

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON TECHNOLOGY JOINTLY WITH THE
COMMITTEE ON LAND USE

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March 6, 2014
Start: 12:14 p.m.
Recess: 3:48 p.m.

HELD AT: Committee Room
City Hall

B E F O R E: DAVID G. GREENFIELD
JAMES VACCA
Chairpersons

COUNCIL MEMBERS:

Inez E. Dickens
Peter Koo
Vincent Gentile
Annabel Palma
Maria del Carmen Arroyo
Rosie Mendez
Jumaane D. Williams
Deborah Rose
Donovan Richards
Ritchie Torres
Mark Treyger
Inez Barron
Darlene Mealy
Vincent Ignizio

Daniel R. Garodnick
Mark Weprin
Brad Lander
Antonio Reynoso
Ben Kallos
Helen Rosenthal
Steven Matteo

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

Nathan Toth
Deputy Director
NYC Finance Division

Robert B. Tierney
Commissioner/Chair
NYC Landmarks Preservation Commission

Jenny Fernandez
Director
Intergovernmental Relations
NYC Landmarks Preservation Commission

Evan Hines
Acting Commissioner
NYC Department of Information
Technology and Telecommunications

Annette Heintz
Deputy Commissioner
Financial Management and
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NYC Department of Information
Technology and Telecommunications

John Winker
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NYC Department of Information
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Charles Fraser
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Carl Weisbrod
Director
NYC Department of City Planning
Chairman
NYC Planning Commission

Richard Barth
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Carolyn Grossman
Director of Intergovernmental Affairs
NYC Department of City Planning

Maureen Brooks
Director of Operations
NYC Department of City Planning

Purnell Lancaster
Budget Director
NYC Department of City Planning

Kelly Glenn
Housing Paralegal and
Development Coordinator
Urban Justice Center

Ralph Palladino
2nd Vice President
Clerical-Administrative Employees
Local 1549

2 CHAIRPERSON GREENFIELD: Chair
3 recognizes Nathan Toth, the Deputy Finance
4 Director.

5 [Pause]

6 CHAIRPERSON GREENFIELD: [gavel] Good
7 afternoon. Good afternoon. My name is Council
8 Member David Greenfield. I've got to wait for the
9 mirth to cease. My name is David Greenfield. I'm
10 chair of the Council's Committee on Land Use. I'd
11 like to recognize Chair Dickens, Chair Koo and
12 Chair Vacca for their leadership and collaboration
13 on these Land Use issues. This hearing will cover
14 the Fiscal 2015 Preliminary Budget for the
15 Landmarks Preservation Commission, the Department
16 of Information Technology and Telecommunications,
17 the Department of City Planning. This is a joint
18 hearing with the Committee on Technology that will
19 begin at 1:00 p.m. as well.

20 The Landmarks Preservation Commission
21 is the largest landmarks preservation agency in the
22 nation. It is responsible for protecting New York
23 City's architecturally, historically and culturally
24 significant buildings and sites by granting them
25 landmark or historic district status and regulating

1 them once they're designated. The committee on
2 Land Use is interested in learning more about the
3 full-time positions added to the Permits and
4 Reservation Department. An issuance of work
5 permits have led to the quicker collection of
6 landmark permit fees and other such items. We're
7 also eager to hear from DoITT regarding their
8 efforts to modernize the city's IT infrastructure,
9 establish a coordinated approach to citywide IT
10 policies and to improve the city's overall
11 operating efficiency. Additionally, the committee
12 would like to get an update on City Planning's
13 review of Land Use and Environmental Applications
14 and revenue generated from fees associated with
15 Land Use Applications.

17 I would like to thank the Department of
18 City Planning Commissioner for joining us today,
19 and first I'd like to recognize my colleagues who
20 have joined us. We are joined by Council Member
21 Gentile; Council Member Palma; Council Member
22 Arroyo; Council Member Dickens; Council Member
23 Mendez; Council Member Williams; Council Member
24 Rose; Council Member Rose; Council Member Richards;
25 Council Member Torres and Council Member Treyger.

2 I would like to thank the Landmark Preservation
3 Commission Commissioner Robert Tierney, DoITT
4 Commissioner Hines and Carl Weisbrod of City
5 Planning and their respective staff for joining us
6 today, and I will turn it over to Commissioner
7 Tierney for his testimony.

8 [Pause]

9 COMMISSIONER TIERNEY: Thank you, Mr.
10 Chairman. Thank you. Good morning, Chairman or
11 good afternoon; morning, afternoon, Chairman
12 Greenfield and Honorable council members. I have
13 Jenny Fernandez, the Director of Intergovernmental
14 Relations at the commission with me to my right and
15 I'm Bob Tierney, as you've said, and chair of the
16 Landmarks Preservation Commission and thank you for
17 giving me the opportunity to testify before this
18 committee about the commission and its Fiscal 2015
19 Preliminary Budget.

20 As the chairman has just stated, we are
21 the Mayoral agency responsible for protecting and
22 preserving New York City's architecturally,
23 historically and culturally significant buildings
24 and sites and under the landmarks law, the
25 commission must be comprised of at least three...

2 just a quick summary... at least three architects,
3 a historian, a realtor, a planner or a landscape
4 architect and must include a representative of each
5 borough.

6 LPC's Fiscal Year 2015 Preliminary

7 Budget is \$5,023,557 comprised of \$4,465,565 in
8 city funds and \$557,992 in Community Development
9 Block Grant funding. Of the CD funding, 21 percent
10 is allocated for our grant program for low-income
11 homeowners and non-profits and the remainder is
12 used to support agency community... [background
13 voices] closer to the mic? Community development
14 functions such as surveys, archeology, community
15 outreach and education. There are approximately
16 31,650 designated properties; protected designated
17 properties throughout the city of New York. That
18 includes 110 historic districts and 20 historic
19 district extensions, some of which can be rather
20 large, effectively a whole new historic district in
21 their own right; 1338 individual landmarks as of
22 today, 117 interior landmarks and 10 scenic
23 landmarks.

24 The commission places a high priority
25 on working with owners of historic properties.

Owners... this is a very important point right at the outset. From the first letter we send to an owner, which communicates our interest in a possible landmark; a potential landmark; a property of interest all the way to the ultimate designation vote, should there be one, we communicate the commission's actions at every step through evening information session and meetings, always available to answer calls, meet with owners who have questions or concerns about designation or who wish to discuss a potential project with our staff. In other words, the door is very much wide open, particularly with respect to homeowners; property owners whose property is under review by the commission and I understand what an important obligation that places upon us to conduct that outreach, to do it thoroughly and sensitively and we take that quite, quite seriously. The commission works with this body; this council and has over my decade or so to ensure that the relevant council member in the district that we're actually focusing on has every bit of pertinent information about a potential landmark, the kind of responses and feedback we're getting from owners

2 and from the community so that we stay in constant
3 touch to be sure there are A. no surprises and B.
4 that everyone's aware of the approach we're taking.
5 We solicit the views of the council member very
6 specifically in that district and in the relevant
7 committees as we move forward in the process in
8 addressing any potential issues prior to finally
9 taking a designation vote.

10 The commission continues to expand
11 outreach efforts to already landmarked properties,
12 so the ones I just finished were talked about were,
13 of course, as we're focusing for the future, but
14 those of 31,000 odd that I've mentioned that are
15 already designated throughout the city, as well as
16 to those who are interested in organizing efforts
17 to pursue designation for the future. But
18 commission staff we have evening meetings with
19 community boards and neighborhood groups, no
20 surprise to anyone here, of course, and it goes
21 with the job. It's an important part of what we
22 do; meeting with neighborhood groups on a regular
23 basis, providing information, answering questions,
24 plan numerous meetings and have conducted numerous
25 meetings in the field, several workshops for

targeted audiences this fiscal year alone and in addition to regular meetings with homeowners, the staff continues to lead discussions with experts in the field; real estate brokers, lawyers, other groups, community leaders interested in learning more about landmarks and what the process is, what landmarks really is and what it really isn't. There's a lot of... there's some confusion occasionally; misunderstanding and we love to be as clear as possible about all of that.

 Last year, Fiscal Year LPC designated three historic districts and 17 individual landmarks and that brought another 1,400 buildings to the city's inventory of historic sites, and in the current fiscal year, we have already designated one district, the South Village Historic District, and 10 individual landmarks and we expect to vote on the designation of the Park Avenue Historic District in April and the Central Ridgewood Historic District; take that vote sometime in June, which would bring the total number of projected building designations for this fiscal year to 1,337. Yeah, in the case of historic districts, the commission spends months and sometimes years.

What we do has an impact arguably forever; therefore, we have to be extremely and should be extremely careful and cautious and, as I said, months and sometimes years with community groups; property owners providing education, outreach, gauging the level of support for designation in those communities.

And along those lines, an important part of the process is establishing district boundaries in the historic districts, one of our most challenging aspects of where do you draw the line? Where does the district end and what's across the street or down the block? Why is that lot in; why is it in; why is it not in? So when considering boundaries, the commission's expert staff makes careful decisions about which properties should be included in order to meet the legal requirement that the district must be cohesive and have a sense of place. That's our guideline and guidance from the City Charter. We consult... a sense of place, cohesive neighborhood. We consult with the community groups, as I've said earlier, council members and other interested parties concerning these boundaries since it's such

2 a critical decision and the commission carefully
3 considers this input and often revisits draft
4 boundaries in order to arrive at the most cohesive
5 and meritorious historic district. This successful
6 collaboration at its best results from the
7 deliberative and careful approach employed by my...
8 mostly by my staff. I have the great privilege to
9 lead that staff to ensure that the commission its
10 mission of protecting the city's historic resources
11 while fostering partnerships in the best cases and
12 in the best sense in what we always strive for,
13 partnerships with neighborhoods and property owners
14 who wish to protect their investments and their
15 neighborhood; maintain the stability and value of
16 the historic neighborhoods that draw so many
17 visitors to the city, as well as providing daily
18 life that is unique in this city, in my opinion.

19 The commission receives hundreds of
20 requests every year for potential historic
21 districts, just to give you a sense of the demand
22 that's out there. Hundreds of requests each year
23 for potential historic districts and individual
24 landmarks and many don't meet the immediate
25 threshold criteria. Many do; some don't;

therefore, we concentrate our resources on the work designating those buildings and districts that are not only the most meritorious in our expert staff's view, but just as critically, where there is community support that's been clearly expressed and also balancing the commission's priorities and the commission's need to protect historic resources in all five boroughs. Without question, then again over the decade or so it's been something I've been constantly mindful of looking outside of Manhattan and I think the record over that period of time demonstrates that. Nothing wrong with Manhattan, of course, who's here because there are, of course, many important landmarks in Manhattan and we continue to look there as well as throughout the city and we should.

So as the demand for increased designations goes up, the need for us to protect and regulate what we already have has also increased, and to regulate it in the right way, which is to say we don't stop change; we don't freeze landmark districts. We protect the historic resources, but we do it, we hope, in the best cases and I think we do it this way to ensure that

adaptive changes over the years over time are appropriate to the district so that it still reads with the same cohesion and the same sense of place as you go forward. Even with new materials, new changes, adaptations and the like, so try to do it in the most flexible balanced way possible subject to human error and I think that the results speak for themselves.

In Fiscal year 2012, with the commission, and this speaks to some of the budget issues in the Preliminary Budget, the commission issued 11,238 permits, more than twice the number issued in the mid-90s. Part of that is because there are more buildings, but it's also because there's just more activity and people are coming and changing and their properties are enhancing, restoring, preserving. And so far in Fiscal 2014 we received 8,346 applications. That's already at 12 percent over what we received by this date last year and as we've landmarked more buildings, we're receiving more applications and issuing more permits, so it's incumbent on us to continue to do that well; efficiently; expertly. We've been able to meet the demands for permits by reviewing our

2 processes constantly, improving the workflow;
3 streamlining the agency. We have a FaTrack
4 service that covers 30 percent of our applications,
5 which provides two, three, four day turnarounds on
6 a very targeted focus set of issues. We've
7 designed materials to help applicants get through
8 the process more quickly and to the budgetary
9 issue, we've recently added six new full-time
10 permit issuing staff members; permit issuing and
11 revenue generating. Purpose is not to generate
12 revenue; it happens to be a side effect of a very
13 modest B structure that goes with the landmark
14 application. So we're always looking for ways to
15 improve the efficiency; increase it; enhance the
16 agency's interaction with applicants, further
17 expanding FaTrack where possible, streamline the
18 process; the intake process and continue to take...
19 we conduct research also, and this is a little bit
20 of an aside, on green technology to learn how new
21 greener materials can fit appropriately in the
22 context of historic buildings, and they can,
23 whether it's solar panels or we try to be mindful
24 of new materials that are so-called green and I've
25 always said the greenest building, and it's self-

evident, that is not torn down. The same materials are there; the same embedded energy is kept.

So our goal remains to provide a faster, improved, easier process for property owners and field professionals and we provide technical assistance; instructions on how to get through the process. We help those who are performing work on a designated property complete their projects more efficiently. Our *Permit Application Guide*, published online last year, has proved to be an invaluable tool for those seeking to file permit applications for the most common types of work on a building. Providing this manual and offering workshops to applicants, we provide property owners and professionals with the tools to be able to complete the process expeditiously. When the applicants might need additional assistance, our staff is available to meet with them one-on-one groups, whatever it takes to go over projects and explore how we can together meet the goals that brought forward by owners of landmarked properties.

The commission is pleased that the Mayor's Preliminary Executive Budget has maintained

the agency's level of funding for 2015. That includes the six permit issuing staff members I spoke about, the additional funding. As a result of our increased landmarked designations and increased construction citywide, there has been a 12 percent, as I've already discussed, increase in the permit applications. We've maintained the issuance levels in response to this increase; the time, the turnaround, the time, the level and in fact, brought it down in some important instances. So we believe that the recent addition of these critical personnel will ensure that we continue to meet or exceed those targets while fulfilling the mission.

Ensuring that historic buildings are protected, the city carefully reviews proposed work for restoration, renovation, additions and new buildings within historic districts. These applications range from minor repairs to an individual landmarked house to full scale adaptive reuse projects. In our view, the best preserved buildings are those that are actively used or adaptively reused. If it's used and there are people in the building and there are people who

2 protect and preserve it, that's the ideal
3 situation. As such, the commission constantly
4 considers applications for adaptive reuse of
5 historic buildings, which can provide for
6 additions, accessibility changes and other changes
7 that are just necessary and required as we adapt to
8 changed times. Some of the most successful
9 adaptive reuse projects that the commission has
10 approved just this year includes well-known to
11 everyone here, the Kingsbridge Armory adaptive
12 reuse as a hockey rink and after combining careful
13 restoration of that armory, with the necessary
14 changes in order to bring New York City one of the
15 largest, most modern ice skating/hockey rinks in
16 the region, while also showing off, I think to
17 great credit, a beautiful structure, that
18 Kingsbridge Armory. Similarly, the Child's
19 Restaurant on Coney Island, the old one right out
20 on the boardwalk, the older one, the individual
21 landmarked Child's, is finally going to be brought
22 back; restored, allowing several new uses and it
23 will be connected to... I guess the plan is to an
24 amphitheatre, but most critically from our point of
25 view is that the Child's building gets a well

needed important restoration and that's critical. And other very prominent adaptive reuse projects include right around here, 70 Pine Street, the Woolworth building, Barclay-Vesey building and then the old St. Patrick's Convent and Girls' School in Little Italy on Elizabeth Street.

Finally, also, well-known; we played a role in it; a part in it. There are other agencies and other people at this table and everywhere else that played even a bigger part, but the Domino Sugar Factory redevelopment included the restoration of an important landmark and adaptive reuse of that landmark refinery. And the entire project will also have affordable housing, which, of course, is incredibly important as well to the city at large.

So as part of... finally, getting close to the end, as part of our mission of preserving and protecting the city's architectural treasures, the commission has an award-winning grant program that offers a series of grants; a variety of grants to low and moderate income homeowners and 501 (c) 3 non-profits to help or restore or repair the facades of their landmarked buildings. Since its

2 inception in 1977, this historic preservation grant
3 program run out of the HR office, has awarded more
4 than 450 grants to homeowners and non-profits to
5 help them restore many of New York City's treasured
6 streetscapes and architectural gems. The
7 eligibility of homeowners and non-profits for
8 grants is determined by a HUD National Objective
9 standard, including applicants' income and the
10 benefit that the restoration work will have in
11 providing relief for the statutory quote is
12 blighted conditions in low and moderate income
13 areas, so it's a great tool. It's never enough;
14 it's not enough. The program... last year's annual
15 budget of grants was \$114,790 awarded in Community
16 Development Block grants and our program staff
17 works closely with applicants to assess
18 eligibility, explain how an owner or non-profit can
19 qualify and we get about 15 to 20 applications a
20 year. The grants are rather modest, but are often
21 critically leveraged from \$5,000 to \$20,000, the
22 average grant being around \$15,000; eight or nine
23 grants a year; about 60 percent of the eligible
24 applicants. Once the grant is awarded, our staff
25 will provide special assistance if required every

step of the way to be sure that the project is carried out in the way that everyone that everyone wants to see happen. So this grant program in the past, even in my own personal experience, over again, this decade or so has funded the restoration of homes in the Alice and Agate Courts Historic District; Stuyvesant Heights District; Crown Heights North; Fort Greene and Prospect Lefferts Historic District; Mott Haven Historic District; Addisleigh Park Historic District and many others. In addition, the grants program has funded the façade restoration of a low-income Housing Development Finance building, HDFC, in the Audubon Park Historic District.

Turning now to enforcement of the Landmarks Law, we believe in vigorous enforcement, of course. It goes without saying. We use a variety of tools to carry that out. Our Enforcement Department has received, just for an example, this year, it's largely complaint driven, although these complaints come from far and wide and people eyes on the street and we want to hear it; we like to hear it; we do hear it. 475 so far this year, and in the same period we've issued

immediately where appropriate; where it's valid; where it holds up warning letters, 449 warning letters and 102 NOV's, Notices of Violation. What we're really working to do at that point is to work in partnership at that point having gotten people's attention with those communications. Warning letters is to get compliance; to get a result; to get things righted; to get the wrongs righted; the violations cleared. It's not a big revenue operation at all. It's really all about reaching and making sure that the built environment is protected and appropriately dealt with. So two-thirds of the warning letters usually result in owners applying expeditiously so the commission sometimes... many times it's inadvertent, so the commission they apply to us; if they address the violation, there's no fine, no penalty. But there are cases; there are egregious cases, as there are in every area where none of those approaches work and there are other tools available as sort of as a last resort. But going back quickly to the cooperative part, one of the best examples recently, so that's not just done on a scatter shot case-by-case wherever the complaints come from, but

where there's a commitment to helping property owners and businesses in the historic districts. A good example of that is the collaboration that's been ongoing with the 82nd Street partnership, a BID in Jackson Heights to help business owners address violations. We had just a raft of storefront violations and other issues there and the BID and the small business owners and the Small Business Service agency of this city combined with us to... they got a grant. The grant was issued to the BID and part of that grant money, if not all of it, was used to try to basically clean up the violations, make it more attractive, that Jackson Heights streetfront and comply with the Landmarks Law at the same time. It seems to be working quite well. We've been out there several times on the scene to meet with owners and landlords, provided guidance and fast turnaround on the projects and joined with them to mark the restoration of several storefronts on a prominent corner of 82nd Street.

Lastly, in terms of the enforcement area, when all else fails, if you will, or in very egregious cases the commission works with the Law Department to actively bring forward Demolition by

Neglect lawsuits, and if nothing else has gotten the attention of a property owner, this will because the consequences are significant. Fines can be quite, quite significant, but again, it's a very, very small number of cases, but it has to be there and we have to do it. It's an important and effective enforcement tool to address neglected buildings and respond to community concerns about the issues that those buildings can cause. The legal actions are brought when the landmarked buildings are in serious disrepair and owners just are not responding to repeated commissioner requests for repairs; that the repairs be voluntarily undertaken and the violations be cleared up. Right now, we have four active lawsuits; big, big ones I mean in terms of their consequence of Demolition by Neglect, three in Brooklyn and one on Staten Island. And in most cases, the commission is successful in working with an owner to address the issues with their property or the owner eventually... this is the outcome of the demolition lawsuits, or then the owner basically chooses to sell the property to a new owner who's aware of the lawsuit, aware of the

violations and that becomes part of the purchase and the restoration of the property. So enforcement part of the office is critically important, but again, being conducted in a way I think I've just described looking for compliance, looking for partnership, looking to have the historic districts be cared for the way they should be.

Finally, I believe that overall the commission's actions continue to meet the challenge of balancing the need to preserve the fabric of the city of New York that gives the city its character and defines its rich cultural and historic appeal, but at the same time encouraging growth and adaptive reuse over time. I'm proud of the agency's work ensuring that the places that are most important to the collective story of New York City are preserved for generations to come. So again, I would like to thank the chairman and this committee for continued support of the Landmarks Commission's mission and budget and asking me to be here today and of course, I am happy to answer any questions.

2 CHAIRPERSON GREENFIELD: Thank you,
3 Chair Tierney. We certainly appreciate your very
4 thorough testimony about the work at the LPC. I
5 just want to recognize that we have been joined by
6 Council Member Barron, Council Member Mealy;
7 Council Member Ignizio; Council Member Garodnick;
8 Council Member Weprin; Council member Lander and
9 Council Member Reynoso. For the public; for the
10 audience, just so that you know, there are several
11 hearings that are running concurrently; several of
12 our members serve on multiple committees. It is
13 certainly a challenge to be in several places at
14 the same time, so you will see members coming in
15 and out, just so that you are aware of that.

16 Actually we have a few folks who want
17 to ask some questions. I'm just curious about a
18 couple of things. You mentioned that this year you
19 had I guess approximately 1,500 properties or so
20 that were designated as landmarks in the past year.
21 Is that correct?

22 COMMISSIONER TIERNEY: Yes, around
23 1,300, so yes, something in that range, yes, sir.

24 CHAIRPERSON GREENFIELD: Can you give
25 us sort of a prior history? Are we trending

upward? Are we trending downward? I mean what are you seeing...

[crosstalk]

COMMISSIONER TIERNEY: Down...

[crosstalk]

CHAIRPERSON GREENFIELD: In terms of the commission as far as the trend of properties being landmarked?

COMMISSIONER TIERNEY: Good question, of course. There are 31,000 total buildings that's in historic... most of them in historic districts, but every building, of course in an historic district is protected and treated the same as an individual landmark. So 30,000 over a 50 year... next year, by the way, 2015 in April is the 50th year of the Landmarks Law, so you have...

[crosstalk]

CHAIRPERSON GREENFIELD: You look great, Chair.

COMMISSIONER TIERNEY: What's that?

CHAIRPERSON GREENFIELD: You look great for someone who's been doing this for that long.

COMMISSIONER TIERNEY: Okay, and so but I know certainly over the last decade we have added

2 8,000 buildings to the number, so yes, there's
3 been... it ebbs and flows. I think that it's safe
4 to say that at the beginning when the Landmarks
5 Law... Mayor Wagner signed the law in 1965 and
6 there had never been a Landmarks Law, so obviously
7 there's a couple hundred years worth of buildings
8 that are sort of waiting to be... so there was an
9 up kick for obvious reasons, but I believe over the
10 last decade another 8,000... and as you've just
11 pointed out another 1,500, so we're at a higher
12 plateau. Whether or not that continues, it's not
13 totally clear. I mean I am not of the school, but
14 some say that well, haven't we really found all the
15 landmarks and I, of course, don't agree with that,
16 but at some point there are... maybe that's the
17 thrust of your question. There are limits and
18 right now, 1,300; next year maybe fewer; can't
19 tell. So there's a slight trend that's...

20 [crosstalk]

21 CHAIRPERSON GREENFIELD: Okay, but...

22 [crosstalk]

23 COMMISSIONER TIERNEY: Pretty much
24 steady over the whole 50 years is what I'm sort of
25 scrambling here to say.

2 CHAIRPERSON GREENFIELD: Sure.

3 COMMISSIONER TIERNEY: Sorry about
4 that.

5 CHAIRPERSON GREENFIELD: But it's fair
6 to say that we have seen, at least recently, when
7 you say 8,000 over the last 10 years, if you
8 added...

9 [crosstalk]

10 COMMISSIONER TIERNEY: No.

11 [crosstalk]

12 CHAIRPERSON GREENFIELD: That to over
13 800...

14 [crosstalk]

15 COMMISSIONER TIERNEY: Yeah.

16 CHAIRPERSON GREENFIELD: 13, 1,400
17 that's certainly... it's certainly more.

18 COMMISSIONER TIERNEY: Yeah, I think
19 that's right, yeah.

20 CHAIRPERSON GREENFIELD: Okay, so I'm
21 just curious specifically about that. So
22 obviously, as we're beginning to landmark more of
23 these properties, and especially as you mentioned,
24 the districts that are having really the larger
25 impacts I think than the individual landmarking.

2 Has LPC done any sort of studies in terms of trying
3 to ascertain I guess the financial or economic
4 impact on the districts or the properties that are
5 being landmarked, not just for the property owners,
6 but also for the impact that it has on the...
7 economic impact of those respective districts and
8 communities.

9 [crosstalk]

10 COMMISSIONER TIERNEY: Sure. The LPC
11 itself doesn't have the capability to do that kind
12 of economic study; however, we are very interested
13 in such studies because it's I think relevant to
14 our pursuits and certainly of significant interest
15 to the city at large. We have the classic IBO,
16 Independent Budget Office study from several years
17 ago, which I think conclusively proved that
18 properties within historic districts their property
19 values increase faster than immediately adjacent
20 non-historic districts, and they did three or four
21 districts and made those studies. That's 10 or 12
22 years old now. The Furman Institute at NYU is in
23 the process of doing a similar kind of study. It
24 probably will be more comprehensive and they
25 haven't really released final conclusions yet, but

I think there will... the sense is that there is a likelihood that there will be similar increased values, but not earth shattering. It's not like it's a doubling of the property values. And also, in connection with that, of course, we're mindful that in some instances there's more required in order to keep the properties in the kind of good repair that's required under the Landmarks Law. We believe that that... and I think the economists in the study; the people who are doing the study also indicate that those investments, if you will, ultimately help contribute to the coherent sense of place and the health of the neighborhood that result in higher property values. So for all those reasons, it's not scientifically... I'm being deliberately conservative on it because I believe that landmarking economically is for property value purposes, to say nothing of the impact on a neighborhood, a good thing, extremely. I'm understating it, but I believe there are also concerns about costs and about other issues that are legitimately raised and to be considered by us.

CHAIRPERSON GREENFIELD: So I guess just as a follow-up question, can you sort of give

us a breakdown in terms of the boroughs; what the percentage...

[crosstalk]

COMMISSIONER TIERNEY: Oh.

[crosstalk]

CHAIRPERSON GREENFIELD: of each borough has been landmarked up until this point. Do you have that by any chance?

COMMISSIONER TIERNEY: I've got it perhaps in my head. Of the 31,000 approximately... let me... how do I break this down; 10,000 or so in Manhattan; approximately near...

[crosstalk]

CHAIRPERSON GREENFIELD: No, Mr. Chairman, I apologize. I'm looking for the reverse. Can you tell me...

COMMISSIONER TIERNEY: [interposing] Yeah.

CHAIRPERSON GREENFIELD: Of the boroughs...

COMMISSIONER TIERNEY: [interposing] Yes.

CHAIRPERSON GREENFIELD: In Manhattan, for example, what's the percentage of Manhattan

2 that has been landmarked? In Brooklyn, what's the
3 percentage of Brooklyn...

4 COMMISSIONER TIERNEY: [interposing]
5 Okay.

6 CHAIRPERSON GREENFIELD: That's been
7 landmarked and so on and so forth? Might you have
8 that data?

9 COMMISSIONER TIERNEY: Fine, let me try
10 that then. First of all, citywide 31,000
11 buildings; about three percent of the entire city.
12 New York City has a million structures give or...
13 you know, so defined and of the million, 31,000 are
14 landmarks, so that's three percent citywide.
15 Manhattan there are more... of course, more...
16 there are 8,000, 9,000, 10,000 buildings in
17 Manhattan, so but what I can't give you off the top
18 of my head is the number... what you apply that to,
19 the 10,000 buildings of x in Manhattan. I know
20 citywide it's a million, but it's 10,000 in
21 Manhattan and another 8,000 or 9,000 in Brooklyn
22 and then significantly smaller numbers in the other
23 three.

24 CHAIRPERSON GREENFIELD: So I'm
25 actually looking at a study...

2 [crosstalk]

3 COMMISSIONER TIERNEY: Yeah.

4 CHAIRPERSON GREENFIELD: A study that
5 we have, which says that 27.7 percent of real
6 properties in Manhattan are landmarked. Does that
7 sound about right?

8 COMMISSIONER TIERNEY: That doesn't
9 sound right to me because...

10 [crosstalk]

11 CHAIRPERSON GREENFIELD: No?

12 [crosstalk]

13 COMMISSIONER TIERNEY: That would have
14 to mean we had... let's see, how did we get that
15 math? 27, so that would mean if we have let's say
16 10,000 properties in Manhattan that are landmarked
17 and that's a third under that or roughly 30
18 percent, 27 percent, that would mean there would
19 only be 30,000 buildings in Manhattan; doesn't
20 sound right.

21 CHAIRPERSON GREENFIELD: Okay, I mean
22 if you can look at it...

23 COMMISSIONER TIERNEY: [interposing]
24 Sure.

25

2 CHAIRPERSON GREENFIELD: And get back
3 to us.

4 [crosstalk]

5 COMMISSIONER TIERNEY: Yes, of course.

6 CHAIRPERSON GREENFIELD: I mean my
7 specific concern I guess is this, and this is why
8 I'm referring to the study as financial, economic
9 and otherwise is that the administration has made
10 it a very significant objective and one that we
11 support in the council, which is building of
12 affordable housing.

13 COMMISSIONER TIERNEY: [interposing]

14 Mm-hm.

15 CHAIRPERSON GREENFIELD: And my concern
16 is that a challenge that we have is that as we
17 increase the landmarking of different properties,
18 especially in Manhattan, and when it comes to
19 certain neighborhoods like Lower Manhattan or the
20 Upper West Side, for example, predominantly
21 neighborhoods that are wealthier...

22 COMMISSIONER TIERNEY: [interposing]

23 Mm-hm.

24 CHAIRPERSON GREENFIELD: And have less
25 minorities, that when we landmark these properties

2 we're going to run into significant challenges in
3 terms of the ability to develop affordable housing,
4 and so I'm specifically wondering is that something
5 that the Chair or the Commissioner has considered?
6 Is that something that you're concerned about?
7 Have you studied that and does that sort of factor
8 into the decisions that you make? Obviously, you
9 have an obligation to protect the interest of the
10 property, but at the same time, the broader issue
11 is that we're trying to achieve in the city
12 specifically the goal of creating affordable
13 housing in the city of New York.

14 COMMISSIONER TIERNEY: Absolutely,
15 totally mindful A, of that goal and personally in
16 support of that goal. The Charter that establishes
17 the Landmarks Commission does not state that as
18 part of our mission, but I don't operate and nor
19 does the commission operate in blinders, so we seek
20 to be mindful of issues of that importance to the
21 city fabric. Having said that, let's go to what we
22 really do have the power to do and not do. So the
23 general statement is I don't think there's any
24 conflict in general between affordable housing and
25 preservation. There's no intrinsic inherent

2 conflict. We don't regulate use over the buildings
3 that we designate, so should those buildings be
4 used for affordable housing that is something that
5 is... we A, don't interfere with at all; in fact, I
6 would you know, of course, privately be encouraged.

7 CHAIRPERSON GREENFIELD: No, but Chair,
8 you certainly recognize that it's much more
9 difficult for a developer to develop a property
10 that has been landmarked than one that has not, and
11 we've heard from developers who've told us... and I
12 just want to be fair about this. I recognize the
13 role of the LPC and I respect and admire it, but in
14 all fairness, I think we can all agree on the point
15 that it becomes much more difficult to develop a
16 property once it's been landmarked, especially for
17 maximum usage, which would focus on, for example,
18 an affordable housing project where you'd want to
19 maximize space versus the goals that the Landmark
20 Preservation Commission would have.

21 COMMISSIONER TIERNEY: I think that
22 sometimes there is that challenge. First of all,
23 there are a lot of... there are vacant lots
24 occasionally in historic districts that can be
25 built on to appropriate size, and that size can be

multi-storied, as you've just said, so that doesn't intrude... that doesn't by definition rule out affordable housing. It's possible that the land costs or the cost of development, because of other neighborhood factors, plays into that, but I don't think that the landmark situation is the necessary obstacle. Not only vacant lots, but also there are buildings scattered throughout historic districts that are... can be taken down and replaced and hopefully can be replaced with the kinds of buildings that you're describing that would be able to accommodate the kind of housing needs you're talking about. Am I going to disagree overall that the neighborhoods, some of them you've cited in Manhattan... and I think it's not just because of landmarking. I mean it's a two-edged sword. I, of course, take... we all take pride as... my earlier remarks about landmark properties it's not a burden. It's a benefit to owners. Things get better; property values go up somewhat and...

[crosstalk]

CHAIRPERSON GREENFIELD: We're not disagreeing, Mr. Chair. My only...

[crosstalk]

2 COMMISSIONER TIERNEY: So...

3 [crosstalk]

4 CHAIRPERSON GREENFIELD: The only point
5 that I'm making is, which is your point, which
6 is...

7 [crosstalk]

8 COMMISSIONER TIERNEY: Yeah.

9 [crosstalk]

10 CHAIRPERSON GREENFIELD: That none us
11 exist in a vacuum and in the grand scheme...

12 [crosstalk]

13 COMMISSIONER TIERNEY: Right.

14 [crosstalk]

15 CHAIRPERSON GREENFIELD: Of the city we
16 are now very focused on affordable housing. I
17 think that the commission should be mindful and
18 perhaps should study the issue of oversaturation of
19 certain neighborhoods and just in general, the
20 impact that landmarking, especially historic
21 districts have on affordable housing because those
22 are two competing interests, and while as you point
23 out, it's not necessarily within the Charter of the
24 commission within the...

25

2 COMMISSIONER TIERNEY: [interposing]
3 Yeah.

4 CHAIRPERSON GREENFIELD: Within the
5 spirit of what we're trying to do now in this city
6 under the leadership of Mayor de Blasio...

7 COMMISSIONER TIERNEY: [interposing] Of
8 course.

9 CHAIRPERSON GREENFIELD: And what we're
10 trying to do here on the council, I just want to
11 recognize that if it's something you can study,
12 we'd appreciate it.

13 COMMISSIONER TIERNEY: Sure.

14 CHAIRPERSON GREENFIELD: But if you can
15 get us those stats because if we have the incorrect
16 statistics I'd like to know about it in terms of
17 the breakdown of what the percentage is in each
18 borough...

19 COMMISSIONER TIERNEY: [interposing]
20 Sure.

21 CHAIRPERSON GREENFIELD: Of how many of
22 those items are landmarked. I'm going to ask one
23 final question and then I'll open it up to some
24 other members, and this is just a question I have
25 on a calendared item. It is our understanding that

2 there are several thousand items that are
3 calendared. Is that correct; is that incorrect?
4 What happens when an item is calendared and what is
5 the oldest project that you have calendared that
6 has yet to have actually been designated?

7 COMMISSIONER TIERNEY: Well, it can't
8 go back before 1965 because that's when it all
9 started, but there are calendared buildings. Well,
10 let me first say no, there are not thousands that
11 are calendared, but buildings back in the rush
12 after Mayor Wagner signed the bill and the backlog,
13 if you will, from a couple hundred years came
14 rushing through the door, a lot of buildings were
15 calendared and not acted on right away. Part of
16 the process is a calendaring, then a public hearing
17 and then all the outreach I talked about and then
18 ultimately a decision.

19 CHAIRPERSON GREENFIELD: So Chair, do
20 you know how many buildings there are that are
21 currently calendared?

22 COMMISSIONER TIERNEY: Less than...
23 it's... let me make sure I give you... I don't want
24 to give you the wrong...

25 [crosstalk]

2 CHAIRPERSON GREENFIELD: Thank you.

3 COMMISSIONER TIERNEY: Thing, but it's
4 way less than... it's not thousands. It's less
5 than a thousand, way less than a thousand and I
6 think... I'll try to give you... I'll give you a
7 precise number; I hope pretty clear, and the reason
8 for it it's not just because buildings are
9 calendared and then we just sit back and say well,
10 okay, well, we'll get to it, not at all. The kind
11 of focus and concern and broad support that I
12 talked about earlier, if we don't get that
13 basically we don't go forward at any given time.
14 Some of those buildings have been calendared and
15 the oldest one I guess 1966. [background voices]
16 It is... okay, yeah, there's several... there's a
17 few dozen individual landmarks that are...
18 potential individual landmarks that are calendared
19 and haven't been acted on. There are historic
20 districts that were calendared in a wholesale way
21 that may account... we don't think it's thousands.
22 I'll give you the precise number...

23 [crosstalk]

24 CHAIRPERSON GREENFIELD: So I would...

25 [crosstalk]

2 COMMISSIONER TIERNEY: At the next
3 hearing.

4 [crosstalk]

5 CHAIRPERSON GREENFIELD: Ask... once
6 again, we seem to having a...

7 [crosstalk]

8 COMMISSIONER TIERNEY: Yeah.

9 [crosstalk]

10 CHAIRPERSON GREENFIELD: Discrepancy in
11 information. I'd ask for the...

12 COMMISSIONER TIERNEY: [interposing]
13 Yeah.

14 CHAIRPERSON GREENFIELD: Committee to
15 provide us with that...

16 COMMISSIONER TIERNEY: [interposing] We
17 will.

18 CHAIRPERSON GREENFIELD: Information.
19 You mentioned 1966. Quite frankly, that seems like
20 a very long time. The reason I ask...

21 COMMISSIONER TIERNEY: [interposing]
22 Yeah.

23 CHAIRPERSON GREENFIELD: Is because
24 it's our understanding that when an item is
25

2 calendared, specifically in relation to the
3 Department of Buildings...

4 COMMISSIONER TIERNEY: [interposing]
5 Yes.

6 CHAIRPERSON GREENFIELD: It ends up in
7 some sort of limbo status and so in general, an
8 item in 1966 it seems like a really long time for
9 the commission to sort of decide whether or not
10 they would want that. All of their guidelines,
11 should there be some sort of internal clock on you
12 know, here's when an item will be resolved and
13 here's when an item will not be resolved and if so,
14 we'll take it off the calendar perhaps?

15 COMMISSIONER TIERNEY: Well, what we've
16 tried to eat away or to work away that backlog
17 because of some of what you've just said is
18 certainly on its face true, if not actually... so
19 the only way you get a building off the calendar
20 though, I am constantly reminded, is to have a
21 public hearing on it and vote up or down. So and
22 that's what we do all the time, of course, and I'm
23 not shying from any of that, but to have a public
24 hearing on a venerable calendar building and then
25 step up and say no is because there's all kinds of

2 reasons that it shouldn't be. It's not something
3 that's done every day. I do it; we've done a lot
4 of them and mindful of the backlog. We're cutting
5 it back. It's significantly reduced and your point
6 is well taken that something that old... and maybe
7 should there be an automatic rule? In a certain
8 sense, it would take away the need, if you will, of
9 a commission chair or commission members to say
10 everybody's going to come in and testify, as often
11 is the case, that it all should be designated.

12 CHAIRPERSON GREENFIELD: Chair, I'm
13 just...

14 [crosstalk]

15 COMMISSIONER TIERNEY: And then we have
16 to vote no.

17 [crosstalk]

18 CHAIRPERSON GREENFIELD: I'm just...
19 I'm just suggesting...

20 COMMISSIONER TIERNEY: [interposing] We
21 have to vote no.

22 CHAIRPERSON GREENFIELD: I'm just
23 suggesting that... exactly; perhaps it be removed
24 from the calendar and then at a...

25 [crosstalk]

2 COMMISSIONER TIERNEY: Okay.

3 CHAIRPERSON GREENFIELD: Different time
4 you can put it back on the calendar 'cause it just
5 doesn't seem to fair to allow items that are
6 calendared since 19...

7 [crosstalk]

8 COMMISSIONER TIERNEY: No.

9 [crosstalk]

10 CHAIRPERSON GREENFIELD: 66.

11 COMMISSIONER TIERNEY: I... I...

12 CHAIRPERSON GREENFIELD: [interposing]
13 I want to open it up now to some members for
14 questioning. We're going to start with Council
15 Member Jumaane Williams, let's see, followed by
16 Council Member Inez Barron and as is our tradition,
17 we're going to be running on a five minute clock.

18 COUNCIL MEMBER WILLIAMS: Oh, five
19 minute clock? Oh, Lord. Thank you, Mr. Chair.
20 Thanks for your testimony. Thank you for
21 keeping...

22 COMMISSIONER TIERNEY: Yes.

23 COUNCIL MEMBER WILLIAMS: Jenny
24 Ferandez, who was great on the committee when I was
25 there, but I do have a few questions. I probably

2 won't get to it to the five minutes, but I share
3 many of the concerns of the chair.

4 COMMISSIONER TIERNEY: [interposing]
5 Mm-hm.

6 COUNCIL MEMBER WILLIAMS: I actually
7 think the whole thing is kind of weird at times. I
8 think there's too much of it. I think it is
9 definitely a laudable goal, but I just think it
10 happens in a way that we need to get a handle on it
11 and I think because often one council member, we're
12 not looking at it in a more global scale of what's
13 happening in this city and I, too, as I'm now more
14 into dealing with the housing, seeing the numbers
15 of affordable units that were built on areas and
16 districts that were landmarked is appalling in
17 comparison to the other parts of the city, so
18 that's a problem that we have to try to overcome,
19 but I'll try to keep it... I didn't know I had five
20 minute, but in terms of the grants that were given,
21 you said you gave 15 grants from \$5,000 to \$20,000
22 each, a grant amount of \$15,000. What was the
23 average cost of the repairs?

24 COMMISSIONER TIERNEY: Of the full job?

25 COUNCIL MEMBER WILLIAMS: Yes.

2 COMMISSIONER TIERNEY: For instance, we
3 gave a \$5,000 grant and maybe the full repair was
4 20. Is that what...

5 [crosstalk]

6 COUNCIL MEMBER WILLIAMS: Yes.

7 COMMISSIONER TIERNEY: You mean?

8 COUNCIL MEMBER WILLIAMS: The average
9 grant was \$15,000. My guess is the average repair,
10 if we could... [background voice] would be in the
11 range of about probably a multiple of two or three;
12 maybe twice that and were in some instances
13 actually exactly the same. In other words, it's
14 not... it didn't always require other funding, but
15 to give you... and it's easily done. I just don't
16 have it in front of me.

17 COUNCIL MEMBER WILLIAMS: Now that...

18 [crosstalk]

19 COMMISSIONER TIERNEY: you know,
20 exact... what all those jobs were... we gave the
21 grants in x amount of dollars in what was the full
22 job and I'll be happy to give you that information.

23 COUNCIL MEMBER WILLIAMS: Council
24 Member Palma, can you move just a little. I'm
25 trying to see the time clock so I can see what I'm

2 doing. Thank you, thank you. Thank you so much.

3 And is there any... how do you decide which 60
4 percent get it? Is there income eligibility?

5 COMMISSIONER TIERNEY: Yes, there are.
6 It's the HUD... Councilman, the HUD's National
7 Objective, which is low and moderate income.
8 There's a standard I believe. It's constantly
9 recalculated somewhere in the range right now of a
10 family income not to exceed \$51,000 or somewhere in
11 that range, so non-profits in some cases, but
12 mostly for the property owners; individual property
13 owners in areas that I've described; very low
14 income. This is not a program for...

15 COUNCIL MEMBER WILLIAMS: Okay, so two
16 questions...

17 [crosstalk]

18 COMMISSIONER TIERNEY: People who can
19 afford to keep their houses...

20 [crosstalk]

21 COUNCIL MEMBER WILLIAMS: Is there
22 any...

23 [crosstalk]

24 COMMISSIONER TIERNEY: Or his house.
25

2 COUNCIL MEMBER WILLIAMS: Is there any
3 way you can see the reason that the other people
4 didn't get the grant? Is it just money?

5 COMMISSIONER TIERNEY: Oh, oh...

6 COUNCIL MEMBER WILLIAMS: And then also
7 it says you have 15 complete grant applications.
8 What does that mean? Were there uncompleted...

9 [crosstalk]

10 COMMISSIONER TIERNEY: Yes.

11 [crosstalk]

12 COUNCIL MEMBER WILLIAMS: ones?

13 COMMISSIONER TIERNEY: That's right.
14 Sometimes when we get 20 or 30 applications, then
15 there's no... maybe there's either not follow-up or
16 the repairs get done in another way and it's
17 dropped. What we mean by 15 completed is that
18 where actually everything was done and it was
19 presented to us for a decision. Yeah, and we give
20 reasons. We totally interact with the applicants.
21 We talk to them about the projects. They talk with
22 our staff and those who maybe in the first instance
23 are not approved, like his year, we say come back.
24 You've met some thresholds for the project or
25 change it and modify it in some way and we're happy

2 to entertain it again. There's no statute of
3 limitations. There's no requirement that... you
4 know, we're there to continue to outreach and help.

5 COUNCIL MEMBER WILLIAMS: We'll come
6 back to that in just a second. I have one minute.
7 You had mentioned some vacant lots I believe that
8 may be in your purview. Are they available to
9 build? Do you know...

10 [crosstalk]

11 COMMISSIONER TIERNEY: Oh, sure.

12 [crosstalk]

13 COUNCIL MEMBER WILLIAMS: How many are
14 there? If it's in historic districts is it going
15 to cost, in short, more to build on it?

16 COMMISSIONER TIERNEY: Not necessarily.
17 It depends on... I mean we hope not actually and I
18 mean I can't guarantee that, but whoever owns that
19 lot or wants to buy it and wants to build on it
20 would come... and it's in a district, so it would
21 be incumbent to get... have a discussion and get
22 approval from the Landmarks Commission, but I'm
23 hopeful you know, that what I was addressing was
24 the point was the use of that building that would
25 be put on that vacant lot would not be anything

2 that we would... and not only we would interfere
3 with; not only that, but as I said, affordable
4 housing, of course, is an incredibly important,
5 laudable aim and totally consistent with the
6 preservation mission as far as I'm concerned.

7 COUNCIL MEMBER WILLIAMS: Well, I'll
8 just wrap up because I'm running out of time, but I
9 would love to see how many vacant lots are actually
10 available in your purview. I did want to get into
11 the CDBG funds, but I don't have time. I didn't
12 realize that money came out of that. I was really
13 concerned [chime] of why it was necessarily coming
14 out of the CDBG funds, but that's for...

15 [crosstalk]

16 COMMISSIONER TIERNEY: Okay.

17 [crosstalk]

18 COUNCIL MEMBER WILLIAMS: Another day
19 and again, thank you for testifying. Thank you,
20 Council Member Palma, for helping me out and just
21 also where you... I think to still hear back on
22 there's a district where some of my community
23 members...

24 COMMISSIONER TIERNEY: [interposing]

25 Yes.

2 COUNCIL MEMBER WILLIAMS: In Flatbush
3 are...

4 [crosstalk]

5 COMMISSIONER TIERNEY: Yes, we are...

6 [crosstalk]

7 COUNCIL MEMBER WILLIAMS: Trying to
8 get...

9 [crosstalk]

10 COMMISSIONER TIERNEY: We are mindful
11 of that. It's being carefully reviewed and we're
12 going...

13 COUNCIL MEMBER WILLIAMS: [interposing]
14 Thank you.

15 COMMISSIONER TIERNEY: To be talking to
16 you.

17 COUNCIL MEMBER WILLIAMS: Thank you,
18 Mr. Chair.

19 CHAIRPERSON GREENFIELD: Thank you,
20 Council Member Williams. We're going to now hear
21 from Council Member Barron to be followed by
22 Council Member Mealy and from Council Member
23 Mendez.

24 COUNCIL MEMBER BARRON: Thank you, Mr.
25 Chair. Thank you for your testimony. I want to

shift the focus a little bit. Landmarks is to protect and preserve historical and cultural buildings and sites, and I'm particularly concerned about the preservation and acknowledgement of the cultural contributions of African Americans because we know that indeed the forced uncompensated labor of African Americans who were enslaved and worked as artisans, blacksmiths, carpenters, brick layers and other areas built the economic foundation for New York City and indeed the United States and there are historical society that attest to that and highlight the my offer which we call the Middle Passage, the horrors of slavery and their resistance as well to that evil system and of course, we all have recent attention brought to the horrors of slavery by the movie *12 Years a Slave* and it focuses much of its time on the conditions that existed in the South. But people who need to know that New York City was a hub of slave trading here down... I think it's the old police building and I believe there's a marker there. So as we talk about pervading history and making sure we acknowledge that, one of the early meetings of the

2 Landmarks Committee brought to the agenda some
3 property on Reade Street.

4 COMMISSIONER TIERNEY: Mm-hm.

5 COUNCIL MEMBER BARRON: And the
6 presentation that was given had a brief footnote...

7 COMMISSIONER TIERNEY: [interposing]
8 Mm-hm.

9 COUNCIL MEMBER BARRON: About the
10 contributions of African Americans at that site
11 during that time and this entire area...

12 COMMISSIONER TIERNEY: [interposing]
13 Mm-hm.

14 COUNCIL MEMBER BARRON: The very
15 building that we're in was a part of the history of
16 the community of the enslaved Africans. We know we
17 have the African Burial Ground one block over,
18 which highlights that. So my concern is that
19 there's not adequate given, especially in areas
20 where we know there were concentrations of African
21 Americans, so there's not adequate given to the
22 presentations that are brought before this
23 committee as to the contributions of enslaved
24 African Americans and I'd like to know how we can
25 address that issue.

2 COMMISSIONER TIERNEY: We're addressing
3 it and I heard directly from Jenny Fernandez to my
4 right and others who were at the hearing you've
5 described and heard immediately and directly and
6 directed that the staff prove to me... or not prove
7 to me so much as let's see what we're doing. Is it
8 enough? If it's not enough I want to know why and
9 let's take these constructive suggestions and put
10 them to work. I believe that other constructive
11 suggestions over the decade... I again, just keep
12 talking about this decade, but that I've been...
13 had the great privilege to do this work has... we
14 were reminded and prompted, frankly, by this
15 committee; by this council; by this body and your
16 predecessor and others who have very pointedly
17 brought to our attention in a very constructive way
18 the issues you're talking about. It became part of
19 our research and is part of our studies and every
20 report we do. Whether the footnote in this case
21 was adequate is something I think is a good way to
22 test whether or not the reforms that we did
23 institute in studying and bringing to the public
24 attention and to this committee's and the city's
25 attention all the connections of African American

2 slavery and all of its ramifications; the
3 contributions to the city are adequately dealt with
4 when we do our official work. So I think we've
5 made great strides and have done significant
6 reporting and research in that area. We've
7 convened experts and seminars to educate us,
8 frankly, about how to access the material that's
9 relevant and germane and that's important. And so
10 when I heard about your suggestion, I said let's
11 take another look then. Are we doing enough and if
12 not, we'll do more and we will let the councilwoman
13 and the council at large know...

14 COUNCIL MEMBER BARRON: [interposing]

15 Thank you.

16 COMMISSIONER TIERNEY: Because it's a
17 critical issue.

18 COUNCIL MEMBER BARRON: And you talk
19 about your responsibility to landmarked sites and
20 buildings. Do you also landmark statues that are
21 around...

22 COMMISSIONER TIERNEY: The statues are
23 left to our colleagues in the... are they still up
24 there; the Public Design Commission that are up in
25

2 the attic here. They have jurisdiction over
3 statues.

4 COUNCIL MEMBER BARRON: Good, thank
5 you.

6 COMMISSIONER TIERNEY: In the city,
7 yes, ma'am.

8 CHAIRPERSON GREENFIELD: Thank you,
9 Council Member. We'll now ask Council Member Mealy
10 to ask questions, followed by Council Member
11 Mendez.

12 COUNCIL MEMBER MEALY: 'Kay, I thank
13 you. I almost got a déjà vu. I thought it was
14 like marked page. You know, I have to have you
15 know, numbers on papers just all up in the head, so
16 saying that, I... marked page. I'm thinking about
17 a former PA. Bill de Blasio did a study and he
18 said when he brought it... when the study came to
19 my district it said that his... landmarking
20 people's homes does it increase their property
21 value? He said it did not, that case study that it
22 did not.

23 COMMISSIONER TIERNEY: Mm-hm.

24 COUNCIL MEMBER MEALY: So I want to
25 know with the... you said that it does, right?

2 COMMISSIONER TIERNEY: The study that I
3 alluded to earlier, two of them show that... and I
4 don't want to be... I don't want to disagree with
5 the former Public Advocate, of course, and what he
6 brought to your attention, but I would certainly
7 look at we think... we've seen these other two
8 studies and I think it warrants more study, just to
9 see exactly what the economic impact is. We
10 think...

11 [crosstalk]

12 COUNCIL MEMBER MEALY: Right.

13 COMMISSIONER TIERNEY: It marginally
14 increases the property values.

15 COUNCIL MEALY: So does it increase
16 their...

17 [crosstalk]

18 COMMISSIONER TIERNEY: Yes.

19 [crosstalk]

20 COUNCIL MEMBER MEALY: Taxes also?

21 COMMISSIONER TIERNEY: Well, in the
22 long run eventually it will. That's, of course,
23 the downside...

24 [crosstalk]

25 COUNCIL MEMBER MEALY: It will.

2 [crosstalk]

3 COMMISSIONER TIERNEY: Of that, but it
4 would be... it's years ahead; years out in the out
5 years.

6 COUNCIL MEMBER MEALY: So what is the
7 commission doing to keep track of these effects
8 that the higher taxes go on...

9 [crosstalk]

10 COMMISSIONER TIERNEY: Yeah.

11 [crosstalk]

12 COUNCIL MEMBER MEALY: Homeowners...

13 COMMISSIONER TIERNEY: Well...

14 COUNCIL MEMBER MEALY: To make sure
15 that now that you landmarked...

16 COMMISSIONER TIERNEY: [interposing]
17 Yes.

18 COUNCIL MEMBER MEALY: And then they
19 can't keep up with their taxes and then they lose
20 their homes, so what kind of bells and whistles or
21 stop gaps that...

22 COMMISSIONER TIERNEY: [interposing]
23 Yeah.

24 COUNCIL MEMBER MEALY: The commission
25 is having.

2 COMMISSIONER TIERNEY: It's an
3 excellent question. Part of it's outside... I
4 don't want to duck it by saying it's not our
5 purview, but our powers are somewhat limited in our
6 ability to be able to control those kind of
7 economic issues, but having said that, I think we
8 have to be as mindful as possible of economic
9 burdens that are placed on anybody that comes
10 forward even with the good news that the property
11 value is going up. That doesn't mean, you know,
12 that all of a sudden that there's... let's go spend
13 the money or whatever you know, and as you've said,
14 taxes are going to go up and there'll be other
15 things, so I'm mindful of the way we conduct our
16 office on a day-to-day basis that where possible
17 that we're not requiring expensive and exotic
18 remedies for properties. I think there are ways...
19 there are cost effective ways A, to reduce the cost
20 of the process and B, to reduce the ultimate cost
21 of the job.

22 COUNCIL MEMBER MEALY: [interposing]
23 Okay.
24
25

2 COMMISSIONER TIERNEY: And we try to
3 bring people to those conclusions, so we're in our
4 own way to try to address those economic...

5 COUNCIL MEMBER MEALY: [interposing]
6 Thank you.

7 COMMISSIONER TIERNEY: Disparities.

8 COUNCIL MEMBER MEALY: Do you have... I
9 feel the commission should look into that 'cause
10 people...

11 COMMISSIONER TIERNEY: [interposing]
12 Yeah.

13 COUNCIL MEMBER MEALY: Lose their homes
14 in regards to that.

15 COMMISSIONER TIERNEY: Yes.

16 COUNCIL MEMBER MEALY: Do you have a
17 breakdown of how many grants that go to each
18 borough or one... with their 450 grants?

19 COMMISSIONER TIERNEY: Uhm...

20 COUNCIL MEMBER MEALY: [interposing]
21 How many are...

22 [crosstalk]

23 COMMISSIONER TIERNEY: Most of them...

24 [crosstalk]

25 COUNCIL MEMBER MEALY: Each of the...

2 [crosstalk]

3 COMMISSIONER TIERNEY: Most are outside
4 Manhattan and the anecdotal I guess...

5 [crosstalk]

6 COUNCIL MEMBER MEALY: Do you know how
7 many...

8 [crosstalk]

9 COMMISSIONER TIERNEY: but I'll get
10 you...

11 [crosstalk]

12 COUNCIL MEMBER MEALY: Came from
13 Brooklyn?

14 [crosstalk]

15 COMMISSIONER TIERNEY: The full... I'll
16 get you the exact number.

17 COUNCIL MEMBER MEALY: Okay.

18 COMMISSIONER TIERNEY: But clearly most
19 are in Brooklyn. Brooklyn and...

20 [crosstalk]

21 COUNCIL MEMBER MEALY: And in your
22 statement when you start... you said that when you
23 have your meetings...

24 COMMISSIONER TIERNEY: [interposing]

25 Yes.

2 COUNCIL MEMBER MEALY: Your committee
3 has a select group that you're... oh, God, where is
4 it? Targeted... you said...

5 [crosstalk]

6 COMMISSIONER TIERNEY: Right.

7 [crosstalk]

8 COUNCIL MEMBER MEALY: We have planned
9 numerous meetings in the field and several
10 workshops for a targeted audience this fiscal year,
11 and I think you've been doing that; your committee
12 has been doing that, but it's kind of bad way that
13 whoever does Brooklyn 'cause...

14 [crosstalk]

15 COMMISSIONER TIERNEY: Yeah.

16 COUNCIL MEMBER MEALY: They came up
17 with Stuyvesant Heights.

18 COMMISSIONER TIERNEY: Uh-huh.

19 COUNCIL MEMBER MEALY: And only a
20 select group would go to those meetings.

21 COMMISSIONER TIERNEY: No.

22 COUNCIL MEMBER MEALY: And the seniors
23 who do not get the notices...

24 COMMISSIONER TIERNEY: [interposing] Mm-
25 hm.

2 COUNCIL MEMBER MEALY: Do not come out
3 to meetings and then just that select group...

4 [crosstalk]

5 COMMISSIONER TIERNEY: Okay.

6 COUNCIL MEMBER MEALY: Will landmark a
7 block and our seniors do not know that. They don't
8 know they can't get their cousin...

9 [crosstalk]

10 COMMISSIONER TIERNEY: Sure.

11 COUNCIL MEMBER MEALY: Bill to come now
12 and change the windows or change their stoop and
13 then you put liens on... well, not liens. Well,
14 then they get...

15 [crosstalk]

16 COMMISSIONER TIERNEY: Yeah.

17 COUNCIL MEMBER TIERNEY: Summonses and
18 I have to say one of them came... they had a
19 meeting right across the street from my house and I
20 come out...

21 COMMISSIONER TIERNEY: [interposing]

22 Mm-hm.

23 COUNCIL MEMBER MEALY: And somebody
24 said they're having a meeting across the street at
25 PS...

2 [crosstalk]

3 COMMISSIONER TIERNEY: Was it...

4 [crosstalk]

5 COUNCIL MEMBER MEALY: 5...

6 COMMISSIONER TIERNEY: [interposing]

7 Was it us?

8 COUNCIL MEMBER MEALY: Yes, and I walk
9 over there...

10 [crosstalk]

11 COMMISSIONER TIERNEY: Sorry about
12 that.

13 [crosstalk]

14 COUNCIL MEMBER MEALY: And it was about
15 landmarking my area...

16 COMMISSIONER TIERNEY: Okay.

17 COUNCIL MEMBER MEALY: We did have the
18 meeting.

19 COMMISSIONER TIERNEY: Yeah.

20 COUNCIL MEMBER MEALY: A lot of people
21 are not really fully aware of what is landmarked;
22 will it increase their value; will they be able...

23 [crosstalk]

24 COMMISSIONER TIERNEY: Uh-huh.

25 [crosstalk]

2 COUNCIL MEMBER MEALY: To change their
3 house whenever they want it and I know they
4 cannot...

5 COMMISSIONER TIERNEY: [interposing]
6 Mm-hm.

7 COUNCIL MEMBER MEALY: But a lot of
8 information is not getting out...

9 [crosstalk]

10 COMMISSIONER TIERNEY: Sure.

11 [crosstalk]

12 COUNCIL MEMBER MEALY: To people, so I
13 hope that it's not a targeted area. It should be
14 everyone.

15 COMMISSIONER TIERNEY: No, it should
16 be...

17 COUNCIL MEMBER MEALY: [interposing] At
18 that block...

19 COMMISSIONER TIERNEY: [interposing]
20 Yes.

21 COUNCIL MEMBER MEALY: If you're
22 considering an area, make sure everyone is fully
23 aware. [chime]

24 COMMISSIONER TIERNEY: That's a great
25 suggestion and I'll be more mindful of it.

2 COUNCIL MEMBER MEALY: Thank you.

3 COMMISSIONER TIERNEY: I understand
4 we're not doing it.

5 COUNCIL MEMBER MEALY: Thank you.

6 CHAIRPERSON GREENFIELD: Thank you,
7 Council Member Mealy. We'll now turn it over to
8 Council Member Mendez, who will be followed by
9 Council Member Kallos, and then Council Member
10 Reynoso.

11 COUNCIL MEMBER MENDEZ: Thank you,
12 Chair Greenfield. Welcome, Chair Tierney. First
13 I have to say I was little confused about the
14 conversation with questioning about affordable
15 housing and landmarking 'cause to me, I don't know
16 how one affects the other. A building if it's
17 affordable; if it's a value that should be
18 landmarked then it is and if it's a value that
19 should not be landmarked it isn't and if we're
20 talking about creating affordable housing and more
21 likely than not we're talking about creating it in
22 an empty lot, so I don't know; maybe someone can
23 enlighten me later, but so let me ask you a
24 question.

25 COMMISSIONER TIERNEY: Mm-hm.

2 COUNCIL MEMBER MENDEZ: Is financial
3 hardship something that's taken into consideration
4 when we're marking a property?

5 COMMISSIONER TIERNEY: Only in the
6 sense that if the owner of the property is
7 financially unable to maintain the property there
8 are hardship safeguards, of course, to prevent...
9 to give relief from that designation, but overall
10 let's say in an historic district, again, it's not
11 in the statute. It's not something, however, that
12 I'm... I mean obviously in your district and the
13 districts that... the East Village Historic where
14 there are issues of economics, what we try to do is
15 find ways to ease that burden to the extent we can
16 and the way we regulate and the way we talk through
17 the ability to properties, but it is it an
18 exemption from landmarking? No, it's not.

19 COUNCIL MEMBER MENDEZ: Okay, thank
20 you. In your testimony on page five, you talk
21 about... yes, here it is... it goes from four to
22 five, the last sentence before, the Historic
23 Preservation Grant Program...

24 COMMISSIONER TIERNEY: [interposing]
25 Mm-hm.

2 COUNCIL MEMBER MENDEZ: And the grants
3 that are given out through CDBG money. So the
4 budget for that is \$114,709?

5 COMMISSIONER TIERNEY: Those are the
6 actual grants, yes.

7 COUNCIL MEMBER MENDEZ: Okay, it just
8 seems like on the low side. I would just think...

9 [crosstalk]

10 COMMISSIONER TIERNEY: I wish we had
11 more... I mean as I said earlier, I wish we had
12 more, frankly.

13 COUNCIL MEMBER MENDEZ: So this is
14 what...

15 [crosstalk]

16 COMMISSIONER TIERNEY: If we had
17 made...

18 [crosstalk]

19 COUNCIL MEMBER MENDEZ: You get from...
20 through CDB...

21 [crosstalk]

22 COMMISSIONER TIERNEY: Yes.

23 [crosstalk]

24 COUNCIL MEMBER MENDEZ: Specifically...

25 [crosstalk]

2 COMMISSIONER TIERNEY: That's correct.

3 COUNCIL MEMBER MENDEZ: Targeted for
4 this.

5 COMMISSIONER TIERNEY: That's correct,
6 yes.

7 COUNCIL MEMBER MENDEZ: Okay, well, if
8 we can help you get more money in that area I think
9 we should 'cause this is...

10 COMMISSIONER TIERNEY: [interposing]
11 Mm-hm.

12 COUNCIL MEMBER MENDEZ: I feel like
13 it's wholly inadequate if we're giving grants of
14 \$5,000 to \$20,000. Usually if they're going to do
15 some kind of work you know, it's not a \$5,000 job,
16 so while it may help, it's not going to make a
17 really big assistance to someone who's got to do
18 some work in a landmarked building.

19 COMMISSIONER TIERNEY: Mm-hm.

20 COUNCIL MEMBER MENDEZ: Can I ask you
21 how many, if any, buildings were damaged during
22 Sandy that were landmarked and is there any CDBG
23 money specifically set aside for those?

24 COMMISSIONER TIERNEY: Extremely
25 fortunate only in the sense... I mean Sandy was so

2 unfortunate in every sense imaginable, but in a
3 way, the landmarked historic district properties
4 were largely unaffected in any significant way;
5 certainly in the significant way that we've read
6 about and we've all seen and you all have
7 experienced. Lower Manhattan obviously had some
8 flooding issues and that affected landmark
9 properties and we are constantly... I mean were
10 even before Sandy and we've redoubled the efforts
11 for resiliency and sustainability and other issues
12 connected that have... our consciousness has been
13 raised by Sandy, but fortunately, no... again, only
14 from the very narrow perspective of landmarked
15 properties no significant damage to the historic
16 fabric because of that horrible; that terrible
17 storm.

18 COUNCIL MEMBER MENDEZ: And as you
19 know, we're having an issue with one of my historic
20 buildings; landmarked buildings, the Merchant's
21 House Museum.

22 COMMISSIONER TIERNEY: Yes.

23 COUNCIL MEMBER MENDEZ: And I'm just
24 wondering what, if any, money is put by the
25 Landmarks to do the kind of analysis to see if

2 that... well, that one-story structure that's now
3 going to become a Boutique Hotel; how that would
4 impact the landmarked building?

5 COMMISSIONER TIERNEY: We don't have
6 our own... but... well, we don't have a structural
7 engineer who does that, but I rely on ourselves and
8 our staff to do it, but as everybody knows, Tim
9 Lynch, who's at the Department of Buildings, who is
10 a you know, world famous actually structural
11 engineer and makes these analyses and is very tough
12 and we don't... [chime] we don't move in an
13 instance like that without a sign-off from Tim
14 Lynch that the kind of damage that you're concerned
15 about and that we're concerned about will not take
16 place.

17 COUNCIL MEMBER MENDEZ: So let me
18 just... one little... so LPC doesn't have a staff
19 person, but you work with someone at DOB who's...

20 [crosstalk]

21 COMMISSIONER TIERNEY: That's...

22 [crosstalk]

23 COUNCIL MEMBER MENDEZ: An expert in...

24 [crosstalk]

25 COMMISSIONER TIERNEY: That's correct.

2 [crosstalk]

3 COUNCIL MEMBER MENDEZ: The field.

4 COMMISSIONER TIERNEY: And then we test
5 it. We have people on the commission, however, who
6 are very smart in these areas and can make that
7 analysis and test that analysis; not just okay,
8 tell us what you think. It's a very... it's all
9 done in open public hearings...

10 COUNCIL MEMBER MENDEZ: [interposing]

11 Mm-hm.

12 COMMISSIONER TIERNEY: And we examine
13 those kinds of issues. We hear both sides of the
14 argument and then we have DOB in and we make our
15 own analysis, and we're tough on that and very
16 mindful of it and totally have the same point of
17 view you've just expressed in terms of being very
18 careful about particularly a building like the
19 Merchant's House.

20 COUNCIL MEMBER MENDEZ: Thank you very
21 much. Thank you, Mr. Chair.

22 CHAIRPERSON GREENFIELD: Thank you,
23 Council Member Mendez. Before we go to Council
24 Member Kallos, just to address a question that you
25 addressed and several members have brought up: the

2 concern of providing affordable housing is specific
3 to this site, which is that once you landmark a
4 property, the ability to operate it; to make
5 repairs; to make changes; to develop it becomes
6 much more expensive and much more limited, and when
7 you look at it from a district perspective, that
8 also significantly make it more difficult to
9 develop those properties and to build affordable
10 housing and the concern that we were expressing was
11 that many of the districts that have been
12 landmarked are very wealthy districts and very
13 white districts, effectively preserving the
14 character of those districts and preventing new and
15 less affluent folks from coming into those
16 neighborhoods and those districts, to clarify that
17 point. I will turn it over to Council Member
18 Kallos to be followed by Council Member Reynoso.

19 COUNCIL MEMBER KALLOS: I wanted to
20 thank you for taking the time to come before us
21 and...

22 [crosstalk]

23 COMMISSIONER TIERNEY: Sure.

24 [crosstalk]

2 COUNCIL MEMBER KALLOS: For the
3 tremendous work that you do. I'm Council Member
4 Ben Kallos; it's @BenKallos on Twitter and...
5 [background voices] Did you hear any of the
6 original stuff?

7 COMMISSIONER TIERNEY: Yes.

8 COUNCIL MEMBER KALLOS: Perfect.

9 COMMISSIONER TIERNEY: I did, thank
10 you.

11 COUNCIL MEMBER KALLOS: So I wanted
12 to... so I represent the Upper East Side, Midtown
13 East...

14 [crosstalk]

15 COMMISSIONER TIERNEY: Mm-hm.

16 COUNCIL MEMBER KALLOS: El Barrio and
17 Roosevelt Island. I wanted to actually address the
18 affordable housing. It seems that a number of us
19 have different positions on landmarking and
20 affordability, actually City & Suburban, which is
21 currently... has a hardship application and so I
22 would just ask you to please keep the record open
23 so that I can provide my comment against their
24 hardship application that will be coming shortly.

2 COMMISSIONER TIERNEY: We welcome it.
3 We will...

4 [crosstalk]

5 COUNCIL MEMBER KALLOS: And then...

6 [crosstalk]

7 COMMISSIONER TIERNEY: Receive it and
8 look forward to it.

9 COUNCIL MEMBER KALLOS: I guess my
10 question is regarding affordable housing, that one
11 in particular has almost 1,000 units. It's City &
12 Suburban and they are rent controlled. They're
13 rent stabilized.

14 COMMISSIONER TIERNEY: Mm-hm.

15 COUNCIL MEMBER KALLOS: And they are
16 keeping them vacant.

17 COMMISSIONER TIERNEY: Mm-hm.

18 COUNCIL MEMBER KALLOS: Several hundred,
19 so I guess one question would just be as we're
20 talking about the hardships how we can as a City
21 Council mandate that landlords not self-impose
22 their hardships and allow their apartments to fall
23 into disrepair by leaving them vacant and then say
24 whoops, we need to demolish a landmark so that we
25

2 can replace it with luxury construction. So I
3 guess that is my first question.

4 COMMISSIONER TIERNEY: I'd love to
5 comment on it 'cause it's A, the hardship
6 application, which is Quasi-Judicial, is before us,
7 number one, but number two a lot of the concerns
8 about warehousing apartments, in general, are
9 completely important concerns, but we can't... we
10 don't regulate use and we don't have that kind of
11 power to do that, but certainly there are other
12 parts of the city and other elected representatives
13 in the Executive Branch that does have the power
14 and ability to address that.

15 COUNCIL MEMBER KALLOS: The follow-up
16 question is if we are... if members of our council
17 have identified locations where there are a lot of
18 buildings that are deserving of landmarks within
19 our districts and that those are bastions of
20 affordable housing that we would like to preserve
21 in order to stop them from being razed and turned
22 into 20,30 or 40-story luxury high-rises at \$4,000
23 a month or more for a studio or a one-bedroom...

24 COMMISSIONER TIERNEY: [interposing]
25 Mm-hm.

2 COUNCIL MEMBER KALLOS: How can we work
3 with you...

4 COMMISSIONER TIERNEY: [interposing]
5 Come...

6 [crosstalk]

7 COUNCIL MEMBER KALLOS: To...

8 COMMISSIONER TIERNEY: [interposing]
9 Come make the application for an historic district
10 that comprises buildings of the kind you've
11 described and then we'll go through the same
12 landmark tests that every other district does, and
13 if that test is met and the district is designated,
14 it would have the consequences that you're talking
15 about.

16 COUNCIL MEMBER KALLOS: Thank you very
17 much.

18 CHAIRPERSON GREEFIELD: Thank you,
19 Council Member Kallos. We're going to pass it to
20 Council Member Reynoso, to be followed by Council
21 Member Treyger.

22 COUNCIL MEMBER REYNOSO: Thank you very
23 much, Chairman and to the Chairman of Landmarks as
24 well, Tierney. I just want to say my relationship
25 with the Landmarks Commission has been amazing in

my district and I just want to point out that saying that Landmark hurts or thwarts the development of affordable housing is like saying Parks also hurts the opportunity for affordable housing. We can't develop on parks and you know, we won't be able to develop in landmark buildings and I don't necessarily see that as a problem. I do want to say that for affordable housing to be built we're talking about the possibility of having a private developer knock down those buildings to build affordable housing. It's not going to happen. If they knock down those buildings they're probably going to build another market rate unit or apartment, so I disagree with that. I also want to say that we're not a city of spaces. We're a city of neighborhoods and these neighborhoods have character and history that are extremely important and what the commission does is better preserve that character and that history to a certain degree, but I do want to say how many landmark sites or traditionally a percentage and maybe give me a rough estimate here.

COMMISSIONER TIERNEY: Okay.

2 COUNCIL MEMBER REYNOSO: How many of
3 these sites that are being landmarked private sites
4 or city-owned sites, the comparison there?

5 COMMISSIONER TIERNEY: Overwhelmingly
6 private sites, probably in the range of... I mean
7 most of the great city... the obvious city sites,
8 like the building we're in have been long ago
9 landmarked and they're a smaller number in general.
10 So right now, the overwhelming number of buildings
11 that we get and act on are privately owned.

12 COUNCIL MEMBER REYNOSO: So they are
13 private so they're not publicly owned sites that
14 would have the opportunity to build let's say 100
15 percent affordable housing for the...

16 [crosstalk]

17 COMMISSIONER TIERNEY: That's...

18 [crosstalk]

19 COUNCIL MEMBER REYNOSO: City of New
20 York.

21 COMMISSIONER TIERNEY: That's a good
22 point.

23 COUNCIL MEMBER REYNOSO: Right, they
24 are private owners.

25 COMMISSIONER TIERNEY: Yes.

2 COUNCIL MEMBER REYNOSO: I also want to
3 say that you know, outside of rezoning you know, we
4 are very limited as to how we can do that and I
5 just don't want folks to think that we could put
6 the burden or put a burden on you to think the
7 three percent of the properties that are landmarked
8 or of the city that is landmarked is where we're
9 going to find opportunities for affordable housing.
10 I mean my district specifically, we have these
11 towers that are not significant in any way
12 structurally, historically or through any character
13 that have destroyed what we considered a
14 neighborhood. The neighborhood has been preserved
15 by the Williamsburg Savings Bank and other sites
16 that speak to who we were back then or what this
17 neighborhood was back then and the neighborhood
18 residents that are there now do think it's
19 significant and do care about that preservation.
20 So I want you to know that I'm grateful for the
21 work that you guys have done, and also when we talk
22 about you know, the rich or predominantly white
23 districts that receive the landmarking, Ridgewood,
24 which is middle-class predominantly white, has been
25 getting landmarked as a historic district, and that

2 community is extremely grateful and extremely happy
3 that it's happening and their property values have
4 increased for it and sometimes... you know, I just
5 want to be very careful with saying that Landmarks
6 is hurting the development of affordable housing
7 and the opportunity 'cause so are parks, but we're
8 not burdening on Parks, so I just want to let you
9 know how grateful I am more so than ask you any
10 questions and thank you for being here and letting
11 us know of the work that you're doing. Thank you.

12 [crosstalk]

13 COMMISSIONER TIERNEY: Thank you,
14 Councilman.

15 CHAIRPERSON GREENFIELD: Thank you,
16 Council Member and we'll now turn to Council Member
17 Treyger.

18 COUNCIL MEMBER TREYGER: Thank you,
19 Chair Greenfield and welcome Chairman Tierney. I
20 represent District 47 and my name is Councilman
21 Treyger.

22 COMMISSIONER TIERNEY: Yes.

23 COUNCIL MEMBER TREYGER: Coney Island,
24 Sea Gate, Bensonhurst and Gravesend.

25 COMMISSIONER TIERNEY: Mm-hm.

2 COUNCIL MEMBER TREYGER: Just for the
3 sake of clarity, how many structures; buildings
4 were, in fact... that were landmarked were damaged
5 by Sandy? Do we have a number on that?

6 COMMISSIONER TIERNEY: Exact number?
7 I'll see if I can give you an exact...

8 COUNCIL MEMBER TREYGER: [interposing]
9 Sure.

10 COMMISSIONER TIERNEY: Number.
11 [background voices] we don't have the exact number,
12 but the districts are... well, the Shore Theater
13 apparently obviously sustained some damage. The
14 districts were the South Street Seaport flooding
15 and some of the East Village and DUMBO. I can give
16 you the total number, of course, but it will be...
17 it is again, in the scheme of things relatively
18 minimal.

19 COUNCIL MEMBER TREYGER: Yes, I would
20 definitely appreciate the number...

21 [crosstalk]

22 COMMISSIONER TIERNEY: Very minimal.

23 [crosstalk]

24 COUNCIL MEMBER TREYGER: And the
25 location...

2 COMMISSIONER TIERNEY: [interposing]
3 Absolutely.

4 COUNCIL MEMBER TREYGER: As well.

5 COMMISSIONER TIERNEY: Absolutely.

6 COUNCIL MEMBER TREYGER: In your
7 testimony you provided you mentioned about the
8 Child's Restaurant and Coney Island.

9 COMMISSIONER TIERNEY: Yes.

10 COUNCIL MEMBER TREYGER: Right. As we
11 welcome enhancements to Coney Island, my question
12 really is were there discussions with DEP, EDC with
13 regards to infrastructure improvements in addition
14 to these alterations because to me, we keep talking
15 about developments and...

16 [crosstalk]

17 COMMISSIONER TIERNEY: Mm-hm.

18 COUNCIL MEMBER TREYGER: Building, but
19 if we don't address the infrastructure needs of
20 this city we can't move forward, and in Coney
21 Island throughout the entire peninsula we're
22 experiencing major flooding...

23 COMMISSIONER TIERNEY: [interposing]
24 Sure.

2 COUNCIL MEMBER TREYGER: Not just Sandy
3 storms, but small rainstorms, so I'm just curious
4 to know were there discussions with other agencies;
5 DEP, EDC or even the MTA to discuss additional
6 transportation options where a peninsula... only
7 one way to get to us and they have reduced
8 transportation options to our locations. I'm just
9 curious to know were there discussions that took
10 place between your commission...

11 COMMISSIONER TIERNEY: [interposing]
12 Yeah.

13 COUNCIL MEMBER TREYGER: And other
14 agencies when this approval was made.

15 COMMISSIONER TIERNEY: Okay, when this
16 approval was made, I mean obviously the Child's
17 building was already a designated landmark. It was
18 actually done in 2003 and when this project was
19 brought to us we were very concerned about it
20 'cause of the deteriorated state of the building
21 and I know those discussions went on with other
22 agencies. They weren't directly germane to the
23 mission of the commission. We were mostly
24 interested in getting that building stabilized;
25 restored; getting the terra cotta, but those

2 discussions you've described are all critical
3 issues, but not part of our purview.

4 COUNCIL MEMBER TREYGER: Okay, because
5 infrastructure remains...

6 [crosstalk]

7 COMMISSIONER TIERNEY: Yeah.

8 COUNCIL MEMBER TREYGER: A very top
9 priority...

10 COMMISSIONER TIERNEY: [interposing]
11 Absolutely.

12 COUNCIL MEMBER TREYGER: In my district
13 and throughout the city. It's very important to be
14 mindful of that when the Landmarks Preservation
15 Commission acts.

16 COMMISSIONER TIERNEY: Mm-hm.

17 COUNCIL MEMBER TREYGER: The last
18 question I have is that in addition to buildings
19 what else does the Landmarks Commission... what
20 else can you landmark?

21 COMMISSIONER TIERNEY: Parks. There
22 are 10 scenic landmarks and a scenic landmark is
23 defined as it's got to be a city-owned park, so it
24 includes Prospect Park, Central Park, Verdi Park
25 and a few others, which... Ocean Parkway actually,

2 yes. So yes, there are 10 of them though out of the
3 31,000. By and large we regulate the historic
4 fabric, the built environment.

5 COUNCIL MEMBER TREYGER: Mm-hm. And do
6 these include structure... I know Council Member
7 Barron mentioned statues, but do you have
8 structures that you also landmark?

9 COMMISSIONER TIERNEY: Structures, well
10 and now that you mention Coney Island, the
11 Parachute Jump and yes, I guess that's a... I mean
12 it's not a residence; it's not a building, but it's
13 not a statue either. But the Parachute Jump and
14 the Cyclone actually are...

15 [crosstalk]

16 COUNCIL MEMBER TREYGER: Mm-hm.

17 [crosstalk]

18 COMMISSIONER TIERNEY: Designated.

19 COUNCIL MEMBER TREYGER: Can you
20 provide me a list of structures other than...

21 [crosstalk]

22 COMMISSIONER TIERNEY: Uh...

23 [crosstalk]

24 COUNCIL MEMBER TREYGER: Residence...

25 [crosstalk]

2 COMMISSIONER TIERNEY: Other than...

3 [crosstalk]

4 COUNCIL MEMBER TREYGER: Other than...

5 [crosstalk]

6 COMMISSIONER TIERNEY: Right, build
7 traditional...

8 [crosstalk]

9 COUNCIL MEMBER TREYGER: Please.

10 [crosstalk]

11 COMMISSIONER TIERNEY: Commercial
12 buildings...

13 [crosstalk]

14 COUNCIL MEMBER TREYGER: Please.

15 [crosstalk]

16 COMMISSIONER TIERNEY: Sure.

17 COUNCIL MEMBER TREYGER: Thank you.

18 COMMISSIONER TIERNEY: I'd be happy...

19 [crosstalk]

20 COUNCIL MEMBER TREYGER: I'd appreciate
21 it.

22 [crosstalk]

23 COMMISSIONER TIERNEY: To do that. Be
24 happy to.

25 COUNCIL MEMBER TREYGER: Thank you.

2 COMMISSIONER TIERNEY: Yep.

3 COUNCIL MEMBER TREYGER: Thank you.

4 CHAIRPERSON GREENFIELD: Okay, thank
5 you, Mr. Chairman. We actually have several other
6 questions, but we're out of time, so we're going to
7 send a follow-up letter with those questions and
8 we're going ask for those responses. We thank you
9 very much and we wish you success, and we will now
10 call in DoITT and they can testify whenever they're
11 ready.

12 COMMISSIONER TIERNEY: Thank you very
13 much.

14 [Pause]

15 CHAIRPERSON GREENFIELD: We're now
16 going to start the joint hearing of the Committees
17 of Land Use and Technology and in the interest of
18 time, I will waive my remarks, but I will ask
19 Council Member Vacca to make his remarks. Thank
20 you.

21 [Pause]

22 CHAIRPERSON VACCA: Thank you. It's my
23 pleasure to be with you today as we discuss the
24 Fiscal 2015 Budget for the Department of
25 Information Technology and Telecommunications. I'd

2 like to thank my co-chair, David Greenfield. My
3 name is James Vacca and I'm chair of the Technology
4 Committee of the Council. I'd like to welcome Evan
5 Hines, DOT's acting Commissioner. I'm sure he'll
6 have some thoughts today regarding DoITT's
7 operations and by reviewing the operations of this
8 department, we also at the Council look forward to
9 working with DoITT going forth.

10 In recent years, DoITT has worked
11 toward modernizing and consolidating the city's IT
12 infrastructure, as well as establishing a
13 coordinated approach to citywide IT policies with
14 the goal of improving the city's operating
15 efficiency. We are eager to hear the results of
16 these efforts and to get updates on the progress of
17 the department's many ongoing projects. We'd also
18 like to hear how these projects impact not only the
19 DoITT budget, but the city budget as a whole. I am
20 particularly interested in hearing of DoITT's
21 strategy with respect to the previous
22 administration's 3-1-1 funding cuts and the cost
23 overruns of the PSAC II project, which happens to
24 be in my district. Furthermore, we will examine
25 details of DoITT's FY 2015 Preliminary Budget,

2 including the department's Contract Budget, Capital
3 Budget and the Fiscal 2015 budget actions. We will
4 also review the agency's performance, specifically
5 in regard to the 3-1-1 website and the maintenance
6 of pay phones as reported in the Mayor's Management
7 Report.

8 So I want to welcome Commissioner Hines
9 and his staff and I'll turn the microphone over to
10 you. Thank you.

11 COMMISSIONER HINES: Thank you. Good
12 afternoon, Chairs Greenfield and Vacca and members
13 of the City Council Committees on Land Use and
14 Technology. My name is Evan Hines and I am acting
15 Commissioner of the Department of Information
16 Technology and Telecommunications, also known as
17 DoITT and New York City's acting Chief Information
18 and Innovation Officer. Thank you for the
19 opportunity to testify today about DoITT's Fiscal
20 2015 Preliminary Budget. With me are Annette
21 Heintz, our Deputy Commissioner for Financial
22 Management and Administration; John Winker on my
23 right, our Associate Commissioner for Financial
24 Services and Charles Fraser, our General Counsel,
25 all the way at the left to the table.

DoITT's Fiscal 2015 Preliminary Budget provides for operating expenses of approximately \$457 million. The budget provides for \$93 million in personnel services to support 1,243 full-time positions and \$364 million for Other Than Personal Services. Of the \$364 million, 31 percent or \$113 million represents Intra-City funds that have been transferred from other agencies to DoITT for services it provides. Telecommunications costs represent the largest portion of the Intra-City expense. Fiscal 2014 Intra-City telecommunications expenditures are on budget at \$86 million, while total telecommunications costs are budgeted at \$123 million.

This budget represents an increase of \$10 million from the Fiscal 2015 November Budget and an overall net decrease of \$50 million from the Fiscal 2014 current modified budget. The \$10 million increase to the Fiscal 2015 November Budget is mostly attributable to OTPS funding associated with ongoing maintenance costs required to support recently approved capitally funded initiatives. DoITT also received some funding to convert intra-fund agreement positions to tax levy funded

positions. The net decrease between the Fiscal 2014 current modified and the Fiscal 2015 Preliminary Budget allocations represents a drop in intra-fund agreement funding after 2014 and a one-time grant funding that was only allocated in the Fiscal 2014 current modified budget. Any unspent Fiscal 2014 grant funding will be rolled over into Fiscal 2015.

DoITT, the city's technology leader in IT utility, is responsible for providing core IT assets; scalable, critical infrastructure and a backbone for city operations. We operate data centers, independent fiber and wireless networks and digital services like NYC.gov and New York City 311 that ensure uninterrupted access for New Yorkers in times of emergency and non-emergencies alike.

With a focus on our people, processes and technology platforms as well as partnerships, DoITT is making progress towards ensuring that New York City continues to lead in public sector service delivery and technology innovation. Some recent achievements, as well as critical initiatives that DoITT will be pursuing in Fiscal

2 2015 include: NYC.gov, the city's official
3 website, receives more than 35 million unique
4 visitors each year. DoITT recently upgraded and
5 modernized the site, including the design and build
6 of key portal pages, as well as the introduction of
7 new information architecture, content taxonomy,
8 user functionality, interface and interaction
9 design and individual branding. This significantly
10 improves the city's ability to serve the public.
11 The new platform also made upgrades to existing
12 applications such as City Clerk online forms, 311
13 online, the Taxi and Limousine Commission License
14 Application Renewals and Department of Records
15 online forms.

16 New York City 311, the city's
17 destination for government information and
18 services, has received more than 178 million calls
19 and has been the main source for New York City non-
20 emergency government information since 2003.
21 Today, NYC311 is available in nearly 180 languages.
22 Each day, it serves 50,000 customers, filing 7,700
23 requests by telephone, smart phone applications,
24 online self-service, text messaging and Twitter.
25 DoITT is continually expanding how its customers

2 can interact with 3-1-1 through innovative
3 technology. The latest additions include an
4 interactive frequently asked questions, a trial
5 program for online chat and predictive answers,
6 expanded mobile capability and great social media
7 interaction.

8 Our CITIServe program, the city's IT
9 infrastructure consolidation effort, will
10 centralize more than 40 data centers when complete.
11 CITIServe provides unified data center operations,
12 business continuity and other shared services. To
13 date, DoITT has migrated 27 agencies to the
14 CITIServe environment and centralized email systems
15 for 53 agencies accounting for more than 66,000
16 email accounts.

17 CityNet, the city's institutional fiber
18 network, provides voice and data services to city
19 employees and hundreds of municipal facilities.
20 All 27 locations have been upgraded, increasing the
21 network's bandwidth, capability and resiliency to
22 ensure rapid data transmission internally and
23 externally.

24 Citywide Voice over Internet Protocol,
25 also known as VoIP, is a more resilient telephony

solution and allows the city to maintain a network uptime of 99.9 percent for Fiscal 2013. In 2012 through 2013, in the wake of Hurricane Sandy, DoITT expedited the migration of approximately 5,000 city telephones to VoIP. In Fiscal 2014, DoITT will continue transitioning agencies from the traditional phone system to VoIP to realize the functional and financial benefits of the new technology. In total, DoITT provides voice services for more than 108,000 desk telephones and mobile devices.

New York City Open Data, a major piece of the city's open government effort, is enabling greater innovation, engagement, efficiency and transparency. Local Law 11 of 2012, the most progressive open data law in the country, mandates that all qualifying city managed data be made available to the public to a single web portal at NYC.gov/data by 2018. There are now more than 1,100 unique datasets on the portal, offering powerful insights into government operations. The next milestone comes in July 2014, when DoITT and the Mayor's Office of Data Analytics provides the annual updates to the New York City Open Data Plan,

2 detailing the city's progress in opening public
3 data since the previous report.

4 NYC Connected Communities, a variety of
5 interrelated technology initiatives, increases
6 public access to and adoption of broadband in
7 underserved communities. Over the last three
8 years, New Yorkers have participated in more than
9 three million sessions of NYC Connected Communities
10 programming from accessing computers, printers and
11 internet services via NYCHA's traveling digital
12 band to computer classes available in over 100
13 public computer centers, these initiatives are
14 narrowing the digital divide across all five
15 boroughs. Funding was added to DoITT's Fiscal 2015
16 budget to sustain this program moving forward and
17 DoITT is working with partner agencies to continue
18 providing critical broadband technology access.

19 These programs are in addition to the
20 public technology benefits the city has ensured by
21 working with cable franchise providers.

22 Cablevision has provided free, commercial-grade
23 internet service to all 77 public libraries in its
24 service area in Brooklyn and the Bronx, and Time
25 Warner Cable has launched 12 internet ready public

computer centers in partnership with local not-for-profit organizations, with 28 more to come by 2020.

Public WiFi is now available in more than 60 parks and public spaces across the five boroughs, with hot spots in Coney Island and Far Rockaway Beach boardwalks to launch by summer 2014. And in Harlem, DoITT and partners are building the country's largest continuous free outdoor WiFi network. This network is currently live from 110th to 120th Streets between Frederick Douglass Boulevard and Madison Avenue. When fully built out, the network will extend to 138th Street, offering seamless coverage to 95 city blocks and 80,000 local residents, 13,000 of whom live in public housing. Over the last month, more than 9,000 people used the wireless network.

Through these initiatives, driven by our dedicated employees, DoITT is modernizing government technology platforms, initiating new processes that enable a more efficient and effective government and setting the groundwork for more innovation in 2015 and beyond.

2 Thank you again for the time this
3 afternoon. We will be pleased to answer your
4 questions.

5 CHAIRPERSON GREENFIELD: Thank you.
6 Chair Vacca.

7 CHAIRPERSON VACCA: Thank you. Thank
8 you for your testimony. Thank you, Chair
9 Greenfield. I want to go into the 9-1-1 system and
10 the 3-1-1 system. I wanted to talk to you about
11 issues. How many operators are there at 3-1-1?

12 COMMISSIONER HINES: There are 205
13 budgeted positions for call takers at 3-1-1.

14 CHAIRPERSON VACCA: How many? I'm
15 sorry?

16 COMMISSIONER HINES: 205.

17 CHAIRPERSON VACCA: Okay, my
18 understanding was that last year the administration
19 cut 100 positions as part of a PEG cut program to
20 eliminate the gap cut. Is that true? How does the
21 205 number compare to what we had in the past year
22 or two? Was there a PEG cut of that magnitude?

23 COMMISSIONER HINES: Since 2010, there
24 have been about 100 cuts. In the last PEG program
25 a year ago there was four and I believe two or

2 three of those were on the administration side back
3 office, not one was in the call center.

4 CHAIRPERSON VACCA: So...

5 COMMISSIONER HINES: [interposing] And
6 so...

7 CHAIRPERSON VACCA: We have lost 100
8 people over the past three years.

9 COMMISSIONER HINES: Correct.

10 CHAIRPERSON VACCA: So we originally
11 had 300 callers and now we have 200, so my question
12 to you is with a one-third reduction in those
13 answering 3-1-1 calls, how has that affected the
14 operation of 3-1-1?

15 COMMISSIONER HINES: And actually we're
16 doing great in 3-1-1. Hold on one second. While
17 staffing may have gone down, the actual average
18 wait time has gone down as well. Last year, the
19 average wait time for an operator was 47 seconds
20 and this year, in Fiscal 2014 through the end of
21 February, the same period, it was 23 seconds.

22 CHAIRPERSON VACCA: So you're saying
23 that even with a cut of that magnitude your agency
24 has kept up that response.

2 COMMISSIONER HINES: We have.

3 [background voices]

4 CHAIRPERSON VACCA: How was that...
5 what was the...

6 [crosstalk]

7 COMMISSIONER HINES: Yeah, most of the
8 cuts were vacant positions. They were budgeted
9 lines that were not filled. Also, what happens
10 with 3-1-1 operation like if you've called during
11 any of these snowstorms, a lot of the calls that
12 are coming in are handled by... it's people calling
13 to find out are schools open or closed, mass
14 transit information and alternate side parking and
15 those are handled quickly through the IBR so
16 they're out of the queue, so we've been able to
17 manage the calls that where people do want to speak
18 to an operator, they're getting to operators in 23
19 seconds on average.

20 CHAIRPERSON VACCA: By the time you...
21 how long does it take average to register a 3-1-1
22 complaint?

23 COMMISSIONER HINES: I'm sorry, could
24 you repeat that?

25

2 CHAIRPERSON VACCA: How long does it
3 take on average to actually register a 3-1-1
4 complaint from the moment you get on the phone to
5 the moment you get off?

6 COMMISSIONER HINES: That I would have
7 to get back to you on that, that number. I'd have
8 to speak with the director of 3-1-1.

9 CHAIRPERSON VACCA: Okay and what...

10 [crosstalk]

11 COMMISSIONER HINES: It has taken up
12 from... when you get... when you're in the queue...

13 [crosstalk]

14 CHAIRPERSON VACCA: How long...

15 [crosstalk]

16 COMMISSIONER HINES: Waiting for
17 someone to actually...

18 [crosstalk]

19 CHAIRPERSON VACCA: When you get a
20 voice to when you get off?

21 COMMISSIONER HINES: 'Til you complete
22 a service request?

23 CHAIRPERSON VACCA: Yes.

24 [crosstalk]

2 COMMISSIONER HINES: Is it...

3 [background voices]

4 CHAIRPERSON VACCA: I wanted to go into
5 also PSAC I and PSAC II and 9-1-1. Now, are you
6 aware of an audit that was done by former
7 Comptroller Liu relative to the city's effort to
8 upgrade 9-1-1 and the fact that he maintains that
9 we were owed a \$163 million refund based on charges
10 deluding in the project and related issues?

11 DEPUTY COMMISSIONER HEINTZ: Hold one
12 second.

13 [Pause]

14 COMMISSIONER HINES: We certainly are
15 aware of the audit report. I don't remember the
16 exact numbers.

17 CHAIRPERSON VACCA: Where...

18 COMMISSIONER HINES: [interposing]
19 They're heavy in that order of magnitude.

20 CHAIRPERSON VACCA: Now, was the
21 Comptroller correct that we are owed \$163 million
22 and if...

23 [crosstalk]

24 COMMISSIONER HINES: No.

25 [crosstalk]

2 CHAIRPERSON VACCA: So... alright, were
3 we owed anything at all?

4 COMMISSIONER HINES: Yes.

5 CHAIRPERSON VACCA: Alright, how much
6 were we owed and have we retrieved the money?

7 CHARLES FRASER: We are in negotiations
8 with HP and unfortunately, because we're in
9 negotiations I'm reluctant to discuss to anymore of
10 it in public. I'd be glad to discuss it in
11 private. We will recover the money that we believe
12 is due.

13 CHAIRPERSON VACCA: When will that
14 money be... when do you expect those negotiations
15 to be completed? Is that money... I gather that
16 that money is not yet reflected in your agency's
17 budget anticipated revenue.

18 CHARLES FRASER: It won't be reflected
19 in our budget in any event. The money would go to
20 the General Fund, but aside from that, the Law
21 Department is handling the negotiations for us. I
22 can tell you that I've been told there's an
23 agreement in principle and it's a matter of
24 drafting the agreement and beyond that I can't
25 really say when that will be done.

2 CHAIRPERSON VACCA: Relative to the
3 PSAC II emergency back-up center being built in the
4 Bronx; in fact, in my district, we are building a
5 PSAC II building and there have been allegations of
6 cost overruns there. Now, my recollection
7 originally was that the building was going to cost
8 \$800 million when it went through the Uniform Land
9 Use Review Procedure. I'm now understanding we're
10 looking at more like \$1.2 billion. Now, are these
11 overruns... can we expect that number to increase
12 even further and what is the timetable for the
13 completion of PSAC II?

14 COMMISSIONER HINES: Historically, so
15 OCEC, who is running the ECTP and 9-1-1 Program
16 reports directly into City Hall. Administratively,
17 they're on a budget, so we provide them legal
18 support, administrative support with contract help
19 and the hiring process for their employees, but
20 with regards to schedule, budget and their
21 operations, City Hall or the director of OCEC
22 usually handles those questions. We could bring
23 those questions back to them and provide it back to
24 you in a formal response.

2 CHAIRPERSON VACCA: The money for PSAC
3 II though is parked in your agency's budget.

4 DEPUTY COMMISSIONER HEINTZ: Yeah.

5 CHAIRPERSON VACCA: That's what I
6 understand. Where is that money; under what agency
7 because we, in the council, do not have oversight
8 responsibility over the Mayor's Office of
9 Operations.

10 ASSOCIATE COMMISSIONER WINKER:
11 [interposing] Understood.

12 CHAIRPERSON VACCA: This is my
13 understanding. This is the Mayor's Office of
14 Operations and we don't have oversight, yet this
15 has to be more transparent than it is now.

16 ASSOCIATE COMMISSIONER WINKER: What I
17 would say is this: the budget for ECTP has been in
18 parked into its budget. We can talk to the numbers
19 of the budget in terms of the programmatic stuff;
20 that's what we're really deferring. Now, in terms
21 of the budget, it remains at \$2 billion. It's
22 \$2.031 billion. That's been the case for several
23 years now. It has not changed. We're not aware of
24 any overruns, at least this hasn't come to my
25

2 budget shop at this point and you know, we're on
3 target as far as the spending is concerned.

4 CHAIRPERSON VACCA: How much was it
5 originally? I think... and is that \$2 billion
6 inclusive of PSAC II and modernization to PSAC I?

7 ASSOCIATE COMMISSIONER WINKER: It's
8 inclusive of PSAC II as well as the original build
9 of PSAC I. As far as modernization is concerned,
10 that is not inclusive.

11 CHAIRPERSON VACCA: So what was the
12 original cost?

13 ASSOCIATE COMMISSIONER WINKER: The
14 original? Well, I don't have the original,
15 original number. This has been the number now for
16 at least five or six years, so it hasn't changed in
17 several years.

18 CHAIRPERSON VACCA: When do you
19 anticipate PSAC II will be finished and when do you
20 anticipate the modernizations to PSAC I will be
21 completed? What are your timetables and have there
22 been delays that we should be aware of?

23 ASSOCIATE COMMISSIONER WINKER: As far
24 as we are concerned, it's going to be completed by
25 November of 2015.

2 CHAIRPERSON VACCA: So that's...

3 [crosstalk]

4 ASSOCIATE COMMISSIONER WINKER:

5 November 2015.

6 CHAIRPERSON VACCA: November 2015.

7 [crosstalk]

8 ASSOCIATE COMMISSIONER WINKER: So call

9 takers will be taking calls at the end of December

10 2015.

11 CHAIRPERSON VACCA: They will be taking

12 calls at the new center.

13 ASSOCIATE COMMISSIONER WINKER: That's

14 correct.

15 CHAIRPERSON VACCA: At the back-up

16 center.

17 ASSOCIATE COMMISSIONER WINKER: At the

18 new... at the Bronx location, PSAC II.

19 CHAIRPERSON VACCA: Okay, regarding

20 overbilling with Verizon and ECTP...

21 ASSOCIATE COMMISSIONER WINKER: That

22 wasn't overbilling. Let's just clarify that.

23 CHAIRPERSON VACCA: Okay, talk to me

24 about that. Cost overruns; what was the Verizon...

25

2 ASSOCIATE COMMISSIONER WINKER:

3 [interposing] Well, what happened was this:
4 because there was a delay in the implementation...
5 well, there was a delay of the rollout of the
6 Verizon software. That caused delays to the
7 overall program, which caused the city to incur
8 costs that wouldn't otherwise have incurred.
9 Therefore, we negotiated with Verizon to recoup
10 some of those costs. That was the \$50 million. It
11 had nothing to do with overbilling.

12 CHAIRPERSON VACCA: That money has been
13 recouped?

14 ASSOCIATE COMMISSIONER WINKER: That's
15 correct.

16 CHAIRPERSON VACCA: And that money is
17 in your budget this year.

18 ASSOCIATE COMMISSIONER WINKER: That
19 money is in the General Fund as of December 2013.

20 CHAIRPERSON VACCA: Okay. Okay, thank
21 you, Mr. Chair.

22 CHAIRPERSON GREENFIELD: Thank you.
23 I'm going to ask a couple of questions and then I'm
24 going to turn it over to some members. We're going
25 to start first with Council Member Kallos then

2 Council Member Rosenthal. Just wanted to focus
3 specifically on the public payphones, which I
4 believe fall under your purview. I believe they're
5 a source of revenue. I know that there was a
6 concept or I guess some sort of contest on what to
7 do with public payphones. Whatever happened with
8 that? Is there a plan on what it is that you are
9 going to currently do with those payphones and will
10 that impact the revenue on those phones 'cause I
11 understand they're fairly profitable; I guess the
12 ads that are running on the sides of those
13 payphones.

14 COMMISSIONER HINES: So we had a multi-
15 pronged approach over the last few years as far as
16 with getting input into what, for all intents and
17 purposes, the payphone of the future would look
18 like, one being what you're referring to, the
19 Reinvent Payphone Challenge that we had. Based on
20 the designs and functionality that were presented,
21 we took that into account in drafting an RFP. The
22 RFP, we're still having internal discussions with
23 other partner agencies on it and it hasn't been
24 released yet, but the feedback that we received
25 where relevant we have included it into the draft

2 RFP that we would be releasing. With regards to
3 specific functionality or potential revenue impact,
4 I'm going to pass it over to Charles Fraser. Our
5 franchise administration falls in the General
6 Counsel's office.

7 CHAIRPERSON GREENFIELD: So you don't
8 have a plan yet on what to do with those payphones.
9 It's still...

10 CHARLES FRASER: Well, no, we have a
11 plan. What we are doing, the Department of City
12 Planning must certify a Land Use before we can
13 issue the RFP. We were in discussions with them in
14 the last administration. We just didn't conclude
15 them by the time the administration ran out. We
16 are looking forward to resuming those discussions
17 very soon when the new City Planning director comes
18 in, so...

19 CHAIRPERSON GREENFIELD: [interposing]
20 They will be here next. You can chat with him if
21 you'd like.

22 CHARLES FRASER: Okay. You also asked
23 about revenue. We are hoping that revenue will at
24 least...

2 CHAIRPERSON GREENFIELD: [interposing]
3 I'm sorry, sir, what is the plan then for that
4 payphone? What will be reflected in the RFP?

5 CHARLES FRASER: Well, I can't get into
6 the details of the RFP 'til we release it publicly,
7 but I can tell that we are looking to substantial
8 expansion of free public WiFi on the payphone; to
9 use the payphone fixtures for that purpose and in
10 order for that to work, the payphones have to
11 generate substantial revenue to justify the
12 investment by the franchise holder in the free
13 public WiFi and also we're hoping to maintain or
14 even increase our revenue stream, and what we're
15 hoping to do for that is we're exploring using
16 digital advertising in some places at least instead
17 of the paper ads that are used now because... and
18 this an advertising matter, not something that is a
19 franchise matter. Apparently the digital
20 advertising is worth quite a bit more from an
21 advertiser's point of view.

22 CHAIRPERSON GREENFIELD: Okay, well, I
23 imagine Land Use will have a look at that when you
24 work your way through the process. I wanted to ask
25 you a question regarding Local Law 103, which, as

2 you know, has recently gone into effect, which
3 requires the broadcast of all public meetings in
4 the city of New York. Is that something that your
5 agency is handling and how is that working out so
6 far? I think we're in day six of the requirement.

7 COMMISSIONER HINES: So we are actually
8 working with City Hall on that in the context of
9 some agencies who were looking for directions since
10 it hasn't been assigned to a single agency to
11 implement centrally for all covered agencies;
12 covered meetings. We actually did provide some
13 questions and answers that agencies were coming to
14 us with for what type of technologies they may use,
15 but we're not centrally coordinating that for the
16 city. I believe someone from the Mayor's Office
17 should have...

18 [crosstalk]

19 CHAIRPERSON GREENFIELD: But wouldn't
20 you be sort a natural home for that? I mean I
21 think if it's in discussion that there really is no
22 centralization. Wouldn't it sort of make sense for
23 that to be something that DoITT takes on?

24 COMMISSIONER HINES: I...
25

2 CHAIRPERSON GREENFIELD: I mean you
3 said you were the chief technology guru I think in
4 your opening remarks, right?

5 COMMISSIONER HINES: And we are, but
6 DoITT it proper doesn't do broadcasting; like video
7 broadcasting, so we're trying to make a
8 determination what part and agency like at the
9 Mayor's Office of Media and Entertainment, who
10 knows more about broadcasting, what role they may
11 play and what support DoITT would have to do on our
12 side as far as you know, with the actual web since
13 we have NYC.gov.

14 CHAIRPERSON GREENFIELD: Okay, I'm
15 wondering about CITIServe. How is that working
16 out; have we seen any cost savings over there?
17 What are the details on that?

18 COMMISSIONER HINES: So CITIServe is
19 going well. We are nearly complete. We actually,
20 which I was saying in my testimony, 53 agency email
21 migrations have been completed. We have two
22 agencies that are in progress and should be done
23 within the next couple of months. With regarding
24 to data center consolidations, 27 agencies have
25 been migrated and two are in progress. We will be

2 finishing up this fiscal year with the build out
3 and the migration of existing agency data centers
4 that were in...

5 [crosstalk]

6 CHAIRPERSON GREENFIELD: And are we
7 seeing a specific cost saving from that?

8 COMMISSIONER HINES: So there's two
9 benefits that the city is achieving on a financial
10 basis. There's both cost savings and cost
11 avoidance. We've had agencies who would have had
12 to build out their existing infrastructure even
13 further, which they did not. [off mic] I mean is
14 that number public? Let's see. One agency alone
15 needed additional data center space not too long
16 ago and would have had to spend approximately \$20
17 million so that's you know, like a cost avoidance
18 that they didn't have to spend. Based on the cost
19 model effort, the city is decreasing the average
20 number of servers and storage, which is just
21 translating to 70 percent and a 50 percent decrease
22 in future capital and expense costs for the
23 consolidated environment.

24 CHAIRPERSON GREENFIELD: A final
25 question before I pass it over to some of my

2 colleagues. I noticed that there is a request for
3 increasing the staffing at the Data Analytic
4 Center. I believe those are 11 new positions.
5 What exactly do these people do? It wasn't very
6 clear to us from the briefings.

7 COMMISSIONER HINES: Okay, so they...
8 so it's a group of analysts, some technical folks
9 that look at data and they... well, let me see what
10 I have in here. Hold on. Just to let you know,
11 it's not an increase. The staffing that you see in
12 our budget were previously grant funded positions,
13 so that it's the same number of staff. It's just a
14 different funding source that's being used for it.
15 The grant had ended that originally funded that.

16 CHAIRPERSON GREENFIELD: So you're
17 using city funding is what you're saying, right?
18 So...

19 COMMISSIONER HINES: Right, yes.

20 CHAIRPERSON GREENFIELD: From my
21 vantage point that would be an increase in budget
22 at the very least so...

23 COMMISSIONER HINES: [interposing]
24 Okay.
25

2 CHAIRPERSON GREENFIELD: What are these
3 folks doing?

4 COMMISSIONER HINES: So they improve
5 city services through improved data analysis, so
6 they are looking at data across city agencies to
7 help agencies operate more efficiently, such as if
8 we're going out to do an inspection... if the Fire
9 Department was going out to do an inspection, they
10 are making the properties that would be inspected a
11 more educated guess at which properties are the
12 ones that we should be paying attention to as
13 opposed to sending out people to inspect buildings
14 and properties and just seeing if there's any
15 issues there. So based on the data from the
16 different agencies that are involved in the
17 inspections, they actually are having more
18 targeted...

19 [crosstalk]

20 CHAIRPERSON GREENFIELD: Is this done
21 by request of the agencies? Do the agencies reach
22 out to you and say please crunch these numbers for
23 us? Is that how it's done or do you just sort of
24 sweep through the data on your own and just send
25 them what you have?

2 COMMISSIONER HINES: That I would have
3 to get back to you on; exactly how they operate.
4 Just to let you know also, the Mayor's Office of
5 Data Analytics, which these positions are, again,
6 because we do support their technology, they're on
7 our budget, but from an operational perspective
8 it's gets coordinated out of City Hall since it is
9 an interagency initiative.

10 CHAIRPERSON GREENFIELD: Yes, yes, we
11 love all these projects that you guys have running
12 out of City Hall that you're hiding over there,
13 these massive projects like 3-1-1 and 9-1-1 and
14 PSAC. But I do want to recognize that we've been
15 joined by Council Member Matteo and Council Member
16 Rosenthal, and Council Member Kallos has the floor
17 and we'll keep our tradition of our five minute
18 clock.

19 COUNCIL MEMBER KALLOS: Good afternoon,
20 I'm Council Member Ben Kallos, at @BenKallos on
21 Twitter, so we have five minutes for more than five
22 questions, so brevity is the soul of wit. First
23 question is in the Microsoft ELA we're paying the
24 Microsoft Corporation \$17.8 million, which is of
25 course, a reduction on previous licenses where we

2 negotiated them individually of agencies. I am an
3 open source developer. There is an alternative to
4 Microsoft products. They are open source. There
5 is something called LibreOffice. Can we consider
6 saving our city \$17.8 million to spend on things
7 like our children by switching over from Microsoft
8 to LibreOffice and other open source products?

9 DEPUTY COMMISSIONER HEINTZ: That kind
10 of has two points to it, but one of them is there
11 generally is very large technical implications to
12 moving from one licensed software to another, so we
13 would have to do a major infrastructure study
14 because a lot of our servers are running on SQL and
15 Microsoft products as you know, all the city's
16 desktops and that was historically. Now there's
17 other technologies coming up in that arena, but
18 they do have major technical implications, so we
19 would literally have to do both the technical and a
20 cost study I think to give you an answer on if that
21 could be done, and if so, how long it would take.

22 COUNCIL MEMBER KALLOS: How much and
23 how long would it take to have the technical study
24 done?

2 DEPUTY COMMISSIONER HEINTZ: I don't
3 know. I'd have to ask the technical architects how
4 long it would take.

5 COUNCIL MEMBER KALLOS: Okay, thank
6 you, and yeah and just so you know my entire office
7 is running an open source suite. It took 10
8 minutes to install on all of our computers using a
9 Ninite installation. NYC.gov; how much is our
10 current license for that and how...

11 [crosstalk]

12 CHAIRPERSON GREENFIELD: And Council
13 Member Kallos will volunteer to come in and do that
14 for the entire DoITT as well, in case you're
15 interested. He'll convert you in less than a day.

16 DEPUTY COMMISSIONER HEINTZ: You do
17 know that there's over 300,000 employees in this
18 city?

19 COUNCIL MEMBER KALLOS: God bless.
20 [laughter] NYC.gov; how much does that cost and can
21 we use Drupal, which is a free open source
22 alternative instead?

23 DEPUTY COMMISSIONER HEINTZ: Do you
24 have cost frame which would have that licensing?

2 COUNCIL MEMBER KALLOS: What is the
3 license that we are paying to use the proprietary
4 web software that runs the NYC.gov?

5 DEPUTY COMMISSIONER HEINTZ: We would
6 have to get back to you on that.

7 COUNCIL MEMBER KALLOS: Thank you.

8 DEPUTY COMMISSIONER HEINTZ: We don't
9 have it with us.

10 COUNCIL MEMBER KALLOS: You mentioned
11 that you're transitioning from Voice over IP to
12 Copper. I've actually run both lines while I was
13 in college. We just went through Superstorm Sandy.
14 How many, if any of the Voice over IP phone lines
15 remained active while most of New York City several
16 million people were in blackout?

17 COMMISSIONER HINES: Our VoIP system,
18 all of the lines remained active.

19 COUNCIL MEMBER KALLOS: Okay, so all
20 300,000, no matter where they were in their homes
21 or wherever, they were able to use their VoIP
22 phones in a blackout.

23 COMMISSIONER HINES: No, everyone in
24 the city is not on VoIP. Actually it's a current
25 push for VoIP on our VoIP network is now... we're

2 in the middle of upgrading. Right after Sandy we
3 upgraded 5,000 telephones agencies that had phones
4 down because of Sandy, so we got them back up. We
5 expedited to get them up on our VoIP system, but
6 the VoIP... like DoITT has been on VoIP for years,
7 and our phones were not down at all during Sandy.

8 COUNCIL MEMBER KALLOS: But...

9 COMMISSIONER HINES: And there's other
10 agencies, smaller agencies that were on it, but now
11 it's the push that we're actually getting. [off
12 mic] How many agencies are planned?

13 COUNCIL MEMBER KALLOS: And you can
14 guarantee that in another multi-day blackout all of
15 our city agencies will stay online and reachable by
16 phone over VoIP because they would be over Copper.

17 COMMISSIONER HINES: Agencies that are
18 on our VoIP system, the VoIP we're confident that
19 it would stay up. Where you... and our CityNet
20 backbone, that stayed up during Sandy as well.
21 Where you run into issues is that if someone is
22 housed in a building where the power is out, that
23 that could prevent someone from having the
24 connectivity, but the actual system you know, both
25 our CityNet and our VoIP stayed up through Sandy

2 and we're confident it would in another instance
3 like that.

4 COUNCIL MEMBER KALLOS: And the next
5 question is on the consultants versus in-house.
6 You have quite... I believe it's \$24 million in
7 contracts. How many of those contracts can we
8 bring in to be done by in-house employees in order
9 to save obscene amounts of money?

10 COMMISSIONER HINES: With the
11 contracts, we have actually been making... we
12 actually had a pledge to consult to one, ensure
13 that what we hire consultants for are things that
14 are short-term, so project-related work as opposed
15 to support and operations. In the last five years
16 we...

17 ASSOCIATE COMMISSIONER WINKER: [off
18 mic] The last several years.

19 COMMISSIONER HINES: We've converted...

20 ASSOCIATE COMMISSIONER WINKER: [off
21 mic] Over 180. [chime]

22 COMMISSIONER HINES: Over 180
23 consultants to staff positions, so we are
24 constantly looking at that in order to...

2 COUNCIL MEMBER KALLOS: One more
3 question?

4 COMMISSIONER HINES: Sure. Keep going?

5 COUNCIL MEMBER KALLOS: Sorry, please
6 continue. I just...

7 COMMISSIONER HINES: So we are
8 constantly looking at that to actually bring things
9 in-house. Support of the city's Automated
10 Procurement Tracking system was brought in-house in
11 the last year, which used to be outsourced to a
12 consulting company. So we would have to take... we
13 would have to look at every one of those contracts
14 to see what would be able to be brought in-house,
15 but we're constantly doing that when we actually
16 enter into a contract so that we know while we're
17 going support mode that from the get go we actually
18 have city staff where possible as opposed to
19 relying on consultants.

20 COUNCIL MEMBER KALLOS: First, I want
21 to acknowledge the chair, Jimmy Vacca, for his
22 amazing leadership and thank him for letting me
23 have one last question. I am an open source
24 developer. What that means is when I create
25 software or code for a client, that client has the

freedom to do what they wish with it, which means that they can use it; they can change it; they can modify it and they give to somebody else and whatever they do with that they have to share back with me and anybody else that's the pre-software license. Can New York City make sure that any code that we are requesting or requiring be built be given to us under that license so that we have the freedom and the ownership over that code?

COMMISSIONER HINES: The code that we actually have consultants develop for us we do own. That's in every contract. Then it's custom code. It's not open source the way that you would like it, but we do you know, that is where...

DEPUTY COMMISSIONER HEINTZ:
[interposing] We just don't... you know, the underlying proprietary code is not ours, but any modifications and code changes that were admitted with the system are ours, so.

COUNCIL MEMBER KALLOS: So my suggestion... my request is just that we no longer accept proprietary code and we request that that proprietary code be provided to us so that we can open it, share it and provide it to other agencies,

2 other states, other cities and save millions if not
3 billions.

4 COMMISSIONER HINES: I hear you and
5 totally understand where you're coming from, but we
6 have to do it on a case-by-case basis depending on
7 what the solution or the technology is that we're
8 looking to build, what our competence level would
9 be in that open source. I would love to have you
10 come in and meet with our Deputy Commissioner for
11 Application Development, who spearheads those types
12 of initiatives for us.

13 COUNCIL MEMBER KALLOS: Thank you very
14 much.

15 CHAIRPERSON VACCA: Council Member
16 Rosenthal?

17 COUNCIL MEMBER ROSENTHAL: Thank you.
18 Thanks, Chairs, for holding this hearing. Thank
19 you, Chairman Vacca. Thanks for coming in today.
20 I'm asking you questions as chair of the Contracts
21 Committee.

22 COMMISSIONER HINES: Okay.

23 COUNCIL MEMBER ROSENTHAL: So I'd like
24 to ask about the HHS Accelerator. Is that housed
25 at DoITT and I'm actually new to this, so...

2 COMMISSIONER HINES: Okay, I'm smiling
3 because it's again, one of those programs, so
4 HHS...

5 [crosstalk]

6 COUNCIL MEMBER ROSENTHAL: Ah, I see.

7 [crosstalk]

8 COMMISSIONER HINES: Accelerator is
9 something... it actually did start in DoITT as a
10 technology project; it had been on our budget. It
11 transferred over to HRA. It's now an HRA program
12 and it's in their budget. That transferred a few
13 months ago and...

14 COUNCIL MEMBER ROSENTHAL: That
15 happened a few months ago.

16 COMMISSIONER HINES: Yeah.

17 COUNCIL MEMBER ROSENTHAL: Okay, 'cause
18 we were watching the contract... the budget for the
19 HHS Accelerator and it seemed to be set at one
20 level and then it has gone up because of release...
21 one... really, it seems to be some phasing. If you
22 could just explain that a little bit more or is it
23 all in HRA's daily roster?

24 [crosstalk]

25

2 COMMISSIONER HINES: It's all in HRA.
3 HHS Connect, which you've probably heard of also
4 and HHS Accelerator are both interagency human
5 service projects...

6 COUNCIL MEMBER ROSENTHAL:
7 [interposing] Uh-huh.

8 COMMISSIONER HINES: And they are on
9 HRA's budget now.

10 COUNCIL MEMBER ROSENTHAL: Can I ask
11 why it was moved over there? I mean just 'cause
12 it's sort of a procurement thing?

13 COMMISSIONER HINES: Yes, it's the
14 right place for it to be since it's deals with all
15 the human service agencies and when HHS Connect
16 first started as an idea for a multi-agency
17 technology platform, there wasn't an agency that
18 would do interagency projects like that, and I'm
19 going back probably eight or ten years I mean when
20 Lisa was here, and so it started in office with a
21 couple of people at DoITT and then it proved to be
22 the project what it currently is with the
23 additional functionality that it has and...

24 COUNCIL MEMBER ROSENTHAL:
25 [interposing] So is it... go ahead, sorry.

2 COMMISSIONER HINES: And just recently,
3 like in oh, in the last administration, the
4 decision was made in agreement that the rightful
5 home for it would be a human service agency that
6 could support it technologically.

7 COUNCIL MEMBER ROSENTHAL: And so the
8 staff literally went over.

9 COMMISSIONER HINES: Yes, it was a...

10 [crosstalk]

11 COUNCIL MEMBER ROSENTHAL: Okay and
12 we...

13 [crosstalk]

14 COMMISSIONER HINES: Functional
15 transfer.

16 COUNCIL MEMBER ROSENTHAL: Okay.

17 COMMISSIONER HINES: Getting the
18 contract.

19 COUNCIL MEMBER ROSENTHAL: Alright, so
20 I'll meet with... I'll talk to them at the HRA
21 hearing is what you're saying.

22 COMMISSIONER HINES: Yes.

23 COUNCIL MEMBER ROSENTHAL: Okay, got it
24 and then could you explain to me in perhaps just
25 similarly as in another agency, again, just looking

2 at the titles in the contracts budget, so I don't
3 know if this reflects what really exists, but it's
4 called "Systems Integration Serve for End to End
5 Procurement Overflow." The vendor's Accenture;
6 start date was December 2007; end date was supposed
7 to be just this past December and it looks like it
8 has a \$13 million overrun. Do you know this
9 project?

10 COMMISSIONER HINES: Do you have the
11 number set? That's... I referred earlier to the
12 Automated Procurement Tracking project.

13 COUNCIL MEMBER ROSENTHAL: Okay.

14 COMMISSIONER HINES: That's the system
15 that's used by the Mayor's Office of Contracts and
16 city oversight agencies to move contracts through
17 their approval process.

18 COUNCIL MEMBER ROSENTHAL: Yep.

19 COMMISSIONER HINES: The question about
20 budget, John?

21 COUNCIL MEMBER ROSENTHAL: So it's
22 housed at MOCS or with you guys?

23 COMMISSIONER HINES: It's MOCS. Is
24 that... what are you asking?

2 COUNCIL MEMBER ROSENTHAL: So it's
3 housed in MOCS; it not in...

4 COMMISSIONER HINES: [interposing]
5 It's... they drive...

6 [crosstalk]

7 COUNCIL MEMBER ROSENTHAL: So they have
8 something to do with it but...

9 [crosstalk]

10 COMMISSIONER HINES: They drive the
11 direction of the functionality that we would have.
12 They're the business owner, so they come up; you
13 know, we work with them on the requirements. The
14 actual platform itself we do all the application
15 support. That's one of the projects where
16 Accenture built it, Accenture was actually
17 supporting it and we recently brought in that
18 support to DoITT staff; to city staff to actually
19 maintain the system.

20 COUNCIL MEMBER ROSENTHAL: Okay, so
21 Accenture doesn't have anything to do with it
22 anymore. Accenture doesn't have anything to do
23 with it anymore; it's all...

24 COMMISSIONER HINES: No, we current...
25 no and...

2 [Pause]

3 COMMISSIONER HINES: Accenture is not
4 doing work on it anymore at this point.

5 COUNCIL MEMBER ROSENTHAL: Okay and
6 does someone have a route to the \$13 million in
7 cost overruns for that project?

8 COMMISSIONER HINES: [off mic] Do you
9 know?

10 ASSOCIATE COMMISSIONER WINKER: [off
11 mic] No.

12 COMMISSIONER HINES: No, we could get
13 back to you on that.

14 COUNCIL MEMBER ROSENTHAL: Would you?

15 COMMISSIONER HINES: Sure.

16 COUNCIL MEMBER ROSENTHAL: I'd be
17 interested in seeing that and then interested in
18 working with anyone on your staff who sort of
19 tracked it as it was being implemented. Thank you.
20 Thank you, Chair Vacca.

21 COMMISSIONER HINES: You're welcome.

22 CHAIRPERSON VACCA: How much money is
23 spent every year on outside consultants and are we
24 trying to look at that to see if... you know, these
25 are individuals in the private sector that we're

2 using to assess public programs and there is an
3 expenditure involved, so I'd just like to know how
4 much we spend on consultants and are we looking to
5 rein in those expenditures or do you think they're
6 appropriate at this level?

7 COMMISSIONER HINES: We definitely
8 are... we are looking to rein in and we are reining
9 in the costs that we spend on consultants. Like I
10 was saying earlier, it makes sense to do that where
11 we have an ongoing operation that we were relying
12 on consultants for support of an application once
13 it goes live. The city has had challenges where we
14 have not staffed up the right skill set before an
15 application goes live and then there's a reliance
16 on the consultant until you get that staff in.
17 What we're currently doing is when we have these
18 new projects that as we set off on them, we at the
19 same time as when we're looking to have someone
20 come in to build the system, we are also looking to
21 actually get the expense funding that's needed to
22 bring the staff in to work hand-in -hand with those
23 consultants so that there could be a good hand-off
24 when the project ends and so support could be
25

2 actually from the beginning be done by city
3 resources.

4 CHAIRPERSON VACCA: What do you now
5 spend on consultants and what are you looking to
6 get to relative to a smaller expenditure?

7 ASSOCIATE COMMISSIONER WINKER: [off
8 mic] Yeah, if we can back to him on the numbers,
9 but you know...

10 COMMISSIONER HINES: Right. We'll get
11 back to you on how much 'cause the numbers that we
12 would have for contracts would include you know,
13 hardware, software, consultants, so we would have
14 to get that breakdown, but we don't have a target
15 of we're looking to reduce by x percent because...

16 CHAIRPERSON VACCA: [interposing] But I
17 have to tell you, Commissioner, I would think that
18 this information should be easily accessible. I
19 mean I'm...

20 [crosstalk]

21 COMMISSIONER HINES: I...

22 [crosstalk]

23 CHAIRPERSON VACCA: Surprised... I'm
24 surprised you don't know how much money is being
25 spent on consultants and what is your target

2 number. I mean that should be... this is a 101
3 question really. I mean how much do you spend and
4 where do you want to get to?

5 DEPUTY COMMISSIONER HEINTZ: I just
6 want to... I can explain the nature of the
7 consultant activity. A lot of the larger
8 contracts have historically been fix priced, which
9 is generally preferred, and as the Commissioner
10 said, that is all inclusive, so you get a fixed
11 price. There could be a bunch of consultants on
12 the ground, but the price is not separated out for
13 them and that is in a majority of the bigger
14 contracts where you have most of your consultants.
15 Then there's consultants that we use to supplement
16 programs that we are not ready to support
17 ourselves. That number is generally not too large
18 in our agency. I mean it's under \$2 million
19 generally in a year, but those are the single
20 source consultants. It would be hard to pull out,
21 so the Accentures of the world and the large city
22 projects where you're getting a fixed price do not
23 really have a separate budget for consultants, so
24 that's just a difficulty. So we can get toward the
25 numbers for a lot of the consultants who are

2 working on... maybe in groups on a time and
3 materials basis and certainly we know the number of
4 consultants that are working at any given time, but
5 they also shift, so from one month to the next you
6 can be at 100 consultants less from April to March.
7 I mean it really... if a chunk of a program is
8 built a lot of consultants can watch. It's a very
9 dynamic number.

10 CHAIRPERSON VACCA: On average, how
11 many consultants do you have working for your
12 agency? On average last year how many consultants
13 were working during an average month for your
14 agency?

15 DEPUTY COMMISSIONER HEINTZ: Well,
16 for... well, it's not specific. On contracts that
17 our agency is supporting, which some of them are
18 for projects that are citywide, there was about 500
19 on average in a month, but these are for contracts
20 again that are supporting citywide programs. Those
21 500 people are not just all sitting in DoITT, but
22 so.

23 CHAIRPERSON VACCA: You're not saying
24 that we have 500 consultants working for the city
25

2 of New York assessing various programs. You're
3 saying...

4 DEPUTY COMMISSIONER HEINTZ:

5 [interposing] That are under DoITT's contracts.

6 CHAIRPERSON VACCA: Under DoITT's

7 contracts.

8 DEPUTY COMMISSIONER HEINTZ: Right, but

9 DoITT's contracts can be used by multiple city

10 agencies some of them.

11 CHAIRPERSON VACCA: Okay.

12 DEPUTY COMMISSIONER HEINTZ: So they're

13 not necessarily working at the Department of

14 Technology. Some number of them are.

15 CHAIRPERSON VACCA: But my

16 understanding is that we use contracts in this city

17 when we think they are going to result in cost

18 savings to us or when they possess a special

19 expertise that perhaps we don't have in city

20 government.

21 DEPUTY COMMISSIONER HEINTZ: Yes.

22 CHAIRPERSON VACCA: So ideally, we

23 should be looking to employ people that have the

24 expertise and we should be looking to do so at a

25

2 cost savings to the city rather than contracting
3 out. Are we doing that?

4 DEPUTY COMMISSIONER HEINTZ: And I
5 think the procurement system was a great example of
6 that where we actually supplemented the entire
7 Accenture staff, which, an hourly rate is
8 relatively high for a staff with that experience
9 and we've supplemented them all with city staff
10 now. It is fully city staffed and it's a very
11 large system. It's a proprietary system and we've
12 managed to train and attract city staff to run
13 that, so we've completely taken over the support to
14 that system now.

15 CHAIRPERSON VACCA: One last question,
16 which may be the subject of another hearing, but
17 with all the consultants that we use in this city
18 that you are an overseeing agency for, I want to
19 talk to you further about the evaluative process
20 you use...

21 DEPUTY COMMISSIONER HEINTZ:
22 [interposing] Yeah.

23 CHAIRPERSON VACCA: To evaluate
24 effectiveness; efficiency; performance; ethical
25 conduct. I mean I'm thinking of a whole range of

2 performance metrics that have to be assessed and
3 I'm interested in knowing that to see if we should
4 be looking to review that, that rubric as we go
5 forward.

6 DEPUTY COMMISSIONER HEINTZ: We've
7 gotten progressively better at that. We've
8 instituted a vendor management program at DoITT a
9 few years ago and we do our own performance
10 evaluations. We also participate in the city's
11 VENDEX process, which is there purposely to assess
12 the performance also, but we're doing a lot of
13 interesting things in-house too.

14 CHAIRPERSON VACCA: Thank you. Council
15 Member Dickens.

16 COUNCIL MEMBER DICKENS: Thank you,
17 thank you, Mr. Chair. The first thing... one
18 question. Thank you for coming for the testimony
19 and staying so long. You know, I know we're behind
20 schedule and we got started late. What percentage
21 and the dollar amount of DoITT's 115 contracts will
22 be issued to MWBEs?

23 COMMISSIONER HINES: Right.
24 Procurement falls under Annette Heintz. I'm
25 actually going to have her answer that.

DEPUTY COMMISSIONER HEINTZ: Yeah,
we...

[crosstalk]

COMMISSIONER HINES: We...

[crosstalk]

DEPUTY COMMISSIONER HEINTZ: I mean we
have...

[crosstalk]

COMMISSIONER HINES: Have 115...

DEPUTY COMMISSIONER HEINTZ:

[interposing] Yeah.

COMMISSIONER HINES: Number of
contracts. That is not correct though.

DEPUTY COMMISSIONER HEINTZ: Right.

[background voice]

COMMISSIONER HINES: Yeah.

DEPUTY COMMISSIONER HEINTZ: The 115 is
not... it's a number that sits in the city's budget
system at one time and it doesn't really reflect
ongoing contracts, but with that said, we had a 30
percent goal for the first quarter. We only have
the numbers for the first quarter of the fiscal
year. We have a 30 percent goal for Goods and
Standard Services for minority and women-owned

businesses and we are currently at 38 percent.
Just so that we can put some things in perspective,
DoITT's running about fifth out of the 19th largest
agencies and also we're right now above the general
city average for what we've issued so far, and I
think that's somewhere in the range of 60 contracts
would be included for that percentage to be
represented.

COUNCIL MEMBER DICKENS: Do you know
the dollar amount that that equates to?

DEPUTY COMMISSIONER HEINTZ: The dollar
amount?

COUNCIL MEMBER DICKENS: Yeah, that the
contracts... the percentage.

[crosstalk]

DEPUTY COMMISSIONER HEINTZ: It's under
a quarter of a million.

COUNCIL MEMBER DICKENS: Mm-hmm. Under
a quarter of a million.

DEPUTY COMMISSIONER HEINTZ: Yeah, that
was just the first quarter. These are a lot of...

[crosstalk]

COUNCIL MEMBER DICKENS: Oh, of the
first quarter, okay.

2 [crosstalk]

3 DEPUTY COMMISSIONER HEINTZ: The Goods
4 and Services contracts, yeah.

5 COUNCIL MEMBER DICKENS: And of those
6 60 contracts with 38 percent, which I you know,
7 commend you for, how many are MBEs versus MWBEs?
8 What is the breakdown? In other words, usually we
9 get a report card from the city agencies...

10 DEPUTY COMMISSIONER HEINTZ:
11 [interposing] Mm-hm.

12 COUNCIL MEMBER DICKENS: Which gives us
13 a thorough breakdown that you're aware of, which
14 breaks down MWBE into M, W and B.

15 DEPUTY COMMISSIONER HEINTZ: Right.
16 Yeah and it's done through another agency's data
17 and I don't have it with me. I know they do post
18 it, but I don't have it. They break it down into
19 columns by the type of minority-owned business
20 and...

21 [crosstalk]

22 COUNCIL MEMBER DICKENS: Can you get
23 that information...

24 [crosstalk]

25 DEPUTY COMMISSIONER HEINTZ: Yes.

2 [crosstalk]

3 COUNCIL MEMBER DICKENS: To us, please?

4 I would appreciate... or to Chair Vacca. Would you
5 get that information, please, that breakdown?

6 Thank you so much.

7 COMMISSIONER HINES: Also we are
8 expecting these numbers to go up. The recent
9 changes to the law as far as what contracts are
10 covered; what criteria they should meet would allow
11 more about contracts... would require more about
12 contracts to fall into the category of being
13 covered under MWBE, so we'll see that dollar value
14 going up.

15 COUNCIL MEMBER DICKENS: Well, I do
16 congratulate you in achieving and exceeding your
17 goal because frequently the city agencies don't
18 reach the goal and the goal is just what it is, a
19 goal. So I congratulate you for that and commend
20 for that; however, I do you know, want to see the
21 breakdown because MWBE and MBE is two different
22 things and I mean very...

23 [crosstalk]

24 COMMISSIONER HINES: Right and this is
25 very important to us. I mean we're actually very

proud that out of 19 agencies that participate in the program, we're fifth as far as with meeting or achieving our goals. Additionally, we actually have new contracts that we will be entering into this upcoming year where we actually have structured it differently to two sets of systems integration contracts so that we could have both smaller vendors and larger vendors so that we could get more you know, new blood into the city's contracting with MWBE vendors and other smaller boutique firms that may have actually not cut it against some of the larger vendors.

COUNCIL MEMBER DICKENS: Right.

COMMISSIONER HINES: And so we definitely... there will be a lot more coming in.

COUNCIL MEMBER DICKENS: I appreciate that, Mr. Hines. Also, on the... I want to ask about the public WiFi in the parks, particularly in Marcus Garvey Park. It's currently I believe operating through the amphitheatre. Is that correct? Am I correct in that?

COMMISSIONER HINES: I am not sure...

[crosstalk]

2 COUNCIL MEMBER DICKENS: Well, I'm
3 looking at your...

4 [crosstalk]

5 COMMISSIONER HINES: Whether it's going
6 to that park or not.

7 [crosstalk]

8 COUNCIL MEMBER DICKENS: Testimony,
9 that's... that's... or where it's in...

10 [crosstalk]

11 COMMISSIONER HINES: I'm not sure what
12 part of the park it's in. I know it is in that
13 park.

14 [crosstalk]

15 COUNCIL MEMBER DICKENS: But currently
16 it's at the Marcus Garvey Park.

17 COMMISSIONER HINES: Correct.

18 COUNCIL MEMBER DICKENS: And we have a
19 watchtower, which is the highest point, probably in
20 Northern Manhattan or one of the highest points,
21 and we, the City Council, as well as the former
22 Manhattan borough president put in the funds
23 necessary in order to refurbish and rebuild the
24 fire watchtower, which historically had been a
25 communications hub, and today it would be a WiFi.

2 I want to know is there any consideration and what
3 would be the cost, if you know, in order to utilize
4 the fire watchtower, which would extend the reach
5 because it sits much higher than the amphitheatre
6 does, that's number one. And number two, at City
7 College during the Sandy Storm, City College had
8 the only radio station that actually was
9 operational in Manhattan and was continuing to be
10 used, and as such, it has now received a
11 designation and additional funding. Is there any
12 consideration in the utilization, because if you're
13 familiar with City College, it too sits up on a
14 hill, a high hill and so would there be any
15 consideration and if so, cost inherent and if not,
16 could you get back to us with the utilization of
17 the radio station so that it would be able to
18 extend citywide because it was used in Superstorm
19 Sandy?

20 COMMISSIONER HINES: That, as far as
21 City College, I mean we don't have jurisdiction
22 over that type of deal.

23 ASSOCIATE COMMISSIONER WINKER: No, the
24 funding that we have from Time Warner and
25 Cablevision for the parks WiFi is specific to

2 parks; it has to be parks. I don't happen to know
3 if the fire watchtower is in a park area, but I
4 will pass that on. The Parks Department does the
5 actual site selection...

6 COUNCIL MEMBER DICKENS: [interposing]
7 Mm-hm.

8 ASSOCIATE COMMISSIONER WINKER: Even
9 though obviously, the franchise agreements are
10 ours, but we talk to them obviously very regularly
11 and I will pass that suggestion on. As to City
12 College, if there's a park within or nearby City
13 College we could certainly look at that, but the
14 college campus itself would not be obviously a
15 park.

16 COUNCIL MEMBER DICKENS: Got it. Oh,
17 Chair, would you please get that information
18 because the City College did provide access during
19 Superstorm Sandy when everything was shut down,
20 that's part one, and they're very interested in
21 doing that. In fact, they've gotten some
22 additional funding just for that, for emergency
23 use. Then about the fire watchtower, which City
24 Council has had hearings around the watchtower, if
25 you remember. [background voices]

2 COMMISSIONER HINES: Sure, we'll
3 look... we'll look into...

4 [crosstalk]

5 CHAIRPERSON GREENFIELD: We're...

6 [crosstalk]

7 COMMISSIONER HINES: It and...

8 [crosstalk]

9 CHAIRPERSON GREENFIELD: We're going to
10 send a detailed...

11 [crosstalk]

12 COMMISSIONER HINES: Get it to the
13 appropriate person...

14 [crosstalk]

15 CHAIRPERSON GREENFIELD: We're going to
16 send a detailed list of questions, Council Member,
17 including that question for follow-up that we don't
18 have time to deal with right now. Thank you very
19 much. I actually do you want to follow-up on the
20 parks question. It's sort of pretty random in
21 terms of which parks have Wi-Fi and which parks
22 don't. Is there a plan to try to bring Wi-Fi to
23 all the parks? What's sort of the status of the
24 expansion as well?

2 COMMISSIONER HINES: So we're actually
3 ahead of our targets as far as with how many parks
4 we thought we'd be able to do. We are not budgeted
5 and the cable franchises aren't required to do
6 every single park, but Charles Fraser can go into a
7 little bit more detail.

8 CHARLES FRASER: Between the two of
9 them, Time Warner and Cablevision, when we renewed
10 their franchises in 2011, they committed \$10
11 million to Parks WiFi. At that time, we, and we as
12 in my predecessors, estimated that would outfit 32
13 parks. We have reached 60 as of last Friday and
14 have a fair way to go. That will not cover all the
15 parks in the city by any means, and the Parks
16 Department is making the selections largely I will
17 say an important factor, aside from geographic
18 disbursement and so on, an important factor is
19 cost. The closer there's a fiber drop to the park,
20 the cheaper it is and of course, one of the things
21 they're looking at is usage of the parks. If it's
22 a lightly used park, they're not going to spend a
23 lot of money out of the \$10 million. If it's a
24 heavily used park, they're more likely to spend the
25 money. So the \$10 million will get us a lot

2 farther than we had thought, but it certainly won't
3 get us every park in the city. Now, your broader
4 question, we're always looking for opportunities to
5 expand WiFi, and I can tell you we've started
6 meeting with key staff at City Hall to explore not
7 only whatever we already have in the works, but
8 expansion of efforts to move broadband out.

9 CHAIRPERSON GREENFIELD: Why not make
10 it contingent upon the franchise agreement to
11 expand the WiFi across to all the parks?

12 CHARLES FRASER: As I said, we
13 negotiated this in the 2011 renewals. They don't
14 come up again until 2020 and we will certainly do
15 that, although you have to understand that we
16 can't... this is a negotiation. We can't just say
17 you have to do the following things. It's
18 something you work out an agreement with and
19 everything we ask for, there's something we have to
20 give up. That's the way negotiation works, so.

21 CHAIRPERSON GREENFIELD: Very familiar
22 with the negotiations, so thank you for that little
23 primer there. Appreciate it. We're going to have
24 a final question from Council Member Helen
25 Rosenthal and then we will send other questions

2 just due to time. We are limiting the hearing
3 because we have another hearing that is already
4 overdue.

5 COUNCIL MEMBER ROSENTHAL: Very quickly
6 then. Thank you for your indulgence. I just want
7 to get back to, and we can talk about it
8 afterwards, but to the HHS Accelerator, do you know
9 how many staff people went over to HRA to work on
10 that?

11 [Pause]

12 COMMISSIONER HINES: We can get back to
13 you. It was under a dozen. Probably...

14 [crosstalk]

15 COUNCIL MEMBER ROSENTHAL: About...

16 [crosstalk]

17 COMMISSIONER HINES: Under 10 people.

18 COUNCIL MEMBER ROSENTHAL: Great.

19 COMMISSIONER HINES: But we could get
20 back to you on that.

21 [crosstalk]

22 COUNCIL MEMBER ROSENTHAL: Thank you.

23 [crosstalk]

24 COMMISSIONER HINES: With a more
25 specific number.

2 COUNCIL MEMBER ROSENTHAL: And then
3 similarly, with the center project you seemed to
4 say that there were newly trained staff. There
5 were people who were newly trained to work this new
6 program that then moved over to MOCS or they were
7 trained at MOCS. I didn't see a staff increase
8 when I was looking at...

9 [crosstalk]

10 COMMISSIONER HINES: It...

11 [crosstalk]

12 COUNCIL MEMBER ROSENTHAL: Their
13 scheduled fee.

14 COMMISSIONER HINES: It was existing
15 positions and some of them were... people were in
16 the lines already on staff doing application
17 support, but they were trained in the technology of
18 the actual application, the software that's being
19 used for ATT, but it wasn't any change in the
20 number of employees. They do that in addition to
21 other applications at the support as well.

22 COUNCIL MEMBER ROSENTHAL: The reason I
23 ask is I'm just concerned that we're asking,
24 particularly MOCS to do quite a bit of work, as
25 I've learned more about contracting without giving

2 them additional lines and I'm wondering whether or
3 not we're tying their hands or whether they really
4 can succeed in what we're asking them to do if
5 we're not giving them more staff.

6 COMMISSIONER HINES: Right. The MOCS
7 staff is not in our budget. We're only speak...

8 [crosstalk]

9 COUNCIL MEMBER ROSENTHAL: I got you.

10 COMMISSIONER HINES: Right. We're only
11 speaking about the application of support staff
12 that supports the application that MOCS uses to
13 approve... MOCS and other agencies...

14 COUNCIL MEMBER ROSENTHAL:

15 [interposing] Right.

16 COMMISSIONER HINES: For the oversights
17 that actually have to approve contracts. MOCS has
18 other systems they use as well.

19 COUNCIL MEMBER ROSENTHAL:

20 [interposing] Yep.

21 COMMISSIONER HINES: But the APT system
22 is the one that we maintain for them and we...

23 [crosstalk]

24 COUNCIL MEMBER ROSENTHAL: Yep.

25 [crosstalk]

2 COMMISSIONER HINES: Provide the
3 project management for...

4 [crosstalk]

5 COUNCIL MEMBER ROSENTHAL: It just
6 feels like we're not setting them up to succeed,
7 but maybe I can learn more about it afterwards.

8 COMMISSIONER HINES: Okay.

9 COUNCIL MEMBER ROSENTHAL: Thank you.

10 COMMISSIONER HINES: You're welcome.

11 COUNCIL MEMBER ROSENTHAL: Thank you.

12 CHAIRPERSON GREENFIELD: Alright, with
13 that, we will conclude. Like I said, we have
14 several other questions that we have. We will send
15 them to you in writing. We ask for a prompt
16 response. It's just a matter of that we are over
17 our schedule today on hearings. We'll be sure to
18 take 90 minutes for each of the segments during the
19 Executive Budget hearing to prevent this from
20 reoccurring, but we thank you all for your
21 testimony and we now invite the Department of City
22 Planning. Thank you.

23 [Pause]

24 CHAIRPERSON GREENFIELD: If any Council
25 Members have specific questions that were not

2 addressed here today, if they could please send it
3 to myself or the committee counsel, we will then
4 forward those questions onto DoITT. Thank you.

5 [Pause]

6 CHAIRPERSON GREENFIELD: Folks, if
7 you're not staying for this hearing, we ask that
8 you please take your conversations outside so that
9 we can start the next portion of our hearing.
10 Thank you very much.

11 [Pause]

12 CHAIRPERSON GREENFIELD: Thank you. In
13 the interest of time, when I made my opening
14 remarks... [pause in tape] right to you, Mr. Chair.

15 CHAIRMAN WEISBROD: Thank you very
16 much, Mr. Chairman. Good afternoon, Chairman
17 Greenfield and subcommittee Chairs Weprin and
18 Dickens and distinguished members of the committee.
19 I thank you for the opportunity to be here today
20 and to discuss the Department of City Planning's
21 Preliminary Fiscal Year 2015 Budget.

22 I am excited to rejoin the Department
23 of City Planning after an almost 30-year hiatus and
24 to be taking the helm at a time of both incredible
25 challenge, but also tremendous opportunities to use

2 the tools of government to achieve a new,
3 progressive vision for this city. City Planning
4 has always been at the crossroads of growth and
5 change and it must be a major driver in
6 transforming the goals of this administration into
7 reality. While this is literally my fourth day at
8 City Planning, let me discuss briefly what I see as
9 our priorities going forward.

10 To address the crisis in inequality in
11 the city, the administration has set an ambitious
12 agenda, which at City Planning we will be fully
13 dedicated to achieving. First and foremost, to
14 address affordability, all of us in the city must
15 work together to create and preserve affordable
16 housing, 200,000 units over the next 10 years. We
17 are actively engaged under the direction of Deputy
18 Mayor Alicia Glen in developing a plan to achieve
19 this ambitious goal, and as the Mayor announced in
20 his State of the City, we will be reporting back in
21 May to discuss the specifics of the plan.

22 Second, we have to develop strong,
23 mixed use communities that support New Yorkers with
24 a broad range of incomes; neighborhoods that
25 provide not only housing, but also jobs, schools,

2 grocery stores and access to public transit that
3 make a neighborhood sustainable and livable. We at
4 City Planning will be working with our partners in
5 government to make sure that we are planning from
6 the ground up and investing in neighborhoods that
7 are sustainable for the long-term. I am a strong
8 believer in working with and in neighborhoods. My
9 entire professional life, be it in Times Square,
10 Lower Manhattan, Hudson Square, have been spent
11 doing exactly that. And speaking of
12 sustainability, we all know that neighborhoods
13 affected by Hurricane Sandy have the doubly
14 challenging task of rebuilding and addressing the
15 long-term challenges of climate change and sea
16 level rise.

17 And finally, we need to do a better job
18 in making sure that the machinery of government is
19 working for us faster, better and focused on
20 results. The department has begun, as I think you
21 know, through its Blueprint initiative to reduce
22 the bureaucracy associated with moving through the
23 ULURP process and we will continue to invest in
24 upgrading the process, including a new technology
25

2 that allows for online filing and more transparent
3 review tracking.

4 Let me turn briefly to the budget. The
5 department began FY '14 with an Expense budget
6 appropriation of \$21 million, which consists of 35
7 percent or \$7.3 million in city tax levy funds and
8 65 percent or \$13.5 million in federal and other
9 funds. Of this, \$18.1 million, 87 percent, is
10 allocated for Personnel Services and supports a
11 budgeted head count of 234 full-time staff and 12
12 members of the City Planning Commission. For the
13 full-time staff, 60 are tax levy funded and 174 are
14 funded by federal and other grants. The balance of
15 \$2.7 million or 13 percent is allocated to OTPS.

16 Since adoption, the department has
17 undergone two modest financial plan changes
18 pursuant to direction from OMB. First, as in the
19 past, due to staggered federal, city and state
20 budget cycles, the FY '14 Budget at adoption
21 reflects only a portion of the anticipated total
22 federal and state grant funding for the fiscal
23 year. As part of the November Financial Plan, the
24 department's federal and state grants budget was
25 updated to include \$1.2 million in funding along

2 with seven positions, bringing the agency full-time
3 head count to 241. Second, the January Plan also
4 includes an additional \$198,000 in technical
5 adjustments related to Brooklyn office rent and
6 certain fringe adjustments.

7 The department's FY '15 Preliminary
8 Budget calls for total allocation of \$20.3 million.
9 Compared to the FY '14 adopted Budget, the '15
10 Budget is reduced by \$571,000 and the budgeted
11 staff is reduced from 234 to 231. These changes
12 reflect the net reduction of \$211,000 that
13 represented the three positions funded on a
14 temporary basis and a net reduction of \$359,000 in
15 Blueprint Training funds. The department has a
16 revenue target of \$2.6 million for FY '14. The
17 combined ULURP and CEQR fee portion of the revenue
18 target is \$2.5 million and to date, we've collected
19 \$2.1 million in ULURP and CEQR fee revenues.

20 In my review of these existing and
21 prior budgets, I am quite concerned about the sharp
22 reductions in funding and staffing experienced by
23 the department over the several years. Since FY
24 '08, the department has lost 68 staff, and together
25 with OTPS reductions the department's budget has

2 declined by approximately 30 percent. All areas of
3 the department have experienced significant
4 reductions, including the loss of 21 staff in the
5 borough offices and 18 staff in the functional
6 planning divisions. Technical and support staff
7 throughout the agency have also declined.

8 Moreover, these reductions are exacerbated because
9 the agency has had to increasingly rely on grant
10 funding to support a portion of its staff. As a
11 result, certain staff cannot be flexibly assigned
12 to work on priority projects and needs because they
13 are dependent on a certain federal or state grant
14 and as a result, certain staff cannot be flexibly
15 assigned on priority projects and up to 11 existing
16 staff risk losing their jobs if we cannot find
17 alternative funding sources.

18 The department has dealt with these
19 reductions in part by increasing the use of
20 technology, cross-training to allow for more
21 flexible assignments of staff where possible and
22 significant efficiencies created through the
23 Blueprint process reform effort. The downturn in
24 the economy and related decrease in the quality of
25 private land use applications has also helped

2 alleviate the impacts of these reductions, but it's
3 a poor way to see reductions alleviated. As the
4 economy has improved, however, and the application
5 workload has increased, the impact of these
6 reductions is becoming more and more evident.

7 The Mayor has made it clear that he
8 sees the central role for City Planning in
9 addressing inequality in the city from achieving
10 200,000 affordable homes over the next 10 years to
11 creating good jobs and strengthening neighborhoods,
12 so in the coming weeks I will be taking a careful
13 look at how we are using our resources today, how
14 we can use them more effectively and how we might
15 be able to create and add new resources in order to
16 achieve the agenda laid out by the May

17 Given the overall constraints on the
18 city's budget, we will have to make some hard
19 choices about where to prioritize our efforts and
20 we will make sure that our resources remain focused
21 on meeting our primary agenda of tackling
22 inequality and affordability throughout the city.
23 And to achieve that, I look forward to hearing from
24 each of you and leaders across the city about the
25 challenges facing your communities on the ground

2 and how we can work together to improve the lives
3 for all New Yorkers. And with that, Mr. Chairman,
4 I am prepared to answer your questions. Let me
5 just introduce... I think you already know Richard
6 Barth, the Executive Director of the department;
7 Carolyn Grossman, our head of Intergovernmental
8 Relations and we have other staff here as well;
9 Maureen Brooks and Purnell Lancaster to answer any
10 of your questions that I'm not able to answer,
11 simply on the grounds that I might not know yet.
12 So with that...

13 CHAIRPERSON GREENFIELD: [interposing]

14 Thank you, Mr. Chair, and I just want to be
15 perfectly clear, because it's day four, we're not
16 going to cut you any slack at all. I know...

17 CHAIRMAN WEISBROD: I figured.

18 CHAIRPERSON GREENFIELD: Okay, I'm just
19 making sure we got that out there. So actually, we
20 share your concerns about staffing and certainly
21 it's a significant concern and something that needs
22 to be addressed. I specifically want to focus on
23 the experience of staff. I understand that many of
24 your staffers have retired or moved onto other
25 positions. Are you concerned about replacing them

2 not just from a fiscal perspective, but also in
3 terms of the experience level that you have had and
4 the fact that many of those folks have since
5 migrated elsewhere?

6 CHAIRMAN WEISBROD: Yes, indeed and as
7 you know, as of tomorrow... as I think you know, as
8 of tomorrow, we will be losing one of our most
9 distinguished and experienced staff members, David
10 Karnovsky, the General Counsel of the department,
11 and I look forward to making an announcement very
12 soon about his successor, but certainly I do
13 recognize the need to retain the experience and
14 knowledge that exists in the department, as well as
15 I believe inject the department with some new
16 thinking, new blood and new resources.

17 CHAIRPERSON GREENFIELD: You know, I
18 will certainly support your consideration and
19 hopefully your eventual application to hire more
20 staff. I would ask that you keep in mind though,
21 on the flip side that we used to have 34 staffers
22 in the Land Use Committee. We are down to 14, so
23 we're suffering equally. So we certainly need more
24 staffers across the board both in the
25 administration and our side as well.

2 CHAIRMAN WEISBROD: We suffer together.

3 CHAIRPERSON GREENFIELD: Yes, exactly,
4 in solidarity. I wondered about the last six
5 months of the Bloomberg Administration. As you
6 know, they effectively emptied the cupboard of
7 projects within City Planning. For lack of a
8 better term, there was a mad rush for them to get
9 their projects certified before the new Commission
10 and new Mayor who'd come into place, so I'm
11 wondering what impacts you think that's going to
12 have on the workload of City Planning and whether
13 you're anticipating a increase or perhaps a
14 decrease in applications to City Planning.

15 CHAIRMAN WEISBROD: Well, I think
16 with... there's certainly a number of projects in
17 the pipeline. There's a number of projects; I'll
18 just mention East Midtown; that was not enacted at
19 the end of the Bloomberg Administration. That is a
20 high priority to take a look at and we have a very,
21 very ambitious new agenda and so I think that the
22 workload of the department is going to increase
23 significantly and there is quite a bit that is
24 currently in the pipeline, not all of which
25 obviously I am yet intimately familiar with.

2 CHAIRPERSON GREENFIELD: Can you tell
3 us a little bit more about that significant agenda?
4 Obviously, as the new Chair or the new Mayor we're
5 anticipating a significant shift in policy for the
6 department. Can you elaborate a little bit about
7 that?

8 CHAIRMAN WEISBROD: Well, I think as
9 the Mayor has made clear and certainly I've made
10 clear and when I was appointed and has been clear
11 over the course of the first two plus months of the
12 administration, affordable housing is the number
13 one priority. I think we have seen... one thing
14 that I've seen is that the housing crisis literally
15 affects every single neighborhood in the city of
16 New York and it affects those neighborhoods in
17 different ways. It affects different populations,
18 but I'm not aware of a single neighborhood in the
19 city of New York that is not deeply affected by the
20 housing crisis and our need to produce more
21 housing. So that's clearly the number one on our
22 agenda and our goal is... we can't obviously do it
23 exclusively at City Planning, but we are working
24 extremely closely with our sister agencies; HPD,
25 with Deputy Mayor Glen's office, with HDC, with a

2 variety of different agencies, so one, the
3 overarching priority is certainly going to be
4 housing. I would say the second thing is that, as
5 I indicated in my prepared remarks, I am personally
6 a big believer in planning from the ground up
7 rather than from the top down, and that often is a
8 lot more challenging. It results in better plans
9 when all community and other interested parties are
10 heard from and have an opportunity to express their
11 views, but it requires... it's more work intensive
12 than simply imposing plans from above. And third,
13 I believe that planning is more than simply Land
14 Use planning. Clearly, that is the department's
15 major function, but planning also includes social
16 planning; it includes health; it includes
17 education; it includes infrastructure and open
18 space and how all of that fits together and how we
19 work with other agencies I think is going to be a
20 very important part of how I go about this.

21 CHAIRPERSON GREENFIELD: Great. We're
22 certainly happy to hear that. We've had concerns
23 in the past over the spillover effect that
24 developments have has, specifically as it relates
25 to open spaces and education and infrastructure, so

we're certainly very pleased to hear that the Chair will be taking those items into consideration and what the...

[crosstalk]

CHAIRMAN WEISBROD: And let me just add one thing to that and because I alluded to this also in my remarks. In every... most of my career, except my career in city government, has... including some of my career in city government, has been specifically focused on specific neighborhoods and for the most part, when I've done that I have moved or made sure that my office was in those neighborhoods. Now, that's just not possible to do from...

[crosstalk]

CHAIRPERSON GREENFIELD: You're not going to have a road in your office now, are you?

[crosstalk]

CHAIRMAN WEISBROD: But it does mean from my perspective that the borough offices become increasingly a focus of activity and a resource to their boroughs and to the neighborhoods they serve.

CHAIRPERSON GREENFIELD: And absolutely. I mean we certainly appreciate that.

2 I think our concern in the past has been that
3 developments have gone up that have not necessarily
4 reflected the part... them being part of a
5 neighborhood and certainly with your background and
6 experience we're looking forward to that being
7 reflected in your city planning, so thank you.

8 CHAIRMAN WEISBROD: Thank you, Mr.
9 Chair.

10 CHAIRPERSON GREENFIELD: I want to pass
11 it onto Council Member Mark Weprin, to be followed
12 by Council Member Reynoso, to be followed by
13 Council Member Dickens and then Rosenthal.

14 COUNCIL MEMBER WEPRIN: Thank you, Mr.
15 Chair. How are you today? Good to see you.

16 CHAIRMAN WEISBROD: Good to see you,
17 Mr. Chair.

18 COUNCIL MEMBER WEPRIN: Thank you and
19 congratulations.

20 CHAIRMAN WEISBROD: Thank you.

21 COUNCIL MEMBER WEPRIN: I had a couple
22 of questions. First, the Bloomberg Administration
23 and Chair Burden, we're very proud of the fact that
24 they had a huge amount of downzonings throughout
25 the city, which had been very popular in a lot of

2 neighborhoods. Is that something you intend to
3 continue and is that something you have a lot on
4 the docket already for citywide; downzoning?

5 CHAIRMAN WEISBROD: Well, as is evident
6 by the charge to create 200,000... or preserve...
7 and/or preserve 200,000 units of housing over the
8 next 10 years, we're really going to be focused on
9 opportunities for where a development can occur. I
10 think there were a number of downzonings over the
11 course of the Bloomberg Administration. I'm
12 certainly not suggesting there won't be others
13 where it's appropriate, but I think the emphasis,
14 as the Mayor has made clear, is where are housing
15 opportunities going to be and that's something that
16 we're just now beginning to look at seriously. So
17 I think that's in terms of the balance, that's
18 where the balance is going to be.

19 COUNCIL MEMBER WEPRIN: Okay, well, I'm
20 sure you've anticipated my second question, which
21 is in order to reach 200,000 units is it your
22 feeling that this can be done in large part due to
23 developers building affordable housing as part of
24 real estate development and inclusionary housing or
25 do you anticipate doing change of zonings from

2 manufacturing districts to residential or possibly
3 commercial districts to residential or those type
4 of things?

5 CHAIRMAN WEISBROD: You know, I think
6 there will be a mix of approaches. Inclusionary
7 zoning in and of itself is not going to produce
8 200,000 units of housing, and upzonings in and of
9 themselves are not going to produce 200,000 units
10 of housing. As I said in my prepared remarks, we
11 are part of Deputy Mayor Glen's initiative to come
12 up with a housing approach by May 1st and that's a
13 directive from the Mayor, so we are a part of a
14 much, much broader effort. That said, I will say
15 one thing about whether it's upzonings or rezonings
16 or inclusionary housing that we do see when we,
17 through governmental action, are creating
18 significant value for private property owners and
19 we encourage that. We want to see people risk
20 capital and make investments, and we assess that on
21 the basis of whether that from a Land Use from
22 perspective that increase in value makes sense. We
23 also want to make sure that the public shares in
24 that increased value and I think that will be a
25

2 hallmark of how we approach zoning issues going
3 forward.

4 COUNCIL MEMBER WEPRIN: Okay, and in
5 your first 96 hours on the job, has the subject of
6 Midtown East already been discussed about
7 recertifying Midtown East or has that not quite
8 made it to the first week?

9 CHAIRMAN WEISBROD: It's been discussed
10 in my head, Mr. Chairman, but it has not been
11 discussed formally with the staff yet.

12 COUNCIL MEMBER WEPRIN: So is that
13 something you anticipate will be fairly soon as far
14 as starting...

15 [crosstalk]

16 CHAIRMAN WEISBROD: I think...

17 [crosstalk]

18 COUNCIL MEMBER WEPRIN: To start the
19 clock again?

20 CHAIRMAN WEISBROD: When East Midtown
21 zoning was not enacted last year, Mayor de Blasio
22 made it clear that it was going to be a high
23 priority and it will be a high priority, so I can't
24 give you an exact timetable for it yet, but
25 certainly it is a very high priority on our agenda.

2 COUNCIL MEMBER WEPRIN: Alright, I'm
3 going to stop. I know that other people have
4 questions. We do want to wish you all the best and
5 look forward to working with you and we were very
6 happy when you got appointed. Certainly everybody
7 felt like you were a terrific appointment and
8 certainly someone with the knowledge and experience
9 that's needed so...

10 [crosstalk]

11 CHAIRMAN WEINBROD: Thank you very
12 much.

13 [crosstalk]

14 COUNCIL MEMBER WEPRIN: Thank you and
15 good luck.

16 CHAIRMAN WEINBROD: And I look forward
17 to working with you as well.

18 COUNCIL MEMBER WEPRIN: Thank you.

19 CHAIRPERSON GREENFIELD: Thank you,
20 Chair Weprin, and Council Member Reynoso, to be
21 followed by Council Member Dickens.

22 COUNCIL MEMBER REYNOSO: I would to
23 defer my time temporarily to Council Member
24 Dickens, and then hopefully I can ask question as
25 well, so Council Member Dickens.

2 COUNCIL MEMBER DICKENS: Thank you so
3 much, Council Member Reynoso, and good afternoon,
4 Chair Weisbrod. I'm...

5 CHAIRMAN WEISBROD: [interposing] Good
6 afternoon.

7 COUNCIL MEMBER DICKENS: I'm very
8 familiar with Richard and Carolyn. I wanted to
9 introduce myself because I chair the Subcommittee
10 on Planning, Dispositions and Concession and
11 obviously, more than any other committee, we will
12 be working closely together in addition to the fact
13 that I've done several rezoning, some of which have
14 been most contentious. And I'm doing this because
15 I was not introduced as the chair of Planning,
16 which did not follow protocol, and I find it
17 somewhat disrespectful that I was not introduced
18 nor got the first question in, so I wanted to
19 introduce myself to you so you would know who I am
20 and I would know who you are so that we are able to
21 continue to work together effectively and
22 respectfully. Thank you.

23 CHAIRMAN WEISBROD: I thought I did
24 recognize you, Chair Dickens as...

2 COUNCIL MEMBER DICKENS: [interposing]

3 You may have recognize me because I am... I have
4 been a council member...

5 [crosstalk]

6 CHAIRMAN WEISBROD: In fact, you and I
7 have worked...

8 [crosstalk]

9 COUNCIL MEMBER DICKENS: For several
10 years.

11 [crosstalk]

12 CHAIRMAN WEISBROD: Together in the
13 past, but before...

14 [crosstalk]

15 COUNCIL MEMBER DICKENS: Yes, we did.

16 [crosstalk]

17 CHAIRMAN WEISBROD: My city... this
18 experience and I did recognize you...

19 [crosstalk]

20 CHAIRPERSON GREENFIELD: Chair, we
21 apologize. We didn't realize that you had
22 questions. We will cede the floor to Chair Dickens
23 to be followed by Chair Reynoso.

24 COUNCIL MEMBER REYNOSO: Thank you.
25

2 COUNCIL MEMBER DICKENS: Thank you,
3 Chair and thank you, Council Member Reynoso, for
4 allowing me some of your time.

5 COUNCIL MEMBER REYNOSO: Absolutely,
6 not at all.

7 CHAIRMAN WEISBROD: And needless to
8 say, I do look forward to working with you for
9 sure, so thank you.

10 COUNCIL MEMBER DICKENS: Thank you so
11 much. I just wanted it on the record because that
12 introduction was not made, as was done with any
13 committee where there are subcommittees that have
14 hearings under the full committee, as Chair Vacca
15 would do it, so I just wanted to put it on the
16 record. Thank you.

17 CHAIRPERSON GREENFIELD: Chair Dickens,
18 do you have any other follow-up questions?

19 COUNCIL MEMBER DICKENS: No follow-up
20 questions, thank you, Chair.

21 CHAIRPERSON GREENFIELD: Just so you
22 know that we waived our... which is a fair point,
23 but in the interest of time, we actually made the
24 remarks at the initial opening of the hearing, but
25 in the interest of time, we waived our opening

2 remarks, so we certainly apologize for that
3 oversight. It was not intentional.

4 [crosstalk]

5 COUNCIL MEMBER DICKENS: Yeah, you have
6 waived mine, that's one and two, because this is
7 such an important committee... Land Use is one of
8 the most important committees. Two, the City
9 Council to the residents of this entire great city
10 and because there's a new chair at City Planning, I
11 thought that it was incumbent upon us and it's a
12 responsibility that the chair would get to know the
13 members that chair the committees that he would be
14 ultimately working with. Thank you.

15 CHAIRPERSON GREENFIELD: Thank you,
16 Chair Dickens. Council Member Reynoso.

17 COUNCIL MEMBER REYNOSO: Thank you,
18 Chair. Well, my name is Antonio Reynoso and I'm
19 the Council Member of the 34th District, which
20 encompasses Bushwick and Williamsburg in Brooklyn
21 and Ridgewood in Queens. I want to introduce
22 myself first and foremost. I was hoping that this
23 wouldn't be the first time we meet each other or we
24 speak on issues that are concerning to our
25 communities, but I do want to say that in your

2 testimony, you made statements regarding an attempt
3 to work alongside government and neighborhoods and
4 I really think that I would like for you to expand
5 on how you see that happening moving forward and
6 hoping that we can start building a relationship
7 where we're actually working together.

8 CHAIRMAN WEISBROD: Well, as I
9 indicated, I believe in my response to an earlier
10 question, I do believe in engaging early on in the
11 planning process; local elected officials local
12 community groups, other constituencies as we plan
13 from the ground up rather than from the top down.
14 I've done that my entire life. I've done that in
15 every neighborhood I've worked in and I fully
16 expect to be doing that here, and one way that I
17 intend to do it is by investing more authority and
18 responsibility in the borough offices because they
19 are really City Planning's roots in neighborhoods
20 and I honestly wish... 'cause that's what I enjoy
21 literally, living in the communities that I'm
22 working in. I can't do that citywide obviously,
23 but that's my basic approach, which is how do we do
24 all of this together rather than the city versus a
25 neighborhood. It should be the city and

2 neighborhood interests coalescing for a common
3 good.

4 COUNCIL MEMBER REYNOSO: Thank you, and
5 you know, so just recognizing that the city is the
6 administration, the City Council and of course, our
7 neighborhoods.

8 [crosstalk]

9 CHAIRMAN WEISBROD: Of course.

10 [crosstalk]

11 COUNCIL MEMBER REYNOSO: Recognizing
12 that I think is extremely important and I hope that
13 your leadership imposes that to a certain degree
14 within the department so that we can make sure that
15 we have a great working relationship and that we
16 look forward to changing the city in a positive
17 way. And also, looking forward to your aggressive
18 moves or aggressive I guess tactics in fighting for
19 affordable housing, but that we also account for
20 infrastructure issues that I think are significant
21 or as important as affordable housing and that we
22 don't just pit one against another and of course,
23 conversations with local communities are extremely
24 important and conversation with elected officials
25 that represent those communities would help make

2 sure that that happens, and I guess that's just
3 more of a comment than anything else and hopefully
4 I'll be seeing you soon one-on-one.

5 CHAIRMAN WEISBROD: I look forward to
6 it, and let me just... in response to what you just
7 said, I think one of things we've seen in the city
8 a good transformation really of how zoning has
9 changed over the last two or three or more decades
10 is that the old notion of zoning being essentially
11 segregating uses by putting residential here and
12 commercial there and manufacturing there.

13 Unfortunately, due to some extent, this is enabled
14 by the change in how manufacturing works in the
15 modern era, but we're seeing that the healthiest
16 neighborhoods are mixed use neighborhoods and where
17 jobs and housing particularly go closely together
18 and the more that we can create and encourage mixed
19 use neighborhoods with good jobs and good housing
20 in the same neighborhood, the less of a strain to
21 some extent it puts on heavy infrastructure because
22 transportation needs are not as acute, and as I've
23 said elsewhere, there's really no greater perk in
24 life than being able to walk to work. So if we can
25 develop that in our neighborhoods throughout the

2 city. We've seen it in some neighborhoods and it's
3 been very successful and I hope to see it in more.

4 COUNCIL MEMBER REYNOSO: Thank you and
5 I just want to say that sometimes with 80, 27, 70,
6 30 or whatever model it is that we push for
7 affordable housing, you know, it encourages or
8 actually puts fuel to the fire I like to say to the
9 displacement that is happening in some of these
10 neighborhoods and that we start considering that in
11 part of the city planning that we're doing. Thank
12 you and thank you, Chair, for the time.

13 CHAIRPERSON GREENFIELD: Thank you,
14 Council Member. Chair Weprin will have a follow-up
15 question.

16 COUNCIL MEMBER WEPRIN: I just was
17 curious about this past week I read in the paper
18 that there was a negotiation between the
19 administration and Two Trees on Domino Sugar and
20 that there was an agreement reached, so I was just
21 curious, were members of the City Planning staff
22 involved in those negotiations or was that done
23 just at the Deputy Mayor level?

24 CHAIRMAN WEISBROD: No, we were very,
25 very actively involved. I should say you know,

2 Domino is obviously not unique, but it's unusual in
3 many respects because it was a project that entered
4 the ULURP Land Use Review Process in the former
5 administration. It had been certified in the
6 former administration, but throughout that process,
7 and even before I arrived at City Planning I had
8 reviewed the record and discussed it very closely
9 with our Planning staff that was involved in it and
10 has been involved in it since the outset and we
11 heard pretty consistently from the local community
12 board, from the borough president's office and from
13 the City Planning Commission's own members; from
14 City Planning Commission members the importance of
15 getting more affordable housing given the
16 tremendous value that the city was providing to the
17 developer. And so that became an important goal
18 for me. It was always an important goal for the
19 department. It was always an important goal for
20 the commission, and we were actively involved in
21 discussions with Two Trees, as well as with the
22 Deputy Mayor and I'm glad that on at least the
23 affordable housing front the developer was
24 receptive because I think... I believe that this is
25

2 a much better plan than the one that the city
3 approved in 2010.

4 COUNCIL MEMBER WEPRIN: Where wasn't he
5 receptive?

6 CHAIRMAN WEISBROD: I'm sorry?

7 COUNCIL MEMBER WEPRIN: What parts
8 wasn't he receptive? You said affordable
9 housing...

10 CHAIRMAN WEISBROD: [interposing] No, I
11 said I'm glad he was receptive on the major issue
12 that we approached him on, which was affordable
13 housing.

14 COUNCIL MEMBER WEPRIN: Okay, alright,
15 thank you.

16 CHAIRMAN WEISBROD: Thank you.

17 CHAIRPERSON GREENFIELD: Thank you very
18 much. We actually have several concurrent
19 hearings. We're running back and forth and so some
20 of the folks couldn't be here and we also have a
21 Democratic Caucus. What we're going to do is we're
22 going to send the Chair any other follow-up
23 questions, and we ask that you respond to that in
24 an expedited manner. We want to thank you for your
25 testimony and we want to wish you the best of

2 success in your new role. We look forward to
3 seeing you back here in a few weeks, hopefully with
4 more staff and a larger budget. Thank you very
5 much.

6 CHAIRMAN WEISBROD: Thank you very
7 much, Mr. Chairman.

8 CHAIRPERSON GREENFIELD: Thank you, and
9 with that, this concludes the Land Use Committee's
10 Oversight on the budget. I specifically would like
11 to thank our three subcommittee chair, Chair Mark
12 Weprin of Zoning and Franchises; Chair Peter Koo of
13 Landmarks, Public Siting and Maritime Uses and
14 Chair Inez Dickens of the Subcommittee on Planning,
15 Dispositions and Concessions. I'd also like to
16 thank the staff; that would be the staff of the
17 Land Use Committee and the Finance Committee,
18 especially Gail, Nathan, Anne, Rob, Rob, Starr,
19 Alonso and Danielle for all of the work. I'd like
20 to thank my staff for their work and with that, we
21 will conclude this hearing.

22 [gavel]

23 [Pause]

24 CHAIRPERSON GREENFIELD: Are there any
25 members of the public that would still like to

2 testify? We had some, but we thought they had
3 left, so if you can just step up and identify
4 yourself. What's your name? Great, excellent and
5 is there anyone else here? What was your name,
6 sir? [background voices] Ralph, okay. Well, we
7 had quite a few people and some of them had left,
8 so we just wanted to make sure. Thank you very
9 much. We're going to invite both of you testify
10 and we're going to ask you to please limit your
11 remarks to three minutes apiece. Thank you.
12 Whenever you're ready.

13 KELLY GLENN: 'Kay, thank you. Thanks
14 for the opportunity to testify. I'm Kelly Glenn
15 from the Community Development Project of the Urban
16 Justice Center. We're a non-profit just around the
17 corner that provides legal, technical and capacity
18 building assistance to community groups and we do a
19 lot of work preserving and defending affordable
20 housing, but what I specifically want to focus on
21 is our work on Community Benefits Agreements around
22 the city and their role on Land Use matters.

23 So one of our most important endeavors
24 as far as Land Use is concerned is negotiating
25 Community Benefits Agreements on behalf of

community groups, and what those are are agreements between developers and community members where the developer agrees to give a community certain benefits in exchange for their support for a new proposed development and this is really critical to allowing communities to feel engaged in the Land Use process and in the Land Use decisions, which often they feel confused about or sometimes maybe left out of. So as an example, a couple of recent CBAs, as we call them, that we negotiated are the Kingsbridge Armory in the Bronx, where we helped arrange that the community would benefit from community space, free ice time for local children, living wage jobs to workers, and we negotiated that on behalf of several different community groups in the Northwest Bronx. Another one is 10 Stanton Street on the Lower East Side, where we worked with tenants to preserve their affordable housing for several decades in exchange for them supporting their landlord's development next door.

So in order to support and to expand this project as a way of using Land Use to benefit all tenants and all new Yorkers, we're proposing a New Speaker initiative called Capacity Building and

2 Technical Assistance for Non-Profits and Small
3 Businesses to provide \$250,000 in funding so that
4 we can continue these projects and expand them
5 throughout the city.

6 Each Community Benefits Agreement that
7 we've negotiated has provided living wage jobs,
8 defended affordable housing and really helped
9 promote participation within the community.

10 So we think that our capacity building
11 services really fill a niche for cooperatives and
12 small businesses that other organizations aren't
13 filling and we thank you for considering our
14 request.

15 CHAIRPERSON GREENFIELD: Thank you. I
16 appreciate it. I'm just curious, when it comes to
17 the enforceability of these Community Benefit
18 Agreements, it's always a challenge. How do you
19 deal with that challenge, Kelly?

20 KELLY GLENN: Right. So we are
21 primarily a legal services organization and we use
22 litigation where necessary to enforce those
23 agreements and we will use the press also as a
24 means. We got the Kingsbridge Armory redevelopment
25

2 and CBA really got a lot of press from *The New York*
3 *Times* and other sources of media and so...

4 CHAIRPERSON GREENFIELD: [interposing]
5 But not all of it positive.

6 KELLY GLENN: Right, right, but the
7 fact that the agreement is out there and that
8 people know what the community is supposed to be
9 getting from it really helps put pressure on the
10 developer to...

11 CHAIRPERSON GREENFIELD: [interposing]
12 But are they...

13 [crosstalk]

14 KELLY GLENN: Do the...

15 [crosstalk]

16 CHAIRPERSON GREENFIELD: But are they
17 technically enforceable I guess is my question.

18 KELLY GLENN: I'm not sure as to the
19 details of the enforceability.

20 CHAIRPERSON GREENFIELD: Okay, I don't
21 think they are. I'm just curious and certainly
22 what you're saying is in terms of the public
23 information and that certainly does put pressure on
24 the developer, absolutely. Thank you. Ralph
25 Palladino.

2 RALPH PALLADINO: Yes, Ralph Palladino,
3 2nd Vice President of Local 1549, DC 37,
4 representing 16,000 city workers in the city of New
5 York including areas like 9-1-1. We represent 200
6 members at the 3-1-1 call center where
7 communication call representatives, community
8 information representatives, clerical associates,
9 office machine aides, et cetera.

10 In 2009, we had 350 members serving the
11 public. Right now, we have 200, as I said before.
12 We lost 150 people, most of them the call
13 representatives. At that time, in 2009, there were
14 about 18.7 million calls. Right now, there's
15 approximately 19 million. Currently, in the system
16 there are CUNY students performing civil service
17 jobs. They're part-time. They're not trained.
18 They're not civil servants. They're not in any
19 part of a training program that we know of.
20 There's 91 of them who are doing call
21 representative work, and it's not clear the
22 absenteeism control or quality control. We're very
23 concerned about that and yet they're taking civil
24 service jobs and professionals' jobs. Our clerical
25 titles are civil service. We're fingerprinted;

2 we're vetted. We have in our contracts training
3 and supervision in our contracts. In a private
4 contract like that, there is no such thing.

5 The King contract is also a problem.
6 King Teleservices for \$50 million and on top of
7 that the city maintains their computers and the
8 website on top of that. It is a back-up system
9 only. There are more call representatives in that
10 private back-up system than there are working in
11 the main system. The callers are shifted to King
12 after 45 seconds on hold, and so they're making,
13 like the students, also roughly minimum wage;
14 basically poverty type jobs with no benefits.
15 Again, there's no quality control that we know of
16 and King can't answer questions that we have about
17 their contract and their service.

18 Right now, there is about... our
19 members tell us that there's up from a nine to 20-
20 minute wait on most of the calls that come into 3-
21 1-1, 20 being the excessive amount. This is a
22 problem, given the fact that so many people have
23 not... those civil servants have not been working
24 there; roughly 150 less than there were. There's
25 no guarantee by King of proper training and

2 supervision as well. If the number of civil
3 servants in the primary system where the calls
4 first come in were doubled, it would be cheaper
5 than doing the King contract and it would also lead
6 to higher quality. So we ask the City Council
7 [chime] to seek funding for additional civil
8 service call representatives and back-up staff.
9 This can paid for by seeking to stop the Kings
10 Teleservices contract and also stop the CUNY
11 contract as well, and this would actually pay for
12 itself and you'd have money left over. Thank you
13 very much and I want to welcome the new chair to
14 the committee and I look forward to working with
15 you in the future. Thank you.

16 CHAIRPERSON GREENFIELD: thank you very
17 much. I'm just curious, you know, when DoITT was
18 in here, they were saying that the average wait
19 time was somewhere in the range of 30 seconds to
20 get a live operator and you're saying it's...

21 RALPH PALLADINO: [interposing] Mm-hm.

22 CHAIRPERSON GREENFIELD: A lot longer.

23 RALPH PALLADINO: You know, I can't
24 give you the exact average. I'm telling you that
25 we're told by the call centers representatives that

2 it takes anywhere from nine to 20 minutes, and
3 that's not every call, but that's a large part of
4 the calls that come in. Anything over 45 seconds
5 goes to King.

6 CHAIRPERSON GREENFIELD: Okay, I mean
7 'cause they...

8 [crosstalk]

9 RALPH PALLADINO: [crosstalk]

10 CHAIRPERSON GREENFIELD: And were you
11 here for DoITT's testimony or no?

12 RALPH PALLADINO: Partially, but I...

13 CHAIRPERSON GREENFIELD: [interposing]
14 Okay.

15 RALPH PALLADINO: I heard about it, but
16 I partially was here. I read their testimony and I
17 didn't see any numbers in there or time. I thought
18 that they said that they were going to get back to
19 you and tell you how long it was my understanding
20 is. It probably is... most... I would say more
21 than half probably would be 30 to 45 seconds 'cause
22 we get most of the calls.

23 CHAIRPERSON GREENFIELD: Well, I mean
24 they were giving us an average. I just... so I
25 just want to clarify, so your concern is... 'cause

2 their representation to us was when we asked them
3 how they could do more requests was that there were
4 efficiencies and therefore that they were doing
5 well and in fact, that they were actually able to
6 do it at a record speed. So what you're saying is
7 that they replaced your union members with
8 students? Is that the concern?

9 RALPH PALLADINO: No, students have
10 always been there also.

11 CHAIRPERSON GREENFIELD: Okay.

12 RALPH PALLADINO: It's problematic and
13 King has been there for years as well.

14 CHAIRPERSON GREENFIELD: Okay.

15 RALPH PALLADINO: What I'm saying is if
16 you had the civil servants up front doing the
17 job...

18 CHAIRPERSON GREENFIELD: [interposing]
19 Yeah.

20 RALPH PALLADINO: You would not spend
21 the money you so and you'd have less time. You
22 wouldn't have the people waiting nine...

23 [crosstalk]

24 CHAIRPERSON GREENFIELD: So really
25 what you would like then is, Ralph, you want the

2 King money to go to civil servants, so that way we
3 can have civil servants doing the job. You don't
4 want new...

5 [crosstalk]

6 RALPH PALLADINO: Right and...

7 CHAIRPERSON GREENFIELD: Money...

8 [crosstalk]

9 RALPH PALLADINO: Yes.

10 [crosstalk]

11 CHAIRPERSON GREENFIELD: In the
12 pipeline. You'd like to just sort of reallocate
13 the funding.

14 RALPH PALLADINO: Right.

15 CHAIRPERSON GREENFIELD: Is that
16 correct?

17 RALPH PALLADINO: Well, actually no.
18 It would cost less to double the staff if you did
19 civil service. It's a DC 37 estimate from
20 research. It would cost less than the \$50 million
21 plus the city's already maintaining that they're
22 spending more money doing that. It's not clear.
23 Also, King does other services.

24 CHAIRPERSON GREENFIELD: So Ralph the
25 playwright...

2 [crosstalk]

3 RALPH PALLADINO: So if we...

4 [crosstalk]

5 CHAIRPERSON GREENFIELD: We will

6 send...

7 [crosstalk]

8 RALPH PALLADINO: But the city is...

9 [crosstalk]

10 CHAIRPERSON GREENFIELD: We will

11 send...

12 [crosstalk]

13 RALPH PALLADINO: This is what the city
14 is maintaining for what?

15 CHAIRPERSON GREENFIELD: Ralph, we have
16 a bunch of questions that we're asking of DoITT.
17 We're going to ask that; add that to our list of
18 questions for DoITT to specifically explain...

19 RALPH PALLADINO: [interposing] Thank
20 you.

21 CHAIRPERSON GREENFIELD: The role that
22 King plays and just sort of break it out for us and
23 explain to us why they believe it's more cost-
24 effective and we'll also ask regarding the role of
25 the CUNY student program...

2 [crosstalk]

3 RALPH PALLADINO: Great.

4 [crosstalk]

5 CHAIRPERSON GREENFIELD: As well.

6 RALPH PALLADINO: And if you need to
7 meet with any of experts who work there, be glad to
8 arrange that.

9 CHAIRPERSON GREENFIELD: Great. Thank
10 you very much.

11 RALPH PALLADINO: Thank you.

12 CHAIRPERSON GREENFIELD: Is there
13 anyone else who would like to testify? Hearing
14 none, this hearing is now concluded.

15 [gavel]

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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. I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.



Date: ____04/08/2014____