



Queens Civic Congress

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QUEENS CIVICS COMMENTS ON CITY PRELIMINARY BUDGET

In testimony presented today (Tuesday, February 11, 2003) to the Queens Borough Board, the Queens Civic Congress [QCC] called for a fair share of the City's budget for Education, Youth, Seniors, and Parks, additional building and housing inspectors, and routine staffing of community police beats. The Congress also advocated adequately funded Offices of the Borough President and outlined opportunities to help maintain core services and to close the budget gap. The statement, presented at Borough Hall by Health Committee Chair James Walsh (Association of Old Forest Hills), follows:

Borough President Marshall and Borough Board Members:

Thank you for affording the Queens Civic Congress the opportunity to comment on the City's Preliminary Expense and Capital Budget. As an umbrella group of 100 civic organizations, our membership represents almost every community in the borough. The Queens Civic Congress recognizes the magnitude of the City's fiscal difficulties but we find unacceptable cuts to core programs and services when the current administration follows practices of the past when it comes to realistic opportunities to maximize revenues and strategically address the City's structural deficit. We will suggest revenue opportunities, including \$2 billion through real estate and personal income tax reforms, after identifying our concerns about cuts in vital services.

At the outset, rather than cuts to the borough presidents' budget, we need to provide them the resources to empower each to carry out their charter functions and help New York City weather the current fiscal crisis. City Charter Chapter 4, particularly section 82, clearly requires borough presidents to monitor service delivery, review all capital projects in the borough, advise the mayor on the formulation of the Preliminary and Executive Budgets, provide technical assistance to community boards, and identify the borough's strategic needs. The budgets of the borough president's offices remained static over the last eight years. The cuts imposed last June and in December make it difficult, in not impossible, to perform the duties of the office as envisioned by the drafters of the 1989 City Charter reforms and the voters who overwhelmingly approved those changes. In addition, programs financed by the Office of the Borough President, including for our youth and seniors, must continue and not face attacks merely because the funding gets allocated through our borough chief executive.

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The top concern of Queens civics in 2003 remains Education. Indeed, the changes in governance and structure will get due consideration at a forum the Congress plans for the spring. City Hall must understand what we know: educational successes in our borough reflect outcomes where teachers, parents and children work together. City Hall must demonstrate that any cuts imposed in education reach neither our schools nor our classrooms. Rather than proceed on all the changes in governance, City Hall and our legislators need to first resource schools and classrooms and then we can talk about various levels of supervision and administration. The bottom line: The Queens Civic Congress recommends maintaining overall education funding at a level to ensure that our children receive the best education possible. If avoiding that result means restoring the education budget, then make it happen. All analyses of educational outcomes show good results with smaller classes and the addition of programs in music, sports and the arts. Limited funds to build schools make it imperative to work to site them where needed.

The Congress opposes cuts to youth and aging programs. There also exists a need to build on the regional beacons and aim to open more neighborhood schools at night and on weekends for youth programs to supplement Beacons and to keep our children off the street. Queens needs this because Beacons tend to be separated by great distances--a function of its lower density nature. Keeping afterschool programs open costs much less than incarceration. The same analogy applies to the Summer Youth Employment Program that merits a full restoration. If we fail to provide for our seniors, often the glue that hold the fabric of our communities together, we may face greater costs down the road, particularly in health care. We need ensure all communities that need assistance receive it and outreach must be expanded so that all eligible seniors sign up for the benefits for which they may qualify.

Likewise the library budget must be increased, not cut. Cuts at the Preliminary Budget historically reduce summer hours, even if the budget adopted in early June makes restorations. City Hall should know better than to take an action that reduces library access when many children should have the benefit of more not fewer library hours.

With the largest amount of parkland, Queens must receive its fair share of the Department of Parks and Recreation budget. Our parks and natural areas remain threatened despite the great efforts of agency personnel – including Borough Commissioner Murphy who just continues to excel. Funding for more trees and expanded maintenance and pruning promote a healthy urban “forest.” Funding must be allocated to station park workers in parks or playgrounds; it provides better and more efficient maintenance, improves security for parents and their children, and helps to reduce vandalism and graffiti.

Many communities in the borough still need street reconstruction and sewer projects to address flooding. This includes many older combined sewer and storm lines that require replacement.

Water rates increase out of reach of single-family homeowners, the coops, and the small businessman. The Congress urges equalization efforts to that extend relief equally to all ratepayers. Capital costs must be removed from the calculation of the water rate. No other portion of the city budgeting process funds capital items by a regressive use tax. The QCC supports legislation sponsored by Assembly Member Mark Weprin to delay rate-setting until after the budget's adoption.

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Additional building inspectors for both the Departments of Buildings and Housing Preservation and Development must be hired immediately to ensure that our housing stocks and new construction meet all codes and people live and work in safety. Funding must also allow for immediate and meaningful follow-up enforcement and coordination with the Environmental Control Board. No excuse about resources for this need: use the monies generated by building permit and other fees.

Uniformed NYPD patrol strength in Queens remains a concern. Queens gets less than 1/5 of the NYPD's uniform staffing while about 1/4 of the reported citywide crime occurs here. The budget discussions must address this staffing disparity that also highlights the need for a true community-policing program, adequately staffed. Many quality of life concerns could be addressed by the presence of a foot patrol officer.

In our comments on the FY'03 executive budget, we noted that, more than ten years after a tax surcharge for Enhanced 9-1-1, New York City emergency communications remain mired in the last century. The recent tragic events off City Island highlight this need. The surcharge ought to cover improvements not basic operations and maintenance. Repeal the current surcharge and re-impose the original sunset provision to coincide with the completion of the upgrade and to bar any surcharge revenue for purposes other than the system upgrade.

We need City planners to protect the low-density neighborhoods of our city from out of character development. Queens needs a Row House zone that would preserve this major one-family use that often falls prey to out of scale development schemes.

Having discussed needs, lets look at paying for vital and mandated services. Last year we opposed mortgaging our future by the sale of \$1.5 billion in bonds. Aspects of the current gap closing program and revenues measures fail to make the grade and – further – remain unlikely, if not undesirable.

As we called for one year ago, almost to the day, the City must recoup \$1 billion for illegal uses of real property that pay taxes reflecting a classification at variance with their use. We also outlined this proposal during the discussions on the mid-year – without a hearing – property tax hike, and again at the end of January when we proposed \$2 billion in sensible revenue opportunities. The second \$1 billion gets raised through a surcharge on the personal income tax on (New York State Adjusted Gross) incomes over \$200,000; nearly 90% of this gets raised from those who earn over \$1,000,000.

The Congress calls on City Hall and the Council to re-think agency cuts that involve services – s virtually all agency cuts do. We need to first require commissioners to do without a spokesperson, an intergovernmental type or a few less managers and gain, conservatively, \$10 million.

By shifting from costly jails to Alternative to Incarceration and Alternative to Detention programs, the City nets \$50 million; the state, also realizing savings from City funded programs, ought to match that amount.

We agree on re-instating the Commuter tax -- perhaps at a bit higher rate -- netting \$450 million to start and reach \$1 billion by FY'2006; we oppose the administration's phony plan.

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As called for in our 2002 platform, we need a strategic capital plan that funds project based on real progress, not speculation; the result: \$500 million that can induce further savings that enable debt pay-down.

The Queens Civic Congress stands ready to work with our elected officials as we all seek to move our City forward in these difficult times.

Thank you.

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The entire Queens Civic Congress Platform may be viewed on the internet at:
<http://www.queensciviccongress.org/Platform/02platform.htm>

The next Queens Civic Congress meeting, takes place Monday, February 24 at the Union Plaza Nursing Home.

The text of the January 28, 2003 revenue proposal follows on the next page.

Queens Civic Congress Members

Assoc. of Old Forest Hills Bayside Hills Civic Assoc. Bayswater Civic Assoc. Bay Terrace Community Alliance
Beachside Bungalow Preservation Assoc. Bellaire/Belvill Civic Assoc. Belle Harbor Property Owners Bellerose-
Commonwealth Civic Assoc. Bellerose-Hillside Civic Assoc. Bell Park Manor-Terrace Community Council Bowne
Park Civic Assoc. Briarwood Community Assoc. Cambria Heights Civic Assoc. College Point Civic Taxpayers
Assoc. COMET Concerned Citizens of Laurelton Creedmoor Civic Assoc. Doug-Bay Manor Civic Assoc.
Douglaston Civic Assoc. Douglas Manor Assoc East Flushing Civic Assoc. Federation of Laurelton Block
Associations Floral Park Community Council Flushing on the Hill Civic Assoc. Flushing Heights Civic
Assoc. Flushing Suburban Civic Assoc. Forest Hills Chamber of Commerce Forest Hills Community & Civic
Assoc. Forest Hills Crescents Assoc. Forest Hills-Van Court Assoc. Fresh Meadows Homeowners Assoc.
Georgetown Mews Glen Oaks Village Owners Greater Whitestone Taxpayers Civic Association Harding Heights
Civic Assoc. Harrison Place/Sunnyside Gardens Hillcrest Estates Civic Assoc. Hilltop Village Co-op #4 Hollis
Hills Civic Assoc. Holliswood Civic Assoc. Hollis Park Gardens Assoc. Holly Civic Assoc. Howard Beach Civic
Forum Hunters Point Community Coalition Hyde Park Gardens Jackson Heights Beautification Group Jamaica
Estates Assoc. Jamaica Hill Community Assoc. Joint Community Council College Point Juniper Park Civic
Assoc. Kew Forest Neighborhood Civic Assoc. Kew Gardens Civic Assoc. Kew Gardens Hills Civic Assoc.
Kissena Park Civic Assoc. Little Neck Bay Civic Assoc. Little Neck Community Assoc. Little Neck Pines Assoc.
Locust Manor Neighborhood Civic Assoc. Lost Community Civic Assoc. Malba Civic Association Middle Village
Property Owners Mitchell-Linden Civic Assoc. 97 Place Block Assoc. Newtown Civic Assoc. North Bellerose
Civic Assoc. North Flushing Civic Assoc North Hills Estates Civic Assoc. North Queens Homeowners Civic
Assoc. North Star Civic Assoc. Norwood Neighborhood Association Oakland Terrace/Gardens Council Off
Broadway Homeowners Ozone Tudor Civic Assoc. Queensboro Hills Neighborhood Assoc. Queens Colony Civic
Assoc. Queens Community Civic Corp. Queens Village Civic Assoc. Ramblersville-Hawtree Civic Assoc.
Richmond Hill Historic Assoc. Ridgewood Property Owners Assoc. Robinwood Property Owners Rockaway Action
Committee Rockaway Beach Civic Assoc. Rocky Hill Civic Assoc. Rosedale Civic Assoc. Royal Ranch
Assoc. Sagamore Douglaston Civic Assoc. Southeast Queens Coalition of Concerned Neighbors South Ozone Park
Coalition of Block Associations South Ozone Park West Civic Assoc. Springfield/Rosedale Community Assoc.
Sunnyside Gardens Harrison Place Surrey Estates Civic Assoc. The Federation of Civic Associations of Southeast
Queens The Property Civic Assoc. Union Turnpike Merchants Assoc. United Forties Civic Assoc. United
Neighbors Civic Assoc. of Jamaica Utopia Estates Civic Assoc. Utopia Improvement Assoc. Village Mall at
Hillcrest Waldheim Neighborhood Assoc. Wayanda Civic Assoc. West Cunningham Park Civic Assoc.
Westmoreland Assoc. Woodside Community Council

QUEENS CIVICS PROPOSE \$2 BILLION IN NEW CITY REVENUES

The Queens Civic Congress, a borough-wide coalition of more than 100 civic, condo, cooperative and tenants associations, today outlined \$2 billion in revenues to help reduce the City's structural deficit. The Queens Civic Congress plan, announced by QCC President Sean M. Walsh, calls on the City of New York to adopt two measures that better reflect taxpayer ability to pay. These include a personal income tax surcharge on the wealthiest New Yorkers who have yet to feel any pinch as a result of service cuts, a rollback of the property tax hike, replacing the inequitable and unfair property tax hike with reforms that capture lost real estate tax revenues.

1) Reforming the Personal Income Tax, \$1.0 billion

The Queens Civic Congress recommends a reform in the City's Personal Income Tax (PIT) to re-introduce fairness and progressivity in apportioning the tax burden, thereby raising more than one billion dollars.

NYC's PIT tax rate varies insignificantly by income level. The PIT tax rate ranges from 2.7% to 3.6% of income. Prior to cuts imposed during the prior administration, the PIT rate structure reflected more progressivity. The current lack of progressivity indicates that very wealthy taxpayers received the greatest benefits when the prior administration cut the PIT. The current NYC top rate, 3.60, kicks in at \$90,000; this unfairly impacts middle and moderate income earners who the city currently taxes the same as very high income earners and millionaires. Under this proposal, incomes under \$200,000 in New York State Adjusted Tax Income would pay no additional PIT; the rate for incomes \$200-350,000 would increase by 0.5; the rate for incomes \$350-500,000 would increase by 1.0; the rate for incomes \$500-1,000,000 would increase by 2.0; the rate for incomes over \$1,000,000 would increase by 2.5. This proposal raises \$1,256,454,000 that enables the City to eliminate personal income tax liability on all filers under \$30,000 forgoing \$195 million; and thus the Queens Civic Congress proposal would net \$1,061,280,000. The Queens Civic Congress executive committee unanimously approved this initiative at its January 27 meeting following approval of the concept at its December meeting

2) Real Property Tax Reform, \$1.0 billion

The Queens Civic Congress first proposed real estate tax revenue reforms in testimony almost a year ago on the Mayor's Preliminary Budget. The Mayor's across the board hike in the property tax exacerbates existing inequities in the system of assessing and taxing New York City commercial and residential real estate. The Queens Civic Congress recommends reforms to capture upwards of one billion dollars in lost real estate tax revenue based on illegal uses and improper property classifications through a combination of fines and improvements in the classification of real property. The Queens Civic Congress 2002-2003 Platform contained this sound reform. In light of the Mayor's agreement to join with the City Council to seek the needed state legislation to impose a higher tax on "absentee homeowners" (first proposed by predecessor coalitions that later formed the Queens Civic Congress) that evolved into this broader initiative, the Queens Civic Congress calls on our City officials to embrace this plan with its broader revenue implications.

The Queens Civic Congress platform, approved last spring, also includes a specific section on City Fiscal Affairs.

Personal Income Tax liability under Queens Civic Congress Proposal

Income Groups	Current PIT Liability in 000s \$	% rate*	% of Total	Number of Filers	% of Total	PIT per in \$	New Tax Liability in 000s \$
\$200,000 - \$500,000	704,067	3.48 - 3.55	12.74	77,899	2.44	9,038	732,563
\$500,000 - \$1,000,000	415,226	3.55 - 3.57	7.51	18,324	0.57	22,661	528,188
Over \$1,000,000	1,628,577	3.60	29.47	13,406	0.42	121,464	2,732,526