



## NEW YORK CITY BANKING COMMISSION

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Jeffrey Shear, *Secretary*

### NYC Banking Commission Meeting Minutes May 10, 2016

#### Attendees:

- Vanessa Champion, Representative of the Mayor
- Elaine A. Kloss, Representative of the Commissioner of the Department of Finance (DOF)
- Brian Cook, Representative of the Comptroller
- Jackie Gold, DOF
- Bashar Assana, DOF, Treasury Division, Banking Commission Support
- Antonio Whitaker, DOF, Treasury Division, Banking Commission Support
- Vivian Wong, DOF, Treasury Division, Banking Commission Support
- Adam Rabiner, DOF, Treasury Division, Banking Commission Support

- I. The roll was called.
- II. The minutes from the May 28, 2015 meeting were unanimously accepted. Brian Cook motioned to approve and Vanessa Champion seconded the motion.
- III. Elaine Kloss read the following resolutions to the Commission for vote:

#### **RESOLUTION NO. 1 – FY2017 EARLY PROPERTY TAX PAYMENT INTEREST RATE RECOMMENDATION**

**WHEREAS**, pursuant to Section 1519(a) of the City Charter, the Banking Commission is required to recommend to the City Council, no later than the thirteenth of May, the proposed discount rate for the early payment of real estate taxes; now, therefore be it

**RESOLVED**, the Banking Commission recommends to the City Council that the discount rate for the early payment of real estate taxes shall be one-half percent (0.5%) per annum for FY2017, and be it further

**RESOLVED**, that said discount rate is to be offered only for that portion of the real estate tax that is paid before the due date.

Dated May 10, 2016

*Resolution No. 1 was unanimously approved by all three representatives.*

**RESOLUTION NO. 2 – FY2017 LATE TAX PAYMENT INTEREST RATE FOR PROPERTIES ASSESSED NO MORE THAN \$250,000 RECOMMENDATION**

**WHEREAS**, pursuant to the New York City Administrative Code §11-224.1, the Banking Commission is required to recommend to the City Council, no later than the thirteenth day of May, the proposed interest rate to be charged for non-payment of taxes for properties with an assessed value of not more than two hundred fifty thousand dollars (\$250,000), or not more than two hundred fifty thousand dollars (\$250,000) per residential unit for co-ops; and

**WHEREAS**, the proposed interest rate shall be at least equal to the prevailing interest rate charged for commercial loans extended to prime borrowers by commercial banks operating in the City (the “prime rate”); and

**WHEREAS**, the Banking Commission notes that as of May 10, 2016 said prime rate stands at three and one-half per cent (3.50%), as published by the Board of Governors of the Federal Reserve System; and

**WHEREAS**, it is in the City’s best interest to encourage the prompt payment of real estate taxes by all taxpayers; now, therefore be it

**RESOLVED**, the Banking Commission recommends to the City Council that the interest rate to be charged for non-payment of taxes for all properties with an assessed value of not more than two hundred fifty thousand dollars (\$250,000), or not more than two hundred fifty thousand dollars (\$250,000) per residential unit for co-ops, be set at seven and one-half per cent (7.5%) per annum for FY2017.

Dated May 10, 2016

*Resolution No. 2 was unanimously approved by all three representatives.*

**RESOLUTION NO. 3 – FY2017 LATE TAX PAYMENT INTEREST RATE FOR PROPERTIES ASSESSED GREATER THAN \$250,000 RECOMMENDATION**

**WHEREAS**, pursuant to the New York City Administrative Code §11-224.1, the Banking Commission is required to recommend to the City Council, no later than the thirteenth day of May, the proposed interest rate to be charged for non-payment of taxes for properties with an assessed value of more than two hundred fifty thousand dollars (\$250,000), or more than two hundred fifty thousand dollars (\$250,000) per residential unit for co-ops, or where, irrespective of the assessed value, the parcel consists of vacant or unimproved land; and

**WHEREAS**, said provisions of the Administrative Code require the Banking Commission to propose a rate at least six percentage points (6.0%) per annum greater than the prevailing interest rate charged for commercial loans extended to prime borrowers by commercial banks operating in the City (the “prime rate”); and

**WHEREAS**, the Banking Commission notes for the record that as of May 10, 2016 said prime rate stands at three and one-half per cent (3.50%), as published by the Board of Governors of the Federal Reserve System; and

**WHEREAS**, it is in the City’s best interest to encourage the prompt payment of real estate taxes by all large taxpayers; now, therefore be it

**RESOLVED**, the Banking Commission recommends to the City Council that the interest rate to be charged for non-payment of real estate taxes where the assessed value of a property is over two hundred fifty thousand dollars (\$250,000), or over two hundred fifty thousand dollars (\$250,000) per residential unit for co-ops, or where, irrespective of the assessed value, the parcel consists of vacant or unimproved land remains eighteen per cent (18.0%) per annum for FY2017.

Dated May 10, 2016

*Resolution No. 3 was unanimously approved by all three representatives.*

**RESOLUTION NO. 4 – FY2017 LATE WATER AND SEWER RENT PAYMENT INTEREST RATE RECOMMENDATION**

**WHEREAS**, pursuant to the New York City Administrative Code §§11-312(c) and 11-313(e) and 11-224.1, the Banking Commission is required to recommend to the City Council, no later than the thirteenth day of May, the proposed interest rate to be charged for non-payment of water and sewer rents; and

**WHEREAS**, said provisions of the Administrative Code require the Banking Commission to propose a rate to be charged for non-payment of water and sewer rents at least six percentage points (6.0%) per annum greater than the prevailing interest rate charged for commercial loans extended to prime borrowers by commercial banks operating in the City (the “prime rate”); and

**WHEREAS**, the Banking Commission notes for the record that as of May 10, 2016, said prime rate stands at three and one-half per cent (3.50%), as published by the Board of Governors of the Federal Reserve System; now, therefore, be it

**RESOLVED**, that the Banking Commission recommends to the City Council that the interest rate to be charged for non-payment of water and sewer rents be set to nine and one-half per cent (9.5%) per annum for FY2017.

Dated May 10, 2016

*Resolution No. 4 was unanimously approved by all three representatives.*

**RESOLUTION NO. 5 – RIDGEWOOD SAVINGS BANK BDD DEPOSIT**

**WHEREAS**, Ridgewood Savings Bank has requested that the City of New York make a \$10 million deposit at its White Plains Road BDD branch located in the Bronx; therefore, be it

**RESOLVED**, the Banking Commission approves a \$10 million City BDD deposit at the Ridgewood White Plains Road BDD branch.

Dated May 10, 2016

*Resolution No. 5 was unanimously approved by all three representatives.*

**RESOLUTION NO. 6 – REMOVAL OF NEW YORK COMMERCIAL BANK AS A NYC DESIGNATED BANK**

**WHEREAS**, pursuant to Section 1524 of the New York City Charter, the Banking Commission is responsible for designating banks that are permitted to hold City funds; and

**WHEREAS**, pursuant to Title 22 RCNY § 1-03(b), designations are valid for two years and the Banking Commission may extend the term of the designation by majority vote; and

**WHEREAS**, New York Commercial Bank will no longer have a commercial bank charter, which is a municipal law requirement of a NYC Designated Bank; therefore, be it

**RESOLVED**, the Banking Commission hereby approves to remove the designation of New York Commercial Bank as a NYC Designated Bank.

Dated May 10, 2016

*Resolution No. 6 was unanimously approved by all three representatives.*

Brian Cook moved to adjourn the meeting. Vanessa Champion seconded the motion.



Jeffrey Shear, Secretary

9/15/16  
Date