

CITY COUNCIL
CITY OF NEW YORK

----- X

TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE JOINTLY WITH COMMITTEE ON
AGING, SUBCOMMITTEE ON SENIOR CENTERS, THE COMMITTEE
ON LAND USE, THE COMMITTEE ON TECHNOLOGY, THE
COMMITTEE ON OVERSIGHT AND INVESTIGATION, AND THE
COMMITTEE ON STANDARDS AND ETHICS

----- X

May 22, 2014
Start: 11:10 a.m.
Recess: 5:32 p.m.

HELD AT: Committee Rm - City Hall

B E F O R E:

JULISSA FERRERAS
Chairperson

COUNCIL MEMBERS:

ROBERT E. CORNEGY, JR.
LAURIE A. CUMBO
VANESSA L. GIBSON
VINCENT IGNIZIO
COREY D. JOHNSON
MARK LEVINE
I. DANEEK MILLER
YDANIS A. RODRIGUEZ
HELEN K. ROSENTHAL
JAMES G. VAN BRAMER
CHAIM M. DEUTSCH
DEBORAH L. ROSE
KAREN KOSLOWITZ
MARGARET S. CHIN
MARIA DEL CARMEN ARROYO

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

COUNCIL MEMBERS (CONTINUED):

MARK TREYGER
PAUL A. VALLONE
ANDREW COHEN
ANNABEL PALMA
ANTONIO REYNOSO
BEN KALLOS
BRAD S. LANDER
DANIEL R. GARODNICK
DARLENE MEALY
DAVID G. GREENFIELD
DONOVAN J. RICHARDS
INEZ D. BARRON
INEZ E. DICKENS
JUMAANE D. WILLIAMS
MARK S. WEPRIN
PETER A. KOO
RITCHIE TORRES
ROSIE MENDEZ
RUBEN WILLS
STEPHEN T. LEVIN
VINCENT J. GENTILE
JAMES VACCA
STEVEN MATTEO
COSTA G. CONSTANTINIDES
DANIEL DROMM
RORY I. LANCMAN
ALAN N. MAISEL
CARLOS MENCHACA

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

[gavel]

CHAIRPERSON FERRERAS: Good morning and
welcome to the 6th day of the City Council's
hearing on the Mayor's Executive Budget FY 2015. My
name is Julissa Ferreras and I am the Chair of the
Finance Committee. This morning we are joined by
the Committee on Aging chaired by my colleague
Council Member Margaret Chin and the Subcommittee
on Senior Centers shared by my, chaired by my
colleague Council Member Paul Vallone to hear from
the Department of Aging. Today we'll, today will be
a long day. After we hear from the Department of
Aging we will also hear from the Department of City
Planning, the Landmarks Preservation Commission,
the Department of Information and Technology and
Telecommunication, and the Department of
Investigation, and the Conflict of Interest Board.
These hearings are a lot of work and I want to
thank my finance staff for putting these hearings
together. I want to thank acting Director Latonya
McKinney, the Division and Committee Council
Tanisha Edwards, Deputy Director Nathen Toth,
Deputy Director Regina Poreda Ryan, Legislative
Finance Analyst Sara Gastelum who covers Landmarks

2 in the Department of City Planning, Legislative
3 Finance Analyst Kenny Grace who covers DoITT,
4 Legislative Finance Analyst Ellen Eng who covers
5 Department of Investigation in the Conflicts of
6 Interest Board, and the finance superstars Nicole
7 Anderson and Maria Pagan who pull everything
8 together. Thank you all for your hard work. Before
9 we get started I want to remind everyone that the
10 public will be allowed to testify on the last day
11 of budget hearings on June 6th beginning at
12 approximately 4:00 p.m. The public session will be
13 held in this room. For members of the public who
14 wish to testify but cannot make the hearing you can
15 email your testimony to Nicole Anderson and she
16 will make it a part of the official record. Her
17 email is NAanderson, N A N D E R S O N,
18 @council.nyc.gov. Today the executive budget
19 hearing kicks off with the Department of Aging,
20 DFTA's fiscal 2015 budget totals 259.7 million
21 dollars. DFTA's budget includes 8.9, 8.1 million
22 dollars in new needs which comprise additional
23 funding for case management, baseline funding for
24 reimbursements for home delivered meals and
25 baseline funding for six new innovative senior

1
2 centers. I'm so happy to say that of the new needs
3 the 2.6 million dollars providing for case
4 management was called for by the council members'
5 preliminary budget hearing and expressing the
6 council budget's response released last month.
7 However while I'm happy our voice was heard it was
8 only partially heard since the additional funding
9 for case management wasn't, was included in, at
10 fiscal 15 only. It is my hope that after this round
11 of budget hearings the administration will take the
12 concerns expressed by council members and the
13 public regarding DFTA's proposed budget and work
14 with the council to ensure that fiscal 2015 adapted
15 budget reflects all of our priorities and values. I
16 look forward to hearing from DFTA Commissioner to
17 learn more about the agency's operation and
18 reflected in the executive budget. Before I turn
19 the mic over to my co-chairs for a statement I want
20 to take a brief moment to commend the DFTA
21 Commissioner Donna Corrado for her, and her staff
22 and the transparency efforts of the agency. In the
23 2013 audit of the State Office for the Aging the
24 state found that DFTA was not allocating their
25 resources equally between personal services and

2 other personal service costs and was using more
3 resources towards personal service. As a result of
4 this audit DFTA realigned its personal service's
5 head count and federal funds were moved from
6 personal services to contractual services and the
7 city funds were moved from contractual services to
8 personal service. This realignment resulted in a
9 decrease in some programs and increases in others
10 and had minimal impact on DFTA's overall budget.
11 But, but that, that these efforts reflect a more
12 transparent budget is important. Since I've been
13 the Finance Chair one of my main platforms has been
14 transparency. Transparency in the city budget and
15 transparency in agency operations which I strongly
16 believe leads to a better more efficient and
17 accountable government. Thank you Commissioner
18 Corrado. I applaud your efforts. Before we hear
19 from the DFTA Commissioner I will turn the mic over
20 to my co-chairs. And Co-Chair Chin will begin
21 followed by Co-Chair Vallone.

22 CHAIRPERSON CHIN: Thank you Chair
23 Ferreras. Good morning. I'm Margaret Chin, Chair of
24 the Committee on Aging. Welcome to the Fiscal 2015
25 executive budget hearing for the aging committee

1 held, joining with the Finance Committee chaired by
2 Council Member Julissa Ferreras and the
3 Subcommittee on Senior Center chaired by Council
4 Member Paul Vallone. As already stated by Council
5 Member Ferreras today we will hear testimony from
6 the Department for the aging also referred to as
7 DFTA, on its proposed budget for fiscal 2015 and
8 general agency operation. The aging population is
9 the fastest growing demographic in New York City.
10 Yet the Department for the Aging's budget continues
11 to be underfunded. Many senior rely on services
12 provided through DFTA's network, especially seems a
13 majority of them live on fixed or low income.
14 Senior also contribute to the city in many ways
15 including volunteering their time to serve
16 communities members and being caregivers for
17 grandchildren and other relatives. It is time that
18 the city gives back to the senior and this new
19 administration must make senior issue a priority.
20 Although I commend the administration for adding
21 8.1 million in new funding for the agency in the
22 fiscal 2015 executive budget I hope we'll see a few
23 more items added to the budget before the final
24 adoption. For example we could expand funding for
25

2 NORCs in order to cover at least four of the NORCs
3 that were previously funded with just a small
4 increase by the city to the NORC RFP. Many of
5 DFTA's program area including case management,
6 senior centers and meals, and senior services are
7 also still not adequately funded to meet the needs
8 of the many seniors in the city. The administration
9 added an additional 2.6 million in funding for case
10 management to reduce the case management ratio to
11 65 cases to one case manager. But unfortunately
12 this additional funding was only for fiscal 2015
13 and not baselined in the out years. It makes me
14 truly concerned that next year we will have to go
15 through the process of advocating for the
16 administration to include additional baseline case
17 management funding to reduce the case management
18 ratio again. The administration also included 3.3
19 million in base line funding for congregate and
20 home deliver meal reimbursement. While this
21 additional funding may increase the reimbursement
22 up to 20 cents realistically reimbursement need to
23 increase by an additional 40 cents at least. Many
24 seniors rely on meals served at senior center or
25 delivery directly to them. And increasing the

1 reimbursement to provider is essential in order to
2 ensure that seniors are served a nutritious and
3 balanced meal every day. While there are more work
4 to be done in terms of funding DFTA's budget I do
5 appreciate the Commissioner's effort thus so far to
6 bring senior issues to the forefront. Before we
7 welcome Commissioner Corrado I'd like to thank the
8 committee staff for the work in preparing this
9 hearing; Tehina Supura [sp?] Finance Analyst and
10 Kelly Taylor our Council. We will now hear from
11 Council Member Paul Vallone chair of the
12 Subcommittee on Senior Center and then we'll have
13 testimony by the Commissioner. Thank you.

15 CHAIRPERSON VALLONE: Good morning
16 everyone. Thank you to my Co-Chairs Julissa
17 Ferreras and Margaret Chin. And again I'm Council
18 Member Paul Vallone and I think what you see like
19 we saw this morning on city hall steps and what you
20 see in this room and you see up here with the
21 council members are people who are passionate and
22 dedicated to do the best for seniors. And I think
23 everyone sitting at the tables that are here are
24 representatives of that. And that's why days like
25 today are exciting to fight for the issues that are

1
2 important and also talk about the areas we can do
3 better. So that being said I'd also like to thank
4 our staff. Tahina and Kelly have been amazing. And
5 without their guidance we wouldn't look so good up
6 here. They always give us the right things. So our
7 council fiscal 2015 preliminary budget response
8 asked the administration to add additional funding
9 for our NORCs, our Naturally Occurring Retirement
10 Communities. This is one of the areas that I would
11 like to see increased and also the definition of
12 what a NORC to be increased. Because as every eight
13 seconds someone reaches the age of 65 the demands
14 for that age group changes. So the definition of
15 what a NORC is needs to be expanded and those that
16 applied need to be looked at, we looked at as to
17 why they were not adding onto the list. DFTA's
18 fiscal 2015 executive budget includes two new needs
19 specifically related to senior centers. As fellow
20 Council Member Chin mentioned 3.3 million in
21 additional funding was added and base lined for
22 congregate and home delivered meal reimbursement.
23 This additional funding is clearly not enough
24 especially when taking into consideration the
25 ethnic and kosher meals that are more expensive to

1
2 prepare. And we were proud to have a, a hearing
3 just based on the needs of, of the meals and the
4 dignity that the seniors deserve. My main concern
5 is that senior centers serve diverse populations.
6 Like my hometown in Queens can continue to prepare
7 these meals without financial hardship. I hope the
8 council can work with DFTA and the administration
9 to add additional funding to meal reimbursements
10 and we also want to fight to reinstate our six day
11 congregate meal program which such imperative for
12 those who needed those meals to survive for the
13 weekend. Finally I'm pleased to see that 2.3
14 million funding and six new innovative senior
15 centers, ISCs that DFTA already announced contracts
16 for are in the executive budget. I'm excited to see
17 how these programs will further enhance services
18 offered to seniors in the city and that the city is
19 now closer to having these ISCs across the boroughs
20 and that they're accessible to everyone. And now
21 we'll hear from our wonderful Commissioner Donna
22 Corrado and thank you for your help Donna.

23 COMMISSIONER CORRADO: Thank you
24 Chairperson Ferreras, Chairperson Chin, Chairperson
25 Vallone and members of the Finance and Aging

2 Committees. I'd like to also Chairperson Ferreras
3 say thank you but I must give credit to the DFTA
4 staff and my predecessor now Deputy Mayor Lillian
5 Barrios Paoli because I cannot take credit if I was
6 not here at that time for transparency. But it
7 certainly is a value that carries over into this
8 administration and to DFTA, myself, and you have my
9 assurance that will continue. The fiscal year 15
10 executive budget projects 259.7 million in funding
11 and includes allocations of 107 million to support
12 senior centers, 31 million for home delivered
13 meals, 21.5 million for case management services,
14 16 million to support homecare and home bound
15 seniors who are not Medicaid eligible. Two point,
16 6.5 million for NORCs, or Naturally Occurring
17 Retirement Communities, and four million for
18 caregiver support services. We are very pleased
19 that additional funding is also included in fiscal
20 year 15 executive budget as you mentioned, 3.3
21 million to address the rising food costs for
22 congregate and home delivered meals, 2.6 million
23 for case management services and 2.3 million for
24 innovative senior centers. Current funding for meal
25 services for seniors is not reflective and has not

1
2 been reflective of the actual food costs. The
3 additional funding of 3.3 million will help address
4 the budget gap between meal allocations and the
5 true cost of providing this service. Regarding case
6 management services the additional 2.6 million in
7 funding will strengthen the system and support the
8 reduction of caseloads. Due to an increase in
9 demands DFTA's existing caseload is nearly 80 per
10 case manager, on average that is. DFTA commissions
11 Fordham University to conduct a recent case
12 management study which determined that caseload,
13 caseload sizes ideally should average 65 per case
14 manager. We are looking to enhance the ability of
15 our case management programs to allow for
16 flexibility in both the model and the types of
17 services provided. For example some agencies may
18 prefer a model which utilizes essential intake
19 staffer. Other agencies may triage clients between
20 intensive and low need. These factors may result in
21 variations in caseload size by caseworker but the
22 additional monies will afford us that flexibility
23 in, in testing new models of service and really
24 bringing caseloads down in the aggregate. We have
25 also found that many make case management clients

2 face eviction, utility shut offs, and financial
3 exploitation. To that end DFTA plans to offer a
4 bill paying component for contracted case
5 management clients modeled after the Council of
6 Senior Center and Service's five year demonstration
7 project. Improving the financial security of frail,
8 low income seniors is an important unmet need that
9 the bill payer initiative will address. Clients
10 will be referred from DFTA's contracted case
11 management agencies who will be screened for bill
12 payer eligibility during client assessments. Those
13 seniors eligible for the program will be matched
14 with screened and trained volunteer bill payers.
15 And all bill payer's activities will be
16 professionally supervised. At the fiscal year 15
17 preliminary budget hearing I discuss DFTA's
18 innovative senior centers which provide robust
19 health and wellness programming, mental health
20 support, educational and socialization activities,
21 and cultural and technology opportunities. As
22 innovative senior centers are merging as a
23 successful model for senior center services we
24 continue to learn from their initiatives and to
25 enhance the entire senior center network. In

1
2 addition through private foundation support we are
3 proud that we have embarked on the first ever full
4 scale impact analysis of the effect of senior
5 center programming on the physical and mental
6 health of participants of our innovative senior
7 centers. DFTA will launch six new ISCs this July
8 following a solicitation that was issued in October
9 of 2013. Contracts were awarded to a, a negotiated
10 acquisition to the Educational Alliance in
11 Manhattan Community District 3, Find Aid for the
12 Aged in Manhattan Community District 7, the Carter
13 Burden Center for the Aging in Manhattan Community
14 District 11, The Ridgewood Bushwick Senior Citizens
15 Council of Brooklyn Community District 4, the
16 Neighborhood Self-Helped Older Persons Project in
17 the Bronx in Community District 3, and the Hellenic
18 American Neighborhood Action Committee in Queens
19 Community District 1. The additional 2.3 million in
20 funding will support programs at these six new
21 innovative senior centers with programing such as
22 evidence base programming to help seniors manage
23 chronic conditions, expanding evening and weekend
24 fitness classes and their hours to provide meals,
25 offering such activities as Zumba and Pilates, and

2 expand of cultural opportunities and partnerships
3 with theatre groups and virtual senior centers that
4 allow homebound participants to attend the senior
5 center in a video based class, and provide a, a new
6 social network through an intimate face to face
7 connection with peers. In advance of the
8 forthcoming Elder Abuse Prevention Intervention
9 Services request for proposals DFTA released a
10 concept paper last month. The Elder Abuse Services
11 Program has a dual mission; assisting and ensuring
12 the safety of adults age 60 and over who have been
13 abused and preventing further abuse by raising
14 awareness of these issues through outreach and
15 educational presentations to individuals and
16 groups. The concept paper outlines the objectives,
17 elements, and parameters of the Elder Abuse
18 Services Program that DFTA envisions for the city.
19 We will be accepting comments from interested
20 parties until 5:00 p.m. on June 9th, 2014. DFTA
21 plans to give strong consideration to the feedback,
22 suggestion, and comments provided by the community
23 when preparing the RFP. So please read that concept
24 paper. We would love to illicit your feedback, the
25 council members' feedback as well and although we

1
2 set the parameters we, we are willing to entertain
3 many different models and new innovation and would
4 like to expand that in the future so please do give
5 us your feedback as well as the public. We expect
6 to issue this RFP for Elder Abuse Services in the
7 summer of 2014 for contracts to begin on July 2015,
8 July 1st. Thank you for this opportunity to testify
9 about DFTA's executive budget for fiscal year 2015
10 and I look forward to continuing the partnership
11 with the city council in these efforts. I am
12 pleased to answer any questions.

13 CHAIRPERSON FERRERAS: Thank you
14 Commissioner. If you would be able to get us the,
15 the, the paper on the seniors... just spoke
16 [phonetic] about, the senior...

17 COMMISSIONER CORRADO: Mm-hmm.

18 CHAIRPERSON FERRERAS: ...programming,
19 that would be great. If you get it for this
20 committee and also for the committees on aging.

21 COMMISSIONER CORRADO: Uh-huh.

22 CHAIRPERSON FERRERAS: We have been
23 joined by Council Members Gibson, Koslowitz,
24 Cornegy, Treyger, and Miller. And I just want to
25 remind colleagues that for the Finance Committee

2 meetings we're going to have a five minute clock
3 for members followed by a three minute second
4 round. Obviously there's a lot of issues that are
5 very important to all of us and you know I was
6 very, I just want to thank my colleagues' efforts
7 especially on the NORC work.

8 COMMISSIONER CORRADO: Mm-hmm.

9 CHAIRPERSON FERRERAS: It's been a
10 challenge for us to be able to ensure that it's
11 reflected and when it wasn't it was, it was
12 something that we're really going to be focused on.
13 But I want to focus on three, three topics and then
14 circle back with you at the end for the second
15 round. Wanted to, and I know that we just had a
16 hearing on this but just for the record for this
17 committee wanted to revisit SCRIE, the state and
18 city recently passed bills increasing the income
19 eligibility threshold of the Senior Citizen Rent
20 Increase Exemption to 50 thousand dollars a year.
21 What outreach efforts are DFTA engaging in to
22 enroll seniors who are not eligible for SCRIE
23 income, are not eligible for the new threshold. And
24 also what efforts is DFTA making to coordinate
25 outreach with the Department of Finance?

2 COMMISISONER CORRADO: In addition to
3 the Department of Finance's outreach team which
4 includes a fulltime outreach coordinator for
5 seniors who has a relationship with organizations
6 that work with older adults including senior
7 centers advocacy groups DFTA also has an outreach
8 unit that participates in numerous events
9 throughout the year to discuss benefits and
10 entitlements for older adults including SCRIE. In
11 Calendar year 13, 2013 DFTA participat3ed in
12 approximately 180 community events which were
13 attended by more than 14,800 adults. DFTA also has
14 intergovernmental staff that give presentations and
15 provide updates to community boards on SCRIE and
16 other topics. DFTA and Department of Finance
17 collaborate frequently to share information and
18 coordinate our outreach efforts. For example
19 Department of Finance's outreach coordination for
20 seniors attended DFTA's annual housing benefits and
21 entitlement earlier this month. Department of
22 Finance also sends SCRIE flyers to 335 aging
23 service providers within the DFTA network which
24 reached 17 thousand home delivered meal recipients,
25 senior centers, case management agencies, caregiver

2 programs, homecare providers, and legal service
3 providers. And do these efforts require additional
4 funding for the agency as you asked, DFTA plans to
5 discuss with the new Department of Finance
6 Commissioner about a, a coordinated outreach
7 approach and to have a better sense of need. So
8 that, it's a, Department of Finance Commissioner
9 just started I believe two weeks ago vis-à-vis his
10 staff he's very interested in collaborating with us
11 to beef up those efforts. And I must say I've been
12 listening to the hearings of the Department of
13 Finance... prior hearings and was impressed with the
14 progress they've made thus far and, and their
15 willingness to work with us to find even better
16 methods of doing outreach and using data. And
17 everybody's going to roll up their sleeves and, and
18 expand that in the future.

19 CHAIRPERSON FERRERAS: Well that has
20 been my experience sitting in this seat...

21 COMMISSIONER CORRADO: Mm-hmm.

22 CHAIRPERSON FERRERAS: ...the coordination
23 of agencies. And I think in... [crosstalk] many ways
24 this could definitely help...

25 COMMISSIONER CORRADO: Mm-hmm.

1
2 CHAIRPERSON FERRERAS: ...help the,
3 reaching out to the senior population...

4 COMMISSIONER CORRADO: Mm-hmm.

5 CHAIRPERSON FERRERAS: ...that really
6 should be benefitting. So then I wanted to talk
7 about elder abuse and NYCHA senior centers that
8 DFTA took over. Elder abuse the administration base
9 lined 800 thousand for elder abuse in fiscal 2015.
10 And in the out years DFTA plans to solicit a
11 request for proposal or an RFP, elder abuse
12 contract in early fall and plans on administrate,
13 administering one elder abuse contract per borough.
14 Clearly from our perspective 800 thousand isn't
15 enough. One per borough isn't enough. Is DFTA in
16 contact with OMB and the administration to increase
17 elder abuse funding for the budget is adopted? And
18 ideally how much in total funding would DFTA
19 require to adequately address elder abuse each year
20 throughout the five boroughs?

21 COMMISSIONER CORRADO: Clearly 800
22 thousand dollars a year is not enough funding for
23 elder abuse services. However, we've been working
24 very closely with OMB and they're aware of our
25 funding needs. And the concept re, the, the concept

2 paper that we released has a budget range from 800
3 thousand to 2.8 million. And the reason why we've
4 expanded that is we are, we would like to have some
5 flexibility in program design. So while ideally one
6 in each borough, program in each borough would be
7 very nice we're looking at many different things
8 and we'll entertain that. But ideally 2.8 million...
9 [crosstalk]

10 CHAIRPERSON FERRERAS: Can you give me
11 an example because there's a big difference between
12 800 thousand to 2.8. So when you're talking about
13 flexibility just so that we understand especially
14 when we're trying to support initiatives and other
15 ideas that we're already in tandem with where you
16 may be thinking.

17 COMMISSIONER CORRADO: Well currently
18 there's 800 thousand that was base lined.

19 CHAIRPERSON FERRERAS: Right.

20 COMMISSIONER CORRADO: So that's the
21 existing funding. An additional two million will
22 help us expand for example we can do elder abuse
23 services in each of the five boroughs as you said.

24 CHAIRPERSON FERRERAS: Mm-hmm.
25

2 COMMISSIONER CORRADO: Or we can do
3 something different. It depends on the feedback
4 from the concept paper.

5 CHAIRPERSON FERRERAS: Okay, which is
6 what we're getting...

7 COMMISSIONER CORRADO: Right.

8 CHAIRPERSON FERRERAS: ...copy of?

9 COMMISSIONER CORRADO: Mm-hmm.

10 CHAIRPERSON FERRERAS: Okay. Right so
11 they're, I, so I just want to confirm you're RFPing
12 the 800 thousand at the current model that you
13 have.

14 COMMISSIONER CORRADO: Yes that's just
15 with additional, that's for current operations.
16 We're asking for 2.8 million to afford us some
17 flexibility.

18 CHAIRPERSON FERRERAS: And that would be
19 additional dollars that you would RFP at another
20 time?

21 COMMISSIONER CORRADO: Yes.

22 CHAIRPERSON FERRERAS: okay. NYCHA
23 seniors due to the budgetary constraints New York
24 City Housing Authority NYCHA proposed to close 38
25 NYCHA run senior centers. Four of the senior

1
2 centers that were proposed to be closed, Pelham
3 Parkway, Farragut, Saratoga Square, and Polo
4 Grounds Towers were picked up by DFTA because they
5 had the appropriate square footage necessary for
6 conducting programming according to the agency's
7 standards. NYCHA did not add additional funding in
8 its executive budget to extend funding to NYCHA
9 senior centers that were slated to close in fiscal
10 20 four, 14. Had DFTA been in talks with NYCHA or
11 the administration to transition more senior
12 centers to the agency or what will happen with
13 NYCHA senior centers if they're not funded in
14 fiscal 15? And how much additional funding would
15 DFTA need to support NYCHA senior centers that meet
16 DFTA requirements for programming?

17 COMMISSIONER CORRADO: Okay. We have
18 been in discussions with the chairperson of NYCHA
19 and NYCHA's leadership regarding the senior centers
20 and their continuation. It is our understanding
21 that NYCHA will be led, is, is working closely with
22 the administration to continue those senior
23 services although I am not going to speak for the
24 chairperson but at this time it's our understanding
25 that they will continue. At least that's her

1
2 intent. If by some chance that does not happen we
3 plan to work with NYCHA to have a transition into
4 our existing senior centers as best we can do that.
5 And the force senior centers are operating that did
6 meet the criteria of a DFTA senior center that you
7 just mentioned those four Palem Parkway, Farragut,
8 Saratoga Square, and the Polla Grounds Towers are
9 being operated by DFTA at this point in time. So
10 it's status quo.

11 CHAIRPERSON FERRERAS: So would you be
12 able to provide for us for the 32 senior centers
13 that will remain, how close the, the, the DFTA
14 funded senior center is to them, or how we're going
15 to get the senior center...

16 COMMISSIONER CORRADO: We, we've done an
17 evaluation of that. And for every one of those
18 NYCHA programs there is a D, a DFTA center within a
19 ten block radius.

20 CHAIRPERSON FERRERAS: Okay, can you
21 just provide us that list? We have a lot of new
22 members and I know we... [crosstalk]

23 COMMISSIONER CORRADO: Yes.

24 CHAIRPERSON FERRERAS: ...engaged in this
25 conversation...

2 COMMISSIONER CORRADO: Yes.

3 CHAIRPERSON FERRERAS: ...last year...

4 COMMISSIONER CORRADO: Mm-hmm.

5 CHAIRPERSON FERRERAS: ...but for the sake
6 of...

7 COMMISSIONER CORRADO: Mm-hmm.

8 CHAIRPERSON FERRERAS: ...our new members
9 and for existing...

10 COMMISSIONER CORRADO: Mm-hmm.

11 CHAIRPERSON FERRERAS: ...members too,
12 just so...

13 COMMISSIONER CORRADO: Mm-hmm.

14 CHAIRPERSON FERRERAS: ...we have that for
15 the committee. Thank you very much. I really want
16 to pass this over now to my co-chairs to ask
17 questions and then I'll come back on a second
18 round.

19 CHAIRPERSON CHIN: Thank you
20 Commissioner. I just, I want to follow-up. I know
21 that in our meeting and also the preliminary budget
22 we talked about the funding for the NORC RFP. And
23 in the councils respond to the mayor's preliminary
24 budget we also ask for you know enough funding at
25 least to go down the list so that you can fund at

1
2 least four more of the NORC centers that did submit
3 to the RFP. But unfortunately that was not included
4 in the executive budget. What's the amount of money
5 that you anticipate extra that, that we can still
6 continue to fight for?

7 COMMISSIONER CORRADO: Okay. With the
8 additional 900 thousand that was base lined funding
9 for the NORC we were able to fund four additional
10 programs, that was with the recent RFP bringing the
11 total number of NORCS that, that DFTA sponsors to
12 28. With another 1.5 million we will be able to go
13 further down on that list and fund those viable
14 proposals and those existing NORC programs.

15 CHAIRPERSON CHIN: How many more can you
16 fund?

17 COMMISSIONER CORRADO: We can, we could
18 fund four.

19 CHAIRPERSON CHIN: Another four?

20 COMMISSIONER CORRADO: Another four and
21 possibly one that was, a council was funding. So
22 it's, it would five right? I think it would be a
23 total of five or six.

24 [background comments]
25

2 COMMISSIONER CORRADO: Okay. So it would
3 be [crosstalk], it would be, it would be 940, 57
4 thousand dollars to fund four. And then if the
5 additional discretionary ones that were submitted
6 but for whatever reason were disqualified on some
7 technicality it would be 1.5 million.

8 CHAIRPERSON CHIN: Total?

9 COMMISSIONER CORRADO: Yes.

10 CHAIRPERSON CHIN: Okay. So we could get
11 another 1.5, 1.5 million from the administration
12 that would take care of all the existing NORC?

13 COMMISSIONER CORRADO: No it would not.

14 CHAIRPERSON CHIN: All, all the one that
15 apply for the RF... [crosstalk]

16 COMMISSIONER CORRADO: Well it would,
17 all of the viable, all of the, the, the NORCS that
18 currently are being operated this fiscal year and
19 all of the NORCS that received high enough scores
20 to have a viable program. So the answer to your
21 question is yes.

22 CHAIRPERSON CHIN: Okay so maybe if you
23 could give us a, a break down in the terms of the
24 one that didn't apply that is on the, the list, the
25 RFP list how much more is needed to really go all

1
2 the way down the list. And then other one that did
3 not apply or were not qualified to apply what's the
4 total amount for that. So then the council can
5 really take a look at what we need to negotiate
6 with the administration at the end. Maybe what we
7 need to..

8 COMMISSIONER CORRADO: Mm-hmm.

9 CHAIRPERSON CHIN: ..pick up..

10 COMMISSIONER CORRADO: Okay.

11 CHAIRPERSON CHIN: ..to make sure all of
12 the NORC program, it, will continue to run.

13 COMMISSIONER CORRADO: Okay, we'll do
14 that.

15 CHAIRPERSON CHIN: The next question is
16 on case management. I think you and I were both
17 disappointed, well I was anyway that it wasn't base
18 lined. Do you, do you have any idea why the
19 administration only put it in 2.6 for FY15 only? I
20 mean this is based on DFTA's study to bring the,
21 the case, the caseload down to 65.

22 COMMISSIONER CORRADO: Mm-hmm. Well 2.6
23 million will, will go a long way to bring those
24 caseloads down. So I'm grateful for that. And we're
25 also grateful to the council and to the

1
2 administration that the 2.6 million in new funding
3 for case managers management services was added to
4 the DFTA's budget. And we are aware of the value
5 and the importance that these services continue
6 from year to year. And we will be assessing the
7 feasibility in the coming years, in the out years.

8 CHAIRPERSON CHIN: Are there any, have
9 you started discussion with OMB?

10 COMMISSIONER CORRADO: Yes we are and
11 they are aware of that. And we will continue with
12 those discussions.

13 CHAIRPERSON CHIN: Well we will work
14 with you to make sure that happen.

15 COMMISSIONER CORRADO: Mm-hmm.

16 CHAIRPERSON CHIN: The other question I
17 have is on... in the budget that, in your testimony
18 it said there are right now 16 million to support
19 homecare for homebound seniors who are not
20 Medicare, Medicaid eligible. How many seniors are
21 you serving with, with that, that amount of money?
22 And then also how many seniors are on waiting
23 lists?

24 COMMISSIONER CORRADO: Okay, we
25 currently serve approximately 3,000 seniors. And

1
2 we, as of yesterday, we have a wait list of 240
3 clients. So we would need another 1.8 million to
4 address the wait list.

5 CHAIRPERSON CHIN: Okay that's, that's
6 good. And on the, just the last question and then
7 I'll pass it on to Council Member Vallone. On the
8 elder abuse, so the, DFTA is planning to issue an
9 RFP.

10 COMMISSIONER CORRADO: Mm-hmm.

11 CHAIRPERSON CHIN: So the, all the
12 agencies that are providing elder abuse prevention
13 service and education service they going to get an
14 extra year right? Is this a negotiated acquisition
15 for a year and then you're going to do the RFP. So
16 we have a little time to try to fight for more
17 money because... [crosstalk] because it, we need, I
18 just say we need an extra two million to really
19 make at least a substantial program. So how's that
20 discussion going on with OMB and also with the
21 Deputy Mayor. Well the, the discussions are ongoing
22 of course but that, you're right that one year and
23 releasing the concept paper gives us a period of
24 time to look at new models, to issue an, an RFP and
25 you're, and you're correct. The 800 thousand, those

2 programs will be continued through for one year
3 under the negotiated acquisition.

4 CHAIRPERSON CHIN: Okay so that leaves,
5 we have a little time so we could continue...

6 COMMISSIONER CORRADO: Right and...

7 CHAIRPERSON CHIN: ...to advocate and
8 hopefully we could get an extra two million so that
9 when...

10 COMMISSIONER CORRADO: Right.

11 CHAIRPERSON CHIN: ...you do issue the
12 RFP...

13 COMMISSIONER CORRADO: Mm-hmm.

14 CHAIRPERSON CHIN: ...that it is a
15 substantial increase to the program.

16 COMMISSIONER CORRADO: Yes.

17 CHAIRPERSON CHIN: Right?

18 COMMISSIONER CORRADO: Mm-hmm.

19 CHAIRPERSON CHIN: Thank you
20 Commissioner so Council Member Vallone, Chair
21 Vallone.

22 CHAIRPERSON VALLONE: Thank you Madam
23 Chair. I think as a proud Fordham University grad
24 I'm going to have to talk to my fellow Fortson
25 University alumni as to how they came up with the

1
2 number of 65. I was hoping they'd come down to a
3 lower number. So we're talking about the case
4 management. My concern there is what percentage, or
5 do you have that breakdown of the case management
6 workers that are actually going to have master's of
7 degrees in the fields that we...

8 COMMISSIONER CORRADO: Mm-hmm.

9 CHAIRPERSON VALLONE: ...require and to
10 adequately address these case manage... [crosstalk]

11 COMMISSIONER CORRADO: Right. The, the
12 survey did address that or actually calculated the
13 number of case managers that had master's degrees
14 in the sample that he studied which was not all of
15 case management programs but I believe it was 15
16 to, to 20 percent of the current case managers in
17 those five programs that were studied 15 to 20
18 percent had a master's degree and the rest had
19 bachelor degrees which may not have been in social
20 work necessarily in, in all other, other fields as
21 well.

22 CHAIRPERSON VALLONE: Well... [crosstalk]

23 COMMISSIONER CORRADO: But it was a
24 starting low... [crosstalk]

25

2 CHAIRPERSON VALLONE: ...funding that's
3 come...

4 COMMISSIONER CORRADO: ...number.

5 CHAIRPERSON VALLONE: Alright with the
6 funding that's coming would there be an effort to
7 increase those numbers?

8 COMMISSIONER CORRADO: There, there's a
9 flexibility to do that yes. But realizing that
10 mastery level caseworkers cost more money so that
11 may effect and impact the number, the caseload
12 differential. So it's a pot of money. It will be
13 given to the case management programs and they have
14 the flexibility to hire bachelor level, master
15 level, but it's a fine out, finite amount of money.
16 So if you're spending more on your personnel
17 naturally you get fewer workers. That's just...

18 CHAIRPERSON VALLONE: Well that would
19 bring... [crosstalk]

20 COMMISSIONER CORRADO: ...math.

21 CHAIRPERSON VALLONE: ...of...

22 COMMISSIONER CORRADO: Mm-hmm.

23 CHAIRPERSON VALLONE: ...what additional
24 amount of funds would we need to hire the profess,
25 the proper professionals to deal adequately? That's

2 something I think we'd be interested in fighting
3 for. So we'd not only just have the funding but the
4 funding to hire the correct... [crosstalk]

5 COMMISSIONER CORRADO: I would agree
6 and, and we can, we can get you those figures.

7 CHAIRPERSON VALLONE: Okay.

8 COMMISSIONER CORRADO: Mm-hmm.

9 CHAIRPERSON VALLONE: The next is the
10 congregate and the home delivered meals
11 reimbursement, 20 cents is a little tough for me.
12 You know I think we had a special hearing..

13 COMMISSIONER CORRADO: Mm-hmm.

14 CHAIRPERSON VALLONE: ...just on reaching
15 out to the groups that for seniors an ethnic meal
16 was more than just the additional 20 cents it's
17 there, it's the pride of who they are in the
18 additional meal. But when you speak to the contract
19 providers and those that provide the meals are
20 saying they can't, they don't have the funding to
21 do that. They're talks with OMB, or is there a hope
22 to raise that reimbursement level?

23 COMMISSIONER CORRADO: Well we're,
24 we're, we're continuing, we're always talking to
25 OMB about this particular issue. And we're grateful

2 that we got, what we, what we have gotten. It, it
3 goes a long way towards covering the full cost but
4 it may not cover the full cost so we will continue
5 to advocate for an increase in meals funding.

6 CHAIRPERSON VALLONE: Did we come up
7 with a, an ideal reimbursement that we'd like to
8 target, like to go for that was above the 20 cents?

9 COMMISSIONER CORRADO: At this time, no.

10 CHAIRPERSON VALLONE: That's something
11 that we'd..

12 COMMISSIONER CORRADO: Mm-hmm.

13 CHAIRPERSON VALLONE: ...like to work with
14 you on.

15 COMMISSIONER CORRADO: Okay.

16 CHAIRPERSON VALLONE: I, I think that's
17 part of it is just expanding how things have
18 changed over the years to the reality of what's
19 going on...

20 COMMISSIONER CORRADO: Mm-hmm.

21 CHAIRPERSON VALLONE: ...in our centers.

22 COMMISSIONER CORRADO: Mm-hmm.

23 CHAIRPERSON VALLONE: The, the elder
24 abuse was something that we had another hearing on
25 that Council Member Chin and I and not only are we

2 concerned but we also introduced new legislation
3 to, to look at the financial exploitation of
4 seniors, the new demands on our district attorneys,
5 the limited amount of legal resources available to
6 our seniors. So I, I think the elder abuse combines
7 a whole new world of legal concerns for seniors. So
8 I think we need to expand not only the funds that
9 we're allocating but the definition of what falls
10 under elder abuse. And I think I wanted to ask you
11 because there, in a section with legal services
12 you, it appears that there's been a combining of
13 the legal services being provided by agencies.
14 Specifically it says the consolidation of legal
15 services from DFTA, Homeless Services, Department
16 of Youth and Community Development. So what...

17 COMMISSIONER CORRADO: Mm-hmm.

18 CHAIRPERSON VALLONE: ...is the impact of
19 that are you happy with that? Is that something we
20 need to look at? Is that going to provide benefits
21 or is that going to put additional limitations?

22 COMMISSIONER CORRADO: Well there's,
23 there's two things. HRA is trying to find more
24 efficient ways to, to do and carry out their legal
25 services by combining pools from different

1
2 agencies. So that's something that is a good thing.
3 And we support that in concept. But also we're
4 looking at our own particular funding source for
5 our legal services and it's under review with the,
6 the City's legal department because of just the way
7 that the funding and the regulations read under the
8 Older Americans Act. As the Area Agency on Aging
9 DFTA may not be able to contract with another city
10 agency to carry that out. So that is under review
11 at the moment. But even so whether it's, it's in
12 DFTA or HRA 60 percent of those cases are around
13 evictions. So it does make sense in, in, in one way
14 but either way those legal services are very
15 important to DFTA. And you're, you're right. It...

16 CHAIRPERSON VALLONE: Well that, that's
17 one of my... [crosstalk]

18 COMMISSIONER CORRADO: ...it needs to
19 grow.

20 CHAIRPERSON VALLONE: ...fears...

21 COMMISSIONER CORRADO: Mm-hmm.

22 CHAIRPERSON VALLONE: ...as we would then
23 advocate...

24 COMMISSIONER CORRADO: Mm-hmm.
25

2 CHAIRPERSON VALLONE: ...for a senior and
3 find out a certain agency is...

4 COMMISSIONER CORRADO: Mm-hmm.

5 CHAIRPERSON VALLONE: ...doing something.
6 And then the other one's going to say no that's
7 supposed to do that, and that would be the last
8 thing I'd want to and I know...

9 COMMISSIONER CORRADO: Mm-hmm.

10 CHAIRPERSON VALLONE: ...Council Member
11 Chin asked great legislation pending to be required
12 to provide legal services for any senior facing
13 evictions. And Mendez, to Council Member...

14 COMMISSIONER CORRADO: Mm-hmm.

15 CHAIRPERSON VALLONE: ...Mendez and that,
16 that's critical aspect...[crosstalk]

17 COMMISSIONER CORRADO: Yes. We're all,
18 we're all on the same page and the administration
19 just as well... [crosstalk]

20 CHAIRPERSON VALLONE: Is that going to
21 be part of that concept paper?

22 COMMISSIONER CORRADO: It is, does
23 address that, yes.

24 CHAIRPERSON VALLONE: Because I...
25 [crosstalk]

2 COMMISSIONER CORRADO: And, and if
3 you'd, we solicit your, your comments and your
4 feedback as well. Mm-hmm. [crosstalk]

5 CHAIRPERSON VALLONE: ...coming on how to
6 expand that. One of the things I, I just needed
7 your guidance on is, it says underfunded senior
8 centers. So how underfunded are we and how, what
9 type of funding would we need to avoid that?
10 That's, and the budget response we, not only
11 talking about NORCs, we're talking about
12 underfunded senior centers who I know all of our
13 districts and the whole City's impacted by that so...
14 if you could expand on that.

15 COMMISSIONER CORRADO: Okay, that's
16 right. To address the senior centers that are over
17 utilized and underfunded we would need an
18 additional 1.2 million. That's to fund existing
19 operations, not for any expansion.

20 CHAIRPERSON VALLONE: So 1.2 million
21 would keep us, of what we had for 2014?

22 COMMISSIONER CORRADO: Correct, with the
23 over utilization.

24 CHAIRPERSON VALLONE: Are we in
25 negotiations with OMB, I mean as always?

2 COMMISSIONER CORRADO: We're in, we're
3 always in communication with OMB. [crosstalk] So
4 they're aware of our funding needs, yes.

5 CHAIRPERSON VALLONE: I think one of the
6 things we all hear from the hearings is the demands
7 on our senior centers, the lack of the funding to
8 the senior centers, the services that the senior
9 centers provide need to change. And I think one of
10 the many bright spots that your change has brought
11 and that's why I'm very excited as you as
12 Commissioner is you're willing to listen to those
13 and say we can do things better. And I think
14 that's...

15 COMMISSIONER CORRADO: Mm-hmm.

16 CHAIRPERSON VALLONE: ...that's a great
17 start to listening to the concerns. Because as we
18 find out the demands today of our seniors just
19 changed because it's not just our aging population,
20 it's the family that supports the aging population.
21 It's the spouse, it's the child, it's the
22 grandparent that find themselves so often not
23 knowing what to do. So the senior centers become
24 critical in leading people to those services or at
25 least telling them how to get there. And that

2 combines legal services. A lot of time that
3 combines the food, the care, the social workers,
4 all of that kind of intertwines. So it's kind, it's
5 hard to separate these into saying and I, and I'm
6 excited that you're saying you're willing to look
7 at all these changes. So I, with that I'd.. my
8 questions and I turn it back over to my fellow
9 chairs for the other council members who may have
10 questions.

11 CHAIRPERSON FERRERAS: Thank you Chair
12 Vallone and Chair Chin. We will now start with
13 council members. We have Council Member Gibson
14 followed by Council Member Cornegy.

15 COUNCIL MEMBER GIBSON: Thank you very
16 much. Thank you Madam Chair and to Chair Chin and
17 Chair Vallone thank you so much for your
18 leadership. I'm certainly on so many issues
19 important to seniors and families. And good morning
20 Commissioner to you and your team. Congratulations
21 on the appointment. Looking forward to working with
22 you. And many of my colleagues already expressed a
23 lot of the concerns that I had around just the
24 aggregate meals, as well as elder abuse, legal
25 services very important. I just had a question

2 about expanding the definition of NORCs and senior
3 centers. I'm extremely lucky to have a NORC in my
4 district. And we started out at five days, now
5 we're down to three and it's a very small NORC. So
6 I, I just wanted to know are you considering
7 expanding the requirement for senior centers that
8 are eligible for DFTA RFPs so that smaller senior
9 centers that don't necessarily serve a large
10 population can be eligible. And I ask that because
11 many of these centers while they're small they
12 serve a very unique population that lives, in my
13 development in 16 hundred apartments, in River Park
14 Towers and it's an incredibly successful NORC and I
15 want to see them continue to do more work. And so
16 have you looked at some of the definitions of
17 expanding NORC and smaller senior centers?

18 COMMISSIONER CORRADO: The answer to
19 that is my staff and I have had many discussions
20 about the arbitrary limits of what constitutes a
21 NORC.

22 COUNCIL MEMBER GIBSON: Mm-hmm.

23 COMMISSIONER CORRADO: The RFP was
24 issued. We have more than enough viable programs at
25 this point in time but rest assured if in future

2 RFP opportunities avail themselves we will, it will
3 be much more flexible and, and not so black and
4 white in terms of a cut off because there are many
5 variations on the theme. I realize that. It's more
6 about quality than quantity. And but, I do believe
7 there is a certain amount of base line funding that
8 a program needs in order to run a, run a good
9 program and a quality program. So in the future if
10 we were have, we did have the opportunity to
11 procure more programs that would be certainly taken
12 into consideration.

13 COUNCIL MEMBER GIBSON: Okay, and I just
14 certainly want to emphasize to please keep that in
15 mind that it's certainly about quality and not
16 quantity. The innovative senior centers that we
17 have, we have so many different types of programs
18 offered. Do you know what is the definition of what
19 you define as an innovative senior center in terms
20 of unique services that are provided for the
21 seniors?

22 COMMISSONER CORRADO: What, what
23 constitutes an innovative senior center... I've been
24 asked this many, many, many times. So it's just the
25 additional money, the additional facility space,

2 just allows agencies to expand their offerings at
3 the innovative senior centers and do more robust
4 programming, expand hours for example, do
5 additional types of programming like I had related
6 in my testimony. They do technology classes, do a
7 lot of health and wellness activities. And we'd
8 like to give them the opportunity with the
9 additional funding to be creative and not every
10 community is the same, not every community has the
11 same needs. And not every sponsor for example has
12 the wherewithal to do the same types of
13 programming. So it's reinvigorated senior centers
14 to some extent, taking them out from what we, we
15 had created 30 years ago in a model that was
16 created 30 years to something that we can be proud
17 of now and that we will continue to proliferate
18 hopefully with...

19 COUNCIL MEMBER GIBSON: Okay.

20 COMMISSIONER CORRADO: ...additional
21 funding.

22 COUNCIL MEMBER GIBSON: Okay, well my
23 district, I represent the Bronx CB3 so we're
24 serviced by the Neighborhood Self Help by Older
25 Persons Project...

2 COMMISSIONER CORRADO: Mm-hmm.

3 COUNCIL MEMBER GIBSON: ...so I definitely
4 will look to get more information on that. I guess
5 I just wanted to echo the sentiments of Council
6 Member Vallone just in terms of the case
7 management. I just believe in principle 65 is still
8 too much being that many of our seniors have many
9 intricate issues. The legal services consolidation
10 that's being talked about and, and is in the budget
11 with DFTA, DHS, as well as DYCD. Do you know what
12 impact that would have on our seniors? And what
13 access would they have through this consolidation
14 to access legal services? Is there a phone number,
15 an outreach coordinator? How would that work with
16 this proposed consolidation?

17 COMMISSIONER CORRADO: I believe that,
18 that the seniors would not lose services, it would
19 be seamless. And if that were to take place we
20 would work out with the Department of Homeless
21 Services and HRA a way that they can access the
22 service seamlessly. So we would still be involved
23 in terms of how those cases are referred. And there
24 are several ways that they do it now so that I
25 would imagine would continue.

2 COUNCIL MEMBER GIBSON: Okay.

3 COMMISSIONER CORRADO: But it's still
4 under discussion and under review by legal whether
5 or not that's going to happen as it relates to
6 DFTA's legal service portion.

7 COUNCIL MEMBER GIBSON: Okay. Thank you
8 very much. Thank you Madam Chair.

9 CHAIRPERSON FERRERAS: Thank you Council
10 Member Gibson. We'll have Council Member Cornegy
11 followed by Council Member Koslowitz.

12 COUNCIL MEMBER CORNEGY: Good morning
13 and thank you Chairs. I would like to preface my
14 comments and questions by saying that I was the
15 former Policy Analyst on Aging prior to being a
16 council member. So I have a special place in my
17 heart for aging and all issues that are related to
18 aging. My district has a very unique distinction of
19 having a lot of brownstones which allows my seniors
20 to be house rich and cash poor and find themselves
21 in a situation where they're unable to access
22 services. And one of the main tenants as I
23 understand it of a NORC is to keep seniors in their
24 home, be able to keep seniors in their homes
25 longer. Now I don't presently have a NORC but have

2 been fighting to get one since I was a policy
3 analyst. I just wanted to know do you believe that
4 a NORC would be able to assist seniors who are
5 homeowners with limited resources but with homes to
6 be able to stay in their homes as well?

7 COMMISSIONER CORRADO: Absolutely. And
8 in every community district throughout the city
9 there is a case management program as well. So you
10 know there's many different definitions of NORC,
11 NORCs but a case management program, a senior
12 center serves everyone regardless of, of the type
13 of housing that they live in. And I realize that
14 brownstones present unique problems just in terms
15 of that particular housing stock, if they don't
16 have elevators for seniors as they become frailer
17 and older they may have difficulty managing the
18 steps and the stairs and all that. But they can
19 avail themselves to every service that's available
20 out there for the, the community in terms of our
21 case management offerings as well.

22 COUNCIL MEMEBR CORNEGY: And, and just
23 my last question is... So one of the things that we
24 were exploring before I left my, my former role was
25

2 the fact that there were many pop up day treatment
3 programs throughout the city..

4 COMMISSIONER CORRADO: Mm-hmm.

5 COUNCIL MEMBER CORNEGY: That not, that
6 didn't necessarily meet the needs, especially of
7 the frail and elderly but were able to through
8 marketing and through sometimes deceptive practices
9 reach out to seniors and get them to enroll in
10 their centers. Is there an enforcement portion that
11 you're looking at that's going to be able to limit..

12 COMMISSIONER CORRADO: Mm-hmm.

13 COUNCIL MEMBER CORNEGY: ...some of those
14 predatory practices that we're..

15 COMMISSIONER CORRADO: Mm-hmm. Those,
16 the pop up centers are not necessarily under the
17 auspices of New York City Department for the Aging
18 but we have brought the issue to the attention of
19 the Department of Health and the State Office for
20 the Aging, and the Attorney General. So those, the
21 enforcement is being done by then and we are, as we
22 get information we're, we're giving it to, to the
23 state office so that they can follow-up and really
24 hold them accountable as well. So it's kind of
25 third party, fourth party but we really can't go in

2 and, and audit them. We can just tell them what we
3 know.

4 COUNCIL MEMBER CORNEGY: Thank you.

5 CHAIRPERSON FERRERAS: Thank you.

6 COMMISSIONER CORRADO: But it is a
7 disturbing trend I admit.

8 CHAIRPERSON FERRERAS: Thank you Council
9 Member and we will have Chair Chin who has a
10 follow-up question. Do you, okay, okay. So Council
11 Member Koslowitz followed by Council Member
12 Treyger.

13 COUNCIL MEMBER KOSLOWITZ: Thank you to
14 the chairs. Good morning.

15 COMMISSIONER CORRADO: Good morning.

16 COUNCIL MEMBER KOSLOWITZ: I'm happy to
17 see that some of the services are base lined. But
18 I'm unhappy to see the amounts of money that are
19 base lined. And I want, like for instance social
20 adult daycare is based on 400 thousand. What is the
21 actual budget of adult daycare?

22 COMMISSIONER CORRADO: That is the total
23 budget, 400 thousand.

24 COUNCIL MEMBER KOSLOWITZ: That's it?
25

2 COMMISSIONER CORRADO: For social adult
3 daycare that DFTA sponsors yes.

4 COUNCIL MEMBER KOSLOWITZ: That's like
5 almost no money at all. I mean social adult care in
6 many cases take care of two people, the caregiver
7 and the person who needs the social daycare. Senior
8 centers to me save lives. I've seen it with my own
9 eyes. I've been, I've been in the business for many
10 many years, like 35 years. And I've seen people
11 that would die be okay because they go to a senior
12 center. And I feel that seniors aren't being
13 treated well. It's like I know in the mornings when
14 I go to work there's a woman in my, that comes in
15 my elevator and she doesn't accept the fact that
16 she, she's 93 years old and she doesn't accept the
17 fact that she like goes to a senior center. She
18 volunteers and she goes to help them with, with the
19 food. And it, 93 years old I mean she could dance,
20 she is so lively. And it's wonderful to see
21 otherwise she would just be stuck in her house. And
22 I really feel that the social adult day care is
23 really not being taken care of. 400 thousand
24 dollars, I know in my district adult daycare has
25 been eliminated. There is no adult daycare.

2 COMMISSIONER CORRADO: Mm-hmm.

3 COUNCIL MEMBER KOSLOWITZ: And I

4 represent the community HAPs in Forest Hills and
5 they do not, they used to have it but they do not
6 have it anymore. Is there any talk about putting
7 more money into this and helping people?

8 COMMISSIONER CORRADO: DFTA's working
9 with our provider agencies because the DFTA funded
10 social adult daycare model has never truly been
11 adequately funded. There are other options out
12 there and not every social adult day program is
13 awful. Some of them do live up to standards and
14 it's weeding out which ones, which of those
15 programs whether they're privately sponsored,
16 whether it's a commercial center, whether it's a
17 voluntary agency that's providing the service that
18 we make recommendations to programs that really
19 have the best interest of the senior at heart. And
20 with that and the changes in health care and
21 managed care many of the long term care managed
22 care programs also run their own adult day centers.
23 So we're in the process of trying to understand the
24 new world and the new health care regulations and
25 long term manage care, and through our learning

1
2 process we'll be able to help our providers
3 contract with managed long term care companies and
4 manage care companies and access the services or
5 they can expand their social model programs and
6 bring new funding into the DFTA network by doing
7 things like FIFA service and really creating a new
8 business model that would support these types of
9 services. But I agree with you the, the need is
10 there. But we also have to look at the reality of
11 healthcare and the new business models that will
12 need to take place if we're going to bring in the
13 resources that we really need which is an abundant
14 need we have to think of how to expand that
15 revenue.

16 COUNCIL MEMBER KOSLOWITZ: No I
17 understand that and you know it just hurts to see
18 that there was a program and there is no program
19 now. And you know seniors shouldn't be shortchanged
20 in any way. They should... you know their...

21 COMMISSIONER CORRADO: Mm-hmm.

22 COUNCIL MEMBER KOSLOWITZ: ...their money
23 should keep rising because there is so many seniors
24 that need you know that backup system.

25 COMMISSIONER CORRADO: Mm-hmm.

2 COUNCIL MEMBER KOSLOWITZ: And I just
3 feel that's important. I also want to ask about...
4 You said, did you say there were 3,000 meals being
5 delivered throughout the city of New York?

6 COMMISSIONER CORRADO: There's 12
7 million annual, congregate and home delivered. 12
8 million?

9 [background comments]

10 COMMISSIONER CORRADO: 12 million
11 annual.

12 COUNCIL MEMBER KOSLOWITZ: Oh, okay
13 because I heard the number 3,000 I got like
14 panicked and...

15 COMMISSIONER CORRADO: I'm sorry that
16 was 3,000 homecare clients.

17 COUNCIL MEMBER KOSLOWITZ: Oh, okay. And
18 what about frozen meals, are there still any frozen
19 meals being served?

20 COMMISSIONER CORRADO: I, I believe
21 there are some frozen meals and, and the people
22 that receive them enjoy them. There is some I
23 believe on weekends there are some agencies that do
24 deliver frozen meals. But I believe at this point
25 they have the option.

2 COUNCIL MEMBER KOSLOWITZ: They have the
3 option?

4 COMMISSIONER CORRADO: Yes.

5 COUNCIL MEMBER KOSLOWITZ: Are they, are
6 they monitored in any way of how they you know...

7 COMMISSIONER CORRADO: I believe each
8 agency does a survey every year about what those
9 clients' preferences are and they use that service.
10 I mean they don't have to have frozen meals. They
11 have other options. They can do hot meals, they can
12 do prepackaged meals, they can do the boil in the
13 bag. There's a different, there's different
14 technology out there and they're, they're different
15 caterers. So based on what their feedback is and
16 their budget of course if they have more funding
17 they have more options.

18 COUNCIL MEMBER KOSLOWITZ: Okay, thank
19 you very much.

20 COMMISSIONER CORRADO: Your welcome.

21 CHAIRPERSON FERRERAS: Thank you Council
22 Member Koslowitz. We'll have Council Member Treyger
23 followed by Council Member Rodriguez.

24 COUNCIL MEMBER TREYGER: Thank you
25 Chairs and welcome Commissioner...

2 COMMISSIONER CORRADO: Thank you.

3 COUNCIL MEMBER TREYGER: Good to see you
4 again. I, I raised at the previous, the last
5 hearing that we met about the centers and that were
6 impacted by, by the storm are there any figures
7 that your office now has or is compiling about the
8 total number of cost to, to damages to, to DFTA run
9 centers in the Sandy impacted neighborhoods?

10 [background comments]

11 COMMISSIONER CORRADO: At this point in
12 time there's only one senior center, the JCC of
13 Staten Island that has not opened. I'm sorry...

14 [off mic discussion]

15 COMMISSIONER CORRADO: JCC of Greater
16 Coney Island did move back but they're awaiting an
17 appeal for FEMA to make them whole in terms of
18 finance, financially whole and to offset some of
19 the cost of them getting back into their center and
20 doing further renovations related to the storm
21 damage. But they are back in business. There is one
22 other center in Staten Island that is still waiting
23 for their FEMA claim so that they can rebuild and
24 get back into their center as well.

25

2 COUNCIL MEMBER TREYGER: Right but as
3 far as any estimates and numbers about total damage
4 done to all our DFTA centers I mean is, I think
5 that data could be helpful for us to... Believe me I
6 am not shy about making our case to FEMA. We have
7 been on them time and time again on many, many
8 aspects of this recovery. But I think data overall
9 citywide as far as damage done to our centers, DFTA
10 spaces, and it's not just the physical structures
11 that were damaged but there were you know
12 resources, computers, other types of materials that
13 were damaged by the storm that really have not been
14 replaced. And in some cases they've had to rely on
15 private sources or, so I think that these figures
16 are crucial in us making the case to FEMA to get
17 every single recovery dollar back to our
18 neighborhoods.

19 COMMISSIONER CORRADO: In terms of the,
20 post Sandy the providers were asked to, to make
21 their FEMA claims directly because it's faster and
22 it's more efficient. To our knowledge basically
23 the, the two organizations that are still waiting
24 for, one organization that's... what the Commissioner
25 had said of JCC and stat, of Greater Coney Island

2 we won't know if they were made whole by FEMA until
3 FEMA makes a final determination. We have been in
4 constant contact with Rabbi Weiner so the, whatever
5 FEMA does not, is short on DFTA has already made a
6 commitment that will make them whole. The second
7 senior center is New Dorp run by the Staten Island
8 Friendship Clubs and they're collocated on New Dorp
9 Beach and it's in the flood plain. And there, they
10 suffered substantial damage in the building, the
11 structure of the building, it's a parks building.
12 So the Parks Department is right now looking in
13 terms of whether that building is salvageable and
14 whether or not they should rebuild it. So in terms
15 of the seniors that go to that center they're
16 currently being serviced by nearby centers from the
17 same organization.

18 COUNCIL MEMBER TREYGER: Yeah I, I, I
19 appreciate any assistance you can provide to these
20 groups and it would just be helpful if we did
21 collect data as far as from each of these groups as
22 far as the amounts of damage they each sustained to
23 both their physical infrastructure as well as any
24 materials, computers, resources that they lost as a
25 result of the storm. Because having, having that I

1
2 will make that aggressive case to FEMA and to all
3 relevant agencies to get every penny back, every
4 dollar owed back to, to our communities.

5 COMMISSIONER CORRADO: Mm-hmm. We, we
6 could do that survey and get that information to
7 you.

8 COUNCIL MEMBER TREYGER: I, I, thank you
9 Commissioner. And is there currently any types of
10 discussions with OEM on, on updating evacuation
11 plans, emergency plans in at risk neighborhoods
12 that are prone to coastal storms and coastal
13 events. And is that being shared with those groups?
14 Just, I, a status update on that?

15 COMMISSIONER CORRADO: Mm-hmm. We do
16 have a dedicated assistant Commissioner that works
17 closely with OEM and who's our emergency service
18 person and she is in the process of updating their
19 COOP [sp?] plan, that's a new acronym for me. And
20 she will be sharing that with us once it's
21 completed and reviewed within the next month.

22 COUNCIL MEMBER TREYGER: Yes I'd really
23 appreciate an update...

24 COMMISSIONER CORRADO: Mm-hmm.
25

2 COUNCIL MEMBER TREYGER: ...as well on
3 that because...

4 COMMISSIONER CORRADO: Okay.

5 COUNCIL MEMBER TREYGER: ...I think that
6 making sure that our seniors are prepared groups
7 that run these spaces are prepared so...

8 COMMISSIONER CORRADO: Mm-hmm.

9 COUNCILMEMBER TREYGER: ...you know we
10 don't have to guess about what an evacuation plan
11 might be. And I would also urge that a discussion
12 and this, this will be an issue of resources as
13 well on how to make our spaces even more resilient
14 in the face of climate change, in the face of the
15 increased risks of more coastal events.

16 COMMISSIONER CORRADO: Mm-hmm.

17 COUNCIL MEMBER TREYGER: And that's
18 something that I'd like to have follow-up
19 discussions with your office about as well. I thank
20 you... [crosstalk]

21 COMMISSIONER CORRADO: I thank you and I
22 know that's a priority of this administration in
23 terms of sustainability and all the work that's
24 going on around resiliency so... And there is
25 actually somebody that's assigned that job

2 exclusively within the mayor's office. So we can
3 work closely with that person and, and give you a
4 status update.

5 COUNCIL MEMBER TREYGER: Thank you
6 Commissioner.

7 CHAIRPERSON FERERRAS: Thank you Council
8 Member Treyger. Now we will, followed by Council
9 Member Rodriguez.

10 COUNCIL MEMBER RODRIGUEZ: Thank you
11 Chairs. Commissioner since we have a mayor very
12 committed to fighting equality in our city and
13 knowing that the former Commissioner also was
14 someone that really had a, a commitment on, on
15 doing the best she could for our senior population
16 I have no doubt that you will continue working the
17 same direction. My first question is what, what is
18 the number of senior citizens in New York City that
19 the data already, already establish them as a group
20 of people who live under the line of poverty?

21 COMMISSIONER CORRADO: Number of people
22 that live under the line of... [crosstalk]

23 COUNCIL MEMBER RODRIGUEZ: Senior
24 citizens.

2 COMMISSIONER CORRADO: ..poverty is nine...
3 [crosstalk]

4 COUNCIL MEMBER RODRIGUEZ: Senior...

5 COMMISSIONER CORRADO: ...19 percent live
6 under 150 percent of the federal poverty
7 guidelines.

8 COUNCIL MEMBER RODRIGUEZ: 19 percent of
9 our senior... [crosstalk]

10 COMMISSIONER CORRADO: But that's a...

11 COUNCIL MEMBER RODRIGUEZ: ...citizens.

12 COMMISSIONER CORRADO: ...that's an
13 astounding number, yes.

14 COUNCIL MEMBER RODRIGUEZ: Our senior
15 citizens... [crosstalk]

16 COMMISSIONER CORRADO: Yes.

17 COUNCIL MEMBER RODRIGUEZ: I see, good.

18 COMMISSIONER CORRADO: Mm-hmm.

19 COUNCIL MEMBER RODRIGUEZ: Do you also...
20 [crosstalk]

21 COMMISSIONER CORRADO: And that's,
22 that's double the amount of average in other
23 cities, in other major cities.

24 COUNCIL MEMBER RODRIGUEZ: Right. Do you
25 also have the number of senior citizens who, or any

1
2 type of data of the number of senior citizen who
3 they go to sleep being hungry...

4 COMMISSIONER CORRADO: Well...

5 COUNCIL MEMBER RODRIGUEZ: ...because
6 they, they don't have food.

7 COMMISSIONER CORRADO: I, I don't know
8 how I would calculate that but certainly food
9 insecurity is, is a major concern of ours. So...
10 [crosstalk] how many actually go to sleep you know...
11 [crosstalk]

12 COUNCIL MEMBER RODRIGUEZ: Can we say
13 that that's is a challenge, can we say that that's
14 is still you know a challenges for the present
15 administration to...

16 COMMISSIONER CORRADO: Absolutely we
17 can...

18 COUNCIL MEMBER RODRIGUEZ: ...be sure.

19 COMMISSIONER CORRADO: ...we can do that
20 just on, on our experience with serving seniors
21 and, and the number of seniors that utilize our
22 centers and some centers being over utilized and
23 knowing from our provider agencies and the
24 advocates that actually know these communities and,
25 and what not. There are certain groups that if it

2 were not for the food that they get at ta senior
3 center or, or a food pantry they would not be
4 eating... [crosstalk]

5 COUNCIL MEMBER RODRIGUEZ: And then you
6 take me to the next question. My question is, is
7 also a reflection in my own reality, in my family.
8 We are a large family. We are 12 brothers and
9 sisters. So my mother is alive, my father passed
10 when he was 84 but I know that if my family would
11 not be so large would everyone contribute my ma
12 wouldn't of have enough with the social security
13 check that she get to be sure that she's eating
14 healthy. She's only able to do it beside getting
15 her check because all brothers and sister we chip
16 in. However, what is the number of senior citizens
17 that we have in New York City which is my first
18 question that they live by themselves?

19 COMMISSIONER CORRADO: We do have that
20 number. I don't have it off hand but we do, though
21 maybe Michael can tell me. We can get that number
22 to you.

23 COUNCIL MEMBER RODRIGUEZ: And, and, and
24 I'm pretty sure that based on previous board
25 hearing that we have that we have a real number of...

2 COMMISSIONER CORRADO: Right.

3 COUNCIL MEMBER RODRIGUEZ: ...of that
4 population which again is a challenge..

5 COMMISSIONER CORRADO: Right.

6 COUNCIL MEMBER RODRIGUEZ: ...because you
7 know everything is about the data. What is the data
8 city state and federal level. So and I just asking
9 the question because I know that when we are trying
10 to build one city for all of us we have to take
11 into consideration that there's a percentage of
12 senior citizen that they live by them self. Most of
13 them they go to the senior center. But we have the
14 other group that we choose the group because of HUD
15 issue, because of some level of depression, they
16 prefer to stay in their apartments.

17 COMMISSIONER CORRADO: Mm-hmm.

18 COUNCIL MEMBER RODRIGUEZ: And I know
19 that you're, you, the previous Commissioner and
20 yourself you're doing a great job. However can we
21 say that that's still a challenges that we have?

22 COMMISSIONER CORRADO: That's still a,
23 that's still a challenge and it's a commitment of
24 this administration. It's a commitment that we
25 have, and the staff at DFTA have. We know how many

1
2 people we serve in our senior centers. But we also
3 know we only serve a small percentage of all of the
4 seniors. There's 1.8 million seniors that live in
5 New York City. We do not serve the majority of
6 them.

7 COUNCIL MEMBER RODRIGUEZ: How many do
8 we serve from one million, for 1.8?

9 COMMISSIONER CORRADO: Would we... there's
10 1.8 million seniors and... [crosstalk]

11 COUNCIL MEMBER RODRIGUEZ: And how many
12 do we get to serve from the 1.8?

13 COMMISSIONER CORRADO: About 33
14 thousand.

15 COUNCIL MEMBER RODRIGUEZ: 30 percent,
16 okay my last question is about what are we doing,
17 what initiative do we have for promoting the
18 intergeneration in this city among senior citizen
19 and the rest of the population. As the former
20 teacher that I was I, when I go to the senior
21 center I see a lot of potential, a lot of senior
22 citizen that they can be very useful.

23 COMMISSIONER CORRADO: Mm-hmm.

24 COUNCIL MEMBER RODRIGUEZ: If we connect
25 them with our children, with our student is there

2 any initiative of promoting intergeneration's...

3 [crosstalk]

4 COMMISSIONER CORRADO: We, we do have a,
5 a small number of intergenerational programs. But
6 the majority of the integrate, intergenerational
7 work is, is done by groups sponsored by DYCD and
8 ACS and I know the, the chancellor is also very
9 interested in creating more intergenerational
10 opportunities through the after school programming.
11 And we're working with her and her staff to supply
12 the seniors right. Not necessarily the youth, they
13 have the youth. And the seniors have a lot to offer
14 like yourself right. You're saying you're a, you're
15 a teacher. There are many retired teachers. There
16 are many retired professionals. There are many
17 seniors that you know through mentoring programs,
18 through after school programs, out of school time
19 programs it's such a valuable program and it, it's
20 a value to society in general. So we're looking to,
21 how do we, how can we best expand those programs
22 even if they're not necessarily housed within DFTA
23 because we just have you know a very small, small
24 funding, small amount of funding for our

2 intergenerational programs. But the city in general
3 has many of them.

4 CHAIRPERSON FERRERAS: Thank you.

5 COMMISSIONER CORRADO: So it's about
6 interagency cooperation and coordination.

7 CHAIRPERSON FERRERAS: Thank you Council
8 Member Rodriguez. Council Member Miller followed by
9 Council Member Rosenthal. We've been joined by
10 Council Members Ignizio and Rosenthal.

11 COUNCIL MEMBER MILLER: Good morning
12 chairs, co-chairs. And thank you Commissioner for
13 coming out and forgive me for having to step out
14 and come back. And I know that Chairwoman Ferreras
15 has asked the question about the transfer of the
16 NYCHA centers and the DFTA. And I just want to
17 digress a moment and, and simply ask what happened
18 to the employees of those, of those centers?

19 COMMISSIONER CORRADO: My understanding
20 is that those centers are still being operated. And
21 we had spoken earlier in the week to the
22 chairperson, the NYCHA chairperson who's working to
23 maintain those centers. So that is the direction
24 that she would like to go in. If that does not come
25 to fruition there will be a transition plan and

2 NYCHA will work that out and DFTA will be
3 instrumental in helping that transition happen.
4 However, at this time there's no change as far as I
5 know.

6 COUNCIL MEMBER MILLER: So I, I guess I
7 am hearing that there is a conscious effort to make
8 sure that those long term experienced employees
9 remain employed particularly at those centers and
10 if not that somewhere within the agency?

11 COMMISSIONER CORRADO: I can't answer
12 that for NYCHA but my understanding is nothing's
13 changed. Those centers are still being operated on
14 and it, and in our last conversation with the NYCHA
15 chair, she, her desire is to continue operating
16 those centers so she's going to find a way to do
17 that.

18 COUNCIL MEMBER MILLER: Okay.

19 COMMISSIONER CORRADO: And if not she
20 will, she will let us know what her plan is.

21 COUNCIL MEMBER MILLER: Okay, thank you.
22 So along that line of staffing obviously your
23 agency has more contracts than anyone in the city...
24 DOE. Want to talk about something, talk about that
25 staffing and some of the, the, the labor conditions

2 and, and the monitoring of those, and the oversight
3 of those conditions and as it pertains to your
4 contract.

5 COMMISSIONER CORRADO: I, I don't
6 understand the question... [crosstalk]

7 COUNCIL MEMBER MILLER: What I mean is
8 that you have folks working in the centers. What
9 are the standards and how do you monitor those
10 standards?

11 COMMISSIONER CORRADO: We have program
12 officers assigned to each center. We have
13 regulatory guidelines and standards and we do
14 regular assessments around those standards in
15 addition to contracting standards that are
16 monitored by city agencies, the Mayor's Office of
17 Contracts. So those are annual. And there's fiscal
18 audits, there's programmatic audits and they are
19 systematic.

20 COUCNIL MEMBER MILLER: So do, does your
21 agency have any input based on your specific areas
22 of expertise? Or do you just leave that to the
23 other agencies to, to kind of determine what those
24 guidelines are?

2 COMMISSIONER CORRADO: No the guidelines
3 are, are developed, they're, they're DFTA
4 guidelines so they were developed along with
5 whatever our funding sources are for the Older
6 Americans Act. If it's federal guidelines they're
7 integrated into whatever portion is, is funded by
8 the federal government. So it incorporates the
9 state federal and city guidelines. And programmatic
10 standards so... And we measure against those
11 standards. And then there's fiscal standards that
12 the, are citywide that they're monitored against.
13 And we have a fiscal staff that are internal to
14 DFTA and programmatic staff that are internal to
15 DFTA that monitor our agencies.

16 COUNCIL MEMBER MILLER: Thank you
17 Commissioner.

18 COMMISSIONER CORRADO: Your welcome.

19 CHAIRPERSON FERRERAS: Thank you Council
20 Member Miller. We will have Council Member
21 Rosenthal.

22 COUNCIL MEMBER ROSENTHAL: Thank you
23 very much Chair for this very important hearing and
24 welcome Commissioner. It's such a pleasure to see
25 you here.

2 COMMISSIONER CORRADO: Mm-hmm.

3 COUNCIL MEMBER ROSENTHAL: It's been a
4 pleasure getting to know you and work with you. And
5 I appreciate your commitment to seniors and making
6 sure our government works well for our seniors. I
7 have three quick questions. The first one is in
8 regards to as you know the, in regards to the NORC.
9 And DFTA's funding of NORC. As you know I have a
10 NORC in my community that did not even respond to
11 the RFP this year because they didn't qualify.
12 There was a new set of criteria this year that they
13 did not meet. So I know that they're, that the cost
14 for... you had said earlier that the cost of funding,
15 those NORCS that didn't qualify would be 1.5
16 million. But those NORCS applied and didn't
17 qualify. The NORC in my district did not even apply
18 because they were following the rules and they
19 thought they couldn't qualify. I'm wondering what
20 the cost would be city wide for other NORCS that
21 didn't apply because they don't qualify. If you
22 know they were, they were very few that actually
23 did not apply because they did not qualify. And
24 that 1.5 million ask would include that particular...

25 COUNCIL MEMBER ROSENTHAL: Oh.

2 COMMISSIONER CORRADO: ...NORC that
3 you're, you're speaking of. However, there presents
4 certain procurement challenges. If they did not
5 apply they're not a viable NORC in, in terms of our
6 procurement rules. So that if it were to be
7 refunded it would be total discretionary allocation
8 and it would be a year to year situation.

9 COUNCIL MEMBER ROSENTHAL: Ah, right.
10 I'd like to talk to you more about how we could
11 think creatively about that. As chair of the
12 contracts committee. Thank you.

13 COMMISSIONER CORRADO: Your welcome.

14 COUNCIL MEMBER ROSENTHAL: Secondly in
15 terms of expanding NORC funding there are many more
16 buildings in my district on the upper west side
17 where seniors are aging in place. And I'm wondering
18 if you would consider working with the council to
19 think about some sort of sliding scale, some sort
20 of RFP where you would have a sliding scale whereby
21 NORCs that don't necessarily qualify to meet all
22 criteria...

23 COMMISSIONER CORRADO: Mm-hmm.

24 COUNCIL MEMBER ROSENTHAL: ...you would
25 consider funding going forward. Some sort of

2 sliding scale of payment if they met some of the
3 criteria.

4 COMMISSIONER CORRADO: In the perfect
5 world yes. But just to, in terms of edification for
6 the other council members there are a number of
7 NORCs that are privately funded...

8 COUNCIL MEMBER ROSENTHAL: Yeah.

9 COMMISSIONER CORRADO: ...because as we
10 know not every community district and every
11 neighborhood has the same amount of resources. So
12 for example there are communities on the upper east
13 side where the per capita is higher that they self-
14 fund both case management agencies and their
15 naturally occurring retirement communities. So that
16 was something that I've recently learned, that
17 there are many more than I ever thought there could
18 be. But there, those are community organizing
19 efforts that take a lot of energy and passion. But
20 if there's a willingness to do that then I would
21 encourage that for council members that are
22 fortunate enough to have those, that type of census
23 and that type of housing stock within their
24 district.

2 COUNCIL MEMBER ROSENTHAL: Right, so my
3 district, the buildings I'm thinking about fall
4 somewhere in between.

5 COMMISSIONER CORRADO: Mm-hmm.

6 COUNCIL MEMBER ROSENTHAL: They're not
7 in poverty but they're not that much far above. So
8 that's why I say some sort of sliding...

9 COMMISSIONER CORRADO: Mm-hmm.

10 COUNCIL MEMBER ROSENTHAL: Okay. And
11 then just lastly I want to thank you for the
12 excellent contract management that you do. Because
13 as Council Member Miller noted you have so many
14 contracts. And I look forward to working with you
15 this summer. As you know again with my contracts
16 chair hat on...

17 COMMISSIONER CORRADO: Mm-hmm.

18 COUNCIL MEMBER ROSENTHAL: ...I'm hoping
19 this, to have a summer project where we understand
20 better your best practices and we can help other
21 agencies implement those as well.

22 COMMISSIONER CORRADO: I look forward to
23 that conversation and my partner here is, is also
24 shaking her head. So that's something that... we'd
25 enjoy a conversation around contracting.

2 COUNCIL MEMBER ROSENTHAL: I appreciate
3 that. Thank you.

4 COMMISSIONER CORRADO: Thank you Council
5 Member Rosenthal. We're going to go now to the co-
6 chairs. Co-Chair Chin and then followed by Co-Chair
7 Vallone.

8 CHAIRPERSON CHIN: Thank you.
9 Commissioner I just want to follow-up from some of
10 the question that was asked earlier. So on the, the
11 overutilization you were talking about an extra 1.2
12 million for centers that really over utilize. How
13 many centers would that cover?

14 COMMISSIONER CORRADO: We're looking
15 that in terms of actual overutilization of meals,
16 congregate meals. So that would approximately..

17 CHAIRPERSON CHIN: Well how many meals
18 would that cover?

19 [off mic conversation]

20 COMMISSIONER CORRADO: so the... my, my
21 finance expert is telling me it would most likely
22 cover around 12 centers. Plus it includes
23 underutilization and underfunded programs as well.

24 CHAIRPERSON CHIN: I, I think that's
25 important because I know that in, in my district I

2 have a lot of centers that, a lot of senior goes
3 there throughout the city. So they're definitely
4 over utilized..

5 COMMISSIONER CORRADO: Mm-hmm.

6 CHAIRPERSON CHIN: ...and they need, they
7 need the support. In your testimony you talked
8 about your first ever full scale impact analysis of
9 the effect of senior center programming on the
10 physical and mental health of participants at the
11 innovative senior center.

12 COMMISSIONER CORRADO: Correct.

13 CHAIRPERSON CHIN: So are, were there
14 ever any full scale impact study on regular
15 centers?

16 COMMISSIONER CORRADO: No that has never
17 been done.

18 CHAIRPERSON CHIN: Why not? I, I'm just
19 saying that the way, I mean it's... [crosstalk]

20 COMMISSIONER CORRADO: Well they, they
21 may, they may have been... see the, the operative
22 words was full scale. Individual senior centers, I
23 know catholic charities we've embarked on studies
24 to see whether certain programming was effective or
25 not effective. But a, a comprehensive research

2 study takes a great deal of time, resources, and
3 talent. And we have our Director of Research and
4 Planning here Michael Bostick who, who is really
5 working with the researchers to design a full
6 impact study which brings this to a whole different
7 level. [crosstalk] And, and in innovative senior
8 centers are a new model as you know so as these
9 programs are implemented and some have been around
10 for a number of years now is the time to do that.
11 And we can use the neighborhood centers to really
12 have the base line information that we would need
13 to compare a new innovative model, one against the
14 other.

15 CHAIRPERSON CHIN: Well I mean it's good
16 that you're doing the study. I mean the city is
17 putting a lot of resources to start these
18 innovative senior centers but we have a lot of
19 senior center throughout the city that would more
20 funding they all already innovative senior centers.
21 I mean they have wonderful program and they attract
22 seniors from all over the city, all over the
23 borough so that, we just want to make sure that we
24 also pay attention to the existing senior center.
25 They are doing great work in our communities.

2 COMMISSIONER CORRADO: Absolutely.

3 CHAIRPERSON CHIN: And to make sure that
4 they also get the attention and the funding that
5 they need. I mean you might not, we might not call
6 them innovative but they've been innovative for a
7 long time.

8 COMMISSIONER CORRADO: I could not agree
9 with you more.

10 CHAIRPERSON CHIN: So I'll pass it over
11 to my co-chair.

12 CHAIRPERSON VALLONE: I think we talked
13 at the beginning about underfunded senior centers
14 but I, I think we could take the opportunity just
15 to maybe expand what's included in that. I think
16 maybe we can fight for funding or separate things
17 in a different way. I think the reality of anyone
18 that has to run...

19 COMMISSIONER CORRADO: Mm-hmm.

20 CHAIRPERSON VALLONE: ...a senior center
21 are the operating costs.

22 COMMISSIONER CORRADO: Correct.

23 CHAIRPERSON VALLONE: And when the
24 operating costs are included in the cost of running
25 the senior center a very large chunk of the budget

1
2 for the senior center is allocated just for the
3 operating cost, especially the rents.

4 COMMISSIONER CORRADO: Right.

5 CHAIRPERSON VALLONE: And then you have
6 insurance cost and employees.

7 COMMISSIONER CORRADO: Mm-hmm.

8 CHAIRPERSON VALLONE: There's, would you
9 consider the separation of possibly fighting for
10 funding for base line and the operating costs so
11 they're not included in the funding for senior
12 centers so that they can truly have a budget that
13 they can use, not just pay bills.

14 COMMISSIONER CORRADO: The answer to
15 that question is yes and we're in conversation with
16 OMB around new needs asks to bring certain centers
17 up to a base line. And there are historical reasons
18 why a center may not have adequate funding even at
19 a... and it could be contractual, it could be a
20 multiservice agency that was offsetting the costs
21 of rent for example because they had a larger
22 contract with another city agency or state agency.
23 That contract no longer exists because of funding,
24 funding cuts in other areas of their agency. And
25 then there's a shortfall on the, on the senior

1
2 center contract side. So there are many reasons why
3 that can happen. And we would like to make those
4 senior centers whole at some point in time. But
5 that's the goal to do that. They're not,
6 fortunately not many situations like that. But
7 there are particular scenarios that we've been made
8 aware of that we would like to help those senior
9 centers.

10 CHAIRPERSON VALLONE: Well that's
11 encouraging.

12 COMMISSIONER CORRADO: Mm-hmm.

13 CHAIRPERSON VALLONE: I mean I think
14 the...

15 COMMISSIONER CORRADO: Mm-hmm.

16 CHAIRPERSON VALLONE: ...the sign that
17 you're saying you'd like...

18 COMMISSIONER CORRADO: Right.

19 CHAIRPERSON VALLONE: ...to assist and...

20 COMMISSIONER CORRADO: Right.

21 CHAIRPERSON VALLONE: ...provide. I think
22 we'd like to...

23 COMMISSIONER CORRADO: Mm-hmm.

24 CHAIRPERSON VALLONE: ...guide and be part
25 of that.

2 COMMISSIONER CORRADO: Mm-hmm.

3 CHAIRPERSON VALLONE: I hear that as I
4 go now from senior center...

5 COMMISSIONER CORRADO: Mm-hmm.

6 CHAIRPERSON VALLONE: ...to senior center
7 that they can't...

8 COMMISSIONER CORRADO: Mm-hmm.

9 CHAIRPERSON VALLONE: ...meet the daily
10 costs of operating...

11 COMMISSIONER CORRADO: Right.

12 CHAIRPERSON VALLONE: ...a senior center
13 let alone provide...

14 COMMISSIONER CORRADO: Mm-hmm.

15 CHAIRPERSON VALLONE: ...services so they
16 have to pull money from a certain program...

17 COMMISSIONER CORRADO: Right.

18 CHAIRPERSON VALLONE: ...in order just to
19 pay the rent.

20 COMMISSIONER CORRADO: Mm-hmm.

21 CHAIRPERSON VALLONE: Or pay the
22 insurance, or pay the light, the electricity...

23 COMMISSIONER CORRADO: Right.

24 CHAIRPERSON VALLONE: ...utilities...
25

2 COMMISSIONER CORRADO: We'd also would
3 like to look at that you know more creatively in
4 terms of looking at other projects that the city is
5 doing. This administration as you know is very
6 committed to creating affordable housing and to
7 using NYCHA property to do further development. So
8 where there are opportunities with existing centers
9 that for whatever reason may not have adequate
10 space to co-locate programs in this new housing
11 development. So that's something that we're
12 exploring. And we feel that with all of these new
13 housing opportunities and with all centers and
14 communities that we can do the mapping and
15 hopefully the stars and the moons will line up and
16 that we'll be able to do creative relocations.

17 CHAIRPERSON VALLONE: Do you have facts
18 or figures that separate the operating costs from a
19 senior center and the percentages of what is used?

20 COMMISSIONER CORRADO: Yes we do. We
21 have those cost centers and we do that for every
22 contract. And we can get that information for you
23 if there are particular centers you're interested
24 in.

2 CHAIRPERSON VALLONE: Well I think
3 there'd be, we might be able to see a trend... in a
4 certain percentage...

5 COMMISSIONER CORRADO: Mm-hmm.

6 CHAIRPERSON VALLONE: ...used across the
7 city or per borough.

8 COMMISSIONER CORRADO: Yeah.

9 CHAIRPERSON VALLONE: And there might be
10 something that we could target for... [crosstalk]

11 COMMISSIONER CORRADO: Right.

12 CHAIRPERSON VALLONE: ...for that
13 astronomical rise for...

14 COMMISSIONER CORRADO: Mm-hmm.

15 CHAIRPERSON VALLONE: ...whatever reason
16 happened whether it was insurance or rent or
17 utilities that maybe we can offset an... [crosstalk]

18 COMMISSIONER CORRADO: Yes.

19 CHAIRPERSON VALLONE: ...emergency relief...

20 COMMISSIONER CORRADO: Mm-hmm.

21 CHAIRPERSON VALLONE: ...with that.

22 COMMISSIONER CORRADO: Yes, we do have...
23 every, every contract has different cost centers so
24 we track that. And every center has a variable
25 amount of fixed cost as well. So not every center

2 for example costs the same amount of money. And I
3 think that's an important point. So we can't say
4 you know there's a certain level. You can say what
5 a cost to operate and provide the service but the
6 fixed costs have always been a challenge.

7 CHAIRPERSON VALLONE: Thank you very
8 much.

9 CHAIRPERSON FERRERAS: Thank you Co-
10 Chair. I just wanted to ask what was your original
11 ask of OMB and what did it, did they not fund?

12 [off mic comments]

13 JOY WANG: Well we had a lot priorities...

14 CHAIRPERSON FERRERAS: Sorry, just if
15 you, if you could state your name for the record.

16 JOY WANG: Okay.

17 CHAIRPERSON FERRERAS: Thank you.

18 JOY WANG: My name is Joy Wang. I'm the
19 Associate, Associate Commissioner of our Budget and
20 Fiscal Operations. So we had a lot of needs
21 basically over the last seven or eight years DFTA
22 has lost about 70 million in funding. The base fund
23 is 70 million in funding compared to seven years
24 ago. So we're very grateful for the 20 million that
25 was base lined into our budget for next year. So

2 that has been very helpful. So we've just been
3 going to OMB and trying to go up from there. We,
4 they know our needs and then we were very grateful
5 that we received 8 million dollars this year.

6 CHAIRPERSON FERRERS: If you can share
7 with us any, actually share with the committee and
8 we'll follow up with you in a letter so you can get
9 it back to us for any questions that weren't asked
10 today. So you can get back to us before we begin
11 our budget negotiating to ensure that we are as
12 supportive to our seniors as possible. And I just
13 wanted to highlight and I know that we've had a
14 great partner with CSS and in your testimony you
15 talked about the bill payer initiative. And I know
16 that it, it seems that it's a, a screen and
17 volunteer, screened and trained volunteer bill
18 payers...

19 COMMISSIONER CORRADO: Mm-hmm.

20 CHAIRPERSON FERRERAS: ...in the, in the
21 era of confidentiality and of just being able to
22 protect our seniors and with identity theft it
23 concerns me. So I don't know if you've, if you're
24 aware of what the training or screening process is
25 but when we talk about volunteer that means you're

2 not, you may not be there long. And this could
3 happen with paid employees. But how do we preserve
4 or protect our seniors from confidentiality and..

5 COMMISSIONER CORRADO: This is a program
6 that's been established for a number of years. It's
7 a, a national model to form the basis of the, of
8 even the council's program. It was originally
9 started by AARP and they had put in a lot of
10 guidelines and a lot of recommendations and ran the
11 program for a number of years and interestingly
12 their statistics because they've always evaluated
13 their programs. There's less financial exploitation
14 and abuse than there is in the general population
15 because there are so many controls in place which I
16 found out to be incredible..

17 CHAIRPERSON FERRERAS: Right.

18 COMMISSIONER CORRADO: ...information. So
19 those controls are built into the program and
20 certainly the volunteers will be screened as we
21 would screen any employee in terms of background
22 checks and, and whatnot. But they, they have only a
23 certain amount of discretion as it relates to the
24 bill paying. So it may be that they don't actually
25 signing checks.

2

CHAIRPERSON FERERRAS: Okay.

3

4

COMMISSIONER CORRADO: But we're, we're going to look at that, we're going to develop a program but...

5

6

CHAIRPERSON FERRERAS: I think it...

7

COMMISSIONER CORRADO: ...but we'll have all of those...

8

9

CHAIRPERSON FERRERAS: ...definitely right direction...

10

11

COMMISSIONER CORRADO: ...checks and balances.

12

13

CHAIRPERSON FERRERAS: It's definitely a step in the right direction. And then it has had some national testing and, and that it's successful on the national level.

14

15

COMMISSIONER CORRADO: Mm-hmm.

16

CHAIRPERSON FERRERAS: Actually you know helps us understand it better.

17

18

COMMISSIONER CORRADO: Mm-hmm.

19

CHAIRPERSON FERRERAS: And I, and I wish it. I, I, I hope that it gets to a point where we're able to provide it across the board. So I, I thank you for your vision and for working with our

20

21

22

23

2 partners in, in this. So I thank you for your
3 testimony today and we are...

4 COMMISSIONER CORRADO: Thank you.

5 CHAIRPERSON FERRERAS: ...going to wrap up
6 the DFTA hearing. And we will be starting with our
7 land use portion of today's hearing in a, in 15
8 minutes. Thank you.

9 COMMISSIONER CORRADO: Thank you.

10 [long pause]

11 CHAIRPERSON FERRERAS: We will now
12 resume the city council's hearing on the mayor's
13 executive budget for FY 2015. The Finance Committee
14 will now be joined by the Committee on Land Use
15 chaired by my colleague Council Member, Council
16 Member David Greenfield to hear from the Department
17 of City Planning. We have five agencies to hear
18 from today. So in the interest of time I will forgo
19 an opening statement and turn my mic over to co-
20 chair Council Member David Greenfield.

21 CHAIRPERSON GREENFIELD: Thank you Madam
22 Chair. First I want to thank the throngs of people
23 who have come out here today for this hearing.

24 [laughter]

2 CHAIRPERSON GREENFIELD: You can't see
3 it because the TV is focused on us but in fact the
4 chamber is overflowing. My name is David Greenfield
5 I'm Chair of the Council's Committee on Land Use. I
6 want to recognize as well the chairs of the
7 subcommittees of the Land Use Committee which
8 include Chair Mark Weprin, Chair Peter Koo, Chair
9 Inez Dickens, and also Chair Jimmy Vacca who will
10 be joining us later for our DoITT portion of the
11 hearing. This will be our only opening statement in
12 the interest of time as well. This hearing will
13 cover the fiscal 2015 executive budget for the
14 Department of City Planning, the Landmarks
15 Preservation Commission, and the Department of
16 Information, Technology, and Telecommunications
17 fondly known as DoITT. This is a joint hearing with
18 the Committee on Technology and the Committee on
19 Finance. The Department of City Planning conducts
20 planning related to the growth, improvement, and
21 future development of our city. It's responsible
22 for initiating change in the zoning maps and
23 providing technical and professional assistance to
24 community boards. Accordingly city planning will
25 play a key role in mayor de Blasio's recently

2 unveiled housing plan which calls for the
3 preservation and construction of 200 thousand units
4 of affordable housing over a ten year period. While
5 planning initiatives and zoning changes that will
6 help make these affordable units a reality are
7 still being worked out the Land Use Committee is
8 interested in learning more about the new needs
9 reflected in city planning's 28 million dollar
10 budget including details on the addition of borough
11 planners and staffing and environmental consulting
12 services in connection with the mayor's housing
13 plan. After the Department of City Planning we will
14 hear from the Landmarks Preservation Committee, LPC
15 protects the City's architectural, historic, and
16 cultural resources. The Commissioner... Enterprises
17 agnates and regulates buildings, district sites,
18 and interiors, surveys potential landmarks and
19 historic districts, evaluates proposals for
20 landmark designation, and regulates alterations to
21 designated sites and structures. The Committee on
22 Land Use is interested in learning more about the
23 new needs reflected in the new commission's fiscal
24 2015 five million dollar budget including details
25 on their planned move to 253 Broadway which is an

1
2 estimated cost of 240 thousand dollars. In addition
3 the commission hopes to continue discussion on
4 priorities for the commission in light of mayor de
5 Blasio's recently unveiled 10 year housing plan.
6 I'd like to thank City Planning Commissioner Carl
7 Weisbrod, Landmarks Commissioner Robert Tierney,
8 DoITT Commissioner Heintz, and their respective
9 staff for joining us today. And we will now turn it
10 over to Mr. Weisbrod for his testimony.

11 COMMISSIONER WEISBROD: Thank you very
12 much chairs Greenfield and Ferreras and Sub-
13 Committee Chairs Weprin, Dickens, and Koo. Thank
14 you for the opportunity to be here today to testify
15 regarding Department of City Planning's fiscal year
16 2017 executive budget. I am joined here by Richard
17 Barth our Executive Director, by Howard Sactin
18 [sp?] who is our Deputy Director for Strategic
19 Planning, and Carolyn Groslin [sp?] who I think you
20 all know very very well who is our Director of
21 Intergovernmental Relations. And after my hopefully
22 brief introductory remarks we'll be delighted to
23 answer your questions. When I testified before you
24 in March on my I think fourth day in office I
25 outlined some of the major priorities I saw for

1
2 City Planning for supporting the mayor's plan for
3 preserving and developing a total of 200 thousand
4 units of affordable housing over the next decade. I
5 don't believe I knew at that time that it was going
6 to be 200 thousand units but we do support
7 obviously the plan which we were very actively
8 involved in crafting. Second ensuring that our
9 focus on housing creation is coupled with an
10 intense commitment to ground up neighborhood
11 planning efforts that support mixed use, strong
12 mixed use communities, something I've spent most of
13 my life doing. Third, continuing our work on
14 resiliency particularly in areas affected by Sandy
15 and fought to reduce the bureaucracy associated
16 with moving through the ULERP process and to ensure
17 a better, faster, and more transparent planning
18 process. I also shared with you some of the more
19 startling statistics regarding the sharp decline in
20 funding support for planning activities over the
21 past several years which have resulted in a 30
22 percent overall decline since FY 2008 and a
23 cumulative loss of 68 staff positions the
24 department's fiscal condition had also resulted in
25 an overreliance on grant funding resulting in

2 inflexibility of work assignments and gaps in court
3 support services. The mayor has made clear that
4 planning is priority of this administration and the
5 Department of City Planning must be a major driver
6 in transforming administration goals into reality.

7 I further believe that our work can provide the
8 essential underpinning and strategic thinking
9 necessary to accomplish a broad and aggressive
10 agenda to ensure a more equitable city and
11 therefore pleased to report to you that the
12 proposed budget before you today reverses this
13 downward spiral over the past six years and
14 contains significant increases in funding and staff
15 positions to the department. This will enable us to
16 better adjust the key initiatives and priorities to
17 achieve the goals articulated by the mayor. The
18 department began FY14 with an expense budget
19 appropriation of 20.8 million dollars which
20 consists, consisted of seven million in tax levy
21 funds and nearly 14 million in federal and other
22 funds. That's 35 percent of our budget at the
23 beginning of FY14 where city tax levy funds and 65
24 percent federal and other funding. When the FY14
25 budget was adopted in July of last year the

1 Department of City Planning's authorized headcount
2 was 234 full time positions of which only 60 were
3 tax levy and the remaining 174 were primarily
4 funded with federal dollars. Three of those 60
5 positions were funded on a temporary basis just
6 through the end of the fiscal year. Since adoption
7 of that budget it has undergone several modest
8 financial plan changes which we had discussed at
9 our council hearing in March. The preliminary
10 budget for 2015 forecasted 231 positions and a
11 total budget of 20.3 million dollars which would
12 have represented a further decline in the previous
13 year's adopted budget and it would have represented
14 the seventh straight year of declining resources.
15 Fortunately this current post executive budget
16 before you today incorporates changes that will
17 better position the department to undertake an
18 array of administration priorities while continuing
19 to carry out its many charter mandated
20 responsibilities. The budget adds substantial staff
21 resources to the department increasing the number
22 of budgeted positions by 31; from 231 in the
23 preliminary budget to 262 in the executive budget
24 for FY15 and the out years. About half of these
25

1
2 positions, new positions will be assigned to our
3 borough offices which will take the lead on ground
4 up community planning which is quite labor
5 intensive. The balance of the new staff would be
6 assigned to technical review, environmental review,
7 and central office planning functions particularly
8 the council's office as well as administrative
9 support for the agency and that's essential to help
10 support the efforts in our borough offices. The
11 department's overall budget would be increased to
12 approximately 28 million dollars in FY15. This
13 increase includes 2.3 million in personal service
14 dollars to fund the new positions, two million
15 dollars for environmental consultant services to
16 ensure we can implement the neighborhood
17 developments and rezonings and other neighborhood
18 proposals that are developed as well as 3.1 million
19 dollars for annual rent to allow city planning to
20 relocate from it deteriorated dysfunctional and I
21 would say almost slum like conditions at 22 Reith
22 [sp?] Street into more suitable space. The increase
23 in tax levy positions in funding will also reverse
24 a trend which has had the department relying
25 increasingly on federal and other grants to support

2 its ongoing activities. Approximately two thirds of
3 the staff falls into this category increasing the
4 number of tax levy positions does provide us with
5 more flexibility in the assignment staff and allows
6 us more easily placed resources where they are most
7 needed. As in the past due to staggered federal,
8 city, and state budget cycles the FY15 executive
9 budget reflects only a portion of the total
10 anticipated federal and state grant funding for the
11 fiscal year. Additional federal and state grant
12 funding for existing staff will be added to the
13 Department's budget later in the budget cycle. This
14 includes 19 temporary positions that were added in
15 FY14 for resiliency planning using CDBGDR funding
16 and these are expected to be reflected in the FY15
17 budget through a budget modification after
18 adoption. As noted the executive budget includes a
19 base line increase, an OTPS of two million dollars
20 for FY15 and the out years to support an
21 environmental review for neighborhood rezonings and
22 text amendments associated primarily with the
23 affordable housing plan while many straight forward
24 environmental reviews can be undertaken in house
25 environmental consultants are needed to facilitate

2 the more complex analysis resulting from large area
3 wide rezonings incorporating increases in housing
4 capacity. It is expected that the bulk of the
5 funding for environmental consultants would be used
6 to help implement a large program of area wide
7 rezonings with significant opportunities for new
8 housing none of which we will be able to advance to
9 certification without the ability to complete
10 environmental review work. The FY OTPS budget also
11 includes 3.1 million in funding to allow us to move
12 our headquarters from 22 Reith [sp?] Street to
13 other lease space in lower Manhattan which we have
14 not identified yet. Anyone who I, anyone of you who
15 have visited our offices at 22 Reith Street
16 understands the conditions under which we work day
17 to day and meet with a broad cross section of
18 stakeholders. And while we have been slated to move
19 to the municipal building at one center street in
20 2017 the lack of adequate space for the department
21 within that building require that find alternate
22 solutions and allows us to I hope greatly
23 accelerate our ability to find suitable alternative
24 space. We expect a significant majority of our
25 future work program will be occupied by

1
2 facilitating the aggressive housing agenda. As you
3 all know the mayor recently released Housing New
4 York our blueprint for tackling the affordability
5 crisis over the next 10 years by providing 200
6 thousand new and preserved housing units over the
7 next 10 years. 40 percent of these 200 thousand
8 affordable units will be achieved through new
9 construction which means with a production of an
10 average of 8,000 new units of affordable housing
11 per year over the life of the plan. It's a very
12 ambitious plan but we are optimistic that we will
13 be able to achieve it. This is a 60 percent
14 increase over the average annual new construction
15 of affordable housing produced during the last
16 decade. So you can see we are being ambitious but
17 we also do believe it's achievable. A key theme
18 that runs through the plan is our commitment to
19 expand the capacity for housing in all five
20 boroughs by fostering diverse and livable
21 neighborhoods. To fulfill this ambitious goal we,
22 the Department of City Planning, working with you
23 and other local elected officials together with
24 local businesses, residents, and community
25 organizations will commence planning studies in 15

1
2 neighborhoods in all five boroughs where we believe
3 the potential exists to greatly expand housing
4 capacity. We recognize that this effort must be
5 undertaken through a ground up community planning
6 effort that coordinates new development with
7 appropriate infrastructure and city services. And
8 let me provide very briefly a template for how this
9 can work for the past few years, two years our
10 Brooklyn office under the very capable direction of
11 Porna Macapor [phonetic] has been engaged in a
12 planning process with the community in East New
13 York, a vibrant multi-cultural neighborhood that
14 really has been left behind even as many other
15 parts of Brooklyn have thrived. This transit rich
16 area offers a 30 minute commute to lower Manhattan
17 and downtown Brooklyn and east to JFK on Long
18 Island via the Long Island Railroad. Our planners
19 have been out in the community meeting with all the
20 stakeholders and listening to their hopes and their
21 vision for their community. In close partnership
22 with elected officials, community members, business
23 leaders, and the Cypress Hills Local Development
24 Corporation we've developed a framework for growth
25 and revitalization that can create the opportunity

2 for thousands of units of new affordable housing,
3 much needed retail jobs and services and that also
4 addresses the physical infrastructure needs of the
5 area. We've been engaged with our sister city
6 agencies to ensure that our planning work
7 comprehensively addresses infrastructure and
8 service needs, access to jobs and training, and
9 ensures that the people in the community can
10 continue to be partners in the revitalization of
11 their neighborhood. We believe East New York now
12 welcomes increased density because it understands
13 the benefits it can bring. But we understand also
14 that the City's obligation is to provide and
15 produce the timely infrastructure and services that
16 increased density requires. We will similarly
17 engage with communities throughout the city to
18 identify other opportunities for growth and
19 redevelopment. We will work toward shared goals of
20 providing new housing options, necessary services,
21 and economic development opportunities in each
22 borough and throughout the city. One tool we
23 believe will help facilitate this comprehensive
24 approach to neighborhood planning is for city
25 planning to work with other city agencies including

2 HPD and EDC to play an enhanced role in the City's
3 capital budget planning process in order to better
4 mesh the level and timing of the City's capital
5 investments and neighborhoods with new residential
6 development. We will also be implementing a
7 mandatory inclusionary housing, zoning requirement
8 as part of all future rezonings that substantially
9 increase potential housing capacity in medium and
10 high density areas. This will require that a
11 portion of the new housing developed in these
12 rezoned areas to be permanently affordable to low
13 or moderate income households in order to ensure
14 diverse and inclusive communities and to cushion
15 the impact of gentrification. The program will be
16 applicable in all medium and high density districts
17 where rezonings provide an opportunity for more
18 housing, mandatory inclusionary zoning will be
19 implemented in conjunction with these neighborhood
20 rezonings. Over the next few months city planning
21 working with HPD will expedite the completion of a
22 study to provide the foundation in land use policy
23 for incorporating the mandatory inclusionary
24 housing program into the zoning resolution. We'll
25 also be looking at areas to improve and strengthen

2 the existing inclusionary policy including better
3 aligning it with existing tax incentives. We also
4 recognize that for developers and businesses time
5 is money. The city, particularly city planning and
6 HPD are committed to making the permit and approval
7 process more efficient. We are also reviewing
8 zoning and building code regulations such as
9 reducing parking requirements in transit oriented
10 areas for affordable housing. Where car ownership
11 is low building environment and below constraints
12 and minimum size of units for seniors and
13 transferability of developments rights, TDRs that
14 could lower the cost of affordable housing
15 construction. A second key component of our work
16 program will be continuing the work of recovery and
17 long term planning for coastal resilience,
18 Superstorm Sandy hit New York hard and exacted a
19 very heavy toll on neighborhoods throughout the
20 city. Moving forward city planning is launching
21 studies in 10 areas distinct from our areas of
22 opportunity for affordable housing across the city
23 to engage communities in a resiliency focused
24 planning process to understand the threat sea level
25 rise poses to the long term fabric of neighborhoods

2 and to begin the process on planning for vibrant
3 and resilient neighborhoods in, for the long term.
4 We will continue to engage communities, especially
5 those that have been left behind in the last decade
6 in reimagining and strengthening their
7 neighborhoods based on a shared vision of
8 opportunity we will meet with you, neighborhood
9 residents, civic leaders in making sure that our
10 plans for future growth are based upon the real
11 needs and aspirations of the people that live in
12 the, these neighborhoods. And I welcome your
13 partnership and look forward to continuing our work
14 together to support the city in our collective
15 future. Thank you very much.

16 CHAIRPERSON FERRERAS: Thank you very
17 much for your testimony. We've been joined by
18 Council Member Gentile, Rosenthal, Miller, Treyger,
19 Barron, Kallos, Lander, Mendez, Weprin, Levine,
20 Van, Majority Leader Van Bramer, Mealy, Council
21 Member Palma, Council Member Dickens, Arroyo, and
22 Ignizio. Thank you very much for coming today to
23 testify. I have just a few questions. One in your
24 testimony you talked about where car ownership is
25 low. I never heard that being taken into

1
2 consideration in city planning. Can you explain
3 that? Because I would think that as a driver I
4 think that nowhere in New York City is the car
5 ownership low.

6 COMMISSIONER WEISBROD: Well in fact
7 we've, we have done and continue to do a number of
8 studies on car ownership in certain neighborhoods,
9 particularly those that are very transit dense,
10 mass transit dense and particularly those that
11 where for the most part housing is affordable car
12 ownership is significantly lower than it is in
13 other parts of the city. I want, I, I, I would just
14 say Madam Chair just in general one of the things
15 about what we're looking at is, recognizing that
16 one size doesn't fit all and each neighborhood is
17 different and... So neighborhoods where we can
18 demonstrate that in fact car ownership is low and
19 mass transit opportunities are readily available
20 and, and particularly below capacity should not
21 have the same high parking requirements as
22 neighborhoods where car ownership is not low. And
23 to the extent that we can fine tune this so as to
24 reduce the cost of construction and make, make
25

2 units more affordable we're going to try to do
3 that.

4 CHAIRPERSON FERRERAS: Right. I was just
5 talking to our Co-Chair and its Chair usually car
6 ownership is low because there's nowhere to park.
7 So if we're building with no parking availability
8 that's where it becomes a challenge.

9 COMMISSIONER WEISBROD: I, I, I think we
10 can cross out those distinctions.

11 CHAIRPERSON FERRERAS: So I want to talk
12 about your leas space. Can you provide the
13 committee with details on your, and, and I know
14 that you put them in your testimony on the...
15 conditions are deplorable and of course we would
16 never want you to be in conditions that are
17 deplorable.

18 COMMISSIONER WEISBROD: Slum like.

19 CHAIRPERSON FERRERAS: Slum like.

20 However...

21 COMMISSIONER WEISBROD: That would make
22 the city a slumlord.

23 CHAIRPERSON FERRERAS: That would make
24 us a slumlord...

25 COMMISSIONER WEISBROD: That's right.

2 CHAIRPERSON FERRERAS: Right. Okay,
3 however it, it concerns me that we're leaving this
4 facility without taking into consideration two
5 things. One I would like to know if you know where
6 you're moving to since you're asking for 3.1
7 million dollars I'm assuming that you know how
8 much, where you're going is going to cost. And why
9 can't you move into the municipal building
10 temporarily while we renovate the space that you're
11 currently in?

12 COMMISSIONER WEISBROD: Well the... two
13 answers. First of your, first question about do we
14 know where we're going to move. The answer is no we
15 don't. We are beginning a, a search in... [crosstalk]

16 CHAIRPERSON FERRERAS: So how do you
17 know you know... [crosstalk]

18 COMMISSIONER WEISBROD: ...lower
19 Manhattan.

20 CHAIRPERSON FERRERAS: ...how do, how do
21 you know that you need 3.1 million dollars.

22 COMMISSIONER WEISBROD: Because we know
23 what the market is in lower Manhattan and
24 particularly the lower end of that market and I
25 having spent more than a decade of my life in lower

2 Manhattan as president of Alliance for Downtown New
3 York particularly know the market very very well.
4 The budgeted amount for space in lower Manhattan
5 that we've, that's in the budget is in, it's at
6 the, at the frankly low end of the, of the lower
7 Manhattan office market. The reason that we can't
8 move into the municipal building temporarily and
9 then move back into our existing space are really
10 two fold. One, as far as I know and one of the
11 reasons that we can't move into the Municipal
12 building permanently is that there, there isn't
13 available space there. And second, and perhaps more
14 importantly the cost of renovating our existing
15 space is in, and we can get you the exact amount
16 that DCAS has estimated but is in the tens and tens
17 of millions of dollars and it would be generally
18 recognized not be cost effective for the city to
19 renovate our existing space.

20 CHAIRPERSON FERRERAS: Okay, so I would
21 love for you to provide for this committee the
22 analysis of DCAS...

23 COMMISSIONER WEISBROD: And, and just
24 to, let me say it. The estimate I'm told is 115
25 million dollars to renovate our existing space. And

2 I would just say one, one other thing about it
3 which is that in addition it, it is, for those of
4 you that have, have been to city planning, seen our
5 space at city planning not only, I think you not
6 only appreciate the condition of the space but how
7 highly inefficient it is for the kind of staff that
8 we have. It's on several floors. It, it is, it is
9 not conducive to the collegiality of, that is
10 particularly important at city planning where a
11 variety of divisions have to work together. It is
12 filled with, it's a rabid warren of space so that's
13 an additional factor. Probably when the decision
14 was made to move city planning into the space three
15 plus decades it was a poor decision at that time.

16 CHAIRPERSON FERRERAS: Well perhaps you
17 should have kept it up as we went along also
18 because 115 million dollars later poor conditions
19 is unacceptable also for a city owned property. So
20 I would love to see the DCAS analysis on the 115
21 million dollars and what it is that you're looking
22 for. And if you could just tell me if you, if you
23 happen to know you're saying that the space is not
24 conducive now so what the square footage is where
25 you are now and what the square footage is of where

2 you want to go. But you can get that for the
3 committee at some point.

4 COMMISSIONER WEISBROD: Certainly.

5 CHAIRPERSON FERRERAS: So I'm going to
6 ask my last question before I give it over to my
7 co-chair and come back for a second round. A total
8 of 154 land use applications were referred for
9 public review by DCP from July to October fiscal
10 year 2014. And 85 percent of these applications
11 were referred within six months the median time to
12 refer an application is 48 days which represents a
13 significant improvement over performance a year
14 ago. Given DCP's ability to process land use
15 applications has increased. Do you anticipate a
16 lower median times or days in reviewing land use
17 applications and environmental reviews? And do you
18 anticipate an increase in revenue from the
19 collection of fees?

20 COMMISSIONER WEISBROD: Well I think the
21 record you sited is a good one. We clearly have
22 very much improved our processing time and I think
23 we still can do better. How much better we shall
24 see. But to a large extent it depends on the, the
25 complexity and nature of the applications that we,

2 we get. I do think that the I don't know what is
3 projected in terms of fees for next year but it is
4 entirely dependent on, really on the economy and
5 how many applications are filed. And, and perhaps
6 Mr. Barth who was there during the July through
7 October's period can speak to that as well as to
8 projections to the future.

9 RICHARD BARTH: Right and I was, I was
10 going just to add the chairman's...

11 CHAIRPERSON FERRERAS: I'm, I'm sorry if
12 you could just state your name for the record.
13 Thank you.

14 RICHARD BARTH: I'm sorry my name is
15 Richard Barth I'm the executive Director at City
16 Planning. And the, just referring the chairman's
17 correct that to some extent the fees that we
18 collect are based on the economy, of the health of
19 the economy and they've been, our fees have been
20 rising over the past few years, a projection for
21 fiscal year 15 is for completion of fiscal year 14
22 is 3.6 million in fees for ULERP and seeker fees
23 which is more than a million over that which had
24 been projected at the start of fiscal year 13. So
25

2 there has been based on the increased workload in
3 ULERP pipeline an increase in the fees.

4 CHAIRPERSON FERRERAS: Thank you. And I
5 just wanted to acknowledge that your Queens staffer
6 John Young is amazing. It's been a real big
7 pleasure working with hand and I had to land the
8 Willets Point project which was very complex and do
9 a rezoning but I must say and I said this when we
10 spoke before I'd like to put planning back in city
11 planning because for my interactions for a long
12 time has been that it's about rezoning and, and the
13 focus has been about rezoning with very little
14 support on the planning perspective and putting
15 planning ahead of it so that as members we can also
16 look at our districts from a planning perspective.

17 COMMISSIONER WEISBROD: Thank you very
18 much. Thank you for your compliment about, about
19 John Young. I, I do think first that we are blessed
20 with an extraordinarily competent group of borough
21 directors and I think one of the real comparative
22 advantages of city planning is that we are
23 geographically based and we are neighborhood based.
24 And to your, to your point about planning I was,
25 hope I made clear in my testimony that I am totally

2 committed to not just rezonings but planning. And
3 rezoning is a tool in planning but it is not the
4 only tool and it's not necessarily the only result.
5 And again one of the reasons I wanted to use East
6 New York as a template is that it is an example of
7 how a vision can be created working with everybody
8 both public institutions, neighborhood
9 institutions, local elected officials, businesses
10 and others in, in, in, in a way that can lead to a
11 common vision but also requires a broad based array
12 of tools in order to be successful. It's, it, if
13 just, and East New York I think is a very good
14 example of that. If we just rezone East New York
15 without, without addressing transit connections and
16 street improvements and, and other factors in that
17 neighborhood and every neighborhood that we're
18 working in we're not creating the kind of market
19 for either affordable housing or market rate
20 housing. It is all about neighborhood, neighborhood
21 strengthening neighborhoods.

22 CHAIRPERSON FERRERAS: Thank you so much
23 and I'm going to pass it over to my Co-Chair
24 Greenfield.

2 CHAIRPERSON GREENFIELD: Thank you Madam
3 Chair. You mentioned a lot about East New York. Of
4 course we relatively recently did the Livonia
5 Commons rezoning over there. So is that sort of the
6 first of the 15 neighborhoods that you're looking
7 at going into and are there other neighborhoods
8 that are now on the docket that you're considering.
9 Because it seems like there's a lot of focus
10 particularly in your testimony and conversations on
11 East New York in particular.

12 COMMISSIONER WEISBROD: Yes East New
13 York is the first of the, of our 15 areas of
14 opportunity, the reason that I can speak of it
15 robustly is because there has been a lot of time
16 and effort devoted to it to bring it to this point.
17 We will, we are in the process now of beginning to
18 identify the other neighborhoods that we will be
19 launching similar efforts in and as we identify
20 those neighborhoods we will be meeting with a local
21 elected officials including obviously each local
22 council member in that area and starting that
23 process as I said in my testimony from the, from
24 the, from the ground up. But as I also I think
25 indicated with respect to east New York it is a

2 template, it is I think an appropriate and
3 potentially highly successful way to proceed. But
4 it requires time and we can't just impose rezonings
5 on neighborhoods from afar. It really requires our
6 staff and other city agencies working and investing
7 time in each such neighborhood to come up with a
8 common plan and, and that's one of the reasons why
9 city planning is a, a labor intensive entity
10 because our planners spend a lot of time in each
11 neighborhood.

12 CHAIRPERSON GREENFIELD: So is that what
13 these new staff is, are going to be doing by our,
14 by our numbers we see the potential of up to 28
15 more staffers within city planning. Can you sort of
16 elaborate on what these folks are going to be
17 doing, sort of break it down for us. Is it now
18 assist of communities or is it more for individual
19 applications or are we talking about more planners.
20 I mean can we just get a little more details about
21 the increase in staffing which as you know we
22 welcome we just sort of want to know where it's
23 going and how does that reflect in terms of the
24 bigger, I guess the two issues that we have here on
25 the committee are the general overall housing plan

2 and specifically timeliness of projects and whether
3 these new staffers will ensure that we have quicker
4 completion of projects?

5 COMMISSIONER WEISBROD: Yes I can give
6 you a, a general breakdown. Roughly 50 percent of
7 the new staff will be assigned to our borough
8 offices and they will be working with
9 neighborhoods. I mean they will be, they will be
10 assigned to first and foremost to work on the
11 housing plan. They will be supplementing staff that
12 is already in our borough offices. How exactly they
13 are allocated among the borough offices will depend
14 to, I think in the first instance on our assessment
15 of the complexity of each of the, the 15 areas that
16 we will be looking at. But first and foremost they
17 are planners and they'll working with, with each
18 neighborhood. And they have to be supported by
19 appropriate staff in the central office who will
20 give them support but also assure Mr. Chairman what
21 you've asked for which is expeditious and what
22 everyone asks for which is expeditious processing.

23 CHAIRPERSON GREENFIELD: Thank you. And
24 specifically in terms of other neighborhoods are
25 there other neighborhoods that you've identified

2 yet when you say you're, you're in the process?

3 Clock is ticking, are there particular

4 neighborhoods that you've identified or

5 conversations that you've begun in terms of the

6 other 14 neighborhoods of opportunity?

7 COMMISSIONER WEISBROD: We're, we're, I,
8 I literally am, I've asked our borough offices to
9 submit to me their suggestions. And I am beginning
10 to get them now and will be looking at them over
11 the next several days and then we will go out and
12 talk to local communities, those that I, I believe
13 have merit and where the, where our borough offices
14 have made compelling cases. I will and they will be
15 going out and talking starting with the local
16 elected officials and, and informing them and
17 asking them whether they agree that there's
18 opportunities in those neighborhoods. So the
19 process has begun but it has not reached the point
20 yet where I, where we have actually gone out and
21 done any outreach.

22 CHAIRPERSON GREENFIELD: So I'd, I'd
23 actually like to suggest, something to think about,
24 perhaps you might want to consider asking local
25 council members who of course are very familiar

2 with their districts whether they have any ideas or
3 priorities that they can suggest to you. So that
4 might help jumpstart the process.

5 COMMISSIONER WEISBROD: I think it's a
6 very good idea and I, I, I think our borough
7 offices have I think pretty much across the board
8 very very good relations with local council
9 members. And my sense is that their recommendations
10 also reflect what they believe or they, their
11 discussions with local council members but if not
12 I, I will be sure that they do that. I think that's
13 an excellent idea.

14 CHAIRPERSON GREENFIELD: Thank you and
15 can I just ask you about the, the mandatory
16 inclusionary housing program. I think you made it
17 very clear that the medium and high density areas
18 will now have that. Is there any more details that
19 you can share with us in terms over there? Are
20 there going to be certain percentages or
21 requirements? I, I think we all understand that
22 that's happenings. What, what do we think it's
23 going to look like practically when, when those
24 programs actually come online.

2 COMMISSIONER WEISBROD: Well you know
3 we're just starting as I indicated in my testimony
4 just starting the study with HPD and it's, we hope
5 to expedite this. This is a study that will be
6 concluded in a matter of months not in a matter of
7 years because we want to get this underway. I will
8 say that we start with certain basic assumptions
9 which is that again there has to be sort of a, for
10 good land use planning a central these that this,
11 that mandatory inclusionary housing is, is based on
12 land use considerations and that will be a common
13 theme running through, through every neighborhood.
14 But we do anticipate that, that mandatory
15 inclusionary housing will be tailored to the
16 rezonings or the changes in particular
17 neighborhoods. So it's not going to be one size
18 fits all but I do hope that, that we will be able
19 in each one of these to provide a degree of
20 predictability, a degree of reliability based on
21 sound land use principles and, and, and that it
22 will be required.

23 CHAIRPERSON GREENFIELD: And finally
24 the, the plan, the housing plan very specifically
25 lays out different bands of income. We've seen in

1
2 the past especially under the Bloomberg
3 administration that despite their attempt to stick
4 to certain bands it ended up being rather skewed
5 ultimately when we looked back 12 years later. Is
6 there anything on, on your front in terms of the
7 folks who are actually doing the rezoning to ensure
8 that the goals that you set out in terms of the
9 percentages of affordable housing actually are
10 achieved?

11 COMMISSIONER WEISBROD: Well everyone..
12 and the administration is working as a team on this
13 and overall we want to assure that the targets that
14 were laid out in the housing plan which as you know
15 substantially I think quadruples the percentage of
16 units that will be for the very very poor and also
17 recognizes that, that we want to be serving
18 moderate income households as well. So overall we
19 are all committed to achieving the target set out
20 and the housing plan. In any particular
21 neighborhood and again this really does go to the
22 issue of there isn't just one size that fits all.
23 That one, we're certainly not going to be saying
24 that in every single neighborhood mandatory
25 inclusionary housing or affordable housing in each

1
2 neighborhood will have the precise exact targets
3 that are set forth in the housing plan. It would be
4 inappropriate. It wouldn't be keeping with both
5 existing neighborhood conditions and neighborhood
6 desires in, in many cases. So, so, so there will be
7 for certain variations among neighborhoods but, but
8 precisely, but overall we will I'm confident
9 achieve the, the targets that are set out in the
10 housing plan.

11 CHAIRPERSON GREENFIELD: Thank you. I'm
12 going to turn the questioning over to our
13 Subcommittee Chair Dickens to be followed by
14 Council Member Lander.

15 COUNCIL MEMBER DICKENS: Thank you so
16 much to both of my chairs. And good morning. Thank
17 you for, or good afternoon. Thank you so much for
18 coming in for your testimony and for taking our
19 questions. Now Chair Weisbrod... [crosstalk]

20 COMMISSIONER WEISBROD: Yes.

21 COUNCIL MEMBER DICKENS: I have a
22 question concerning your testimony where you
23 referred to the mayor's housing New York affordable
24 housing plan for the creation of 200 thousand units
25 which really is 120 thousand units for preservation

1
2 and 80,000 new units over the life of the plan. As,
3 also as part of doing that, the, the mandatory
4 inclusionary zoning would obviously in some cases
5 mean an increased FAR which probably could mean an
6 increase in heights. It also means that the use of
7 more of whatever is left of city owned land unless
8 of course private land is taken back... What is the
9 financial impact or increased cost? Because we're
10 only, we're talking about 41 billion dollars of
11 which the city would only be putting up 8.2
12 billion. Which means we would be looking for the
13 balance of the money to come from the federal
14 government and from the state government. Now what
15 would be the financial impact, the increase cost
16 that would increase that 41 billion when we do
17 mandatory inclusionary zoning which would probably
18 result in that increased FAR in historic districts.
19 In many of the minority communities throughout the
20 city of New York and the five boroughs there are
21 numerous historic districts such as in mine. That
22 means to increase the FAR to raise the heights
23 which is obviously against what is allowed by
24 landmarks preservation in the historic districts
25 which means an increased cost due for very soft

2 cost as well as construction cost. What is the
3 financial impact if you know at this time?

4 COMMISSIONER WEISBROD: Well let, let
5 me. I think you asked several questions. So let me
6 try to respond to them. First on the overall budget
7 for the housing plan which is as you, as you know
8 estimated at 41 billion dollars with the city
9 providing roughly 8.2 billion the vast majority of
10 the, of the cost of the housing plan will be borne
11 by the private sector, not by the public sector.

12 It's their cost of construction, their cost of
13 building, their cost of financing, and the like. We
14 estimated and in the housing plan that federal
15 funding would continue at the rate it has, it is
16 proceeding now which I think we all recognize is an
17 appallingly low rate but that's what we have
18 estimated and we are looking for a little less than
19 two billion dollars of the overall 41 billion
20 dollars that would come from other sources. But the
21 vast majority of the funding in this plan would
22 come as it appropriately should come, from the
23 private sector because that is what drives housing
24 construction in the city and the public support is
25 in some respects a subsidy for affordable housing

1
2 and in some respects an incentive for the private
3 sector to produce the, the funding that's necessary
4 to build. Point number two is yes we are as I
5 indicated with respect to areas of opportunity
6 where we do believe that there are opportunities to
7 change the density in certain areas where there can
8 be a huge amount of, of new housing capacity. That
9 really can't take place in historic districts and
10 frankly we're looking at neighborhoods throughout
11 the city where the, the where, where the current
12 increase in market rate housing is really and, and,
13 and the market has really passed certain
14 neighborhoods by. So there are neighborhoods where
15 we do believe and we hope and as I indicated to
16 Chair Greenfield we're now looking at what those
17 neighborhoods would be. But that's a separate issue
18 from mandatory inclusionary zoning. And under the
19 existing, the existing voluntary program that
20 exists in many neighborhoods we do in fact provide
21 incentives including increase FAR for developers to
22 provide permanent affordable housing in return for
23 increased FAR. Under the mandatory program that
24 requirement of increased permanent affordability
25 that will be imposed and again this will depend on

2 the neighborhood might not and may well not,
3 probably won't involve increases in FAR, it will
4 just be required. And, and clearly where, one of
5 the reasons we will be looking at this on a
6 neighborhood by neighborhood basis is because on
7 the one hand we want to achieve the maximum amount
8 of affordable housing we can through mandatory
9 inclusionary zoning. On the other hand we don't
10 want to make mandatory inclusionary zoning
11 confiscatory to the point where the private sector
12 is not going to invest capital. So finding that
13 right balance is something we are going to have to
14 look at on a neighborhood by neighborhood basis.
15 But it will, the mandatory inclusionary housing
16 program have, have, I don't think have anything to
17 do with height.

18 COUNCIL MEMBER DICKENS: Thank you. What
19 my, what my question about that was with the
20 increased heights and increased FAR as it impacted
21 upon historic districts and you answered that in
22 the beginning. Thank you.

23 CHAIRPERSON GREENFIELD: Thank you Madam
24 Chair. And with that we're going to pass it over to
25 Council Member Brad Lander. Just want to remind

2 folks we're on a five minute clock and there will
3 be an opportunity with three minutes per member.

4 COUNCIL MEMBER LANDER: Thank you Mr.
5 Chairman. It's wonderful to have this whole panel
6 up here. I want to congratulate Carolyn on her
7 engagement and its innovative... [crosstalk]

8 UNKNOWN MALE: Should have mentioned
9 that.

10 COUNCIL MEMBER LANDER: I learned about
11 from the Madam Borough President so you can look on
12 her twitter stream if you want to find the
13 innovative location that her fiancé proposed to
14 her. It makes me very happy to have you here and
15 see this testimony. As you know both mandatory
16 inclusionary zoning and a real return to thoughtful
17 community based planning for smart growth for our
18 neighborhoods are deep passions of mine. So it's
19 wonderful that they're not only committed to by the
20 administration but in the budget and that makes me
21 encouraged. Couple questions on each of them. On,
22 on the mandatory inclusionary study is that being
23 done in house or do you anticipate hiring a
24 consultant to, to do it.

2 COMMISSIONER WEISBROD: We're going to
3 do it in house and that, we, that's why we can, we,
4 we anticipated doing it in a expeditious fashion
5 and we, we literally are starting it as, virtually
6 as we speak. And I should have said at the outset
7 that, that one aspect of our, of this study will be
8 to talk to relevant stakeholders and get their
9 views on how this can work, on how this can work
10 most efficiently. And... really I... as, as noted by
11 several of the questions from Chair Greenfield and
12 Subcommittee Chair Dickens it's... there is not one
13 size that fits all here.

14 COUNCIL MEMBER LANDER: Absolutely.

15 COMMISSIONER WEISBROD: It's going to be
16 a little complicated. It's going to be a little
17 different in different neighborhoods. And so we
18 want to be able to get the best thinking we can and
19 understand as best we can the market so that we
20 achieve both goals, both increased housing
21 production generally and increased affordable
22 housing specifically.

23 COUNCIL MEMBER LANDER: Absolutely and
24 there was a great conversation at the Ford [sp?]
25 foundation that some of your staff took part in,

2 the housing Commissioner took part in where we
3 talked with folks from around the country,
4 complicated issues, and I'm glad you guys are on it
5 and, and I just so... Now yesterday Commissioner Been
6 talked about the, you know we all want this to be
7 aligned with the tax incentive modifications she
8 talked about that tax force that's going to convene
9 in August and have its recommendations done by
10 December. And so I'm just a little curious what the
11 time, we all want to get going, we want the
12 community plans to be moving. How do you see the
13 timeline of your mandatory inclusionary study and
14 the task force for changes to the tax incentive
15 programs...

16 COMMISSIONER WEISBROD: Yeah.

17 COUNCIL MEMBER LANDER: ...lining up?

18 COMMISSIONER WEISBROD: Well, well my
19 fondest hope and I, and it think it will be
20 achievable is that the work that we're undertaking
21 with Commissioner Been and HPD on mandatory
22 inclusionary and our study will help inform the
23 taskforce and, and to probably to, to a modest
24 extent vice versa as well. But I think mainly, I
25

1
2 think our, our work will help inform the task
3 force...

4 COUNCIL MEMBER LANDER: You imagine
5 moving first and getting... [crosstalk]

6 COMMISSIONER WEISBROD: We're moving,
7 right.

8 COUNCIL MEMBER LANDER: ...mandatory IZ
9 work done to then inform...

10 COMMISSIONER WEISBROD: Right.

11 COUNCIL MEMBER LANDER: ...provisions to
12 the... [crosstalk]

13 COMMISSIONER WEISBROD: We may not have
14 it 100 percent complete by the time the task force
15 convenes but we are starting our work literally
16 immediately. And as you know there have been issues
17 regarding the alignment of tax policy with, with
18 mandatory or inclusionary zoning more generally
19 and...

20 COUNCIL MEMBER LANDER: Absolutely and
21 then...

22 COMMISSIONER WEISBROD: ...and that's
23 created problems for developers, created problems
24 for the city, it's created, it's created

25

2 inefficiencies in the sense that we sometimes don't
3 leverage our limited tools...

4 COUNCIL MEMBER LANDER: Absolutely.

5 COMMISSIONER WEISBROD: ...as best we can.

6 So that, that's one of the main goals of, of, of
7 actually both, both endeavors.

8 COUNCIL MEMBER LANDER: Right, and as I
9 spoke about with her yesterday I have introduced a
10 bill. I don't understand why we're still giving tax
11 breaks for market rate development that doesn't
12 include affordable housing anywhere in the city.
13 And I don't understand why in zones where one or
14 the other gets you 20 percent, the same 20 percent
15 minimum gets you both. So those are conversations
16 that we'll have as these studies move forward. My
17 last question goes to the community planning work
18 which I'm so thrilled to see. I appreciate the
19 resources are there and the way you're moving
20 forward with it. And you've spoken about the need
21 to involve other agencies and I think a challenge
22 for council members has been as we've moved through
23 planning in the past that needs that are identified
24 are hard, we don't have a good framework for
25 getting those partners to the table and getting

1
2 real commitment. So if growth requires more school
3 seats, if there's an absence of a bus line that we
4 need, if you need sewer infrastructure because it
5 floods when it rains. It has, there hasn't been a
6 framework for making sure those things are real in
7 the plan up front. And so I, just as you're setting
8 up and new infrastructure for neighborhood planning
9 in neighborhoods where growth is going to occur... if
10 you could tell us a little more both how you're
11 looking to include other agencies but also how it
12 will be possible to work with us and bring us
13 things that give us real certainty, confidence that
14 those things will be part of the plan and not
15 things we have to bargain for at the end and then
16 cross our fingers that the agreements, which really
17 aren't even agreements, they're like little notes,
18 they've been in the past like little post it notes
19 from the deputy mayor saying maybe... How are we
20 going to do better on that front together?

21 COMMISSIONER WEISBROD: You know I think
22 this is, this is part of probably our, the most
23 challenging thing we will be doing. And I've said
24 I've done this kind of thing mostly from outside
25 the city but sometimes from within city government.

2 And to be perfectly candid about it I've said it's,
3 it's, it's frequently easier to coordinate city
4 government from outside city government than from
5 within city government. However having sharing with
6 you the, the frustrations of, of, of these
7 endeavors in the past we are really committed and
8 the administration is really committed to first
9 city agencies that are involved in a neighborhood
10 to be involved at the very earliest stages instead
11 of at the end, second that we have... and this is an
12 interactive process to be sure that we have
13 identified very early on in the planning process
14 what resources and needs a community has and what
15 public investments need to be made and when they
16 need to be made. And then third how do we ensure
17 that the timing of investments get made at, at the
18 appropriate moment. I'm fairly confident that we
19 will be able to do the first part of this which is
20 getting all city agencies to work together with
21 neighborhoods and I think our work in east New York
22 demonstrates that that can be done actually. The
23 second part of it is also I'm fairly confident that
24 we'll be able to identify what will be needed and
25 when it will be needed. The third part is probably

1 the hardest part and that's one of the reasons I
2 indicated in my testimony that city planning will
3 be playing a much larger role in the capital budget
4 planning process so that we can more easily
5 identify and make sure that, that all appropriate
6 capital, particularly capital budget entities,
7 agencies in the city can identify when particular
8 investments are necessary, where they should be in
9 the capital budget and how the capital agencies can
10 to some extent reorder their priorities so that the
11 necessary public investments come online at the
12 appropriate time. That's not an easy task as all of
13 us know but it's the hardest part of this. But I'm
14 committed to seeing this happen and as most of you
15 know, if not all of you know that there once was a
16 time when city planning and OMB were the co-
17 directors, or co-constructors of the City's capital
18 budget. And that was taken out of the charter while
19 it's not going back into the charter anytime in the
20 near future I think there is a receptivity, I know
21 there's a receptivity at OMB and with Dean Fuleihan
22 who I've had many conversations with him about this
23 to make sure that we do play that role.
24

2 CHAIRPERSON FERRERAS: Thank you Council
3 Member. We will have Council Member Rosenthal
4 followed by Council Member Miller. And I'm sorry
5 we've been joined by Council Member Levine,
6 Johnson, Richards, Cohen, and Rodriguez.

7 COUNCIL MEMBER ROSENTHAL: So I'm... thank
8 you Chairs and thank you Commissioner for being
9 here. It's so nice to have you here. So I represent
10 the upper west side of Manhattan. And I'm going to
11 pick up on the same theme that Council Member
12 Lander and Council Member Greenfield just talked
13 about. And what I'd like to do is put in a big plug
14 for looking at each district differently. When you
15 think about mandatory inclusionary housing for the
16 upper west side we are in the perfect spot to
17 address maintaining middle income families in New
18 York. So if we want to talk about New York as being
19 not a city of just rich and just poor but what
20 we're doing to maintain our middle class. I think
21 the upper west side is an example of a place and an
22 opportunity to maintain middle income families. Let
23 me give you an example. Two seasoned public school
24 teachers who comprise a family of four would have a
25 family income of 180 thousand dollars. They could

2 not afford to live on the upper west side right
3 now. Now I know we're not talking about Ritchie
4 Torres' district. I understand that. And I
5 understand the needs of those districts having
6 affordable housing for their income levels. And I
7 understand completely and am a champion of
8 supporting low income housing in my district. We
9 approved a couple of years ago a project that will
10 bring in over 600 units of affordable housing for
11 families that the 30 percent of AMI income level.
12 100 percent there. We need affordable housing for
13 everyone. But I just went through a land use
14 project where TF Cornerstone which I think you
15 approved on your second day on the job. So...

16 COMMISSIONER WEISBROD: I was in a fog
17 council member.

18 COUNCIL MEMBER ROSENTHAL: Oh so...

19 [crosstalk]

20 COMMISSIONER WEISBROD: ...we were happy
21 with that approval...

22 COUNCIL MEMBER ROSENTHAL: Well I
23 wasn't. I mean I'll tell you that one I, I was
24 able, managed to rest in the way that Council
25 member Lander just described two additional things.

2 One was 20 additional units of affordable middle
3 income housing. Now Council Member Torres who just
4 walked in is going to not be happy with me but
5 those were income bands at 175 percent, 200
6 percent, and 230 percent of the AMI. And I consider
7 that a big win. The base of 200 units will I asked
8 for it to be upped from 30 percent AMI to 60
9 percent AMI. And that's great for my district
10 because we want the people who move in there to be
11 able to shop at those local grocery stores. It's
12 simply the reality of my district. And I'm going to
13 stop talking in a minute because I want to hear
14 your thoughts but the other piece was this sailed
15 through just to be clear in a neighborhood where
16 few had, if the EIF had contemplated this building
17 in the context of another building that had just
18 been approved by city planning and it's in the
19 midst of being built with 800 units we would
20 recognize that over 3,000, probably 5,000
21 individuals, so over 3,000 families will be moving
22 in and we desperately need a new school. But
23 according to Seeker [sp?] we just missed the
24 criteria for both schools. So now we have a
25 thousand unit development going in right next door

1
2 to a 800 unit development and the best I was able
3 to negotiate was a new public school pre-k that
4 will take up 15 thousand square feet. And yes I'm
5 proud of that but what we need is a 100 thousand
6 square foot school to go in that building. And now
7 we've lost the opportunity in that four or five
8 block radius. I don't think there will be any new
9 development coming in. So our public, our future
10 public school students are not in good shape. So
11 I'd like you to respond to that but I also am, I
12 would... the constituents in that area and the
13 residents in that area would really ask that you be
14 mindful of middle income families and needs as you
15 contemplate inclusionary affordable housing. Thank
16 you.

17 COMMISSIONER WEISBROD: Thank you
18 Council Member. As I indicated in my responses to
19 Chair greenfield and Subcommittee Chair Dickets
20 [phonetic], Dickens and to Council Member Lander we
21 are going to be looking at mandatory inclusionary
22 on a neighborhood by neighborhood, rezoning by
23 rezoning basis. The, it's only appropriate because
24 the issues in each neighborhood are different and
25 how exactly it will play out in any particular

2 neighborhood it's too early to tell but we are
3 going to look at it in, in each neighborhood. And
4 with respect to seeker I think we... first I think
5 seeker is as we know a, a... has been used and has
6 been a... and is by law a disclosure document more
7 than a planning document. It is not the only basis
8 by which public investments should be made. And one
9 particularly in the areas that we will be looking
10 at comprehensively and the 15 studies we will be
11 undertaking part of our planning responsibilities
12 will be first looking at the neighborhood as a
13 whole and its needs as opposed to being reactive
14 and just responding to what, what seeker, an
15 environmental review requires. Not say, not say
16 that it's unimportant, it's obviously very
17 important but it is not the only tool to determine
18 what a community needs and should have.

19 CHAIRPERSON FERRERAS: Thank you Council
20 Member, thank you Council Member Rosenthal. We'll
21 have Council Member Miller followed by Council
22 Member Barron.

23 COUNCIL MEMBER MILLER: Thank you Madam
24 Chair and to the Co-Chairs and thank you
25 Commissioner for coming out, being out today. I

2 want to kind of just stay on this really admirable
3 and ambitious housing development that we're
4 talking about over the next few years. It, it seems
5 that, let me digress a minute and talk about the
6 mandatory inclusion and the time table on that. I,
7 I know you, you mentioned that sometime in the next
8 few months and you said, and claimed sometime
9 around the fall. But as we get there I want to just
10 be sure that, and because in retrospect I'm seeing
11 over the housing that has been developed and the
12 plans for intended housing. It appears that we're
13 creating new neighborhoods. And there is a need in,
14 in, in just about every neighborhood throughout
15 this city to create housing for indigenous
16 residents. And, and I want to ensure and, and
17 hopefully this community involvement will help to
18 ensure that we address that problem that, that
19 communities all over the city, particularly in
20 South East Queens where I am has that same
21 opportunity and that we are not creating housing
22 markets that are moving indigenous residents out.
23 So that would be my concern and I would like to
24 hear you speak to ensuring that that does not
25 occur. And then if I'm correct about 70 percent of

2 this would be private investment and I would like
3 to, you speak to the commitment and the solid
4 commitment of those private investors, particularly
5 as it pertains to pension funds and others who may
6 be involved with that, to ensure that these
7 projects get done. So I, I'll... allow you to speak.

8 COMMISSIONER WEISBROD: Well let, let me
9 deal with the first question which is yes we're
10 going to do this as I've said on a neighborhood by
11 neighborhood basis. And one of the goals of
12 mandatory inclusionary zoning is to help keep
13 people in their neighborhoods. Our goal is to, is
14 as new housing is built and it has a requirement
15 for affordability that, that that will be a very
16 important resource to help keep people in, in
17 their, in their neighborhoods. With respect to the
18 in, the overall housing plan budget the vast
19 majority of the, of the 70 percent of, of private
20 sector funding will be in the form of, of both
21 equity and, and financing that, debt financing that
22 private developers will need in order to, in order
23 to build. And there will be, there will be some
24 money certainly coming and I believe, I don't have
25 it in front of me, but I believe there is in that,

2 in that 41 billion dollars a significant amount of
3 money from pension programs.

4 COUNCIL MEMBER MILLER: Okay thank you.

5 So... Again so when we start talking about... is the
6 majority of this going to be government land, owned
7 property that we're looking at or are we looking at
8 other space throughout the city and is there any
9 dialogue with, with elected and, and communities
10 throughout to identify locations because that's
11 certainly something I would like to have a
12 conversation about. And then just to digress again
13 what the, yesterday's hearing, I know that it was
14 some mention about the goal in creating housing was
15 also to create some type of diversity within
16 communities which are great but I want to make sure
17 that we have a mechanism in formula to, that
18 ensures that the indigenous folks have an
19 opportunity take advantage.

20 COMMISSIONER WEISBROD: Right. I, I

21 would, I, I would say that probably some of the new
22 housing capacity will be on publically owned sites.
23 But I think the vast majority will end up being on
24 privately owned sites. And what, what our goal is
25 here is to help create a market... that will attract

2 private capital and, and incentivize not just with
3 tax incentives but by helping to create vibrant
4 communities that will incentivize private
5 developers from, to, to invest in neighborhoods.
6 And at the same time assuring that a significant
7 amount of that new housing capacity be affordable
8 by imposing on every new major rezoning differently
9 in each neighborhood probably. But, but imposing on
10 every new rezoning in a high density area or medium
11 density area an affordability requirement of some
12 sort. And it will vary in neighborhood just as my
13 response to Council Member Rosenthal... it will vary
14 neighborhood by neighborhood because what the goals
15 are of every particular neighborhood are a little
16 different.

17 COUNCIL MEMBER MILLER: Thank you very
18 much. Look forward to working with you in the
19 future.

20 CHAIRPERSON GREENFIELD: Thank you very
21 much and we're now going to move onto Council
22 Member Richards followed by Council Member Mendez.
23 And I want to recognize that we've been joined by
24 Council Member Peter Koo.

2 COUNCIL MEMBER RICHARDS: Thank you
3 chairs and thank you for testifying today Chairman
4 Weisbrod. I have three questions. The first
5 question I wanted to raise is on the Brownfields
6 program. I see you guys have allocated 176 thousand
7 dollars toward supporting that program, wanted to
8 know if you guys are in conversation with the state
9 or the governor's office in terms of what they're
10 planning to do in terms of the Brownfield's
11 program.

12 COMMISSIONER WEISBROD: Let me ask, let
13 me ask Mr. Slackin [sp?] to respond to that because
14 he's been overseeing the Brownfields and, and, and
15 our resiliency program.

16 HOWARD SLACKIN: Thank you. For the
17 record I'm Howard Slackin. I'm Director of
18 Strategic Planning for the department. The, what I
19 think you're seeing is a pair of Brownfield
20 opportunity area grants that we are undertaking in
21 cooperation with community groups on the north
22 shore of Staten Island. And these are grants that
23 originated with the New York State Department of
24 State and so we are working directly with them as
25

2 part of the Brownfield Opportunity Area Program to
3 advance those projects.

4 COUNCIL MEMBER RICHARDS: Great but are
5 you aware that I think in the governor's exec
6 budget there wasn't money there. So I think June
7 19, 19th is arriving so I'm just wondering if the
8 administration is going to have a conversation with
9 the state or are you guys having a conversation
10 with them in terms of ensuring that they're going
11 to support New York City?

12 CAROLYN GROSSMENT: Hi Council Member,
13 Carolyn Grossman, Government Affairs Director. We
14 are aware that the program has been cut for future
15 years. That does not affect the 176 thousand
16 dollars that's in our current budget. It does
17 affect the ability for the department as well as
18 other entities around the city to capture
19 additional planning funds. We obviously think that
20 that's unfortunate and have expressed that we think
21 that that's been an important funding source for us
22 in the past. But luckily you know it does not
23 affect our, our funds that have already been
24 allocated.

2 COUNCIL MEMBER RICHARDS: Okay. Second
3 question was on the environmental reveal
4 consultants. What will their... so I see you guys put
5 two million dollars in, in terms of that, wanted to
6 know what roll will they playing, will they be
7 working with DEP in particular?

8 COMMISSIONER WEISBROD: As you know for
9 any, any major discretionary action we or any
10 government entity is required to do an
11 environmental impact statement. And the, the, the
12 at least the major areas that we're looking at or
13 will be looking at throughout the city I have no
14 doubt will require significant environmental impact
15 analysis and review in order to be undertaken by us
16 or by the city. And that will be comprehensive and
17 of course include DEP but also include virtually
18 any city agency that has an impact on our
19 environment whether it's DOT, or whether it's
20 Historic Resources or Open Space or, or, or the
21 like. So of course it will include the DEP. Those,
22 those analysis are quite complicated and
23 comprehensive and require the outside environmental
24 consultants to undertake, smaller ones who will
25 undertake in house and do ourselves but...

2 COUNCIL MEMBER RICHARDS: Okay.

3 COMMISSIONER WEISBROD: ...on the, on the,
4 on the larger ones we'll certainly need outside..
5 [crosstalk]

6 COUNCIL MEMBER RICHARDS: And who will..
7 and so your department of, be overseeing them and..

8 COMMISSIONER WEISBROD: Generally
9 speaking on, on all rezonings we are the lead
10 agency...

11 COUNCIL MEMBER RICHARDS: Mm-hmm.

12 COMMISSIONER WEISBROD: ...and we, we will
13 be overseeing them. They are on, on specific
14 projects. Other city agencies could be the lead
15 agency but I think on, on the neighborhood area
16 wide rezonings that we'll undertaken I am fairly
17 confident we'll be the lead agency on all of them.

18 COUNCIL MEMBER RICHARDS: Okay, great.
19 And then the last question I had is on, I know you
20 guys are going to planning around resilient and
21 sustainable communities and I represent the
22 Rockaways of course and I think you guys might have
23 started a process... I feel like you guys did one
24 meeting in the Rockaways already. Just wanted to
25 know if you guys were looking at the R&E site in

1
2 particular, if you're aware of it One 80 acres of
3 land out there that is desolated and.. it's already
4 zoned. I mean and developers are looking to you
5 know obviously do some mix of housing there and,
6 and, and really reshape the waterfront community
7 there. So just wanted to know if that was on your
8 radar and are you guys having conversations on
9 that... [crosstalk]

10 COMMISSIONER WEISBROD: Yeah I, I'm
11 informed by Mr. Slackin who can certainly speak for
12 himself but I'll speak for him for the moment which
13 is that this is a site where HPD is really taking
14 the lead but we are in fact working with them.

15 COUNCIL MEMBER RICHARDS: Thank you so
16 much. I appreciate it.

17 CHAIRPERSON GREENFIELD: Thank you.
18 Council Member Barron to be followed by Council
19 Member Mendez.

20 COUNCIL MEMBER BARRON: Thank you. I
21 want to thank the Chairs Greenfield, Ferreras,
22 Weprin, Dickens, and Koo. And I want to thank the
23 panel for coming to talk about how you see
24 especially implementing the plan for housing that
25 the mayor has proposed. I do represent the east New

1
2 York section of Brooklyn. And I heard you reference
3 east New York. Were you talking about the east New
4 York section of Brooklyn or you were talking about
5 the eastern part of New York City. Because I want
6 to know what the particular plan is that you talked
7 about. Is it the Atlantic Carter... [crosstalk]

8 COMMISSIONER WEISBROD: It's mostly the
9 Atlantic Carter in east New, east New York. And I
10 think a portion of it is in your district Council
11 Member and I think a... [crosstalk]

12 COUNCIL MEMBER BARRON: No.

13 COMMISSIONER WEISBROD: ...portion of it
14 is... [crosstalk]

15 COUNCIL MEMBER BARRON: But I'm, I'm...

16 COMMISSIONER WEISBROD: ...in, in...

17 COUNCIL MEMBER BARRON: ...familiar with...
18 [crosstalk]

19 COMMISSIONER WEISBROD: ...Council Member
20 Espinal's district.

21 COUNCIL MEMBER BARRON: Correct.

22 COMMISSIONER WEISBROD: Right.

23 COUNCIL MEMBER BARRON: I'm familiar
24 with the plan and I just wanted to know if that is
25

2 what you were referring to. And I did sit in on a
3 few of the planning sessions...

4 COUNCIL MEMBER WEISBROD: Yes.

5 COUNCIL MEMBER BARRON: ...that occurred
6 at the community board because I do represent
7 Community Board 5 and it's a part of that plan. Now
8 as you talk I do want to echo the concerns of
9 Council Member Miller in terms of residents who
10 have lived in the community for a number of years
11 who now may have an opportunity to move into new
12 housing, upgraded housing who are being, who may be
13 forced out. Because we know if we look at certain
14 areas of the city, specifically Bed-Stuy the block
15 population there has diminished where is in a fact
16 for east New York we've seen an expansion of the
17 community. And it's because the former Council
18 Member make sure that as housing came in it was
19 within the range of the income of people who live
20 in that community which is basically about 30
21 thousand dollars. So the housing was designed
22 basically starting at 25 thousand dollars and it
23 went up from there. What are your plans? What are
24 the 15 neighborhoods that you've identified as
25

1 expansion for housing? Your report talks about...

2 [crosstalk]

3
4 COMMISSIONER WEISBROD: Yeah, we haven't
5 identified them yet except for east New York. So
6 east New York is the first and we will be over the
7 next several weeks identifying the others. And as
8 we identify a neighborhood we will be coming out
9 and talking to the neighborhood, working with the
10 neighborhood, really as I indicated earlier using
11 the east New York planning process as a model
12 because we think that has been effective in east
13 New York, has resulted in substantial neighborhood
14 consensus about what should be done and so that's
15 the approach we're going to be using. And as I
16 indicated with respect to at least mandatory
17 inclusionary zoning the, we will be doing this on a
18 neighborhood by neighborhood basis and taking into
19 account the, the, the needs and goals of, of, of
20 each community and each neighborhood that we are,
21 are rezoning. To a significant extent there is a
22 several billion dollars in the housing plan that,
23 and a, and a vast increase in the city capital
24 commitment to affordable housing. And the driver
25 of, of that within a zoning envelope will be, will

2 be HPD. And the, they'll really be the entity that
3 will lead most of this.

4 COUNCIL MEMBER BARRON: Oh, I'm very
5 glad that you brought that up because we're seeing
6 that there's a lack of coordination between many of
7 the agencies that are going to be working on
8 developing these houses. There's a lack of
9 coordination between them. There was a particular
10 project which was designated as an economic
11 development incubator. And the group was told that
12 they had been given the sight and that they would
13 have a one year award with a possibility of
14 extending it for an additional two years. That was
15 in September of last year. And now they've been
16 told oh, there's been a major change and now we're
17 targeting the same site that we had told you you
18 could develop. We're targeting that for imminent
19 development of housing. We have concerns in that
20 regard because the community had been excited about
21 the prospect of having an economic incubator in our
22 community. It was going to have an opportunity for
23 artists to be able to have studio space, for
24 entrepreneurs to be able to have vending space. And
25 for the community to be able to interact and have

2 performing space as well whereas now we're being
3 told that's not going to happen. It's creating a, a
4 very sensitive issue in the community. It's
5 something that had been in place, people had in,
6 the groups that were involved which included the
7 Arts East New York and PRAT and the Local
8 Development Corporation is now looking very askance
9 at this change of plan. So we need to get better
10 coordination. We still want to see how that plan
11 can go forward. And we don't want to have a
12 saturation of housing without all the necessary
13 components that go with it. We've heard that for
14 instance, to schools not being built to adequately
15 fund that, I'm sure you know about Gateway 2
16 project which is bringing in a huge number of
17 privately owned homes, two and three family homes
18 as well as apartment buildings. And we need to make
19 sure that we coordinate with DOE to get the
20 appropriate schools built. We had a huge overflow
21 problem from the sewage which had not happened
22 previously two weeks ago with the heavy rain.
23 Homeowners brought pictures and we went and saw the
24 homes that had been damaged. So there's a great
25 need to make sure that the infrastructure, not just

2 the transportation and things that might be a
3 little easier but the infrastructure because you
4 know there's a limited train service in east New
5 York. So we certainly have to do that. So I
6 certainly look forward to working with you
7 directly, my office, and being able to identify how
8 best to address the, those housing needs in the
9 community of east New York particularly.

10 COMMISSIONER WEISBROD: Likewise.

11 [crosstalk]

12 CHAIRPERSON GREENFIELD: Thank you
13 Council Member Barron. Council Member Mendez.

14 COUNCIL MEMBER BARRON: Thank you.

15 COUNCIL MEMBER MENDEZ: Thank you Mr.
16 Chair. And thank you for being here today Chairman
17 Weisbrod. I, you know I watched the odd couple. I,
18 I learned we should never assume. So I'm going to
19 ask you because I came in late and I didn't hear
20 you read the testimony. I'm assuming though I
21 should never do that. But on page three there is
22 something missing so I didn't understand your
23 testimony. It's in the middle of the page, the
24 second paragraph. And then the second sentence says
25 this increase includes 2.3 million is PS dollars to

1
2 fund the new positions, two million for
3 environmental consultant services to assure we can
4 implement the neighborhood that are developed. And
5 we propose as well 3.1 million for annual rent to
6 allow city planning to relocate from its deterrent
7 dysfunctional... [crosstalk]

8 COMMISSIONER WEISBROD: I think the word
9 plans is missing. Mm-hmm.

10 COUNCIL MEMBER MENDEZ: That's what I
11 assumed.

12 COMMISSIONER WEISBROD: Good.

13 COUNCIL MEMBER MENDEZ: Guess that works
14 out.

15 COMMISSIONER WEISBROD: I'm sorry...
16 [crosstalk]

17 COUNCIL MEMBER MENDEZ: Just making
18 sure. And I joined the council, I took my position
19 here in January of 2006. Prior to that for several
20 years my community and I, and my predecessor
21 Margarita Lopez had worked on a rezoning.. We
22 finally passed a rezoning, a contextual rezoning in
23 my district in November of 2008. So that was nearly
24 three years of me being in office and several years
25 before hand. Just wondering how do you plan to

1
2 expedite some of these rezonings? And I'm assuming
3 from what I've read that it will have, it's going
4 to be community based planning. And what would be
5 the financial impact to try to expedite this in
6 terms of more staff people or whatever else might
7 be needed to expedite some of these rezonings?

8 COMMISSIONER WEISBROD: Well I, as I
9 indicated in my testimony this is for the first
10 time in seven years a reversal of the department's
11 budget in the sense that we are getting new
12 resources with really the bulk of them being
13 devoted to implementing the, the, the mayor's
14 housing plan. We will see I think in the, in the
15 next year whether the staff that this, this
16 additional staff is sufficient to undertake that
17 effort. I mean that we all know that city resources
18 are never enough to do everything we would like to
19 do. And so they're, there are constraints on
20 achieving the optimum amount of staffing although
21 I'm really very, very, very pleased that we have
22 seen a reversal in city planning's loss of staff
23 and attrition over the past several years. With
24 respect to expediting rezonings and making them go
25 faster... there's really a, a, I think a balance to

1
2 be had. On the one hand we are going to work as
3 aggressively and as closely with neighborhoods as
4 we can to do ground up planning. But ground up
5 planning under the most focused circumstances and
6 under... respect of, of how much staff we have
7 available to do it really does require a certain
8 amount of time if we're going to do it well. And we
9 want to do it well because we want to have, achieve
10 a consensus in neighborhoods to the extent we can
11 and mesh our, our planning efforts with, the needs
12 of, of each community. That takes a degree of time.
13 We're talking earlier about east New York and the
14 work we're doing there which has been, been very
15 very well received by the east New York community.
16 But that's been an investment of, of two years. So
17 it's, it's, it's... no one wants to see this proceed
18 faster than I do but at the same time I want to
19 make sure it proceeds well. That's point number
20 one. On the, on the second point however which is
21 how can we make the, once we have a plan, how can
22 we make the process go faster and how can we make
23 the precertification process particularly move
24 faster. We're really committed to doing that. The
25 department's made a lot of progress over the last

2 few years in expediting that. We're going to make
3 more progress in the months and years to come. But
4 I'm really committed to expediting the process not
5 just for communities but for the private market as
6 well because time is money.

7 CHAIRPERSON GREENFIELD: Thank you.

8 COUNCIL MEMBER MENDEZ: Ms., Mr. Chair I
9 did have some other questions.

10 CHAIRPERSON GREENFIELD: We'll have a
11 round two.

12 COUNCIL MEMBER MENDEZ: We'll have a
13 round two.

14 CHAIRPERSON GREENFIELD: We'll have a
15 round two.

16 COUNCIL MEMBER MENDEZ: Okay.

17 CHAIRPERSON GREENFIELD: Thank you and
18 in...

19 COUNCIL MEMBER MENDEZ: Thank you.

20 CHAIRPERSON GREENFIELD: ...the interest
21 of time we're also, we're going to recommend that
22 the Chair limits his responses as well to five
23 minutes because we got a few other committees
24 waiting to testify.

2 COMMISSIONER WEISBROD: I'll, I'll, I'll
3 shorten my answers.

4 CHAIRPERSON GREENFIELD: I know that
5 enthusiasm at you know testifying here in front of
6 the council. Council Member Treyger.

7 COUNCIL MEMBER TREYGER: Thank you
8 Chairs. And welcome Commissioner. I first wanted,
9 you know as the Chair of the New Recovery
10 Resiliency Committee I, I do appreciate the
11 attention that's being paid to resiliency measures
12 and Department of City Planning. I do just, I do
13 have a, my first question is what sorts of costs
14 does the 1.1 million dollars in OTPS funding
15 relating to the neighborhood resiliency studies
16 cover?

17 COMMISSIONER WEISBROD: I'm going to let
18 Mr. Slackin answer that.

19 SLACKIN: The primary use of the OTPS in
20 that budget, I mean some of it is, a relatively
21 small amount is for equipment and to serve staff
22 and, and primarily in the borough offices as they
23 undertake their projects. But the, the, it is
24 primarily for anticipated environmental review to
25 implement the recommendations of the studies which

2 would involve retaining consultant services to
3 undertake environmental review tasks that, that are
4 beyond what the department can do in house.

5 COUNCIL MEMBER TREYGER: Okay. Just
6 moving forward that I am very concerned and I have
7 a laser like focus on making sure that we don't
8 place any additional burdens on those victims from
9 Superstorm Sandy. And making sure that every
10 decision we make as we move forward I, I, I expect
11 engagement with the communities at the grassroots
12 level with all of local elected officials to make
13 sure that we are helping and aiding those victims
14 and not placing any additional burdens as they are,
15 as we know suffering quite a bit. I'd like to also
16 now just turn my attention to Coney Island in my
17 district. I was not the councilman in Coney Island
18 during the 2009 rezoning but I am certainly the
19 councilman now. And I would just like to point out
20 that there were things done during the rezoning to
21 allow for certainly large scale development. But as
22 other colleagues here mentioned prior that we can't
23 plan an abstract. I think that we have to plan
24 dealing with the issues and the needs of the
25 existing community. I believe that our role is to

2 address the needs of families today and not people
3 that might move in 10, 15, 20 years from now. And
4 so there are existing significant infrastructure
5 issues in my district that I, I'm hearing some news
6 about that might be addressed but my concern is
7 peninsula-wide making sure that we meet the needs
8 of, of families throughout the Coney Island near
9 Sea Gate, Sea Gate Peninsula. It's also a factor of
10 making sure that transportation is also looked at.
11 If you try to drive into Coney Island during the
12 summer months it is very, very difficult, a major
13 challenge. Also an issue of police resources the,
14 the Police Department has to cover the entire two
15 and a half mile stretch of beach and boardwalk in
16 addition to the residential areas. And we never
17 factored into the growth of how many more housing
18 we have and future housing that will exist. So I
19 really believe that it is crucial that when we make
20 these plans we, we factor in the existing needs
21 right now and not just predict or you know assume
22 what the needs will be 10 to 15, 15 years from now.
23 Any comments on Coney Island I, I would appreciate.

24 COMMISSIONER WEISBROD: I don't have any
25 specific comments on Coney Island. But just to note

2 that as we plan neighborhoods going forward that's
3 exactly what we plan to do.

4 COUNCIL MEMBER TREYGER: Thank you. And
5 I, I will close just I have more questions, I'll
6 save... in the second round. But just want to point
7 your attention to a particular road, street in
8 southwest Brooklyn. It's physically in Councilman
9 Gentile's district but it does impact my district.
10 This a road called Shore Parkway in southwest
11 Brooklyn. I don't know if you're familiar with it.
12 But just to read off the list of establishments
13 along Shore Parkway. You have residential buildings
14 that house many seniors, a nursing home and
15 rehabilitation center, senior housing, a shopping
16 plaza, a BJ's department store, a Mercedes Benz
17 dealership, a Trojan's amusement park, you have a,
18 a school for children with Autism and Down
19 Syndrome, a proposed garbage transfer station that
20 will bring in over 2,000 tons of garbage every
21 single week barged out over the water, a boat
22 marina and parks with future plans for kayaking.
23 Would you consider this a model example of city
24 planning?

2 COMMISSIONER WEISBROD: I'm modestly
3 familiar with shorp [phonetic], Shore Parkway area
4 and I note your concerns about it.

5 COUNCIL MEMBER TREYGER: I will
6 definitely like to follow up with your office and
7 to discuss this further and I thank the chairs for
8 their time.

9 CHAIRPERSON GREENFIELD: Thank you very
10 much. I just have one quick question about an item.
11 I think it was two million dollars in environmental
12 consulting services. Can you just very briefly tell
13 us what that new expenditure is going to be for us?

14 COMMISSIONER WEISBROD: Yes it's for
15 environmental consultants that would do the
16 environmental review on our more comprehensive area
17 wide rezonings.

18 CHAIRPERSON GREENFIELD: So are they
19 going to be in house or... [crosstalk]

20 COMMISSIONER WEISBROD: No... this,
21 smaller environmental reviews we will do in house
22 but the more complex ones are, we just don't have
23 the capability to do that.

24
25

2 CHAIRPERSON GREENFIELD: Okay, Council
3 Member Mendez for a round two which is three
4 minutes.

5 COUNCIL MEMEBR MENDEZ: Thank you. I'm
6 going to ask all my questions up front. So part of
7 that rezoning that we did back in 2008 we worked to
8 get an anti-harassment provision which DCP did, set
9 that was on us and we did that with HPD. And I
10 really think that these are important things to
11 consider and we have to have these. It didn't work
12 very well whatever funding was put in place the
13 groups could not make the deliverables. But in the
14 interim I've lost a lot of rent stabilized units
15 and individuals have been harassed out of other
16 affordable units in my district. So I want to know
17 if this is something that DCP will work on. The
18 other thing is we've tried to do retail rezoning
19 and we had met with then Commissioner Amanda,
20 Amanda Burden and I was wondering have you given
21 any thoughts to doing that? Because we are losing a
22 lot of crucial diversity in stores, particularly on
23 mom and pop stores. And then lastly about ten years
24 ago or so DCP had a hearing to limit where sidewalk
25 cafes can be and we haven't had anything done... it's

2 like 10 or 12 years ago and I was just wondering
3 are you considering doing that? Because certainly
4 sidewalk cafes while we have some restrictions they
5 should not be everywhere in our city.

6 COMMISSIONER WEISBROD: On, on the, the
7 first question about anti-harassment I, I will say
8 that there is a provision in the housing plan to
9 buchess that up and that HPD is taking the lead on
10 that, not city planning but HPD is taking the lead
11 on that with respect to the rezonings in the, or
12 rezoning in the lower east side area over the past
13 few years. I really turn to... my colleagues who were
14 there. Mr., maybe Mr. Barth or or Ms. Groslin could
15 respond.

16 CAROLYN GROSLIN: Sure. Council Member
17 we can obviously follow up. My recollection is that
18 there, there was money set aside to help the
19 housing groups advocate on behalf of potential
20 tenant harassment issues in your neighborhood...

21 COUNCIL MEMBER MENDEZ: Yes.

22 CAROLYN GROSLIN: We, we certainly
23 support that. The, the, the concern has, has been
24 in the past that the zoning is not a particularly
25 effective tool mainly because of the timing, the

2 sequencing associated with the time of harassment
3 versus the time of a building permit which may be
4 decades later.

5 COUNCIL MEMBER MENDEZ: Okay.

6 CAROLYN GROSLIN: But we absolutely are
7 committed to making sure that harassment issues are
8 addressed and... [crosstalk]

9 COUNCIL MEMBER MENDEZ: Okay. I, I guess
10 I just need to follow up with HPD if it's still
11 going through HPD to really make it meaningful
12 because it wasn't very meaningful for my district.
13 Retail rezoning? Any thoughts on looking at retail
14 rezoning.

15 COMMISSIONER WEISBROD: Not yet. I'll
16 say we have a very ambitious housing plan that
17 frankly the major resources of the department are
18 going to be directed to that in the first instance.

19 COUNCIL MEMBER MENDEZ: And sidewalk
20 cafes any... taking a look at doing that.

21 COMMISSIONER WEISBROD: Well I was just
22 going to say as you point out early in Commissioner
23 Burden's term she, we undertook a, basically a
24 chain text amendment to facilitate certain kinds of
25 sidewalk cafes in certain areas. I think you know

2 in terms of taking a fresh look at that that will
3 have to be part of, of you know as we go forward
4 with the work program how that fits in.

5 COUNCIL MEMBER MENDEZ: Thank you. I, I
6 thought it was great when they did it. A lot of
7 communities found out about it too late. So it's
8 been a substantial amount of time so we can take
9 another look at it in the future it'll be great.
10 Thank you very much. And thank you Mr. Chair.

11 CHAIRPERSON GREENFIELD: Thank you
12 Council Member. And final question that I have for
13 you is that one of the major points discussed
14 towards achieving the goals of the ten year plan is
15 the idea of creating a, I believe the term what you
16 used was a more liberal method regarding the
17 transfer of unused development rights for landmark
18 buildings and districts to potential of development
19 sights. Have you had any discussions internally,
20 externally, whether agencies in terms of what that
21 would look like and what the plan is over..

22 COMMISSIONER WEISBROD: ...we've heard a
23 lot of ideas from a lot of different sources. We
24 have, we're committed in the housing plan to
25 starting and conducting a study on TDRs to see how

2 they can best be utilized. It's a very complicated
3 issue as you all know. But that study hasn't begun
4 yet but we're committed to doing it.

5 CHAIRPERSON GREENFIELD: Thank you very
6 much.

7 CHAIRPERSON FERRERAS: Thank you Co-
8 Chair. We are, thank you for your testimony today...

9 COMMISSIONER WEISBROD: Thank you.

10 CHAIRPERSON FERRERAS: ...and we look
11 forward to working with you and continuing. There
12 may be follow up questions that we'd like to get to
13 you so if you can get them back to us expeditiously
14 that will help us in our budget negotiation.

15 COMMISSIONER WEISBROD: Absolutely. We'd
16 be delighted to and we look forward to working with
17 you Madam Chair and all the members of the council
18 as well.

19 CHAIRPERSON FERRERAS: Okay thank you.
20 We're going to take a three minute break before we
21 start with DoITT. Thank you.

22 UNIDENTIFIED FEMALE: Oh, ask a quick
23 follow up?

24 CHAIRPERSON FERRERAS: [sighs]
25

2 UNIDENTIFIED FEMALE: Is that alright?

3 It'll be less than three minutes... Okay...

4 CHAIRPERSON FERRERAS: Can you make it
5 two minutes actually?

6 UNIDENTIFIED FEMALE: You got a deal.

7 CHAIRPERSON FERRERAS: Thank you.

8 UNIDENTIFIED FEMALE: I was just
9 downstairs watching the live streaming. So I heard
10 your response to Council Member Mendez about
11 commercial rezoning... Sorry I'm out of breath. ...for
12 what I would call mom and pop stores and as you
13 know and certainly the staff has been wonderful in
14 working with the upper west side to zone on, in
15 terms of physical space to try to address the needs
16 of small independently owned businesses. But I
17 know, but it's a challenge. And I would argue, I
18 heard your response and, and I would argue that in
19 many ways the affordable housing plan, again back
20 to the particular needs of the upper west side and
21 I don't know other communities are actually
22 intricately linked to the independent business
23 owners and that the loss of small businesses is a
24 reflection of outrageously high market rents that
25 exist now on the upper west side. And I'm sure in

2 other places. And that's with striving out the
3 independent businesses. And I would just ask that I
4 know you're taking on this big endeavor and I get
5 that but really it's intricately related to the
6 loss of mom and pops. And I'm hoping that... I have a
7 minute and 23 seconds... I'm done. That I'm hoping
8 that at least you know in the back of somebody's
9 mind or in some way you can contemplate this as
10 well. Thank you.

11 COMMISSIONER WEISBROD: Thank you
12 Council Member.

13 CHAIRPERSON FERRERAS: Thank you very
14 much. We will take a three minute break and we will
15 start with Landmarks.

16 [pause]

17 CHAIRPERSON FERRERAS: We will now
18 resume the city council's hearing on the mayor's
19 executive budget FY 2015 the Finance Committee and
20 the Committee on Land Use chaired by my colleague
21 Council Member David Greenfield. Just heard from
22 the Department of City Planning. We will now hear
23 from the Landmarks Preservation before we hear from
24 the commission. Before we hear from the commission

25

2 I will turn my mic over to my Co-Chair Council
3 Member David Greenfield.

4 CHAIRPERSON GREENFIELD: I am too
5 forgoing my statement in the interest of time and
6 in the interest of hearing the very compelling
7 testimony from the Landmark Preservation
8 Commission. Thank you.

9 CHAIRMAN TIERNEY: I'm on? Okay. Thank
10 you very much. Thank you Council Members. Morning,
11 good afternoon Chair Greenfield, Chair Ferreras,
12 other honorable Council Members Chairman Koo. Bob
13 Tierney Chairman of Landmarks Preservation
14 Commission and thank you for giving me this
15 opportunity to testify on the commission, about the
16 commission and its 2015 executive budget. The
17 landmarks commission is the mayoral agency
18 responsible for protecting and preserving New York
19 City's architecturally, historically, and
20 culturally significant buildings and sites. LPC's
21 fiscal year 2015 executive budget is 5,268,457
22 dollars which comprises 4,710,465 in city funds,
23 and 557,992 in community development block grant
24 funding. Of the CD funding 20 percent, 21 percent
25 is allocated for our grant program and low income

1
2 for low income home owners and non-profits. And the
3 remainder is used to support other agency community
4 development related functions such as surveys,
5 archeology, community outreach, and education. And
6 in this budget there is an increase of 244,900
7 dollars from the preliminary budget when I was here
8 a month or two ago. And that is reflected in this
9 executive budget. And of the 244,900 increase 240
10 is directly related to the agency's plan relocation
11 to offices at the city owned landmark building at
12 253 Broadway. Adjustments to heat, light, and
13 power, and a lease adjustment are also reflected in
14 this plan which accounts for the remaining 4,000,
15 49 hundred dollars of the increase. There are a
16 total of approximately 31, now it's up to 31,700 as
17 we speak, 714 designated properties throughout the
18 city including 111 historic districts and 20
19 historic district extensions, 300 and, 1338
20 individual landmarks, 117 interior landmarks, and
21 10 scenic landmarks. The commission places a high
22 priority on working with owners of historic
23 properties and potentially historic properties. The
24 commission works with this council to ensure that
25 the relevant council member in each of these cases

1
2 has all the pertinent information about a potential
3 landmark and the feedback we're getting from the
4 owner and from the community. We always solicit
5 obviously first and foremost the views of the
6 council member in, in whose district these
7 historic, potentially historic properties are
8 located as we move forward in the process and
9 address any potential issues prior to a vote. Last
10 year LPC, the last fiscal year excuse me LPC
11 designated three historic districts and extensions
12 as well as 17 individual structures, individual
13 landmarks. So the, that comprised a total of
14 approximately 400, 14 hundred buildings to the
15 City's inventory that I described early, earlier
16 the 31 thousand odd.. In the current fiscal year we
17 have designated two historic districts in the south
18 village, two historic districts, the South Village
19 historic district and the Park Avenue historic
20 district extension and 10 individual landmarks. At
21 the preliminary budget back in March this committee
22 asked several questions and followed up with
23 written requests for additional information from
24 the agency. And let me go, I'll go over a few of
25 them as we go through the rest of the testimony and

2 allude to them as they come up. I, first I was
3 asked to provide the total percentage of land which
4 is landmarked throughout the five boroughs and
5 submit it to this body at the end of March the
6 following numbers. Manhattan, for Manhattan 27.1
7 percent of tax map lots are designated. In the
8 Bronx 1.0 percent, Brooklyn 4.5 percent, Queens .9,
9 and Staten Island .3. To do this exercise just to
10 explain it quickly we relied on data from the DoITT
11 GIS files. The commission receives hundreds of
12 requests each year for potential new historic
13 districts and for individual landmarks. The, we
14 concentrate our resources on the work of
15 designating those buildings in districts that are
16 first and foremost meritorious. But beyond that
17 where a community and council member support has
18 been clearly expressed and at the same time
19 balancing the commission's priorities of protecting
20 historic resources in all five boroughs. So it's a
21 mix of factors as I've, as I've just described. At
22 the preliminary budget hearing the council, this
23 committee, the council requested information on
24 buildings that have a calendared status and did
25 some background on that. The first, first what is

1
2 calendaring, it's the, for us it's the first
3 official step in the designation process. It's a
4 calendar vote which technically paces a building or
5 potential district. On the LPC calendar for, for a
6 future public hearing. So it's an official act
7 taken to put it, set it on for a hearing. In the
8 majority of cases, a vast majority of cases
9 actually, most cases certainly today and over the
10 years I've, I've been running the commission,
11 leading the commission. The commission then holds a
12 public hearing as it's, after it's calendared and
13 is able to complete the designation process with a
14 designation vote and subsequent action affirmation
15 we, we hope and trust and it usually is an
16 affirmation based on the, the approach we've taken
17 here at the city council. Sometimes however once an
18 item has been calendared and the public hearing has
19 been held the commission has not been able to
20 complete the designation process because there have
21 been a number of reasons why that could happen,
22 some cases the information is brought forward at
23 the hearing that delays further consideration,
24 maybe new information, thinks we didn't know, or
25 things that other people want to bring to our

1
2 attention. And so then, then there becomes a need
3 for further owner and community outreach. And these
4 items then until we can, until we can reach the
5 kind of consensus that I think makes the best
6 possible way to approach historic designation in
7 the city, until that consensus can be reached along
8 the lines that I've earlier described these items
9 remain calendared until such time as the
10 commissioning can move forward with a designation
11 vote. The committee requested a list of currently
12 calendared buildings. And we provided that list to
13 you. Please note that the vast majority of those
14 buildings are within calendared historic districts
15 that the commission is actively working on. So
16 other individual buildings have been calendared for
17 some time. I'm not crazy about that but it, because
18 of all the factors I've just listed there are,
19 there are some that we just, that are still there
20 and we're making every effort and we've made a s
21 substantial progress in recent years in completing
22 the designation process one way or the other, an up
23 or down vote on designation so that things become,
24 that are removed from the calendar. So, but we're
25 whittling away the, the problem. And again the

1 vast, the real bulk of the numbers are active
2 historic districts that we're, that we're going
3 right through. So that, that list, that number will
4 be significantly reduced. As the demand for
5 designation increased the need for the commission
6 to protect and regulate landmarked buildings has
7 also increased no surprise. The commission does
8 not, and by the way our regulation is not stopping
9 change but it's to ensure that adaptations and
10 adaptive reuse and changes over time to importantly
11 architecturally and culturally and historically
12 important properties are appropriate. In fiscal
13 year 2012 we issued 11,238 permits which is more
14 than twice the number of permits during the mid-
15 90's. And so far this year we're on a record pace.
16 We got 8346 as of today or a few days ago. A 12
17 percent increase in the number of applications we
18 received by this day last year, 7339. We've
19 landmark more buildings were receiving more
20 applications and we're issuing more permits and,
21 and we are issuing them we hope in trust and I'm
22 pushing mightily with a great staff to implement
23 them, to process them efficiently, effectively, and
24 expeditiously. So we've always been able to meet
25

1
2 the demand by permits by reviewing our processes,
3 improving the work flow, streamlining the agency,
4 maximizing efficiency, we, we expedite
5 approximately 30 percent of our permits through a
6 fast track service. We also... [clears throat] excuse
7 me, design materials helping applicants get through
8 the process more quickly. We recently added six
9 full time, new full time permit issuing staff
10 members that were, and we're always looking for
11 ways to increase overall efficiency with or without
12 new staff members and enhance the agency's
13 interaction with applicants including further
14 expanding that fast-track program I talked about
15 and streamlining the intake process. Additionally
16 the commission continues to conduct research on
17 green technology to learn how greener materials if
18 you will can fit appropriately within the context
19 of historic buildings. And we found that they do.
20 There's nothing inconsistent with sustainability,
21 green building, and just in fact not only is it,
22 there's nothing inconsistent, the greenest building
23 is a building that's not torn down and that is
24 adaptively reused. So the committee, the, this
25 committee enquired in that connection about

2 landmarks that were impacted by Sandy, the storm,
3 Superstorm Sandy the commission during that period
4 or subsequent to that period received a total of 20
5 Sandy related applications over the last 18 months
6 mostly for interior alterations and relocating
7 mechanical equipment's, equipment and a few roof
8 repairs. As I said I think of my preliminary, we
9 were the historic fabric of the city was fortunate
10 to have escaped some of the devastating damage that
11 was inflicted in other parts of the city throughout
12 the, throughout the five boroughs. But the, from a
13 historic point of view it's amazing actually only
14 20 applications for repairs. As stated in the
15 preliminary budget hearing as part of the mission
16 of preserving and protecting the City's
17 architectural treasures we have an award winning
18 grant program, offers a variety of grants low and
19 moderate income home owners and 501C nonprofits to
20 help or restore and repair the facades of their
21 landmark buildings. That, since that, that grant
22 program has ordered 450 grants since its inception
23 to home owners and nonprofits. The eligibility of
24 home owners for these grants is determined by HUD's
25 national objective including an applicant's income

2 and the benefit the restoration work would have for
3 providing relief for blighted communities in
4 quotes, that's the, the term in the statute,
5 blighted communities in low and moderate income
6 areas. The, this program has a, an annual budget
7 the actual grants of 114,790 dollars which is
8 awarded in community development block grant funds.
9 Our program works closely with applicants to assess
10 eligibility, explain how an owner or nonprofit can
11 qualify and the grant program receives
12 approximately 15 completed grant applications a
13 year, our grant applications, grant awards excuse
14 me typically range from 5,000 to 20 thousand with
15 an average grant amount being in the range of 15.
16 The program, out of these 15 completed applications
17 each year we offer, award eight to nine grants to
18 about 60 percent of the eligible applicants. And
19 once it's granted the, we follow up, we, it's with
20 technical assistance and any, any kind of other
21 assistance that can be provided to make sure the
22 work is done efficiently, correctly, and within the
23 scope of the grant. Finally the agency continues
24 its active enforcement of the landmarks law, the
25 enforcement department this year is very active,

2 475 complaints issued 449 warning letters, 100 or
3 so NOV's, notice of violation. And our goal here is
4 to get compliance not to, not fines or fees or
5 penalties although in rare cases that happens. But
6 basically to get compliance with the landmarks law.
7 Two-thirds of the warningly letters, actually
8 before it even gets to the other stages gets the
9 attention of homeowners and others who apply
10 quickly to the commission and the violations are
11 addressed, there's no fine, no penalty. That's the
12 way, that's the, the best case scenario. And, but
13 the worst case I guess is working... I'll just
14 quickly touch on working with the law department
15 that we bring forward demolition by neglect
16 lawsuits. These are particularly egregious cases
17 which have however the handful of cases we brought
18 a significant number actually have been an
19 important effective enforcement tool to address
20 neglected buildings and respond to community
21 concerns about the issues they can cause. The legal
22 actions are brought when landmarks are in serious
23 disrepair. Owners just are not responding to
24 repeated requests for repairs to be voluntarily
25 undertaken. The system I talked about above has

1
2 been exhausted and then we go to court and there
3 are serious consequences. They are currently four
4 active demolition by a neglect lawsuits; three in
5 Brooklyn, one in Staten Island, and in most cases,
6 even in these cases the commission is successful in
7 working with an owner to address the issues with
8 the property or the property's sold, the new owner
9 gets on board and, and the thing works, and it
10 works out the way it should. The committee has also
11 provided this, excuse me, the commission I have
12 provided this committee with more detail and
13 information and the status of these active suits.
14 So in some, and in closing I believe the
15 commission's action to continue to meet the
16 challenge of balancing the need to preserve the
17 fabric that gives New York City its character, its
18 unique character, defines its rich cultural and
19 historic appeal and it encourages growth and
20 adaptive reuse over time. It doesn't block change,
21 we encourage change, it's appropriate change and
22 the character gets maintained. I'm proud of the
23 agency's work in ensuring that the place is most
24 important to the collective story of New York City
25 are preserved for generations to come. And it's the

2 partnership that I started out with property
3 owners, community boards, advocacy groups, elected
4 representatives, primarily the city council that
5 allow the Landmarks Commission to fulfil its
6 mission. I would like to thank everyone here for,
7 again for your continued support of historic
8 preservation and happy to answer any questions you
9 might have.

10 CHAIRPERSON GREENFIELD: Thank you Mr.
11 Chairman. We appreciate your testimony. We
12 appreciate your service, your long standing service
13 to the community and to the city. And I think
14 actually Council Member Koo you have some
15 questions. Want to turn it over... we, we have a
16 several questions we'd like to ask. And I want to
17 turn it over to the Subcommittee Chair Peter Koo to
18 start, or start us off.

19 CHAIRMAN TIERNEY: Thank you.

20 COUNCIL MEMBER KOO: Thank you Mr.
21 Chair. I have a question on the mayor's housing
22 plan. The transferable development rights. One of
23 the major points of discussion towards achieving
24 the goals of the 10 year plan is the idea of
25 creating a more liberal method regarding the

2 transfer of unused development rights from landmark
3 buildings and districts to potential development
4 sites which may not necessarily be adjacent or
5 being historical building or district. So my
6 question is have you have any preliminary
7 discussions within your agency or with others
8 regarding possible ways to realize this goal?

9 CHAIRMAN TIERNEY: Yes we have. We're
10 very interested in that. We've had our discussions
11 within the agency. We've had informal discussions
12 with other relevant city agencies, particularly
13 city planning commission over the year, been
14 certainly historically. But now it's taking on an
15 added urgency and we're delighted to be able to
16 accelerate those discussions to, to come to grips
17 with the specifics of any such transfer proposal.
18 We think it's a great benefit not only to the city
19 and for housing, and affordable housing and... but
20 also a great benefit for historic preservation. So
21 we're enthused about that and we're actively
22 pursuing it.

23 COUNCIL MEMBER KOO: Okay, another idea
24 has been the suggestion of creating a land ban for
25

2 transferable development rights. Has this been
3 discussed?

4 CHAIRMAN TIERNEY: It will be one of the
5 many issues that are in that general area that are
6 discussed sure. Yes it will be.

7 COUNCIL MEMBER KOO: Thank you I have no
8 more question.

9 CHAIRPERSON GREENFIELD: Thank you very
10 much Mr. Chairman. I wanted to follow-up on a
11 couple of things. You know when we, when we met
12 earlier this year and I raised the issue of 27
13 percent land marking in Manhattan I believe your
14 response at the time was you believe that was a
15 high number.

16 [laughter]

17 CHAIRPERSON GREENFIELD: ...that in fact
18 shockingly I was correct. So now in, in, in
19 retrospect looking back and I guess looking forward
20 as well. I mean we're pretty much, think at this
21 pace I would project that in 20 years all of
22 Manhattan will be landmarked in fact. Does that
23 worry you perhaps... it certainly worries me. I don't
24 think all of Manhattan should be landmarked and I'm
25 just curious about whether your... [crosstalk]

2 CHAIRMAN TIERNEY: I don't, I think...

3 CHAIRPERSON GREENFIELD: ...perspective is
4 on that?

5 CHAIRMAN TIERNEY: I, I would worry me
6 because it's not possible that all of Manhattan
7 could, could have the, could be eligible under our
8 pretty strict criteria for historic designation. I
9 have great regard for all of Manhattan of course
10 but our, our standards and our, and our strictures
11 in, for determining eligibility are pretty strict
12 and they take on very specific parameters. And I
13 would be quite surprised if it would get anywhere
14 near that kind of number.

15 CHAIRPERSON GREENFIELD: Okay I hear
16 you. I mean I would argue that a 27.1 percent is
17 not that strict right. I mean that's, that's a lot
18 of Manhattan.

19 CHAIRMAN TIERNEY: Yes it is, it's, that
20 is what the, those, those are the facts, those are
21 the tax map lots and I think you, we, you know we
22 could obviously go through district by district and
23 landmark by landmark and see which ones perhaps
24 are, or in some, some judgment shouldn't be
25

2 protected. But I, I, I'm not sure what those would
3 be.

4 CHAIRPERSON GREENFIELD: Does land
5 marking make mistakes? Ever look back and...
6 [crosstalk]

7 CHAIRMAN TIERNEY: Everybody makes
8 mistakes... [crosstalk]

9 CHAIRPERSON GREENFIELD: ...maybe, maybe
10 we got it wrong, maybe...

11 CHAIRMAN TIERNEY: Well...

12 CHAIRPERSON GREENFIELD: ...we need to
13 change this, maybe we need to delist a landmark or
14 more restrict a district that was wider. And I ask
15 that once again in the, in the...

16 CHAIRMAN TIERNEY: Mm, sure.

17 CHAIRPERSON GREENFIELD: ...context of
18 considering the, the new impetus especially with
19 the mayor's plan to...

20 CHAIRMAN TIERNEY: Yes.

21 CHAIRPERSON GREENFIELD: ...preserve and
22 build affordable housing. We've got huge swaths of
23 Manhattan that are effectively off limits and
24 certainly I think that makes that more challenging
25 and is an area of a concern. First I question the

1
2 premise of whether they are off limits. I, I mean
3 there's affordable housing is buildable in historic
4 districts, there's affordable housing currently in
5 historic districts. Admittedly of course that there
6 are restraints and parameters that make it perhaps
7 tougher but it can be done. And in terms of
8 mistakes I'll just speak for myself. No doubt a few
9 have been made. But I'm not going to, I'm not going
10 to list them and I really can't come up with them
11 right now...

12 CHAIRPERSON GREENFIELD: I don't blame
13 you for not...

14 CHAIRMAN TIERNEY: ...but they're there.

15 CHAIRPERSON GREENFIELD: ...listing them.

16 CHAIRMAN TIERNEY: They're there.

17 CHAIRPERSON GREENFIELD: Okay. But, but...

18 CHAIRMAN TIERNEY: But not in the
19 wholesale way you're suggesting that we, that we
20 peel back districts or that we start delisting...

21 [crosstalk]

22 CHAIRPERSON GREENFIELD: I'm not, I'm
23 not suggesting in a wholesale...

24 CHAIRMAN TIERNEY: ...delisting...

25

2 CHAIRPERSON GREENFIELD: ...And, and I
3 want to be clear it's...

4 CHAIRMAN TIERNEY: Yes.

5 CHAIRPERSON GREENFIELD: ...the nature,
6 the nature unfortunately of oversight is that we
7 don't oversee all the things that you've done well.
8 And I think that and I want to reiterate we
9 appreciate your leadership, we appreciate your
10 chairmanship. We think overall you've done very
11 good work. However there are areas no matter how
12 good anyone is where there will be room for
13 improvement and that is simply...

14 CHAIRMAN TIERNEY: Absolutely.

15 CHAIRPERSON GREENFIELD: ...all we're...

16 CHAIRMAN TIERNEY: Absolutely.

17 CHAIRPERSON GREENFIELD: ...we're judging
18 at this point, not the rest of it which we think
19 has been done very well.

20 CHAIRMAN TIERNEY: Couldn't agree more.

21 CHAIRPERSON GREENFIELD: And
22 specifically to speak to that point how, I mean how
23 do you feel as, as, as the chair and certainly
24 going forward can we, can you give us a suggestion
25

2 perhaps or lay out a plan how we deal with these
3 calendared buildings. I'm looking at June...

4 CHAIRMAN TIERNEY: Yeah.

5 CHAIRPERSON GREENFIELD: ...23rd, 1970,
6 June 14, 1966, May 6th, 1966, January 31st, 1967,
7 April 12th, 1966. I mean wow. I mean we're... we got
8 50 years...

9 CHAIRMAN TIERNEY: I just...

10 CHAIRPERSON GREENFIELD: ...on and we
11 still have lots of buildings that you guys can't
12 seem to make up your mind about.

13 CHAIRMAN TIERNEY: We can make up our
14 mind it's just that the, the, the appropriate level
15 of community support, owner support, and the other
16 dynamics that I alluded to in the testimony that
17 perhaps obtained at the time it was calendared in
18 some of those time periods you described has for
19 whatever reason a new council member a, a new owner
20 has dissipated and that it becomes then, the, the
21 issue always becomes. And we have cut that list
22 down dramatically as I said. But then the issue
23 finally on these nettlesome ones that are still
24 there are okay we'll have a public hearing on these
25 calendared buildings, here they are, list them all,

2 and we're going to have public testimony on whether
3 they should be designated or not. We'll go through
4 that process and then there's an up or down vote.
5 We say yes or no. And we've done that on many, not
6 all and there, there are, that's one way to
7 proceed, and that's a good way to proceed to get
8 final closure on these so I'm, I'm a...

9 CHAIRPERSON GREENFIELD: So, so you
10 would agree? And to be clear I'm not blaming you.
11 You weren't around as the chairman in the 60s as
12 far, as far, as I know...

13 [laughter]

14 CHAIRPERSON GREENFIELD: So, and I'm
15 just trying to understand but you...

16 CHAIRMAN TIERNEY: Yeah.

17 CHAIRPERSON GREENFIELD: ...would agree
18 that it makes sense perhaps going forward just as...

19 CHAIRMAN TIERNEY: Yeah.

20 CHAIRPERSON GREENFIELD: ...you know
21 looking forward that perhaps there should be a
22 mechanism where if we don't get around to it within
23 a certain I don't five years right, that's it,
24 you're, you're off the list and, and...

25 CHAIRMAN TIERNEY: Yeah.

2 CHAIRPERSON GREENFIELD: ...for those who
3 don't know who are watching the issue really is you
4 know between us we know that the Department of
5 Buildings when there's an item that get calendared
6 they put a little asterisk over there and basically
7 it's very difficult to do anything with those.
8 Would it be fair to say hey after a certain point
9 by default you voted no and then if you want to
10 bring it up another 10, 15, 20, 40, or 50 years
11 later god bless you.

12 CHAIRMAN TIERNEY: I, I wouldn't be
13 prepared to adopt that, that kind of solution. I
14 believe that it's a problem that, that, that...

15 CHAIRPERSON GREENFIELD: So what, what
16 would you recommend? Seriously, what would you
17 recommend... [crosstalk]

18 CHAIRMAN TIERNEY: Well first of all the
19 years, the years I've been there we have not
20 calendared bill, if you go through the list that
21 you're, you're alluding to these are not buildings
22 that I calendared, that were calendared in my tenor
23 that are... [crosstalk]

24 CHAIRPERSON GREENFIELD: I'm not blaming
25 you.

2 CHAIRMAN TIERNEY: ...currently
3 unaddressed. So... [crosstalk]

4 CHAIRPERSON GREENFIELD: I'm asking for
5 advice, some suggestions.

6 CHAIRMAN TIERNEY: Yeah I think it, an
7 arbitrary time limit presents some issues.
8 Certainly I wouldn't rule it out, I wouldn't rule
9 it in. I'd talk to council about it and others and
10 examine it. Because you're right there ought to be
11 a solution or maybe a different approach. And I'm
12 happy to look at any approach. My, certainly the
13 commission staff is happy to look at any approach
14 to be sure. Again I don't think it's a, it's an
15 ongoing problem but we do have the existing
16 inventory that you described that probably, we got
17 to figure out a way to, to deal with it.

18 CHAIRPERSON GREENFIELD: Okay and just
19 specifically...

20 CHAIRMAN TIERNEY: And we're trying to.

21 CHAIRPERSON GREENFIELD: It seems to us
22 that you have the ability under the new budget to
23 hire up to six new staffers can you give us some
24 details...

25 CHAIRMAN TIERNEY: Yes.

2 CHAIRPERSON GREENFIELD: ...about exactly
3 what it is that they will...

4 CHAIRMAN TIERNEY: Permit issuance...

5 CHAIRPERSON GREENFIELD: ...be doing.

6 CHAIRMAN TIERNEY: ...because this level
7 of, as I described that the amount of permits that
8 are pouring into us for change, appropriate change
9 is increasing rapidly. And in order to provide the
10 workforce necessary to, to have a decent humane
11 case level and still turn these around. It was
12 determined by our analysis, by OMB, by the, that,
13 that was required and necessary in order to have,
14 continue to expedite issuance of permit.

15 CHAIRPERSON GREENFIELD: That that'll
16 also lead to faster turnaround...

17 CHAIRMAN TIERNEY: Yes, it should...

18 CHAIRPERSON GREENFIELD: ...in terms of
19 the...

20 CHAIRMAN TIERNEY: Yes, absolutely.

21 CHAIRPERSON GREENFIELD: ...permit times...

22 CHAIRMAN TIERNEY: Yes.

23 CHAIRPERSON GREENFIELD: ...as well?

24 CHAIRMAN TIERNEY: Yes.

25 CHAIRPERSON GREENFIELD: Okay and...

2 CHAIRMAN TIERNEY: Exactly.

3 CHAIRPERSON GREENFIELD: ...and finally
4 can you tell us about the move and the expenses
5 related to that?

6 CHAIRMAN TIERNEY: I will. The, we've
7 worked with DCAS, DBC, and DoITT on this plan
8 relocation. They're the agency from 1 Center Street
9 to 253 Broadway as I said this landmark building
10 across the street. My understanding is part of a,
11 of a DCAS master plan for agency relocations and we
12 worked closely with DCAS on this. And DDC oversees
13 the design and construction of the project and the
14 budget issues if that specifically I, DCAS
15 certainly would be able to provide answers for. We,
16 what interest me most about the new space even
17 though I will in all likelihood not, certainly
18 won't be in it at chairing this commission but I
19 might, maybe I'll be in it in some other capacity..
20 [crosstalk]

21 CHAIRPERSON GREENFIELD: ...welcome to
22 visit I'm sure.

23 CHAIRMAN TIERNEY: ...we'll see. That,
24 that, we have, we'll have significantly upgraded
25 public hearing facilities to, to facilitate... We

2 have hearings every Tuesday. We go like crazy. We
3 do, do it like you all do, not as frequently but we
4 are very busy. We have a lot of public interest and
5 I think that the public hearing facilities will be
6 greatly enhanced and that is key to me in this
7 process.

8 CHAIRPERSON GREENFIELD: Okay great.

9 Thank you very much. With that I'll turn it over to
10 Council Member Kallos to be followed by Council
11 Member Mendez.

12 COUNCIL MEMBER KALLOS: Chairman I just
13 want to start off... I'm Council Member Ben Kallos.
14 Those of you watching can tweet me @BenKallos, just
15 wanted to start off with a warm welcome and a huge
16 from the bottom of my heart, from the bottom of my
17 district's heart, on behalf of former Council
18 Member Jessica Lappin that the Landmarks
19 Preservation Commission finally put an end to... I'll
20 use it a term of art michigas [phonetic] with the
21 city and suburban first avenue estate which had
22 been warehoused for over a generation and had
23 brought in a hardship application that was self-
24 imposed and your commission voted unanimously to
25 deny that hardship application. I'll be working as

2 closely as I can with that group to get those 110
3 plus units of affordable housing onto the market
4 as, as soon as possible. So thank you and since I
5 probably should ask a question how can we do more
6 of that, how can we get more landmarks that are
7 warehousing units back on the market?

8 CHAIRMAN TIERNEY: Let's hope they're,
9 they're, there are no such cases that are like that
10 one specifically. And I'm not sure that there are
11 any actually. So yes if there were we would move as
12 aggressively as we did in that case to make sure it
13 happened.

14 COUNCIL MEMBER KALLOS: And then on, on
15 the other side my colleague takes exception to 27.1
16 percent land marking. I, I love light, I love air,
17 I wish we had a constitutional right to both. The,
18 the laws that were in place previously that created
19 a right to those and, and made sure that our
20 tenements actually had a light shaft and an air
21 shaft which at the time was, was inventive and
22 disruptive and groundbreaking we are looking at
23 canyons where whether it's commercial buildings
24 down here or it's in my district you, you have
25 couple of dozen feet, never really a hundred feet

2 or more between two skyscrapers that are 360 feet
3 taller, higher where we're, we're blocking out the
4 sun from our parks. How can we use landmark law
5 properly to make sure that not only are we
6 preserving the historic character of neighborhoods
7 but preserving peoples' historic right to light and
8 air that is created by these landmarks.

9 CHAIRMAN TIERNEY: I think the record
10 speaks for itself. We're very careful and they, the
11 rate, the appropriateness of the changes that are
12 allowed to historic buildings and historic
13 districts. And if that flows from it then so be it.
14 That's an incredibly important benefit.

15 COUNCIL MEMBER KALLOS: And last but not
16 least I'm incredibly jealous of my colleague
17 Council Member Dan Garodnick in the Park Avenue
18 Historic District. I'd like one of my own. In, in
19 Yorkville we have a, a lot of historic townhouses
20 and row houses and neighborhoods where when you're
21 on that block it feels like you stepped into
22 another pocket in time so I, I am eager to working
23 with you and your agency and your successor...

24 CHAIRMAN TIERNEY: Okay.
25

2 COUNCIL MEMBER KALLOS: ...to see the
3 percentage expand beyond 27.1 percent to as much of
4 my district as possible.

5 CHAIRMAN TIERNEY: Okay.

6 CHAIRPERSON GREENFIELD: Thank you
7 Councilman. And I'll refer you to Oklahoma, Texas,
8 Nevada...

9 [laughter]

10 CHAIRPERSON GREENFIELD: There are
11 similar states where you may have a constitutional
12 right to, to air and light but certainly we don't
13 have that here in New York City. And quite frankly
14 it doesn't have anything to do with Landmarks.
15 That's the, you should of asked that question of
16 the, of the, of the, of our folks at city planning.
17 I think you've hit the nail on the head which is
18 that what we object to is using landmarks to try to
19 evade city planning regulations. And I appreciate
20 you reaffirming that point, that is something
21 that's constantly done in New York City. With that
22 I will turn it over to Council Member Mendez.

23 COUNCIL MEMBER MENDEZ: Thank you Mr.
24 Chair. Chair Tierney it's been wonderful late years
25 working with you. I remember my first, really

2 getting to know you. You let me get in your car
3 because I had knew problems...

4 CHAIRMAN TIERNEY: That's right.

5 COUNCIL MEMBER MENDEZ: ...and we were
6 doing a tour of the Fieldstone...

7 CHAIRMAN TIERNEY: Yes.

8 COUNCIL MEMBER MENDEZ: ...historic
9 district. My, the, the first landmark designation
10 that I tried working on was when I was a very young
11 organizer in Williamsburg Green point and we worked
12 on trying to get the McCarren Park and Pool
13 designated back in 1987. I actually got to vote on
14 that as a Council Member and make it so.

15 CHAIRMAN TIERNEY: Wonderful.

16 COUNCIL MEMBER MENDEZ: So there, there
17 was a problem with backlog. And I know that you've
18 gone a long way in a, from all those years back
19 and, and researching and, and getting either
20 designations for land markings. What is the
21 portfolio of what's still outstanding that in, in
22 this next legislative term LPC will need to deal
23 with?

24 CHAIRMAN TIERNEY: Well we have as I
25 said in a normal year in excess of 200 applications

2 for historic districts and individual landmarks.
3 That, that's just they come in, they just never
4 stop coming in. And we're, we're sifting through
5 them now making evaluations and judgments. I don't
6 want to, I don't want to single out any one or two..
7 there are a few districts that are still, that are
8 still in play and that we're actively at a late
9 stage of the process and then there are others that
10 we're just beginning to examine. So I think I'd
11 rather not... if I mention one it'll be why not the
12 other three... [crosstalk]

13 COUNCIL MEMBER MENDEZ: No I...

14 CHAIRMAN TIERNEY: ...but we have an
15 active, continuing to have a very active agenda and
16 things brought to us and, and the preservation side
17 of things, the regulatory side is, goes on a pace
18 and the research side as you just pointed out
19 there, the, the backlog issue in terms of requests
20 coming in and our ability to, to respond is greatly
21 improved. So we're, we're, we're in real time now
22 but the process continues and we'll, we're, the,
23 the agency will continue to be very busy.

24
25

2 COUNCIL MEMBER MENDEZ: During my time
3 on the city council we did get to advocate for more
4 funding to increase your staffing levels...

5 CHAIRMAN TIERNEY: Yes.

6 COUNCIL MEMBER MENDEZ: Is your staffing
7 levels adequate at this moment?

8 CHAIRMAN TIERNEY: Yes it is and I think
9 the Chairman alluded to the six additional hires
10 for permanent issuance which will, be sure that it
11 remains at a, at a full strength and in a, in a
12 way, at a, at a way to have the resources to do the
13 job yes. And we greatly appreciate all your support
14 over the years to that effort. It wasn't always so.

15 COUNCIL MEMBER MENDEZ: So you don't
16 have to comment on this. I just want to say that
17 you know I'm very supportive of an LGBT historic
18 district and actually the LGBT caucus has voted
19 in favor so you'll be getting a letter to that
20 effect from the caucus.

21 CHAIRMAN TIERNEY: Mm-hmm.

22 COUNCIL MEMBER MENDEZ: And I hope to
23 see that done during your tenor, whatever's left or
24 under the next you know, the next chairperson...

25 CHAIRMAN TIERNEY: Mm-hmm.

2 COUNCIL MEMBER MENDEZ: I think it's
3 very important to our community.

4 CHAIRMAN TIERNEY: Thank you.

5 COUNCIL MEMBER MENDEZ: And I want to
6 thank you for your service to the city for all
7 these years.

8 CHAIRMAN TIERNEY: Thank you
9 councilwoman.

10 CHAIRPERSON GREENFIELD: Thank you.
11 Council Member Levine.

12 COUNCIL MEMBER LEVINE: Thank you Mr.
13 Chair. First off I'd like to thank Council Member
14 Mendez for supporting voting to designate the
15 McCarran Pool which is, resides in my district.
16 It's a great historic resource that we have.
17 Depression era, WP era public resource. I don't
18 have a question Mr. Chairman. I just wanted to take
19 this opportunity to thank you for your service to
20 the city for your, your dedication and your
21 openness to working with communities, council
22 members, and other elected officials. And your open
23 mind and really exemplifying the best of public
24 service. And I just wanted to take this opportunity
25 for the record to acknowledge that and I want to

2 thank you so much for all of, all of your time and
3 all of your good work.

4 CHAIRMAN TIERNEY: And thank you for
5 those kind words. Thank you.

6 CHAIRPERSON GREENFIELD: Thank you.
7 Council Member Jumaane Williams actually asked me
8 to ask two questions on his behalf. The first is
9 he's wondering about the status of the land marking
10 of the rest of Victorian Flatbush.

11 CHAIRMAN TIERNEY: Active review, active
12 consideration, a proposal that's this high as I'm
13 showing here from, with 10 disparate elements to it
14 we're working through extensive research. We're at
15 a point, close to a point where we will, we will
16 respond to the Council Member and talk about the
17 specific tentative conclusions we've reached but
18 we're there basically. We're there at the point
19 where we can have that kind of specific rule it in
20 rule it out. But that's a good example though of
21 the kinds of demands that we get by the way for..
22 You ask why, you know have we done enough land
23 marking, is there too much or whatever, Victorian
24 Flatbush there, there's over a thousand buildings
25 in that request so it continues.

2 CHAIRPERSON GREENFIELD: Sure, of course
3 my point was that Brooklyn is a fraction of the
4 land marking... [crosstalk] Manhattan I think we're
5 at .4 percent... [crosstalk]

6 CHAIRMAN TIERNEY: Yeah.

7 CHAIRPERSON GREENFIELD: ...in Brooklyn.
8 But thank you for teeing that up for me. The second
9 question that he has is regarding the land marking
10 of the Jackie Robinson House.

11 CHAIRMAN TIERNEY: Yes, he has brought,
12 he has been a very constructive forceful advocate
13 for the review of that house. I've, we had to, we
14 had earlier reviewed it ourselves, done extensive
15 research and reached a conclusion that it was not
16 eligible for individual designation because of the,
17 the facts that we had compiled. We are now
18 reexamining it because he and others, Jumaane
19 Williams and others have done additional research
20 that we are looking at to see whether that can
21 change our conclusion, active review as we speak.

22 CHAIRPERSON GREENFIELD: Great. Thank
23 you. Seeing no other questions Chair we, once again
24 we thank you for your service. We wish you the best
25 of luck with the...

2 CHAIRMAN TIERNEY: Thank you.

3 CHAIRPERSON GREENFIELD: ...next phase of
4 your personal and professional life.

5 CHAIRMAN TIERNEY: Thank you.

6 CHAIRPERSON GREENFIELD: And I assure
7 you that we will make sure that you have access to
8 the new space so you can come...

9 CHAIRMAN TIERNEY: Oh good.

10 CHAIRPERSON GREENFIELD: ...and visit and...

11 CHAIRMAN TIERNEY: Thank you.

12 CHAIRPERSON GREENFIELD: ...if necessary
13 we'll include as a terms and conditions of the
14 moving costs.

15 CHAIRMAN TIERNEY: [laughs] Appreciate
16 it, thank you. [crosstalk]

17 CHAIRPERSON GREENFIELD: Bless you.
18 Thank you very much... [crosstalk] Now we'll take a
19 two minute break and we will start with DoITT.

20 [long pause]

21 CHAIRPERSON GREENFIELD: Can, can... Folks
22 we're, we're on a tight schedule so if we could do
23 media interviews afterwards we'd appreciate that.
24 Thank you very much. Is DoITT ready to testify.

25 [gavel]

2 CHAIRPERSON GREENFIELD: Thank you. Well
3 then, please begin.

4 CHAIRPERSON FERRERAS: We will now
5 resume the city council's hearing on the mayor's
6 executive budget for FY 2015. The Finance Committee
7 and the Committee on Land Use chaired by my
8 colleague Council Member David Greenfield has now
9 been joined by the Committee on Technology chaired
10 by my colleague Council Member Jimmy Vacca to hear
11 from the Department of Information Technology and
12 Telecommunications. Before we hear from the
13 department I will turn my mic over to my Co-Chairs
14 for a statement. Co-Chair Vacca.

15 CHAIRPERSON VACCA: Thank you.
16 Chairperson Ferreras, Chairperson Greenfield I
17 thank you. And behalf of the Committee on
18 Technology we welcome the Department of information
19 Technology and telecommunications and I'm James
20 Vacca, Chair of the Committee on Technology. We're
21 going to review DoITT's proposed FY 2015 expense
22 budget and we will also be speaking about
23 technology and DoITT's commitment to upgrade the
24 City's IT system. We will thoroughly review all new
25 spending items to ensure that proper cost controls

2 are in place to avoid inefficiency and waste
3 realizing that it's important that we always look
4 to see where we can possibly save money in our
5 budgeting. This week the administration ordered a
6 suspension and investigation of the Emergency
7 Communications Program due to extreme delays and
8 cost overruns. Since this project is now under the
9 purview of DoITT and a major component of the
10 Department's budget we are eager for further
11 information about the scope of the investigation,
12 how long this project will be suspended, and what
13 the cost will ultimately be. Additionally we hope
14 to hear more specific information about DoITT's
15 budget plans with regards to the film office
16 incentive program, open data, vision zero, and
17 expansion of Wi-Fi in parks. And I want to welcome
18 Acting Commissioner Evan Hines from DoITT and we
19 look forward to his testimony.

20 CHAIRPERSON GREENFIELD: Thank you very
21 much and I, I too am looking forward to the
22 testimony of the acting Commissioner on many
23 different questions that we have, specifically the
24 increase in the budget, the 92 positions, IT
25 security, the plan for free public Wi-Fi and of

2 course the emergency communications transformation
3 project including issues relating to overbilling.
4 And with that we'll leave it to you to take it
5 away.

6 EVAN HINES: Good afternoon Chairs

7 Ferreras, Greenfield, and Vacca and members of the
8 City Council Committees on Finance, Land Use, and
9 Technology. My name is Evan Hines and I am Acting
10 Commissioner of the Department of Information
11 Technology and Telecommunications and New York
12 City's Acting Chief Information and Innovation
13 Officer. Thank you for the opportunity to testify
14 today about DoITT's fiscal 2015 executive budget.
15 With me are Annette Heintz Deputy Commissioner for
16 Financial Management and Administration, John
17 Winker our Associate Commissioner for Financial
18 Services and Stanley Shor Assistant Commissioner
19 for Franchise Administration. DoITT's Fiscal 2015
20 Executive Budget provides for operating expenses of
21 approximately 481 million dollars. The budget
22 provides for 102 million dollars in Personal
23 Services to support 1,324 full-time positions and
24 379 million dollars for Other than Personal
25 Services. Of the 379 million dollars, 30 percent,

1
2 or 114 million represents Intra-City funds that
3 have been transferred from other agencies to DoITT
4 for services it provides. Telecommunication costs
5 represent the largest portion of the Intra-City
6 expense. Fiscal 2014 Intra-City telecommunications
7 expenditures are budgeted at 88 million dollars,
8 while total telecommunications costs are budgeted
9 at 131 million dollars. This budget represents an
10 increase of 24 million dollars from the Fiscal 2014
11 January Budget and an overall net decrease of 32
12 million dollars from the Fiscal 2014 current
13 modified budget. The 24 million dollar increase to
14 the Fiscal 2014 January Budget is mostly
15 attributable to OTPS funding associated with
16 ongoing maintenance costs to support recent
17 approved capitally-funded initiatives. DoITT also
18 received some funding to convert inter-fund
19 agreement positions to tax levy funded positions.
20 The net decrease between Fiscal 2014 current
21 modified and the Fiscal 2015 Preliminary Budget
22 allocations represents a drop of an, in Inter-fund
23 agreement funding after 2014 and one-time grant
24 funding that was only allocated in the Fiscal 2014
25 current modified budget. Any unspent Fiscal 2014

1 grant funding will be rolled over into Fiscal 2015.

2 As the City's technology agency DoITT implements,
3 maintains, and innovates the City's IT and
4 telecommunication systems. Since we last appeared
5 before you in March DoITT has continued to build on
6 a number of critical agency initiatives. NYC.gov,
7 the City's official website was relaunched in 2013
8 significantly improving the City's ability to serve
9 the public. Using a data driven approach the site
10 offers the most frequently requested content up
11 front making it easier to access information about
12 neighborhoods, events, and programs. This January
13 DoITT started redesigning individual agency
14 websites, the goal being to provide New Yorkers
15 with a consistent experience across all of our
16 online destinations. Citywide geographic
17 information systems provides enterprise wide
18 support for geospatial applications developing and
19 hosting interactive maps and dereference data along
20 with associated tools and applications such as NY
21 City Map. Examples of recently launched and
22 enhanced interactive maps and tools include the
23 first New York City crime map produced in
24 collaboration with the NYPD. A cloud based
25

1
2 geocoding services based on the Department of City
3 Planning's geo-support system and the New York City
4 Business Atlas for exploring business conditions
5 across the five boroughs. Major GIS projects
6 currently in development include the Vision Zero
7 effort, an enhanced NY City map and an updated
8 census fact finder. CityNet, the City of New York's
9 proprietary network provides agencies with robust,
10 secure, 24/7 monitored act, connectivity. DoITT
11 operates and manages the network which provides the
12 fundamental transport mechanism for inter and intra
13 agency communications citywide. DoITT currently
14 manages over 100 network locations, nearly all of
15 which are connected using free fiber through the
16 City's telecommunication's franchise agreements.
17 DoITT recently upgraded 71 locations to 10, 10
18 gigabyte per second and is working to complete the
19 remaining locations next fiscal year. Citywide
20 Voice Over internet protocol, a more resilient
21 telephony solution allowed the city to remain a
22 network up time of 99.97 percent for Fiscal 2013.
23 In 2012 to 2013 in the wake of Hurricane Sandy
24 DoITT expedited the migration of approximately
25 5,000 city telephones to VOIP. DoITT currently

1 manages 17 thousand VOIP phones across 15 agencies
2 and continues to transition agencies from the
3 traditional phone system to VOIP to realize the
4 functional and financial benefits of the new
5 technology. Approximately 12,000 additional users
6 will be transitioned over the next 18 months. New
7 York City Open Data, the City's open government
8 program provides the public with easily accessible,
9 machine readable, data spanning the full range of
10 city operations. From May to September NYC open
11 data is powering the annual NYC BigApps competition
12 enabling hundreds of developers, entrepreneurs,
13 thought leaders, designers, and marketers to
14 address shared civic challenges through technology.
15 Since our last testimony DoITT has increased the
16 number of data sets on the New York City Open Data
17 Portal to more 1,250. The next milestone as
18 required by Local Law 11 of 2012, the City's Open
19 Data law comes in July 2014 when DoITT and the
20 Mayor's Office of Data Analytics provide the annual
21 update to the NYC Open Data Platform, Plan. The
22 plan details the City's progress in opening public
23 data since the previous report. [dot]NYC is a new
24 web address for those based in New York City. With
25

2 the launch of [dot]NYC we will become the first
3 city in the country with a top level domain
4 creating new opportunities to generate revenue for
5 the city, support local businesses, organizations
6 and residents, and establish a unique level of
7 geographic authority in the digital sphere. NewStar
8 Inc. is the official registry operator for [dot]NYC
9 supporting all marketing efforts and operating the
10 technical infrastructure of the [dot]NYC domain.
11 The city through DoITT will be monitoring this
12 initiative which will generate a minimum of 3.6
13 million dollars in revenue over the course of five
14 years. NYC connected communities a variety of
15 interrelated technology initiatives, increases
16 public access to an adoption of broadband and
17 underserved communities. Over the last three years
18 New Yorkers have participated in more than three
19 million sessions of NYC connected communities
20 programming. From accessing computers, printers,
21 and internet service via NYCHA's traveling Digital
22 Van to computer classes available in over 100
23 public computer centers, these initiatives are
24 narrowing the digital divide across all five
25 boroughs. Funding was added to DoITT's Fiscal 2014

2 budget to sustain this program moving forward and
3 DoITT is working with partner agencies to continue
4 providing critical broadband technology access.

5 Public Wi-Fi is now available in more than 60 parks
6 and public spaces citywide. More than half of these
7 Wi-Fi hotspots are provided by the City's cable
8 franchise providers as part of a series of public
9 benefits delivered by their franchise renewal
10 agreements. In Harlem, DoITT and partners are
11 building the country's largest continuous free
12 outdoor Wi-Fi network. When we last testified this
13 network was live from 110th to 120th streets between
14 Frederick Douglass Boulevard and Madison Avenue.

15 Today the network extends up to 135th Street with
16 development underway to expand the network up to
17 138th Street. Although still in development an
18 average of 1,600 New Yorkers use the network each
19 day and we expect this to continue to rise in the
20 upcoming warmer weather months. Public connection
21 points offering free five borough public Wi-Fi as
22 well as free calls to 911 and 311 represents
23 another step toward greater broadband connectivity.

24 Last month DoITT issued an, an RFP to transform the
25 City's network of public pay telephones into Wi-Fi

2 hotspots and information hubs. The new structures
3 will be distributed across the five boroughs
4 constituting one of the largest free Wi-Fi networks
5 in the country and guaranteeing at least 17.5
6 million dollars in annual revenue for the city.
7 Proposals are due June 30th, 2014 and DoITT
8 anticipates having a new franchise in place by
9 years end. Together these innovations are making
10 government more efficient and more effective
11 everyday ensuring that the City of New York
12 continues to be a leader in, in public sector
13 service delivery. This concludes my prepared
14 testimony and I will now be pleased to address any
15 questions. Thank you. [crosstalk]

16 CHAIRPERSON FERRERAS: Thank you very
17 much. I want to go right into ECTP. ECTP which was
18 launched in 2005 at a projected 1.3 billion dollars
19 the 911 overhaul was a signature public safety
20 initiative for the Bloomberg administration and
21 after years of cost overruns and missed deadlines
22 the current administration has decided to suspend
23 the project for 60 days in order to assess what
24 went wrong. The last, for the preliminary budget
25 hearings when asked for this questions you

2 suggested that we should ask the questions of the
3 mayor's office. And it's my understanding that it's
4 now under your purview so I'm hoping that you can
5 answer our questions. First we are happy to know
6 that it's been moved out of the mayor's office and
7 into your responsibilities within the 60 days. When
8 the 60 days are up and report is finalized will you
9 be able to provide the information to the council?

10 EVAN HINES: So first you know, as you
11 probably know it was announced on Monday that the
12 incoming Commissioner of DoITT Anne Roest would be
13 actually overseeing the program during the
14 assessment phase and conducting the assessment. We
15 literally just found that out on Monday. The
16 incoming Commissioner starts on Tuesday. By the end
17 of the 60 day period we'll have, we'll know what's
18 going on with the program but we haven't been
19 involved with the management of the program except
20 for administrative support for the last four years.
21 So in two months we'd be able to tell you more but
22 right now I can't... [crosstalk]

23 CHAIRPERSON FERRERAS: We just, I'm ask
24 if, if this session is going to produce a report or
25

2 information that you would be able to share with
3 the council.

4 EVAN HINES: So the, we, Commissioner
5 Roest has been instructed to provide
6 recommendations based on the assessment to the
7 Mayor's office and what they do with the
8 recommendations you know is up to them.

9 CHAIRPERSON FERRERAS: And had, if it's
10 beyond what we would like for you, to recommend
11 from this committee is that the department explore
12 our opportunities to recover the monies from
13 contractors who have either overbilled or under
14 delivered on projects related to ECTP.

15 EVAN HINES: So we actually, with HP we
16 actually had reached a... [off mic] Verizon or HP..
17 [on mic] Verizon we reached a settlement with them.
18 We received 50 million dollars back for them for
19 work that we determined you know wasn't delivered.
20 In the case of HP... that, we reached a settlement
21 with HPD. We submitted it to the controller's
22 office for registration, settlements have to be
23 sent to them, it was rejected, and now the law
24 department is actually continuing to work on that.

2 CHAIRPERSON FERRERAS: Okay so we'll
3 also follow that up on the committee. Just want to
4 talk before I pass it over to my co-chairs and then
5 I'll come back for a second round of questions. On
6 May 4th, 2012 the administration released an edited
7 version of the City's contracted consultant's
8 report that reviewed the City's 911 emergency call
9 system. The report by Winbourne Consulting was
10 critical both the unified call taking, UCT protocol
11 and the management of the two billion dollar
12 emergency communications transfer project and found
13 that the nine 11 system is, is beset by delays and
14 errors that would leave callers with how, without
15 help for crucial seconds in, in an emergency.
16 Consultants called on the city to make specific
17 changes outlining 34 different recommendations.
18 Have you read the report, what are your thoughts on
19 the report? Where, what happened with the
20 recommendations of this report? And have you read
21 the unedited version because as we saw the prior
22 administration released a very edited version of
23 this report.

24 EVAN HINES: So I haven't read the, the
25 report, you know whatever versions are out there I

2 haven't been privy to. As you're probably aware I
3 became acting Commissioner at the end of January
4 while I was at the Department before then I had no
5 involvement with ECTP.

6 CHAIRPERSON FERRERAS: Okay, so we're
7 going to follow-up with the incoming Commissioner
8 who you said starts on Tuesday..

9 EVAN HINES: Starts on Tuesday..

10 CHAIRPERSON FERRERAS: And will she have
11 access to this report? Are you..

12 EVAN HINES: Yes, I believe the report
13 was publically available..

14 CHAIRPERSON FERRERAS: Right but it was
15 publically available in a very edited version. So
16 I'm trying to get questions on someone who has
17 viewed this report that's unedited and can speak to
18 the issues that were edited out of this report.

19 EVAN HINES: Right. I only know of the
20 report that I believe is the report that you all
21 must have seen which is the report that the last
22 Commissioner Rahul Merchant [sp?] had seen as well.
23 Whatever was a final draft of the report is what he
24 saw he..

2 CHAIRPERSON FERRERAS: ..the report had
3 34 recommendations which were also public. Can you,
4 can you walk me through how the recommendations
5 were processed and, and how they improved.
6 Obviously this already issue ridden system. So they
7 made 34 recommendations, what happened?

8 EVAN HINES: Right, I can't. I told you
9 I haven't read the report. I wasn't involved in
10 ECTP, DoITT for the last four years, wasn't
11 involved in creating those recommendations, or, or
12 implementing those recommendations or even
13 overseeing that whether or not they were
14 implemented.

15 CHAIRPERSON FERRERAS: Okay. I'm going
16 to give this over to my Co-Chair Council Member,
17 Chair Vacca. Oh, I'm sorry we've been joined by
18 Council Members Palma, Matteo, Weprin, and Johnson.
19 You may begin.

20 CHAIRPERSON VACCA: Thank you Chair
21 Ferreras. I wanted to continue questioning the 911
22 call center and the 911 call up, backup center
23 which is in my district in the Bronx. When, do you
24 know when the Bronx call back center is scheduled
25

2 to be finished? Is there a date by which
3 construction is slated to be finished?

4 EVAN HINES: They, there, I'm sure there
5 is a date. Again I'm sorry to not be able to answer
6 these type of questions but we're currently doing a
7 program assessment. There are multiple work streams
8 in the program, the building of PSAC 2 is actually
9 one of those work streams or in one of those work
10 streams for facilities management. When we get to
11 that part of the assessment reviewing it we'll then
12 have the, know what's going on as far as with the
13 schedule, what dates were originally scheduled,
14 what date3s it may be as of today, and that will be
15 ramping up when Commissioner Rose gets here.

16 CHAIRPERSON VACCA: Well I too want to
17 thank the administration for taking the bull by the
18 horns. I very much want to thank them. I was one of
19 those because PSAC 2 is in my district. I was one
20 of those that sounded the alarm years ago that this
21 had the potential to be a runaway train. And that's
22 what it's become. This is the building in my
23 district. There's a one, if you look at this one
24 family house and you look at this building it
25 towers over my entire community, gigantic in

1
2 nature. It started out as approximately 800 million
3 dollars. And I want you to know that the
4 administration at that time, the former
5 administration wanted it to be event taller than
6 that. They said they made a concession and reduced
7 the size. DDC, and my concern here is that one
8 agency does not know what the other agency is
9 doing. We have so many agencies doing this and
10 doing that or not doing this and not doing that.
11 DDC issued a report May 11th, 2012 and they said
12 that project construction is scheduled for
13 completion in June of 2015. That's around the
14 corner. Do you see any way that there will be a
15 temporary CofO [phonetic] for June of 2015 as DDC
16 projected only one year ago?

17 EVAN HINES: Again I apologize. I cannot
18 answer that. The assessment just started just now.
19 I will be very involved with it, with Commissioner
20 Roest but it is, it was just announced and it's
21 just starting and we're just in the planning phase
22 so that it could kick off fully next week when she
23 arrives. She starts on Tuesday.

24 CHAIRPERSON VACCA: Are you involved in
25 purchasing at all? Are you involved in purchasing?

2 Furniture? Cable? Because in fiscal year 2013 it
3 was estimated that that would cost 12 million
4 dollars and in fiscal year 14 there's 83 million
5 dollars for furniture and cable. Why is there that
6 cost escalation?

7 EVAN HINES: I believe that, the, the
8 purchasing for that, anything for the building is
9 in DDC's budget so it doesn't come through DoITT.

10 CHAIRPERSON VACCA: So this is in DDC's
11 budget but you now have responsibility for the
12 administration of it? Is that, is that... Am I...

13 EVAN HINES: I'm, I'm sorry can you
14 repeat that?

15 CHAIRPERSON VACCA: Is this now in DDC's
16 budget but you have the responsibility to see this
17 project to completion? Is this being taken... Is the
18 responsibility being taken away from DDC and placed
19 into your hands. I thought it was being taken away
20 from a division of the mayor's office.

21 EVAN HINES: Correct. So, but DDC... so
22 the way DD, my understand that the way DDC operates
23 are agencies that they're building structures for
24 are their clients.

25 CHAIRPERSON VACCA: Right.

2 EVAN HINES: So in this case DDC manages
3 more the, more than the lion's share but manages
4 the budget and the construction of the building.
5 Since it's part of this larger program we would be
6 overseeing, ensuring that if there's any kind of
7 dependencies with other parts of the program and
8 that they're staying on schedule, like in
9 overseeing... [crosstalk]

10 CHAIRPERSON VACCA: Well I...

11 EVAN HINES: ...schedule.

12 CHAIRPERSON VACCA: To be honest I, I'm,
13 I'm glad that you're doing this because I don't
14 know of many other instances where DDC is overseen
15 by another agency. But perhaps because of the
16 circumstances here this may be the right thing to
17 do.

18 EVAN HINES: Well it, it's, earlier I
19 was saying there is multiple work streams for the
20 project. The building is a very critical work
21 stream. And so as part of that program yes they're
22 you know a governance board that would be over the
23 management of the program would be overseeing the
24 work that DDC is doing.

2 CHAIRPERSON VACCA: Right. What is the
3 nature of the investigation? Does the nature in
4 the, the nature of the investigation obviously is
5 cost overruns... am, am I correct?

6 EVAN HINES: The, the nature of the
7 investigation is to review what the project scope
8 is, what the current status of each work stream is,
9 what the current schedule is, what the budget is
10 where you know what the base line schedule of
11 budget was compared to where we are now, and to
12 determine how best to move forward with the
13 program.

14 CHAIRPERSON VACCA: Does the
15 investigation scope include fraud?

16 EVAN HINES: That I... that I don't know.
17 The, there's parts that was referred out to both
18 the controller and to the Department of
19 Investigation, the assessment that we would be
20 involved in is on the actual technology program.

21 CHAIRPERSON VACCA: Okay, what is the
22 nature of the investigation with the current 911
23 call center. Forgetting PSAC 2... [crosstalk]

24 EVAN HINES: Right...

25 CHAIRPERSON VACCA: PSAC 1.

2 EVAN HINES: So the, the current 911
3 call center DoITT is not, has no authority or no
4 responsibility with 911 operations. I believe
5 there's a hearing next Friday on unified call
6 taking where NYPD and Fire Department will be there
7 and it would best be posed to them at that time.

8 CHAIRPERSON VACCA: The original cost of
9 the 911 call center modern technological
10 modernization and the construction of the PSAC 2
11 call back center was estimated to be 1.3 billion.
12 WE are now looking at 2.2 billion.

13 EVAN HINES: So...

14 CHAIRPERSON VACCA: Am I, am I correct?

15 EVAN HINES: ...regarding the budget we
16 could speak to you about that. John could give you
17 the history on the budget.

18 JOHN WINKER: Good afternoon. My name is
19 John Winker. As you said correctly the original
20 budget in 2005 was at 1.345 billion dollars. As of
21 the executive budget 2010 it was increased to 2
22 billion 31 million dollars which it still stands at
23 today. The major difference in that growth was
24 really related to PSAC 2. I mean the initial
25 allocation for PSAC 2 was around 400 million. You

2 mentioned about 800 before. It was initially
3 earmarked at 400. That was really more of a place
4 holder than anything else.

5 CHAIRPERSON VACCA: Yes.

6 JOHN WINKER: After the assessment was
7 done or the estimations and everything else in
8 terms of the scope of the build that was increased
9 to about a billion and one. And that was the,
10 entire increase of the budget at that time. And
11 that budget's remained constant now. In terms of
12 where the investigation goes we'll see where
13 everything lies. You said 2.2 billion, that 2.2
14 billion number I think that you're, you're
15 including now includes about 200 million dollars in
16 expense costs that have been accrue today, that's
17 really the operational costs associated with, with
18 PSAC 1 which is around 50, 50 million dollars a
19 year. So that's really where the numbers are today.

20 CHAIRPERSON VACCA: Is some work, is
21 some work going to take place during the 60 day
22 period? I understand some sidewalk work, minor
23 work, are we going to allow some work to proceed...

24 EVAN HINES: Yes we...
25

2 CHAIRPERSON VACCA: ...that may not be
3 under investigation for example, that may not work,
4 that may not be as a part of the investigation
5 safety...

6 EVAN HINES: right well what...

7 CHAIRPERSON VACCA: ...safety security?

8 EVAN HINES: ...what's happen... what, what
9 we've done is we've actually stopped all new
10 expenditures. So any new contracts of any kind, new
11 contracts, new purchase orders, changes to existing
12 contracts to either extend them or to change orders
13 to increase them all of them has been stopped in
14 their tracks wherever in the pipeline they were.
15 Even in some cases being pulled back if they had
16 been submitted to the next level of oversight.
17 What's continuing though is previously approved
18 work that, where vendors are on board because we
19 will be looking at those contracts and the scope of
20 them as part of the assessment and then determine
21 how to move forward after that. We don't want to
22 necessarily stop something not knowing exactly what
23 we're stopping because of the impact that it would
24 have down the road.

25

2 CHAIRPERSON VACCA: Commissioner the
3 current 911 system is beset with delays. It is
4 beset with inappropriate response to people's calls
5 for help. We need to have the technology in place
6 so that these delays never happen again. And
7 hearing about these cost overruns and even further
8 delays really is upsetting to many New Yorkers. And
9 we want this put on the front burner. And I think
10 the 60 day delay does do that. But I think that
11 we've got to come to the table soon with a
12 solution. And we look to you and your agencies
13 since you've been given oversight responsibility.
14 And we look to the new Commissioner to make sure
15 that what has to be done is done. I just hope that
16 we've nipped this in the bud. I just hope. I
17 support the action we've taken but I just hope that
18 we've nipped this in the bud. Because many of us
19 were crying about this, warning about this for a
20 long period of time and it was known, and the cost
21 overruns just continued. The taxpayers' pockets are
22 not bottomless and this appears to be a boondoggle
23 that we have to address. So I look forward to
24 hearing more from you and the new Commissioner. I
25

2 want you to know that we're going to be in touch
3 with you on this.

4 EVAN HINES: Right. And I welcome
5 further conversations. This is a priority of the
6 administration's to actually determine what's going
7 on and figure out a go forward strategy. I could
8 guarantee you it's a top priority of our agency.
9 It's all hands on deck. We're engaging with all
10 stakeholder agencies. So we'll move forward
11 quickly.

12 CHAIRPERSON VACCA: Many times we are
13 patient but our patience is running out on this
14 one. I just want you to know.

15 EVAN HINES: Got it.

16 CHAIRPERSON VACCA: Thank you.

17 EVAN HINES: You're welcome.

18 CHAIRPERSON FERRERAS: thank you Chair
19 Vacca. Now we'll hear from Chair Greenfield.

20 CHAIRPERSON GREENFIELD: Thank you Madam
21 Chair. So you've been acting Commissioner now for a
22 few months at DoITT. You're heading out as acting
23 Commissioner because there's a new Commissioner. So
24 you are well placed to tell us in the last few
25 months how is DoITT doing?

2 EVAN HINES: So DoITT is doing great.
3 DoITT has, even with the change in, in
4 administrations I'm actually happy to say we didn't
5 see an exodus of many people on our team. And it
6 shows in our performance continues to go up. Major
7 systems that we are responsible for have had up
8 times of nearly 100 percent, about 99.87 percent I
9 believe. We've actually doubled the amount of
10 environments that we provide agencies to operate in
11 our data centers in the last year without any, much
12 of an increase in effort because we've actually
13 gone through process improvements to actually
14 deliver those environments faster, more
15 efficiently, and on schedule to agencies for dates
16 that we promised. So DoITT's doing really well.

17 CHAIRPERSON GREENFIELD: Let me ask you
18 about this. It seems like you guys want to add I
19 guess 92 positions in the upcoming fiscal year. Can
20 you tell us about that? I mean when I think
21 technology I generally think efficiency and so I
22 always wonder why it is that we have the need to
23 add so many new positions at DoITT.

24 EVAN HINES: Sure. John.
25

2 JOHN WINKER: In terms of the increase
3 in positions that you're seeing the vast majority
4 of those positions aren't necessarily new. What's,
5 what the majority of those positions really
6 represent is a conversion of positions from what
7 was formerly IFA eligible, capitally eligible
8 positions to now city funded lines. Essentially
9 what we've done is we've converted projects that
10 have been substantially completed from an
11 implementation phase they go into more of a, a
12 support mode and they're no longer capitally
13 eligible to be funded out of that bucket so they
14 move into CTL. So the, these lines aren't
15 necessarily all brand new. The vast majority...
16 [crosstalk]

17 CHAIRPERSON GREENFIELD: Are you
18 referring to the intrafunding agreement
19 conversions? Is that what you're referring to?

20 JOHN WINKER: Yes, IFA conversions.

21 CHAIRPERSON GREENFIELD: But weren't
22 those supposed to be temporary positions? That's
23 what I don't really... [crosstalk]

24 JOHN WINKER: Well there, they're,
25 they're for the build phase. They're...

2 CHAIRPERSON GREENFIELD: Okay.

3 JOHN WINKER: ...they're funded in, in
4 that temporary funding stream and then they become
5 permanent lines as city, CTL or City, City Tax
6 Levy.

7 CHAIRPERSON GREENFIELD: Okay I mean I
8 guess in the future it would be helpful when,
9 right, I mean think about it from our perspective.
10 You guys are doing these capital projects, and you
11 have anticipation down the road these capital
12 projects after they end will then be converted into
13 permanent operating funds. If someone flags that
14 and sort of lets us know...

15 JOHN WINKER: I mean we work with OMB on
16 that front you know. And, and this is something
17 that we've been working with them over the last few
18 years to really move more of the positions out of
19 the IFA you know realm and into CTL... [crosstalk]

20 CHAIRPERSON GREENFIELD: So what about
21 the new positions because those are not all of
22 them? So what are the new positions that you're
23 looking to hire?

24 JOHN WINKER: There, there is several
25 new positions. We have some line, we have a line

2 for [dot]NYC which is to support that program which
3 is brand new. We have a position that came in, a
4 couple of positions that came in for the Vision
5 Zero Initiative. And we had, yeah we converted, we
6 had some, some IFA positions that were for the
7 Mayor's Office of Media and Entertainment Digital
8 Program. Those are now CTL positions. They were,
9 they were initially, they were initially for IFA.
10 They're now three CTL slots. But like I said before
11 I can give you a real break down of all those lines
12 but most of them are new... [crosstalk]

13 CHAIRPERSON GREENFIELD: If you could
14 send it to us post...

15 JOHN WINKER: Sure.

16 CHAIRPERSON GREENFIELD: ...meeting in
17 terms of...

18 EVAN HINES: And...

19 CHAIRPERSON GREENFIELD: ...exactly who's
20 doing what and at what levels we'd appreciate it
21 yes.

22 EVAN HINES: And another area where the
23 headcount came from. There were five positions for
24 Open Data which were consultant conversions. So it,
25 to get the program up and running we were using

2 consultants. We actually converted it to actually
3 city staff so it's city employees now. And it's
4 actually saved several hundred thousand dollars a
5 year using city employees for that rather than the
6 consultants.

7 CHAIRPERSON GREENFIELD: And what is the
8 percentage of the budget currently that you
9 outsource to consultants?

10 JOHN WINKER: Well in, in terms of
11 percentage... I'd have to give you a percentage but
12 we have it essentially about 39 million dollars in
13 annual spend most of that being capital that's for
14 a hundred and, a 159 I guess FTE type slots that
15 you would call for specialized skill sets, things
16 that we don't have in house, skills sets that we
17 don't have in house.

18 CHAIRPERSON GREENFIELD: Okay.

19 EVAN HINES: It was 39 million out of..

20 JOHN WINKER: 39, yeah 39 million.

21 CHAIRPERSON GREENFIELD: That's the
22 number of, of.. [crosstalk] outsourced in terms of..
23 [crosstalk]

24
25

2 JOHN WINKER: 39 million is, is what
3 we're at, our annual spend is for consultant
4 services.

5 CHAIRPERSON GREENFIELD: Got it. Can you
6 tell us a little bit more about the free public Wi-
7 Fi and payphones, how that's going to work, how you
8 envision that... [crosstalk]

9 EVAN HINES: Sure...

10 CHAIRPERSON GREENFIELD: ...the RFP has
11 just been released.

12 EVAN HINES: So I'm going to hand that
13 over to our Assistant Commissioner for Franchise
14 Administration Stanley Shor who oversees that
15 process...

16 STANLEY SHOR: Good afternoon. What
17 we're doing is we've issued a request for proposals
18 for a new franchise contract that would provide for
19 new structures on the City's streets replacing
20 existing payphone locations, providing some
21 additional locations up to 10,000 throughout the
22 city. Not, not 10,000 additional but up to 10,000
23 altogether. And what these structures would be all
24 outfitted with Wi-Fi that's 100 percent free to the
25 public. They would also have advertising space on

1 them. Some of them would be digital. Some of them
2 would not be digital. And they would also all have
3 phones that could, at the minimum provide free 911
4 and 311 and there's expectation that they, the
5 proposals will propose what other levels of pay,
6 payphones services whether they want to charge for
7 the call so they could provide phones for free. And
8 it'll all be part of the proposal. We are
9 envisioning Wi-Fi that will be in some
10 neighborhoods where there is a large concentration
11 of existing structures that the Wi-Fi will be
12 continuous and so we're looking forward to that as
13 a, as a great amenity for the city. People will be
14 able to log on and just keep walking and have Wi-
15 Fi. It will benefit the people who have limited
16 access to the internet by providing a free means of
17 connecting through smartphones and through other
18 devices. We, we know that many people of limited
19 means use it as their primary or only access to the
20 internet, they use smartphones so that we, we feel
21 that this is a real benefit. And that the
22 advertising that's on these structures will not
23 only generate revenue for the city but will also
24

2 generate enough revenue to support having a free
3 Wi-Fi network.

4 CHAIRPERSON GREENFIELD: What do you
5 anticipate the revenue is going to be for the folks
6 who are providing this service? What's, how are
7 they going to make their money? Right, you're
8 putting it out there in terms of an RFP. Have you
9 figured that out and what are you looking at in
10 terms of that?

11 STANLEY SHOR: Okay it's, obviously
12 we're the city government and we can't necessarily
13 predict everything that the proposals will come up
14 with as far as revenue. We know that the
15 advertising is a substantial source of revenue. We,
16 we note that many payphones are out there on the
17 street that don't get much use as pay phones but
18 they're out there generating lots of revenue with,
19 with advertising. We believe that there are,
20 there's potential for sponsors to come in and
21 attach their name to the provision of free Wi-Fi
22 that's been done in the subways already. So that's
23 another stream of revenue. The, the proposals are
24 able to propose other sources of revenue be it
25 through advertising on the, on a splash page as

2 part of the Wi-Fi. Other telecommunication services
3 that potentially could be offered at the structure
4 on the street. We're not really suggesting what's,
5 those services are going to be or could be. We note
6 that changes keep happening in the
7 telecommunication industry. So we are leaving that
8 very much open. And we're also asking proposals to
9 design structures that will be changeable over the
10 course of the franchise contracts so that they will
11 be able to add components if there are some new
12 services that can be added without having to go
13 through major changes.

14 CHAIRPERSON GREENFIELD: Okay, so just
15 to be clear the main source of revenue for the
16 contractor that would bid on this and ultimately
17 you would provide the, the one bid for would be
18 from advertising be it whether it's on the actual
19 structures or splash pages or on other sorts of
20 situations like that? [crosstalk]

21 STANLEY SHOR: Yes that's what we
22 anticipate.

23 CHAIRPERSON GREENFIELD: Okay and, and
24 does your RFP guarantee that there is sort of equal
25 roll out across the city? Because as you can

2 imagine in some areas it's more lucrative to
3 advertise in other areas of New York City. So how
4 does that, how does that figure into the plan?

5 STANLEY SHOR: Okay well what we've
6 asked for is for the proposals to give us a plan
7 for what they would be willing to do as far as the
8 various boroughs. We have set forth what's out
9 there now as far as advertising structures in, in
10 the five boroughs. We note that we would like to
11 have additional structures outside of Manhattan
12 because the largest share is in Manhattan and we
13 don't want the other boroughs to be devoid of this
14 new service. The other boroughs, it's not that
15 there aren't locations already in the other
16 boroughs, there are but in some, in some boroughs
17 it's, it's considerably less and let's say for
18 example Staten Island it's, it's, it's only about
19 one percent of the whole total. So we would be
20 looking at the proposals. We obviously have to work
21 with them, what they can generate revenue on and
22 we've asked them to set forth what's their best
23 rollout that they could do with additional
24 structures.

2 CHAIRPERSON GREENFIELD: Okay I just
3 think that, just to clarify I think what we'd like
4 to see especially in the world of land uses an, an
5 equal rollout in sorts in terms of this sort of
6 plan. We don't want to see a plan that ultimately
7 ends up you know where midtown and downtown
8 Manhattan end up getting free Wi-Fi and then you
9 know in 2076 we'll see you in Queens right. So I
10 think that's just something you should be mindful
11 especially as the process moves forward and
12 eventually you'll be coming I'm sure for a full
13 Land Use hearing. So just to give you an early
14 heads up on that so that doesn't become an issue
15 down the road. Thank you.

16 STANLEY SHOR: Actually it, in, in the
17 text of the RFP we, we have asked that as it's
18 being rolled out that they show how they're being
19 equitable in the rollout. So we, we are mindful of
20 that.

21 CHAIRPERSON FERRERAS: I just have a
22 follow up on this topic before we give it over to
23 Council Member Weprin. When we had our, our power
24 outage here in the city you know I remember people
25 making calls from the pay phones, calling home. So

2 we're turning over to voice over IP which
3 potentially, and I, and you can correct me if I'm
4 wrong, our phones will be using Wi-Fi and the power
5 goes out what are the options that we're leaving
6 our city residents.

7 STANLY SHOR: The, we are asking the
8 proposers to submit in their proposals how they are
9 going to provide the power, how they're going to
10 provide the service. We asked them to be mindful of
11 redundancy and resiliency. We mentioned in there
12 that we're interested in seeing if they're going to
13 use solar panels, what other, you know what sources
14 that they can use to be more resilient. Obviously
15 when the power goes out if you have something
16 that's connected to power it goes out. But it,
17 there are ways that they can put out a system that
18 has battery backup and solar power can help charge
19 the batteries and there are, some of the
20 connections could be still using DSL which is
21 Copper so it still carries the current on there as
22 far as whether the copper will continue as the
23 system that's somewhat out of our hands because
24 Verizon has been basically replacing the copper
25 with fiber...

2 CHAIRPERSON FERRERAS: Right.

3 STANLEY SHOR: So that's... [crosstalk]

4 CHAIRPERSON FERRERAS: Well I would...

5 STANLEY SHOR: ...what they were concerned
6 about...

7 CHAIRPERSON FERRERAS: ...I would... Right.
8 I would hope as you go through this process that
9 you take into consideration you know god forbid we
10 go through this process again where we have a power
11 outage that was an option for many families,
12 especially those that were here in the city trying
13 to get back to the outer boroughs. And I, in, in
14 our testimony, in our finance testimony from
15 Commissioner, Sanitation Commissioner Garcia she
16 spoke specifically about these street sweepers that
17 are going to be green. But also will serve as
18 generators. So if ever there's a power outage the
19 street sweepers are actually something that
20 community residents could go plug into and will
21 serve as a generator. So I think in the spirit of
22 where the administration is going that we are able
23 to look at options where perhaps the locations
24 could also serve as HUBs for people to charge their
25 phones, or in the case of an emergency that there's

2 a, another option for people to be able to reach
3 their families I think it's something they should
4 definitely take into consideration when reviewing
5 those responses from your RFP. And I'd like to now
6 hand over the questioning to Council Member Weprin.

7 COUNCIL MEMBER WEPRIN: Thank you Chair
8 Ferreras. Thank you very much. Commissioner nice to
9 see you. I want to follow up on the next generation
10 of pay phones discussion a little bit. I want to
11 start out by saying that I'm disappointed because
12 in our new generation of working so closely with
13 the administration that we weren't consulted at all
14 as far as this RFP and how it went because I have a
15 number of concerns about the way this RFP is
16 written. I just want to know why, was there any
17 thought of maybe discussing this with the city
18 council as far as how this RFP would go at all?

19 EVAN HINES: So I believe, I don't know
20 what level of discussions there were but there were
21 discussions. One, we needed an authorizing
22 resolution...

23 COUNCIL MEMBER WEPRIN: Mm-hmm.

24 EVAN HINES: ...in order to issue the RFP
25 I believe. On top of that we've actually, the RFP

2 wasn't just written like in, in one or two months.
3 It was over the course of the past year. And there
4 was input stemming from community.. [crosstalk]

5 COUNCIL MEMBER WEPRIN: Mr. Shor has his
6 hand on the mic so I think he wants to add
7 something.

8 STANLEY SHOR: We had... I'll, I'll admit
9 it was a limited amount of contact. We did meet
10 with Land Use staff briefly to tell, tell the, to
11 inform the council as to what we were planning on
12 doing. We didn't get into the details of the RFP.
13 We have taken a long time to come up with the
14 details of the RFP. It was a, a planning process
15 that worked through the Bloomberg administration
16 where everyone didn't agree on the components of
17 the RFP. The new administration embraced the RFP
18 and wished to move on it quickly and made its
19 choices as far as how to reach out as far as the
20 various elected officials and stake holders. And
21 keeping in mind that they wanted to get this out
22 very fast so that people could no, would no longer
23 have to deal with the you know decaying pay phones
24 on the street. But that, when these contracts came
25 to an end in October that we would either have or

2 be close to having new structures ready to go. So I
3 can't, can't say that there was a lot of outreach.
4 It's... And I understand why you would be concerned
5 that you didn't have it but this is how it went
6 forward.

7 COUNCIL MEMBER WEPRIN: Well I can say
8 there was not a lot of outreach but that's okay. I
9 mean look I, we're very excited about this. I
10 understand in October the franchise for the
11 payphones expires and they are rotting shells right
12 now. Most of them, even if the payphones work the
13 person who owns it doesn't allow them to work which
14 they don't work even, puts a little sticker on
15 them, don't use the phone, it's basically
16 advertising space. So we're excited that some new
17 generation's going to be coming in. My, my biggest
18 concern is Mr. Shor how long have you been with the
19 agency? I know you've... [crosstalk]

20 STANLEY SHOR: It will be 13 years...

21 COUNCIL MEMBER WEPRIN: 13.

22 STANLEY SHOR: ...next month.

23 COUNCIL MEMBER WEPRIN: Well before you
24 were there even in 1995 following Mabel [sp?] when
25 the franchise was given out to payphones the city

2 council had passed a resolution that, that made
3 sure that we didn't have, we had nonexclusive
4 contracts given out to scores of providers for
5 payphones all across the city. You're aware of that
6 right?

7 STANLEY SHOR: Yes.

8 COUNCIL MEMBER WEPRIN: Right. So that
9 was a good thing, create competition between the
10 phone companies, you know people who are running
11 these payphones. And obviously as cell phones
12 became popular the, the use of pay phones changed.
13 I was sort of shocked to see when the RFP came out.
14 And this is my biggest concern that it's really
15 asking for an exclusive franchisee to run all, now
16 10,000 you said of these payphones, kiosk, whatever
17 they are and that just seemed counter to, to what
18 the law would be which it says we want to try to
19 encourage competition.

20 STANLEY SHOR: The, the RFP and... mirrors
21 the authorizing resolution in that the contract
22 that will be eventually awarded if we get a good
23 proposal and we do choose to go forward it will not
24 be an exclusive contract meaning that the city can
25 issue a contract, start the process with this

2 contract or issue another RFP two months later if
3 we choose to. So it's similar to the street
4 furniture franchise in that that was done as a
5 nonexclusive contract similar to the cable
6 contracts that were done that looked like they were
7 exclusive but then we granted Verizon a contract
8 citywide.

9 COUNCIL MEMBER WEPRIN: So you're saying
10 that, but I thought, I saw the RFP, I don't have it
11 with me. It did sound like it was asking for one
12 provider. Now you're saying that we, it is asking
13 for one provider but we're not going to, maybe
14 later on we'll decide eh, we'll add some more
15 providers later on... [crosstalk]

16 STANLY SHOR: That's, that's...

17 COUNCIL MEMBER WEPRIN: That's what
18 you're saying?

19 STANLY SHOR: ...the option... [crosstalk]

20 COUNCIL MEMBER WEPRIN: So now here's my
21 real concern about that. And it's especially true
22 with what technology we're talking about here. And
23 you alluded to it. This is technology that changes
24 weekly. Right now we have these ugly payphones all
25 over the city that are basically advertising space.

1
2 It could easily happen that these beautiful new Wi-
3 Fi stations become ugly advertising space within a
4 year. I mean it could change quickly where we don't
5 need Wi-Fi anymore because we all have it in our
6 brain or something. I mean who knows where the
7 technology goes. By creating it and right now
8 they're, I don't know how many companies are
9 running the pay phones. Do you know? It's a lot,
10 it's scores of them right?

11 STANLY SHOR: It's 10 companies.

12 COUNCIL MEMBER WEPRIN: 10?

13 STANLY SHOR: Yeah.

14 COUNCIL MEMBER WEPRIN: Okay so not
15 scores, half a score. 10 companies using it and I
16 think there's some benefit to that in that it
17 creates a competition like hey I want mine to look
18 better than that guy's over there. And in this
19 particular thing there money is being made and you
20 said it here by the advertising. Well the
21 advertising is there whether the damn thing works
22 or not, whether it looks good, whether it's up to
23 date, whether it's modern. I think we create a real
24 problem by giving it to one person even with the
25 possibility we may add someone later instead of

2 saying let's, we have 10 franchises out here. I
3 mean I'm not sure if they're all capable of doing
4 this. I'm sure there are other people out there who
5 would do this, it just seems to me in my own
6 layman's way of this that the more competition we
7 create the more likely we are to have a product
8 that's going to work long term. And I think this
9 franchise agreement is for 15 years... my god, 15
10 years who knows what we're, where we're going to be
11 then.

12 EVAN HINES: What, what I would suggest.
13 In the, in the past I believe there has been
14 litigation around how we structure certain
15 franchise agreements how, how we award them. And so
16 we don't want to get into that situation again.
17 What I would suggest is our general council is
18 actually over franchise administration, Stanley
19 reports to him, that we have a briefing for
20 whichever council members would want to know about
21 the thought that went into it as an attorney client
22 type conversation.

23 COUNCIL MEMBER WEPRIN: And again I mean
24 it just seems logical to me that instead of saying
25 let's pick one, add more later, let's put it out

2 wide net, let's take as many as, qualify, I'm not
3 looking to give it to anyone, but if they qualify
4 being able to do this in a proper manner let's
5 start with the possibility of getting 10, then we
6 only do four you know. I mean that would make more
7 sense to me. And I, I really feel like this is a
8 dangerous thing to do, you know dangerous may be
9 the wrong word but, foolish thing to do in that we
10 will, may end up with, with rotting shells very
11 quickly that are no longer effective based on what
12 the technology is. Because as we all know it's
13 changing daily as to what is appropriate. So I
14 would just ask that if there's a way to change
15 that, a way to open up the RFP to, to more than one
16 exclusive contract I think that's in the best
17 interest of consumers of the city in the future.
18 Okay... [crosstalk]

19 CHAIRPERSON GREENFIELD: I think we, we
20 have many questions surrounding this and we're
21 short on time. So what we're going to do is myself
22 and Chairman Weprin and the other Co-Chairs we're
23 going to send you a letter with a list of detailed
24 questions specifically about this RFP that we'd
25

2 like answered before the end of the budget process.

3 Does that work for you?

4 EVAN HINES: Sure.

5 CHAIRPERSON GREENFIELD: Thank you very
6 much.

7 EVAN HINES: Your welcome.

8 CHAIRPERSON FERRERAS: Thank you Co-
9 Chair Greenfield and Weprin. We've been joined by
10 Council Members Ignizio, Gentile, and myself. Now
11 we will hear from Council Member Rosenthal.

12 COUNCIL MEMBER ROSENTHAL: Thank you
13 chairs. I just have two very quick questions. I
14 think you misspoke at one point because I heard you
15 say that, that the agency spends 39 million
16 annually on contracting without site consultants
17 who have skills that DoITT just doesn't have. Did
18 you mean to say that specifically for the NYC win
19 that you have 38 million or did you really mean 38
20 million.

21 JOHN WINKER: No, no I, I, what I meant
22 was it's 39 million dollars for what we call ITCS
23 which is I, IT consultant services. What you're
24 talking about in terms Niaswin [phonetic] is a
25 maintenance contract to maintain that network. And

2 that's not, the maintenance we pay on that is not
3 part of that number.

4 COUNCIL MEMBER ROSENTHAL: Oh.

5 JOHN WINKER: Because that's really a
6 maintenance function as opposed to a IT or personal
7 service type of staff supplementation or whatever
8 you want to call the IT consultants that come in
9 that...

10 COUNCIL MEMBER ROSENTHAL: Okay let me
11 try, take another stab at it. In your OTPS budget I
12 think you have something like 191, 192 million
13 dollars for contractual services. If we were to
14 look at the details of that which I know we have,
15 but I just don't have right in front of me would we
16 see then the 39 million for ITCS separate from the
17 38.3 million NYC win baseline?

18 JOHN WINKER: Yes. Well first of all you
19 wouldn't see the 39 million because about 35 of
20 that is, is actually capital funds. So you wouldn't
21 see it in the OTPS budget. Roughly five million
22 dollars is really expense related costs associated
23 with the 39 million.

24 COUNCIL MEMBER ROSENTHAL: Okay, I have
25 a lot to learn. And then secondly I want to talk

1
2 about 911 but from a different angle. I represent
3 the upper west side of Manhattan and had an
4 experience the other day that was, was terrifying.
5 I was biking down the Westside Greenway and someone
6 had a seizure or something. And by the time I got
7 there none, the ambulance had not arrived when they
8 had already been waiting 20 minutes. Apparently
9 what happened, I waited with them and within 40
10 minutes the ambulance had come and taken the woman
11 to the hospital where she proceeded to have
12 something like five hours of surgery. But here's
13 the point. The reason 911 didn't get the call is
14 because it went to New Jersey first. And I have
15 gotten complaints about this frequently from my
16 constituents who live along West End Avenue and
17 Riverside Drive that the 911 calls go to New Jersey
18 first. And then the dispatcher eventually will send
19 it over to Manhattan. Can you help me understand
20 better what's going on there and what you're doing
21 to rectify the problem?

22 EVAN HINES: That, operations of 911 you
23 would have to speak with NYPD and the Fire
24 Department for how they, how their...

25 COUNCIL MEMBER ROSENTHAL: Oh.

2 EVAN HINES: ...calls operate.

3 COUNCIL MEMBER ROSENTHAL: My bad.

4 EVAN HINES: We, we, we don't handle
5 their technology.

6 COUNCIL MEMBER ROSENTHAL: Oh, sorry I
7 jumped down it because it was a 911.. [crosstalk]

8 EVAN HINES: That's okay.

9 COUNCIL MEMBER ROSENTHAL: Thank you.

10 EVAN HINES: Your welcome.

11 CHAIRPERSON FERRERAS: Thank you. There
12 are no wrong questions.

13 EVAN HINES: The operations of their
14 technology.

15 CHAIRPERSON FERRERAS: Right.

16 EVAN HINES: ECTP is now under DoITT for
17 the project management of the delivery of it.

18 CHAIRPERSON VACCA: And finally two, two
19 final quick questions regarding [dot]NYC when is
20 the formal launch? I saw something about a
21 prelaunch. Can you just sort of explain how that
22 works?

23 EVAN HINES: Sure. There is actually
24 four phases. And this month is the sunrise phase so
25 that's for companies that have trademarks. They

2 have the first opportunity to get [dot]NYC, to
3 apply for [dot]NYC addresses using their company
4 name. Phase two is for city government and
5 affiliated, affiliates in June and July.

6 CHAIRPERSON VACCA: Including Council
7 Members?

8 EVAN HINES: Including council yes.

9 CHAIRPERSON VACCA: Okay.

10 EVAN HINES: Yeah. So that will be in
11 June and July. That period happens. In August
12 businesses organizations and residents with
13 physical addresses in New York City will be able to
14 register for domains for a slightly higher fee than
15 the last phase, phase four which launches in
16 October which is general availability for.. again
17 you have to be located in New York City, have an
18 address here.

19 CHAIRPERSON VACCA: So ultimately to
20 purchase a [dot]NYC address you will have to have a
21 physical location in New York City?

22 EVAN HINES: Yes.

23 CHAIRPERSON VACCA: It's not going to be
24 open to the world?

25 EVAN HINES: No.

2 CHAIRPERSON VACCA: Got it and that
3 would be a, a home address, or a business address,
4 or any address really right? Not necessarily a
5 business address?

6 EVAN HINES: Either. If you could prove
7 that you have a tie to New York City, an address
8 tied in New York City so business or residence.

9 CHAIRPERSON VACCA: How about a P.O.
10 Box? Eh, I'm just busting your chops. Final
11 question inquiring minds want to know what's the
12 compliance rate on the open data portal looking
13 like?

14 EVAN HINES: So we are I, I have a
15 biweekly meeting on it. We were over 90 percent so
16 we're on schedule to actually be... You're talking
17 about for the plan, as far as for the plan what's
18 supposed to be...

19 CHAIRPERSON VACCA: Yeah.

20 EVAN HINES: ...done by July? So we are on
21 target to be done. There's I think maybe about six
22 data sets. But it's over 90 percent right now and
23 will be completed in time.

24 CHAIRPERSON VACCA: Great. Thank you
25 very much.

2 EVAN HINES: Your welcome.

3 CHAIRPERSON FERRERAS: And my last wrap
4 up question as we talk about technology and
5 bringing ourselves up to modern times and having
6 access we also unfortunately have to talk about
7 security and preventing our IT systems from being
8 hacked. So I know you can't disclose the measures
9 by which we may be using them but anything that you
10 can share with us that you can make us feel safer
11 about one, getting on the Wi-Fi systems from the
12 public perspective but also our IT systems as we
13 help move this city forward to the new age. What,
14 what, what structures do we have?

15 EVAN HINES: So we have a multipronged
16 approach to handling IT security. We have malware
17 detection, we have content URL filtering so we know
18 when somebody's trying to come to NYC.gov or into
19 the City's network, like you know where they're
20 coming from. I could tell you... ..two more pieces to
21 it... I actually can't tell you the other two pieces.
22 But there's a lot more to it than even the four
23 that I would have mentioned. And we're more than
24 happy to have our Chief Information Security
25

2 Officer meet with you to go into more detail if it
3 would give you a better comfort level.

4 CHAIRPERSON FERRERAS: Okay, thank you.

5 So I want to speak very specifically to experiences
6 that we have as council members to be able to do
7 our job effectively. I have one hands free phone in
8 my office here at city hall. Our phones are very
9 antiquated for us to get additional lines which we
10 need to be able to do our jobs more effectively for
11 our office is an incredible challenge. And I know
12 that we partner with you in this process and I
13 don't understand one why replacing the phones that
14 we have no, now are, is so costly and why we just
15 can't get an entire new system and is, is the
16 option of turning over to, a voiceover which is
17 what we're trying to do, is that an option for our
18 250 offices? Because to get an extra line in our
19 offices is such a challenge. It took my co-chair
20 six months, I'm still waiting for one extra line so
21 that my staffer can have a phone and has only
22 speaker phone for the entire office.

23 JOHN WINKEY: Our operations team could
24 probably assist you with this, with this request. I
25 mean we would have to speak to somebody, somebody

2 on your team in terms of liaison and, and, and see
3 what we can do to help you out.

4 CHAIRPERSON FERRERAS: Fantastic..

5 JOHN WINKEY: Okay.

6 CHAIRPERSON FERRERAS: We'll definitely
7 follow up. Thank you very much for coming to
8 testify before this hearing today and I'm looking
9 forward to the new Commissioner coming and
10 answering some questions.

11 EVAN HINES: Me more than you.

12 CHAIRPERSON FERRERAS: Thank you. We
13 will take a three minute break before we will hear
14 from the next... before we hear from the Department
15 of Investigation.

16 [long pause]

17 CHAIRPERSON FERRERAS: We will now
18 resume the city council's hearing on the mayor's
19 executive budget FY 2015. The Finance Committee
20 will now be joined by the Committee on Oversight
21 and Investigation chaired by my colleague Council
22 Member Vinny Gentile to hear from the Department of
23 Investigation. We heard from four agencies and we
24 have two more to go. So in the interest of time I
25 will forego an opening statement and turn the mic

2 over to my Co-Chair Council Member Vinny Gentile
3 for a statement.

4 CHAIRPERSON GENTILE: Good afternoon and
5 welcome to the Joint Finance and Oversight
6 Investigation Committee Hearing on the Fiscal 2015
7 executive budget. Today we will be discussing the
8 executive budget of the Department of the
9 Investigations. And I think we'll be joined by some
10 of my other colleagues beside our Chair Julissa
11 Ferreras and they will be on their way so we'll
12 announce them when they come. Department of
13 Investigation promotes and maintains integrity and
14 efficiency in Government Operations through it's
15 inspector general and other investigative staff.
16 The Department investigates and refers for
17 prosecution city employees and contractors engaged
18 in corruptive fraudulent activities or unethical
19 conduct. Investigations may involve any agency,
20 officer, or employee of the city as well as those
21 who do business with or receive benefits from the
22 city. The department provides the mayor with
23 recommendations for corrective actions to assist
24 city agencies in the design and interpretation of
25 strategies that limit opportunities for criminal

2 misconduct and waste. Fiscal 2015 executive budget
3 for DOI is 27 millions, 27.6 million dollars, 5.7
4 million dollars greater than its fiscal 2014
5 adopted budget. The Department's city funded budget
6 increases by 4.9 million dollars. The DOI's total
7 authorized headcount increases by 63 civilian
8 staff. The increases in DOI's budget reflect the
9 addition of the NYPD Inspector General Unit which
10 has a budget of 3.7 million dollars and a staff of
11 43. The fiscal 2015 executive budget included
12 additions to administrative and IT staff and the
13 addition of a new investigate, investigative,
14 investigative squad. These funding actions added 20
15 additional staff and 1.7 million dollars to DOI's
16 budget. So I look forward to discussing DOI's
17 budget and how it reflects the agency's work. We
18 have with us today the Commissioner of the
19 Department of Investigation Mark Peters. Welcome
20 Commissioner and I might mention for the record
21 that the committee is in receipt of your letter
22 dated May 21st in which you gave response to issues
23 raised at our preliminary hearing. And as our
24 members come in and I think we have some, let's
25 give them a copy as they... take that, okay...

2 CHAIRPERSON FERRERAS: And we've been
3 joined by Council Member Constantinides, Council
4 Members Dromm and Council Member Deutsch.
5 Commissioner you may begin... [crosstalk]

6 CHAIRPERSON GENTILE: You may begin
7 Commissioner.

8 COMMISSIONER PETERS: Thank you. Good
9 afternoon Chairperson Gentile and members of the
10 Committee on Oversight and Investigations and
11 Chairperson Ferreras and members of the Committee
12 on Finance. I'm pleased to be back before the city
13 council to discuss the mayor's executive budget
14 proposal for the Department of Investigation for
15 fiscal year 2015. After years of budget cuts to DOI
16 this executive budget restores 63 positions to the
17 agency. The majority of which will create the new
18 Office of Inspector General for the NYPD with the
19 remainder, about 20 positions that will allow DOI
20 to strengthen its oversight of city agencies and
21 entities. This demonstrates a significant
22 commitment by the mayor and his budget team to the
23 elimination of corruption and government
24 misconduct. This additional staff means that we can
25 better fulfill our comprehensive mission as the law

1 enforcement agency that safeguards New York City
2 from corruption, fraud, waste, and abuse. DOI is
3 mandated not only to investigate allegations of
4 corruption but also to site the executive order
5 criminal activity, conflicts of interest, unethical
6 conduct, misconduct, or incompetence. Close quote.
7 Additional staff members we'll be able to hire our
8 essential for DOI to carry out its duties and
9 enhance its broad approach to corruption fighting.
10 In the end New Yorkers are the ultimate
11 beneficiaries. In addition to reviewing with you
12 elements of the budget proposal I'd like to take
13 this opportunity to update you on three specific
14 topics. First our progress in building out the new
15 NYPD office of the inspector general, second the
16 importance of DOI's independent third party review,
17 and third the agencies increased focus on data
18 mapping. As I announced during a press conference
19 on March 28th Phil Eure will be heading the new
20 NYPD Office of Inspector General. He has just
21 finished up his role as the Executive Director of
22 Washington D.C.'s Office of Police Complaints and
23 will begin his role here in New York City next week
24 on May 27th. Hiring a first rate team to carry out
25

2 the mission of this independent police oversight
3 office will be his priority over the next several
4 months. We will add 43 staff members as provided
5 for in the executive budget including
6 investigators, data analysts, lawyers, community
7 outreach personnel, and support staff. While we
8 expect to make key hires relatively quickly I do
9 want to emphasize that it will take several months
10 to build a firm foundation for this office. And I
11 ask you and the public to partner with us during
12 this critical phase and understand that devoting
13 our attention to establishing a dedicated
14 knowledgeable team is imperative to ensuring the
15 office is a success and makes a positive impact.
16 Until we do this, until we build that staff we
17 cannot realize the full promise of the new law. One
18 of the key elements of Local Law 70 is that it
19 empowers the Commissioner of DOI to broadly look at
20 the Police Department's conduct where it comes into
21 contact with the public. The purpose; to strengthen
22 accountability and instill greater public
23 confidence. This type of third party examination by
24 investigators who understand law enforcement and
25 police oversight is crucial to independent

1 findings. In fact this macro view of an agency,
2 looking at an agency's policies and practices from
3 the outside to see how it delivers services is a
4 strategy that DOI is employing across the board. As
5 the City's anti-corruption agency DOI is uniquely
6 situated for this type of review. DOI's Inspectors
7 General and investigators have a deep expertise in
8 the agencies they oversee, access to city data and
9 documents, and the independence to spot problems
10 and come up with tangible workable resolutions that
11 improve city government and services to New
12 Yorkers. DOI routinely investigates allegations of
13 fraud and corruption and makes arrests to stop
14 corruption in its tracks. We will continue to press
15 this core function. In deed we are developing the
16 means to more efficiently find corrupt conduct and
17 bad practices mainly through data mapping. Data
18 mapping involves the use and cross comparison of
19 multiple data sets to identify patterns that raise
20 red flags that could not be seen by on the ground
21 investigation. This type of systemic review is a
22 compelling way for us to effect broad scale change.
23 Data mapping encourages reform in a comprehensive
24 way allowing us to root out vulnerabilities and
25

1 discourage corruption, fraud, and abuse before it
2 happens. We have in the past and on a limited scale
3 already used these techniques to root out pension,
4 unemployment, and housing fraud. Today technology
5 allows us to expand our ability to leverage this
6 technique, better target our resources, and
7 increase our success rate in finding corrupt actors
8 and referring them for prosecution or finding and
9 remedying abusive and bad practices. These efforts
10 will enhance DOI's already significant impact on
11 the city. In fact in the two short months since I
12 was last before the city council DOI has been able
13 to move on a number of important investigations
14 including a preliminary investigation we conducted
15 regarding the response time of emergency personnel
16 following a tragic fire in the Rockaways where two
17 young children died. While this is an active and
18 open investigation we were able to make
19 recommendations to the mayor on immediate steps
20 that had to be taken to protect the public safety.
21 DOI's investigation is continuing and when we, and
22 when completed we will issue a public report of our
23 findings. We continue to work effectively with our
24 partner law enforcement agencies on a number of
25

2 investigations and recently stood alongside state,
3 the state attorney general on a significant arrest
4 alleging misuse of public funds. And just this week
5 the mayor asked that DOI conduct an independent
6 investigation of the development of the City's new
7 911 system, an investigation that will conduct a
8 systemic review and examine a number of issues
9 including why there have been numerous delays in
10 its implementation, why the project is over budget,
11 and why it is not slated to provide the requisite
12 services. I thank the administration, the city
13 council for listening to DOI's needs and embracing
14 our mission by providing in this executive budget a
15 nearly 4.8 million dollar increase from the
16 previous year's budget. With the addition of 63
17 staff members included in the fiscal year 2015
18 budget DOI will have approximately 289 city funded
19 lines with another roughly 180 or so staff who are
20 not supported by DOI's budget and who work for DOI
21 through various arrangements with other city
22 agencies for a total of approximately 470 staff.
23 These additional lines will allow DOI to carry out
24 its mission more effectively and support the
25 agency's proactive work to find corruption before

2 advances. DOI's goals remain constant; safe,
3 safeguard taxpayer funds, root out conflict of
4 interest in fraud against the city, and ensure that
5 New Yorkers are best served by their city
6 government. Each of these support good governance,
7 and good governance is the core of a strong city.
8 At this time I'm happy to take your questions.

9 CHAIRPERSON FERRERAS: Thank you very
10 much Commissioner. I want to talk about and I know
11 this was brought up in the preliminary hearing
12 about your units of appropriation and the four
13 divisions. Have you considered the council's
14 proposal for a better description of your units of
15 appropriation? Your agency budget has four units of
16 appropriation, units of appropriations 001 002
17 cover the PS and OTPS and then you have a 003 and
18 004 are PS and OTPS ready inspector generals. As we
19 mention at the preliminary budget hearing and
20 called for in the budget response this description
21 used for the units of appropriation is confusing.
22 The description of these unit, of appropriation
23 should align with your agency's operations. Well to
24 some extent I think part of this is a question for
25 OMB. The way that we as an agency view this is by

2 headcount. There are approximately 470 people who
3 show up for work every morning and take direction
4 from me either directly or through the various
5 deputy assistant Commissioners and IGs. And so we
6 tend to think about this in terms of the number of
7 people who show up for work every day and are
8 available to do these investigations and the funds
9 that we have available to pay for the equipment
10 necessary to do it. In terms of how those funds are
11 characterized whether they are characterized as
12 lines given to us by other agencies or direct
13 appropriations that is as I understand it sort of a
14 historical anomaly and frankly on that as long as
15 we have the bodies to do the work how those bodies
16 are labeled is something that I leave to OMB.

17 CHAIRPERSON FERRERAS: Well I hope that
18 you can engage with us and OMB one of the goals of,
19 of this council since I'm chair of this committee
20 it's definitely bringing more transparency through
21 this... [crosstalk]

22 COMMISSIONER PETERS: Mm-hmm.

23 CHAIRPERSON FERRERAS: ...process because
24 UofAid is how we vote on the budget. And we're
25 trying to bring more transparency to that. So I'm

2 hoping that I can work with you and, and OMB to get
3 to more clarity and transparency.

4 COMMISSIONER PETERS: Certainly and to
5 the extent that there are and as I said at the
6 preliminary hearings we are happy to. And we had
7 recently sent a letter to Chair Gentile provide
8 whatever information you need about the staffing
9 that we have and the staff requirements that we
10 need.

11 CHAIRPERSON FERRERAS: Fantastic. I just
12 have two other questions before I give it over to
13 Chair Gentile. In your original, in the preliminary
14 budget you had asked for 50, five million dollars
15 for 50 staffers. And in the executive budget we
16 have for fiscal is three million dollars. The
17 preliminary budget included three million dollars
18 for 30 staffers. You originally asked for five
19 million dollars for 50 staffers. Why are you only
20 provided with a staff of 43 and funding of 3.7
21 million dollars?

22 COMMISSIONER PETERS: The answer is
23 there are a couple of reasons for this. O the
24 number of staff we asked for approximately. We got
25 43 but that is because there are some... although

1
2 there will be an absolute division between the NYPD
3 IG and the rest of DOI as investigate, as
4 substantive of investigative matters go, as there
5 should be so because DOI works with the police,
6 NYPD IG is investigating that. And so there will be
7 an absolute... There upon review there are certain
8 purely administrative functions. Things like,
9 things like payroll and other similar functions
10 that we have determined can be best handled,
11 although there is a need for some additional staff
12 there they can best be handled all through DOI and
13 more efficiently. So there are 43 more staff. There
14 are actually a couple of additional staff going to
15 DOI who will in part take that up. And that allows
16 us what was the difference between the 50 which I
17 think actually was 48... the difference between the
18 48 request and the 43 if you look at it you'll see
19 is almost entirely the fact that some of the
20 administrative functions which are necessary in an
21 agency of that size will be handled by DOI. But
22 those are purely administrative functions. They
23 have nothing to do with the investigations. And on
24 that the staffing numbers are largely what we
25 requested.

2 CHAIRPERSON FERRERAS: Okay. And hints
3 why we need a transparency because...

4 COMMISSIONER PETERS: I, as I said I am...

5 CHAIRPERSON FERRERAS: ...if you or I
6 aren't here and someone's reading this document
7 they won't be able to read this transcript which
8 perfectly explains it but that's one of the reasons
9 why we need this transparency. I'm going to ask my
10 last question and then I'll give it over to Chair
11 Gentile. In the, the budget reflects, FY15's budget
12 reflects a onetime increase of 45 thousand dollars
13 in intra-city funds for universal pre-k. Can you
14 explain to me the roll of DOI in universal pre-k?

15 COMMISSIONER PETERS: Certainly. In
16 order to make sure that universal pre-k is set up
17 in a completely safe fashion there are all sorts of
18 checks that we, that need to be run on vendors.
19 Remember many of the universal pre-k seats are
20 being set up by not-for-profit corporations. In
21 order for us to do the various background checks
22 that we needed to do on those... and there are checks
23 being done by other agencies also but there are
24 some checks that we need to do... given that we're
25 talking about setting this up a huge number of

2 seats in a very short time span bluntly I had to
3 have several investigators work considerable
4 overtime to get through all those checks and get
5 them done in enough time so as not to slow down the
6 process. That was overtime that we had not counted
7 on when the 2014 budget was created obviously and
8 so OMB sent us a onetime transfer to cover those
9 overtime costs.

10 CHAIRPERSON FERRERAS: Okay, thank you.

11 COMMISSIONER PETERS: Sure.

12 CHAIRPERSON FERRERAS: Chair Gentile.

13 CHAIRPERSON GENTILE: Thank you Madam
14 Chair. Okay, okay. Joining us, additional members
15 that have joined us; Council Members Dinkins,
16 Dickens, Menchaca, and Rosenthal. Oh, okay, great.
17 And each of you should have a copy of the
18 Commissioner's response to our first preliminary
19 hearing and a summary of that first preliminary
20 hearing. If you don't our, our council here, our
21 financial analyst here has those copies. Let me ask
22 you Commissioner and thank you for being with us.
23 Earlier this week we, we heard that the NYPD is
24 starting to use algorithms. Now today you tell us
25 you're doing data mapping so... [crosstalk]

2 COMMISSIONER PETERS: ...we all paid
3 attention in High School Algebra.

4 CHAIRPERSON GENTILE: So give us, give
5 us some kind of hypothetical example that would
6 include data mapping to give us a sense of what
7 that is.

8 COMMISSIONER PETERS: Sure. Let's assume
9 hypothetically that we have an agency... let's see if
10 I can make the map all come out correctly in my
11 head. Let's assume we have an agency that has
12 offices all over the city and has contracts with
13 various independent contractors to service computer
14 sites. And let's assume for a moment that the
15 agency spends roughly 100, 100 million dollars a
16 year and has 10,000 separate contracts with
17 contractors to service various computer sites. What
18 data mapping does is it says we traditionally pre
19 data mapping. The only way to determine whether
20 there's any corruption, for example whether some
21 some low... and let's assume that the contracts allow
22 for the payment of these services by fairly low
23 level workers. The question then becomes how do you
24 make sure that some low level worker doesn't
25 basically have his brother in law create a dummy

1
2 corporation and then give his brother in law a
3 million dollars' worth of these contracts to really
4 do no work right. Traditionally before data mapping
5 there were only two ways to do this. You either
6 relied on a tip, tip or you could have because your
7 finite resources investigators go out and say do
8 200 random checks. The problem is the first relies
9 on, on lock, a tip, somebody coming forward, and
10 the second is that if you're going to do 200 random
11 checks on 10,000 contracts your chances of hitting
12 this are pretty small. What data mapping says is
13 let's do this. Let's take the 10,000 contracts and
14 upload them into the computer. Let's now compare
15 that list to a list of licensed registered service
16 providers and let's eliminate those because it
17 seems unlikely that those are going to be corrupt.
18 And let's now also compare it by geography. Let's
19 see is there, of the people remaining are, is there
20 a servicer who is on the same day being, it's
21 claiming that he looked at computers in both the
22 Northern Bronx and Southern Brooklyn. And let's
23 further see are there a certain number of agency
24 workers who seem to be asking for a lot of these
25 services on the same day. And what you do is you

2 take that list of 10,000 contracts and by doing
3 this kind of data mapping you end up with say 700
4 contracts that seem suspicious. You don't know
5 there's anything wrong but it seems suspicious. Now
6 if I go out and do 200 random investigations of
7 those 700 contracts the chances that I am going to
8 find the number that are in fact corrupts has just
9 exponentially increased. That's data mapping and
10 that's what we propose to do. It is by the way I
11 should say infinitely more complicated to do than I
12 have just... I've, you know I've just described it
13 you know. But that's the basic idea. In fact
14 setting up these processes are very very
15 complicated but we're in a position to do it. We
16 have access to every scrap of data anywhere in the
17 city of New York from a city agency. And in a
18 computer era we have the ability to get at that
19 data very easily and often without even having to
20 notify the agency. We now have, there now exist in
21 the world the computer technology to do this work.
22 And through a use of city funding and federal
23 forfeiture funds we propose to begin building the
24 capability to do this work. It will probably take a
25 significant amount of time to build the capability.

2 But that's what we're doing because once you have
3 that capability the chances of finding corruption
4 increase exponentially.

5 CHAIRPERSON GENTILE: Understood,
6 understood. It's, it's really a, a whole new world
7 I guess in, in that regard. Let me, let me just go
8 on to the, the NYPD IG unit. You, you mention that
9 the police IG begins in about five days, he begins...

10 COMMISSIONER PETERS: Mm-hmm.

11 CHAIRPERSON GENTILE: ...his work on May
12 27th. Has the unit been formulated at all? Any
13 hires, any...

14 COMMISSIONER PETERS: Oh.

15 CHAIRPERSON GENTILE: ...transfers?

16 COMMISSIONER PETERS: Sure. The answer
17 is obviously Phil Eure is starting next week and as
18 I said a big chunk of his job for the next couple
19 months is hiring people. We have received numerous
20 resumes as you could imagine. He has in fact had a
21 number of meetings and a number of interviews to
22 begin filling the senior most positions. I think we
23 are fairly close to being able to name his deputy.
24 He has had meetings with people to fill out the
25 senior most positions. That's going to be his first

1
2 order of business with the.. now clearly before you
3 can begin hiring the individual investigators and
4 the individual data analyst you need to hire the
5 chief of investigations, you need to hire the chief
6 of policy and data analytics. Phil is already
7 working on that. I hope he will be able to do that
8 in the short order and then we can begin filling it
9 all out. But in all candor, and I have said this at
10 every meeting I had been at, and every community
11 meeting I've been at I have in fact as you know
12 said this to you and your colleagues in many
13 meetings to assume that something as big as
14 creating an entire new, roughly 50 person agency
15 can be done overnight is impossible. And I think
16 that we should assume that the next three months,
17 June, July, and August will be largely spent
18 building the staff before we can even really begin
19 fulfilling the promise of the law. And I think we
20 just ought to assume that going forward.

21 CHAIRPERSON GENTILE: Okay, understood.
22 I, I believe this was asked at the preliminary by
23 one of the council members..

24 COMMISSIONER PETERS: Mm-hmm.
25

2 CHAIRPERSON GENTILE: ...your, the
3 institution of the police IG has a fiscal impact or
4 potential fiscal impact on the, on the Police
5 Department. And although it's not your agency you
6 did indicate at the preliminary hearing that you
7 were having discussions with the police as to the
8 impact or the cost to the police of the formulation
9 of the IG within...

10 COMMISSIONER PETERS: Mm-hmm.

11 CHAIRPERSON GENTILE: ...DOI. Have those
12 discussions continued and, and are there...

13 COMMISSIONER PETERS: Absolutely.

14 CHAIRPERSON GENTILE: ...and, and is that
15 impact something you could discuss?

16 COMMISSIONER PETERS: Sure we, we've
17 had, both I and Phil Eure had meetings both with
18 Commissioner Bratton and with a number of his
19 senior staff to begin discussing this. I will leave
20 to Commissioner Bratton and his testimony to talk
21 about the specific fiscal impact in numbers but
22 we've had a number of productive meetings, the
23 result of which is that I believe we will be able
24 to manage this process in the most efficient way
25 possible. There is simply no doubt that the police,

2 Commissioner Bratton and the Police Department will
3 need a certain amount, number of staff to be able
4 to respond to the data and other requests that we
5 have. I think that we will and I, I would hope
6 that, I'm fairly confident Commissioner Bratton
7 feels the same way we are working very
8 collaboratively to make sure that that's done in an
9 efficient way, to make sure that it's done
10 efficiently vis-a-vis us, vis-a-vis the federal
11 monitor, vis-a-vis the CCRB so that the number of
12 staff necessary to do this will be you know as
13 efficiently dispersed as possible. And we are
14 working on that right now.

15 CHAIRPERSON GENTILE: Okay. [crosstalk]

16 COMMISSIONER PETERS: And I will say
17 that the NYPD has been enormously cooperative and I
18 am very grateful both to Commissioner Bratton, to
19 his staff for the tremendous level of cooperation
20 we've gotten from him.

21 CHAIRPERSON GENTILE: Great, that's good
22 to hear. Back to your budget. During the
23 preliminary you mentioned and said today that the
24 office has four investigative squads and that each
25 squad has, covers several different agencies. Now

2 the new budget, the executive budget has 14
3 additional staff members... testified to and a cost
4 of 103, 100, well 1.03 million dollars for the
5 expansion of the investigative division. So does
6 that suggest that there will be another IG added or
7 does it suggest that we might have the return of a
8 unit like the fraud prevention unit?

9 COMMISSIONER PETERS: I, I've had a
10 bunch of meetings with my senior staff. I believe
11 that, that, assuming that the council approves the
12 budget we believe that we will be able to with the
13 addition to these lines and some additional, some
14 additional reassessment of, of lines and, and
15 shifting to investigators we are, we believe that
16 we will be able to go to six squads instead of
17 four. What this means is that for example right now
18 both the Department of Correction and the Fire
19 Department are in the same squad. This means that
20 the same people are in charge of dealing of,
21 reviewing incidents as Riker's including as we've
22 been reading in the newspapers a number of
23 incidents involving mental health. Units in Riker's
24 both a tax by inmates on staff and frankly the
25 deaths of a number of inmates because of the

2 treatment circumstances. The same people who are
3 busy investigating those issues and looking at
4 those issues are also tasked with looking at the
5 Fire Department and the 911 response system. With
6 the new budget those two agencies will be split
7 into separate squads. So there will be a squad
8 dealing with Department of Correction and several
9 other smaller agencies and a different squad
10 looking at the Fire Department. We will also have a
11 squad that will be able to handle certain
12 particularly large cases and that squad for example
13 will get the 911 system, well again another squad
14 can have the rest of the Fire Department. So what
15 this budget allows us to do is to go from four
16 squads to six and in that process divide out
17 certain agencies so that frankly I'll be blunt,
18 what happens is something happens big at Riker's
19 and everybody stops thinking about the Fire
20 Department for two weeks and vice versa and this
21 allows us to be able to proceed on multiple tracks
22 at once.

23 CHAIRPERSON GENTILE: So more squads but
24 not necessarily another IG?

25

2 COMMISSIONER PETERS: Each squad has two
3 IGs. [crosstalk] The way a squad is set up is every
4 squad has two IGs. A couple of them have three. And
5 then they have you know inspectors, law enforcement
6 officers, lawyers, analysts working for those IGs.
7 And the reason for this is that rather than having
8 each IG have a certain number of agencies, by
9 having two IGs one it means that you've got two
10 people who can be talking to each other at a senior
11 level which is helpful. And two it allows slightly
12 a better allocation of resources because for
13 example in the past what really happened is one of
14 the IGs thought about Riker's and one thought about
15 the Fire Department but they both thought about
16 each agency when something particularly important
17 was going on. I believe that the model of a squad
18 with two IGs is the most efficient way absent and
19 absent... increase of funding such that there could
20 be an IG for every agency which would require not
21 an increase of 63 headcount but probably an
22 increase of three or 400 which if the council would
23 like to offer we'll happily accept. But absent that
24 I think this is the most efficient way to do this
25 and guarantees that there are multiple people

2 watching every agency and giving every agency the
3 baseline support they need.

4 CHAIRPERSON GENTILE: Your explanation
5 actually segways into my next question. I only have
6 two final questions but what you, you described to
7 us on how that is set out is similar to what you
8 were saying when you give us a staff breakdown in
9 your response letter. But at the preliminary
10 hearing and several members I think Council Member
11 Rosenthal talked about this, about maybe having an
12 organizational chart and sending us... even if it's
13 in the state of flux...

14 COMMISSIONER PETERS: Mm-hmm.

15 CHAIRPERSON GENTILE: ...is that something
16 that you considered based on our first hearing?

17 COMMISSIONER PETERS: Oh, I'd be happy
18 to provide you with an organizational chart if
19 you'd like one. My suggest, my suggestion is that
20 with this budget we're going to change that
21 organizational chart in the way that I described so
22 I think it's better to get the new one. But I'm
23 happy to provide you with the prior organizational
24 chart if you'd like, and we'll have that sent over
25 tomorrow.

2 CHAIRPERSON GENTILE: Thank you, that's
3 great.

4 COMMISSIONER PETERS: Sure.

5 CHAIRPERSON GENTILE: My, my final issue
6 is what if any impact does the, the mayor's call
7 to, to give you an independent investigation of the
8 911 call center. Does that have any fiscal impact
9 on, on, on you as an agency number one? And number
10 two does your involvement given the fact that
11 you've been asked to conduct an independent review
12 and to take immediate corrective action does your
13 involvement suggest more than just an
14 administrative or managerial investigation?

15 COMMISSIONER PETERS: ...two questions...
16 let me take them in order.

17 CHAIRPERSON GENTILE: Okay.

18 COMMISSIONER PETERS: As to the first it
19 absolutely does have an impact and frankly the
20 addition of lines and the ability to go to six
21 squads is what makes it possible. If the mayor, if
22 the mayor had not proposed the additional lines or
23 to allow us to have additional squads I would never
24 say that we would not be able to do anything we are
25 asked to do but it would be an organization on

2 investigative challenge far greater than anything
3 and we've had... have to think about. With the
4 additional lines and the ability to split up into
5 squads that's what makes it possible not only for
6 us to do this but for us to tackle any other large
7 issue like this that the mayor or the council may
8 ask us to look at. Since as you know under the
9 charter... the mayor, the council may make those
10 requests. So on the impact it absolutely does and
11 in a sense it anticipates our, the budget
12 anticipates our need to do this and other like
13 projects over the next four years.

14 CHAIRPERSON GENTILE: Great.

15 COMMISSIONER PETERS: As to, I'm sorry...

16 CHAIRPERSON GENTILE: No, no...

17 COMMISSIONER PETERS: ...as to your second
18 question.

19 CHAIRPERSON GENTILE: ...good.

20 COMMISSIONER PETERS: First of all let's
21 remember that DOI's charter says in fact I think I
22 actually mentioned it in the testimony that we are
23 to investigate and prevent not only corruption, and
24 not only criminal activity but conflicts of
25 interest, unethical conduct, misconduct, or

2 incompetence close quote. So first of all there
3 does not need to be any corruption or criminal
4 activity for our jurisdiction to be triggered. Our
5 jurisdiction is triggered by misconduct and, or
6 incompetence. But second of all I think it is
7 premature at this point for me to suggest what
8 we're going to find. We, two, three days ago the
9 mayor asked us to conduct a preliminary, an
10 independent investigation. Two days ago we sent
11 over to city hall our first of what I suspect will
12 be several document requests. I expect we'll be
13 getting voluminous documents. We are in the
14 process of gearing up both to get the documents
15 and review them. Once we have done that we will be
16 able to take a better closer look. So I think it's
17 premature now to tell whether this is going,
18 whether we are going to find incompetence,
19 misconduct, or some kind of criminal activity.

20 CHAIRPERSON GENTILE: Will you give... a
21 time table as to how, when to conduct or when to
22 have some results of investigation?

23 COMMISSIONER PETERS: As soon as
24 possible.

2 CHAIRPERSON GENTILE: Okay, thank you.

3 Thank you Commissioner.

4 COMMISSIONER PETERS: Certainly.

5 CHAIRPERSON GENTILE: Thank you Co-
6 Chair. We will hear from Council Members Rosenthal
7 followed by Council Member Dickens. For my, to my
8 members there's a five minute clock. Thank you.

9 COUNCIL MEMBER ROSENTHAL: Thank you.

10 And thank you Commissioner for coming today. I, I
11 do want to sort of follow up on Council Member
12 Ferreras question about the UofAids and it's very
13 much tied to the issue about the staffing chart
14 that Council Member Gentile just referenced. So the
15 reason that I would urge you not to pump this over
16 to OMB is because OMB doesn't, could never, OMB
17 could never come up with the categories that are as
18 meaningful to your agency as you can. You're the
19 one who knows DOI inside out and the functionality
20 of all the employees.

21 COMMISSIONER PETERS: Mm-hmm.

22 COUNCIL MEMBER ROSENTHAL: We're not
23 ask, although it, it seems like it's a, it seems
24 like it's in the context of the budget because it's
25 part of the budget document this is where the

1 marriage of policy and budget takes place. And as I
2 listen to you I'm hearing that you think about your
3 agency most importantly in terms of the squads
4 which are, sound phenomenal. They're each squad is
5 made up of the various type of staff you need to do
6 the investigations you need for different agencies.
7 We're at a point in history where you, things are
8 happening in the city such that you're increasing
9 from four to six squads because we should now
10 separate out this, these two agencies. I am, while
11 I respect and acknowledge your wanting to be nimble
12 within your agency with staff members this is
13 something that is part of... what we're asking for is
14 part of our city council oversight responsibility
15 and can only imagine is not different than how you
16 think about things internally in terms of your
17 agency right. You have administrative staff, you
18 have these squads, maybe you have other things. So
19 all I'm asking and all we're asking is help from
20 you, not from OMB who's just slamming things into
21 codes depending on a myriad of other unrelated
22 factors and can't possibly know every single agency
23 and what their functionalities are. That's why
24 we're asking for your help. Does that make sense?
25

2 COMMISSIONER PETERS: It certainly does
3 and I am, I'm happy to be helpful and I, I wouldn't
4 want you to think that I was somehow punting
5 something over to OMB. I am absolutely, you know I
6 have, we sent a letter which I think addressed a
7 lot of this... the, Chair Gentile asked if we would
8 send an order chart along with it. I'm happy to do
9 that. You'll have that in short order. So yes I
10 think about this agency as a series of squads. It
11 will be six plus certain other entities we have a
12 NYCHA inspector general which is separate but is
13 almost functionally as though it's its own squad.
14 We have the special Commissioner of investigation
15 who deals with the school system, that is you could
16 view that I suppose in a sense as a separate squad.
17 So for us there are a series of squads that have a
18 series of agencies and then there are
19 administrative personnel who just... the lights on
20 and there are some very senior management who, well
21 try to figure out what we do. Right. That's how I
22 view it and we'll get you the, the org chart
23 although as I said the, the org that we're going to
24 send you is about to become completely outdated.
25 And we'll send you the new one too. As to how these

2 things are labeled in the budget that's not
3 something, we don't label them in the budget. We,
4 somebody else labels them in the budget. We just
5 say I need this many bodies and I'm slotting them
6 into these squads. Bluntly how OMB lists them in
7 the budget as long as the people show up for work
8 on Monday I'm fine. You know I'm, I'm only interest
9 in how they, they show up, how they show up for
10 work on Monday. And I get the feeling I'm not
11 being, I'm not answering..

12 [background comments]

13 COMMISSIONER PETERS: Great thank you.

14 CHAIRPERSON FERRERAS: Thank you Council
15 Member Rosenthal. Council Member Dickens.

16 COUNCIL MEMBER DICKENS: Thank you
17 Chairs and good afternoon Commissioner it's good
18 seeing you again.

19 COMMISSIONER PETERS: Good to see you
20 too.

21 COUNCIL MEMBER DICKENS: Now that we're
22 talking about squads I'll talk about the NYCHA
23 squad. At the preliminary budget hearing I had
24 asked the question about DOI's oversight over the
25 NYCHA budget including the reports that should be

1
2 coming but have not been coming to the city council
3 as it relates to financing, spending, procurement,
4 and contracts.

5 COMMISSIONER PETERS: Mm-hmm.

6 COUNCIL MEMBER DICKENS: And, and the,
7 from your office the May 21st response by your
8 deputy Commissioner of operations addressed the
9 capital program.

10 COMMISSIONER PETERS: Mm-hmm.

11 COUNCIL MEMBER DICKENS: But as part of
12 the answer, which was only part of it, but part of
13 the answer said substantiated reports are variable
14 to a freedom of information requests. Is that to
15 say that the city council and the, the chairs that
16 have oversight over NYCHA as well as DOI would have
17 to put in for reports to a freedom of information
18 requests? Is that... [crosstalk]

19 COMMISSIONER PETERS: Well of course
20 not. No, well I don't have the language in front of
21 me. No, those reports are available to the public
22 through a freedom of information act request. They
23 are available to the chair of, to Chair Gentile as
24 the chair of our Oversight Committee bluntly

2 through his sending me a letter saying could I see
3 the following reports.

4 COUNCIL MEMBER DICKENS: Alright,
5 because that wasn't clear. Because the answer in
6 the response letter did not really address what my
7 question was at the preliminary hearing. And then
8 that was the last thing that was added. And so I
9 wasn't quite sure... [crosstalk]

10 COMMISSIONER PETERS: Oh, I at the
11 preliminary hearing you had asked me a question
12 about review of NYCHA's capital spending.

13 COUNCIL MEMBER DICKENS: At, the, the
14 budget as well as procurement and financing as it
15 relates to particularly the funding, the funded
16 projects that come through the council.

17 COMMISSIONER PETERS: Right, so as to
18 the capital program which is, which, and if I only
19 heard half the question my apologies. I remember
20 the exchange about the capital program. The biggest
21 piece of the capital program now is what's called
22 Bond B. We have a, and we are monitoring Bond B. We
23 will be getting, once that is up and running we
24 will be getting reports on Bond B to the, once
25 those reports are both final and to the extent that

2 they do not contain you know classified
3 investigative materials. We will of course be happy
4 to make them available to, to you and your
5 colleagues. That's, and that's the biggest piece of
6 capital work right now. The other piece of capital
7 work involves, I know the replacement of boilers...
8 We will be monitoring that as well but that just
9 hasn't started yet. Once that gets started we will
10 be similarly monitoring that, similarly getting
11 reports. It hadn't started yet so there's nothing,
12 there's nothing to report on. But we, there, we're
13 getting ready to do that as well.

14 COUNCIL MEMBER DICKENS: Alright because
15 there's a new RFP that was just, that was just won
16 that concerns in, in, throughout the city major
17 capital improvements including elevators and
18 boilers and, as it relates to Sandy which is mostly
19 going to be in Red hook, Staten Island, etcetera.

20 COMMISSIONER PETERS: Sure.

21 COUNCIL MEMBER DICKENS: And so there is
22 concerns since we have historically not been able
23 to get reports on the spending in budget whether we
24 were going to be able to get it and if it was done
25

2 through your office that you had oversight through
3 it, for it... [crosstalk]

4 COMMISSIONER PETERS: Well the...
5 [crosstalk]

6 COUNCIL MEMBER DICKENS: ...those.

7 COMMISSIONER PETERS: Sure. The
8 oversight that we have, the, the capital, the Sandy
9 capital spending which is, as I understand it but
10 I, I would defer to the NYCHA chair but my
11 understanding is the biggest piece of that is the
12 boiler replacement. But again allow me to differ to
13 NYCHA on, on exactly that. Our oversight is not
14 over NYCHA's decision to do that. Our oversight is,
15 since you wouldn't do policy we don't get to say we
16 think you should have a capital program for boilers
17 right. We don't get to say this who you should
18 choose. What we get to do is once you've decided to
19 have a capital program and spend X dollars on
20 boilers and you've entered into a contract with Y
21 provider to do the work then our oversight says we
22 know we'll make sure that well you have a contract
23 with X provider to spend Y dollars on boilers we
24 will make sure that the money got spent, the
25 boilers got, you know the, the requisite number of

2 boilers got put in, the requisite amount of money
3 got paid for it etcetera.

4 COUNCIL MEMBER DICKENS: That is exactly
5 what I was referring to.

6 COMMISSIONER PETERS: Right.

7 COUNCIL MEMBER DICKENS: I did not
8 expect for, for DOI to have oversight over how it's
9 spent but once the contract is signed..

10 COMMISSIONER PETERS: Correct.

11 COUNCIL MEMBER DICKENS: Such as in this
12 RFP that it would, that you would ensure that the
13 work was actually..

14 COMMISSIONER PETERS: Correct.

15 COUNCIL MEMBER DICKENS: ...done because
16 historically there's been problems there.

17 COMMISSIONER PETERS: I..

18 COUNCIL MEMBER DICKENS: And, and...

19 COMMISSIONER PETERS: ...agree.

20 COUNCIL MEMBER DICKENS: ...so that with,
21 particularly with that agency. So that's why I had
22 raised the, the question.

23 COMMISSIONER PETERS: I, I couldn't
24 agree more. There certainly have been. We will be
25 looking at it. My understanding is on the Sandy

2 work that it has, my understanding, this is not my
3 understanding, my absolute knowledge is that the
4 work, and therefore the spending of money hasn't
5 started yet. So, but when it starts we are already,
6 have had conversations with NYCHA. We will be
7 monitoring that. And once that work starts which it
8 hasn't yet. We will be monitoring it. We will get
9 reports. And I am happy to provide them to the
10 committee as I, as they're finalized, as I have
11 them.

12 COUNCIL MEMBER DICKENS: Alright. Thank
13 you so much Commissioner.

14 COMMISSIONER PETERS: Certainly.

15 COUNCIL MEMBER DICKENS: And thank you
16 for your testimony. Thank you Chairs.

17 CHAIRPERSON FERRERAS: Thank you
18 Commissioner and thank you for your patience. And
19 know we are running about 45 minutes or an hour
20 late today. So I thank you for your patience...

21 CHAIRPERSON GENTILE: Commissioner again
22 thank you for time and, and these things are sort
23 of estimated time so when, when we all testify. And
24 so thank you for, for waiting. And if you can get
25

1
2 back to us on the items that you, we spoke about
3 today I'd appreciate that and...

4 COMMISSIONER PETERS: Absolutely.

5 CHAIRPERSON GENTILE: ...certainly look
6 forward to an exciting and productive months ahead.

7 COMMISSIONER PETERS: Terrific, thank
8 you very much.

9 CHAIRPERSON FERRERAS: Thank you. We're
10 going to take a two minute break before we start
11 with COIB. Just a reminder if anyone has public
12 testimony that they'd like to submit they can
13 submit it to NAnderson@Council.NYC.gov via email to
14 be entered into this testimony. Thank you.

15 [long pause]

16 CHAIRPERSON FERRERAS: We will now
17 resume the city council's hearing on the Mayor's
18 executive budget FY 2015. The Finance Committee
19 will now be joined by the Committee on Standards
20 and Ethics chaired by my colleague Council Member
21 Alan Maisel to hear from the Conflict of Interest
22 Board. In the interest of time I will forego an
23 opening statement and turn my mic over to my co-
24 chair Council Member Alan Maisel for a statement.

25

2 CHAIRPERSON MAISEL: Thank you very
3 much. And first let me thank all the people who are
4 here. You've shown unfathomable dedication to the
5 process. Good afternoon and welcome to the fiscal
6 2015 executive budget hearings for the Conflicts of
7 Interest Board. The Conflicts of Interest Board is
8 made up of five mayoral appointees with advice and
9 consent of the council. The board is charged by the
10 charter with interpreting and implementing and
11 enforcing the City's conflict of interest laws
12 contained in chapter 68 of the city charter. They
13 also educate and train city employees and public
14 officials on the charter's conflict, conflict score
15 and issuing advisory opinions to perspective,
16 current, and former city employees. The Board's
17 training mandate has been expanded to include
18 training all city employees on the City's conflict
19 of interest laws and rules every two years. The
20 board also is responsible for overseeing the City's
21 financial disclosure program for elected officials
22 and other high level city employees. In fiscal 2015
23 the executive budget of 2.1 million for the board
24 increases by 84 thousand dollars from its fiscal
25 2014 adopted budget. This change is due to a PS

2 increase of 50 thousand dollars and OTPS increase
3 of 34 thousand dollars. The total authorized head
4 count for the board remains stable at 22. I look
5 forward to hearing more about how COIB's work is
6 reflected in the executive budget. Today we'll be
7 hearing from Mark Davies Executive Director of the
8 Conflict of Interest Board and members of his
9 staff. Thank you very much.

10 DIRECTOR DAVIES: Thank you Mr. Chair.

11 For the record my name is Mark Davies. I'm the
12 Executive Director of the New York City Conflicts
13 of Interest Board and I have with me this afternoon
14 our Deputy Executive Director and General Council
15 Wayne Holly and our Director of Administration
16 Buruney Bogwant [sp?] and other members of our
17 staff to help answer any questions you have. As
18 requested my testimony will be limited to the
19 executive budget. The board has no written
20 testimony and my oral testimony will be quite
21 short. The executive budget as the chair noted
22 increases the board's PS by 50 thousand and the
23 board's OTPS by 34 thousand. The PS increase
24 supports a structural deficit in our budget, fixing
25 the structural deficit allows us to maintain our

2 current headcount. The increase in the board's OTPS
3 is dedicated entirely to the substantial increase
4 that DoITT has made in the board's bill for phone
5 services. It is simply a pass through. We have no
6 control over the amount and we are working with
7 DoITT as I understand the council is now to switch
8 over to a voice over IP which DoITT informs us will
9 be far more cost effective and saves about 50
10 percent of the 75 thousand that we are currently
11 charged for our phone services. I would like to
12 discuss one final and very important point. But
13 first just to give you a hit of what we have
14 accomplished over the past few years because, and I
15 know a lot of you are new to the Conflicts of
16 Interest Board I would ask if you could turn in the
17 handout that I, that I passed out there on the, on
18 the second page, it's numbered at the bottom 29.
19 This is exhibit one from our annual report, our
20 annual report is available online. And I'm just
21 going to be comparing to give you an idea the 2001
22 column and the 2013 column. So since 2001 if you
23 look at the second line there you'll see that our
24 staff has actually decreased over the past several
25 years from 23 and three-fifth to 22. Our telephone

2 calls going another couple lines down have
3 increased from 1650 to 30, 35, 36. That is they've
4 more than doubled in those years. And currently our
5 calls for this year which is a credit I think to
6 the new council and the new administration are
7 running 50 percent ahead of last year. Complaints,
8 if you drop down to enforcement you'll see our, new
9 complaints received have more than quadrupled since
10 2001 from 124 to 506. Going down a couple more
11 lines you'll see our, our dispositions imposing
12 fines have increased from nine in 2001 to 62 last
13 year. The public warning letters, these carry no
14 fines... public from two to 26 last year. The amount
15 of fines imposed from 20,000 to last year 124,000.
16 If you go over to the next page, that page number
17 30 there you'll see our training sessions have
18 increased from 2001 190 to last year 542. That's
19 with four trainers. Actually fewer than we had in
20 2001. Four people have trained 542 train, training
21 sessions, about 22,000 employees. If you go to then
22 finally to the next page, 31 under annual
23 disclosure and if you drop down there under annual
24 disclosure about five lines down you'll see the
25 review. Reports reviewed for conflicts of interest.

2 We're supposed to review every report for conflicts
3 of interest. In 2001 we reviewed only 38. Last year
4 6,661. So all of that has been done with a smaller
5 staff than we had in 2001. But these results come
6 with a price, namely the highest quality staff in
7 city service. Because we must never forget that the
8 purpose of chapter 68 and the mission of our agency
9 is not to punish dishonest officials. Our mission
10 is to guide honest officials thereby promoting both
11 the reality and the perception of integrity in
12 government by preventing conflicts of interest
13 violations from ever occurring. In other words we
14 are in the prevention business, not in the
15 punishment business thus perhaps most importantly
16 the board reiterates a concern that is expressed
17 for many, many years the lack of an independent
18 budget. As you know the speaker, the mayor, and the
19 council had been supportive of the work of the
20 board not only substantially but financially. But
21 no assurance exists that some future mayor or
22 future speaker or council will be similarly
23 supportive. In fact we can all pretty much count on
24 some future mayor or some future speaker or council
25 perhaps you know 10, 15 years from now slashing the

2 board's budget and effectively destroying the work
3 of the Conflicts of Interest Board in ethics
4 enforcement, and ethics advice, and ethics training
5 and annual disclosure in the city of New York.

6 Those who downplay the possibility of such
7 draconian cuts always cite the political
8 implications for appearing to be against ethics in
9 city government but as we all know public support
10 for government ethics nowhere near approaches
11 public support for education and police and fire
12 and sanitation and so forth. I mean when is the
13 last time any of us saw a protest on the steps of
14 city hall for more money for ethics regulation. It
15 doesn't happen. In gutting the board in the early..

16 [background comments]

17 DIRECTOR DAVIES: Yeah, there we go.
18 We're ready. In gutting the board in the early
19 months of an elected official's term would probably
20 have little impact you know four years down the
21 road. In deed in the past even elected officials
22 who are dedicated, who have been dedicated to
23 ethics have cut the board's budget in the face of
24 citywide budget deficits. But a ten percent budget
25 cut in the Conflicts of Interest Board which many

2 other agencies can sustain. But a cut of 10 percent
3 at our board means laying off at least three staff,
4 14 percent of the agency. A citywide budget deficit
5 resulting in just one single peg for the Conflicts
6 of Interest Board can hurt the COIB and hurt it
7 badly. And these are the hard truths about the
8 maintenance of ethics in the city of New York. So
9 finally then in addition virtually alone among all
10 city agencies the Conflicts of Interest Board has
11 the power to prohibit interest or conduct or
12 sanction violations of the law by the very
13 officials who set the board's budget. Sometimes at
14 the very time they are setting the board's budget.
15 This we find be an unseemly conflict that can only
16 undermine the board's perceived independence in the
17 eyes of the public and of public servants. In this
18 conflict we believe to be reactivated through a
19 charter amendment removing the board's budget
20 through, from the discretion of the public
21 officials who are subject to the board's
22 jurisdiction and therefore the board's highest
23 priority, legislative priority for over 20 years
24 has been a, a charter amendment providing the board
25 with an independent budget. And this amendment

2 because it's a 2602 of the charter would require
3 either referendum or state legislation but remains
4 our most critical legislative priority and I have,
5 that handout there contains the board's proposed
6 charter amendment in regard to an independent
7 budget. That's all I have. Again, thank you we're
8 glad to be here. We're glad to be a part of this
9 new, this new team and we're happy to answer any
10 questions that you have.

11 CHAIRPERSON FERRERAS: Thank you very
12 much. And thank you for your testimony. Obviously
13 your recommendations for charter reform is
14 something that is a bigger conversation and
15 probably I can't give you the answer right now.
16 We're a body of 51 with two members right here
17 right now. But I wanted to talk about, I know that
18 in your testimony you expressed that this year's
19 FY15 funding is just enough to maintain where you
20 are now.

21 DIRECTOR DAVIES: Mm-hmm.

22 CHAIRPERSON FERRERAS: And as you've
23 proven there's been great number of growth in
24 outreach which obviously is done effectively by
25 your team especially in training out members and

2 staff and agencies. Can you give me an idea of what
3 would bring COIP to full, to, to be able to provide
4 and carry out your mission or your core value, your
5 core functions, what would that number look like?

6 DIRECTOR DAVIES: I know you don't often
7 hear this but quite frankly right now we're just
8 about at where we should be.

9 CHAIRPERSON FERRERAS: Very good.

10 DIRECTOR DAVIES: I mean I know it's
11 hard to believe.

12 CHAIRPERSON FERRERAS: I don't hear that
13 ever actually...

14 DIRECTOR DAVIES: Yeah...

15 CHAIRPERSON FERRERAS: I've sat in...

16 DIRECTOR DAVIES: I...

17 CHAIRPERSON FERRERAS: ...many, long days...

18 DIRECTOR DAVIES: Yeah...

19 CHAIRPERSON FERRERAS: ...in the last
20 couple of weeks.

21 DIRECTOR DAVIES: We're just about,
22 again with this, this little additional money which
23 is basically technical stuff we're just about at, I
24 think of this in terms of staffing levels and so
25 forth, as long as we can maintain the quality of

2 the staff. Now of course maintain the quality of
3 the staff is always a struggle because we require
4 so much from our staff as you can see. And when we
5 start to slip behind other agencies in terms of
6 salaries and so forth then, then we have trouble
7 maintaining staff and so on. So that's, that's
8 probably a conversation for another day. But I
9 think that overall apart from that caveat, which is
10 a caveat but apart from that I think we're, we're
11 just about where we should be. In terms of staffing
12 I think we're just about where we, where we should
13 be.

14 CHAIRPERSON FERRERAS: Something that
15 has been brought up especially with this
16 administration is the coordination of agencies and
17 communication between agencies. 2013 annual report
18 indicates an increase in cases referred to DOI from
19 2012 to 2013 and a decrease from 137 to 108 in, in
20 reports from DOI. Would you be able to share your
21 thoughts on these changes and is there any impact
22 on your daily operations?

23 DIRECTOR DAVIES: Not, not really. The,
24 that's largely a function of the fact that cases
25 are referred in one year and then you get a report

2 in the next year. I mean they overlap the calendar
3 year. This is a calendar year report of course. And
4 so it'll vary from year to year in part just
5 because it's, it's, it's referred to DOI in one
6 year and then you get it in the next year. So the
7 numbers refer, the numbers you get back are real,
8 are not the same cases.

9 CHAIRPERSON FERRERAS: Okay.

10 DIRECTOR DAVIES: So that, that really
11 doesn't. You know it's, I mean a statistic but it
12 really doesn't tell you very much.

13 CHAIRPERSON FERRERAS: Okay well it's
14 clarity for the, and transparency for this
15 committee...

16 DIRECTOR DAVIES: Yeah, yeah.

17 CHAIRPERSON FERRERAS: ...for us to better
18 understand your case load and roll out. And I will
19 now give it over to my Co-Chair Maisel.

20 CHAIRPERSON MAISEL: Thank you very
21 much. I have two questions. The first one is the
22 legislative route to getting a fixed budget. Has
23 that been done before?

24 DIRECTOR DAVIES: It, it's never been
25 before Albany before.

2 CHAIRPERSON MAISEL: In other words, but
3 in general can Albany legislate something that was
4 already in the charter?

5 DIRECTOR DAVIES: Yes, I believe that's
6 true yes. As my understanding the answer is yes
7 that they could add, add something to the..

8 CHAIRPERSON MAISEL: So why, so why
9 haven't you done it. I mean it seems like a simple
10 thing to get someone to introduce a bill.

11 DIRECTOR DAVIES: Well you know I mean
12 we're, we're a non-mayoral agency. I'm not sure
13 that there's anybody in Albany.. We in fact proposed
14 this a couple of times in conversations but you
15 know it's, it's usually a minority member of, of
16 the, of the Senator Assembly that proposes it. You
17 know... [crosstalk]

18 CHAIRPERSON MAISEL: I got some
19 connections up there. Maybe we can work something
20 out.

21 DIRECTOR DAVIES: You know it'd be great
22 I mean.

23 CHAIRPERSON MAISEL: I'd love to talk to
24 you about it.

25 DIRECTOR DAVIES: Yeah absolutely.

2 CHAIRPERSON MAISEL: The other, other
3 question I had, you must be doing a good job
4 because I noticed that last year, 2012 you opposed
5 187 thousand dollars in fines and in 2013 there was
6 124 thousand dollars in fines. That's a big
7 difference. Could you explain what the, is just
8 less people need to be fined or...

9 DIRECTOR DAVIES: It's, it's partly I
10 think a function of the number of cases because
11 you're not dealing with large numbers of case, if
12 you're dealing with hundreds of cases you probably
13 have, it'll be similar from year to year but... Just,
14 just a couple cases can, can change the number
15 dramatically because there's relatively few cases.
16 In addition we are extremely aware of the fact that
17 we can never ever be in the, in, in the, in the
18 position where we are fining people in order to get
19 revenue.

20 CHAIRPERSON MAISEL: Well I...

21 DIRECTOR DAVIES: That's just wrong.

22 CHAIRPERSON MAISEL: Yeah.

23 DIRECTOR DAVIES: And so consequently, I
24 mean occasionally, it doesn't happen very often but
25 occasionally staff will go to the board with a

2 settlement and the board will say that's too high,
3 cut it back. You know not too often but it you
4 know, it has, it has happened. So I mean It's very
5 much a, a goal of this, of this agency to do the
6 right thing. You know it's not just to win cases,
7 it's to do the right thing. And so consequently
8 you'll, you'll see changes in part for that reason
9 from, from year to year. And again because they,
10 they, they straddle years like with the reports to
11 and from DOI and in, and in part because if you get
12 a 25 thousand dollar fine in one year well the next
13 year you don't get a 25 thousand dollar fine you'll
14 probably... 25 thousand dollar difference because
15 there's just relatively few cases. You're only
16 talking about 62 fines.

17 CHAIRPERSON MAISEL: Okay thank you. I
18 have no more questions.

19 CHAIRPERSON FERRERAS: Thank you. We
20 will call this hearing to a close.

21 [combined thank you]

22 CHAIRPERSON FERRERAS: Thank you for
23 coming today and testify. This concludes our
24 hearings for today. The Finance Committee will
25 resume executive budget hearings on Tuesday May

2 27th at 10:00 a.m. The hearings will be held in
3 this room. On Tuesday we will hear from the Medical
4 Examiner, the Health and Hospital Corporation, and
5 the Department of Health and Mental Hygiene. As a
6 reminder the public will be allowed to testify on
7 the last day of budget hearings June 6th beginning
8 at approximately 4:00 p.m. The public session will
9 be held in this room. For members of the public who
10 wish to testify but cannot make the hearing you can
11 email your testimony to Nicole Anderson and she
12 will make it part of the official record. Her email
13 address is Nicole Anderson@Council.NYC.gov. Thank
14 you for this hearing and I'd like all, to also send
15 a safe and commemorate in honor those that we've
16 lost in war for this memorial day weekend. Be safe.
17 This hearing is now adjourned.

18 [gavel]
19
20
21
22
23
24
25

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. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date June 12, 2014