City Council Stated Meeting - April 26, 2006

by Mark Berkey-Gerard
Wednesday, April 26, 2006 12:00 AM -

Every two weeks the New York City Council meets for its Stated Meeting to introduce and pass legislation. As a regular feature, Searchlight covers these meetings and posts a summary of the bills passed.

QUOTE OF THE DAY:
"Personally, I've heard enough about the Yankees and stadiums for a while. I'm about ready to start rooting for the Red Sox." â€“ Councilmember Helen Foster.

MEETING SUMMARY:
BASEBALL STADIUMS
The New York City Council approved $2 billion in tax-free financing and subsidies to help both the New York Yankees and the New York Mets build new ballparks.

While the teams will pay the majority of the cost for the new stadiums, the city will provide tax-exempt bonds to finance the construction costs, saving the teams hundreds of millions of dollars in coming years.

The Yankees will receive $866 million in tax-exempt bonds to help finance the construction of their new $930 million stadium.

The Mets will receive $567 million in tax-exempt bonds to finance their $632 million stadium.

Under the plan, each team will repay the city for construction bonds and interest on debt through "payments in lieu of taxes" - also known as PILOTS. PILOTs are money from developers who build properties on city-owned land, but do not pay property taxes on it. Instead, they pay money into a specific fund.

The Independent Budget Office estimates that the tax-exempt bonds will save the Yankees $144 million and save the Mets $72 million over the next 40 years.

Both stadiums will also cost taxpayers.

The council estimates that the city will spend $91 million and the state will spend $74 million to pay for infrastructure, parking garages, and new parkland around Yankee stadium. The city will spend $164 million and the state will spend $74 million for the new Mets stadium.

Council members said that stadiums were worth the public investment, and that they will bring jobs and income into the local economy.

"Job creation and economic development is our job," said Councilmember Leroy Comrie. "And we have done both with these projects."

Council members from the Bronx and Queens, who have negotiated with the teams in recent weeks, also said they were able to win important commitments for their neighborhoods, including promises to hire local workers and to give 25 percent of contracts to minority and women-owned businesses. The teams will also invest in little league teams and donate tickets to children in the area.

"This is a grand slam for all of Queens," said Councilmember Hiram Monserrate.

An overwhelming majority of the members agreed. The Yankees financing passed by a vote of 46 to 3. The Mets project passed by a vote of 48 to 1. (Letitia James abstained from both votes.)

Councilmember Charles Barron, the only person to vote "no" on both ballparks, said that city should be using its resources to help low-income people, not subsidizing new stadiums for rich baseball team owners.

"This is a bunt single for the community and a grand slam for the Mets and the Yankees," said Councilmember Charles Barron.

Councilmembers James Sanders and Helen Foster voted against the Yankee plan, but in favor of the Mets stadium.

"Personally, I've heard enough about the Yankees and stadiums for a while," said Foster. "I'm about ready to start rooting for the Red Sox."

The Internal Revenue Service still must approve the financing, which has been called into question by Comptroller William Thompson and the Independent Budget Office. In 1986, Congress banned the use of tax-exempt bonds to build sports facilities unless 90 percent of the bonds are paid off using funds that would normally go to the city in the form of taxes.

The Bloomberg administration has asked the Internal Revenue Service to review the plan, and the council said it believes the agency will approve it.

AUTO INSURANCE FRAUD

New Yorkers pay four times the national average for car insurance, and Brooklyn has some of the highest auto insurance rates in the nation.

Part of the reason is that New York State has a no-fault automobile insurance system, which allows for people injured in accidents to have their medical bills paid quickly regardless of who is to blame for the crash. Another reason for the high rates is that many people try to take advantage of the no-fault system and cheat insurance companies.

In an effort to reduce insurance fraud the council passed a bill (Intro 243-A) to crack down on the medical clinics that are involved in schemes.

Under the bill, if a medical service company earns more than half of its revenues from no-fault insurance claims, then they will now be subject to audits and regulation by the Department of Consumer Affairs.

"We know how the scams work," said Councilmember David Yassky, who authored the bill. "Now we need laws in place to catch the scammers."

The measure passed by a vote of 50 to 0.

FIELDSTON HISTORIC DISTRICT

The council approved the creation of a new historic district (L.U. 91 and Res 283) in the Fieldston section of Riverdale in the Bronx.

In the early 1900s, the owners of the land comprising Fieldston decided to develop the area as a "private park devoted exclusively to country homes," according to the New York City Landmarks Commission. Frederick Olmstead, who also designed Central Park, contributed to the plan.

The historic district will include 257 houses, many of them large mansions with historic columns, porticoes, and intricately designed roofs.

The designation means that if owners want to do renovations of their homes, they must submit the plans to the Landmarks Commission and use authentic historical materials, which can often add to the cost of repairs.

Councilmember Oliver Koppell has a special interest in the designation â€“ he owns one of the homes, which was recently valued at $2.7 million .

"It's a beautiful area," said Koppell. "It deserves to be protected."

"I'd like to congratulate Councilmember Koppell on the land marking of his home," joked Councilmember Miguel Martinez. "But I haven't been invited yet."

The measure passed by a vote of 50 to 0.

PUTTING AWAY TRASH CANS

After a sanitation worker empties a garbage can into a truck, New Yorkers are required to remove the trash can from the sidewalk "immediately" - or they can be fined, according to city law.

Responding to complaints from residents, the council passed a measure (Intro 28-A) that deletes the word "immediately" from the regulations.

Now, New Yorkers must put the trash can away by 9 p.m. on the day of collection. If the sanitation department does not come until after 4 p.m., then residents have until 9 a.m. the next morning.

VETERANS ADVISORY BOARD

The council passed a bill (Intro 233-A) aimed at strengthening the role of the Veterans' Advisory Board, which is supposed to help set city policy to aid former members of the U.S military. Some council members have criticized the board as ineffective.

Under the bill, the board must meet at least four times a year, submit an annual report of activities to the mayor and the council, and members can be removed for cause if they are not doing their duties.

The next Stated Meeting is scheduled for May 10, 2006.

Â