was required to make a
16 recommendation for the late payment interest rate for
17 that tier.

18 COUNCIL MEMBER CHIN: A 12 percent rate
19 is still very high. So, I just think that we need to
20 work together and find a way to help these smaller
21 property owners that were talking about who are still
22 struggling and until we have a better property tax
23 system which the bank-- you know, the Property Tax
24 Commission is having hearings across the borough and
25 we wanted to also, you know, see what their

2 recommendations and make recommendations that they've
3 got to really take care of some of these small
4 property owners who are lumped together with the
5 bigger property owners and they haven't been getting
6 any relief.

7 DEPUTY COMMISSIONER SHEAR: Council
8 member, we look forward to working with you on this
9 bill-- on both of these bills, I should say.

10 COUNCIL MEMBER CHIN: Thank you. Thank
11 you, Commissioner. Thank you, Chair Dromm.

12 CHAIRPERSON DROMM: Thank you. I know
13 Council member Brooks-Powers has questions.

14 COUNCIL MEMBER BROOKS-POWERS: Thank you
15 so-- Hi. Thank you so much and thank you for all of
16 the remarks that have been made thus far. I just
17 wanted to ask question for clarification. In terms
18 of the protection for the property taxes, if it would
19 be benefiting property owners who may have property
20 in terms of residential property that is valued at
21 more than 250,000. And why I ask that question is
22 because, in particular, and parts of my district,
23 there are homes that range from \$500,000-\$600,000 in
24 property value and just wanted to understand if they

2 would be included in the bills that are being
3 discussed today.

4 DEPUTY COMMISSIONER SHEAR: Thank you,
5 Council member. That is an excellent question. It
6 relates to something that Chair Dromm said earlier
7 and I wanted to speak to, so I am very glad that you
8 brought it up. So, it is very important when we are
9 discussing these bills to emphasize the difference
10 between assessed value which is a concept that is
11 used for property taxes versus market value. So,
12 when it comes to class one properties which I believe
13 represent the properties that you are concerned about
14 with your question and, the Department of Finance's
15 target rate in terms of the ratio of the assessed
16 value to the market value is eight percent. So a
17 property that is assessed at \$250,000 is-- actually
18 has a market value of around \$4 million, so is that
19 clear?

20 COUNCIL MEMBER BROOKS-POWERS: Yes. So,
21 I was trying to get off mute. Yes. So, what you are
22 saying is the amount that is in the legislation is
23 not for the market value. It is the assessed value.

24 DEPUTY COMMISSIONER SHEAR: That is
25 correct.

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2 COUNCIL MEMBER BROOKS-POWERS: Okay.

3 DEPUTY COMMISSIONER SHEAR: And so the
4 bill that covers properties with the assessed values
5 that are \$250,000 and under would cover practically
6 all class I homes.

7 COUNCIL MEMBER BROOKS-POWERS: Great.
8 Thank you for that clarification.

9 DEPUTY COMMISSIONER SHEAR: You're
10 welcome. And thank you for asking that question.

11 CHAIRPERSON DROMM: Okay. Thank you.
12 Let me ask a couple more questions. This year for
13 the first time, the Council has authorized to adopt a
14 third late payment interest rate for properties with
15 assessed values between 250 and 450,000. How many
16 properties fall into this category and what type of
17 properties are they?

18 DEPUTY COMMISSIONER SHEAR: Thank you.
19 So, there are 36,000 properties that fall within this
20 range, the Chair Dromm. Of that number, 1000 of
21 those properties are class one properties, 24,000 of
22 them are class II properties, and 11,000 of them are
23 class four properties. They represent nearly 40
24 percent of the properties that have been assessed
25 value over \$250,000.

1 COMMITTEE ON FINANCE

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2 CHAIRPERSON DROMM: Okay. Thank you.

3 And the DOF Commissioner is entrusted to set the
4 interest rates charged when business taxes are not
5 paid on time. It is currently set at 7.5 percent and
6 has been that way since July 1, 2020. In the past 20
7 years, the interest rate has not exceeded 10 percent,
8 so how did DOF decide on the current 7.5 percent rate
9 for business taxes?

10 DEPUTY COMMISSIONER SHEAR: Interest-rate
11 for business taxes is determined by the
12 administrative code. It is equal to the federal
13 short-term rate plus seven percentage points. The--

14 CHAIRPERSON DROMM: [inaudible
15 01:01:01]

16 DEPUTY COMMISSIONER SHEAR: Go ahead.

17 CHAIRPERSON DROMM: I was going to say
18 what is the delinquency rate on business taxes and
19 how does that compare to investor oriented properties
20 like class two rentals or class four commercial
21 properties?

22 DEPUTY COMMISSIONER SHEAR: DOF has not
23 computed the delinquency rate for business taxes that
24 takes into account both voluntary payments received
25 with tax returns and late payments, however, we do

2 know that our collection rate on business tax
3 warrants is well under 50 percent. With business
4 taxes, entities that cease operations and have no
5 assets are not expected to pay outstanding tax
6 liabilities. With property taxes, however, the
7 physical property and its value as an asset that
8 continues to exist regardless of the owners status.
9 The delinquent taxes remain and must be paid even if
10 payment is delayed until the property is sold.

11 CHAIRPERSON DROMM: Okay. Let me just
12 go back to what we were talking about before. The
13 class two properties, what is the average unit count?

14 DEPUTY COMMISSIONER SHEAR: I'm sorry.
15 For the class two properties in this middle tier or--

16 CHAIRPERSON DROMM: Ye--

17 DEPUTY COMMISSIONER SHEAR: I don't have
18 that with me, but we will get back to you with that
19 information.

20 CHAIRPERSON DROMM: Okay. We will
21 follow up with you on that. And what is the
22 rationale for having lower interest rates for
23 business taxes as compared to property taxes?

24 DEPUTY COMMISSIONER SHEAR: Yes. So, as
25 you have heard, property taxes constitute a major

2 share of the revenue of municipal budgets not only in
3 New York City, but around the country. This is
4 reflected in the fact that not only New York, but
5 other major cities charge high interest rates on late
6 property tax payments. The reason for these high
7 rates is to drive voluntary compliance. It should be
8 noted that additional penalties are assessed on top
9 of interest for late business tax payments whereas no
10 penalties are assessed for late property tax
11 payments. And I also want to add that even though
12 the interest rates are high for New York and
13 elsewhere, that the purpose of the high rates is not
14 for revenue purposes. It's for, rather, to ensure
15 the high level of voluntary compliance for property
16 taxes.

17 CHAIRPERSON DROMM: Margaret Chin and I
18 might argue differently, but, anyway, thank you for
19 that testimony. I don't have-- So, let me just ask
20 when you end the late payments-- When you add the
21 late penalties for business taxes, what is the net
22 interest charge?

23 DEPUTY COMMISSIONER SHEAR: I will get
24 back to you with that.

25 CHAIRPERSON DROMM: Okay.

2 DEPUTY COMMISSIONER SHEAR: The penalties
3 are calculated a little differently, so we will come
4 back to you with detailed information on how the
5 penalties are created and, if necessary, provide a
6 scenario so you can see what the effective percentage
7 would be.

8 CHAIRPERSON DROMM: Okay. Thank you.
9 All right. Thank you for coming in for giving
10 testimony today. We do have a member of the public
11 who would like to testify, so I am going to go to
12 that in a moment, but, again, thank you for coming in
13 and I will follow up with her questions.

14 DEPUTY COMMISSIONER SHEAR: Thank you,
15 Chair Dromm, and thank you, Council members.

16 CHAIRPERSON DROMM: Thank you. Thank
17 you, Ms. Jackman, also.

18 MARY CHRISTINE JACKMAN: Thank you so
19 much for having me. Have a good day.

20 CHAIRPERSON DROMM: You, too.

21 COMMITTEE COUNSEL: All right. Chair
22 Dromm, a member of the public is, in fact, signed
23 off. So, with council members with their hands up
24 and no members of the public, you can close the
25 hearing if you wish.

2 CHAIRPERSON DROMM: Okay. I so wish
3 and so, therefore, I'm going to say this meeting is
4 adjourned at 11:40 in the morning. Thank you very
5 much to everyone for coming. Thank you.

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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 14, 2021 _____