



NEW YORK CITY BANKING COMMISSION

66 John Street, New York, NY 10038
Telephone: (212) 291-4840

Elaine A. Kloss, *Secretary*

May 5, 2014

AGENDA

NYC BANKING COMMISSION MEETING

Public Meeting Information¹

Date: Tuesday, May 20, 2014

Time: 11:00 A.M. EST

Location: 210 Joralemon Street,
5th Floor Main Conference Room,
Brooklyn NY 11201

1. Roll Call
2. Acceptance of Minutes of May 13, 2013 Banking Commission meeting
3. FY2015 Interest Rate Recommendations for Early and Late Payment of NYC Property Taxes and Late Payment of Water and Sewer Rents
4. Other items

¹ Meeting agenda is subject to change. Attendees should periodically check the City Record and/or NYC Department of Finance's website for any updates.



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NYC Banking Commission Meeting Minutes May 20, 2014

Attendees:

- Peter A. Hatch, Representative of the Mayor
- Elaine A. Kloss, Secretary, Representative of the Commissioner of the Department of Finance (DOF)
- Brian Cook, Representative of the Comptroller
- Elaine A. Kloss, DOF, Assistant Commissioner & Treasurer
- Jackie Gold, DOF, Division of Legal Affairs
- Adam Rabiner, DOF, Treasury Division, Banking Commission Support
- Bashar Assana, DOF, Treasury Division, Banking Commission Support

- I. The roll was called.
- II. The minutes from the May 13, 2013 meeting were unanimously accepted. Peter Hatch motioned to approve and Brian Cook seconded the motion.
- III. Elaine Kloss read the following resolutions to the Commission for vote:

Resolution No. 1 – Interest Rate Recommendation (Real Estate)

WHEREAS, pursuant to the New York City Administrative Code §11-224.1, the Banking Commission is required to recommend to the City Council, not later than the twenty-fifth day of May, the proposed interest rate to be charged for non-payment of taxes for real estate 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 20, 2014, said prime rate stands at three and one-quarter per cent (3.25%), 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 taxes for real estate 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, remains nine per cent (9%) per annum for fiscal year 2015, and be it further

Dated May 20, 2014

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

Resolution No. 2 – Interest Rate Recommendation (Real Estate)

WHEREAS, pursuant to the New York City Administrative Code §11-224.1, the Banking Commission is required to recommend to the City Council, not later than the twenty-fifth day of May, the proposed interest rate to be charged for non-payment of taxes for real estate 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,

WHEREAS, said provisions of the Administrative Code require the Banking Commission to propose a rate at least six percentage points (6%) 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 that as of May 20, 2014, said prime rate stands at three and one-quarter per cent (3.25%), 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 taxes for real estate 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 taxes for real estate where the assessed value on a parcel 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%) per annum for fiscal year 2015, and be it further

Dated May20, 2014

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

Resolution No. 3 – Interest Rate Recommendation (Water and Sewer Rents)

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, not later than the twenty-fifth day of May, the proposed interest rate to be charged for non-payment of water and sewer rents, and

WHEREAS, the proposed interest rate to be charged for non-payment of water and sewer rents for properties with an assessed value of not more than two hundred fifty thousand dollars (\$250,000), shall be at least equal to the said prime rate, and

WHEREAS, the Banking Commission notes that as of May 20, 2014, the said prime rate stands at three and one-quarter per cent (3.25%), 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 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, remains nine per cent (9%) per annum for fiscal year 2015, and be it further

Dated May 20, 2014

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

Resolution No. 4 – Interest Rate Recommendation (Water and Sewer Rents)

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, not later than the twenty-fifth day of May, the proposed interest rate to be charged for non-payment of water and sewer rents, and

WHEREAS, pursuant to said provisions of the Administrative Code, the proposed interest rate to be charged for non-payment of water and sewer rents for a property with an assessed value of more than two hundred fifty thousand dollars (\$250,000) shall be at least six percentage points (6%) 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 that as of May 20, 2014, the said prime rate stands at three and one-quarter per cent (3.25%), 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 rents and sewer rents for all 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, remains eighteen percent (18%) per annum for fiscal year 2015, and be it further

Dated May 20, 2014

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

Resolution No. 5 – Discount Rate Recommendation (Real Estate)

WHEREAS, pursuant to Section 1519(a) of the City Charter, the Banking Commission is required to recommend to the City Council, not later than the twenty-fifth of May, the proposed discount percentage allowed for early payment of real estate taxes, now, therefore be it

RESOLVED, the Banking Commission recommends to the City Council, the discount percentage that shall be allowed for early payment of real estate taxes shall be one percent (1%) per annum for fiscal year 2015, 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 no later than the due date of a previous installment of real estate property taxes.

Dated May 20, 2014

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

Peter Hatch moved to adjourn the meeting. Brian Cook seconded the motion.


Elaine A. Kloss, Secretary

5/13/2015
Date