

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE  
JOINTLY WITH  
COMMITTEE ON CONTRACTS

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City Hall

B E F O R E:  
JULISSA FERRERAS  
HELEN ROSENTHAL  
Chairpersons  
MELISSA MARK-VIVERITO  
Speaker of the Council

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Vincent Ignizio  
ark Treyger

David G. Greenfield  
Mark Levine  
Laurie Cumbo  
Costa Constantinides  
Chaim M. Deutsch  
Peter Koo

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

Dean Fuleihan  
Director  
NYC Office of Management and Budget

Bob Linn  
Commissioner  
NYC Office of Labor Relations

Lisette Camilo  
Director  
NYC Mayor's Office of Contract Services

Jacques Jiha  
Commissioner  
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Michael Hyman  
Deputy Commissioner  
NYC Department of Finance

Samara Karasyk  
Assistant Commissioner  
NYC Department of Finance

Scott Stringer  
Comptroller  
NYC Comptroller's Office

Tim Mulligan  
Deputy Comptroller for Budget  
NYC Comptroller's Office

Nivardo Lopez  
Director  
City Legislative Affairs  
NYC Comptroller's Office

Ronnie Lowenstein  
Director  
NYC Independent Budget Office

George Sweeting  
Deputy Director  
NYC Independent Budget Office

Rose Lovaglio-Miller  
Vice President  
Negotiations and Research  
Social Service Employees Union, Local 371

Eileen Muller  
President  
Brooklyn Library Guild, Local 482

Ralph Palladino  
2nd Vice President  
Clerical Administrative Employees  
Local 1549, DC 37

Janice Darden  
Chairperson  
Police Administrative Clerical Chapter

Santos Crespo  
President  
Local 372, DC 37

Fitz Reid  
President  
Local 768, DC 37

Nina Dastur  
Policy Director  
Union Settlement Association

Gloria Cruz  
Student  
Bridges Afterschool Program  
Union Settlement Association

Keyla Jimenez  
Student  
Lunch 4 Learning Campaign  
Union Settlement Association

Lucretia John  
On behalf of Solange de la Paz  
NYC Caring Across Generations-Seniors

Mary Haviland  
Executive Director  
NYC Sexual Assault Initiative

John Brown  
NYC Resident

Michael Noble  
NYC Resident

Oren Root  
Director  
The Center on Immigration and Justice  
The Vera Institute of Justice

Marianne Yang  
Immigration Practice Director  
Brooklyn Defender Services

Marjona Jones  
On behalf of Melba Adams  
NYC Resident

Cynthia Pyle  
NYC Resident/Library Patron

Anne Dennin  
Co-Chair  
NYC Arts Coalition

Heather Woodfield  
Executive Director  
One Percent for Culture

Judith Kahan  
Chief Executive Officer  
NYC Center Against Domestic Violence

David Zelamsky  
Assistant Program Manager  
CAMBA

Amir Thornell  
RAAP Coordinator  
STEPS To End Family Violence

Nefestia Caleb  
Student  
Lunch 4 Learning Campaign

Aminata Abdouramane  
Student  
Lunch 4 Learning Campaign

Liz Accles  
Executive Director  
Community Food Advocates

Muhammad Arshad  
Chairperson  
CUNY University Student Senate

Siochain Hughes  
Adjunct Faculty Member  
Hunter College/CUNY

Paula Glatzer  
Member  
Committee to Save the New York  
Public Library

Marsha Rimler  
Resident/Advocate  
NYC Public Libraries

Veronika Conant  
Member  
Committee to Save the New York  
Public Library

Rita Bott  
Member  
Citizens Defending Libraries

Gregory Homatas  
Resident  
Brooklyn NY

Shirese Casanave  
Social Action Coordinator  
On Behalf of Rev. Dr. Mark V.C. Taylor  
Church of the Open Door  
Brooklyn, NY

TYree Stanback  
Vice President  
Brooklyn West District Council of  
Presidents

Don Kao  
Director  
Project Reach  
Chinese-American Planning Council

Yiman Chen  
Youth Staff  
Project Reach  
Chinese-American Planning Council

Lateef Weurlien  
Youth Staff  
Project Reach  
Chinese-American Planning Council

Malcolm Lewis  
Member  
Project Reach  
Chinese-American Planning Council

Toussaint Bonaparte  
Youth Staff  
Project Reach  
Chinese-American Planning Council

Dara Hunt  
Volunteer  
Pledge 2 Protect

Courtney Bryan  
Director  
Criminal Justice Operations  
Center for Court Innovation

Patrick Poux  
CEO  
Heal Homeowners Inc.

Anthony Pappas  
Professor of Economics  
St. John's University

Maria Roca  
Founder/Chair  
Friends of Sunset Park

Cathy Dang  
Executive Director  
CAAAV Organizing Asian Communities

Jennifer Levy  
Project Director  
Bronx Legal Services

Nova Strachan  
Member  
Mothers on the Move

Robin Mann  
Youth Organizer  
FIERCE

Jackie Vimo  
Director  
Health Advocacy  
New York Immigration Coalition



Stephen Beasley  
Program Coordinator  
CAMBA and the Greater Brooklyn  
Health Coalition

Charmaine Ruddock  
Project Director  
Institute for Family Health

Anthony Feliciano  
Director  
Commission on the Public's Health System

Athena Soules  
Advocate  
DRUM South Asian Organizing Center

Milinda Nimmons  
Member  
Community Voices Heard

Joseph Mpa  
Member  
Community Voices Heard

Daphne Carr  
Member  
Occupy Wall Street

Stan Williams  
Member  
Justice for Cecily McMillan  
Occupy Wall Street

Aleah Holland  
Founder  
Heal Network

Burchell Marcus  
Director  
Community Advocate Development  
Organization

Bonita Brown  
Resident  
NYC

Lisa Caswell  
Senior Policy Analyst  
Daycare Council of New York

August Wojtkiewicz  
Representative  
Students of CUNY

Michael White  
Co-Founder  
Citizens Defending Libraries

Greg Helmstetter  
Development Associate  
Partnership with Children

Alice Owens  
President  
Colony South Brooklyn Houses

Stephanie Gendell  
Associate Executive Director  
Citizens' Committee for Children

Agnes Abraham  
Chair  
Kings County Hospital Community  
Advisory Board/  
Council of HHC Community  
Advisory Board

Lucretia John  
Organizer  
ALIGN/New York Caring Across Generations

Lani Sanjek  
President  
NYC Chapter  
NY Statewide Senior Action Council

Marjona Jones  
Organizing Coordinator  
Brown Community Development Corporation

Carolyn McIntyre  
Member  
Citizens Defending Libraries

2 CHAIRPERSON FERRERAS: Good morning and  
3 welcome to the last day of the City Council's  
4 hearings on the Mayor's Executive Budget FY 2015.  
5 My name is Julissa Ferreras and I am the chair of  
6 the Finance Committee. Today we will first hear  
7 from the Mayor's Office of Management and Budget;  
8 then the Finance Committee will hear from the  
9 Department of Finance, the New York City  
10 Comptroller and the Independent Budget Office.  
11 Then, last but certainly not least, we will hear  
12 from the public. It will be a long day today, so  
13 before we get started I want to thank the entire  
14 Finance Division staff for all of their excellent  
15 work in preparing for these hearings. Everyone  
16 played an important role, so I want to thank  
17 everyone by name starting with Latonia McKinney,  
18 the acting Finance Director; Tanisha Edwards,  
19 Finance Committee and the Finance Division counsel;  
20 Deputy Director and Chief Economist, Ray Majewski;  
21 Deputy Director Paul Scimone; Deputy Director  
22 Nathan Toth; Deputy Director Regina Poreda Ryan;  
23 Unit Heads Paul Sturm, Eisha Wright and Chima  
24 Obichere, John Russell; Finance Analyst Aliah Ali;  
25 Emre Edev; Ellen Eng; Chris Eshleman; Jia Feng;

Crilhien Francisco; Sarah Gastelum; Kenny Grace; Kate Seely-Kirk; Christina Perrotti; Jimmy Reyes; Dohini Sompura and Nora Yahya. I'd like to also thank the wonderful and hardworking support staff, Nicole Anderson and Maria Pagan. Next I want to thank my staff: my Chief, Jorge Fanjul; Alex Rias; Megan Montalvo and Tristan Ellis. I also want to thank the Sergeant-at-Arms that keep us safe: Rafael Perez; Israel Martinez; Eddie Collazo; Ivette Molina and Carl D'Alba. They spend just as much time on these hearings as we do, so I want to thank them for their hard work. They have all done an excellent job. As I mentioned in the introductions, we have been joined by the Speaker, our Speaker Melissa Mark-Viverito and I'm excited to have her here today to kick off the last day of budget hearings, so I will now turn the mic over to Speaker Mark-Viverito.

SPEAKER MARK-VIVERITO: Thank you, Madam Chair and good to see everyone in this room and good to see you, Mr. Fuleihan. Welcome to our final hearing on the Fiscal 2015 Executive Budget. I want to thank and commend our Finance Chair, Julissa Ferreras, for conducting very thoughtful,

substantive and productive hearings that will lead us to a better budget for all New Yorkers next year. Many thanks has been mentioned to all the committee chairs, members and the staff for their hard work and dedication during this entire budget process.

At the Preliminary Budget hearings, we discussed how the budgets of each agency reflect their work and the services they provide. As a result of our analysis, we delivered a Preliminary Budget response that reflects the priorities and concerns of New Yorkers. Some of our recommendations are reflected in the Mayor's Proposed Executive Budget, but two of our most significant initiatives were not: a 1,000 officer increase in the police force and elimination of school lunch fees. At our hearing on the Department of Education's Executive Budget, I expressed my discontent that the administration did not find \$24 million in the city's \$73.9 billion budget to eliminate school lunch fees. Offering free lunch to all students would give all children a chance to eat a healthy, nourishing meal with their peers. While free lunch is available to

students who qualify, there are many struggling families who are not eligible. Their children may not always have enough money to buy school lunch and with Universal free lunch, the stigma associated with qualifying for free lunch is eliminated. When asked why Universal free lunch can't be accomplished in New York City, despite the fact that other cities across the country provide a universal free lunch through the community eligibility option, the DOE replied with the same excuses that they have been voicing since the council began working with them on this issue more than a year ago, yet they provided little additional detail or updated information. The DOE has stated they are concerned about the impact on the distribution of Title 1 funds among schools, but this would only be an issue if the DOE stopped collecting lunch forms. DOE doesn't have to stop collecting lunch forms for Title 1, so why would this still be an excuse? I recently learned that Chicago plans to expand its CEO program citywide next school year and use an alternative form for Title 1; yet, another city doing what the administration claims is not possible for New York.

If CEO really is not feasible in New York City, which I do not believe that to be the case, I am once again calling on the administration to provide free lunch by simply eliminating the lunch fee. Bureaucratic hurdles and excuses should not stand in the way of a hungry child eating lunch.

In addition to Universal free lunch, we called on the administration to hire an additional 1,000 police officers for our community precincts. Our Executive Budget hearings and recent events have highlighted the need for additional police officers. At the Police Department Executive Budget hearing, we heard the department moves officers from their regular posts and uses overtime to cover an array of police work. The department's deployment strategy uses overtime where it could additional officers. On Tuesday, at the NYCHA hearing we learned further details on the department's crime fighting strategy in public housing. Chief Gomez testified that that the Housing Bureau is deploying 320 officers on overtime to respond to these upticks in public housing crime. In addition to these officers, the Housing Bureau would receive an additional 103 new



officers out of the academy as part of the five impact response teams or one in each borough for the summer. This presence is temporary. They address our concerns for the summer, but what happens afterwards? Though we understand the need for a flexible department to respond to daily challenges in crime, we remain concerned that this strategy temporarily addresses the needs of our communities. At the Public Safety hearing, when asked about deployment, the department testified that if an officer was moved to another unit or attended mandatory training, their original post may go uncovered depending on the Bureau Chief's assessment of need. If a need was presented, an officer was brought in on overtime. Our call to hire an additional 1,000 officers aims at reducing the department's reliance on overtime and resource shifting to temporarily address crime in our districts. It calls for better community policing, which means a consistent and permanent presence in our communities.

As I mentioned at the beginning, Universal free lunch and the hiring of an additional 1,000 officers reflect only two of the

Council's priorities. I hope our discussions today will shed light on the necessity of these two concerns. I want to thank my colleagues again for their work and the united effort we placed behind the budget response at these hearings and I would like to thank Dean Fuleihan for testifying today. I hope our discussions will lead to a budget that reflects both our priorities. Thanks a lot. Madam Chair?

CHAIRPERSON FERRERAS: Thank you, Madam Speaker. Before we get started, I want to remind everyone who wishes to testify to please fill out a witness slip with the Sergeant-of-Arms. For members of the public, the witness panels will be arranged by topic, so please indicate the topic of your testimony on your witness slip. The public session will begin today at approximately 3:30.

On February 12th, Mayor de Blasio presented his Preliminary Budget, which totals \$73.5 billion. This budget represented the first chance for the administration to reflect its priorities in the budget. In the budget, the Mayor included approximately \$2.1 million in additional resources and many of the Council's initiatives and

restorations were maintained. Overall, the Preliminary Budget was a good budget; however, there were many uncertainties in the plan that would affect the Executive Budget, most notably the unsettled labor contracts and the reliance on the state to adopt legislation that would tax high income earners to fund Universal Pre-K.

In April, after holding dozens of hours of Preliminary Budget hearings, listening to testimony from over 40 agencies and the public, the Council released its Preliminary Budget response. This document specified changes to the Preliminary Budget that would be included in the Executive Budget. On May 8th, Mayor de Blasio released his Executive Budget for Fiscal Year 2015. This budget totals \$73.9 billion, which is approximately \$200 million larger than the Preliminary Budget, but lowering the city funds by approximately \$250 million. I'm happy to say that some of the Council's requests were included in the Executive Budget. Some of the priorities that were added to the Executive Budget included funding the Summer Youth Employment Program; modernization and repair of police precincts; funding for senior case

management; funding for Vision Zero; funding to support the city's prosecutors and address the Kings County District Attorneys' budget deficit and funding to support the city's most distressed properties through the Alternative Enforcement Program. These are good changes and with the addition of these proposals in the Executive Budget, the Council is fulfilling its role in shaping the priorities of our city; however, there still remain significant shortfalls. The administration needs to address a \$17.5 million shortfall for OTS summer costs and \$17 million to prevent community and senior centers closures at NYCHA. It is our hope that after these rounds of hearings and after the budget negotiations, all of our proposals will be incorporated into the adopted budget.

The Executive Budget reflects budget gaps into Fiscal Year 2016 through Fiscal 2018. They are significantly larger than those reflected in the Preliminary Budget. These gaps continue to grow over the course of the plan. While the budget gaps are not unusually large by historical standards with a range of 3.5 percent and 5.5

2 percent for city funds, PEGs or other actions may  
3 be necessary to address those gaps in the out  
4 years, especially for Fiscal 2018. The Executive  
5 Budget reflects some positive revenue changes, such  
6 as an increase in \$1.2 billion, mostly due to  
7 personal income revenue from bonuses and realized  
8 capital gains, as well as an increase in foundation  
9 aid to fund Universal Pre-K. However, the recent  
10 ratification of the UFT contract has offset much of  
11 this revenue. The Executive Budget anticipates the  
12 city will settle more than 150 labor contracts,  
13 most notably the new contract with the UFT. The  
14 settlement's net cost would be roughly \$9 billion  
15 across the financial plan. The labor agreement  
16 reached between Mayor de Blasio and UFT establishes  
17 a new pattern to be used in settlements with other  
18 unions and adds approximately \$5.6 billion to labor  
19 reserves over the financial plan. The settlement  
20 has been stretched out so that part of the  
21 settlement payments will take place in Fiscal 2015  
22 and 2020, which are beyond the years of the  
23 financial plan. To help offset the cost of the  
24 settlement, the city and the Municipal Labor  
25 Committee have formally agreed to find targeted

health care savings for each year of the financial plan, which totals \$3.5 billion across the plan period. With recurring savings in the final year of the plan, the Health Insurance Stabilization fund will also be used to offset the cost of labor agreements. There are a lot of details about the labor agreement that are still unknown and it's not clear exactly how the city and the Municipal Labor Committee will find savings and it is not clear what the consequences will be if agreed upon savings fail to materialize.

I am eager to hear from the administration to get clarity on these issues. Speaking of clarity, at the beginning of the budget process, my focus and the Council's focus has been transparency in the city's budget. Throughout these hearings, the Council has asked OMB and various agencies to add units of appropriation to agency budgets to increase transparency in the way the city appropriates funding. Some requests include adding a new unit of appropriation for Universal Pre-K; adding a new unit of appropriation for the Department of Education and the Department of Youth and Community Development for after-school

2 programs; breaking out unit of appropriation 1001  
3 in the NYPD budget, which currently represents 62  
4 percent or \$2.9 billion of the NYPD's budget and  
5 adding an additional unit of appropriations for the  
6 Department of Homeless Services budget, which  
7 currently consists of only two units of  
8 appropriation.

9           Despite our requests and budget  
10 response throughout the hearings, our call for  
11 transparency in this area has not been answered.  
12 For the past four weeks, we have heard from over 50  
13 agencies about how the Executive Budget affects  
14 their ability to perform their core services.  
15 Transparency in the city budget will provide the  
16 Council with the ability to better execute its  
17 budgetary role by accurately evaluating each agency  
18 for efficiency and assessing best practices to  
19 ensure that they are fully leveraging the city's  
20 spending power. As elected officials, we are all  
21 responsible for every single taxpayer dollar that  
22 is spent in our city. I look forward to hearing  
23 from Dean Fuleihan about ways that the Council and  
24 the administration can work together as we have  
25 thus far to improve transparency in the budget so

that we can adopt a budget that we can all be proud of. We will now hear from Dean Fuleihan, the Director of the Office of Management and Budget.

DEAN FULEIHAN: Oh, better. Thank you. Thank you, Madam Speaker. Thank you, Finance Chair Ferreras. I appreciate the opportunity to again appear before you and the members of the committee and the City Council on the Mayor's Executive Budget. Our dialogue has been and remains very positive and on a personal note, I am very appreciative of your assistance and patience in my transition into the role of Budget Director. I'm honored to be part of this effort: a change in policy direction for the city; a change in the interaction between the administration and the Council; working together to change priorities in the way government operates, including the relationship between the administration and our employees. I am joined by Bob Linn, our Commissioner of the Office of Labor Relations. Bob and I will address many of questions you just started to ask on the UFT contract, the health care agreement with the Municipal Labor Committee and the labor pattern in the Executive Budget. I'm



also supported by a very talented staff from the Office of Management and Budget, and later I will be joined by our Director of the Mayor's Office of Contract Services for the later part of this testimony.

The Mayor established core principles that guide this administration and our entire budget process. Fiscally responsible at every step: from the Preliminary Budget through the Executive Budget, this has been the foundation of our approach. Progressive: the programmatic initiatives that will improve the health and vitality of our city that begin to address income inequality through programs that can be initiated, sustained and are affordable. Honest: the honest presentation of the financial plan and a positive, respectful process with the members of the Council. We know that you share these core principles and they will continue to guide our partnership through the adopted budget. With that foundation and your permission, I will focus on the financial framework and the related major issues in the Mayor's Executive Budget.

The budget is fiscally responsible.

The financial plan for 2014 and 2015 is balanced.

Our revenue forecast and our debt service projections are cautious and recognize that even slight declines in the economy or events out of our control can quickly change the economic and revenue outlook. We all witnessed the recent financial crisis, dramatic declines in revenues, the harsh results and the continuing ongoing problems with the recovery. And this past month, we've seen the negative consequences of overestimating personal income tax revenues in most of the states of the Northeast. Neighboring states like New Jersey, which have over-projected revenues and now face huge deficits, make clear the importance of caution. The out year gaps, as you mentioned, in Fiscal 2016 through 2018 increased from the Preliminary Budget, as this administration presented the first honest and accurate estimate of labor costs since the contracts were first left unresolved in 2009. The prior labor reserve was clearly inadequate and did not even reflect the pattern established by the prior administration.

The out year gaps in the Executive Budget are both

lower on average and then on an annual comparison lower than most of the gaps projected over the prior 12 years. They are lower regardless of whether we use actual values or calculate them, as you just did, as a percentage of city revenues. They are lower than the understated gaps presented by the prior administration after 2009, which were lacking the accurate estimate of costs of the labor settlement. Nevertheless, we will have to address these out year gaps together, not increase these gaps with our current actions or assume that a positive economic picture is guaranteed.

On Wednesday, the City Comptroller affirmed the financial strength of the Executive Budget and the affordability of the labor pattern. The Comptroller also raised concerns about the economy. All three rating agencies just yesterday affirmed the strong financial position of the city, our Double A rating with stable outlook. Fitch highlighted, as among key positive rating drivers the solid economic underpinnings of the city, highly effective budget management and the fact that labor settlements reduced uncertainty. On budget management, Fitch stated that the city's

1 sound approach to budget developed features  
2 including reasonable revenue and expenditure  
3 forecasting, proactive budget monitoring and  
4 effective actions to eliminate projected deficits.  
5 On the labor settlement, Fitch stated that it  
6 reduces uncertainty about the resolution of long-  
7 term labor agreements. Fitch believes that the  
8 overall package represents a sizeable but  
9 manageable funding aid. S&P highlighted as credit  
10 positives strong, broad and diverse economy,  
11 adequate budgetary flexibility and performance,  
12 very strong liquidity and very strong management  
13 conditions. Moody's highlighted as credit  
14 strengths an exceptionally large and diverse  
15 economy, strong governance and financial best  
16 practices and strong liquidity. At the same time,  
17 all three agencies cautioned us about cyclical  
18 revenues and long-term liabilities, concerns that  
19 we clearly must recognize and continue to address.  
20 And again, these concerns are another reason why we  
21 are cautious in our projections. Of course, each  
22 of the rating agencies intend for the reports to be  
23 read in their entirety. We believe after you  
24 review, that these three reports represent an  
25

important acknowledgement of the steps that we are taking to ensure true fiscal responsibility.

Achieving this fiscal responsibility, clearly recognized by all three raters yesterday, requires that we address the major risks confronting the city. The administration was confronted with the unprecedented situation of 152 collective bargaining units without a contract; 350,000 employees, including 150,000 employees without a contract since 2009. Again, a pattern was established by the prior administration of two four percent increases, but that pattern was not recognized in the labor reserve. In the first four months of this administration, we sat over the UFT and its 110,000 employees; restructured the first pattern; established a second pattern of 10 percent over seven years with significant work rule changes. We also achieved a major health care savings with the entire Municipal Labor Committee, and Bob and I look forward to going into detail on that and to clarify any unanswered questions you have remaining.

When I testified after the release of the Preliminary Budget, I repeated the Mayor's

statement that we would treat our employees with respect and achieve a contract that would be fair and affordable to taxpayers and it would bind necessity and to the benefit of the city and our employees, including significant health care savings. We achieved an historic agreement with the Municipal Labor Committee on significant and annually guaranteed health care savings. For the first time in years, the city, working with our employees, will reform procurement and delivery of health care. This will achieve, at a minimum, \$3.4 billion in savings through 2018 with \$1.3 billion in 2018 that will continue beyond the contract. This agreement with the Municipal Labor Committee eliminates substantial risk to the future financial health and effective management of the city. The result will be a reduction in health care costs; actually bending the health care curve, rather than simply shifting costs. The agreement with the UFT also achieves meaningful professional development, time for parent-teacher engagement, improvements in the operation of our schools and greater flexibility that will be responsive to the needs of the students and the parents. We achieved all

three goals the Mayor outlined: an affordable labor pattern; significant health care savings; work rule changes, while restoring a constructive and respectful labor management relationship.

In our capital commitments and debt service, we have established a more realistic timeframe for accomplishing our goals and maintaining the debt service at under 15 percent of city tax revenues, consistent with prior administrations, all while accomplishing our goals; our mutual goals of affordable housing. And at the Mayor's instruction, we are undertaking and look forward to working with you on a citywide review of all capital spending and prioritizing needs ahead of the 10-year capital plan due in January 2015. The budget, many of the examples, you've cited is progressive. As the Mayor outlined in the Executive Budget presentation, we are beginning to implement an agenda that invests in our children; creates economic opportunity; dramatically expands affordable housing; protects the most vulnerable and makes New York City safer.

Over the past three years... I'm sorry, over the past three weeks... it wasn't that many

more {laughter} you've held... yes, you've held numerous hearings with city officials reviewing these initiatives, so I won't repeat each of them, but rather, just focus on some highlights. The Mayor made it clear that budgets are about choices and choices reflect our values and these are values that we share with the Speaker, the Chair and the council members. From reducing overcrowding and the use of trailers in our schools and implementing Vision Zero to reducing arbitrary and overly punitive small business fines and investing in our infrastructure, it is clear the Executive Budget moves forward on these sheer values.

With the presentation of the Preliminary Budget, the Mayor also identified the three major risks: the unsettled labor agreement and the status of management-employee relations; the State Budget, the federal government in action. I addressed the labor agreement and how to remove the budgetary risk while ensuring productive labor management relations. On the State Budget, together with a very strong effort, we successfully achieved major investments for our children that are funded through an unprecedented five year



commitment by the state. We are investing \$300 million in 2015 and \$340 million in 2016 to provide 73,000 four-year olds and their families with high quality full-day Universal Pre-K. The program will be completely up and running within two years, providing six hours and 20 minutes a day that is free for families that give our kids a solid foundation of skills and knowledge. The Executive Budget invested \$145 million to fund 34,000 new after-school seats to serve nearly 100,000 middle school children in 2015 with an expanded summer program, providing over 17,000 new seats serving 33,000 children this summer and again, this major initiative is financed through state funds. And we are actively pursuing with the state new efforts to prevent and reduce homelessness.

On the federal fund, the federal government took several actions to stabilize its budget. Additionally, this administration has improved the city's interaction with the federal government when it comes to critical Sandy funding and just the other week, we announced a significant third tranche of funding from HUD that will cover resiliency measures and ensure that every homeowner

in the Build It Back program gets the support they need. The Mayor has also significantly overhauled Sandy recovery efforts to cut red tape and streamline the process and we're starting to see the results with the dramatic increase in construction starts and reimbursement checks.

Risks do remain clear. We have them confronting us, including continued unequal growth across income groups and across industries or a repeat of federal inaction. Even a slowdown, a slight slowdown in the national economy economic activity would place serious future constraints on our achievements if we are not careful. The budget is honest. Lastly, as we discussed earlier, this budget process has restored a positive and respectful dynamic between the administration and the Council, ending the budget dance and allowing us to move forward with our shared priorities. In particular, there are a number of key investments we're moving forward together, including Summer Youth Employment; anti-gun violence initiatives; an expansion of senior case management; HPD Alternative Enforcement; NYPD infrastructure; fire companies; the HASA rent cap; crisis shelter beds;

arts education; our roads and bridges; municipal IDs, in addition to baseline funding to ensure the continuity of community services and continuing to relieve NYCHA of payments to the NYPD in Fiscal Year '15. The Mayor, working with the Council, included these priorities in the Executive Budget.

If we conclude the budget process with the same principles that I've just outlined, those that we have shared together, I am certain that the adopted budget will reflect the shared values in a manner that is affordable and responsible.

One final point: we have in these first five months continually looked for efficiencies and better management. It is the core of the labor settlement, the DOE work rule changes and the health care savings. It is also reflected in the approach to Vision Zero, Child Protective Services, homelessness prevention and numerous contract reviews, but it is a continuing process that again, will require our joint effort. We look forward to successfully concluding this budget process and continuing to work with you on the most effective, equitable and fair delivery of

government services. With that, thank you and I look forward to your questions.

CHAIRPERSON FERRERAS: Thank you very much for your testimony and in many ways it's refreshing, something new for our Council and we're looking forward to engaging in our continued negotiations.

DEAN FULEIHAN: Thank you.

CHAIRPERSON FERRERAS: I wanted to first talk about the labor settlements.

DEAN FULEIHAN: Sure, okay. I'm going to ask if I may and...

[crosstalk]

CHAIRPERSON FERRERAS: Absolutely.

[crosstalk]

DEAN FULEIHAN: If Bob will join me.

CHAIRPERSON FERRERAS: The labor settlement contains an agreement with the Municipal Labor Committee that creates a mechanism to find health care savings over the financial plan worth \$3.4 billion, which includes \$1.3 billion in recurring savings starting in Fiscal 2018. This has been one of the most criticized parts of the Executive Budget. Would you like to get a... I...

we would like to get a clearer vision on how the city achieved these necessary savings, but before you do that, I just need to acknowledge the council members that have joined us: obviously, Speaker Mark-Viverito; Majority Leader Van Bramer; Council Members Chin; Cornegy; Rodriguez; Rosenthal; Gibson and Johnson.

COMMISSIONER LINN: So I am Bob Linn.  
It is a pleasure to be here with you today.

CHAIRPERSON FERRERAS: Thank you.

COMMISSIONER LINN: Let me speak a little bit about the labor settlement and what we sought to achieve. Clearly, the city faced some extraordinary issues with its workforce. As Dean spoke about, the 350,000 workers who didn't have labor agreements for all those years; 150,000 of those not receiving the increase that the other 200,000 did receive; all of the workers not having had contracts for either five years or three years and the need to deal with that. We had a host of issues to deal with simultaneously and I think that we came up with an agreement that was both tremendously respectful of the workforce, tremendously respectful to the taxpayer and

tremendously respectful to the public. We solved a number of problems; complicated problems simultaneously of which health benefits was a major piece of the issues that we were looking at. Many people have talked about the fact that employers all around the country have faced with the issue of health benefit cost escalation and how to deal with it. Many people in New York have talked about the expense of health benefits for a number of years and no one had done anything about it for the past 20 years or so. We took an approach that was not a prescriptive approach. It's very easy in negotiations as the employer to say you must do things in a certain way and the union must agree and in those types of situations, sometimes employers get modest contributions from payroll deductions; modest changes in the way health care is delivered. We took a different approach. We said that by working together, we could identify cost-savings way beyond the types of savings you can get from a one or two percent payroll contribution. We said that together we can identify \$400 million annually in savings in this coming fiscal year, moving to \$700 million the next

year and then a billion in the year after and \$1.3 billion recurring savings starting in '18 and we said specifically that we would achieve those savings without first looking to payroll deductions; without first looking to shifting costs from us to you because that is generally a conversation that leads to very little improvement in the delivery of health care services or the efficiency of health care services. Instead we said we can find together a series of programs that can save money and we believe that we can save money; all of these dollars without the necessity of shifting costs, but if we can't, that eventually we'll get to there, but we've said that there are ways, for instance, of taking a look at how health care is delivered; how the service delivery and the doctor's office or how prescription drugs are purchased or how plans are marketed and whether you competitively bid plans and whether you self-insure. All of those are issues that can lead to dramatic savings that have not been implemented by the city when numerous in the country have implemented these types of changes, and we said to the unions we think that we can achieve together

1 this \$3.4 billion of savings over the next four  
2 years. The unions didn't say forget it; go away;  
3 don't talk to us about it. The unions said we  
4 think we can do better than \$3.4 billion in savings  
5 and they proposed to us that suppose we save more  
6 than \$3.4 billion; suppose we then share some of  
7 those savings after that, and we agreed and I must  
8 admit, my conclusion was that was a better  
9 settlement, but rather than just reaching the  
10 target of \$3.4 billion, if we can go beyond that we  
11 should share it and we should enter into a gain  
12 sharing program with them, and we've agreed and we  
13 are now beginning the process of identifying those  
14 savings and we've said to a number of groups in a  
15 number of circumstances that we will report  
16 quarterly how we're doing and how we're making  
17 these savings and that these savings will occur and  
18 I think that in the process of getting those  
19 savings we'll dramatically change the delivery of  
20 health care in New York City in a way that we'll  
21 all be proud of.

22  
23 CHAIRPERSON FERRERAS: Thank you very  
24 much and actually your answer answered some follow-  
25 up questions for me. So I appreciate the gain



sharing program details. Now, what if we don't reach the savings? Where do... what are the mechanisms or what happens when we... if we don't reach the goals?

COMMISSIONER LINN: So the agreement we reached is that there is a contract arbitrator; a health benefits savings arbitrator who is in place; who is part of the original negotiations and mediation process that we have and his mandate is to implement these savings. He doesn't have the capacity to modify the targets. His job is to implement them. So that he will work with us to begin with, I would think, as a mediator if we reach trouble in achieving these savings and ultimately if we don't, he has the ability to mandate changes necessary to get those savings and can do it on an interim basis. So we don't need to wait until 2018 to start that process going. It's a process that we can begin working on in the next three months if necessary.

CHAIRPERSON FERRERAS: Now, you had mentioned while explaining your mechanism that there is a quarterly check-in. Is that what you said or...

COMMISSIONER LINN: I said that we intend to have a process of a labor management team that engages a jointly selected actuary and that we will display the types of savings we've achieved so far, the objectives we have in front of us and how we meet our targets.

CHAIRPERSON FERRERAS: Okay, thank you. I want to talk about the accounting details in the settlement. Since the fiscal crisis, the city has both budgeted and kept its accounting accounts according to the General Accepted Accounting Principles. These principles are rather strict about when to recognize costs. The UFT settlement posed a considerable challenge since it has been so long since the union had a contract that there were no existing reserve settlements of four percent and a four percent wage increase from 2008 to 2010. What were the basic accounting issues for OMB and how did you manage them? And there are some unusual features of this settlement, including the five fixed payments in 2015 through 2020, which seem to represent back pay. How are these payments... how will these payments fit into our financial plan?

DEAN FULEIHAN: Okay, so both of us will answer this.

CHAIRPERSON FERRERAS: Okay.

DEAN FULEIHAN: Let me start. So we have maintained the history of balancing this budget through Generally Accounting Principles; that has not changed. There is no dispute among that on anyone we know; any monitor, including the city Comptroller. There was...

CHAIRPERSON FERRERAS: Let me just... Sergeant-of-Arms, they're hammering into our windows so.

DEAN FULEIHAN: Oh, is that...

CHAIRPERSON FERRERAS: They're literally right behind us, so. Yeah, but we'll resolve that, but if you could just speak...

[crosstalk]

DEAN FULEIHAN: I wondered if it was me.

CHAIRPERSON FERRERAS: No, it's not you. So speak up while we stop the hammering.

DEAN FULEIHAN: So we... and Bob will go into greater detail, but I'll go specifically into the agreement we reached with the city

1     Comptroller. The contract... the UFT contract that  
2     sets a pattern for the 150,000 employees that goes  
3     back to '09 and '10 was restructured and for most  
4     of those payments, you have to be working to earn  
5     those payments and it meets future obligations.  
6     There was a small group where there had been a  
7     disagreement about accounting treatment and it  
8     dealt with retirees post-July 1st of 2014. So we  
9     completely agreed if anyone retired right now; if  
10    anyone retired before June 30th, it would be  
11    approved and accounted for in 2014. We had said in  
12    the original Executive Budget if someone retired in  
13    2015 that all future payments to that retiree would  
14    occur in 2015. The Comptroller argued that it  
15    would be more cautious to do that in 2014 and we  
16    agreed and that is the only disagreement we had and  
17    the rest of it they completely agree with the  
18    accounting treatment and you do have to be working  
19    to earn it. These are future obligations. So I'll  
20    let Bob go into exactly the two patterns and the  
21    differences and how the first pattern was  
22    restructured.  
23

24                   COMMISSIONER LINN: Sure. So as I said  
25    before, we clearly had several difficult problems

to deal simultaneously. One was restructuring health benefits. The second was the issue of completely unfunded... an unfunded pattern for 150,000 workers who did not receive the increases the other workers received and how we were going to deal with that. It was entirely restructured. It was not in a situation of saying okay, let's simply reinstitute those increases. That couldn't be done; couldn't be afforded. So what, in fact, was done was we restructured the arrangement...

CHAIRPERSON FERRERAS: I think...

[crosstalk]

COMMISSIONER LINN: Should I continue?

[crosstalk]

CHAIRPERSON FERRERAS: They're trying to get to... just give us two minutes.

COMMISSIONER LINN: Okay.

CHAIRPERSON FERRERAS: We can move those desks so they can get to that window. Yeah, I don't think he's happy with the pattern.

[Pause]

CHAIRPERSON FERRERAS: I think you may begin.

COMMISSIONER LINN: Okay, so as I was saying, the second major part of the bargaining challenge before us was dealing with those workers who hadn't received the increase that the other workers received. In order to possibly afford that, we had to do two things. We first... well, maybe more than two things, but one of them was we had to take the increases that other workers received and we had to spread those increases out over time and so in fact, the two four percent increases became two percent increases that were received in '15, '16, '17 and '18. Beyond the point of those increases being then restored, but restored in '15, '16, '17 and '18, was the fact that this 150,000 workers; these 150,000 workers hadn't received increases in their pocket that the other workers had received, which is a fairly substantial number of dollars over that period that 200,000 workers had received and 150,000 workers hadn't received. So we restructured that as well and determined that there was no way that we could simply say those dollars should be restored or paid back and they became a different type of payment. They became a payment that was both... that

reflected the past, but also was in essence a retention payment because you had to be an employee to receive it, so it actually provided the additional advantage of providing the incentive for employees to stay because to receive those dollars you need to be employed by the DOE. And so that became the basis of these payments that going forward these are paid to employees who stay; who stay and remain and have been retained. I do want to make a comment about that because as you mentioned, these are... those payments are made as five lump sums; one in '15, one in '17 and then one in '18... one in '18, '19 and '20. And some people have referred to those as being somehow inappropriate or a return to pre-fiscal crisis days or some other commentary and I can only say that the people who made those comments either didn't understand the labor settlement or didn't understand the factors that led to the fiscal crisis or both because the types of things that led to the fiscal problems in the past were benefits that were very low in cost that then exploded in the future. An example might be a change in the retirement pension multiplier that's prospective;

that looks very small initially, but as years go by become an explosive problem for future employers. Retiree health benefits prospectively look small to begin with, but then become very expensive. This settlement did the opposite. We provided for three lump sum payments in the future that once made are then gone. They don't go into pay salary; they don't... they're not recurring so that in fact, the gaps drop in future years after these three payments are made so it doesn't increase risk and liability in the future. It is paid, it's done and that's the end of those payments, so it's exactly the opposite from the types of things that the cities have done that led to different... led to very difficult fiscal problems in the future.

CHAIRPERSON FERRERAS: Thank you. Yeah and we had some of the people that referred to that was the May 20th *Wall Street Journal* article, so I appreciate that you referred to that and our sustainability here. So I want to talk about transparency. It's something that we've kind of talked about throughout the budget hearing. The Council has asked various agencies, as I mentioned in my opening testimony and the... I just... the



requests include the DOE, DOE and DYCD, DOE in particular with UPK. The DOE's budget removing funding for the head count from networks from ULA 401 and 402 and the General Education Instruction and School Leadership back into ULA 4015 and 4016 in school support; the NYPD and the Human Resources Administration's budget that has one unit of appropriation including funding for public assistant grants, including \$1.3 billion. Just wanted to... we've had several conversations and today I would like to know if you can commit, as you did in Prelim, and if you have any clarity on our U of As.

DEAN FULEIHAN: So as I said in the Preliminary hearing, we are committed to working with you on transparency; whether that's information or whether it's U of As, we're happy to have that conversation and you know, we look forward to doing that and I look forward to doing that as we move forward right after this hearing. So we understand that list and we're certainly talking to the agencies as well and we're very confident that we can have a positive dialogue with you on this.

CHAIRPERSON FERRERAS: Great. I think that's going to mean great change for us from our perspective in the Council. So I'm going to actually... and the Speaker has asked that we allow for some members to ask questions and then we're going to circle back, so we're going to first hear from Majority Leader Jimmy Van Bramer, followed by Ydanis Rodriguez. I want to remind my council members that there will be a five-minute clock for the first clock and a three-minute clock for the second round. Thank you. Majority Leader Van Bramer.

COUNCIL MEMBER VAN BRAMER: Thank you very much, Madam Chair and Madam Speaker, and Mr. Fuleihan, I wanted to thank you for a couple of things first and then ask you about an issue that we may not agree on, but I'm sure that we'll come to an agreement on in the conclusion. First, I want to thank the Mayor for his responsiveness to our proposed budget response, which called for the increase in arts funding for education, the \$23 million, an amazing victory and I encourage you to continue to invest in the arts including when it comes to the capital needs of our cultural

2 institutions and organizations going forward. I  
3 loved the part of your testimony where you talked  
4 about the budget being progressive and about values  
5 and I want to start off by saying that I think our  
6 public libraries are among our most progressive  
7 institutions in every community in the city and  
8 they too reflect our values. As you know, our  
9 budget response included \$35 million in additional  
10 funding in addition to the baselining, which we  
11 very much appreciate. That would go a long way  
12 towards having six-day service in every  
13 neighborhood in every community. The overall  
14 number that we really need, as you know, is \$65  
15 million to get back to our 2008 levels. No  
16 additional funding was called for in the Executive  
17 Budget. I think that's a problem and I think that  
18 doesn't reflect our commonly shared values. Can  
19 you speak to that? And is the administration and  
20 the Mayor going to work with us to increase library  
21 service across the city?

22 DEAN FULEIHAN: So we recognize the  
23 importance of cultural institutions and certainly  
24 libraries and the education of our citizens and  
25 what outreach they can provide and of course we're

1 willing to work on that. The framework... you know  
2 once again, this is... there are many goals that we  
3 would like to achieve and not all were established  
4 now and we've recognized that that's going to be a  
5 continuing dialogue with you both this year and  
6 into the future and you know, we look forward to  
7 that and of course we're open to have those  
8 conversations. It all has to be within the  
9 fiscally responsible framework that we've  
10 established in the priorities because we do have...  
11 and I'm glad you pointed out the progressive agenda  
12 part of my opening comments because there's a very  
13 long list of items that we share together.

15 COUNCIL MEMBER VAN BRAMER: Absolutely.  
16 I just want to refer to some of the things you said  
17 in your testimony. On page four, in talking about  
18 the progressive nature of the budget, you mentioned  
19 that it invests in our children and I think few  
20 institutions serve more children than our libraries  
21 and our cultural arts. You also mentioned that a  
22 progressive budget creates economic opportunity. I  
23 want you to know, and I'm sure you do know, that  
24 restoring the funding for libraries would hire back  
25 nearly 800 employees, many of DC 37 employees;

1  
2 incredibly important. Dramatically expanding  
3 affordable housing libraries; they're still working  
4 on that, but I think it's fair to say that they  
5 clearly protect the most vulnerable and make New  
6 York City safer, which were a part of your  
7 testimony and I think libraries working with  
8 children, seniors, the undocumented, the poor or  
9 the working poor clearly are reaching the most  
10 vulnerable New Yorkers and making the city safer  
11 with its after-school hours, allowing teenagers;  
12 some of the most at-risk youth to go to the  
13 libraries and stay off the streets and engage in  
14 productive educational programming. I know you  
15 know this and I know that you...

16 [crosstalk]

17 DEAN FULEIHAN: Of course.

18 [crosstalk]

19 COUNCIL MEMBER VAN BRAMER: Share this  
20 and I know the Mayor does as well, but I just want  
21 to continue to encourage this administration to  
22 meet with us to dramatically expand library service  
23 across the city.

24 DEAN FULEIHAN: Okay, understood and  
25 you have our commitment to work very hard over the

next coming days to get to an adopted budget that we can all be proud of.

COUNCIL MEMBER VAN BRAMER: I want to thank you for that. Thank you for the work that you have done. We very much celebrate the end of the budget dance and with respect to cultural and libraries in particular, although we love dance. That is an art form itself, but not the budget dance and I just want to thank the Mayor for the baselining and allowing us to focus on expanding the arts citywide, expanding library service citywide and not coming from a place of desperation; once again every year fighting to maintain what we have. So I appreciate that commitment to libraries; to cultural; to capital and look forward to working with you to expand all of the above.

DEAN FULEIHAN: Thank you.

COUNCIL MEMBER VAN BRAMER: Thank you.

CHAIRPERSON FERRERAS: Thank you. Now we will have Madam Speaker.

SPEAKER MARK-VIVERITO: Thank you, Madam Chair. I wanted to just... and thank you for your testimony. I wanted to just ask a couple of

questions regarding the... what we have in our budget response regarding the 1,000 officers and you know, obviously looking at our financial staff's analysis of the cost, something that I think is reasonable, considering some of the challenges you know, we currently have and what I mentioned in my opening statement about just the constant shifting of resources and relying a lot on overtime to cover at this point basic needs I think first regarding safety in our communities. Let me just focus on one aspect of what we had made recommendations. [chime] One of the things that we do mention in our Preliminary response is the issue of overtime control and if there's any type of maybe implementing an overtime control plan, even if it's some aspect of a small amount just to kind of demonstrate an effort of going in that direction. So have you considered the Council's proposal for an overtime control plan? In our budget response we highlighted planned events as an area to reduce overtime and we you know, have an example that in the first and second quarter of Fiscal Year 2014, events and investigations represents 37 percent of total overtime

expenditures, which stands at \$295 million. The Police Department and during their testimony said that they were assessing how much... you know, how event staffing and other overtime drivers could be reduced. So is that a conversation that you at OMB are engaged in or implementing some type of cost reduction plan?

DEAN FULEIHAN: So the easy answer is yes, we are working with the NYPD on the very issues that you've put forward and you know that from their testimony as well and we are in the process. We, obviously in this area, and I know you want us to be extremely careful as we move forward on that, but we are looking for ways to find whatever efficiencies we can. So and the answer is clearly yes, we are doing that and we actually look forward to working with you as part of that process.

SPEAKER MARK-VIVERITO: Well, I hope so and I hope we can see some aspect of that in the adopted budget. The other area obviously the civilianization stuff; civilianization, we need some recommendations there as well and according to information we got from the administration it's



confirmed that we have about 719 positions that are officers and civilian positions and around... according to again, the NYPD information that there's approximately 375 police officers that are working as police administrative aides, so that's another area that we had made recommendations. It'd be great to shift some of those officers into the streets you know and out of the precincts and bring in police administrative aides that are civilian. In terms of the costs we project, we're talking about 200 civilian positions. It's about \$8 million in salaries, \$4 million fringe for a total cost of about \$12 million and we could be shifting 200 more officers on patrol. In order to be 500, we're talking about \$20 million in salary, 10 in fringe for a total cost of \$30 million and again, shifting officers over. So where is OMB at with that aspect of...

DEAN FULEIHAN: So once again, we take that very seriously and your request on this and we... and that is part of the conversation and we do look forward to having that conversation with you. The numbers... once again, the question is whether it's workable. The cost estimates you're

giving are accurate and you know, we're trying to determine what is the appropriate path, but we absolutely look forward to continuing that conversation with you.

SPEAKER MARK-VIVERITO: And the last thing just again, around the officers themselves you know, we did... we have done different scenarios in terms of our analysis you know, that looking at if we were to do 250 officers in one class or 500 officers in one class in terms of what the cost would be to us; if we were to do 1,000 in two classes 'cause I think there's been some back and forth in some of the reporting with regards to what the costs are. We've worked it out and according to our figures, we're talking about 1,000 officers in the two classes with all the benefits and everything combined, we're talking about \$69 million, which I think again, is a small investment to make in order to really give the NYPD the resources it merits. Has there been any consideration... and I'm going to keep harping on this until we finally adopt a budget, but any look at different scenarios in terms of number of officers that we could bring onto the force?

DEAN FULEIHAN: So once again, you've given us an extensive list here to try to come back to you on and to work with the NYPD to see what is an effective way to address the concerns you have and that's actually what we'd like to come back to you with and work with you on and say okay, what is the best way to address these issues?

SPEAKER MARK-VIVERITO: Well, I mean again, I appreciate it, Mr. Fuleihan. I really do hope that we can arrive at some level of understanding and serious consideration of these items that we really consider a priority and you know, considering the concerns we have in our communities, the added support I think is imperative and unfortunately, we had some incidents over the past couple of weeks which highlight that I believe. So I'll leave it there. I know my colleagues have a lot of questions, but again, I appreciate your response and look forward to further negotiations on these items.

CHAIRPERSON FERRERAS: Thank you, Madam Speaker. Mr. Linn, I wanted to follow up on the quarterly reports. Are they going to be public or

are you sharing them with the Council? Once you have these reports, where are they going to be?

COMMISSIONER LINN: Well, first, it's an objective with the workforce to do that with the Municipal Labor Committee. I think we'll have to have conversations with the Municipal Labor Committee on what we do with it because it's a joint labor management effort, but I would imagine that we will be making public on a quarterly basis how we are meeting those numbers.

CHAIRPERSON FERRERAS: So once you've achieved your objective of getting these reports, can you share with us how the process will be shortly after?

COMMISSIONER LINN: Sure.

CHAIRPERSON FERRERAS: Okay and then wanted to follow up in establishing this pattern do you see yourself implementing very similarly... and I know that you've identified what the core issues were that you had to address in negotiating this settlement. Do you see yourself using these throughout the other municipal contracts? Or in which cases...

[crosstalk]

COMMISSIONER LINN: Right.

[crosstalk]

CHAIRPERSON FERRERAS: Do you see that there may be different...

COMMISSIONER LINN: Sure. Well, there are two groups. There's the group of for instance school principals and some other workers that didn't receive the four percent increases that are like the teachers, similarly situated as the teachers and then you have all the other workers who haven't had increases in three years and are part of the second part of the agreement. The third part of the agreement, which I really didn't discuss at this point: we will be moving forward and having conversations with all those workers who don't have agreements going back five years. Those will continue and we certainly see this as a pattern for those discussions. As to the other workers that have not received increases for at least three years, those have a... we will bargain based on a pattern that is the seven year part of our contract, which is 10... which provides for 10 percent wage increases over seven years and also provides for the health benefit savings and we

1  
2 envision that we'll be reaching agreements in the  
3 months to come with the rest of the workers. The  
4 Mayor said when he announced my appointment that he  
5 hoped to have the majority of the workers settled  
6 within the first year of his administration and I  
7 think that having now 110,000 workers settled in  
8 the first four to five months of the agreement  
9 certainly is well on our way to doing that, so I  
10 would imagine over the next several months we'll  
11 reach a number of agreements with the city workers;  
12 that all will reflect the economic patterns that  
13 we've negotiated at this point.

14 CHAIRPERSON FERRERAS: Thank you very  
15 much. Director Fuleihan, I just wanted to have...  
16 kind of circle back with capital and our expenses.  
17 You know, throughout the entire budget season,  
18 members have expressed different levels of  
19 frustration with our capital process and I know  
20 that many Commissioners and yourself, you've stated  
21 the process of trying to get our capital lump sum  
22 programs to be more reflective. You've pushed out  
23 and not necessarily frontloaded and eliminated in a  
24 lot of cases the frontloading of capital projects.  
25 What are you doing to ensure that the city agencies

are getting to the target of capital commitments?  
As you know, some of our agencies are falling well  
below their expected expenditures.

DEAN FULEIHAN: So it's a longer period  
and it's a longer answer. We're very concerned  
about prioritizing capital commitments and really  
working with you and the agencies. We started this  
process about a month and a half ago. We talked to  
the agencies about trying to have a more rational  
capital plan, which is reflected in the Executive  
Budget, but in addition, the Mayor was very clear  
with them that this was going to be a longer  
process and that process was going to go into the  
10-year capital plan next January. As we go  
through and fairly go through and it's a very  
complex issue; work through all the capital budgets  
and try to make sure that there is a rational  
approach to prioritizing those and also a clear  
understanding of what's a real pattern that they  
can... that the agencies can get the projects  
completed and then if there are other issues that  
come out on that; if there are other kinds of  
reforms that we need as part of that process, we'll  
have that up front and we'll know the consequences

of that. We want to do this all, but we also want to maintain... and I do need to say that. We want to maintain the constraints we put on it and make sure that it remains affordable and that's why we were... and that's why the Mayor highlighted the chart that we are still below the 15 percent of city revenues.

CHAIRPERSON FERRERAS: Thank you. We will now have Council Member Ydanis, followed by Council member Rosenthal. We've been joined by Council Members Miller, Lander, Kallos, Ignizio and Treyger.

COUNCIL MEMBER RODRIGUEZ: Thank you, Chair. Director, first of all, I congratulate you know, the Mayor for bringing someone like you with so much experience and also having a good team of Commissioners and the Deputy Mayor that I have no doubt are committed to expand every single dollars of our taxpayer in the best services and bring transparency to New York City, which for me is a challenge because I always believe that as we have bad apples everywhere and those bad apples they don't reflect the majority in government and in financing and in politics. And I have a concern



when it comes to transparency when it comes to the emergency communication transformation project. I believe that CityTime was very negative for the reputation with our economic and I believe that it was not a good thing for the private contractors in our city and I assume that this 9-1-1 technology is even worse than the CityTime. As a budget director, is there any additional funding in place in this coming fiscal year directed to that program?

DEAN FULEIHAN: Okay, no, I just wanted to make sure. We have not added anything additional.

COUNCIL MEMBER RODRIGUEZ: But by May the Deputy Mayor say that there is a need of additional \$800 million.

DEAN FULEIHAN: I believe what you're referring to; correct me, that as you know... let's step back for a minute. We put everything on hold, so there is a review. You held a hearing on this and there's a complete review occurring right now and we've promised to come back with the conclusions of that review. I cannot, at this point, jump ahead of that and tell you what those

conclusions are going to be. We clearly saw a problem; we clearly stopped it. So but exactly what we're going to come back to you and say is the path... the best path to move forward. I think we do have to allow that to go forward and you know there that we are being very transparent. We do... we spent hours with you just the other week.

COUNCIL MEMBER RODRIGUEZ: I just hope that we clean the mess. I just hope that you know, like first of all, for the record, I have understanding that this project has nothing to do with the current administration. This is something that the current administration inherited from the previous one and as someone that is looking to work as a team with this current administration, I don't want it to keep adding funding or keeping this, a potential scandal, as CityTime for years... something that was like an open secret you know, when we...

[crosstalk]

DEAN FULEIHAN: I could... couldn't agree...

[crosstalk]

2 COUNCIL MEMBER RODRIGUEZ: Went  
3 through. I think that for the reputation of this  
4 administration, we need to go deep and not to keep  
5 adding additional funding for this project until we  
6 know that that money has been used properly.

7 DEAN FULEIHAN: Understood and agree.

8 COUNCIL MEMBER RODRIGUEZ: Okay, my  
9 second question is about DCAS and I see that DCAS  
10 has a additional \$10 million request in this coming  
11 fiscal year to the total of \$96 million to lease a  
12 space for a city agency. Have you, by any chance,  
13 had the opportunity to revise if those contracts or  
14 those leases are good for the city?

15 [Pause]

16 COUNCIL MEMBER RODRIGUEZ: And my time  
17 is... Chairman, I hope that you can look at the  
18 time 'cause... 'kay. [laughter]

19 [Pause]

20 DEAN FULEIHAN: Okay, so we're... I  
21 wanted to see if I could actually target exactly  
22 what you are referring to. I can't really comment  
23 on the specific lease. You know, we do have a new  
24 Commissioner.

2 COUNCIL MEMBER RODRIGUEZ: In this  
3 budget...

4 [crosstalk]

5 DEAN FULEIHAN: It was...

6 [crosstalk]

7 COUNCIL MEMBER RODRIGUEZ: The DCAS  
8 request is \$96 million for leasing a space for the  
9 city...

10 [crosstalk]

11 DEAN FULEIHAN: Well, so...

12 [crosstalk]

13 COUNCIL MEMBER RODRIGUEZ: Agencies.

14 DEAN FULEIHAN: But the best way to do  
15 this...

16 [crosstalk]

17 COUNCIL MEMBER RODRIGUEZ: An  
18 additional \$10 million from the previous year.

19 DEAN FULEIHAN: The best way to do  
20 this; we did this at the Preliminary hearing; let  
21 me come back to you. Let me look at the details of  
22 that and let's come back to you thoughtfully and  
23 let me talk to the Commissioner.

24 COUNCIL MEMBER RODRIGUEZ: Great and my  
25 suggestion is also now that you know, the Mayor

being elected with a mandate to close the gap between the one percent and 99 percent, that also will look on the possibility to lease space in different locations because I think that you know we live in a city where most of the investment has been so centralized in a particular location and I believe for the purpose of... for different reasons I think that also we should be looking also leasing a space in the outer borough area so that it can help today to bring; create some jobs and also help the economy at the local level. And my additional time is 20 seconds is about... [chime] the water... hit the 20. My... the water... the waterfronts initiative is \$3 billion in 2020... billion waterfront and somewhat also that you inherit that plan and we also have other long-term investments and the concern that you got from many council members in the past, including myself, is that I have a need for to develop my waterfront. EDCD already they're starting. They know that developing the waterfront in the Inwood area is \$104 million. When we go today, they said that the money already being committed for 2020 year plan the first administration. Have you been revising

those long-term investments to look on the possibility also including other communities that have always been left out?

DEAN FULEIHAN: So two answers to the prior question. We agree. We are changing the way we are looking at location and how we pursue things and we agree with you and we will continue to do that and that's going to be an ongoing process. This part of the answer is very similar to my last part on the capital. These are complicated issues and we need to systematically look through working with council members, working with communities, working with the agencies and building towards that 10-year capital plan. So we're of course open to reevaluating and making sure the priorities are consistent with the values that you're articulating and that we articulate.

CHAIRPERSON FERRERAS: Thank you, Council Member. We will have Council Member Rosenthal, followed by Council Member Gibson.

CHAIRPERSON ROSENTHAL: Thank you, Chair Ferreras, for holding these hearings. They've been exceptional over the last few weeks. Nice to see you, Director; Commissioner. I have

three overarching questions that I'd like to talk about. One is job creation, the second is the relationship between eviction and homelessness and the third is Medicaid revenue that through the Department of Education money that I think we're leaving on the table. Let's start with job creation. You know, we're in an economic moment in time when the largest... it's my understanding from economists that the largest growth in jobs is in low-income jobs where sort of middle and moderate income jobs are flat. You know, as you know, one component of the... one of the biggest components of middle jobs is the city workforce and I totally understand how you're juggling a lot of things in presenting a balanced budget and working with the rating agencies and respect all the work that you've done, but at a time when you know, middle income jobs are flat and the city workforce is staying flat, I'm wondering how the Mayor follows through on his promise to focus on job creation. You know, this Council put out a progressive 13 point agenda, one of which was let's look toward a 21st Century WPA, which you know, would address these exact issues about job creation and

1 stabilizing you know, the tax revenue for New York  
2 City and I'm wondering how you took that into  
3 account as you put together this budget. You know,  
4 Deputy Leader Van Bramer talks about the possible  
5 addition of 800 new jobs with increasing library  
6 hours. We're talking about 1,000 new police  
7 officers. You know, I think you get my point.

9 DEAN FULEIHAN: Okay, so I would  
10 respectfully argue that affordable housing... an  
11 amazing commitment to affordable housing in 200,000  
12 units is a huge commitment to the workforce as  
13 well; that our capital spending is actually a major  
14 commitment to that.

15 CHAIRPERSON ROSENTHAL: Mm-hm.

16 DEAN FULEIHAN: That our initiatives  
17 and after-school program and Universal Pre-K  
18 program that we all share... you know, everything  
19 I've cited so far we all share and think are very  
20 high priorities; that these are all a commitment to  
21 the vitality, the health of the city and the job  
22 creation in the city, taking care of burdensome  
23 fees on small business is clearly for the economic  
24 vitality of the city. So are we open to economic  
25 development initiatives and job creation



initiatives? Certainly and do we want to pursue those? Yes, we're happy to pursue those.

CHAIRPERSON ROSENTHAL: Could you tell me about what investments you've made in the EDC for job creation?

DEAN FULEIHAN: I can't give you... I mean we're... actually what I've cited are the major issues. I'll come back and give you specific projects...

CHAIRPERSON ROSENTHAL: [interposing] I think that's... right.

DEAN FULEIHAN: But those are very significant and going forward there are going to be other places we do that, but how we approach this is also a big key to this and how we make sure that everyone in New York City benefits. That's a big part of how we're approaching this, so...

[crosstalk]

CHAIRPERSON ROSENTHAL: Right.

[crosstalk]

DEAN FULEIHAN: We're happy to do that with you and that'll be part of our capital review as well.

CHAIRPERSON ROSENTHAL: Yeah, I'd ask you to... I look forward to working with you on job creation through the EDC. I think there's a lot of opportunity there. You know, Bill de Blasio in his platform talked about a \$250 million investment in the EDC for job creation, but I agree with you 100 percent on the affordable housing plan. There will be a lot there. I just think that we're at a point in time in history where we need sort of a crush influx.

DEAN FULEIHAN: Yes, we do.

CHAIRPERSON ROSENTHAL: And city government can do that.

DEAN FULEIHAN: And we have announced major developments, both on the housing side and in the economic development area like the Brooklyn Army Terminal and others that are a beginning of that process.

CHAIRPERSON ROSENTHAL: Beginning. Thank you. The second thing on the relationship between evictions and homelessness: you know, again, according to the affordable housing experts, about 30,000 individuals are evicted from their homes every year in New York City and then about a

third of them end up in our homeless population. You know, in this budget, [chime] there was some money baselined for attorneys and programs to address... to help tenants avoid eviction, but there were also cuts. There were programs not extended that had been in the budget the previous year, yes, funded by the Council, but funded with good results. I'm wondering if you would you know, make a commitment to considering those programs again given the fact that it is by having those lawyers and those programs in Housing Court that we can avoid the evictions. Frankly, I would even argue that we could go a step further by investing in these people's rent in some sort of serious way. We're making an investment of \$1,000 per month versus the \$3,000...

[crosstalk]

CHAIRPERSON FERRERAS: Council Member...

[crosstalk]

CHAIRPERSON ROSENTHAL: Per month...

[crosstalk]

CHAIRPERSON FERRERAS: Rosenthal, can you wrap up...

[crosstalk]

CHAIRPERSON ROSENTHAL: That we pay...

[crosstalk]

CHAIRPERSON FERRERAS: Your statement,  
please? Thank you.

CHAIRPERSON ROSENTHAL: For homeless  
services when they come into our DHS program.  
There could be significant savings there.

DEAN FULEIHAN: So you know that the  
Mayor has made homeless prevention a key priority.  
It is a commitment and it is an ongoing discussion  
with the state of New York, with the Governor's  
office and one that we're engaged in right now. We  
have the exact same priorities here. It's to help  
those who are in shelters, to reduce that  
population and to help prevention and we're trying  
to work through state rules, state guidelines and  
state funding requirements and see what programs we  
can get out of that.

CHAIRPERSON ROSENTHAL: Absolutely, but  
to be clear, for a couple of million dollars...

CHAIRPERSON FERRERAS: [interposing]  
Council Member, I can... we can start...

[crosstalk]

2 CHAIRPERSON ROSENTHAL: Yeah.

3 [crosstalk]

4 CHAIRPERSON FERRERAS: The second  
5 round.

6 CHAIRPERSON ROSENTHAL: Absolutely,  
7 he'll be here for a second round.

8 [crosstalk]

9 CHAIRPERSON FERRERAS: We have  
10 colleagues... thank you. Council Member Gibson,  
11 followed by Council Member Johnson.

12 COUNCIL MEMBER GIBSON: Thank you very  
13 much, Madam Chair and good morning to both of you,  
14 Commissioner Linn and Mr. Fuleihan, I call you  
15 Dean.

16 DEAN FULEIHAN: You can.

17 COUNCIL MEMBER GIBSON: We go back.  
18 But I truly thank you for your presence and your  
19 testimony. So I just have a couple of comments to  
20 make and then just wanted to get your take on it.  
21 I speak in the role as chair of Public Safety and  
22 certainly the Speaker alluded to many of my  
23 concerns about the Police Department's overtime  
24 cost control, the additional officers to strengthen  
25 our precinct resources, as well as civilianization.

So I know we've had these conversations several times since the Preliminary and I certainly would like some level of a commitment. We recognize that in a city that grows in terms of diversity, crime in our city has gone down, which is a great thing, but for many of us that represent communities where there are a high number of shootings, we certainly cannot go back to our communities and talk about crime going down in other parts of the city. So I would like to continue to have a conversation, but certainly recognize that in the adopted budget I would like to see something that refers to increasing the workforce at the Police Department. 35,000 officers certainly is not enough to deal with a city of 8.4 million and growing and certainly we recognize that our men and women work so hard every day and they're overburdened and I'm particularly concerned about local precincts. I applaud the Mayor and you and your entire team on some of the infrastructure; capital renovations; the NYCA payment relief is a great thing; Vision Zero. I've worked with Council Member Ydanis. We've traveled around the city, so I appreciate a lot of the efforts that have been made, but I think

1 this is very important that we really have  
2 something concrete and in addition, many of the  
3 City Council initiatives that are under the Public  
4 Safety Committee there was nothing baselined; no  
5 civil or legal services; any programs that focuses  
6 on alternative ATI/ATD programs. None of that was  
7 baselined in this Executive and so I just want to  
8 raise that issue because I recognize and know the  
9 Mayor has realized that we must focus on  
10 alternative and prevention and not incarceration,  
11 so I appreciate a lot of the programs. The new  
12 task force on behavioral health and mental health  
13 certainly will go a long way in bringing that  
14 holistic approach; mental health, social services,  
15 but I am concerned that none of that was baselined,  
16 so I just want to get your take on that and are  
17 there any conversations that we will continue to  
18 have about those items I described?

20 DEAN FULEIHAN: Okay, so we start out  
21 of course we're going to continue the  
22 conversations. Thank you for listing really all  
23 the accomplishments that have occurred in a very  
24 short period of time. I know Commissioner Bratton  
25 was here. You cited the crime statistics and he

also talked about deployment and where officers need to go and the benefit of actually with the existing workforce what he can achieve. That said, of course we're willing to have the conversations. I said that on both the overtime and the civilianization.

COUNCIL MEMBER GIBSON: And in addition, and you know, I just want to be clear because I work with a lot of the Chiefs at PD and you know, the two words that I keep hearing all the time is overtime and shifting and you know, that still doesn't do anything to the overall number of the workforce at the Police Department, so I bring it up because I know there are a lot of other conversations happening, but it's a really important component.

DEAN FULEIHAN: Once again, it's about how effectively we provide the services that we all agree are needed and we look forward to working with you.

COUNCIL MEMBER GIBSON: And any thoughts on why any of the anti-gun initiatives and alternative programs were not baselined?

DEAN FULEIHAN: Well, we did...



COUNCIL MEMBER GIBSON: [interposing]  
Do you have any thoughts on that?

DEAN FULEIHAN: Once again, we did put  
some additional anti-gun prevention in the  
Executive Budget.

COUNCIL MEMBER GIBSON: The \$6 million?

DEAN FULEIHAN: Mm-hm.

COUNCIL MEMBER GIBSON: Okay, okay,  
thank you. Thank you, Madam Chair.

CHAIRPERSON FERRERAS: Thank you,  
Council Member. We will now have Council Member  
Johnson, followed by Council Member Cornegy.

COUNCIL MEMBER JOHNSON: Thank you very  
much for your testimony and for being here today.  
I just want to personally say that on individual  
projects outside of these large issues that we're  
dealing with in the city, OMB has been incredibly  
responsive. You've personally been responsive in  
making sure things in my district that have been  
important to the neighborhoods that I represent,  
that we take care of those and I just want to say  
thank you. I know that hasn't always been the case  
in the past when it comes to OMB, so I want to say  
thank you for that. I wanted to ask about the

Parks Department and specifically council members are asked all the time to come up with capital funds to do improvements on parks. I think there's a significant frustration historically and I'm not sure it's going to change that much under current rules and guidelines that when we are asked to come up with significant funds for a neighborhood park, it takes a considerable amount of time for the projects to actually be completed because of the process that needs to be undertaken for capital projects. It has to go to the Public Design, the Landmarks Commission approvals. It needs to then go through you know, procurement, back to Design and all these things. I wanted to see if you had any thoughts that could help streamline the requirements that currently exist so we could actually get these projects done more quickly. It shouldn't take four years from when you initially put money in to fund a park to actually see those results achieved.

DEAN FULEIHAN: Right. This came up at the hearing with the Commissioner and he indicated very strongly that he was going to undertake a complete review of the whole process and ways to

improve that process. We're clearly part of that. It actually fits very well into what I discussed before about all capital and how we move forward and how we rationalize projects and actually get them completed in an appropriate time period. So we're delighted to work with you on this and we should be.

COUNCIL MEMBER JOHNSON: But do you have any initial...

[crosstalk]

DEAN FULEIHAN: I...

[crosstalk]

COUNCIL MEMBER JOHNSON: Thoughts?

[crosstalk]

DEAN FULEIHAN: I don't have... I won't... I can't point to you right now. We intend to work with the Commissioner and the Commissioner said he's undertaking that and we'll do that with you. I mean we under... we're not... it's not an argument on the state.

COUNCIL MEMBER JOHNSON: Thank you. I know, and forgive me if this was mentioned when I stepped out, last week the Mayor signed into law the SCRIE expansion, which Council Member Chin...

2 DEAN FULEIHAN: [interposing] Yes.

3 COUNCIL MEMBER JOHNSON: Championed  
4 here in the Council, which is going to raise  
5 eligibility for quite a number of people and  
6 help...

7 DEAN FULEIHAN: [interposing] An  
8 historic level actually.

9 COUNCIL MEMBER JOHNSON: Yeah, very  
10 historic, but that provision sunsets I believe in  
11 2016.

12 DEAN FULEIHAN: Two years, yes.

13 COUNCIL MEMBER JOHNSON: And I wanted  
14 to see if there was any commitment on whether or  
15 not we can continue to fund that. I know that  
16 we're talking about this year, but it would be just  
17 not smart to initially fund it. I mean you have  
18 all these people that are eligible and then we  
19 aren't able to take care of them in the future  
20 under the program that we've expanded.

21 DEAN FULEIHAN: Yes, as you know, this  
22 was actually another success that we had working  
23 with New York state and we were able to get them to  
24 actually fund this increase and we should work  
25 together to make sure that's continued.

COUNCIL MEMBER JOHNSON: Great. Thank you and I had a question on the Department of Youth and Community Development. There was a \$17 million shortfall for OST, Out-of-School Time, the summer program. The shortfall included roughly 22,000 slots that are not currently funded for this summer because the baseline doesn't start until September. Does the administration have a plan on funding this program for this summer?

DEAN FULEIHAN: So as you know, in the after-school program, a major initiative did have a significant increase 17,000 slots for this summer, so we did make a major advance in what we think is a very high quality program; are willing to talk about all investments in children and in youth and in middle school children and in other children and of course we'll continue that conversation.

COUNCIL MEMBER JOHNSON: And I also wanted to understand funding for borough presidents. I know that there was a baseline initially in the Preliminary Budget...

DEAN FULEIHAN: [interposing] Yes.

COUNCIL MEMBER JOHNSON: To make sure that people were not going to be cut. No offense,

of course, to the other boroughs, but when you look at what I believe currently is being funded for the Manhattan Borough President's office and the number of people that are served, it actually isn't on par. There doesn't seem to be a real mathematical formula on how borough presidents are being funded. It seems just to be arbitrary and what was decided in the past and I wanted to understand...

[Pause]

DEAN FULEIHAN: Okay, alright, I was getting myself confused on the discretionary, which is by formula and the baseline was, as you pointed out, simply a restoration of prior cuts. I mean it was that simple. It was a [chime] restoration of prior cuts.

COUNCIL MEMBER JOHNSON: So I just want to end with this, that I know that we, as council members, I think have very productive relationships with our borough presidents from our respective boroughs and we work with them on all sorts of issues, especially with Community Board work that is done in our local neighborhoods. I think it would be helpful to now have a conversation on how do we ensure that the funding that is given to

borough presidents and the populations that they're serving actually is reflective in some way of the boroughs that they're in and of those populations so it's done in a fair way moving forward and not an arbitrary number that is set based off past calculations that really had a lot to do with politics and not had much to do with fairness.

CHAIRPERSON FERRERAS: Thank you, Council Member Johnson. We will now have Council Member Cornegy, followed by Council Member Chin.

COUNCIL MEMBER CORNEGY: Good morning and thank you, Chairs, Commissioner Linn, Dean Fuleihan. I want to echo your earlier sentiments by saying this seems and appears to be in all estimations a very progressive budget, but in saying that, I do want to point out I would be remiss as the chair of Small Business if I didn't point out the tremendous cut in IBZ funding, which we believe to be crucial throughout the city. We asked for \$1.2 million and were given roughly half of that and it's not easy to do more with less. There has been a commitment from the Mayor's office to support and build capacity within small businesses, not reflective obviously in that

particular sector. I also wanted to talk about MWBE contracting and ask you preliminaries studies are already showing that minority contracting is down tremendously and I wanted to know if there's a commitment to work with the Comptroller to bring those numbers up. And then lastly, affordable... your affordable housing plan, which is a tremendous plan, but I think in and of itself without realizing that plan in its implementation has a tremendous input on economic development and small business development if it continues to exclude supporting the middle class, so the 80/20 plan in districts like mine don't work. It has to be a plan that proportionately affects positively middle class of that tax base and that support for small business is essential for economic growth in the city, so.

DEAN FULEIHAN: Okay, so we are absolutely committed to the participation of minority women and small business and everything we do in capital and in all procurement and certainly we're willing to work... more than delighted to work with the Comptroller on that and it's a goal we should all be working on. The economic



development piece, once again, we actually... there was a Council request. We did do some restoration in the Executive Budget. We're willing to continue that conversation certainly and the affordable housing, which thank you for your recognition of that, how we move forward we're happy to continue that conversation too.

COUNCIL MEMBER CORNEGY: And just the IBZs, what was the thinking behind you know, having a very progressive and support for small businesses, but having that...

[crosstalk]

DEAN FULEIHAN: Well...

[crosstalk]

COUNCIL MEMBER CORNEGY: Very substantial cut?

DEAN FULEIHAN: Once again, they were included and if... you know, I'm more than happy to continue this conversation and you know, for the adopted budget to continue that dialogue and see if that was... if you think more funds were needed, we're happy to have that conversation in the overall context.

2 COUNCIL MEMBER CORNEGY: I think that  
3 myself and a few of the other council members who  
4 are affected positively and/or negatively by IBZs  
5 will be giving you...

6 [crosstalk]

7 DEAN FULEIHAN: Okay.

8 [crosstalk]

9 COUNCIL MEMBER CORNEGY: A call.

10 DEAN FULEIHAN: That's fine.

11 CHAIRPERSON FERRERAS: Thank you,  
12 Council Member Cornegy. Council Member Chin,  
13 followed by Council Member Miller.

14 COUNCIL MEMBER CHIN: Thank you, Chair.  
15 Good morning.

16 DEAN FULEIHAN: Good morning.

17 COUNCIL MEMBER CHIN: Director Fuleihan  
18 and Commissioner Linn. Director Fuleihan, it's  
19 really great to see you smiling once in a while,  
20 much better than the previous director. Yes,  
21 right? [laughter] Yeah, I mean what a change. I  
22 mean this is really a budget dance 'cause when you  
23 dance, you have a partner and you got to coordinate  
24 and you got to work together. So previously, I  
25 don't think those budgets... I didn't call them

dance. It was more like you know, getting hit.

[laughter]

DEAN FULEIHAN: I'm not going to follow on this one.

COUNCIL MEMBER CHIN: It was... yeah, it wasn't fun at all, but it's getting better and I'm really thankful that the administration, of course, our Mayor is really looking you know, for a more progressive budget and taking care of our seniors and our kids and so I think part of the progressive value is that really taking care of the older New Yorkers, you know, elders, all of us is going to get there and I think this budget is a good beginning, but some of my questions you know, as the chair of Aging and we've spoken with the Commissioner and I think that the budget for DFTA needs to continue to increase to really put back all the money that was cut in the past. So we were very happy to see that part of the Council request for case management based on DFTA's report that the caseload should be reduced to 65 and we saw \$2.6 million put into the Executive Budget, but it was not baselined. We didn't see it in the out year, so can you sort of like tell us why that you just

put it in only for this year? I mean we expect the caseload to keep going down. I mean we don't want it to go back up and then...

DEAN FULEIHAN: So we did baseline \$22 million and we did put in the \$2.6 million and you know, once again, I don't mean to make it a refrain. We're happy to continue those conversations in a broader context of maintaining affordability. We understand and this is clearly an area I'm not going to fight you programmatically, but we need to make sure that we can... are spending the money in the most effective way and in an affordable manner and I'm happy to have that conversation.

COUNCIL MEMBER CHIN: Okay, we'll definitely have it because it should've been baselined. The other request that the Council put in was the Natural Occurring Retirement Community, NORCs. There were NORCs that apply to the RFP, but not all of them were funded and we request that the administration to take care of all the ones that was qualified. They apply in the RFP, but they were also not funded to cover all those NORCs, so I think in the course of discussion, we really think

that the administration should at least take care of all the ones that has applied and qualified.

DEAN FULEIHAN: Let me come back to you on the NORCs list. I'm not familiar specifically with the ones that didn't qualify or weren't able to be funded, but let's make that part of our conversation.

COUNCIL MEMBER CHIN: Yeah, that would make it so much you know, easier than the Council... then we don't have to worry about that, and the last question is based on also elder abuse. I mean it's such a growing epidemic in our community. I mean the advocates are you know, giving us statistics that 120,000 seniors in New York City experience elder abuse and it could be in many, many forms. And right now the... DFTA is going to be issuing RFP.

DEAN FULEIHAN: Mm-hm.

COUNCIL MEMBER CHIN: And the administration has baselined, but it's only \$800,000. Do you think that's enough to issue RFP? I mean shouldn't the administration you know, put more money into this pot? For every case that's reported, there's 24 other case that are not

officially reported, so the advocates are asking you know, the administration to really seriously look at really building awareness and eliminate you know, elder abuse and they're looking... \$800,000 is not enough.

DEAN FULEIHAN: Okay, so I will respectfully add this to our conversation and I think that's part of the reason there's a dialogue here.

COUNCIL MEMBER CHIN: Okay, I mean they're asking for \$4 million more, but I think that ultimately in terms of progressive values, I think that progressive value means taking care of the older New Yorkers, taking care of our seniors because we're all going to get there and the population is growing and also seniors makes so much contribution to our city. Even when they retire they are contributing. They are the ones that's volunteering in our libraries, in our schools, in our community centers, so I encourage you to really continue that discussion with us and hopefully at the final budget we will see more support for seniors.

DEAN FULEIHAN: Okay well, once again, through DFTA, through HRA, through other agencies we spend a significant [chime] amount on elder care and we should continue to do that and I'm not arguing that point, but certainly let's continue that conversation and I'm happy to.

COUNCIL CHIN: Thank you. Thank you, Madam Chair.

CHAIRPERSON FERRERAS: Thank you, Council Member Chin. We've been joined by Council Member Greenfield. We will now have Council Member Miller, followed by Council Member Lander.

COUNCIL MEMBER MILLER: Thank you, Madam Chair and thank you panelists, again, for coming out and giving so much information; well-needed information and transparency that you have brought. I especially want to thank you for some of the good faith collective bargaining that is going on that has not taken place over you know, a particularly long time, particularly as it pertains to some of those who have been for the last two years locked out of the process for whatever reason. But let me just add on that point that I would love to include some of the managerial folk,

1 to make sure that they are compensated and  
2 recognized in the way that they should be as well.  
3 Now, that being said, as a former union president,  
4 I can't believe I said that, but [laughter] we need  
5 qualified people. But again, so I want to stay a  
6 little bit on labor and I want to talk about the  
7 Employee Protection Provision as it pertains to the  
8 school bus industry and its impact. Has there been  
9 an analysis done on its impact on the budget if  
10 this EPP is in place for outgoing RFPs?

12 COMMISSIONER LINN: Councilman Miller,  
13 thank you very much for your kind comments. It has  
14 been very important to this administration and to  
15 my office to really restore collective bargaining  
16 and a respectful approach on meaningful issues and  
17 solving problems together, so I appreciate your  
18 comments. As has been reported, we are having  
19 conversations with the school bus unions of  
20 conversations and we've agreed that we weren't  
21 going to comment on those conversations, but we  
22 understand how important the issue is and we  
23 certainly are taking very seriously the impact on  
24 workers and having to look at issues of individuals  
25 who have been long-time employees who are now



facing being out of work. It's an important issue to the administration and we're looking at it carefully.

COUNCIL MEMBER MILLER: Okay, thank you. So on the work labor piece, there's been a lot of talk about the municipal workforce and the civil servants workforce. There has been over the last few years a real diminishing and erosion of that workforce. I spoke with DCAS and had some conversations; some preliminary conversations about some real investment in that workforce that not only provides the goods and services, but really are the economic backbone of many communities throughout New York City, particularly mine. We have the largest minority homeownership almost throughout the country because of that and we would love for this trend to continue, but there has to be a real investment in civil service. Part of that erosion dealt with consultants; privatization; provisional workers and including even per diem workers. What do we do, what can be done and what is the administration doing to address that and really to make that investment in the city's workforce in the future?

COMMISSIONER LINN: Well, I want to say this: that I believe that the municipal workforce is the backbone of what we do. I think the commitment of municipal workers can be extraordinary and I never cease to be impressed of how effective and how good so many workers are and how committed they are. I think the issue of development of employees and having them able to rise within the workforce and to promote and then to bring in employees from the community; individuals from the community into the workforce is something very important and it's one of those things that I've not gotten to yet in that there's a couple of collective bargaining agreements that we're working on at the moment, but the issue of how we deal with the workforce and how we effectively develop the workforce I think should be part of our collective bargaining efforts and things that I will focus on.

COUNCIL MEMBER MILLER: Okay, thank you so much and again, I just want to touch on what Council Member Cornegy talked about briefly and the MWEBs as we... MWEBs as we move forward and again, that commitment we have fallen a little short thus

2 far. What are the plans to make sure that we hit  
3 that target as we move forward?

4 DEAN FULEIHAN: We're committed to it,  
5 you know the Mayor's committed to it and we'll work  
6 with you and we'll make sure that we maximize the  
7 participation of minorities and women in whatever  
8 procurement we can do.

9 COUNCIL MEMBER MILLER: Thanks again,  
10 gentlemen, to you and your staff for coming out. I  
11 really appreciate it and really appreciate the  
12 opportunity. Thank you.

13 CHAIRPERSON FERRERAS: Thank you,  
14 Council Member Miller. We will now have Council  
15 Member Lander, followed by Council Member Kallos.

16 COUNCIL MEMBER LANDER: Thank you,  
17 Madam Chair and Budget Director, I agree it's been  
18 a very productive process so far, both as Council  
19 Member Chin said, in attitude, but really in  
20 substance as well, so I want to thank you for that.  
21 On the health savings, at the Preliminary hearing  
22 we talked about and the Mayor has sometimes talked  
23 about looking at the model of community-based  
24 preventive clinics for public sector workers as a  
25 way to save money and improve health outcomes. I

2 haven't heard that as part of the savings plan and  
3 I just wanted to affirm that a serious look at that  
4 remains on the table and is part of where we're  
5 going so it's not only about achieving the  
6 necessary savings, but about doing it in smarter  
7 ways that genuinely bend the cost curve and improve  
8 health outcomes.

9 COMMISSIONER LINN: Absolutely and I  
10 think one of the things that one can do looking at  
11 health care delivery is that you can improve health  
12 care services while at the same time costing you  
13 the same or less money and that's a focus we  
14 clearly will take and we're clearly going to look  
15 at different and innovative approaches to the  
16 delivery of services.

17 COUNCIL MEMBER LANDER: Including this  
18 sort of community-based preventive model that you  
19 know, the Mayor went to Jersey and...

20 [crosstalk]

21 COMMISSIONER LINN: Yes.

22 [crosstalk]

23 COUNCIL MEMBER LANDER: Looked at one  
24 and a hotel...

25 [crosstalk]

2 COMMISSIONER LINN: Yes.

3 [crosstalk]

4 COUNCIL MEMBER LANDER: Based council  
5 runs some, but I don't know that anyone's really  
6 done it for public sector workers as part of...

7 [crosstalk]

8 COMMISSIONER LINN: We're going to  
9 clearly look at that.

10 COUNCIL MEMBER LANDER: Great, thank  
11 you. We've talked a couple of times in this  
12 hearing about... and Council Member Treyger and  
13 others may follow-up on this further; Sandy  
14 funding. I just want to continue to flag the Sandy  
15 funding tracker's gotten a little better under  
16 your... but it still is far from complying yet with  
17 our law, which only recently went into effect, but  
18 I just want to make sure it's on your radar screen  
19 to get that into compliance and where we need it to  
20 be to make sure we're paying real attention to how  
21 those dollars are...

22 DEAN FULEIHAN: It is. We have, as you  
23 know, we refocused really the entire administration  
24 and how we're addressing Sandy and we're happy to  
25 that and we have many people here who would... you

2 know, I'm happy to have a conversation in ways you  
3 feel that we need to improve. We're happy to do  
4 that.

5 COUNCIL MEMBER LANDER: And I'm  
6 guessing Council Member Treyger will follow-up in  
7 more detail on these issues in particular. I want  
8 to talk for a minute about 421A. We have had very  
9 good preliminary conversations with the Housing  
10 Commissioner coming out of the Housing New York  
11 plan, which envisions looking at 421A to improve  
12 affordability and that is certainly needed, but I  
13 also think it's important to be mindful of it as a  
14 budget issue where we're giving away a billion  
15 dollars a year in tax breaks, a very substantial  
16 portion of that for housing that includes no  
17 affordability whatsoever and so I just want to make  
18 sure. I know there's a plan. She is convening a  
19 task force over the summer that OMB is a strong  
20 part of that task force and that we're paying  
21 attention to the fiscal issues...

22 DEAN FULEIHAN: [interposing]  
23 Absolutely.

24 COUNCIL MEMBER LANDER: As well as the  
25 affordability issues.

2 DEAN FULEIHAN: Sure, certainly.

3 Agreed and we're happy for that encouragement, vote  
4 of confidence and we'll keep... we'll continue that  
5 dialogue as well.

6 COUNCIL MEMBER LANDER: So that's  
7 great. You know, I am you know, an affordable  
8 housing person first and foremost and eager to see  
9 us achieve housing affordability, but not in ways  
10 that give away enormous amounts of our very  
11 precious tax dollars...

12 DEAN FULEIHAN: [interposing] Right.

13 COUNCIL MEMBER LANDER: For very little  
14 in return.

15 DEAN FULEIHAN: And... and...

16 [crosstalk]

17 COUNCIL MEMBER LANDER: So.

18 [crosstalk]

19 DEAN FULEIHAN: You know the Mayor has  
20 made this one of his guiding principles actually.

21 COUNCIL MEMBER LANDER: Super. Thank  
22 you. And finally, on the capital budget, first,  
23 it's very encouraging to hear today, and as the  
24 Mayor said to us when we had the briefing for the  
25 Council that he's charged you with really paying

strong attention to 10-year capital strategy and moving forward to it and it's great to hear you know, seriousness about it and a commitment to work with the Council. Your document says January.

I'll note the Preliminary is due November 1st, so we're looking forward to that first draft, but it sounds like, but I just want to make sure that you have openness to looking at it more broadly and thoughtfully than it's been used in recent years.

If you go back and look at the last 10-year capital strategy, which obviously wasn't... you know, wasn't prepared by this administration, it doesn't speak to an integrated plan for resiliency to an integrated plan for sustainability to being connected to the city's growth strategy and the neighborhood plans and now the new housing plan doesn't really speak to the capital project management issues that you've heard my colleagues and I speak to in the past or to the job creation and workforce development opportunities that are part of such a broad program. None of that is in the last one and I think the opportunities for us to work together are substantial and it sounds like you're looking forward to work... not only kind of



being serious about it, but expanding how we think about it and I just want to get your preliminary thoughts on how you're going to look at that process.

DEAN FULEIHAN: So thank you, because you articulated it better than I did actually and all of those are actually component of it. Carl Weisbrod and I just met the other day on this with the First Deputy Mayor, exactly articulated that list and that's the way it should be and so we're using that really as the benchmark. It's there, it's a perfect opportunity and it gives us enough time to actually frame all those questions. Okay, so we look forward to continuing that and to continuing talking with you about those things.

[chime]

COUNCIL MEMBER LANDER: Thank you very much.

CHAIRPERSON FERRERAS: Thank you, Council Member Lander. Council Member Kallos, followed by Council Member Treyger.

COUNCIL MEMBER KALLOS: Good morning. I'm Council Member Ben Kallos. You can tweet me @benkallos. First, I wanted to start off with a

big thank you for the administration and your investment in infrastructure. The East River Park, the East River Esplanade in my district was literally falling into the river and it was going to cost \$430 million to rebuild it. You've invested \$35 million of the 115 that we need to repair it and I really appreciate it and that's for my district, as well as the district immediately north of mine, which is District 8 and the Speaker's district in East Harlem and it will be supporting the infrastructure in both districts, so it's one city and we appreciate it, thank you. I wanted to hit on a number of points as quickly as possible. I'm big on transparency. I'm not sure if that's a secret, but during all of my hearings I've been asking about the lump sums in the budget. Is it possible to break out all those lump sums so we can see what we're spending those hundreds of millions of dollars on instead of just seeing those lump sums and having those lump sums go into the budget without any explanations?

DEAN FULEIHAN: So you know, once again, we'll work with you. We're happy to have that conversation about how it can be more

transparent, whether that's through reporting or through actual actions in the budget. The whole capital process we just had a conversation, which I know is a piece of what you may be referring to in the lump sums. You know, once again, those are related categories, but part of this process for the January report in the 10-year capital plan is to actually come up with some rational guidelines and rational ways to relook at all how we're doing capital and that's something we're going to do together.

COUNCIL MEMBER KALLOS: That's great and I'm looking forward to working together on that. I have oversight over an organization called COPIC, the Commission on Public Information and Communication. It is currently unfunded. As Chair of Governmental Operations, I'm hoping to see that charter mandated entity funded. Is it possible to add that funding?

DEAN FULEIHAN: We're going to have to have a conversation. I... you have me on that and I'm happy to go back and look and have that conversation.

COUNCIL MEMBER KALLOS: And in the testimony, there's a commitment to reducing overcrowding throughout schools. During my campaign, I was very committed to trying to use commercial spaces for schools and in CEC 2, which I represent, we have a lot of commercial space that actually has high vacancy rates, over 10 percent. The School Construction Authority has a precedent where they have put schools in commercial spaces. Is it...

[crosstalk]

DEAN FULEIHAN: Yes.

[crosstalk]

COUNCIL MEMBER KALLOS: Possible to start putting schools in commercial spaces in the East Midtown part of the city, which conserves CEC 2, as well as my district?

DEAN FULEIHAN: Okay well, that piece I can't answer specifically. I can answer to the broader theme and that is part of the review we're going to be having with the Department of Education and the School Construction Authority and the Planning Commission about how we can deal directly with overcrowding in our schools, not simply the

elimination of trailers and overcrowding in certain districts, but there may be other avenues to get it. That's one of them and you know, once again, that is part of the agenda we want to look at, right? It hasn't jumped to this point as to specific sites though.

COUNCIL MEMBER KALLOS: I assure you we've been working on it with the various pieces for over five months and I'd love to work with you on it specifically so we can get some movement. With regard to contract overruns, during my first Preliminary Budget hearing, we identified that there were \$6 billion in contracts with \$4 billion in potential overruns. We have flagged that for the administration. We have flagged it for the Law Department, but we still haven't seen any response as of what's going on there and why we're... why there is a potential for \$4 billion in contract overruns and I'd love to spend that money in other places like education and infrastructure. Is that something we can get a response on before we...

DEAN FULEIHAN: [interposing] Yes, let me come back to you and get your response.

2 COUNCIL MEMBER KALLOS: Along the same  
3 lines, during our final budget hearing, I was able  
4 to work with the Finance Chair, Julissa Ferreras  
5 when we had OATH in. They indicated that for  
6 Fiscal Year 2013 there were \$215 million in  
7 uncollected ECB fines. My predecessor, now  
8 Manhattan Borough President, Gayle Brewer, had  
9 identified more than \$400 million in uncollected  
10 fines. I believe that there's some money there.  
11 In fact, we believe there's money there. Is it  
12 possible to get a specific response on how much  
13 we're seeing in terms of uncollected fines across  
14 the budget?

15 DEAN FULEIHAN: Sure.

16 COUNCIL MEMBER KALLOS: Thank you. The  
17 goal here is to find as much money as possible.

18 DEAN FULEIHAN: Understood and I am...

19 [crosstalk]

20 COUNCIL MEMBER KALLOS: So...

21 [crosstalk]

22 DEAN FULEIHAN: Not objecting to the  
23 finding of more funds.

24 COUNCIL MEMBER KALLOS: And along that,  
25 I come from the venture finance world. I ran a

2 venture capital vehicle with Phil Samuels and one  
3 of the things we always did is if we were borrowing  
4 money it was that so we could make money. It seems  
5 like the city's borrowing a lot of money, several  
6 billion dollars a year, but sometimes it doesn't  
7 come with earning income as a result of that. Is  
8 it possible to move towards more of a business type  
9 investments that provide a return on investment so  
10 when we borrow some, we can reduce borrowing and  
11 [chime] limit the debt service?

12 DEAN FULEIHAN: Well, you know the...  
13 we should have that conversation and we need to.  
14 Obviously the investments have to be pertinent and  
15 we have to be careful, so you know, I'm happy to  
16 continue that conversation as well.

17 COUNCIL MEMBER KALLOS: Chair, I have  
18 two more questions that shouldn't take more than 30  
19 seconds. Thank you.

20 CHAIRPERSON FERRARAS: We're not that  
21 far off, but we got to give our opportunities to  
22 our colleagues in the queue. We will now have  
23 Council Member Treyger, followed by Council Member  
24 Greenfield and then we will begin the second round.

2 COUNCIL MEMBER TREYGER: Thank you,  
3 Chair and welcome, Director and Commissioner. I'll  
4 begin by asking what is the current head count  
5 number of staff in OMB dedicated directly to Sandy-  
6 related work in the city?

7 DEAN FULEIHAN: I apologize, but I will  
8 get you... I'll get you the exact number on Sandy.

9 COUNCIL MEMBER TREYGER: I appreciate  
10 that 'cause that's key because I... many times,  
11 again, these log jams where work is not yet  
12 processed and we just want to...

13 [crosstalk]

14 DEAN FULEIHAN: Right.

15 [crosstalk]

16 COUNCIL MEMBER TREYGER: Make sure  
17 that...

18 DEAN FULEIHAN: [interposing] But I do  
19 believe... so I have an answer to that question.  
20 While I'll get you the specific number, the  
21 restructuring of how we approach very differently  
22 in this administration, which you know very well,  
23 that entire restructuring and putting people  
24 significantly in charge and restructuring offices  
25 and having the OMB role being what you would



2 normally consider the OMB role to be, which is  
3 really... it's the overall financial plan and  
4 making sure that we get our full reimbursements  
5 from the federal government. That's the focus. So  
6 by changing... by really redirecting what OMB was  
7 doing and what other agencies are doing and  
8 centralizing that authority, I think we're actually  
9 addressing directly the concern you're raising, but  
10 I'm obviously happy to get you those numbers.

11 COUNCIL MEMBER TREYGER: Thank you. Do  
12 the agencies prioritize Sandy-related capital  
13 projects themselves or does OMB or the  
14 administration provide oversight to ensure that all  
15 neighborhoods will begin to see rebuilding and  
16 resiliency efforts underway?

17 DEAN FULEIHAN: So once again, as part  
18 of the new structure of resiliency...

19 [crosstalk]

20 COUNCIL MEMBER TREYGER: 'Kay.

21 [crosstalk]

22 DEAN FULEIHAN: That will be  
23 centralized.

24 COUNCIL MEMBER TREYGER: Okay, very  
25 good.

2 DEAN FULEIHAN: And that's working with  
3 the agencies. It's an interaction that was clearly  
4 not occurring before.

5 COUNCIL MEMBER TREYGER: And hopefully  
6 that will extend to the local officials as well.

7 DEAN FULEIHAN: Absolutely.

8 COUNCIL MEMBER TREYGER: Alright.

9 DEAN FULEIHAN: Absolutely. We're not  
10 doing this without you.

11 COUNCIL MEMBER TREYGER: Right. Since  
12 the city has or will use issue bonds for Sandy-  
13 related capital projects and the federal  
14 reimbursements will come in later, does the  
15 administration plan to use the reimbursements to  
16 pay down Debt Service or will it enter the city's  
17 general fund?

18 DEAN FULEIHAN: I'm not sure...

19 COUNCIL MEMBER TREYGER: Because many  
20 of the agencies that sustained... Parks, for  
21 example, sustained quite a bit of damage. They  
22 mention they're paying it for themselves right now  
23 to fix up park land that was damaged by Sandy, but  
24 they are waiting for reimbur... they haven't gotten  
25 any capital reimbursements yet from FEMA and the

2 federal government. When they do get reimbursed,  
3 will that be used to pay down Debt Services...

4 [crosstalk]

5 DEAN FULEIHAN: It is paying... it's  
6 paying down Debt Service. Yes, it is. I want... I  
7 knew the answer, my apologies. It is paying down  
8 Debt Services definitely.

9 COUNCIL MEMBER TREYGER: All that will  
10 be used to...

11 [crosstalk]

12 DEAN FULEIHAN: Yes.

13 [crosstalk]

14 COUNCIL MEMBER TREYGER: Pay down Debt  
15 Service?

16 DEAN FULEIHAN: Yes, yes, this is all  
17 dedicated revenue that is completely... that's why  
18 actually the question you had surprised me. No,  
19 this is all being dedicated to the purpose it's  
20 intended, which is the recovery and the restoration  
21 from Sandy resilience and it's all being used to  
22 pay down Debt Service.

23 COUNCIL MEMBER TREYGER: So since DEP,  
24 for example, issues its own bonds, will it receive  
25 its fair... it's share of federal reimbursements

2 directly so water and sewer rate payers receive  
3 their fair share of relief?

4 DEAN FULEIHAN: What DEP is doing is  
5 separate from what's happening with the Sandy  
6 recovery if that's what you're asking.

7 COUNCIL MEMBER TREYGER: Well, I mean  
8 they sustained quite a bit of damage I mean you  
9 know, and so the issue is that when they get  
10 reimbursed or...

11 [crosstalk]

12 DEAN FULEIHAN: I believe, but I will  
13 come back to make sure I'm not misstating this, but  
14 I believe those are separate. Those are separated  
15 completely.

16 COUNCIL MEMBER TREYGER: Okay.

17 DEAN FULEIHAN: Alright, but we'll  
18 confirm that.

19 COUNCIL MEMBER TREYGER: Because my  
20 concern is that you know, the cost to repair  
21 infrastructure work handled by DEP should not be  
22 passed down to water rate payers...

23 [crosstalk]

24 DEAN FULEIHAN: We agree. We agree. I  
25 mean you know that we... yeah, okay, I was

2 confirmed that it's completely separate. Our goal  
3 here is to maximize and that is the role OMB is  
4 playing here, is to maximize federal funds. So we  
5 completely agree, so let me point blank. They are  
6 completely separate and it is not going to the rate  
7 payer.

8 COUNCIL MEMBER TREYGER: Right. At a  
9 previous hearing that I held, we had an OMB person  
10 come down and testify and we had asked for a  
11 breakdown per zip code of the Sandy-related damage  
12 done to schools, done to parks, to hospitals to  
13 find out the cost estimates of how much damage was  
14 done and how much money has been put in to begin to  
15 address that damage and help rebuild neighborhoods.  
16 Is there an update where we stand with that  
17 request, Director?

18 DEAN FULEIHAN: So we're building that  
19 right now. We're making sure that that is accurate  
20 and we'll come back to you with a timeframe.

21 COUNCIL MEMBER TREYGER: Okay, by far,  
22 the bulk of Fiscal 2014 modified Sandy expenditures  
23 goes towards contractual services. Are the bulk of  
24 these contracts for the Build it Back program?

25 DEAN FULEIHAN: They are, yes.

2 COUNCIL MEMBER TREYGER: Oh, okay and  
3 do we have a number, for example, how much of the  
4 Sandy-related contractual services [chime] spending  
5 has gone towards consultants to help the agencies  
6 maximize federal reimbursements?

7 DEAN FULEIHAN: Okay, so we have shared  
8 that information with you. We'll make sure that  
9 you have...

10 COUNCIL MEMBER TREYGER: [interposing]  
11 And most up-to-date number as well?

12 DEAN FULEIHAN: Well, correct? Yes.

13 COUNCIL MEMBER TREYGER: Well, we'll  
14 have follow-up discussions.

15 DEAN FULEIHAN: Yes.

16 COUNCIL MEMBER TREYGER: Thank you.  
17 Thank you, Chair.

18 DEAN FULEIHAN: Thank you.

19 CHAIRPERSON FERRERAS: Thank you,  
20 Council Member Treyger. We have Council Member  
21 Greenfield and then we will begin the second round.

22 COUNCIL MEMBER GREENFIELD: Thank you,  
23 Madam Chair. I just wanted to thank you very much  
24 and certainly appreciate more honesty in  
25 government. We'll take it and we're grateful for

2 that. I'm just curious about a few things that we  
3 chatted about before. The first thing is if you  
4 recall at the Preliminary Budget hearing, we  
5 actually discussed ACS's structural shortfall when  
6 it comes for the after-school daycare programs,  
7 specifically the vouchers one through four, which,  
8 as a result leads to ACS consistently trying to  
9 defund the other vouchers, which they've done in  
10 the past through getting rid of Priority-7 and  
11 Priority-5 and of course, we've made a request that  
12 these programs get refunded in the budget and they  
13 haven't been and part of that shortfall is that one  
14 to four are legally mandated, where if you request  
15 them, you have to get them, even if the city has to  
16 pay for them. Have you looked at trying to change  
17 that budget to reflect those actual costs?

18 DEAN FULEIHAN: So we are looking at  
19 this. You've given me a good education on this and  
20 you know, we honestly... we look forward to  
21 continuing to work with you right now to see how we  
22 need to address that.

23 COUNCIL MEMBER GREENFIELD: Okay, so I  
24 look forward to continuing the conversation before  
25 we pass the budget, especially because what happens

2 is we end up punishing a specific segment of the  
3 city, which happens to be...

4 [crosstalk]

5 DEAN FULEIHAN: Yes and...

6 [crosstalk]

7 COUNCIL MEMBER GREENFIELD: Priority-  
8 5...

9 DEAN FULEIHAN: And you knew and you  
10 knew...

11 [crosstalk]

12 COUNCIL MEMBER GREENFIELD: Segment.

13 [crosstalk]

14 DEAN FULEIHAN: That the Mayor is...

15 [crosstalk]

16 COUNCIL MEMBER GREENFIELD: Yes.

17 [crosstalk]

18 DEAN FULEIHAN: Clearly concerned about  
19 this and would like to address it, so.

20 COUNCIL MEMBER GREENFIELD: I'm  
21 grateful for that, so I thank you and I appreciate  
22 that. I'm mostly just wondering about the cash  
23 reserves, a very significant amount I think  
24 depending on who you ask at any given time; \$9, 10,  
25 11, 12 million floating around in the city. Part



2 of what I'm wondering is, and I believe tucked away  
3 in the budget is something like a \$75 million  
4 borrowing cost that's going to happen November or  
5 December to be repaid in April and I don't really I  
6 guess understand why we're borrowing money if we  
7 have billions of dollars lying around.

8 DEAN FULEIHAN: Okay, so when I opened  
9 up, I actually talked about we're very cautious on  
10 how we're approaching our capital spending and our  
11 review of the capital spending and that's all about  
12 being very cautious about how we approach Debt  
13 Service and maintaining certain boundaries on Debt  
14 Service. There is always the potential of short-  
15 term cash needs and that's what that reflects. So  
16 it reflects a caution in the Debt Service budget,  
17 which actually all three raters commented on  
18 yesterday; that these things are appropriate and  
19 it's good management of our fiscal health of the  
20 city. That's what it's there for. We hope not to  
21 use... we hope not to have to pay any money for  
22 that. It is there as a cautionary measure.

23 COUNCIL MEMBER GREENFIELD: Okay no, I  
24 understand, but obviously that... you know, in the  
25 zero sum game of budgeting where we have a certain

2 amount of money there sort of precludes us for  
3 using it for other activities.

4 DEAN FULEIHAN: Right, but none of us  
5 want to get in a position where more dramatic  
6 action has to occur, which we've seen happen only a  
7 few years ago.

8 COUNCIL MEMBER GREENFIELD: I certainly  
9 agree with that. I'm going to come back to that  
10 hopefully in a moment. I'm wondering specifically  
11 you know, we had City Planning in here a few days  
12 ago. I spoke to them about their budget; very  
13 significant increase in the budget; I think some 37  
14 percent increase. Obviously, as the Land Use  
15 chair, I have oversight of that and much of it was  
16 support in terms of staffing and the new  
17 initiatives to try to build new housing, but one of  
18 the areas that piqued our interest was a new  
19 expense of \$3 million a year going forward forever  
20 in terms of rent and I guess the general question  
21 is not just for OMB, but just more generally... the  
22 Chair and I still haven't gotten a specific  
23 response on that question, but the general question  
24 is how do we decide before we make the  
25 determination that we're not going to use city

property, which seems to be available in the municipal building, for example, or the current property or the possibility of renovating it and instead commit to something where you know, over the course of the next 30 years it's going to cost us \$100 million I mean so that's why sort of we flagged it and I'm curious if that's sort of a big picture issue that you look at, as the OMB Director, or whether you say you know what, guys, before you incur a \$3 million expense forever in rent, let's try to see if you could use one of our government buildings or maybe we should look at you know, possibly going to Queens or something like that. So I'm just curious about what your perspective is on that.

DEAN FULEIHAN: Yeah, I mean they're preparing an answer for you and you know, we'll participate in that answer specific case-by-case. I want to be careful that I'm not doing... making decisions here about case-by-case. I know they were in office space that actually was not... they really did have to move out, but let us get back to you on exactly why that move was made.

COUNCIL MEMBER GREENFIELD: Okay and finally just to get back to your original question, which in terms of not going back to the past, you know, if you look back at I guess the last dozen or so years, I think you see... I'm just working off of memory here... roughly around 2008 or 2009 the city was engaged in savings and starting at around 2009, we ended up running deficit where we started spending down these savings.

DEAN FULEIHAN: Sure.

COUNCIL MEMBER GREENFIELD: All these models that we look at; rely on until at least 2016 of a healthy economy. When do we take a look and say hey, you know what, [chime] maybe we have to start saving again?

DEAN FULEIHAN: Yeah, we're... I mean we agree that we have to be concerned about economic downturns. We put aside more in reserves than historically has been the case and that's part of a recognition of that very concern; that economic events can happen; even a slowdown can occur, which would have a huge impact on the financial plans we put forward, so we're not disagreeing with that. We're actually recognizing

2 that's why the general reserve has increased. It's  
3 why we maintain the... in the Preliminary Budget  
4 reversed the retiree health benefit decision.

5 COUNCIL MEMBER GREENFIELD: Thank you,  
6 Director and I'll catch you on round two.  
7 Appreciate it.

8 CHAIRPERSON FERRERAS: Thank you. We  
9 will now have Council Member Levin, followed by  
10 Council Member Rosenthal. I'm sorry, Council  
11 Member Levine.

12 COUNCIL MEMBER LEVINE: Common mistake  
13 and I take it as a compliment, Madam Chair.  
14 [laughter] Mr. Director, a pleasure to see you.  
15 Thank you for being here today. I chair the Parks  
16 Committee and I had a couple questions related to  
17 that, to the Parks budget. You know, we currently  
18 devote about one half of one percent of our city's  
19 total budget to our park system. This is far, far  
20 below historical averages for this city. In the  
21 sixties, it was above one and half percent of the  
22 total budget and it also is below what our peers  
23 among large cities in America fund as a percent of  
24 their budget. And just to look at one objective  
25 measure, which is commonly used; the number of Park

Department staff people per 10,000 residents of a city. For us, the number is six and that places us at 42nd out of the 51 largest cities in America in terms of this metric, important metric of park staffing per city resident. Any way you slice it, our park system, in my opinion, doesn't have adequate resources. That is particularly a glaring shortfall when you compare the broad system of neighborhood parks to those few marquis parks that are lucky enough to have private money coming in through conservancies. I would love to hear your thoughts on what we call the park equity gap and the role of the public budget in closing that gap.

DEAN FULEIHAN: Well, you know the Mayor has the same concern about the advantages of parks in the community and you know, we're delighted to work with you and make sure. We have a new Commissioner also concerned about this very thing and working on it. At an earlier question, there was the conversation about the delays in capital; the delays in spending. The department is undertaking a review. We were part of that review and actually it fits very nicely into the broader capital review we're doing and you know, we should

come back and talk about how to address those. But it is an immediate concern and hopefully together we can get to a positive conclusion.

COUNCIL MEMBER LEVINE: So is it fair to say that you do feel the public budget has a role to play in closing this equity gap?

DEAN FULEIHAN: Certainly.

COUNCIL MEMBER LEVINE: Okay, great. With my remaining time I want to switch gears and ask you about another issue that I've been working on. It relates to Housing Court, which is a profoundly uneven playing field where less than 10 percent of tenants have legal representation and more than 90 percent of landlords do. Effective this... we have 30,000 evictions a year in New York City. It's feeding the homeless crisis. 37 percent of entrance into our shelter system are coming off an eviction. It's feeding the loss of affordable housing, which is going to be eating away at gains we make; hard fought gains we make through the Mayor's wonderful housing plan because most evictions are occurring to people in rent stabilized units and we know that when rent stabilized units become vacant in this town,

landlords exploit loopholes to take the market rate, which means we lose that unit to affordability forever. So this crisis not only has a human cost in the families who are evicted and it is mostly families, by the way. Two-thirds have kids under 18 of those who are evicted. But it has a financial cost for the city in that we're paying more for homeless shelters. I don't have to tell you about the expenses there and we're paying more to build affordable housing. Your thoughts on the financial wisdom, if not the broader public policy benefits, of investing more in legal representation for tenants in Housing Court?

DEAN FULEIHAN: You know, once again, affordable housing, the plan we put forward we are working right now on homelessness initiatives including prevention and that should be... that's part of the conversation and we're happy to have that as part of the conversation with you.

COUNCIL MEMBER LEVINE: The Mayor's plan proposed is a consolidation of what are a few very, very small initiatives to provide tenants with attorneys in Housing Court through agencies like DFTA and DHS. These would be consolidated



2 under HRA. my understanding is that those together  
3 total about \$6.5 million and that there's a...

4 [crosstalk]

5 DEAN FULEIHAN: I believe that's  
6 correct, yes.

7 COUNCIL MEMBER LEVINE: Plan to bump it  
8 up. Am I accurate there; that it would be bumped  
9 to about \$7.5 under your current...

10 DEAN FULEIHAN: [interposing] Yes.

11 COUNCIL MEMBER LEVINE: Executive  
12 proposal? We take any movement in the right  
13 direction as something positive, but measured  
14 against a scale of the challenge here, there's  
15 almost 200,000 cases calendared in Housing Court a  
16 year; again, 90 percent don't have attorneys. It's  
17 a drop in the ocean relative to the need.

18 DEAN FULEIHAN: But once again, in  
19 addition to that, we are working with the Governor;  
20 with the state to see if we can come back and have  
21 a conversation about more expansive initiatives on  
22 prevention.

23 COUNCIL MEMBER LEVINE: Okay and  
24 related to Housing Court. In other words...

DEAN FULEIHAN: [interposing] Not specifically related to Housing Court, but clearly anything we're [chime] doing on prevention of homelessness will add to the very issues that you're discussing.

COUNCIL MEMBER LEVINE: That's great news. I mean this problem impacts much more than homelessness, so I would hope that we would directly go at achieving a more just Housing Court system.

DEAN FULEIHAN: Sure.

COUNCIL MEMBER LEVINE: Thank you.

DEAN FULEIHAN: Thank you.

CHAIRPERSON FERRERAS: Thank you, Council Member. We will now have Council Member Kallos, followed by Council Member Gibson.

COUNCIL MEMBER KALLOS: Just wanted to continue with brief questions and hopefully brief responses so that we can be as quick as possible and again, thank you for the quick response and I do look forward to working with you on these...

[crosstalk]

DEAN FULEIHAN: I was going to say I've been answering too long and I apologize.

2 COUNCIL MEMBER KALLOS: It's okay. I  
3 just introduced a bill last week on free and open  
4 source preferences. Whenever we are contracting  
5 and bidding on software projects, it's a license  
6 that would mean that we would have the freedom to  
7 modify our code and share it with others and we  
8 wouldn't be locked into specific vendors. Is it  
9 possible to make sure as many of our new software  
10 acquisitions follow this model?

11 DEAN FULEIHAN: We'll look at your IT  
12 bill. I'm...

13 COUNCIL MEMBER KALLOS: No problem.  
14 Another item of huge concern with my union  
15 throughout the city is the Marine Transfer Stations  
16 and solid waste management plans. The 91st Station  
17 the costs have nearly quintupled since the outset  
18 and then the citywide plan solid waste management  
19 has nearly quadrupled and we're now looking at a  
20 number much closer to a billion dollars than the  
21 couple of hundred million that initially started  
22 for. One of the questions we had asked is at what  
23 point do we stop and press the pause button, as you  
24 did with 9-1-1 and say hey, something's out of  
25 control here. Let's investigate the cost.

2 According to the IBO, the costs are going from \$90  
3 a ton with the current system up to \$238 a ton  
4 under the new system as would be proposed and  
5 that's in 2012 numbers.

6 [Pause]

7 DEAN FULEIHAN: Okay, I think we may  
8 have different numbers, so we should come back to  
9 you. The base and the project itself had actually  
10 changed, but you know, let me come back to you with  
11 the numbers.

12 COUNCIL MEMBER KALLOS: If there's any  
13 way that we can look at our contracting system so  
14 that when things change in scope that that's  
15 actually reflected versus just...

16 DEAN FULEIHAN: [interposing] Okay.

17 COUNCIL MEMBER KALLOS: Saying that  
18 it's the same project and the number keeps  
19 changing.

20 DEAN FULEIHAN: I'm not... once again,  
21 you know...

22 COUNCIL MEMBER KALLOS: [interposing]  
23 Yes.

24 DEAN FULEIHAN: We're looking at the  
25 whole capital piece and we want to do that with you

when you raise concerns and other members have raised concerns and you know I'm not arguing with you. We're asking the same questions.

COUNCIL MEMBER KALLOS: Perfect and last, but not least, we have a problem in this country. People don't have access to their dreams. We need a federal Dream Act, we need a state Dream Act, but failing that something that we propose as part of the City Council response was a CUNY merit-based scholarship regardless of citizenship status. That is something that sadly did not get included. Is it possible to include that so that every New York City resident, regardless of their citizenship status, can know that if they work really hard in high school and hard in college they can go to CUNY on a merit-based scholarship.

DEAN FULEIHAN: So you know the Mayor supports the Dream Act and supports you in this effort. You also know that we did something very unusual, really a significant investment in CUNY [chime] Community Colleges starting I believe at \$25 million growing... \$20 million, maybe growing to \$50 million with STEM education. So we have started a different relationship with CUNY and you

2 know, we're happy to have more conversations, but  
3 we have clearly made a big initiative in CUNY.

4 COUNCIL MEMBER KALLOS: Thank you very  
5 much. I would love to see funding for this  
6 project.

7 CHAIRPERSON FERRERAS: Thank you,  
8 Council Member Kallos. We will now hear from  
9 Council Member Gibson. We have been joined by  
10 Council Member Cumbo.

11 COUNCIL MEMBER GIBSON: Thank you,  
12 Madam Chair. Just a quick question I forgot to ask  
13 earlier. First, I want to thank the Mayor and you  
14 for the increased funding for the District  
15 Attorneys. I know that it was obviously a much  
16 conversation, but I'm really excited to see that  
17 our District Attorneys are getting new funds.  
18 Where I am concerned is that the money is being  
19 given to the District Attorneys with restrictions,  
20 so it doesn't apply to current units. It applies  
21 to new initiatives within the DA offices, as well  
22 as hiring new staff, so what I'd like to know is  
23 the collective bargaining conversations, would that  
24 involve the ADA staff or would they be separate? I  
25 won't say which DA, but one of the DAs testified

1 during my hearing and he used a term that's very  
2 familiar to many of us. He said, "You know, people  
3 say it's hard out here for a pimp, but I would say  
4 it's hard out here for an ADA because they are  
5 overworked, overburdened and underpaid," and so  
6 when we saw that OMB proposed additional funds, we  
7 were excited because we thought that meant that  
8 some of the ADAs would get an increase, but so my  
9 question is was there any thought behind this  
10 increased funding for the DAs that should've  
11 included you know, an increase for the ADAs or  
12 would they be a part of the collective bargaining  
13 conversations?  
14

15 COMMISSIONER LINN: All I can answer is  
16 that we're now in the process of discussing what is  
17 the relationship with OLR with the District  
18 Attorneys' offices for negotiations and I just  
19 ventured those discussions and they've just begun,  
20 so I can't answer beyond that in terms of the  
21 funding and I'm not sure whether Dean can or not.

22 COUNCIL MEMBER GIBSON: Okay and in  
23 addition, any new initiative like cybercrime units  
24 that I know the DAs are now looking to do to build  
25 upon what you know, the New York DA has done? What

types of relationships are you having; so most of the new initiatives that come through the DA's offices have to be approved in order for them to draw down on the funds, so are you having conversations with the DAs about their new initiatives and new units that they're looking to create? Is there a plan? Is there a guideline that you're looking at in terms of approval?

DEAN FULEIHAN: Well, this actually is responding to their needs and what we simply asked back was that they come forward with a plan and that plan we should obviously share and see how they're moving forward, but that's part of the process here, right?

COUNCIL MEMBER GIBSON: [interposing]  
Right.

DEAN FULEIHAN: That they come back to us with a detailed plan.

COUNCIL MEMBER GIBSON: Okay, okay,  
thank you.

CHAIRPERSON FERRERAS: Thank you,  
Council Member Gibson. I have a question. I wanted to follow up on capital. One of the challenges that we find with capital or with



2 timeline is that projects could stay in OMB during  
3 the process to proceed.

4 DEAN FULEIHAN: Mm-hm.

5 CHAIRPERSON FERRERAS: For an unlimited  
6 amount of time and as we saw you express or  
7 expedite the NYCHA camera program when needed,  
8 would you consider streamlining your process on  
9 your end that you can control... I mean you can  
10 control all of it, but that you're able to make  
11 swift changes, maybe even allowing for a timeline  
12 that says 30, 60 days and this has to be reviewed  
13 within OMB.

14 DEAN FULEIHAN: Yes.

15 CHAIRPERSON FERRERAS: Okay, I'm going  
16 to follow... okay, alright, you heard it. Thank  
17 you, Director. We will now have Council...

18 DEAN FULEIHAN: [interposing] So I'd  
19 better qualify it. I didn't...

20 CHAIRPERSON FERRERAS: [interposing]  
21 Oh! Oh! No, yes, that's it. Council Member  
22 Rosenthal!

23 DEAN FULEIHAN: No, no, it's still a  
24 yes. It's absolutely a yes. It's...

2 CHAIRPERSON FERRERAS: [interposing]  
3 Okay.

4 DEAN FULEIHAN: I'm not backing off on  
5 the yes. Yes, we will review and come back with a  
6 different way to approach this.

7 CHAIRPERSON FERRERAS: Okay.

8 DEAN FULEIHAN: And again on the  
9 cameras.

10 CHAIRPERSON FERRERAS: Well, our  
11 suggestion is in working with other possibilities  
12 and actually seeing how you've expedited some  
13 programs and not other projects, when you add a  
14 timeline it helps the system move more... it helps  
15 the system move more...

16 [crosstalk]

17 DEAN FULEIHAN: I...

18 [crosstalk]

19 CHAIRPERSON FERRERAS: Smoothly.

20 DEAN FULEIHAN: I wasn't disagreeing  
21 with anything you said.

22 CHAIRPERSON FERRERAS: Okay.

23 DEAN FULEIHAN: I just...

24 CHAIRPERSON FERRERAS: [interposing] So  
25 it was a yes?

DEAN FULEIHAN: It was a yes...

[crosstalk]

CHAIRPERSON FERRERAS: And then...

[crosstalk]

DEAN FULEIHAN: We will... we will address this issue. That's a promise.

CHAIRPERSON FERRERAS: Okay, very good. Council Member Rosenthal, followed by Council Member Greenfield. Reminder: you're on a three-minute clock for the second round.

CHAIRPERSON ROSENTHAL: Thank you very much. I just want to follow up on what we were talking about at the end, which is legal services for people who are in Housing Court. So as Council Member Levine mentioned, there are 200,000 case in Housing Court. 90 percent of those individuals don't have lawyers. You know, the city did put in, what was it, six and half million dollars; you upped it by a million; you've consolidate HRA. That's all good, but if 30 percent of the rent regulated tenants who are being evicted end up on our homeless services program; in our shelters, why would you not fund the \$7 million of... \$7 million of anti-eviction work that the Council put in last

2 year, so would not be continued next year, number  
3 one, and why wouldn't you double it up? I mean if  
4 the real issue is going after homelessness and  
5 you're doing such... you, meaning the Mayor's  
6 affordable housing plan, put such a laser focus on  
7 it, this stuff just feels like you know, spittin'  
8 money.

9 DEAN FULEIHAN: Except for the last  
10 phrase...

11 CHAIRPERSON ROSENTHAL: Yeah, sorry, I  
12 meant that... and it's an OMB technical term.

13 DEAN FULEIHAN: I've not heard it at  
14 OMB.

15 CHAIRPERSON ROSENTHAL: Oh, okay,  
16 sorry.

17 DEAN FULEIHAN: Look, we should work on  
18 this. I can't say it more times that we have not  
19 stopped with the state on homeless prevention  
20 programs and... and we...

21 CHAIRPERSON ROSENTHAL: [interposing]  
22 Okay.

23 DEAN FULEIHAN: And we're doing that on  
24 an ongoing basis and I'm happy to... we're happy to  
25 have a broader conversation about...

[crosstalk]

CHAIRPERSON ROSENTHAL: It just...

[crosstalk]

DEAN FULEIHAN: How to do that.

CHAIRPERSON ROSENTHAL: Yeah, it just strikes me it's one of the large questions. It's not one that I hammered in on with any of the other Commissioners. It just seems like such a broad you know, sort of economic and public policy perspective that one would want to take. I just want to move onto my second... my last issue was the Medicaid revenue opportunity at the Department of Education. So it strikes me that we leave a lot of money on the table every year. You know, we've been working on this for years. Every year you know, it's one of those numbers that can you know, float up and down for a variety of reasons. So at the beginning of the year, maybe with best intentions, we put in \$150 million. By the end of the year we're at reality; it's \$38 million. What I'm not seeing, and as I talk to folks at DOE, is steps moving... we seem to be at intractable hurdles; whether it be for transportation billing for Special Ed kids [chime] or speech therapy

services you know, with speech therapy providers within DOE or contracted out. It's been intractable for so long. It strikes me that the moment is ripe to get over some of these hurdles. It was something I brought up in Prelim.

DEAN FULEIHAN: Okay, we agree. We should be looking at this. We should come to a conclusion on this. We don't want to do what happened 10 years before or whatever in the early 2000s where they had over... they were simply submitting bills to the federal government and they ended up having to pay the federal government and we don't ever want to get in that position. They have been overestimating what... the prior budgets have overestimated what can come in in this category. We were much more cautious to make sure we can get at that. DOE is working to see... they are working with us and we're committed to do this before the beginning of the school year.

CHAIRPERSON ROSENTHAL: Those meetings?

DEAN FULEIHAN: Sure.

CHAIRPERSON ROSENTHAL: Thanks.

CHAIRPERSON FERRERAS: [interposing]

Thank you...

2 [crosstalk]

3 CHAIRPERSON ROSENTHAL: And...

4 [crosstalk]

5 CHAIRPERSON FERRERAS: Council Member.

6 Council Member Greenfield, followed by Council  
7 Member Treyger.

8 COUNCIL MEMBER GREENFIELD: Thank you.

9 I'm back, Director. I want to follow up on the  
10 last question that we were discussing, which has to  
11 do with the decline in revenues and so my  
12 understanding is from just looking at our little  
13 financial summary is that if we look at the surplus  
14 role adjustment, it's around \$1.2 billion net,  
15 which is effectively what we would refer to as  
16 reserves, so we are still... my point is being  
17 before that, we're still eating into the reserve  
18 pot and the reason I'm just flagging a cautionary  
19 note is 'cause I know that the administration  
20 wisely tends to do things in eight-year or 10-year  
21 plans and if we look at our plans, we're looking at  
22 '16, '17, '18 in terms of rather significant  
23 deficits, so it's really... it's just I guess it's  
24 a planning question that I'm asking is that are we  
25 concerned about the future and what do we do in

terms of saying hey, let's begin to put some more money aside rather than eat into that bucket of money?

DEAN FULEIHAN: So once again, and we started the hearing talking about this and I did it in my testimony and certainly Bob articulated it in talking about the labor contract. So I begin by arguing that this is the first accurate, honest financial plan that you've seen since 2009; that it actually has legitimate labor costs and a realistic labor reserve when the prior administration had not even recognized their own pattern. So this actually... part of the way we get to that kind of planning is actually to put down exactly what the expenditures are and what the liabilities are. So we're not arguing about planning. We put aside significantly more reserves and we stated what the outlook are and we're cautionary on our estimates for a reason, but will we have to address this? I stated in the beginning are there risks to this? Absolutely. Do we believe it's manageable working with you; working with the Council? Absolutely, we do, but that doesn't mean there aren't going to be some choices.



2 COUNCIL MEMBER GREENFIELD: Director,  
3 it wasn't meant as a criticism. It was simply...

4 [crosstalk]

5 DEAN FULEIHAN: I didn't take it as a  
6 take it as that. You gave me an opportunity...

7 [crosstalk]

8 COUNCIL MEMBER GREENFIELD: A point of  
9 clarification.

10 DEAN FULEIHAN: You actually gave me...

11 [crosstalk]

12 COUNCIL MEMBER GREENFIELD: Yes.

13 [crosstalk]

14 DEAN FULEIHAN: An opportunity to... if  
15 we're getting to the conclusion, which I would...

16 [crosstalk]

17 COUNCIL MEMBER GREENFIELD: Yes.

18 [crosstalk]

19 DEAN FULEIHAN: Think... we... we...

20 [crosstalk]

21 COUNCIL MEMBER GREENFIELD: We're on  
22 the conclusion on this. I'm going to move on.

23 DEAN FULEIHAN: Okay, you gave me...

24 [crosstalk]

COUNCIL MEMBER GREENFIELD: So my question...

[crosstalk]

DEAN FULEIHAN: An opportunity where I started, so.

COUNCIL MEMBER GREENFIELD: Yes, to hit back on your talking point, straight down the middle. That's what we do here. We're happy to help. My question specifically now refers to the capital budget. We have in the capital budget billions of dollars, of course, and in many cases we have hundreds of millions of dollars with very little detail in terms of where this capital money goes. As you understand from my earlier questioning you know, I am of the interest of even knowing where \$3 million in one agency like City Planning is going. Certainly I have an interest in knowing where hundreds of millions is going and when we talk about commitment to transparency and honestly, can we see more of line on specifically about where money is being spent as opposed to just simply having hundreds of million dollars in the capital when...

DEAN FULEIHAN: So I did answer this before. I'll [chime] do it again. You know once again, they are related items, but we are in a much bigger process that the Mayor has told every single agency that we are going to be working towards on the 10-year capital plan to try to make this a much more effective and efficient process and better understanding of how we're spending capital dollars. So we're happy to have a conversation about what other things we need or what other details or information we should be providing.

COUNCIL MEMBER GREENFIELD: So just a final question, Director. When can we expect that, the detailed plan with a breakdown of exactly where these nine figure sums are going?

DEAN FULEIHAN: If you have any particular one you're talking about, I'd be happy to try to answer that and what I've described is obviously a process to the 10-year capital plan. If there's information that you're looking for that we need to provide, I'm happy to try to provide that.

COUNCIL MEMBER GREENFIELD: We'll send you a note.

2 DEAN FULEIHAN: Thank you.

3 COUNCIL MEMBER GREENFIELD: Thank you,  
4 sir.

5 CHAIRPERSON FERRERAS: Thank you. We  
6 will now have Council Member Treyger, followed by  
7 Council Member Levine.

8 COUNCIL MEMBER TREYGER: Thank you,  
9 Chair and just a couple clarifications, Director.  
10 The reason why I had asked about the number of  
11 staff at OMB dedicated to Sandy is because I want  
12 to make sure that we have an adequate number of  
13 people following up on all this paperwork and I  
14 applaud those who have been working on this I'm  
15 sure diligently, just like we had to increase staff  
16 at Build it Back because...

17 [crosstalk]

18 DEAN FULEIHAN: Right.

19 [crosstalk]

20 COUNCIL MEMBER TREYGER: The last  
21 administration really didn't prioritize so much,  
22 but you know, just making sure that we have enough  
23 people processing the... I'm sure the luminous  
24 amounts of paperwork that's needed with FEMA and  
25 all the CDBG stuff, so that was why I asked that

question and I would love to work with you and make sure that we have all the adequate staffing to make sure we are following up on all this critical paperwork. The other point with that with regard to the consultants was that we had gotten a figure from the new housing director, Amy Peterson... the Housing Recovery Director, Amy Peterson, about for Build it Back. I think there was \$9.1 million or so as... that was at the March 31st hearing, but overall, there is business recovery; there's infrastructure. If there are any figures we've spent total to date...

DEAN FULEIHAN: Let me come back to you.

COUNCIL MEMBER TREYGER: I would appreciate that. As seen on the Sandy funding tracker, the bulk of the Build it Back contracts are for job order contracts. Has the city been paying contractors to have them on hand, even though until very recently construction had not yet begun on repairing homes?

[Pause]

DEAN FULEIHAN: We have not been; very limited if there has been.

COUNCIL MEMBER TREYGER: And you can  
get us figures on that...

[crosstalk]

DEAN FULEIHAN: Absolutely.

[crosstalk]

COUNCIL MEMBER TREYGER: That as well?

DEAN FULEIHAN: Sure.

COUNCIL MEMBER TREYGER: And there were  
some folks; some contractors who mentioned that  
they were hired... the last administration's Rapid  
Repair; they claim that they have never actually  
been paid for any of the repairs that were done by  
Rapid Repair, so there's disputes on that and I  
just need to know if any clarification on that.

[Pause]

DEAN FULEIHAN: So most of that  
apparently has been addressed and we'll give you  
figures on that. There are some validating certain  
invoices left and we'll try to do that as quickly  
as possible.

COUNCIL MEMBER TREYGER: Yeah and...

[crosstalk]

DEAN FULEIHAN: But most of it... the  
vast majority of it has occurred.

2 COUNCIL MEMBER TREYGER: [interposing]

3 Yeah.

4 DEAN FULEIHAN: But we can give you  
5 those figures as well.

6 COUNCIL MEMBER TREYGER: Yeah, we  
7 should follow up and also speak with Council Member  
8 Jumaane Williams, who's chair of the Housing and  
9 Buildings, who heard...

10 [crosstalk]

11 DEAN FULEIHAN: Right.

12 [crosstalk]

13 COUNCIL MEMBER TREYGER: From a number  
14 of folks who really mentioned that they have not  
15 been, but again, that's the last administration  
16 issues...

17 DEAN FULEIHAN: [interposing] Right.

18 COUNCIL MEMBER TREYGER: Carrying over  
19 into this year.

20 DEAN FULEIHAN: Right.

21 COUNCIL MEMBER TREYGER: Also, just  
22 case management makes up the second largest Build  
23 it Back contract category. These contracts have  
24 been a popular topic at our hearings. Is... and  
25 people have complained how terrible the case

2 management has been. Is the city able to review  
3 the contracts to try to retrieve some of the \$50.2  
4 million on the basis of these complaints or is the  
5 city partially responsible due to how the system  
6 was designed?

7 DEAN FULEIHAN: I'm going to come back  
8 to you. [chime]

9 COUNCIL MEMBER TREYGER: I appreciate  
10 it. Thank you.

11 CHAIRPERSON FERRERAS: Thank you,  
12 Council Member Treyger. We will have Council  
13 Member Levine, followed by Council Member Cumbo.

14 COUNCIL MEMBER LEVINE: Thank you,  
15 Madam Chair. Mr. Director, I just wanted to follow  
16 up on tenants in Housing Court once again and the  
17 importance of getting them legal representation and  
18 I was really pleased to hear you speak powerfully  
19 about the need to attack the homeless crisis and it  
20 seems clear to me that you see getting legal  
21 representation in Housing Court is one important  
22 tool, but the unequal playing field in Housing  
23 Court is also contributing to a hemorrhaging in our  
24 affordable housing stock in the city. I'm  
25 wondering what does the city spend on average for



2 each new unit of affordable housing built to  
3 preserve?

4 DEAN FULEIHAN: I apologize, but I'm  
5 going to have to get you that number.

6 COUNCIL MEMBER LEVINE: What's that?

7 DEAN FULEIHAN: I'm going to have to  
8 get you that number.

9 COUNCIL MEMBER LEVINE: Okay, no  
10 problem. I mean the Mayor's housing plan, which  
11 proposes 200,000 units with \$8 billion in public  
12 money, so let's call it \$40,000 per unit.

13 DEAN FULEIHAN: Right, but that's over  
14 time and I'm... I just want to get you the accurate  
15 number.

16 COUNCIL MEMBER LEVINE: For sure. I  
17 would welcome that information. We're spending  
18 about two to \$3,000 per case in Housing Court and  
19 those city programs were providing legal  
20 representation, so you wouldn't have to prevent too  
21 many evictions before you'd start saving the city a  
22 heck of a lot of money.

23 DEAN FULEIHAN: So once again, you know  
24 the Mayor is committed on homeless prevention and  
25 we are very active in trying to initiate new

2 programs that will have an impact, at least start  
3 turning around what's been happening and we're  
4 happy to work with you on those.

5 COUNCIL MEMBER LEVINE: And do you a  
6 link as well between evictions and the supply of  
7 affordable housing?

8 DEAN FULEIHAN: We certainly see a  
9 problem with evictions and with the homeless  
10 population that needs to be addressed and we're  
11 trying to get there in a thoughtful way that does  
12 not repeat some of the problems that have occurred  
13 with prior programs, which is part of the way we're  
14 actually... and we really do believe we need a  
15 partnership with the state on this.

16 COUNCIL MEMBER LEVINE: And I really  
17 appreciate that. I just want to emphasize that  
18 because over half of evictions are people who are  
19 in rent stabilized apartments. We're losing  
20 several thousand units of affordable housing each  
21 year...

22 DEAN FULEIHAN: [interposing] Yeah.

23 COUNCIL MEMBER LEVINE: Due to the  
24 evictions and we can talk about how you want to  
25 value that, but any reasonable valuation is going

2 to put the cost well above what little we could  
3 spend on attorneys to prevent this hemorrhaging of  
4 affordable...

5 [crosstalk]

6 DEAN FULEIHAN: Once again, we  
7 should....

8 [crosstalk]

9 COUNCIL MEMBER LEVINE: Yeah.

10 [crosstalk]

11 DEAN FULEIHAN: Continue this  
12 conversation.

13 COUNCIL MEMBER LEVINE: Okay, great.  
14 Thank you.

15 CHAIRPERSON FERRERAS: Thank you,  
16 Council Member. Council Member Cumbo?

17 COUNCIL MEMBER CUMBO: Thank you, Chair  
18 Ferreras. I thank you for this opportunity and  
19 thank you for your testimony. I have a few  
20 questions and I apologize if any of my colleagues  
21 have asked these questions. I want to talk about  
22 an issue that's been of great concern to many of  
23 the members, which is the closing I believe of 57  
24 senior centers and community centers throughout our  
25 NYCHA developments. I understand that eight of

those senior centers are actually in senior developments and so we're very concerned about the I believe \$17.1 million that needs to be preserved in the budget before June 30th before we have potentially 57 senior centers and community centers closed, compounded by the fact that when Public Safety testified we understand and we are feeling on the ground an extreme increase in violence and gun related crimes in our communities. So I wanted to mention that and to have you talk about that, but because we're on the clock, I want to also talk about the downsizing that's happening in our NYCHA developments as well as our Mitchell-Lama developments and so in my district in Tivoli Towers, but this is all over New York City, that many seniors; those with disabilities have been given notice that they are going to be forcibly downsized. Some have gotten medical excuses that were not accepted and I want to understand the financial implications of what the downsizing is having on the budget and where we are with it and then finally, my last question talks about capital dollars and equality. I just wanted to know has there been any discussion this year in the

2 administration or future years... I know as a not-  
3 for-profit leader that the ability to secure  
4 capital dollars often follows your ability to raise  
5 private dollar and in many communities of color  
6 that don't have access to those private dollars,  
7 often go without the ability to grow, develop and  
8 flourish because they don't have that level of  
9 private support backing them. Has there been any  
10 discussion because I feel that if not, some  
11 communities on the capital side will continue to  
12 remain underserved and underdeveloped, while many  
13 communities that have the ability to raise  
14 substantial capital dollars through fundraisers,  
15 through private donors and those sorts of things  
16 and corporations, has there been any discussion  
17 about how to level the playing field as far as  
18 that?

19 DEAN FULEIHAN: Okay, so on NYCHA we  
20 have... you know that we have really together made  
21 serious commitment to NYCHA. The stopping the  
22 payment to the Police Department, \$52 million in  
23 this year, \$70 million in the upcoming fiscal year  
24 in the...

25 [crosstalk]

2 COUNCIL MEMBER CUMBO: Mm-hm.

3 DEAN FULEIHAN: Executive Budget is a  
4 serious change. The...

5 COUNCIL MEMBER CUMBO: [interposing]  
6 Very serious.

7 DEAN FULEIHAN: The attempt to dedicate  
8 and have benchmarks and guidelines for repairs  
9 [chime] at NYCHA. There have been some baselining  
10 of some of the centers. You're talking about the  
11 others that were not done that we thought were the  
12 most effective, but you know what? We're more than  
13 happy to continue this conversation. We're  
14 spending a lot of time on NYCHA. It's appropriate.  
15 You know, the Police Commissioner is as well and  
16 we're happy to... we need to continue that  
17 conversation and we're happy to continue this part  
18 of the conversation on the remaining centers.  
19 On...

20 COUNCIL MEMBER CUMBO: [interposing] I  
21 just want to say that I recognize that we're going  
22 to continue the conversation, but June the 30th is  
23 fast approaching.

24 DEAN FULEIHAN: Understood.  
25

COUNCIL MEMBER CUMBO: And already in the first week of June, that serious uptick in crime has happened and so as council members and leaders of our community, we're very concerned about what our formula or equation is going to be to stabilize our communities.

DEAN FULEIHAN: Sure.

COUNCIL MEMBER CUMBO: And we know that that does not begin with closing these very valuable centers because the first part of the equation is you need a place to go and if we don't at least have a place to go then we can't even think beyond that in terms of strategies to curtail the violence in our communities.

DEAN FULEIHAN: Okay and once again, we're looking at the entire NYCHA budget and see also where... how we can assist there and what other problems they have, so that's part of what we're doing right now. On the capital budget, once again, I keep saying this, but we're doing a complete review. We share those kind of objectives and now we need to figure out over the next several months how we can implement that.

COUNCIL MEMBER CUMBO: And just with the Mitchell-Lama, if you could just... the downsizing, if you could briefly comment on that.

DEAN FULEIHAN: I think I'm going to defer to our... the housing agencies to come back to you and actually give you a more thoughtful answer on Mitchell-Lama. I just don't feel I can articulate an answer that you warrant, so let me make sure that you're spoken to on that issue specifically.

COUNCIL MEMBER CUMBO: Thank you.

CHAIRPERSON FERRERAS: Thank you, Council Member Cumbo. Director, we've come to the end of this part and you don't get to go just yet, and then we will begin Contracts. I just wanted to say that you have committed to a lot. Although we are very excited and very eager to see a lot more details in some of the yes and very positive responses, there are a few... there's a large portion of your responses that we need while we negotiate the budget, so in Prelim, it took us some time to get the response. If we can get this within the next couple of days, which means that a lot of the people here will probably have to work



2 over the weekend, but I would really appreciate  
3 that.

4 DEAN FULEIHAN: Sure and we should make  
5 sure that we have a common list of what...

6 CHAIRPERSON FERRERAS: Yes.

7 [crosstalk]

8 DEAN FULEIHAN: What you want.

9 [crosstalk]

10 CHAIRPERSON FERRERAS: Yes, we will be  
11 putting that together for you today. We're going  
12 to take a two minute break. Sorry you're going to  
13 have to work over the weekend. We're taking a two  
14 minute break and we'll be...

15 [crosstalk]

16 DEAN FULEIHAN: Tell them... tell them  
17 sorry.

18 CHAIRPERSON FERRERAS: That's what I  
19 said. We'll be resuming with Contracts.

20 [Pause]

21 CHAIRPERSON FERRERAS: We will now  
22 resume the City Council's hearings on the Mayor's  
23 Executive Budget FY 2015 and perhaps Director  
24 Fuleihan would like to join us up front. The  
25 Finance Committee has now been joined by the

2 Committee on Contracts, chaired by my colleague,  
3 Council Member Helen Rosenthal. In this portion of  
4 the hearing, OMB Director Dean Fuleihan will be  
5 joined by the Mayor's Office of Contracts to answer  
6 questions about the city's procurement process. I  
7 will now turn the mic over to my co-chair, Council  
8 Member and Chair Rosenthal.

9 CHAIRPERSON ROSENTHAL: Thank you so  
10 much, Chair Ferreras. I really appreciate all the  
11 dedication and effort you have put into all these  
12 hearings. You definitely get Mom and Woman of the  
13 Year award in my book.

14 CHAIRPERSON FERRERAS: Thank you.

15 CHAIRPERSON ROSENTHAL: So Dean  
16 Fuleihan and Commissioner... Director, sorry.  
17 Camille, thank you so much for coming here today  
18 and coming together. I really appreciate that. I  
19 also want to thank the staff of the City Council,  
20 Shannon Manigault, Regina Ryan Poreda and Tim  
21 Matisov [phonetic] for their help in pulling all  
22 this together with our questions, which I think you  
23 received beforehand, so let's just start in if  
24 that's alright with you.

25 [Pause]

2 CHAIRPERSON ROSENTHAL: Wow, okay, do  
3 you want to make an opening statement? Neither?  
4 Just checking with Dean.

5 DEAN FULEIHAN: I think we should just  
6 move into your questions and if you would just walk  
7 through them, we'll do the best we can to answer  
8 them now and some in the future I think.

9 CHAIRPERSON ROSENTHAL: Terrific, look  
10 forward to that. So let's start with just the  
11 relationship between the two agencies. If you  
12 could walk us through with larger projects sort of  
13 you know situations where it's fairly standard or  
14 situations where there's serious review and how  
15 that goes back and forth. If we could just start  
16 with the basics, that'd be really great.

17 LISETTE CAMILO: Hello? So as you  
18 know, MOCS...

19 CHAIRPERSON ROSENTHAL: Sorry, you have  
20 to state your name.

21 LISETTE CAMILO: How could I forget  
22 that?

23 CHAIRPERSON ROSENTHAL: Yeah.

24 LISETTE CAMILO: Lisette Camilo,  
25 Director, Mayor's Office of Contract Services. So

both of our offices provide oversight over different parts of the procurement process. MOCS typically concentrates its review on the pre-award process; putting together solicitations or working with agencies to oversee their solicitations and part of that review is to make sure that there are enough funds available for projects to move forward. So both of our agencies work in parallel tracks to ensure that that happens. Post-contract award there are several... a couple of instances where our paths also engage in parallel reviews on change orders, for example. Both OMB and MOCS play a role in the oversight and approval of change in our contracts.

DEAN FULEIHAN: Right. I mean we are doing specifically on the contract review obviously OMB is involved in from... as we all are here into the... from the budget stage through that process, but specifically on the contract part we're involved really in the final review before... for most of the city they go to the... and that they're in compliance once again, with all the terms and conditions before they proceed to the City Comptroller.

CHAIRPERSON ROSENTHAL: So first, actually I was remiss in not doing this. I want to acknowledge and thank my colleagues who are here at the hearing today: Council Member Miller, Constantinides, Deutsch, Cumbo and Koo. Thank you very much for... and Miller and Miller was first actually. That's right. I gave him first billing. So in particular... and this is actually very handy. We all three are somewhat new in our jobs. One of the reports that my office reviews...

[crosstalk]

DEAN FULEIHAN: That's a necessary recognition. Thank you.

CHAIRPERSON ROSENTHAL: Which, you know, is great. We'll have a lot to work on going forward. We get these cost overrun reports that MOCS generates and comes to our office and goes to OMB. By the time that we get them, it's quite late in the process. I mean you guys... not to say you're not fulfilling all obligations; you are, right? You're following the letter of the law that the Council passed a year and a half ago, but by the time I see them, I'm often noticing that the cost overrun has happened; been somewhat explained,

sometimes well, sometimes not. In your review, what happens in your office when you get the cost overrun reports and do you get them... are your deputies seeing these overruns earlier and how are you addressing them and working with the agencies?

LISETTE CAMILO: We see the change orders. Any contract amendments or change orders that are issued to increase the dollar value of the contract award has to go through some level of review and that goes through our office, whether it be a change order or a contract amendment. So we... when we do overview those individual contract changes, we make sure that the reason for those changes are within the scope of the project and look for other types of legal compliance. For the Local Law 18 report, which is a required report under the law, we are required to provide that information to you at a point after registration within the quarter that it happened. So it is a retrospective report. We provide that to you. MOCS is not the central body to provide contract management oversight. So we do provide that information to agencies so that when... if something does make it onto the report that it's a

large enough change in the contract modification that they will then take it back and address it. There's not an extensive involvement beyond that from a MOCS perspective.

DEAN FULEIHAN: So once again, the primary focus that we do on contracts is really at the beginning of the process and at the end of that process and you're actually talking about things that happen in between, which is really at this point primarily focused at the agency. However, I would say, and I think I said to you at the Preliminary Budget, but as I'm learning more or as we're learning more... you actually do know a great deal about this process and that's been helpful. As we're reviewing... capital is a good place. As we're reviewing the capital projects you know, how we go through this, we should be talking about it. Are there other ways; are there other places we should be doing this? Is it simply a back and forth with an agency? Is it centralizing? And we're happy to look at all those questions 'cause I think basically where these questions lead is to how to improve a system and you know, we're happy to participate in that.

CHAIRPERSON ROSENTHAL: So you know, it's so interesting, Commissioner... or Director, sorry. You know, you, of course, worked for the Contracts Committee in the Council and now with this hat on, you know, and reviewing I guess it was Local Law 18 of 2012, do you think it's sufficient? Do you think that it's enough to help us all get a handle on things? Because when I hear... you know, it is disconcerting to hear we're reviewing it at the beginning; MOCS is sort of you know, making sure the letter of the rules are being fixed; are being followed, sorry, but then looking at it again, how are we... and you know, I don't think the Council does necessarily have a role in between. Is there a way, from your view, how the Council could play a role in the intervening years; how your offices could play more of a role and is there any legislation we could pass? Is there anything we could do as a Council to help get a handle on these things before something spirals out of control?

DEAN FULEIHAN: So once again, the whole administration has a responsibility here. The Council has a... we all share in a



responsibility; the agencies; the same way you called them in and asked them about their expense budget and their capital budget, they have a role in here as well. I think the answer that I would give you now is that actually before we start prescribing cure ways to deal with this, we should actually step back because there may be very different reasons for things happening. Some of them may be completely... you may turn around and you actually did say some of the analysis is... you look and say it was perfectly clear. So should we be putting another step in the process on those that are perfectly clear? Most of your colleagues have been actually not giving me a hard time, but pushing me and nudging me that the capital process, for example, takes too long and we should be getting rid of the hurdles, so before we add more, we should be thoughtful about what we're trying to address and I really think that that's going to take us... we need to step back and actually start to figure out okay, what are the different issues; what are not problems that we don't need to worry about; where are the problems and what's the best way to address them and I think that's a dialogue

2 that we're more than willing to have with and  
3 continue to have with you. And you know, once the  
4 adopted budget's there it does give us that kind of  
5 time to do it.

6 CHAIRPERSON ROSENTHAL: Promising us  
7 that.

8 DEAN FULEIHAN: But sometimes we mean  
9 it.

10 CHAIRPERSON ROSENTHAL: We mean it.

11 DEAN FULEIHAN: Right?

12 CHAIRPERSON ROSENTHAL: Lisette?

13 LISETTE CAMILO: Yes.

14 CHAIRPERSON ROSENTHAL: Do you... I  
15 mean do you feel you have the tools...

16 LISETTE CAMILO: [interposing] Well,  
17 I...

18 CHAIRPERSON ROSENTHAL: [interposing]  
19 That you need as an agency to catch these things?  
20 Has Local Law 18 been helpful in capturing cost  
21 overrun information?

22 LISETTE CAMILO: So I'll say two  
23 things. I think the focus of MOCS, if you look at  
24 the Executive Order that created the office and the  
25 charter that governs our office, our function is

1 primarily at the front end, so historically and  
2 currently, that's what the vast majority of the  
3 review is focusing on to make sure that there is  
4 sufficient competition; to ensure best prices; to  
5 ensure that the vendors that we do business with  
6 have the requisite business integrity and capacity  
7 to perform on the job. So you know, we might be  
8 checking boxes, but those boxes are really for the  
9 benefit of the city, right? So I just wanted to...  
10 to clarify, I just wanted to put that out there, so  
11 for the post-contract review, as my colleague here  
12 has said, we would be happy to have that  
13 discussion. We're not equipped, as you say, to  
14 undertake that because frankly, that's not what our  
15 governing documents have us do. That's not our  
16 primary function, but we will be certainly happy to  
17 work with OMB, all of the contracting agencies, the  
18 Council on how to provide more insight and help in  
19 that end.  
20

21 CHAIRPERSON ROSENTHAL: Well, with your  
22 experience, where do you think the responsibility  
23 lies?

24 LISETTE CAMILO: For contract  
25 management?

CHAIRPERSON ROSENTHAL: Yeah.

LISETTE CAMILO: Typically, the contracting agencies have the requisite expertise on the program side to be able to determine their needs and how to get them and so a lot of the contract management really is linked to that expertise. A contracting expert in construction will be able to say if something's being managed correctly, rather than an IT project, so we would need those folks that are equipped to make those judgments making that type of evaluation.

CHAIRPERSON ROSENTHAL: I guess I'm wondering then do you feel that you have the resources you need to train the ACOs in the other... are there agencies that you're seeing are doing better or worse with review? In your experience, have you in your time here had a situation where you've actually pulled a contract or... of course, 9-1-1 comes to mind and thank goodness for that, but are there other situations where you may have pulled or asked ACOs and other agencies to do that work?

LISETTE CAMILO: Just to be clear, an ACO doesn't manage the contract. The ACO helps the

contract come into place. The management happens in the program shop; in the programmatic area and our office doesn't routinely interact with that area. However, you know, there have been instances where the city has stopped work on a particular contract, but that could range from things that aren't necessarily having to do with management, but certainly in the history of the city we have stopped work on a contract for some other issue. Director and I've only...

[crosstalk]

CHAIRPERSON ROSENTHAL: And you're...  
yeah.

[crosstalk]

LISETTE CAMILO: Been there for four weeks so no.

CHAIRPERSON ROSENTHAL: Okay and with the deputy directors at OMB I mean I know that you guys are reviewing contracts when they are overruns and when agencies come and ask for more funding things. Do you feel there's sufficient resources at OMB to do that review? Is... you know, how is that going?

DEAN FULEIHAN: Yes. I mean yeah, we do have the... we have the resources. Once again, I think you're asking much broader questions that can't... that really can't be answered with a simple yes or no and that are going to require a different stepping back and saying okay, how do we improve this process? How do we at one point speed it up, which many of your colleagues are asking for, and the other time do we catch things; that you're simply saying is there some way to have a process that catches cost overruns that should not be happening, and that's a fair question and I'm quite sure agencies have very different answers to that and we should take a look and see what those are.

CHAIRPERSON ROSENTHAL: Say I am concerned even with the NYCHA security cameras; yes, speed it up, but... you know, but also we're not going to be throwing money at problems.

DEAN FULEIHAN: [interposing] Right, we are not throwing money on the NYCHA security cameras. We are very clear what those contracts do. We have done them in the past. These are very consistent and it was really no problem on our part

and I'm quite sure will not be a problem on the City Comptroller's part to speed these up.

CHAIRPERSON ROSENTHAL: But by the same token, it would be interesting to do an analysis, for example, of the luxury golf course at Ferry Point Park, where over time this increase from a \$53 million contract to 100 and... I forget if it's 150 or \$180 million contract and it increased for a variety of reasons, but it's a nice one if we could look at because you see the varying stakeholders and why they put so much money into it and it's worth looking at it to say at the end of the day is this money that we're happy we spent? Could we have achieved the same outcome of you know, cleaning up a landfill and having play space for the community for something less than \$180 million? I understand the council member wanted it in that district, but I think it would be a worthwhile exercise.

DEAN FULEIHAN: I agree.

CHAIRPERSON ROSENTHAL: Alright, I think my... thank you. My colleague, Council Member Deutsch has some questions. Oh and I want to recognize Council Member Levine.

COUNCIL MEMBER DEUTSCH: Thank you, Madam Chair. First of all, good afternoon. I worked for the City Council for 14 years. My predecessor allocated monies to cameras to the NYCHA housing, which is the Sheepshead/Nostrand housing, and at that time NYCHA was determined to use the funds for intercom systems and there was a whole controversial issue then. The constituents in that district, which was then the 48th Council District, they felt that having the cameras were you know, at the end of the day going to benefit their safety and at that time NYCHA said no, we want to put in intercom systems and with the guidance of the New York City Police Department Housing Bureau, they also recommended to have cameras. So when term limits came in and now that the NYCHA housing is in a different district, so now I'm finding out that the monies that were allocated, which was close to \$2 million, that most of it is being used for intercom systems opposed to cameras for that housing. Now, when something is the change... the use is changed of funding that was allocated for a certain project now, I mean how does that come upon with the contract that if the



1 use has changed without having some type of public  
2 hearing from the people of that housing development  
3 to say you know, we wanted cameras and this was  
4 with the predecessor, who's now term limited, and  
5 now NYCHA wants to use those monies for intercom  
6 systems? Now, according to police reports, there  
7 were no push-in robberies in that development.  
8 Most of the shootings were done outdoors.

10 DEAN FULEIHAN: So we should get the  
11 specific and actually come back to you with a  
12 specific answer. Let me give you the broad answer.  
13 I know that NYCHA... everyone of these they're  
14 doing are really... it's about security, so some of  
15 them are cameras; some of them are doors, security  
16 doors; some of them are electronic door entry and  
17 some of them are actually monitoring and that's  
18 been normally discussed as cameras. There are a  
19 significant number of cameras in the amount that we  
20 are talking about right now, the \$27 million that's  
21 being processed. They also do go through a fairly  
22 detailed process at NYCHA, but we'll get this from  
23 NYCHA directly for you, where they work with the  
24 tenants on what security needs they prioritize. So  
25 if that didn't happen in the case you're citing, we

2 will go back for you to NYCHA and I'll get you an  
3 answer why that didn't happen, so if you would just  
4 give me the information, I'll take it from there.  
5 I'm happy to do that, alright, and we should do  
6 that. Hopefully, we can come back and tell you  
7 that they actually did go through every single step  
8 and this is what the tenants requested and  
9 hopefully that will be the answer. I'm assuming  
10 that's the answer, but the only way to make that  
11 assurance is for you to actually give me the  
12 information and I'll get you an answer immediately.

13 COUNCIL MEMBER DEUTSCH: Okay, now for  
14 the record, that money was allocated back in 2009.  
15 It was about I think close to a little over  
16 \$500,000 and the following year or the year after  
17 it was allocated another... a little over a million  
18 dollars.

19 DEAN FULEIHAN: Okay.

20 COUNCIL MEMBER DEUTSCH: So this was  
21 going back from 2009 and only part of the project  
22 was done once... in 2013 only part of the cameras  
23 were installed.

24

25

2 DEAN FULEIHAN: Okay, understood. I  
3 will take that if you could just give us a little  
4 more identifying...

5 COUNCIL MEMBER DEUTSCH: [interposing]  
6 Sure.

7 DEAN FULEIHAN: Information and we'll  
8 take it from there.

9 COUNCIL MEMBER DEUTSCH: Great, thank  
10 you.

11 CHAIRPERSON FERRERAS: Thank you,  
12 Council Member Deutsch and I similarly have  
13 something that's equally as frustrating. Half a  
14 million dollars to DOT to replace lighting in my  
15 district over six years ago and every time I've  
16 asked for an update, it's in some procurement  
17 nightmare; nobody understands or I can't... I  
18 should say no, someone understands. It's just not  
19 explained and it's incredibly frustrating,  
20 especially when you have to tell your constituents  
21 that the lights are coming and the lights aren't  
22 coming. So it becomes a nightmare for us as we  
23 move forward on really trusting and funding things  
24 because you don't really know what to fund and  
25

what's going to happen before your term is over,  
first of all, or if it's ever going to happen.

DEAN FULEIHAN: So I agree. I've  
actually sat behind... you know, in my prior life,  
behind people with the very same concern. I  
understand the concern; we understand the concern.  
Give us the information. I know not all of this  
should be done on an individual basis and some of  
it should be done systematically, but we should  
certainly look at the individual.

CHAIRPERSON FERRERAS: Right, I think  
if you...

[crosstalk]

DEAN FULEIHAN: As an individual  
problem.

[crosstalk]

CHAIRPERSON FERRERAS: Look at the  
individual it might help...

DEAN FULEIHAN: [interposing] Correct.

CHAIRPERSON FERRERAS: The systemic...

[crosstalk]

DEAN FULEIHAN: That's...

[crosstalk]

2 CHAIRPERSON FERRERAS: Problem because  
3 you'll be able to identify...

4 [crosstalk]

5 DEAN FULEIHAN: Right.

6 [crosstalk]

7 CHAIRPERSON FERRERAS: In the different  
8 cases what the problems are.

9 DEAN FULEIHAN: So thank you.

10 CHAIRPERSON ROSENTHAL: Thank you,  
11 which exactly segues to our summer project, so I  
12 look forward to working with both of you. Thank  
13 you so much for coming in for this hearing and are  
14 we going to take a short break?

15 CHAIRPERSON FERRERAS: Yes.

16 CHAIRPERSON ROSENTHAL: It's up to you,  
17 but thank you again.

18 CHAIRPERSON FERRERAS: Thank you, both  
19 Directors and Director Fuleihan for your testimony  
20 today.

21 DEAN FULEIHAN: Thank you.

22 CHAIRPERSON FERRERAS: We are going...

23 [crosstalk]

24 CHAIRPERSON ROSENTHAL: Thank you.

25 [crosstalk]

2 CHAIRPERSON FERRERAS: To take a two-  
3 minute break to refresh our documents and we'll  
4 begin with the Department of Finance.

5 [Pause]

6 CHAIRPERSON FERRERAS: We will now  
7 resume the City Council's hearing on the Mayor's  
8 Executive Budget FY 2015. The Finance Committee  
9 will now hear from the new Department of Finance  
10 Commissioner, Jacques Jiha. The Department of  
11 Finance's FY 2015 expense budget of \$248.3 million,  
12 which reflects an increase of approximately \$13.9  
13 million when compared to FY 2014 adopted budget.  
14 New items in the DOF's budget include \$375,000 for  
15 six staff to perform administration support for the  
16 Booting program; \$266,000 for personal cost to  
17 support enforcement role of the Tobacco  
18 Legislation, which requires back office tracking of  
19 hearings, civil penalties and evidence; \$411,000  
20 for security services at the Manhattan Business  
21 Center at 66 John Street and \$490,000 for two new  
22 staff to implement the Banking Commission  
23 Legislation, which establish an advisory board to  
24 assess the banking needs of the city.

I look forward to hearing from the Commissioner regarding DOF's new needs and I am also looking forward to hearing any updates about the lien sale, since it's up for renewal this year; SCRIE, since the Council recently passed legislation to increase the eligibility threshold and rental property income and expense statements, in light of the legislation to move the due date for these statements from September 1st to June 1st. Commissioner, you may begin your testimony.

COMMISSIONER JIHA: Committee on Finance, I am Jacques Jiha, Commissioner of the Department of Finance. To my left, I have Deputy Commissioner Michael Hyman and to my right, we have Assistant Commissioner Samara Karasyk.

Thank you for the opportunity to testify before you today on our Fiscal Executive Budget. I have been at Finance for a little less than a month and I'm quickly immersing myself in all of the agency processes and programs. Finance is a great institution with great people. There are, however, areas that need improvement and I will use my private and public sector experience to make changes. My objective is to align the

agency's resources with the Mayor's vision to make the Department of Finance a fair, transparent, balanced, efficient and customer-friendly revenue collection agency. We will enforce the city tax and revenue laws in that manner with integrity. New Yorkers and those who do business in our city should be able to understand the decisions that we make. They should also have assistance available to them if they need it. When people walk away from an interaction with us, they should feel that they were treated fairly and with compassion.

There are a number of areas that we are focusing on to promote equity, efficiency and transparency. The first of these I will discuss is the city property tax system. Next, I will talk about the opportunity to make New York City more business-friendly for business tax conformity and uses of tax reform. I will talk about our efforts to update how we administer these taxes to reflect technological advances in economic reality; New York economic realities. I will also discuss two important enforcement tools; namely booting and the lien sale. Lastly, I will outline our plans to



expand the Senior Citizen Rate Increase Exemption program or SCRIE.

Before discussing these topics in detail, I would like to give you a brief overview of the Finance Budget. Our fiscal Year 2015 Budget is approximately \$248 million. Our head count is forecast to be 1,892 employees with the core function of collecting revenue for the city. We collect more than \$32 billion in revenue each year. Property taxes are the single largest source of tax revenues. We value over one million properties each year; we bill and collect taxes in excess of \$20 billion and we administer \$6.2 billion in property tax exemption in abatement programs. In addition, we administer the city business income in excise taxes, adjudicate and collect parking tickets and manage the city's Treasury. We also record property-related documents, enforce civil law for our Sheriff's office, provide citywide payment services and advise the administration on pension issues for the Mayor's Office of Pensions and Investments. Given Finance work mandate, it's important that we create improved systems that ensure equity, integrity and transparency.

Let's start with the property tax system. Our goal is to ensure that all city property owners are treated fairly under the law. Last week, we released the final assessment report for Fiscal Year 2015. I'm well aware that there could be inequities in the roll because they are embedded in the current laws that govern the City Department of Evaluations and Assessments. The current law requires some changes. I am pleased that the City Council shares this vision, as demonstrated by its recent call for the creation of a Property Tax Reform Commission. I embrace the opportunity to engage in a concerted effort to improve our complicated property tax system.

At Finance, we are doing our best to minimize these inequities. The Fiscal Year 2015 roll reflects recent improvements to our internal processes as we work toward greater fairness for property owners. For example, we have expanded the use of statistical modeling to standardize the methodologies used to value properties and provide more parity among similar properties. Our property assessors have been trained to review the statistical data and to use this data to enhance

the valuation process. We are enhancing our models so that we can make corrections and improvements among like properties early on before the roll is released. Another improvement is a new property tax administration system we are implementing, which is scheduled to go live in 2016. Our current property databases and IT infrastructure are outdated; yet, we rely on these systems to bill, process and collect taxes. This new system will provide state-of-the-art technology and will allow us to be more nimble in implementing law and policy changes.

The first property tax bill of Fiscal Year 2015 will be mailed next week. This bill represents the culmination of the assessment process used to determine city property taxes for the upcoming fiscal year. One item of note in the bill is the abatement for properties that have rebuilt or repaired since being damaged by Hurricane Sandy. The fact that an abatement is needed highlights some of the inefficiencies in the property tax laws; the laws do not permit us to provide relief otherwise. We thank you for your leadership as we work together to enact legislation

2 to provide much needed relief to property owners  
3 who were impacted by the storm.

4           The property tax is one of a number of  
5 taxes that we collect. We also bill and collect  
6 business income and excise taxes. While there have  
7 been some updates to New York City business income  
8 taxes laws, they remain outdated. Certain  
9 corporate tax provisions date back to the 1940s,  
10 utility tax law dates back to the 1930s and key  
11 provisions of the unincorporated business tax laws  
12 do not reflect the current business environment.  
13 We must reform these taxes to have a business-  
14 friendly city. The key component of business tax  
15 reform, however, is that it must remain revenue  
16 neutral.

17           The state has reformed its business tax  
18 laws by merging the state's general and banking  
19 corporate taxes. We must do the same. The lack of  
20 conformity between the city and the state will  
21 create compliance issues for businesses, as well as  
22 a burdensome administrative process for taxpayers.  
23 Along with business taxes, we must update our  
24 utility tax regime, which has not kept pace with  
25 regulatory and economic developments. With the

advent of telecommunication and energy deregulation in recent years, it is time for us to consider how to restructure the tax regime that affects these sectors.

Finance is consistently looking to use new technologies and processes to improve the way we do business and how we interact with the public. An example of this is our booting program that was launched in 2013. Booting is an enforcement tool to collect outstanding parking debt from vehicle owners who have more than \$350 in parking tickets that are in judgment. The self-release boot we use in this program enables us to enforce the parking laws in a more customer-friendly way instead of towing vehicles. This program has been very successful and we'll be looking into ways to improve and expand it.

Another successful enforcement tool we use is a lien sale. While 98 percent of property owners pay their property taxes in full and on time, a small number of owners do not pay their taxes on time. Two weeks ago, we completed our most recent lien sale. I would like to thank you and all of the City Council and Finance staff who

2 worked hard during the lien sale to provide  
3 outreach to properties at risk of being sold so  
4 that owners have the chance... have the choice of  
5 paying, entering into payment agreements or if  
6 qualified, applying for one of the exemptions that  
7 enable them to be removed from the sale. In this  
8 year's sale, we started with approximately 25,000  
9 properties at risk. Only 24 percent had liens  
10 sold. The rest paid their taxes or entered into a  
11 payment plan. The Local Law that governs the lien  
12 sale expires at the end of this year and I look  
13 forward to working with the City Council to  
14 strengthen and renew this law for the coming years.

15 As with the lien sale, we count on your  
16 support and outreach for another of our programs,  
17 the Senior Citizen Rent Increase Exemption program  
18 or SCRIE. We share your commitment to SCRIE and  
19 care deeply about this program. We are committed  
20 to providing SCRIE to every qualified household in  
21 New York City and have set a goal to significantly  
22 increase the number of SCRIE recipients over the  
23 next four years. We will use data analysis to  
24 identify the size of the eligible population and  
25 where they live. We are also planning a marketing

1 outreach campaign to target those qualified who are  
2 not already enrolled in the program and to clearly  
3 communicate SCRIE benefits to the senior community.  
4 Last month, Assistant Commissioner for Tax and  
5 Parking Program Operations, Sara Meyers, testified  
6 in front of the City Council about the recently  
7 enacted law that expands the SCRIE program by  
8 increasing the qualifying income threshold from  
9 \$29,000 to \$50,000. Assistant Commissioner Meyers  
10 spoke extensively about the improvement we have  
11 made to SCRIE since we took it over in 2009. This  
12 fall, we will present to you the specifics of our  
13 research and marketing plan.

15 Of course, our main focus for SCRIE at  
16 the moment is gearing up for the expansion of the  
17 program. Our approach is twofold: making sure  
18 that staffing and processes are in place to  
19 efficiently manage the increased volume of  
20 applications and reaching the population of  
21 households that qualifies for the program. In a  
22 few weeks, letters explaining the income increase  
23 will be sent to all applicants who were denied the  
24 benefit over the last several years because their  
25 income was too high. Included in the mailing will

2 be a SCRIE application. We have new materials  
3 repaired to address the increase to the income  
4 threshold, which we have shared with elected  
5 officials, senior centers, community groups and  
6 advocacy organizations. We look forward to working  
7 closely with the City Council as we expand SCRIE.  
8 Please contact our outreach team if you'd like to  
9 schedule events. The law goes into effect on July  
10 1st and the summer is a great time to hold events  
11 to educate seniors about the program and to help  
12 them file their applications.

13 I hope that my testimony today has  
14 given you some insight into my priorities. The New  
15 York City Department of Finance will be the most  
16 efficient revenue collection agency in the country  
17 and we are developing a plan to get there. I also  
18 cannot emphasize enough the importance of aligning  
19 increased efficiency with solid customer service,  
20 fairness and transparency. We'll be making changes  
21 to our Business Centers so that they are more  
22 clearly focused on customer service. We will also  
23 issue strict and transparent guidelines to  
24 communicate with taxpayers. Even if taxpayers do  
25 not agree with us, they should be clear on why we



2 do what we do and our responses should always be  
3 transparent. People should have positive  
4 interaction with us and walk away feeling satisfied  
5 that they were treated... they were heard, treated  
6 fairly and with respect.

7 Thank you for the opportunity to  
8 testify before you today. I look forward to us  
9 building a strong relationship and working together  
10 to reach our shared goals. At this time, I will  
11 happy to take any questions.

12 CHAIRPERSON FERRERAS: Thank you,  
13 Commissioner and again, we really appreciate your  
14 testimony. It's very much in lock and step with  
15 what this Council believes in and we have a  
16 history... this Council has a history of working  
17 with your committee to ensure that we do many of  
18 what you've highlighted, which is being fair,  
19 transparent, balanced, efficient and customer-  
20 friendly. I can't say that this agency's always  
21 been referred to with those... by those words, so  
22 I'm looking forward to possibly next year when  
23 we're engaging in this process for the next fiscal  
24 year, discussing how we've met all those goals. So  
25 I want to talk about focusing on within the

2 property tax, the real property income and expense.

3 Last year, working with the administration, the

4 Council passed legislation that moved the due date

5 from September 1st to June 1st income producing

6 properties to submit their Real Property Income and

7 Expense, RPIE, statements. This year represents

8 the first year for the new deadline, which was June

9 2nd, June 1st being Sunday. Can you tell us how

10 many properties filed on time and how does this

11 rate compare to prior years? And you know, I

12 understand that this is not supposed to be punitive

13 fines. Well, how do you project that this... how

14 will you implement and ensure; how strict will you

15 be for those businesses that were not able to

16 submit their RPIEs in time?

17 COMMISSIONER JIHA: So far this year,

18 we have about 60,000 more filers, which is a lot

19 better than what we did last year at the same time

20 last year, but again, as I said, as part of the

21 streak of being a fair, transparent and balanced,

22 we will extend... we understand that this is a new

23 policy on our end. Many folks they're used to the

24 other deadline, so they're not just not used to the

25 new deadline, so therefore we took that into

2 consideration as we administer over the next couple  
3 days who are we going to give some of them some  
4 extension to make sure that they comply with the  
5 law.

6 CHAIRPERSON FERRERAS: Do you have  
7 numbers as to how many submitted...

8 COMMISSIONER JIHA: [interposing] Right  
9 now, we have about 60,000 filers and that's about  
10 over more than five percent of last year.

11 DEPUTY COMMISSIONER HYMAN: Well, last  
12 year at this time we had... well, just comparing it  
13 to last year, the filing deadline was September. I  
14 believe it was about 55,000 had filed by the  
15 initial deadline, but as the Commissioner said,  
16 then we now have a grace period where we do notify  
17 people at the deadline you have an additional time  
18 period to file without any penalties, so we're  
19 going to be doing a lot of outreach to try to get  
20 people aware; giving them an earlier deadline.

21 CHAIRPERSON FERRERAS: What...

22 COMMISSIONER JIHA: But so far we're  
23 ahead of last year.

24 CHAIRPERSON FERRERAS: Okay well, I  
25 think that's just...

[crosstalk]

COMMISSIONER JIHA: Which is good.

[crosstalk]

CHAIRPERSON FERRERAS: A great step in the right direction...

[crosstalk]

COMMISSIONER JIHA: Mm-hm.

[crosstalk]

CHAIRPERSON FERRERAS: And definitely a step away from prior administrations' perspective in dealings with this role. Do you need to update your rules to reflect the June 1st date, rather than September 1st? 'Cause your rule still states September 1st.

COMMISSIONER JIHA: Well, we will check...

CHAIRPERSON FERRERAS: [interposing]  
Yes.

COMMISSIONER JIHA: On that. We'll check.

CHAIRPERSON FERRERAS: Thank you. So I want to move onto SCRIE. As you know, our legislation increased with a lot of the work this administration and the Council did in advocating on

2 a state level to increase from 29 to 59. We've  
3 discussed and we've heard the numbers vary and I  
4 really am very hopeful when you say that you're  
5 going to be changing the date announced that you're  
6 going to be using. I know in the past we've used  
7 BOE and we've used the Housing Vacancy Survey and  
8 we've been told that it doesn't work, so when you  
9 say that you're going to use something new, what is  
10 it?

11 COMMISSIONER JIHA: At this point in  
12 time, it's also frustrating for me because I'm  
13 trying to manage a program and I don't know the  
14 size of the eligible population, so we... it's a  
15 commitment on our part basically to make an  
16 investment to do the research needed to identify  
17 the size of the population and exactly what they'll  
18 need and as I indicated in my testimony, the next  
19 phase is to come up with a campaign; a marketing  
20 campaign basically to try to target these people so  
21 we know what they need to make sure they enroll in  
22 the new program.

23 CHAIRPERSON FERRERAS: So when you talk  
24 about your dataset, do you have an... besides the  
25 marketing campaign, which I think is vital and it's

2 something that we constantly call for. DFTA has  
3 heard us to no end, but when you're using the  
4 actual hard data, is there another approach other  
5 than BOE and...

6 COMMISSIONER JIHA: [interposing] We  
7 will be looking into a number of alternatives, so  
8 as I said, we're going to have to hire someone to  
9 basically do the data analysis that's required;  
10 look at different database in terms of data and  
11 population and income; data on age requirement;  
12 when data... we're going to have a number of  
13 databases and try to match them and...

14 [crosstalk]

15 CHAIRPERSON FERRERAS: Well, AARP seems  
16 to find everyone right when they turn 65.

17 COMMISSIONER JIHA: AARP is on our  
18 list.

19 CHAIRPERSON FERRERAS: So maybe we need  
20 to look at... bring 'em in.

21 COMMISSIONER JIHA: Yes.

22 CHAIRPERSON FERRERAS: 'Cause they find  
23 people really well.

24 COMMISSIONER JIHA: Yes, I was told  
25 Assistant Commissioner Samara took a shout to them

2 and to bring them in so we could just talk to them  
3 because I know they have the information. They got  
4 me at 50 years old.

5 CHAIRPERSON FERRERAS: Okay, we don't  
6 have to reinvent the wheel.

7 COMMISSIONER JIHA: Yes.

8 CHAIRPERSON FERRERAS: So I want to  
9 talk about the environmental control ECB  
10 outstanding debt and then I know you mentioned your  
11 business reform in your testimony. So we are aware  
12 that the city's owed hundreds of millions of  
13 dollars in outstanding ECB fines. When we spoke to  
14 OATH, they confirmed this. We don't really seem to  
15 understand exactly what is owed; where we are; what  
16 is owed to our city. And how would you consider  
17 regularly publishing a report or would you consider  
18 regularly publishing a report of outstanding ECB  
19 fines?

20 COMMISSIONER JIHA: I would look into  
21 it.

22 CHAIRPERSON FERRERAS: Yeah.

23 COMMISSIONER JIHA: We would look into  
24 it, you know.

25 CHAIRPERSON FERRERAS: Okay.

COMMISSIONER JIHA: Definitely look into it.

CHAIRPERSON FERRERAS: Do you know how much we are owed?

COMMISSIONER JIHA: I'm sorry?

CHAIRPERSON FERRERAS: Do you know how much we are owed?

COMMISSIONER JIHA: I don't know.

CHAIRPERSON FERRERAS: Can we work on making sure that we find out how much we are owed?

COMMISSIONER JIHA: Sure.

ASSISTANT COMMISSIONER KARASYK: We're working on those numbers for...

COMMISSIONER JIHA: [interposing] Yeah.

ASSISTANT COMMISSIONER KARASYK: For...

CHAIRPERSON FERRERAS: [interposing] Okay.

ASSISTANT COMMISSIONER KARASYK: The City Council.

CHAIRPERSON FERRERAS: Right.

COMMISSIONER JIHA: Yeah.

ASSISTANT COMMISSIONER KARASYK: But we don't have them yet, but we're working on them.

CHAIRPERSON FERRERAS: Okay.



2 COMMISSIONER JIHA: Pretty soon we're  
3 going to have them.

4 CHAIRPERSON FERRERAS: It's just you  
5 know, when we're negotiating on this budget and  
6 these there's outstanding dollars, as you know,  
7 Commissioner, knowing that there's dollars out  
8 there available...

9 COMMISSIONER JIHA: [interposing] Sure.

10 CHAIRPERSON FERRERAS: And in looking  
11 in the future years and in the out years and the  
12 amount of debt that our city is pushing out in the  
13 out years, if we're able to take into consideration  
14 effective collection of ECB fines would help us  
15 greatly.

16 COMMISSIONER JIHA: Okay.

17 CHAIRPERSON FERRERAS: What methods  
18 does the city currently use or your agency  
19 currently use to collect fines?

20 COMMISSIONER JIHA: We... basically we  
21 use internally and also we outsource a portion of  
22 it to contractors.

23 CHAIRPERSON FERRERAS: To contractors  
24 and what's the... how are we doing with what we pay  
25 the contractors versus what we collect?

COMMISSIONER JIHA: We're doing very well in terms of fines since I believe last year. Last year, we basically... we have a revenue of about like \$94 million and we had commissions of about eight and half million dollars.

CHAIRPERSON FERRERAS: Okay.

COMMISSIONER JIHA: So it's about like a blended weight of about nine percent.

CHAIRPERSON FERRERAS: So as the new Commissioner and new set of eyes, do you see improvements in our collections of what we... how we can... what we can do to improve?

COMMISSIONER JIHA: Yes, we will review, as I said. I've only been here for a month.

CHAIRPERSON FERRERAS: I know.

COMMISSIONER JIHA: So we'll review it. It's a big agency. We'll review all these different areas to see what we can bring in the house; what we can renegotiate, if needed, and the goal is basically to try to minimize the expense and maximize revenue as much as we can.

CHAIRPERSON FERRERAS: Well, in the past there was the Amnesty program. Would you

consider another opportunity for an Amnesty program?

COMMISSIONER JIHU: The Amnesty program could be very costly to the city because the one we had initially was... it wasn't open to everyone; it wasn't known to everybody. It was only... you only know about it if you decide to go to a hearing, but if you were to make it official and open it to everybody it would be very costly to the city.

CHAIRPERSON FERRERAS: So do you consider...

COMMISSIONER JIHU: I would have to do a serious analysis to see...

[crosstalk]

CHAIRPERSON FERRERAS: Right.

[crosstalk]

COMMISSIONER JIHU: What limit we're going to put on it and...

CHAIRPERSON FERRERAS: [interposing]  
Right. In your experience, is it more expensive to not to collect a debt or to give an amnesty and collect something?

COMMISSIONER JIHU: It's always better to collect something, but...

CHAIRPERSON FERRERAS: [interposing]

I'm sorry?

COMMISSIONER JIHU: it's always better to collect something, but the question is whether or not the people you are giving the initiative to would be the people who would be paying anyway.

CHAIRPERSON FERRERAS: Okay.

COMMISSIONER JIHU: Okay, so we have to do an analysis and see exactly you know, what kind of limitation we would put on it, but again, it's something that we would also put on a lien.

CHAIRPERSON FERRERAS: Okay well, we're going to be following up with on...

[crosstalk]

COMMISSIONER JIHU: Okay.

[crosstalk]

CHAIRPERSON FERRERAS: This Amnesty program and also on the report for publishing outstanding ECB fines, I'm hoping that you're able to get that number and I know that it's a big undertaking, but it's something that we probably should know as a city.

COMMISSIONER JIHU: Oh, definitely.

CHAIRPERSON FERRERAS: Right?

COMMISSIONER JIHU: I agree.

CHAIRPERSON FERRERAS: Do you know if you're going to have this before we... well, I'd like to have this before pass our budget, which would be June 30th.

COMMISSIONER JIHU: Mm-hm.

CHAIRPERSON FERRERAS: Before June 30th. We're passing the budget before June 30th as I'm... my...

COMMISSIONER JIHU: We'll try.

CHAIRPERSON FERRERAS: You will try.

COMMISSIONER JIHU: We'll try our best.

CHAIRPERSON FERRERAS: Oh, your very best.

COMMISSIONER JIHU: Our very best.

CHAIRPERSON FERRERAS: Okay, very good, so business reform: the Council is interested in working closely with you and I know that you mentioned this in your testimony. We've had conversations about this also, working closely with you on the reform project. Can you commit to a briefing for the Council on your project and what your vision is?

COMMISSIONER JIHU: Oh, of course.

CHAIRPERSON FERRERAS: Yes?

COMMISSIONER JIHU: Our goal is to work closely with the City Council to get you involved and it's a lot easier for us to sell it...

CHAIRPERSON FERRERAS: [interposing] So as you create...

[crosstalk]

COMMISSIONER JIHU: To involve you in the process.

CHAIRPERSON FERRERAS: Is there a task force that you've created for this and can a council staff be represented in your task force?

COMMISSIONER JIHU: We'll take that into consideration.

CHAIRPERSON FERRERAS: Okay, so I'm going to follow up with your...

[crosstalk]

COMMISSIONER JIHU: Sure.

[crosstalk]

CHAIRPERSON FERRERAS: Consideration. Considerate it over the weekend and I'll talk about on... [laughter] Very good. [off mic] Do you have questions? Okay, we're going to give it over to Council Member Deutsch.

COUNCIL MEMBER DEUTSCH: Thank you, Madam Chair. I represent the 48th Council District, which I have Sheepshead Bay, Manhattan Beach and Brighton Beach, where many homeowners were affected by Hurricane Sandy. You mentioned before and as well as... well, I know the City Council has approved the partial abatement for those affected by Hurricane Sandy, so how do you do the assessments and what type of outreach do you do to let people know; the homeowners affected of what type of a tax relief they will be getting?

COMMISSIONER JIHU: We send them a letter. We have a letter coming from the Mayor's end and myself basically to all the folks who live in the area who are getting the abatement. So there will be a letter. There will be some communication between us and the residents.

COUNCIL MEMBER DEUTSCH: So you're saying the homeowners will be receiving the letter.

COMMISSIONER JIHU: A letter.

COUNCIL MEMBER DEUTSCH: So my question is that if we need to do let's say a forum to advise people 'cause many homeowners they receive

2 letters; they might throw it in the garbage or they  
3 might not understand what that...

4 [crosstalk]

5 COMMISSIONER JIHU: It would also...

6 [crosstalk]

7 COUNCIL MEMBER DEUTSCH: Letter means.

8 [crosstalk]

9 COMMISSIONER JIHU: Be on the property  
10 tax bill.

11 COUNCIL MEMBER DEUTSCH: I'm sorry?

12 COMMISSIONER JIHU: It will also be on  
13 the property tax bill, on the bill itself.

14 COUNCIL MEMBER DEUTSCH: Okay.

15 COMMISSIONER JIHU: There will be a  
16 line basically stating that you know, you're  
17 getting this abatement.

18 COUNCIL MEMBER DEUTSCH: Okay, but we  
19 could also have something like a Finance...

20 [crosstalk]

21 COMMISSIONER JIHU: Which we will also  
22 share with you; give you some you know,  
23 information. We will more than happy to share that  
24 with you, literature that you could distribute to  
25



2 your members; to your folks you know, to your  
3 resident people you know, in your district.

4 COUNCIL MEMBER DEUTSCH: Okay, if we  
5 have a forum you would be able to have someone come  
6 down...

7 COMMISSIONER JIHU: [interposing] Sure.

8 COUNCIL MEMBER DEUTSCH: And explain to  
9 the people?

10 COMMISSIONER JIHU: Sure.

11 COUNCIL MEMBER DEUTSCH: Great. Thank  
12 you so much.

13 COMMISSIONER JIHU: No problem.

14 CHAIRPERSON FERRERAS: Thank you,  
15 Council Member Deutsch. So the Council still  
16 hasn't received the final lien sale numbers or the  
17 information on the final lien sale. Can you please  
18 share that with the committee?

19 COMMISSIONER JIHU: Yes, currently we  
20 have about 25,000 properties at risk and I believe  
21 we're at about 6,000.

22 CHAIRPERSON FERRERAS: If you could  
23 just get it to us in a way...

24 [crosstalk]

25 COMMISSIONER JIHU: We...

[crosstalk]

CHAIRPERSON FERRERAS: That we could...

[crosstalk]

COMMISSIONER JIHU: We will prove it.

[crosstalk]

CHAIRPERSON FERRERAS: Manipulate it...

[crosstalk]

COMMISSIONER JIHU: Yeah.

[crosstalk]

CHAIRPERSON FERRERAS: On an Excel

sheet...

COMMISSIONER JIHU: [interposing] Sure.

CHAIRPERSON FERRERAS: That would be...

COMMISSIONER JIHU: But we're still

processing some... you know, many of them on the

back end, so when we have the final numbers we'll

share them with you.

CHAIRPERSON FERRERAS: Great. So my

colleagues must really appreciate your work because

you've only been questioned by two members and

you're very lucky.

COMMISSIONER JIHU: Thank you.

CHAIRPERSON FERRERAS: So I thank you

very much for your openness and for your vision.

2 I'm looking forward to working closely with you and  
3 your team and my Finance team so that we can make  
4 sure that the city's running efficiently and so I  
5 appreciate your testimony today. We are going to  
6 take an unheard of 30 minute break for lunch.

7 COMMISSIONER JIHU: Thank you.

8 CHAIRPERSON FERRERAS: Yes.

9 COMMISSIONER JIHU: Thank you.

10 [gavel]

11 [Pause]

12 CHAIRPERSON FERRERAS: We will now  
13 resume the City Council's hearing on the Mayor's  
14 Executive Budget FY '15. The Finance Committee  
15 will now hear from the New York City Comptroller  
16 and for brevity and for time, I will forego an  
17 opening statement.

18 [Pause]

19 SCOTT STRINGER: Well, thank you,  
20 Chairperson Ferreras and I'm grateful to have the  
21 opportunity to come before you and before the City  
22 Council to address the Executive Budget. Joining  
23 me here today are my Deputy Comptroller for Budget,  
24 Tim Mulligan and our Director for City Legislative  
25 Affairs, Nivardo Lopez. I'm here to present the

Comptroller's analysis of the city's modified FY 15 Executive Budget.

First, I'd like to talk about the city's economy and specifically, job creation. New York's strong job recovery continues to be the best economic news for the city. Since the great recession, New York City's job creation has been much stronger than the nation's. Our city has more jobs than ever before, 5.5 percent more than its previous high in August 2008, but it's not all blue skies and sunshine. There are signs that the rate of New York City's job creation has leveled off and appears to be losing momentum. Another warning sign for our economy is the change in the composition of the jobs being created. We have seen both a decline in new jobs in high-wage industries and an increase in the share of jobs in low-wage industries. New York City added over 71,000 jobs in 2013, but they were disproportionately in low-wage industries like retail, trade, accommodations and food service, also in health care and social assistance. The proportion of new jobs added in low-wage industries rose from 51 percent in 2011 to nearly 70 percent

1 in 2013. At the same time, the proportion of high-  
2 wage jobs have declined by half. This is a trend  
3 that we need to reverse and that is why it's so  
4 important to continue growing our emerging tech  
5 economy because it holds the promise of higher wage  
6 jobs, especially for our children.

7  
8 And it's equally important to continue  
9 the discussion about how to raise the minimum wage.  
10 No one who works a full week should have to live in  
11 poverty or live precariously paycheck to paycheck,  
12 but that's the reality for too many New Yorkers.  
13 Many other cities have a higher minimum wage than  
14 New York City and several have enacted their own  
15 municipal minimum wages, helping millions of  
16 working families in the process. By raising the  
17 minimum wage, we can boost take-home pay for  
18 thousands of New Yorkers.

19 Another potential income boost would  
20 come if Albany finally passed and the Governor  
21 signed into law the New York Dream Act. While  
22 current law bars undocumented use from getting  
23 federal or state aid for college, the need for a  
24 college educated workforce in our city has never  
25 been greater. The US Department of Labor estimates

that 90 percent of the fastest growing jobs in today's economy will require some post-secondary education. These jobs would provide true, middle-class wages and we should embrace the entrepreneurial spirit of our young people, helping them get the aid they need for higher education.

Returning to the national economy for a moment, over the past 15 years we've seen a prolonged period of slow economic growth, which economists call "secular stagnation." Now, this slowdown raises a serious question; whether the growth potential of the US economy has fundamentally changed. As a result, our forecast recognizes that the growth rates achieved in the past may no longer be attainable. While my revenue projections are higher than the administration projects in 2015 and beyond, we must recognize that we still expect tax revenues to grow more slowly than they have to start with.

These are the factors that we consider as we monitor the city's budget and seek support for necessary initiatives, and I just want to briefly touch on some of those. In my office, my office in April released a report on Arts Education

in city schools and showed that many students in our poorest neighborhoods lack certified Arts teachers and cultural partnerships. A zip code should not determine whether a child can access an art, music, dance or theater class in school, but that's what is happening in the South Bronx and Central Brooklyn where you'll find 42 percent of the city schools with no certified Arts teachers, 47 percent of the schools without a certified teacher or partnership with an art or cultural organization and 34 percent with no dedicated art rooms. Now, I want to commend the Mayor for committing \$23 million for Arts Education in his Executive Budget, but I also want to commend you, Madam Chair and the City Council, who recognize that if we're really going to have an equal education, everybody has to have an opportunity for a robust Arts Education. So as I commend the Mayor, I also commend the New York City Council for providing money for this initiative. Now if this passes in the budget, we have to make sure that the way the programming works will truly benefit every child. I believe this funding must be used to ensure that every school student has an access to

arts instruction and I hope that we can work together to make sure that that comes to fruition.

Now, if you remember from our discussion in February, I said we wouldn't know the full picture of the city's budget until a labor agreement was struck and we had a pattern set for all of the expired contracts. The Mayor deserves credit for reaching an agreement with the United Federation of Teachers. This week UFT members ratified that agreement by an overwhelming majority. Let me just say up front, the administration has made the assumption that all of the contracts with the city's 152 municipal labor unions, including those in the covered agencies, like NYCHA and HHC, will follow the economic pattern of the UFT settlement. A budget analysis is predicated on a similar assumption. It places the gross cost of the pattern at \$19.6 billion. That includes wages and salaries for unions whose seven year contract extends beyond FY '18. We carried our analysis into FY '19. Additionally, we are including some pension costs to the final two years of the new pattern. Back in February, I said that we needed health care savings to make these



2 new contracts fiscally responsible. The agreement  
3 includes aggressive goals to health care savings,  
4 which are crucial in keeping the deal affordable.  
5 The administration has structured these targets as  
6 contractually enforceable and is confident that  
7 they will meet or exceed expectation. Now, with  
8 the health care savings and the money already put  
9 aside in the agreement, the actual impact of the  
10 labor agreement is \$7.3 billion through FY '21. I  
11 said, after the Preliminary Budget, that the  
12 contract resolution needed to be fair to the  
13 workers and affordable to the taxpayers. If the  
14 projected savings are achieved, it will meet that  
15 standard.

16 So the budget is balanced as mandated  
17 by the City Charter. The modified FY '15 Executive  
18 Budget contains no gaps in the current fiscal year  
19 or upcoming fiscal year. The gaps begin with \$206  
20 billion in FY '16, \$1.9 billion in FY '17 and \$3.1  
21 billion in FY '18. We got just other encouraging  
22 news this week. Just yesterday, the city's General  
23 Obligation Bond rating was affirmed by Moody's,  
24 Fitch and Standard and Poor's. Our restated  
25 revenues show a stronger tax revenue forecast based

on a more optimistic outlook for the city's economy.

Now, let's just take a look at our analysis of the modified FY '15 Executive Budget expenses. Our projections take into account additional costs of uniformed overtime, \$109 million above the amount in the FY 2015 Budget. We also expensed DOE's failure to collect their federal Medicaid target, which may cost \$40 million in FY '15. We expensed an additional \$10 million the state will charge New York City for administering its public assistance fair hearings, a change in the state budget and lastly, OMB assumed interest rate is higher than our estimates. \$70 million of realized Debt Service savings have not yet been reflected in the budget. In addition, we anticipate that the city will not need seasonal borrowing in FY '15, which will save an additional \$75 million. When we adjust to the expense risks and revenue offsets in the Comptroller's Budget Report, our gaps are smaller than those in the Financial Plan. So while FY 2016 remains a challenge, with a \$1.7 billion gap, the gaps drop to less than a billion dollars in Fiscal Years 2017

and 2018 and these numbers are historically manageable numbers.

As I mentioned earlier, the passage of the Dream Act and raising the minimum wage are important for the well-being of the city's workforce and its economic future. However, with only two weeks left in the current session in Albany, there are additional items that demand immediate action from lawmakers. I urge the city to claim its share of the \$8 billion federal Medicaid waiver. The state got the waiver, but the city has not been assured a specific share.

So in conclusion, I cannot stress enough that maintaining our fiscal strength depends on sound fiscal management, including achieving those health care saving targets. I believe our out of year gaps are manageable. The city must use the flexibility offered by the labor agreement in the short-term to build back a cushion in case the economy stalls or falls back into recession down the line, but we believe there is time for that. I have no doubt we're up to the task. I look forward to working with this City Council to help ensure the fiscal security of our city to make sure that

we fund the programs that we must to help everyone in our city, and I look forward to working with the Mayor as we move through the budget process in the next few weeks. So thank you very much and thank you for giving me this opportunity to talk with you.

CHAIRPERSON FERRERAS: Thank you and thank you for your testimony. You actually answered a lot of our questions, especially when related to the Debt Service and the borrowing of the \$75 million, which, if we're going in such a great trajectory, we also didn't understand why we were continuing to borrow, so...

SCOTT STRINGER: [interposing] We share your view. We think that \$75 million should be off the table. We've looked at it very closely because you want to make sure that we have that measure if needed, but we have money in the bank, we have good cash flow and we feel very confident, at least for this year.

CHAIRPERSON FERRERAS: Great. I wanted to circle back on the conversations that we've been having on the accounting rules and those that believe they we're going back to the battle days.

A pair of conservative analysts' writings in *The Wall Street Journal* have accused the city of going back to the battle days. They claim that with the UFT settlement, the city is borrowing from the future by delaying payments for services we are using today. Could you... could we do something like this within the Charter and the General Accepted Accounting Principles and are we doing so, as they state?

SCOTT STRINGER: So let me... let's just address the contract agreement, which we talked about today. Our vulnerability was previous budget estimates that suggested that there would be a one percent increase in the cost of our workforce and that budgets or possible contract agreements of one and a quarter followed by... or five zeros and a one and a quarter increase was somehow a standard that we had to achieve. That was total and complete fantasy, which did not give us the true picture of what our budget was going to look like. With the labor agreement in place, the UFT agreement and now a pattern established, this is the true picture of the economy. This is why the rating agencies protected our bond rating, because

now we're filling in what was this huge mystery as to what the uncertainty of our fiscal outlook would be about. We have looked at this. We believe very strongly that the labor contract is sound. We believe the pattern is responsible and where we had the issue with the GAAP accounting for some of the workers, the prospective retirees, we believe that they had to be accounted this year and we have done that accounting in the Comptroller's office. That was never something that we were going to sacrifice. We must adhere to those GAAP accounting. So here's where we're at: we now have a pattern for those 152 labor agreements, we've identified manageable out-year budget gaps and we have adhered to the strict accounting principles that make sure we never fall back into the 1970s and that is the presentation that we make today.

CHAIRPERSON FERRERAS: Thank you and I know that in your testimony we talked about the smaller budget gaps driven by a strong economy, which you stated in your testimony. Just for the record so we have your opinion clearly stated, can you elaborate, and I know that you did some of it in your testimony, but explain how your office

projects a stronger city economy through the years of the Financial Plan of the administration.

SCOTT STRINGER: Well, let me just temper that just by making something very clear; that we are optimistic. We've identified more revenue than the Mayor's budget projections, but we don't think we're over the top. We actually think we're in a middle ground position. So we identified in FY '16, for example, a \$1.7 billion gap and we make mention of... we make a note that says we have to continue to watch that that doesn't grow more. The gaps in the following years are totally manageable, so we seem to be coming out of the recession much better than the national economy. What I would say are some of our risks is that we have a lot of an increase in low wage jobs and that money does not put food on the table for so many families, so we have to be creative and thoughtful about how to grow and expand the economy. We can't be only Wall Street reliant. So part of what I would urge the Council to consider as you think long-term about the city's financial plan is to continue to invest in high-tech to make sure that our kids get training to be coders and

1  
2 programmers and start in entry level jobs that  
3 could pay 60 and \$70,000, real wage jobs. We don't  
4 think we should be a city to rely on you know, the  
5 fast food industry to create an economy for us. We  
6 have to take control of our own destiny and I think  
7 there's ways we can work together on that.

8 CHAIRPERSON FERRERAS: Thank you and  
9 we've been joined by Council Member Johnson. But  
10 also, in many ways, as we have this tech  
11 conversation, we find incredible disparities in  
12 communities of color and you know, there's this  
13 increase of communities of colors getting into  
14 those fast food jobs and not enough of the  
15 diversity and the tech jobs, so that's why this  
16 Council really believes in investing in both CUNY  
17 and the Department of Education to fulfill the  
18 exact recommendation that you're making.

19 SCOTT STRINGER: You know and those  
20 investments I would argue have a real economic  
21 benefit. I also think we have to have a more  
22 complicated discussion about broadband because  
23 let's face it, you know, we want very much for  
24 every child to have an iPad in the public school  
25 system and we know that that technology learning is



going to be part of a curriculum, but if we do not expand broadband and think about high-tech, that iPad's going to be a paperweight. It'll be worthless for our children, so there has to be a real discussion about how we get our kids from school forward and expand the high-tech economy, especially beyond Manhattan. We need to think about how we create shared office space and shared spaces. Kids are going to operate differently than those of us who like the corner office. They want to work collaboratively 'cause that's what the high-tech industry's all about. So there are issues that will bring disparity closer or eliminate disparity when there's a plan that talks about broadband, shared office space in communities of color that should have an opportunity for these well-paid jobs and remember, somebody who is a coder today and a programmer is the next entrepreneur with his or her special app. And one thing that I think shows the power of our children is we have surpassed Boston; we're rivaling Silicon Valley, but because we are the creative city; the diverse city, our city and our kids are being sought after to do the app development; the

creative development. We should nurture every kid because in New York we have a special brand.

CHAIRPERSON FERRERAS: Yes and in many ways we also have to talk about our capital investments and our infrastructure challenges. A lot of our... especially our older schools don't necessarily have the capacity to bring in the broadband or even the speeds that we need to be able to deliver on some of these programs, so I really appreciate your testimony. I'm going to pass it over to my colleague before... if any other member joins us, we'll follow up. Council Member Johnson.

COUNCIL MEMBER JOHNSON: Thank you, Chair Ferreras and Mr. Comptroller, it is good to see you. Thank you for your thoughtful and detailed testimony. As chair of the committee on Health in the Council, I was happy to see at the end of your testimony you mentioned the city claiming its fair share of the \$8 billion Medicaid waiver. We've seen the crisis with regard to hospitals in the city and how rapidly health care is changing federally, at the state level and how that affects a large municipality like New York

1 City. I wanted to see if you had any more specific  
2 thoughts on the Medicaid waiver. We know that the  
3 waiver needs to be divvied up across the entire  
4 state. HHC, which our city relies upon, taking  
5 care of the undocumented, the poor, the uninsured  
6 is facing a 1.4 billion deficit over the next four  
7 years. I wanted to see if you had any specific  
8 thoughts on the Medicaid waiver as it relates to  
9 New York City.  
10

11 SCOTT STRINGER: Look, I think... I  
12 mentioned it today because I think it's important  
13 that we step up our advocacy; that we get an  
14 identifiable fair share because as you pointed out,  
15 the issues related to structural deficits or  
16 deficits in HHC; the closing of our hospital  
17 system, what's happening in Brooklyn and Queens and  
18 you know we know what happened right here in  
19 Manhattan in the district that you represent. So I  
20 do think we have to demand and we have to be strong  
21 in our assertion that we do have special health  
22 needs in our city. We speak 170 different  
23 languages from 200 countries, so we have to get our  
24 folks into the kind of care that reduce costs, but  
25 also make sure that our children are protected no

1 matter where you come from, whether you're  
2 undocumented or whatever. So I look forward to  
3 working with you. I know in your short tenure in  
4 the Council, this is your first budget, but you've  
5 been long regarded as a health activist and we need  
6 that insight and we will help you punch the numbers  
7 to make the case as you go to Albany and beyond.

9 COUNCIL MEMBER JOHNSON: Thank you. I  
10 appreciate that because I think that the New York  
11 City Comptroller's office with previous  
12 Comptrollers and now as you as Comptroller, there's  
13 real respect that's garnered when the Comptroller  
14 says something about what the city deserves and  
15 needs and what the numbers actually are, so for us  
16 to actually be able to analyze out of that \$8  
17 billion what really is the real fair share number  
18 that should go to both HHC facilities in New York  
19 City, as well as other hospitals like Interfaith  
20 and other places that really need it, so I look  
21 forward to working with you on that. I had a  
22 question with regard to minimum wage. There has  
23 been talk in Albany about coming to some agreement  
24 to raise minimum wage to \$10.10 per hour at the  
25 statewide level, while giving municipalities the

flexibility to do a 30 percent increase on top of that, which could potentially bring it up in New York City to somewhere above \$13.00. Seattle just put in place a \$15.00 minimum wage. I wanted to hear your thoughts on what an increase to minimum wage would mean in New York City.

SCOTT STRINGER: Well, you know, I joined with the Mayor in my testimony in Albany and asked the legislature for permission for New York City to consider raising our minimum wage and the numbers that we brought to Albany back in January 'cause we made the point that with minimum wage in different cities one size does not fit all, so even within New York state, the cost of living is 80 percent higher in Buffalo... in New York City than Buffalo; 60 percent higher in New York City than Rochester; much higher, the cost of living in New York City, than Albany. So a minimum wage that is consistent throughout doesn't work for our city because the costs here are so much higher. So it makes sense to invest in raising the minimum wage because we'll keep more people in their homes, we'll put more food on the table for our children and quite frankly, if we invest in a higher minimum

wage, that's more income that's going into communities that are struggling financially and economically. So this is an issue that is critical. The other thing we outlined in our report is that we have a challenge because we are losing our highway jobs, which project... which give us more tax revenue. At the same time, we're growing more low-wage jobs, so we have to determine what that floor is in terms of what a low wage is where it becomes impractical to raise a family and to just pay rent to the city.

COUNCIL MEMBER JOHNSON: Is there a number that you've identified that we should be looking at for a minimum wage locally in New York City?

SCOTT STRINGER: You know, I think that the numbers that we've heard [chime] from the \$13.00 number where... how we get there I would leave the ability for you to negotiate that. Let's assume that we get that permission from Albany; I would certainly work with you, crunch the numbers, but again I believe from a fiscal perspective that raising the minimum wage is something that will have a multiplier effect in our struggling

2 communities and not to mention just the cost of  
3 living here. It's just impractical to rent an  
4 apartment here with a family if you have two wage  
5 earners you know, at \$8.00 an hour. I'll give this  
6 statistic that, you know, we did on our Housing  
7 Report. In the last 16 years or so we've lost  
8 400,000 apartments that used to rent for \$1,000 or  
9 less; 400,000. The Mayor's Housing Plan is a  
10 200,000 rehab new construction of affordable  
11 housing. We praise the Mayor's plan, right, but  
12 when you think about the way we're shedding  
13 affordable housing units, right, and we have a low  
14 minimum wage, it's impractical. How are people in  
15 the middle-class... I won't even get to the working  
16 poor. People can't function as middle-class New  
17 Yorkers and there's something wrong with that.

18 COUNCIL MEMBER JOHNSON: I want to say  
19 thank you and I want to thank the Chair for... I  
20 don't know if folks recognize this and I'm sure  
21 we'll talk about this later, but she has been here  
22 for something like 90 something hours through  
23 Executive Budget Committee hearings and we are at  
24 the very end and she has been deft and smart and  
25 substantive and has grilled people to get real

2 answers and I think it's shown her commitment not  
3 just to her own district and the Council as a  
4 whole, but to the City of New York. So thank you  
5 for your testimony today.

6 SCOTT STRINGER: Well, let me... if I  
7 just may say, Council Member Corey, my friend, I am  
8 not going to let you be the last word on the  
9 Julissa, so I just want to... [laughter]

10 COUNCIL MEMBER JOHNSON: [interposing]  
11 I somehow knew that would happen.

12 SCOTT STRINGER: And you know and one  
13 of the things I like about the hearings that you've  
14 held is that you've also been following up and  
15 making sure that we're... that our feet are held to  
16 the fire and I know when we submit testimony,  
17 you're going to come back with more questions  
18 because you want to find solutions to some of these  
19 issues and I just want to congratulate you. You've  
20 been an outstanding chair.

21 CHAIRPERSON FERRERAS: Thank you. I'm  
22 not used to this part of the hearing, but thank  
23 you. Thank you very much. I'm very humbled. I  
24 want to ask a quick question...

25 SCOTT STRINGER: [interposing] Sure.



CHAIRPERSON FERRERAS: About... this is going to go to DOE. Council members have expressed an interest in changing the capital guidelines to making exemptions for various items that are not currently capital eligible...

SCOTT STRINGER: [interposing] Right.

CHAIRPERSON FERRERAS: Such as tablets and the window air conditioners. Have you explored the possibility of amending our capital guidelines pertaining to these items or any others and also, now that you have the authority to audit charter schools, what are your plans?

SCOTT STRINGER: So let's... so speaking to the directive first, you've referring to Directive 10 and we are reviewing Directive 10 and I think a new Comptroller should put fresh eyes to some of the capital eligible issues that have been raised. I do want to caution that the shape of that directive is not only in my purview. We have to follow GAAP accounting principles, so we don't have... we can't be as expansive as perhaps we'd like. There's reasons for that, but we are taking a look and I would love to have input from members of the Council. You know, as borough

1 president, I dealt with a lot of capital you know,  
2 spending in my day and I know how complicated it  
3 is, but we're certainly going to have a review of  
4 Directive 10. In terms of auditing charter  
5 schools, we now have the authority from the state  
6 and therefore, the responsibility to do audits of  
7 charter schools as well as the other audits we do  
8 of city agencies and we will do them.

10 CHAIRPERSON FERRERAS: Very good and  
11 you know, with technology, as we've spoken, we went  
12 from desktop computers to laptops. There was a  
13 challenge about funding laptops. From laptops now  
14 we're already back... we're now at iPads and these  
15 are very important for the educational experience,  
16 especially for children with autism, which has  
17 already been proven, and a lot of our District 75  
18 students learn a lot easier and faster and it opens  
19 a new world for them also, so it's not just for the  
20 general population, but for our very special needs  
21 children this... and I know that we have to go by  
22 the GAAP and I understand that we have to do the  
23 right thing, but this is when common sense and  
24 government we have to kind of make it merge.

SCOTT STRINGER: Like I said, I think you're... listen, it's very compelling. The one thing I would certainly offer: I think we should have a discussion between our office and the interested council members and then in your capacity as chair, if you would like to set up that meeting...

[crosstalk]

CHAIRPERSON FERRERAS: Thank you.

[crosstalk]

SCOTT STRINGER: With one of our... in addition to having a Deputy Comptroller for Budget here, we have Michele Mark Levine, who's our Deputy Comptroller for Accountancy here. We certainly would be... and our First Deputy Comptroller, Alaina Gilligo... we certainly want to have a discussion, not just on those items mentioned, but we should talk about that as well.

CHAIRPERSON FERRERAS: And everything else. Thank you so much. Such a pleasure to have you...

SCOTT STRINGER: [interposing] Thank you.

2 CHAIRPERSON FERRERAS: Testify today  
3 and to have you as our Comptroller. I really  
4 appreciate it. If I don't see you before then,  
5 Happy Father's Day.

6 SCOTT STRINGER: Thank you very much.

7 COUNCIL MEMBER JOHNSON: And Nivardo's  
8 been doing a great job too.

9 CHAIRPERSON FERRERAS: Yes.

10 SCOTT STRINGER: That was the most  
11 important thing you could say today, Council  
12 Member. [laughter]

13 CHAIRPERSON FERRERAS: Thank you very  
14 much for your...

15 [crosstalk]

16 SCOTT STRINGER: You bet. Thank you  
17 very...

18 [crosstalk]

19 CHAIRPERSON FERRERAS: Testimony.

20 [crosstalk]

21 SCOTT STRINGER: Much. Thank you.

22 CHAIRPERSON FERRERAS: We're going to  
23 take a one minute break before we transition over  
24 to IBO.

25 [Pause, background voices]

[gavel]

[Pause]

CHAIRPERSON FERRERAS: We will now resume the City Council's hearings on the Mayor's Executive Budget FY 2015. The Finance Committee will now hear from the Executive Director of the Independent Budget Office, Ronnie Lowenstein. You may begin.

RONNIE LOWENSTEIN: Thank you very much. I am joined here by George Sweeting, who is IBO's Deputy Director. Given the lateness of the hour and the 90 hours of previous testimony, to say nothing of all the people who are waiting to testify, I will spare you my reading of our testimony and just hit a few highlights.

But we're forecasting... based upon on our forecast of revenues and spending under the Mayor's Executive Budget proposal, we're anticipating that this year will end with a surplus of \$1.8 billion, which is just slightly above what the administration expects. But unlike the administration, we're expecting next year to also end with a surplus. The administration's expecting balance and we're expecting a surplus of \$830

million for next year. By the third year of the financial plan, we are forecasting gaps. We're expecting a gap of \$1.6 billion for 2016, followed by even smaller shortfalls than that in '17 and '18. All of those gap estimates are lower than what the administration expects and they're also, interestingly enough, low by historical standards. We took a look at the last 20 years of gaps throughout the Giuliani and Bloomberg Administrations and measuring the gaps as a share of city generated revenues; the city's taxes, fines, fees, the 2016 gap is just 2.9 percent of city generated revenues. If you look at the average gap over the last 20 years at the comparable point in time, the third year of the Financial Plan in each case, the comparable gap was 7.4 percent. So we're expecting 2.9 percent for 2016 as a share of city generated revenues. If the comparable historical figure is 7.4 percent, we're less than half of the historical average and I think that says something and I could say the same thing for each year out, which is the reason we're anticipating these gaps, not just relatively modest, but also manageable.

Now, the reason we're expecting a surplus this year and next year... a surplus for next year and smaller shortfalls for '16 and beyond, is we're expecting more growth in tax revenues, of course. We're expecting 800 more in tax revenues next year and \$1.1 billion more in 2016. Based upon the Council Finance numbers that were released earlier today, it appears that your tax revenue forecast lies between IBO's forecast and that of OMB. The difference between IBO and OMB grows each year and ultimately reaches \$2.3 billion in 2018.

The last major point I want to make here is that these tax forecasts are not based on a particularly optimistic outlook for the local economy. In fact, we're expecting local employment growth to slow over the next few years. Back in '11 and '12, the city gained 87,000 jobs a year. It gained 83,000 jobs in 2013. We're anticipating the city will add 76,000 jobs in '14 and 64,000 in '15, so we're expecting local employment growth to damp down over the next few years. The sectors adding the lion's share of the new jobs; education and health care, professional and business

services, leisure and hospitality, trade, three out of four of them pay well under the average wage for the city as a whole. So the lion's share of new jobs being added are in less lucrative industries and in contrast, when we look at the forecast for Wall Street, we're barely expecting any growth in Wall Street jobs at all. That's a combination of greater regulatory pressures; the need to hold more capital, but you put that together, we're only anticipating that for the whole plan period only two percent of employment growth and 15 percent of wage growth is going to be attributable to securities, which is just a fraction of what we saw in the last upturn.

Finally, a Wall Street saying on Wall Street I think is probably the biggest risk to our forecast. I mean we're anticipating that the city will continue to add significant numbers of jobs; not as many as over the last few years, but still, solid job growth without being led by Wall Street. For decades Wall Street has been the engine of our local economy. The big risk is that without Wall Street we won't be able to continue this sort of economic and revenue growth.



So that's the really quick version.  
I'd be happy to answer any questions you might have.

CHAIRPERSON FERRERAS: Thank you very much for your testimony. So I wanted to... we've been... we've asked this of OMB; we've asked it of the Comptroller. There was an article that came out in *The Wall Street Journal*, which referred to the negotiations of the UFT settlement as the battle days. Could we do something like this within the Charter and the Generally Accepted Accounting Principles, meaning the claim that the UFT settlement; the city is borrowing from the future by delaying payments for services we are using today. They seem to be referring to the fixed payments beginning in 2015, 2017 through 2020.

RONNIE LOWENSTEIN: Well, the city has already made changes in how they were accounting for those labor contracts in accordance to the recommendations of the Comptroller. It's the Comptroller; it's the city's outside auditors who are going to arbiters of whether the city is in fact balanced undergap, which is, of course, the...

you know, the standard that we do meet. The city was also left with an extraordinary difficult problem in that if you just went by *The Wall Street Journal*, there would have been no way to give wage increases for any of the period prior to this year. Left with that, they've crafted something that, according to the Comptroller and the auditors, will, in fact, meet the gap accounting requirements. I think the other thing to say is you know, if you look hard enough, lots of different things look like borrowing, so there was an excellent article 'bout the same time in the *New York Times* by Josh Barro, who talked about a whole continuum of things and asked well, is this kosher; is that kosher? And pointed out that in the extreme, if you do a labor contract, it's three years going forward and you give them two years... he said on two years of two percent and then followed by one year of three percent, in a sense that's borrowing as well. So I don't think any of us would say that. It's not... there's not a right or wrong here and it's a much more subtle question and we rely upon the auditors and the Comptroller

to make that call. [off mic] Do you want to add something?

GEORGE SWEETING: Just one other point on that. I mean in terms of the bad old days of the 1970s, I think it's important to look at... although we are dealing with some future costs, they are disclosed. I mean they are... they have been put into the Financial Plan, at least for the first four years, and although it took a little while to get the information out, it's gradually become clear what those costs will be out there in the future. You can measure them against the anticipated revenues. Contrast that to the 1970s when you didn't have, for example, four-year financial planning; you didn't have requirements for you know, clearly stating your revenues and the assumptions behind it. It's quite different. I mean there are things to be concerned about in terms of how long this contract is, but it's a long way from the 1970s.

CHAIRPERSON FERRERAS: So just like to my... what you're... I want to understand what you're saying is that it's very difficult to go to the battle days if the environment is completely

different and we've set up mechanisms so that we don't repeat that situation.

RONNIE LOWENSTEIN: Yes, we totally agree, there have been times the city has not complied with GAAP. The one that I remember most recently was right after the September 11th attacks the city was authorized by the state to do long-term borrowing for operating expenses. I don't think there was anybody who thought that that was inappropriate. In the end of the day, the city didn't do all of the borrowing that it was authorized to do, but yeah so, it's not the be all and end all and I agree totally with George, it's not the bad old days.

CHAIRPERSON FERRERAS: Now, no one is forecasting a bad economy. Oftentimes, we have a bad downturn even when no one else forecasts it. How can our city best prepare... in these times where we see there's more stability, how can we best prepare for the potential of anything happening in the future?

RONNIE LOWENSTEIN: Well, I think the pattern that was set under the Bloomberg Administration and the City Council of putting

1  
2 aside revenues by creating the Retiree Health  
3 Benefit Trust Fund; by increasing the General  
4 Reserve; by debt defeasances actually paying...  
5 putting money aside to pay down debt that you know  
6 will come due in a few years when things might not  
7 be so good all served the city very well when times  
8 got harder and so you should look to that very  
9 recent pattern to think about what we might do to  
10 protect us the next time out.

11 CHAIRPERSON FERRERAS: Well, I thank  
12 you very much for your testimony. This, as was  
13 said before, we're approaching 90 plus hours of  
14 hearings and we have the public very eager to  
15 testify, so I'm actually glad to hear from your  
16 perspective just before the public comes to testify  
17 and were able to hear your testimony. So I  
18 appreciate you taking the time coming to testify  
19 and hopefully we'll get this budget out and passed  
20 very smoothly. Thank you.

21 RONNIE LOWENSTEIN: Thank you.

22 CHAIRPERSON FERRERAS: We are going to  
23 take a three minute break before we begin the  
24 public portion of our hearing.

25 [Pause]

SERGEANT-AT-ARMS: Good afternoon, ladies and gentlemen. If you are here to speak during the public portion of today's hearing, please make sure you filled out a speaker's card; a white speaker's card up front with the Sergeant-at-Arms; folks wearing jackets like myself. Thank you very much and once the hearing begins, please make sure your cell phones are set to vibrate or off and please take any conversations outside. Thank you.

[Pause]

CHAIRPERSON FERRERAS: First we're going to be beginning the public session, the public part of our Finance hearings. I want to thank the public for coming out and welcome to your house. You should come here often and not only during the budget, but please log onto our website and see when other hearings are happening. Your voice is an integral part of this process and as Finance Chair, I urge you to have every opportunity where I can listen to it and hear it.

We will now begin the public session of the Council's FY 2015 Executive Budget hearings. As a reminder, all members of the public who wish to testify please be sure to fill out a witness

slip. Please include the full name of your affiliated organization and the subject area in which you wish to testify. For the people who are in attendance, but cannot stay for the public session, you may submit your testimony to the Sergeant-at-Arms, who will make sure that your testimony is part of the official record or after the hearing you could email your testimony to the Finance Division and the staff will make it a part of the official record. The email address is [financetestimony@council.nyc.gov](mailto:financetestimony@council.nyc.gov). You have three business days from this hearing to submit your testimony in order for it to be included in the official record. I want to take this opportunity; I know that I acknowledged them this morning, but to thank my Finance team. They've been amazing and supportive and we've been able to come to almost the end of these hearing sessions unscathed, [laughter] so I am excited and eager to hear from the public. We are going to begin. My Finance counsel, Tanisha Edwards will read out your names. My last name is Ferreras, so you can only imagine what it's like when your last name is misspelled or

2 mispronounced, so please bear with us. We will try  
3 our very best. Gracias.

4 COMMITTEE COUNSEL: Ralph Palladino;  
5 Eileen Muller and Rose Lovaglio and Janice Darden.

6 [Pause]

7 CHAIRPERSON FERRERAS: And just so that  
8 everyone has an opportunity to testify, we will be  
9 on a two minute clock.

10 [Pause]

11 ROSE LOVAGLIO-MILLER: Okay, I'll make  
12 sure I do this right, sorry. Good afternoon,  
13 Councilwoman Julissa Ferreras. Alright, thank you,  
14 and all members of the Committee of Finance, Public  
15 Housing and all other members of the City Council.  
16 I would like to thank you for this opportunity  
17 today to speak in front of you. My name is Rose  
18 Lovaglio-Miller. I'm the Vice President of  
19 Negotiations and Research for Social Service  
20 Employees Union Local 371. We represent over  
21 18,000 social service workers in every Mayoral  
22 agency, including NYCHA and the Health and  
23 Hospitals Corporation, as well as various other  
24 agencies.



I appear before this Council to discuss the proposed closing of the remaining community and senior centers that are NYCHA operated. As this Council is very much aware, we were here last year at this time fighting to save 106 NYCHA operated centers, 69 of which were community centers and 37 senior centers. These centers employed approximately 378 of our members. Unfortunately, 45 of the 69 community centers and four of the senior centers were closed; however, we were successful in saving our members' jobs.

Now we are here again because of the remaining 24 community centers and 33 senior centers that are at risk of closing as of June 30th. This means here are approximately 100 of our members at risk of losing their jobs. In the testimony of Chairwoman Shola Olatoye of NYCHA, she spoke about residents being safe in their homes and working with NYPD and other city and state agencies to deal with safety and security issues. However, there was no mention of the social component of NYCHA. We submit to you that the safety of the residents and increasing crime in the housing developments... [chime] decreasing crime in the

housing development is very important, although their quality of life needs to be a priority as well. What I would like to say in regard to that is when you look at NYCHA, you always hear them talking about tickets that need to be serviced; there's a lot of repairs that need to be done, but they never speak of the quality of life of their residents. When you talk about closing community centers, then you're talking about our youth, our children, who may not have any place to go after school you know and unfortunately, what that tends to do is then they tend to be in the streets in the summertime if they don't have a community center to go to or somewhere where parents can feel their children are and they are safe to be at. The...

[crosstalk]

CHAIRPERSON FERRERAS: Thank you. if you can just wrap up your testimony.

ROSE LOVAGLIO-MILLER: Oh.

CHAIRPERSON FERRERAS: We've actually allowed you an additional minute and just for...

ROSE LOVAGLIO-MILLER: [interposing]

Oh, it was two minutes?

CHAIRPERSON FERRERAS: We're going  
to...

[crosstalk]

ROSE LOVAGLIO-MILLER: Yeah, I can,  
yeah.

[crosstalk]

CHAIRPERSON FERRERAS: We're going to  
have to move that to the side I see.

ROSE LOVAGLIO-MILLER: Okay, I'm sorry.

CHAIRPERSON FERRERAS: So if you can  
wrap it up...

ROSE LOVAGLIO-MILLER: [interposing]  
Okay.

CHAIRPERSON FERRERAS: We're going to  
add the clock to be three minutes for testimony so  
that everybody can be more concise.

ROSE LOVAGLIO-MILLER: Okay, I'm so  
sorry.

CHAIRPERSON FERRERAS: Thank you.

ROSE LOVAGLIO-MILLER: Alright, so you  
have the written testimony, so let me basically say  
we feel that saving the community and senior  
centers and the New York City Housing Authority  
with direct services is very important. I mean to

2 give the money to DYCD or DFTA, who contracts out  
3 the services, is not the same and we have a lot of  
4 NYCHA residents that also work for NYCHA.

5 CHAIRPERSON FERRERAS: Yes.

6 ROSE LOVAGLIO-MILLER: So that would be  
7 contradictory to everyone involved.

8 CHAIRPERSON FERRERAS: Thank you. you  
9 may begin your testimony.

10 EILEEN MULLER: Good afternoon. My  
11 name is Eileen Muller and I'm President of the  
12 Brooklyn Library Guild, Local 142. On behalf of  
13 Locals 482, 1930, 374 and 1321, I thank the City  
14 Council Speaker, the Committee on Finance Chair and  
15 the members for holding this hearing today.

16 The union members of the Brooklyn  
17 Public Library, the New York Public Library and the  
18 Queens Borough Public Library want to thank Mayor  
19 de Blasio for providing a responsible budget for  
20 the libraries, a budget that does not force the  
21 library system to waste valuable resources fighting  
22 for our very survival. This proposed budget is a  
23 positive first step towards ensuring New York  
24 City's library staff can provide the services our  
25 patrons deserve.

We say that this is the first step because our public libraries need more funding. We are severely short-staffed, causing considerable stress on the employees and the public alike throughout the three systems. Most of our branches do not have staff to provide necessary services. We have staff members who spend part of their day traveling from branch to branch to ensure that there is proper coverage of one location. We have staff that are performing multiple jobs. There are staffing levels that we cannot... at these staffing levels we cannot provide the six day service that the public needs and deserves.

And allow me to relate some examples from the frontlines. Short staffing is placing severe stress on the hardworking children's and young adult librarians at the Brooklyn Public Library Central Youth wing. This location is open from 9:00 a.m. to 9:00 p.m. four days a week with hundreds of young people and their caretakers coming in for school visits and regular programming on a daily basis. Providing such service is very difficult at the current levels of staffing and the situation is made even worse when staff members are

absent because of illness or of personal emergencies. It is not uncommon for four staff members to cover a full 12-hour of service. In addition to the burdens placed on staff, the situation often results in canceling programs and other inconveniences for the public. While at the New York Public Library has managed to continue a semi-balance of hiring, the staggering staff reductions continue.

In recent years, the NYPL has reduced its frontline workforce by 37 percent. The career section of the nypl.org may look robust, but a closer inspection, the jobs posted are not for full-time frontline branch staff, but for interns, tutors and hourly employees. NYPL continues to push new initiatives and expand services, forcing staff to work many multiple jobs. Staff are routinely canceling vacations and getting them denied altogether. Often, staff are instructed to open the sites with just two staff members, creating serious safety issues for themselves and the public, causing very, very low morale.

At Queens Borough Public Library South Hollis Branch is a prime example of the cost of

short staffing. Only three full-time employees and one part-time employee have staffed the branch for over three years. In addition to providing regular library services, they are inundated with unruly teens every afternoon after school. This branch has had a number of security issues, including a recent gun violence threat. The staff valiantly tries to maintain order and provide library service, [chime] but a branch of this size should not have... should have seven full-time service.

Earlier this week, the library systems came to the City Council and asked for \$65 million extra to provide the six day service that is needed to keep the libraries opened and we're very, very much in favor of this and we hope that you will grant them the money that they're asking for. Although we ask you...

[crosstalk]

CHAIRPERSON FERRERAS: Thank you. I really appreciate it. We got to get everyone else to testify here today, so I'm going to ask everyone to please when you hear the chime it doesn't mean that's when you get to wrap it up. It means...

[crosstalk]

EILEEN MULLER: So sorry.

[crosstalk]

CHAIRPERSON FERRERAS: That's when it ends.

EILEEN MULLER: Sorry.

CHAIRPERSON FERRERAS: We're going to move the clock.

[crosstalk]

EILEEN MULLER: Thank you.

CHAIRPERSON FERRERAS: Give me a second 'cause we have to be fair. That's why I let you guys go over a little bit 'cause you can't see the clock, which we had for our colleagues. Now we're going to move the clock over, so give me two minutes. Let's move the clock and then you may begin. Fair is fair, yes?

RALPH PALLADINO: Two minute warning.

[background voices]

CHAIRPERSON FERRERAS: Thank you very much, Sergeant-at-Arms. You may begin.

RALPH PALLADINO: Good. My name is Ralph Palladino, Clerical Administrative Employees, Local 1549 DC 37. I'm here today to say thank you to the City Council for having a strong budget



proposal and also it's good to come a hearing and not find a city proposed budget; city administration proposed budget that's so problematic, as we've had the last few years. I just want to thank the... I'm going to abridge and I'm going to just skip around. I'd like to thank the administration and the City Council for additional funding for the Agency for Children's Services and the adding of staff and including clerical staff realizing their importance and also to realize though that there currently are more... still more welfare experienced program workers, students and temporary workers performing clerical duties in that agency than there are civil servants who take a test and are trained for their jobs. We'd like to thank you for taking the position of lowering the contracts for low-wage worker; companies that employ low-wage workers. Nowhere is that truer than clerical areas, especially areas like Health and Hospitals Corporation, but even though you don't oversee that in that area, but other areas like interpreter services in the city. It's all contracted out and the amount of money that a person makes is probably about 10 to...

2 \$7.00 to \$10.00 an hour, where the contractor gets  
3 about \$15.00 or more an hour, which is not right,  
4 so we support the raising of the minimum wage, by  
5 the way. We'd like to also say that to stay on top  
6 of the 3-1-1 call center in terms of the King  
7 contract, which is a waste of \$50 million and we  
8 also want to thank the City Council for its support  
9 of the Health and Hospitals Corporation and  
10 additional money in the budget; however, more will  
11 have to be done. If you see the IBO studies on the  
12 fiscal problems of HHA along with the Medicaid  
13 waiver potential problems, HHC's going to need  
14 support. HHC is the key to making health care more  
15 accessible and especially in areas where the  
16 disparities of health care exist the most in this  
17 city.

18 Finally, I'd like to talk about the  
19 issue of civilianization in the NYPD, Corrections  
20 and Sanitation Department. Though Sanitation was  
21 not included in the budget, it is still a problem.  
22 200 positions in the Corrections Department would  
23 be excellent. 500 positions out of the 719 in the  
24 Police Department would allow more police officers  
25 to be out in the street and traffic enforcement

agents to be out in the street and school safety aids to be out in the street. It would save money for the city, up to \$35 million a year and importantly, it would create jobs in the City of New York for people who need to work and there's a PAA list out there they can call from. In my attachments you can see the job specs and also the fiscal note on that issue. And then civilianization can be [chime] my colleague.

Good afternoon, everyone. I thank you so much for having me here today. My name is Janice Darden. I'm the...

[crosstalk]

CHAIRPERSON FERRERAS: I'm sorry...

[crosstalk]

JANICE DARDEN: Chairperson...

[crosstalk]

CHAIRPERSON FERRERAS: Ma'am, can you just speak into the mic just...

[crosstalk]

JANICE DARDEN: Oh, I'm sorry.

CHAIRPERSON FERRERAS: Thank you.

That's fine.

JANICE DARDEN: My name is Janice Darden. I am the Chairperson of the Police Administrative Clerical Chapter. I'm a Senior Police Administrative Aide in the New York City Police Department and I work for roll call. I am responsible for scheduling and directing all assignments of police personnel on a daily basis.

The members of my chapter perform numerous duties such as crime analysis, timekeeping and taking reports in the 124 room; that's the complaint room, but a few... this is but a few of our assignments. Police officers are trained to serve and protect the public by doing what they do best and that's patrol and enforcement duties. Despite the three arbitration decisions ordering the Police Department to cease and desist, there are hundreds of full-duty, able-bodied uniformed officers of all ranks still performing clerical duties. Clerical employees should not have to compete with police officers to do the jobs for which they were trained. The fact of the matter is you don't need a gun to work on computers. Officers performing clerical duties should be redeployed back to enforcement duties, which would

make the city safer, while increasing patrol strength and reducing police overtime.

We call on the Mayor and the City of New York and the Police Department to follow the City Council's lead to do the right thing. Allocate money to hire civilians and assign full-duty, able-bodied police officers to the duties for which they were trained. Uniformed members belong in the streets and civilians belong in the seats. This would make public safety a good fiscal policy. Thank you very much.

CHAIRPERSON FERRERAS: Thank you very much [applause] for your testimony and we'll call the next panel. Okay, very... oh, good, you corrected yourselves real fast. That was awesome. So in the Council, for those of you that haven't been here before, we don't clap, just so we can move things quickly. This is how we clap here. So thank you. That was awesome. We're going to call up the next panel and thank you for your testimony again.

COMMITTEE COUNSEL: Judith Arroyo, Santos Crespo, Oren Root and Fitz Reid.

SANTOS CRESPO: Okay, thank you. I'm going to try to beat the clock here like the old TV game show. Actually what I want to do is just... hi, by the way, my name is Santos Crespo. I'm the president of Local 372 of District Council 37 and I want to thank the committee for giving us this opportunity to be able to present forth some of our concerns as it pertains to the budget.

I just want to basically highlight some of the areas in my testimony and I'm actually here with hand in hat to ask on behalf of those that don't have a voice here right now, and that's the children of the City of New York, for an additional \$6 million to help prevent them from the strong possibility of being addicted to the current wave of heroin that's flowing into the city, not to mention the prescription drugs and some of the other drugs that have become known and reported by *The New York Times* and some of the other journals and periodicals. When we first started back in 1971, we had approximately 1,400 SAPIS, Substance Abuse Prevention and Intervention Specialists in the Board of Ed... housed in every school. We're down to 252 right now and they're responsible not

just to service the 1.1 million school children in the City of New York, but they're also responsible to service their parents, their family members, their siblings, so if you take that number and multiply it three, there is no way that they're going to be able to adequately service anywhere near the children that they do have to service.

And Benjamin Franklin once taught us that an ounce of prevention is worth a pound of cure and that's basically what we are asking for 'cause \$6 million will only bring back 100 additional SAPIS and that's still only a drop in the bucket of what's actually needed in our school system. They do beyond just the substance abuse prevention and intervention. They do suicide prevention; they do booing [sic] prevention; they do cyberable [sic] intervention, right? They do gang-related situations. If, in fact, we are really concerned about the children of the City of New York, we need to make them the number one priority and one of the ways of making them the number priority is to make sure that that budget reflects their needs. It reflects their needs so that they can academically succeed. Children that get involved in these

1 areas, whether they start off in experimenting or  
2 in the end wind up becoming addicted, is a great  
3 loss to the City of New York. They do not do well  
4 academically so they're being set up for failure  
5 and in fact in the long run, if we take a look of  
6 the requests that we made, nearly have 20,000  
7 police officers, part of that is to probably arrest  
8 children [chime] that are addicted. Thank you. I  
9 made it.  
10

11               FITZ REID: Good afternoon, good  
12 afternoon. My name is Fitz Reid. I'm the  
13 President of Local 768, DC 37 and you'll probably  
14 ask why do I come here? Last time, the last  
15 periods in which we were here, we were under  
16 serious criticism. This time, we just want to come  
17 to express our appreciation to what Mayor de Blasio  
18 is doing and what the City Council is doing. We  
19 get the sense that people are working on behalf of  
20 the city and behalf of the children, not just for  
21 the one percent, so we want to come out here and to  
22 go out of our way to express the tremendous amount  
23 of appreciation we have. We know the problems are  
24 there. You have 152 contracts to settle and what  
25 we are suggesting is that Mayor de Blasio and the



Council has made a tremendous start. There are things that have not been addressed, but we know that with the spirit that we have we can work towards that. We just want to express also that we get the sense that the administration is trying to work with the public; is trying to work with the unions and because of that we believe that we can achieve much. There are a couple things that we would want you to put on the front burner, like the immunization clinics that are threatened to be closed; the pest control workers that were chopped badly that the rodents are taking over the city. We believe that the Council and the administration will work towards resolving that.

Let me just... I spoke with a representative of DC 37 and I just want to say I'm not speaking for the Council, but this is the sentiment I'm getting is that Mayor de Blasio Fiscal Year 2015 Budget begins to address the terrible neglect of the poor and working class New Yorkers that were neglected by former Mayor Bloomberg. Due to the policies overwhelmingly favoring the rich by that administration, almost half of the city's residents live at or below

poverty level. Mayor de Blasio has taken some positive steps in his budget to help ameliorate these problems. In education; Brother Santos operates in that area; the Mayor and the Council we believe will invest \$300 million to fund 53,000 seats in full daycare Universal Pre-K and we believe this is a tremendous step. In housing, the \$41 billion capital investment over 10 years to build or to preserve over 200,000 units of affordable housing, we believe this is the correct thing. Public safety: to have \$8.5 million for Summer Youth Employment Program.

So the point we are saying we want to express our appreciation and pledge that we prepared to work with the Council; to work with the administration to solve whatever problem we have. We just want to thank you. Thank you and God bless.

CHAIRPERSON FERRERAS: Thank you very much. Thank you for coming in below time. I appreciate it and every one of your points we agree with in the Council and we are advocating for here, so thank you.

FITZ REID: Thank you.

CHAIRPERSON FERRERAS: Let's call up the next panel. For those of you who need interpretations, there's Spanish, Chinese and Mandarin. I guess that should be said in Spanish, Chinese and Mandarin. [Speaking Spanish] Can't do Chinese or Mandarin. Perhaps when Margaret Chin joins us. Anyone else? No, no? Okay, next panel.

COMMITTEE COUNSEL: Gloria Cruz, Keyla Jimenez, Nina Daster and Solange de la Paz.

CHAIRPERSON FERRERAS: de la Paz.

COMMITTEE COUNSEL: de la Paz.

CHAIRPERSON FERRERAS: If you can just say, "here" if you're making your way across so we know not to call the next person.

[Pause]

CHAIRPERSON FERRERAS: You may begin your testimony.

[Pause]

CHAIRPERSON FERRERAS: Turn on your mic. Thank you.

NINA DASTUR: There we go. Good afternoon, Madam Chair. My name is Nina Dastur. I'm the Policy Director at Union Settlement Association. Thank you for the opportunity to

testify today on the Mayor's Executive Budget for Fiscal Year 2015. I am here today with two students from our after-school program at Isaac Newton Middle School to share our thoughts on the budget.

Since 1895, Union Settlement has provided education wellness and community building efforts in East Harlem and our written testimony expands on three issues central to our mission that I'll just identify briefly here today that are covered more fully in my written testimony. And those are Early Childhood Education, Adult Education and Universal free school lunch, which the students will talk about that we hope the Council will prioritize in its negotiations in adopting the final budget.

First, we are appreciative of the Mayor and Council's efforts to expand Pre-K programs throughout the city. As the 10th largest provider of Early childhood Education, we know what a difference these programs can make in the lives of our children and their families. We have two concerns about how the expansion has been crafted, however, that if not addressed will undermine its

effectiveness for low-income families and destabilize the Early Childhood Education system as a whole.

As you know, there is a wide disparity in salaries between Early Childhood teachers who work in community-based organizations and those within the Department of Education and that has only been widened as a result of the renegotiation of the UFT contract. While the Mayor has proposed to use some of the state funds allocated to UPK to increase the salaries for certified teachers of four-year olds, which is a positive first step, the city has not adjusted the salaries of other teachers or staff, who have not seen a raise in six years. As a result, there will be an additional layer of salary difference now within community-based organizations that will make teacher retention and recruitment in the two and three-year old classes even more difficult and render placement decisions more challenging and potentially prove divisive for our staff. I'll point out that 70 percent of our Early Childhood Education staff, all of whom are funded under city contracts, make less than \$15.00 an hour. We urge

the Council to work with the administration to invest in equalizing teacher salaries across CBOs and adjust the salaries of other staff accordingly, which we believe ACS has estimated to cost around \$38 million.

Also, the reality is that full-day UPK classes are really school day classes that only last six hours and 20 minutes. This would create substantial hardships for low-income parents, particularly the many working single mothers that our organization serves. The current ACS Early Learn Wrap Around model, which provides services from 8:00 to 6:00 p.m. recognizes the value of Early Childhood Education to support service for working parents and as a result, we believe that the Fiscal Year 2015 Budget should include funding to ensure that the UPK classes in non-profit centers offer this true full-day programming and are available during the summer months.

Second, we urge the Council to increase the city's investment in Adult Education with an enhancement of \$3 million, with \$2 million allocated to increase the number of classes and \$1 million to go to support capacity building. This

2 is a critical moment in the field of Adult Literacy  
3 Education in New York City. We all know that our  
4 economy is changing and having [chime] a skilled  
5 and educated workforce is increasingly critical to  
6 attracting employers who can offer good jobs to  
7 support the economic vitality of the city and a  
8 high school degree in post-secondary education...

9 CHAIRPERSON FERRERAS: [interposing]  
10 Thank you for your testimony. I'm sorry, you have  
11 to wrap up. We have an...

12 [crosstalk]

13 NINA DASTUR: Okay.

14 [crosstalk]

15 CHAIRPERSON FERRERAS: Entire audience,  
16 so...

17 [crosstalk]

18 NINA DASTUR: Right.

19 CHAIRPERSON FERRERAS: The next person.  
20 Thank you.

21 NINA DASTUR: Okay, sure.

22 GLORIA CRUZ: Thank you for the  
23 opportunity to testify today and my name is Gloria  
24 Cruz and I am a student at Isaac Newton Middle  
25 School. I'm representing the Bridges Afterschool

Program, run by the Union Settlement Association and I'm working on the Lunch 4 Learning campaign.

Universal free lunch should be adopted because it would eliminate hunger and students being left out and like they stand out from everyone else for eating school lunch. They think that if their friends won't eat it, they shouldn't eat it either. When students don't eat lunch, they feel tired and don't have enough energy and nutrition. I am in the Free Lunch program and sometimes I don't eat lunch because I don't want to be teased. I wait until I go home to eat dinner. When I don't eat lunch, I am hungry and my stomach is rumbling and I can't focus. Please consider funding Universal free school lunch because my mom can't afford to pay for my lunch and I don't want to feel different. Thank you very much.

CHAIRPERSON FERRERAS: Thank you. You may begin your testimony.

KEYLA JIMENEZ: Thank you to the members of the City Council, students, parents and community members for letting us testify today. My name is Keyla Jimenez and I'm part of the Union Settlement's Lunch 4 Learning campaign. This



campaign is entirely for our benefit. Not only will families not have to worry about paying for student lunches, but it will eliminate classism.

In January 2014, Union Settlement Association Afterschool program, Bridges, created a leadership program at Isaac Newton Middle School that I have been participating in. A bunch of students and I developed a survey of how students felt about school lunch. We received the results from more than 300 students. Only 20 percent of students reported always eating lunch, even though 98 of the students at our school qualify for free or reduced priced lunch. 42 percent of the students said that they wait until they get home at the end of the school day when they don't eat at school. 37 percent of students agree that students think that they will get teased if they eat lunch and the same number also agreed that they do get teased for eating it. I have a younger brother and sister and I truly want to make a difference so when they are in middle school my mom doesn't have to worry about paying for school lunch. I am asking the Mayor, Bill de Blasio and the City Council to please consider making Universal free

lunch a part of our city's budget. A child should never go hungry in school because of financial difficulties. Thank you.

LUCRETIA JOHN: Good morning. My name is Lucretia John and I'm here representing Solange de la Paz, who was too ill to come today, in order to present her testimony directly. Thank you, members of the City Council, for the opportunity to present regarding the budget; the 2015 Executive Budget.

My name is Solange de la Paz and I have been receiving part-time home care services through EISEP since last fall. I've been diagnosed with Chronic Obstructive Pulmonary Disease, COPD. My breathing capacity has declined over time and has become more labored. Approximately seven years ago, I had lung reduction surgery performed where the upper left lobe of my lung was removed. I'm currently oxygen-dependent 24/7 and I'm being considered for a lung transplant. I would like to be at the hearing today in person, but it is difficult for me to get around. I had two other appointments this week and the humidity makes it difficult to catch my breath.

I feel strongly that EISEP Home Care Services to seniors are an invaluable service for many. The additional assistance means that you are more likely to stay in your own house versus having no other option than to be placed in a nursing home. I want to remain in my home. I have lived in my apartment on the Upper East Side for 25 years. It's a good neighborhood. I have a small one-bedroom, but I have all the amenities that I need right here. Moving anywhere else would be devastating. Right now, I have a small, but reliable network that helps me live independently in my home. My best friend is nearby and a volunteer medical student has been helping me with a couple of projects. My home care worker is an invaluable member of my support network. If it wasn't for these services, I would be in trouble. What would I have done with dirty clothes and everything else? It would have been really bad.

Right now, I receive four hours of home care once a week to help with housecleaning, laundry, shopping and other errands. I am so thankful for the four hours I get, but I wish I had more hours. There is always little things to do.

My breathing is so labored that any chore, like preparing a simple meal has become very difficult.

My hope is that by increasing funding for EISEP, seniors like me would receive all the hours they need to live independently. Growing older is not always what you expect. I was always an active person. I had a career and raised two kids. I didn't think that at age 66 I would be like this. I don't think a lot of seniors realize that they can access high quality and affordable home care services, even with a lower income. I don't think they realize that the EISEP program exists or that with a little help sometimes you can be more independent. My hope is that the funding for EISEP is increased and that all seniors who need it will be able to access it now [chime] and in the future. Thank you.

CHAIRPERSON FERRERAS: Thank you.

COUNCIL MEMBER GIBSON: Madam Chair, if I may, I just want to thank the young people who... especially who have testified. Your courage and bravery and your articulation are commendable and you are certainly proud individuals of our

community and we thank you so much for your testimony today. You're brilliant.

CHAIRPERSON FERRERAS: Thank you and I just want to have the public also acknowledge many of our members have been here a long day. Many went back to their districts and came back just because of how important these part of the hearings are, so I just want to thank my colleagues also for joining in on this part of the hearings, which they may have done anyway. So I'd like to call up the next panel.

COMMITTEE COUNSEL: Mary Haviland, Michael Noble, John Brown and David Zelamsky.

[Pause]

CHAIRPERSON FERRERAS: If there are any seniors that are waiting for Access-A-Ride issues please raise your hand so that we can put you in a queue 'cause I know that many seniors have to come and be picked up by their Access-A-Ride and also any young people that need to get back home before dusk, if you can also raise your hand so that the staff knows to put you in the queue. Thank you.

[Pause]

MARY HAVILAND: Hi, my name is Mary Haviland. I am here to represent the Sexual Assault Initiative. I want to thank all of the members of the committee, particularly the Chairwoman of this committee and all the people sitting here late on Friday afternoon listening to us.

I'm here representing four groups actually; sexual assault groups. You may be aware that sexual assault is a serious public health and public safety issue in New York City. You only need to read the papers to understand how serious it is, but we do have some more accurate statistics from a landmarked 2011 survey by the Centers for Disease Control that found that nearly one in five women have been raped in their lifetimes, while one in 71 men have been raped in their lifetimes and 1.1 percent of women in the US have experienced a rape in the last 12 months. This would translate in New York City to nearly 50,000 rapes a year; however, the NYPD reports only about 1,200 rapes per year. There is a huge difference between the occurrence and the prevalence and the number of reported rapes.

These statistics reveal that there is an acute need for sexual assault programs in New York City. Over the last 30 years, survivors and those who assist them have spoken of the need for sensitive, expert interventions in sexual violence. Empathy, a resumption of control over their lives, expert health care, forensic evidence gathering and expert investigation and prosecution, ongoing counseling and support groups are all needed to heal from the trauma of sexual assault. The consequences of lifetime exposure to violence and abuse has identified more than 150 health-related symptoms associated to victimization. Research has estimated that each incident of rape costs around \$150,000.

The four groups that are part of the sexual assault initiative are the following: Kingsbridge Heights Community Center, which provides the only free long-term treatment program for sexually abused children in New York City; Mount Sinai SAVI, which is the only program to assist young victims of commercial sexual exploitation in Queens; the New York City Alliance against Sexual Assault, which is the only program

downstate that trains all emergency department and licensed medical personnel and finally, the Crime Victims Treatment Center at Mount Sinai St. Luke's Roosevelt Hospital, which is the only free treatment program for male victims of sexual assault.

With our City Council funding in Fiscal Year '13, our programs served 2,558 clients and provided over 10,000 individual counseling sessions. [chime] I'm sorry, I'm just finishing. We're requesting \$75,000 per organization for a total of \$300,000 in this year's budget. Thank you.

JOHN BROWN: Hello, my name is John Brown and I'm here... I represent anyone that's ever been abused by the Police Department and haven't been able to identify who the officer was.

In 2011, my son, John Brown, Jr., who was a New York City Police Department Explorer... this is him on stage with Ray Kelly, the Commissioner of Police. This is how my son came home after going out one night, April... I'm a little bit nervous... April 2011. He came back with numerous injuries. His face was scraped on



the ground and he was drug. I went to the CCRB, like I was supposed to. The CCRB took my son's complaint, waited 14 months; 14 months before they called my son in to look at pictures of police officers. When my son went in to look at the pictures of the police officers, none of the pictures looked like the officers because that's what's going on and that's what I've been trying to do for two and a half years was to get this out, is that there are police officers in this city that are patrolling and we don't know what they look like. We do not have accurate pictures of how the officers look in the street right now. They show pictures that are outdated. All the pictures are outdated and when I asked the CCRB investigator how long these pictures been taken, they don't know. "Who took the pictures?" "The Police Department provides the pictures to us." That's all they could tell me. Finally, after going through this for two years, I find out that there is a policy of taking pictures, but no one exactly knows when that is. But my question is this: when it comes to public safety, how can you have people on the street with guns and badges and you don't know what

1 they look like? How can... how can the city... my  
2 son he wanted to be a police officer and now he  
3 does not want to do that because he was brutalized  
4 on the street. The Internal Affairs, I called them  
5 like over 40 times. Do you know that they never  
6 investigated what happened to my son? Do you know  
7 what their answer was when I said to them... they  
8 sent me to the Integrity Control officer at the  
9 23rd Precinct back to the same precinct where my  
10 son was brutalized at; they turned it over to them.  
11 Do you know that this man closed my son's case...  
12 Lieutenant Morris closed my son's case without ever  
13 speaking to me or my son. We had to dig it up. We  
14 had to find out what happened. We called and  
15 called and called and finally, he said, "Oh, your  
16 case has been closed. Lieutenant Morris closed the  
17 case." I'd never spoken to Lieutenant Morris. The  
18 one time I did speak with this man, do you know  
19 what he said to me? "How do I know what happened?  
20 How can I tell you what happened?" I said, "You're  
21 supposed to investigate." He says, "I have no way  
22 of knowing what happened." He got promoted under  
23 the Bloomberg Administration. [chime] He is  
24 promoted now.

CHAIRPERSON FERRERAS: Thank you, Mr. Brown, for your testimony. We just... I just wanted to let you know that our Public Safety Chair has been following up and your case was brought up the CCRB and they are aware, so we are going to be doing follow-up on your case. You may begin your... yeah, thank you. You may begin your testimony.

MICHAEL NOBLE: Yes, thank you, committee members. My name is Michael Noble. I live in the Elliott Houses in Chelsea and I'd like to tell you a bit about the security cameras in my building.

Those particular cameras made it possible for me to identify two criminals who took part in a home invasion at my apartment last December. Had it not been for the video footage that was captured that day, I would never have gotten to the point where I am today where I can identify my attacker. It's taken me this long because the mug shots that I initially looked at didn't contain this fellow that I identified ultimately in May. So I got to that point where I was able to identify him and it happened in court;

Supreme Court May 1st and it was only by happenstance. What happened was 'bout a week after my home invasion, the father and son were arrested in the building Christmas Eve for gun possession and the young fellow knows my son and after the home invasion he called my son to ask what happened and we were wondering well gee, why are you calling us? I mean this is unusual you know and I don't really know you. So it you know, kind of got our interest up and I went and I foiled the video footage from NYCHA, which the NYPD Robbery Squad actually had and we looked at, but they didn't know how to use the software. They didn't get the right timing of it all and beyond that, they just don't have enough time to look at the tapes.

I've provided for you an article that was written in the *Daily News* about the incident. I gave you a screen shot that the Robbery Squad used, the one and only picture they used and I also gave you a timeline that I used to go along with the video that I clipped and edited and all that good business, so just to give everyone an idea you know, what happened that day. And I also gave you

a more recent article in *The Times* that appeared yesterday about cameras in general.

So what I want to say to you is that you know, the cameras are you know, crucial in the environment that I live in and I'm here because... mainly because of what happened in Brooklyn last Sunday with the little girls and you know, there's no reason why those cameras were not installed and everybody knows. I mean I'm not telling anyone news here. That's a travesty and it should not have happened that way. It does not mean to say that they would've caught this guy any faster with video cameras, but you know, they might have and it at least puts people on notice. [chime] Anyway, look at my pictures. I think you'll see that... what the camera takes; what you have and in particular look at the elevator shot.

CHAIRPERSON FERRERAS: Thank you.

MICHAEL NOBLE: [interposing] I mean this is what we wanted in Brooklyn.

CHAIRPERSON FERRERAS: Thank you and just...

[crosstalk]

MICHAEL NOBLE: Okay.

[crosstalk]

CHAIRPERSON FERRERAS: For the members of the public, if your testimony's longer than what you say here, we go through and read every testimony...

[crosstalk]

MICHAEL NOBLE: Right.

[crosstalk]

CHAIRPERSON FERRERAS: That's submitted here. We have a committee here, so please don't feel that what you say here is the only thing we capture. Everything becomes part of the public record and is reviewed. We're going to have the Chair of Public Safety address us, Council Member Gibson, followed by Council Member Johnson, Chair of the Health Committee.

COUNCIL MEMBER GIBSON: Thank you so much, Madam Chair and I want to thank all of you for your presence and testimony today and certainly I want to recognize our Mr. Brown. I appreciate your courage, your bravery in coming forward. I have worked with you over the years and I know that you know, unfortunately the pain you've endured has now turned into a plan of action and so I know that

while this case initially may be a part of a bigger issue, I, as Chair of Public Safety have been having conversations with my colleagues, with our Speaker, as well as with CCRB and we will continue to make sure that we address the photo identification and updating photographs and also the timeframe in which cases are responded to and calling witnesses in as far as an investigation, so I appreciate you being here and thank you for your courage and for all that you've done and I appreciate the chance to work with you.

CHAIRPERSON FERRERAS: Thank you.

COUNCIL MEMBER GIBSON: Thank you, Madam Chair.

COUNCIL MEMBER JOHNSON: Thank you, Madam Chair. I want to just recognize a constituent in my district, Michael Noble, who just testified. Michael and I served on Manhattan Community Board 4 together. He is a very active tenant in the Elliott-Chelsea Houses, a NYCHA development in Chelsea and one thing that he didn't say that committee member should know is that when the home invasion happened on his home, the gunman put the gun an inch from his head and pointed the

gun and he had to slam the door and when he did that the gunman then shot at his dog and almost killed his dog, and Michael then went through a period and process of doing the best he could to identify the people that created this crime in the neighborhood, hunting down the perpetrators himself and then handing that information over to the police. So he got someone off the streets that committed a violent crime with a gun. The trial is starting in July. This has been deeply traumatic for Michael and his son and the only reason he was able to get that information and be smart himself was because of cameras in the Elliott-Chelsea Houses, which this City Council paid for not too many years ago. So after what happened this past weekend and after hearing Michael's story today about what happened to him a week before Christmas, I want to thank him for his bravery in his own case, but also coming today to testify to remind us in the City Council the importance of cameras and the difference they make in taking criminals off the street. Thank you, Michael.

MICHAEL NOBLE: Thank you. Thank you.



2 CHAIRPERSON FERRERAS: Thank you,  
3 Council Member and thank you for your testimony.  
4 We will begin the next panel. Thank you.

5 COMMITTEE COUNSEL: Oren Root, Marianne  
6 Yang, C.M. Pyle, Melba Adams.

7 [Pause]

8 CHAIRPERSON FERRERAS: You may begin  
9 your testimony.

10 OREN ROOT: Good afternoon, Chairwoman  
11 Ferreras and fellow council members. Thank you for  
12 the hearing; giving me the opportunity to testify  
13 before the committee today. I am Oren Root. I'm  
14 the Director of the Center on Immigration and  
15 Justice at the Vera Institute of Justice.

16 The Vera Institute is a recipient of a  
17 \$500,000 grant from the City Council in this  
18 current fiscal year FY '14 that has funded the New  
19 York Immigrant Family Unity Project pilot at the  
20 Varick Street Immigration Court. The Vera  
21 Institute is working with the Northern Manhattan  
22 Coalition for Immigrant Rights, the Center for  
23 Popular Democracy, Make the Road New York and the  
24 Immigration Justice Clinic at Cardozo Law School,  
25 as well as scores of other immigrant legal services

2 and progressive organizations to make the New York  
3 Immigrant Family Unity Project a reality in Fiscal  
4 Year 2015 for all detained New Yorkers in  
5 deportation proceedings.

6           The Vera Institute and our fellow  
7 collaborators are very grateful to the Council for  
8 making possible the pilot that has undertaken  
9 representation of 190 cases at Varick Street since  
10 November of last year and that is demonstrating how  
11 a very modest investment of \$3,000 per case is  
12 preventing the deportation of members of the  
13 communities of our great city who have a legal  
14 right to remain in the United States and is  
15 allowing these members of our community to continue  
16 to contribute to the welfare and happiness of their  
17 New York families and the economy of our city. The  
18 Council's leadership and funding of the New York  
19 Immigrant Family Unity Project has generated  
20 tremendous interest in jurisdictions around the  
21 country who were seeking to follow New York's lead  
22 in providing representation to indigent immigrants  
23 in their locales. Active replication efforts are  
24 underway in Boston, Chicago, Los Angeles and San  
25

Francisco and we have received inquiries from a number of other jurisdictions.

Due to the Council, New York has been the first in providing a public defender system for indigent immigrants facing deportation. With an investment of \$5.3 million in the upcoming fiscal year, Fiscal '15, New York can become the first city in the country to assure that every detained immigrant facing deportation will have a lawyer if she can afford one or not. I will point out that in the pilot that we have represented clients from 38 of the 51 Council Districts. The listing of the number of clients per district are on the back page of my testimony in an appendix. There is also significant data on the results; the preliminary results of the pilot [chime] and on specific clients who have benefitted from the project in my written testimony. Thank you so much.

MARIANNE YANG: Good afternoon. I'm Marianne Yang and I'm the Immigration Practice Director at Brooklyn Defender Services, BDS. So together with the Bronx defenders, BDS has been serving as the legal service providers for this pilot that started last November. This pilot was

made possible with New York City's truly visionary leadership, when it decided to fund the pilot as a test case for promoting a more fair and just process for our immigrant communities. Now, without a right to counsel, poor immigrants and their families had been left largely to fend for themselves against some very complex and unduly harsh immigration laws. While advocates had made some inroads into ensuring greater fairness, such as having Know Your Rights or legal orientation programs, these cannot ever come close enough to meeting the universal representation that all poor immigrants really need. Through NYIFUP, however, we have been able to say, "Yes," to our immigrant New Yorkers, "We can represent you, even if you can't afford a lawyer and we can defend you no matter how difficult your case may be."

One of our clients, a North Crown Heights resident, is a 22-year old woman who had been living in New York City since she was six years old, when she came here from Trinidad and Tobago. She had been detained by ICE because she had no lawful status here, but also because of an arrest history that included mostly petty crimes.

Now, when we met Jenny, we learned that she self-identifies as lesbian and she was terrified of being returned to a country where she would face stigma and persecution, maybe even death as a result. BDS, with co-counsel at Immigration Quality defended Jenny. We pursued asylum, withholding and convention against torture. We briefed a thorny issue of why her past criminal record didn't bar her from asylum and on the strength of the evidence and our advocacy, last month the immigration judge granted Jenny all of asylum, withholding and convention against torture relief. He said that in his 25 years as a sitting judge, he has only ever granted asylum without trial in one other case. Jenny was reunited with her mother and her US born younger brother.

Now, Jenny's is an example of how NYIFUP attorneys identify and rigorously pursue claims of relief that detained clients may have no chance of having, but we make a critical difference in other ways, including by bringing about significant positive changes to the overall culture and practice of detained removal proceedings. From being in the courtroom day in and day out, we get

judges accustomed to lawyers [chime] mounting layers of defenses and opposing counsel becoming more used to working with us. I hope we've conveyed to you the tremendous importance NYIFUP plays in protecting our immigrant New Yorkers and I hope New York City will now invest in a continued NYIFUP, one that ensures representation to all unrepresented detained New Yorkers. Thank you.

MARJONA JONES: Good afternoon, my name is Margona Jones and I'll be testifying for Miss Melba Adams, who unfortunately is unable to make it today.

Hello, my name is Melba Adams. I am 73 years old. I live in Clinton Hill, Brooklyn. A number of years ago, I was in a car accident and injured my leg. As the condition worsened, I decided to take early retirement from my job as a teacher. I have gone from needing to use a cane to now using a walker. More and more I have been relying on friends and neighbors. I am doing the best I can to keep up with housework, but I can no longer vacuum. I need help going to the store and to the post office. I don't go out alone anymore, not even to walk around the block because I have

1 trouble getting around and I do not feel safe. I  
2 would like to receive home care services. Before  
3 my neighbor died, he had a lady who would come and  
4 take care of him and as a kindness to me she would  
5 pick up things from the pharmacy if she was going  
6 for him. When I learned about the cost of home  
7 care services, I knew that I could not afford it.  
8 I am in a bind. Although I am on a fixed income,  
9 it is not low enough for me to receive home care  
10 paid for by Medicaid.

12 I recently learned about the EISEP  
13 program, which stands for Expanded In-home Services  
14 for the Elderly Program. It's too bad that there  
15 is such a long waiting list to receive home care  
16 services because I really need help now. I believe  
17 the city should increase funding for EISEP so that  
18 more seniors like myself can have access to the  
19 care that they need to make them feel safe and  
20 supported in their homes and in their communities.  
21 Thank you.

22 CYNTHIA PYLE: Good afternoon. I am  
23 Cynthia Pyle of New York City, an active  
24 independent scholar and lifelong user of the main  
25 branch... research branch of the New York Public

Library. Chairwoman Julissa Ferreras, Chairman Van Bramer, Chairman Constantinides and member of the City Council, having testified in the past on the importance of our formerly great and inspiring public research library, I have only questions today.

Why is an individual with no scholarly or research interest who was quoted in *The New York Times* as saying quote, "He never felt a reason to come into this building as a young person," unquote. Why is such a person now presiding over the management of a cultural institution, which when it functioned properly, attracted millions of people, young and old from our city and from around the world to bathe in its inspiration and resources? Why are the books, the essential core of a humanities research library, being neglected, left unbound, unrepaired when they are falling apart, yet the budgets requested are never for those fundamental books, but only for capital projects? Why are the curators of collections and expert librarians of the main research branch excluded from the Executive sessions of the Board Meetings? Why are people in real estate and



finance making decisions about professional resources they never use in a professional area foreign to their own? Why are board members with some intellectual pretensions editors of important journals so silent? Why are not at least one half of the members of that board appointed by the New York City government since the government pays 50 percent of its budget? And closely related, should the New York Public Library be allowed to raise private monies when such independence makes it ever less responsible to the citizens of New York City for whose benefit it was founded? Why is there so little New York City oversight by the Department of Design and Construction, for example, a thoroughly qualified body of this institution, which was founded for the good of the citizens of New York? Why has a person who let 250 people go from the Harvard University Libraries been hired by the New York Public? The stacks are in perfect condition. They were upgraded in the '80s and '90s and would cost a pittance of what is being requested for capital improvements, largely cosmetic, to return to perfect functioning order.

The city should and must withhold monies for any capital projects at the New York Public Library, especially at the main research branch, until all questions about the use of funds, including operational funds, by this board have been satisfactorily answered and until city governance has been put in place on the board to perform the city's oversight responsibilities.

[chime] Thank you.

CHAIRPERSON FERRERAS: Thank you for your testimony and we'll call up the next panel.

COMMITTEE COUNSEL: Heather Woodfield, Anne Dennin, Judith Kahan, Amir Thornell and David Zelamsky.

[Pause, background voices]

ANNE DENNIN: Good afternoon. I'm Anne Dennin. [off mic] I gave them to you. [background voices] I'm Anne Dennin, co-Chair of the New York City Arts Coalition. Thank you for the opportunity to testify to you today.

The New York City Arts Coalition is a membership organization comprised of cultural groups from all five boroughs from the smallest to the largest working on all artistic disciplines.

For more than 25 years, the Coalition has served as an advocate for funding and policies that impact our shared community. Since the Mayor proposed budget was announced in March, leadership from the Coalition, One Percent for Culture, the Center for Arts Education, the CIGs and other arts advocacy groups have been in conversation to make sure that we were all on the same page in making our requests to you. We are supportive of their requests and are acting in unity.

To begin, I wanted to thank you, council members and your staff for meeting with the coalition members these last weeks to listen to our requests, patiently answer our questions and offer guidance to us. In the interest of time and because my colleagues are here to testify on other portions of the DCLA budget, I'm going to primarily address the Cultural Development Fund, which, as you all know, is part of the program category.

The CDF's proposed budget for the upcoming year is \$28.4 million and as council members know, there are well over 1,000 groups applying to the CDF pool. Last year around 800 were awarded grants. This category of the cultural

2 sector is significantly underfunded, despite the  
3 efforts of the council over the past years. We are  
4 asking for an additional \$6 million allocated  
5 specifically to the CDF grant pool, which would  
6 increase that funding to \$34.4 million, still a  
7 modest level for over 1,000 groups from all over  
8 the city. It's been seven years since 2008, when  
9 the CDF was created with a \$30 million allocation  
10 from the Council.

11 CHAIRPERSON FERRERAS: If you could  
12 just wrap up your testimony. Our clock had  
13 technical problems, so we're now going into the  
14 fifth minute. [background voices]

15 ANNE DENNIN: Oh, okay.

16 CHAIRPERSON FERRERAS: So just wrap it  
17 up.

18 ANNE DENNIN: Alright, I will wrap it  
19 up. That will allow the Council to... the DCA to  
20 award more grants to more groups. A second tiny  
21 request that we'd like to bring to your attention  
22 is for an expense line...

23 CHAIRPERSON FERRERAS: [interposing] I  
24 am really sorry. We're like way beyond your time.

If we could just... I want to make sure everyone has an opportunity to speak.

ANNE DENNIN: Oh, okay.

CHAIRPERSON FERRERAS: Thank you so very much for your testimony and...

[crosstalk]

ANNE DENNIN: Thank you.

[crosstalk]

CHAIRPERSON FERRERAS: We will read the rest of it.

ANNE DENNIN: Okay.

CHAIRPERSON FERRERAS: I promise.

ANNE DENNIN: Thank you very much.

CHAIRPERSON FERRERAS: The next person. Thank you.

HEATHER WOODFIELD: Hi, I'm Heather Woodfield. I'm the Executive Director of One Percent for Culture and a practicing Long Island City based artist. I want to thank the Council for the opportunity to testify on behalf of One Percent for Culture and our over 550 coalition partners, which include cultural organizations, small businesses and civic and social service

2 organizations throughout the five boroughs and in  
3 all 51 City Council districts.

4 First, we want to thank the Mayor and  
5 the City Council for recognizing the value of  
6 culture by baselining funding and ending the budget  
7 dance. This vital step demonstrates that you  
8 understand that a sustainable funding model for  
9 culture allows cultural organizations to better  
10 serve our great city. Cultural organizations and  
11 artists are essential to our economy. They provide  
12 supplemental education to our children and they  
13 contribute to our city's cultural vibrancy, which  
14 serves our citizens. It's vital that the city  
15 continues to support the full scope of non-profit  
16 culture, which includes organizations of all sizes,  
17 all disciplines and in all neighborhoods whose  
18 collective work support and serve communities  
19 throughout the city. That is why a diverse range  
20 of cultural organizations are joining together and  
21 taking the first steps towards developing common  
22 language and shared goals.

23 The Cultural Institution Groups or CIGs  
24 are essential to our communities, playing a  
25 distinct and important role in community

development. We ask that you continue to baseline funding for both the CIGs and the Cultural Development Fund, which supports the program category. We also ask that you support the \$6 million decrease to the CDF, which the New York City Arts Coalition has requested.

As you know, the Mayor's Executive Budget includes \$23 million in new funding for Arts Education in the Department of Education budget. we commend the Mayor and the City Council for creating this new funding pool. A recent report from Comptroller Stringer's office identified that 244 of our schools do not have a partnership with a cultural organization. We in the cultural community want to ensure that this number decreases because all New York City students deserve the opportunities that cultural partnerships provide. We are therefore asking that additional new funding be added to the Department of Cultural Affairs budget to help cultural organizations create partnerships with these schools.

Finally, as we look forward to the budget cycles of 2016 and beyond, we want you to be our partners in creating a sustainable funding

model for New York City culture and move closer to the goal of increased funding for culture to one percent of the municipal's expense budget, which 75 percent of City Council members have indicated they support. We recognize that this kind of increase cannot happen rapidly, but in order for culture to continue to serve our city's communities, we must make steps towards this goal.

We thank you for your time and listening to us today and in the many meetings you have had with us individually and we look forward to continuing to build partnerships and collaboration between city government and the cultural community in order to better serve all New Yorkers.

JUDITH KAHAN: Hi, I'm going to talk like this young lady. Good afternoon. My name is Judith Kahan and I am the Chief Executive Officer at the Center against Domestic Violence. The Center, the largest city's Teen Relationship Abuse Prevention Program, or RAAP, providers offer this program to nearly 30,000 students on 15 high schools and intermediate schools, campuses in all of the five boroughs in New York City. In every



1 school, RAAP delivers workshops about healthy  
2 relationships; one-on-one counseling and support  
3 groups; peer leadership activities; staff  
4 education; parental education and community  
5 workshops. Often, the Masters level social worker  
6 who coordinates RAAP is the only adult with a  
7 Masters degree that teens can turn to.

8  
9 For 10 years, HRA and the Mayor  
10 supported RAAP. Since 2010, those of us who  
11 provide the program and those who benefit from this  
12 groundbreaking program have come to you, the City  
13 Council, to save this citywide social work program  
14 that serves 58 schools on 30 campuses with almost  
15 50,000 students and you have saved the program. We  
16 thank you for your faith in what we do and your  
17 dedication to the youth of New York City. Without  
18 the Council's support the past five years, there  
19 would be no citywide RAAP. Thank you for making  
20 this hard budget decision to continue this valuable  
21 program.

22 This year, the Mayor has included RAAP  
23 in the budget and HRA will make it whole, but the  
24 program they are restoring is a 2006 RAAP program.  
25 It is great to reach and help as many students as

we have, but there are so many more students in New York City. RAAP, at its current level, is only a drop in the bucket, serving only a comparative handful of schools. Expanding RAAP will transform and save even more lives.

RAAP is recognized throughout the country as a model program to stop teen relationship abuse. This proven program helps young people stay in school and develop the tools for self-sufficiency. RAAP coordinators not only teach students about healthy relationships and how to avoid and to end abusive relationships, they assist them to graduate, to go to college and to believe in themselves. Students who might otherwise have dropped out of school because of the abuse and violence in their lives can now graduate and go onto two and four-year colleges because of RAAP.

The Teen Relationship Abuse Program started under the Giuliani Administration, expanded under the Bloomberg Administration, can become a hallmark of the de Blasio Administration. It is a program [chime] that works towards the one city Mayor de Blasio espouses and equally for New York

2 City's women and LGBT, the New Yorkers that we  
3 support. The Mayor's school platform, for quality  
4 schools in every neighborhood involving and  
5 engaging parents and families...

6 CHAIRPERSON FERRERAS: [interposing]

7 Thank you.

8 JUDITH KAHAN: Focus...

9 CHAIRPERSON FERRERAS: Thank you so  
10 much.

11 JUDITH KAHAN: Et cetera, et cetera, et  
12 cetera.

13 CHAIRPERSON FERRERAS: Thank you. We  
14 should... yes.

15 JUDITH KAHAN: Come on, guys. Shake,  
16 shake.

17 CHAIRPERSON FERRERAS: You may begin  
18 your testimony. [background voices]

19 DAVID ZELAMSKY: Good afternoon. My  
20 name is David Zelamsky. I am Assistant Program  
21 Manager and Social Work Supervisor for the Teen  
22 RAAP program at CAMBA. I am here today to testify  
23 on behalf of our agency with regard to funding for  
24 the Teen Relationship Abuse Prevention Program,  
25 also known as Teen RAAP. CAMBA recommends that the

city maintain Teen RAAP funding and CAMBA thanks the City Council for their continued support.

CAMBA was founded in 1977 and is one of Brooklyn's largest community-based organizations. We serve 45,000 individuals and families each year, including nearly 9,000 youth in six program areas: economic development; education and youth development; family support; health; housing and legal services. The agency operates with a diverse and dedicated staff numbering more than 1,300 and located at nearly 70 sites citywide. The need for Teen RAAP has never been more dire. Today, one in seven New York City high school students is physically or sexually assaulted by a dating partner. Nearly 80 percent of teen girls in New York City who experience relationship abuse continue to date their abusers. Shockingly, 67 percent of teens in abusive relationships never tell anyone about their suffering. Teen RAAP is a school-based domestic violence prevention anti-bullying youth development program that reaches over 47,000 students in 58 New York City middle and high schools.

Since 1999, Teen RAAP providers have taught tens of thousands of students how to have healthy relationships and how to recognize bullying and abuse. Each Teen RAAP school has a dedicated full-time social worker who provides educational workshops, counseling services, ongoing training for school staff, parents and community members and an intensive peer leadership summer training program. Teen RAAP saves the city millions of dollars in averted costs, such as medical treatment, juvenile detention, teen pregnancy, shelter placement and other social services.

In my years with CAMBA Teen RAAP, I've seen up close the impact the Teen RAAP has in the transformation of even our most troubled youth. For example, a recent Teen RAAP participant before entering RAAP was constantly fighting, disrespecting staff, acting out with weekly disciplinary trips to the Dean's office. Working with one of our Teen RAAP social workers in intensive weekly counseling, including psycho-education and safety planning, this brave young participant decided to end an unhealthy relationship and gain control of the concomitant

anger issues. The participant made honor roll this year. This is just one example. I have seen many others like it in my years with CAMBA and the Teen RAAP program.

I thank you for the opportunity to testify on behalf of CAMBA and the Teen RAAP program. I look forward to working with the City Council to maintain adequate funding [chime] for an effective Teen RAAP program in the coming year and for continued and growing support in the coming years. Thank you.

AMIR THORNELL: Alright. Hi, City Council. My name is Amir Thornell. I'm a RAAP coordinator at IS 52. I work with STEPS To End Family Violence and I was here with you at the Denim Day event in April and you know, I want to piggyback on what they said; what CAMBA has said about working in schools. I want to... I've invited young men to come to the 5th Annual Father's Pledge To End violence in Our Communities and I'm inviting the teachers and parents from that school.

RAAP program really give students the opportunity to be safe, have respect and have that

2 sort of slowdown time to get counseling to figure  
3 out the priorities in their life and build healthy  
4 relationships. Through our education and  
5 curriculum, counseling and groups re-increase  
6 healthy behaviors in the schools with teachers and  
7 with parents and families and the community.

8 So I'll be short and thank you for your  
9 continued support. Thank you for coming out to all  
10 these events and having these events at City Hall  
11 and I'll see you on Saturday and Wednesday as well.  
12 Thank you.

13 CHAIRPERSON FERRERAS: Thank you. we  
14 will have Majority Leader Van Bramer, who wanted to  
15 address the panel.

16 COUNCIL MEMBER VAN BRAMER: Thank you  
17 very much, Madam Chair. I just want to say to  
18 Heather and Anne in particular, thank you for all  
19 the work you do on behalf of the cultural community  
20 in New York City and Anne, I read the entire  
21 testimony and I know Chair Ferreras and I were  
22 talking about it so we got the second portion of  
23 the testimony, which is very important, so we...

24 [crosstalk]

25 ANNE DENNIN: Thank you very much.

[crosstalk]

COUNCIL MEMBER VAN BRAMER: Got it all.

Thank you all very much.

ANNE DENNIN: And thank you for all you do.

CHAIRPERSON FERRERAS: Thank you.

Council Member Cumbo?

COUNCIL MEMBER CUMBO: Thank you, Madam Chair. I just want to say that I'm absolutely thrilled to see the advocacy from the cultural community and I look forward to continuing to hear your voice and look forward to having these sorts of testimonies and hearings jam packed with more advocates for the Arts because your voice is very important and it's very important that you are here. And as it pertains to Council Member Ferreras, we strongly believe in the idea of ending the cycle of victimization and that starts right in our high schools and our middle schools in teaching healthy relationships, so you all coming on as a full court team here today is really very effective and your voice and your message was conveyed very effectively and I thank you and I look forward to



2 working with you as Chair of the Women's Issues  
3 Committee. Thank you.

4 CHAIRPERSON FERRERAS: Thank you very  
5 much. We will call up the next panel.

6 COMMITTEE COUNSEL: Aminata  
7 Abdouramane; I think that was the correct  
8 pronunciation. Nefestia Caleb; Liz Accles;  
9 Professor Siochain Huges and Muhammad Arshad.

10 [background voices]

11 NEFESTIA CALEB: Hi, good afternoon.  
12 My name is Nefestia Caleb. I'm 16 years old. I go  
13 to the Brooklyn School for Math and Research at the  
14 Bushwick campus and I'm here to represent the Lunch  
15 4 Learning Campaign and the Youth Food Policy  
16 Council.

17 Okay, we live in a city where choices  
18 are made for its students based on their family  
19 income. Not only are the choices made, but  
20 students get judged for how much money their family  
21 makes. Where I go to school, kids are eligible for  
22 free school lunch and some kids aren't. I've  
23 noticed that the kids who are eligible for free  
24 school get bullied while other kids... I'm sorry,  
25 while other kids don't have to pay for their lunch,

they are the ones that's bullying those kids. Some kids don't care that they get bullied, but others tend to stop eating and they feel ashamed that they have to get free lunch. 75 percent of New York City public school students come from families that make less than \$36,000 a year, making them eligible for free school meals. For the other 25 percent, they have to pay for school lunch, but what happens when their parents don't or can't give the money for lunch? This means that they can go a whole day without eating, which affects how they conduct themselves in class, how much they pay attention and how much they learn. As you can see, because these students don't eat they are too focused on how hungry they are than what is going on in class. If lunch becomes Universal, it will lead to less empty stomachs and more full minds. Food is a basic right. Everyone, especially students, need food to focus in class, learn and grow. All students should have access to food and they should not depend on what their family income is. Mayor de Blasio, I hope you support the minds and health of all students and include Universal free lunch in the budget. Thank you.

AMINATA ABDOURAMANE: Good afternoon.  
My name is Aminata and I am a student at Academy of  
Urban Planning.

CHAIRPERSON FERRERAS: [interposing]  
Can you bring the mic a little closer to you? That  
way we can...

[crosstalk]

AMINATA ABDOURAMANE: Okay.

[crosstalk]

CHAIRPERSON FERRERAS: Hear you a  
little bit louder.

AMINATA ABDOURAMANE: Is this better?  
Okay, good morning... good afternoon, sorry. My  
name is Aminata and I am a student at Academy for  
Urban Planning, Bushwick campus and I want to  
express my support for the Lunch 4 Learning  
Campaign for Universal free lunch... sorry for  
Universal free school lunch for all New York City  
public school students. Bullying, name calling,  
threatening, oppressing and the oppressed. The  
lunch food... the lunch food and those who receive  
it are the leading causes of bullying at my school.  
In most schools, kids often get bullied because  
they eat the food, which statewide is nicknamed

"free-free." This name is uncomfortable to most people and just last week, I witnessed a boy getting bullied over getting on line for "free-free." The bully was yelling over the entire cafeteria, "You got free-free. Yo!" This causes depression, feeling left out and encourages students not to eat the lunch, even if that is their only meal of the day. More often than not, the lunch food is the thing that determines who gets bullied or not. There are many issues with the school lunch, including the portion size, freshness, undercooked food and not even fresh fruits or veggies. However, I believe that one important first step that we can make is to make all school lunches universally free and get rid of the bullying and teasing that happens because of it. I am asking you, Mr. Mayor, to make Universal free lunch a priority. We need to stop the stigma and get better food in our schools. Thank you for your time and your support on this issue.

LIZ ACCLES: Hi, I'm Liz Accles, Executive Director of Community Food Advocates and we're the organization that's spearheading the Lunch 4 Learning Campaign and I want to first thank

you all for your incredible support of the campaign and making a top budget priority and to say that we know that lots of other cities have done this. We know New York City can do it; the issue around Title 1, even though it's said that money would be lost, it is not so. There would be no loss of money in the city and that there are alternatives to the current system for accounting for income such as a) an alternative income form, that although DOE has raised that that's labor intensive; that if we did that that would free up resources because we could do Universal and keep Title 1. The same if we do that by... and although it would take intensive effort in September and October to collect the forms, it would free up the staff during the rest of the year not to have to either collect fees; serve as a bill collector, as well as not have to account for every meal in the income category. So mostly I want to say thank you and I hope that we can get this done in the budget.

MUHAMMAD ARSHAD: Good afternoon,  
Chairwoman Ferreras, committee members. My name is Muhammad Arshad and I am the Chairperson of CUNY University Student Senate. I would like to thank

you for the opportunity to testify before you today on behalf of CUNY students. As Chairperson of USS, it is my duty and obligation to represent the interests of CUNY students at every level, in every instance and I hope to do so today.

I would like to begin my testimony by posing a question. Where would New York City be without the City University of New York? For decades now, CUNY has served as a vital organ of our city, providing immigrants, working class people, the young, the old, those who are college ready to those who are not so much with an opportunity to earn a college degree and move their families into a steady middle-class life, and let's not forget that the vast majority of our CUNY graduates stay right here in New York City, continuing to contribute to our rich and diverse culture, history and economy. CUNY is at the center of all that makes New York City a dynamic city and I wanted to start by saying this because some of us sometimes forget how important this institution is to our city, but I'm here to remind you and we cannot forget. It is in this spirit that I come to you today, seeking to draw attention

to CUNY's academic achievement award, which is also known as Triple "A" Scholarship.

The Triple "A" Scholarship would award a scholarship to all New York City public high school students who graduate with a grade point average B and above and is entering CUNY as a full-time student. Upon entry, the student must maintain at least a B average to continue to receive the scholarship. This is an opportunity for us to provide an incentive, as well as reward for our students for being successful in high school and for continuing that success in college. According to CUNY's 2012 statistics, over 13,000 students would have been eligible for a proposed Triple "A" Scholarship. Of the eligible full-time, first time students for fall 2012, approximately two-thirds had an annual household income of less than \$50,000. Furthermore, one-third had an annual household income of less than \$20,000. There is data that shows that previous merit scholarships initiated by the City Council has helped CUNY students stay in college and graduate. Previously, the City Council merit scholarship covered almost the entire tuition of CUNY community college

students. USS would like to help City Council build a Triple "A" for the future. When we consider the time and money our students save... that they attain a degree in a timely fashion, the benefits of dividends in that Triple "A" Scholarship yields become quite clear. This is a win-win for all of our students. The scholarship would also help aid success of two demographics that are key to our future of our city; young women and undocumented students. According to the same statistics of 2012, over 61 percent of first time... [chime] first time... thank you.

PROFESSOR HUGHES: Good afternoon, Chair Ferreras and the members of the City Council. My name is Siochain Hughes and I'd like to thank you for the opportunity to introduce myself and to testify. I'm an adjunct faculty member and senator from Hunter College to the University Faculty Senate of CUNY and Chair of the UFS Standing Committee on Student Affairs and we work together to build a strong relationship between students and faculty at CUNY. I'm here to testify in support of renewing and revitalizing the support offered to CUNY students, particularly international and



2 undocumented students through the initiative that  
3 began with the establishment of the Peter Vallone  
4 Scholarship, which is currently being referred to  
5 as the CUNY Academic Achievement Award or Triple  
6 "A" Scholarship, which Muhammad just referred to.

7 In 1998, the City Council established  
8 this scholarship in recognition of the need to  
9 assist undocumented students to attend college and  
10 the Vallone Award has been very successful. Over  
11 the years, it's helped over 14,000 students to meet  
12 the rising costs of their education and the high  
13 debt that they face on completing their studies.  
14 However, the \$6 million a year Vallone Award has  
15 been diminished gradually until it was finally  
16 eliminated in 2011. In the fall of 2013, 41  
17 percent of CUNY's first time entering freshmen  
18 would have been eligible and a large portion of  
19 these students have significant need. In addition,  
20 this award offers first-generation Americans,  
21 international students and undocumented students an  
22 important source of support. This is critical to  
23 undocumented students who are ineligible for other  
24 forms of financial aid. This grant has a proven  
25 track record and measurable success in supporting

strong academic achievement, while optimizing retention and graduation rates, very important details for Presidents of colleges. Award recipients maintain a grade point average of 3.0 and higher while they're in college. There are significant one-year retention rates: 86.9 percent in associate degree programs and 96 percent in baccalaureate programs. Of the Vallone Scholarship recipients who entered an associate program in 2008, 21 percent had received their degree in three years and almost half had done so in five years. Of the Vallone Scholarship recipients who entered baccalaureate programs in 2008, almost one-third received their degrees in four years and 59 percent earned their degree by five years. These are the kind of statistics that make CUNY the strong educational institution our great city needs and deserves. The Triple "A" Scholarship supports undocumented [chime] and documented students in the need... in need from all areas of New York City, the United States and the world and this support is essential to the growth and standing of our city and community. The Student Affairs Committee is in full support of this award and this past Tuesday,

2 the Executive Committee of the University Faculty  
3 Senate voted unanimously to support the renewal  
4 of...

5 CHAIRPERSON FERRERAS: [interposing]  
6 Thank you. I'm...

7 [crosstalk]

8 PROFESSOR HUGHES: The scholarship...

9 [crosstalk]

10 CHAIRPERSON FERRERAS: Really sorry,  
11 but...

12 [crosstalk]

13 PROFESSOR HUGHES: I urge you to do the  
14 same.

15 CHAIRPERSON FERRERAS: I just got to  
16 tell you all...

17 [crosstalk]

18 PROFESSOR HUGHES: Thank you very much.

19 [crosstalk]

20 CHAIRPERSON FERRERAS: It really pains  
21 me to have to cut you off, but we have 11 panels of  
22 four people, so we just need to... if you can  
23 please... some are five. If you could stick to the  
24 three minutes, it just helps to make sure that  
25 everybody has a fair chance at the mic. For people

who are in attendance that cannot stay for the public session, just a reminder, you may submit your testimony or you can email your testimony to the [financetestimony@council.nyc.gov](mailto:financetestimony@council.nyc.gov) and Council Member Cumbo wanted to say something to the panel.

COUNCIL MEMBER CUMBO: Thank you very much, Madam Chair. Briefly, I appreciate all that presented, but I'm just in love with our young people that have come here to present and you are so articulate, so brave and so courageous. At your age, I was nowhere near where you are right now, so I can only imagine what the future holds for you. Thank you so much for your testimony and the education because I had no idea how the lunch program correlated with bullying in our schools and you've educated me as a council member, so I thank you so much for your testimony. The sky's the limit. Keep going; keep advocating. You're going to be so fantastic in life. Thank you.

CHAIRPERSON FERRERAS: We're going to call up the next panel.

COMMITTEE COUNSEL: Paula Glatzer; Marsha Rimler; Rita Bott; Veronika Conant and Gregory Homatas. [background voices]

CHAIRPERSON FERRERAS: [off mic] You may begin your testimony. [background voices] [off mic] Please begin your testimony.

PAULA GLATZER: [off mic] Okay, my name is Paula Glatzer.

CHAIRPERSON FERRERAS: [off mic] Your mic is off.

PAULA GLATZER: Okay, thank you. Hi, my name is Paula Glatzer and I'm testifying about the New York Public Library. I thought I would be addressing the committee from Tuesday, so I'm very glad to see Mr. Van Bramer here and the Chair is a saint to listen to everybody. But my message, and it sounds like you've all been listening to everything beautifully and I thank you, is not to rush to judgment. I think we're all relieved and grateful that by a miracle we have saved the Mid-Manhattan Library and we have saved the stacks in the 42nd Street Library from destruction, but I'm here to remind you that it took six years and a lot of work to bring the full scope of the Central Library Plan to light so that on Tuesday, when I heard one member, and maybe he was joking a little bit, say oh, he loved the new plan. He'd almost

sign off on it now because there were wonderful things like additional hours or certainly rehiring the lost librarians, which is one of the great tragedies here. But it took so long to figure out the first Central Library Plan and we still don't know the details of that; what the candidate de Blasio asked for was like full detail of what the plan cost and then we don't know what the audit, the independent audit, so my request is to take your time with the 100... and I always have to think of it again, the \$150 million you inherited from the previous administration. Now, it's still in the budget, but there's a lot of looking and thinking and discussing before you commit to it. Oh, boy, the time goes so fast. That's my time? [laughter] Talk to the people who investigated this. There are architects and librarians and you haven't seen us all. Help the Speaker appoint a real spokesman for the Council to the Board of the Trustees, not [chime] a patronage and the third last thing is to look at saving the stacks. Let's look hard at that money, get competitive bids. This could last another century.

CHAIRPERSON FERRERAS: Thank you.

PAULA GLATZER: Thank you.

CHAIRPERSON FERRERAS: [off mic] You may begin.

MARSHA RIMLER: Hi, my name is Marsha Rimler. I'm a native New Yorker. On my Twitter hashtag I have "from the Lower East Side to Sunnyside to Brooklyn Heights," so I've lived in three boroughs and my daughter went to Bronx Science. I don't know Staten Island very well though. I live three blocks from the library on Cadman Plaza and I really think the Brooklyn plan, which pits one neighborhood against another; this divide and conquer strategy they've come up with; is a disgrace. The woman who heads the library is not a librarian. She's not even a New Yorker. She was brought here from Philadelphia by the Bloomberg Administration. She was brought here to raise money for the library. Instead of raising money, they have come up with this real estate plan. I have met with many of the members of the Board of the Library. I have given them idea after idea about how to solve this problem. Joan Millman, a personal friend of mine and our State Assemblywoman, has gone to Albany and they have now

passed in the Assembly a measure for the libraries to be able to bond, which is one way to solve part of this problem. The entire BPL, in my opinion, is dysfunctional. I've been to meetings there where they act as if they're IBM instead of a public corporation. They don't understand that their funding comes from the public. The Board and the executives need to have an attitude adjustment and they need to take this plan where they're going to destroy our library and replace it with a condominium and put it in the garbage. For those of you who don't know, this land was originally urban renewal land. If you go back... I've been around for a long time. I was an original member of Community Board 2, Brooklyn; you will see that this land was taken for public use. Taking it now and giving it to a developer for private development is not the right thing to do. It's a great spot. It could be a beacon for the new tourism we have going on in Brooklyn. Tourism creates jobs. We need to add a couple of floors, we need to clean it up and modernize it and there are two examples of buildings in our community that have been cleaned up and modernized. The OEM



across the street from me is one of them. There's no reason to tear down this building. [chime]

VERONIKA CONANT: I'm Veronika Conant, a retired academic librarian and member of the Committee to Save the New York Public Library. It was really good to hear that the book stacks at the 42nd Street Library were not to be demolished and that the Mid-Manhattan Library will be renovated. However, we are concerned about... we are still concerned about transparency, accountability and oversight. There are still many unanswered questions regarding the way the \$151 million capital funds from the City Council will be used for the renovation plans. Has NYPL asked for a budget modification for this amount and if yes, what is its breakdown?

In March 2013, over three million items were removed from the book stacks in secret and moved to a distant location in the Bronx, where they have been stored ever since. The plan is to keep the stacks empty, even though they are an integral part of the 42nd Street building structure and the remarkably efficient book delivery system to the Rose Reading Room above. They are in good

working condition; were air conditioned in the '80s; received a sprinkler system in the '90s. According to Tony Marx, their upgrade to current standards would cost \$43 million, a price he considers too expensive. The stacks provide 160,000 square foot shelf space. At the cost of \$46 million, the unit price comes to \$287.50 per square foot, a real bargain.

While it is appreciated that NYPL will reconfigure the space in other parts of the 42nd Street Library, we're want to be assured no space will be taken away from what is needed to allow the book delivery function and also to provide air conditioning, humidity controls and book stacks.

DDC stated that since NYPL plans are pass through they do not have control over the funds until after the contract has been signed. The plans can be modified by NYPL only prior to the signing of the contract. After that, they are locked in.

We recommend the budget modification include the cost of the above upgrades and also the renovation of Mid-Manhattan. We ask all of you to please make sure that no contract gets signed for

2 the NYPL without these additional recommendations:  
3 develop the second Bryant Park Stack Extensions  
4 storage areas started during Vartan Gregorian's  
5 time with the goal of doubling the available  
6 storage space at 42nd Street from \$3.5 million to  
7 almost \$7 million. Cost estimates are between  
8 eight and \$20 million. Third is: do not sell the  
9 Science, Industry and Business Library. Do not  
10 allow the sale of public libraries in any library  
11 system at a time when more people than ever use  
12 libraries. The SIBL was created for \$100 million  
13 in 1996, has been wired for [chime] technology with  
14 hundreds of computers; comfortable furniture. All  
15 it would need is more hours opened a week. I have  
16 one more sentence.

17 Finally, the news that plaster falling  
18 from the ceiling of the Rose Reading Room has led  
19 to a temporary closing for several...

20 [crosstalk]

21 CHAIRPERSON FERRERAS: Thank you.

22 [crosstalk]

23 VERONIKA CONANT: Weeks.

24 CHAIRPERSON FERRERAS: Thank you very  
25 much.

VERONIKA CONANT: Speaks loud... no,  
I...

[crosstalk]

CHAIRPERSON FERRERAS: Please.

[crosstalk]

VERONIKA CONANT: I would like to...

[crosstalk]

CHAIRPERSON FERRERAS: Please.

[crosstalk]

VERONIKA CONANT: Ask...

[crosstalk]

CHAIRPERSON FERRERAS: We have to...

[crosstalk]

VERONIKA CONANT: You to please...

[crosstalk]

CHAIRPERSON FERRERAS: We have to...

[crosstalk]

VERONIKA CONANT: Help them do that.

[crosstalk]

CHAIRPERSON FERRERAS: Of the  
colleagues that are waiting here also. You may  
begin your testimony. Thank you.

VERONIKA CONANT: I have... and again,  
thank you.

2 RITA BOTT: My name is Rita Bott. I am  
3 a retired supervising librarian and unit head,  
4 whose career was spent providing frontline public  
5 service at the New York Public Library first, after  
6 much lamented, now destroyed Donnell Library Center  
7 and then at the recently reprieved, but collections  
8 decimated Mid-Manhattan Library.

9 First, with respect to the New York  
10 Public Library, I would like to call attention to  
11 the Finance Division briefing paper that was  
12 distributed at Tuesday's Committee hearing on  
13 libraries. On page five, we find quote, "Plan  
14 highlights include \$151 million for the Central  
15 Library Master Plan, which is currently on hold,"  
16 unquote. That \$151 million is parked under New  
17 York Public Library, meaning the branch system, but  
18 part of it needs to be shifted by the Council to  
19 the category New York Research Libraries for the  
20 following purpose: NYPL has said that state-of-  
21 the-art climate control and fire suppression  
22 systems are needed for the 42nd Street Library  
23 Central stacks. They have tried to create the  
24 impression that there were no such systems, but  
25 there are existing 1980s vintage systems that may

1 need an upgrade. The library is claiming the  
2 project would cost \$46 million. I have not seen  
3 any written documentation of that estimate and  
4 given the gross inaccuracy of the CLP estimate,  
5 which the library administration repeatedly said  
6 would cost \$300 million, but which actually turned  
7 out to be a whopping \$500 million, I strongly urge  
8 that the Council prudently demand independent  
9 written documentation for this and any other such  
10 budgetary assertions by the NYPL. I ask that the  
11 documentation be shared with all interested  
12 parties, including the taxpaying public. If the  
13 documented amount really is \$46 million, or however  
14 much it might be, I request that the Council  
15 transfer that amount from the NYPL budget to the  
16 New York Research Library's budget, specifying that  
17 as quickly as possible any work needed in the stack  
18 area be performed before any other so that the  
19 shelves there can be refilled ASAP with the three  
20 million books that were previously removed from  
21 there.  
22

23 Right now, the Council urgently needs  
24 to take steps to repair the badly shaken confidence  
25 of the NYPL's users, supporters and concerned

citizens in general by making it a priority to get the non-profit to put its books back where they belong, in the structural stacks that were designed for them and built by the taxpayers at New York City's world-famous Reference Library.

From the same document, quote, "In the Brooklyn Public Library's Executive Capital Commitment Plan, there is \$93 million shown for BPL capital plans, including city and non-city."

[chime]

GREGORY HOMATAS: Good afternoon. Thank you for letting me speak. This is my first time speaking in front of this august body. My name is Gregory Homatas. I'm a lifelong resident of Brooklyn and an avid user of all three public library systems and I would like to address the Brooklyn Heights project of the Brooklyn Public Library.

I personally am appalled by the lack of transparency and the lack of public participation in the process of this project; where they're taking this project. The existing Citizens Advisory Committee, in my opinion, does not reflect a representative cross section of different

viewpoints on this project. Second, it appears that the Brooklyn Public Library is in the process of selling off the Brooklyn Heights branch due to a broken HVAC system. Would you sell your house or car due an A/C system that doesn't work? Think about it.

The Brooklyn Public Library should share the RFP responses that it recently got and the range of bids for public vetting on this Brooklyn Heights project. I urge the New York City Council to look into this project, stop the process and investigate whether this is the proper procedure and proper approach to be undertaken. It is urgent that the Brooklyn Public Library should fix the currently installed HVAC system, as the onset of the hot weather is upon us, which will cause the Brooklyn Heights branch to shut down again during the summer months. Appropriate the money and let's get it done. I urge the highly qualified Department of Design and Construction of the City of New York to undertake the renovation of the Brooklyn Heights branch of the Brooklyn Public Library and the City Council to appropriate the



money for this task. It is highly qualified to do this job.

Some questions that I think the New York city Council should look into regarding the Board of Trustees of the Brooklyn Public Library: why is the only qualified librarian, who is immediate past president not the president anymore and instead a fundraiser is the president? She's a very highly qualified librarian. What's going on with this? Also, there are people that are into digital media on the Board. Then the Brooklyn Public Library has a mission to digitize. Is that not a conflict of interest?

In short, we have questions regarding these Trustees. We don't really trust them and I think the Council should investigate them. Thank you so much for letting me speak.

COUNCIL MEMBER VAN BRAMER: Thank you so much. I just want to say as the Chair of Cultural Affairs and Libraries that I really admire all of you. As we have said before, I don't agree with every conclusion you've made, but over the last years we've come to know each other and Veronika, I want to assure you, as you've testified

before my committee a number of times, that we will read every single word in your testimony...

VERONIKA CONANT: [interposing] Thank you.

COUNCIL MEMBER VAN BRAMER: And so please don't feel that you were cut off, but there are a lot of people still waiting to go and it's late. I appreciate the Sunnyside shout out, by the way, from you and I look forward working with you as we go forward and we are very closely monitoring this and if anything, this shows that democracy works because there's power in individuals speaking up and you all have done that over the last few years, so I just want to say thank you again for your continued advocacy and anyone who loves libraries, I feel very strongly about them, so thank you.

CHAIRPERSON FERRERAS: The next panel we have TYree Stanback; Shirese Casanave; Lateef Wearlien; Toussaint Bonaparte and Yiman Chen. [background voices] You may begin. We'll start with the woman on the left in the green shirt.

SHRIESE CASANAVE: Hello, my name is Shirese Casanave. I'm a Social Action Coordinator

at the Church of the Open Door, 201 Gold Street in Brooklyn, where the Reverend Dr. Mark V.C. Taylor is the pastor. I'll be reading a statement from him.

To the Chairwoman, Julissa Ferreras, Chairman Ritchie Torres and the members of the Committees on Finance and Public Housing and to our Councilwoman, Laurie Cumbo: I am sorry I cannot be there in person today to make my comments. I want to thank the Social Action Coordinator of the Church of the Open Door, Shirese Casanave, for being there to represent the church and I. While the City Council is to be congratulated for its fiscal support of New York city Housing Authority, as Chairwoman Olatoye mentioned in her comments on Tuesday, June 3rd, 2014, the Council should also be alarmed and ashamed that the past eight years have included policy decisions which transform public housing developments into second-class housing communities in New York City. Even the fact that NYCHA is forced to operate with a \$44 million deficit in the first quarter demonstrates this status.

Nowhere is the second-class status of public housing communities more evident than Downtown Brooklyn. City policies of the last eight years have aided private developers through tax abatement, rezoning, the sale of undervalued land and by subsidies of what's dubiously called affordable housing. Demographic analysis predicts that 60,000 new residents per year will enter Downtown Brooklyn throughout the next decade. Long-time residents have witnessed a number of changes in their neighborhoods; new lights, new bike lanes, new bikes and bike racks; street changes and of course, new housing. None of these changes were implemented before the current rush of new residents entered these communities. Needless to say, most of the new residents are White and most of the long-term residents are Black and Latino. According to the 2010 census, the Black population in Brooklyn overall decreased by 49,517 or 5.8 percent, Fort Greene declined by 32 percent, Clinton Hill by 29 percent and Bed-Stuy by 15 percent. While new residents rush in, old residents have left in droves, moving to overcrowded neighborhoods in other parts of the

city, to the South or to enclaves in upstate New York.

While the prior administration supported the building of the Barclays Arena through its support of the dirt cheap sale of the land and the use of eminent domain, all without a legally enforceable community benefit agreement, the 140,000 people of NYCHA's waiting lists receive no such help and support [chime] to have their housing needs met.

I wish I could read the rest of this to you, but please, please, I ask you to read this and but thank you.

CHAIRPERSON FERRERAS: Thank you. It will be read.

SHIRESE CASANAVE: Okay.

CHAIRPERSON FERRERAS: Next panelist. We'll have Mr. Stanback.

TYREE STANBACK: Good afternoon. My name is TYree Stanback and I am the Vice chair of the Brooklyn West District Council of Presidents, which represents all of the housing developments in Brooklyn. More importantly, I am a resident. I am a resident of NYCHA and I live in Brooklyn.

I am going to ask you to consider three factors this afternoon as you think about and contemplate funding for the New York City Housing Authority. I would ask you in the interest of time to read over the first point, which is the quality of life. Closing and cutting nutritional, social and child care services will have a profound impact on working families who rely on safe, clean and engaging affordable centers. Secondly, security and safety will be profoundly impacted. Residents rely on the centers to be safe havens during storms and emergencies. Residents who fear leaving their homes, parents who are afraid to allow their children to play outside and teens seeking themselves in a place for that exploration.

Finally, please consider the financial impact. To close centers and eliminate needed resources and opportunities in the midst of the Congressional 2014 Appropriations Bill that will raise the rents of all public housing residents except those whose rent is paid by public assistance is a reckless business decision. To request NYCHA residents to bear the burden of eliminating homelessness in the city, meaning even

fewer dollars for a crumbling infrastructure and ask us to open up and in the same breath roll out the red carpet for returning felons to our homes is socially discriminatory. We would ask the Council to follow the money... yes, follow the money, require an audit of NYCHA and how it uses the funding. All we have is their questionable word that they are appropriately using the funds. If other communities have a right to say, "Not in my backyard," so do public housing residents because contrary to public perception, we too pay taxes. We will not be creating slums, ghettos and creating havens in which we eliminate critical services and concentrate the most needy only into public housing communities.

In closing, the centers are the gateway to the best of our communities and residents. they serve a vital and critical role in the lives of our residents. They are the spindle that weaves the fabric that is the heartbeat of public housing developments. Please fund our senior and community centers and demand the New York City Housing Authority be better custodians of the funds and actively include residents in the preservation of

our communities. Thank you on behalf of the 650,000 public housing residents in the City of New York.

DON KAO: Good afternoon. My name is Don Kao. I'm Director of Project Reach-Chinese-American Planning Council and I want to thank all of you for letting us have this opportunity to speak. Our group got a little split up, so we're... and we had an order of events, so we're trying to rectify some of that, so thank you for letting us do that.

Project Reach is an organization with the Chinese-American Planning Council and it was started over 40 years ago to address the issues of Chinese youth gangs. For those of you who may be unfamiliar with the history of the Chinese Exclusion Act, the Chinese Exclusion Act banned Chinese and later Japanese and later Filipinos from coming to this country. Just in case you weren't aware of it, it was a racist law. It wasn't relaxed until 1965, when Chinese-American Planning Council then was birthed in order to address the issues of immigrant Chinese and by the time 1971 came along, because back then there was no



1 bilingual education or ESL, many Chinese youth were  
2 on the streets and the phenomenon of Chinese youth  
3 gangs was birthed. I got to Project Reach in 1985,  
4 which was about 15 years later and what I found was  
5 that they stopped doing Chinese gang work because  
6 the assumption was that if we did that, families  
7 wouldn't send their young people to Project Reach.  
8 I ended up bringing that work back into  
9 Chinatown... into Project Reach because nobody else  
10 was doing it and in 1985 we did something that was  
11 quite unprecedented. We opened the doors to Black,  
12 Latino and Italian youth because the Lower East  
13 Side is multi-racial and by doing that, we actually  
14 lost two-thirds of our Chinese youth and we were in  
15 the middle of Chinatown, if you can imagine.

17           What's happened over the last almost 30  
18 years is that we've grown a multi-racial coalition  
19 of schools, of immigrant organizations and what we  
20 call Outer Borough LGBT Centers because these are  
21 the issues that we feel are most important and  
22 unaddressed with youth. We bring young people  
23 together who would otherwise never meet one another  
24 and we also bring adults from all five boroughs who  
25 would otherwise never meet each other because as

diverse as new York City is, it's very segregated in the way it delivers its services and so what we... I've got about 38 minutes... or 38 seconds left.

I want to say well, we did two things: one, we continued to diversify so that eventually we brought in not only every racial community including Muslim youth and Arab youth and Native American and indigenous youth, but we also partnered that with a youth empowerment component that actually had young people take center stage with adults in running the organization and what I'd like to do is I'm very proud to have some young people here who are part of that process and I'm going to turn it over to them and I have three seconds left. Thank you. [chime]

YIMAN CHEN: Good afternoon, everyone. My name is Yiman and I am a youth staff at Project Reach. About five years ago I had gotten to know Project Reach through SYEP. I was sort of on the last round, so I got the... wherever they had left space for me, so I had no idea what Project Reach was about and from there I like... I live in a very protective family, so I didn't really... I only

1 know stereotypes 'cause that's what my parents  
2 taught me, but then through Project Reach, I had  
3 met Lateef. He's a young Black man right here and  
4 we are really good friends now and I learned from  
5 Project Reach that you should know the people by  
6 who they are, but not by the stereotypes 'cause  
7 there's so much in... like they are so different  
8 from the stereotype. Like he wanted to be a  
9 videotographer, but there's so much more to him.  
10 And then so and through Project Reach I learned so  
11 much about like the issues that are going on like  
12 homophobia, sexism, ageism and then it gave us a  
13 language to use and it will help us benefit in the  
14 future and we can use it. Like it's going to come  
15 to us when we go to college, right?

17           So here's a little short story about  
18 me. when... in Project Reach I was really quiet,  
19 the usual Asian like quiet and then like... and  
20 then one year at Reach I started speaking out  
21 'cause this activity and Don came out and was like  
22 who is that speaking and then he peeked. It was  
23 like so surprised that it was me because I usually  
24 don't talk, so Project Reach is a place where I  
25 found my voice and I became more wanting to be

involved in my community and learn more about being an Asian-American woman.

So here's a little bit more: I'm part of a women's group. I'm the co-facilitator and then a little bit about women's group is where you talk about body image, about health issues and how being a woman in different culture and how they are different and in common. We also did a bit about teen dating violence and this year we did our first Annual Woman Retreat. We got the Point from the Bronx, Flushing International High School from Queens, Arab American Association of New York from Brooklyn, Staten Island LGBT Center from Staten Island and Reach from Manhattan. So this is our first retreat with women and it's all from the five boroughs and then we also talk about... we share the experience of being a woman and then what it means to be LGBT in the culture that we are in and then we are thinking about... we are now planning together to wanting to start some protests and then... yeah, I'm a little bit nervous, sorry. But it's really important to learn more about their identify and I really find the women's group really

important and Project Reach gave me the space to be in a women's group, so thank you for listening.

CHAIRPERSON FERRERAS: Yah. That one I'm going to yah as a woman Finance Chair.

[laughter] You may begin.

LATEEF WEURLIEN: Hi, my name is... [chime] Okay. Hello, my name is Lateef. I'm the Black guy that Yiman met. [laughter] I came to Project Reach through an organization called Jewish Board, which is located in Brooklyn. Yes, I'm also not Jewish, but it's one of the things that Project Reach is well-known for is cross community work and a lot of organizations don't do that and like our Director said, we're one city, but we're very segregated in the work we do and one thing about Project Reach is it's collective and we're trying to make sure that we are one city and some of the work we have done is anti-discrimination clinics and this is in-school based programming. One philosophy about Project Reach is we're beyond bullying; meaning bullying is just a symptom. It's not... it's used as a scapegoat for a lot of the root causes that's really going on and at Project Reach that's what we want to know; why is this

happening? Not just bullying; we go deeper than bullying. Is this because they're not comfortable? And like we teach the young people a language; like a language that they can better in society. With the clinics this happens in all five boroughs. It will happen in the Bronx, Staten Island and the main important thing is young people learn from each other, so bringing these young people together that they would never meet and learn that we are in the same city and we are the same people.

And another thing that I would like to talk about is Block Island and Block Island is an exchange program, which consists of MS 131 (sic), which is predominantly Black Chinese and Henry Street's the only one which is predominantly Black and Latino and we have a partnership with Block Island High School, which is a very small school full of 100 students and they do an exchange program, which they come down to New York city to see how an island is in New York City and then we do the homophobia workshop in the boat exercise to teach 8th graders at a young age that this is what's wrong in our society and this is empowered youth to make things better for them. One thing

about Project Reach is we're not youth and adult collaboration. We are youth and adult run and that's what makes Project Reach different from every organization. We are youth and adult run. We believe youth have... we are the leaders of tomorrow, so we should also have a say in what's going on and I agree. I strongly think Project Reach is one of the most interesting organizations here in New York City because of our cross community work, our anti-discrimination clinics in our schools and our summer program, which brings together all five different communities that they would never have a chance to meet and they do an experience and discuss something that's not taught in schools. So thank you.

CHAIRPERSON FERRERAS: Thank you for your testimony. Do we have anyone else on this... we're going to have the... Margaret... Council Member Chin followed by Council Member Cumbo.

COUNCIL MEMBER CHIN: Thank you, Madam Chair. I just wanted to thank the panel for coming today, especially Project Reach, Don, 'cause you're in my district, but Project Reach serves students across the city and adults and you just did

2 something in Council Member Arroyo's district, so  
3 it's really good that you've come to the City  
4 Council and testified, especially during the budget  
5 hearing 'cause I know you guys need more funding  
6 and you were... some of your fundings were cut by  
7 the state and so the city needs to step up and we  
8 also need to know that your service are citywide.  
9 So I thank the council members for listening and  
10 remember the group. Thank you.

11 DON KAO: We actually...

12 [crosstalk]

13 COUNCIL MEMBER CUMBO: Thank you. Oh.

14 DON KAO: We actually have two other  
15 people that are coming up right afterwards. Okay,  
16 thank you. Hey, Corey.

17 COUNCIL MEMBER CUMBO: Thank you again.  
18 I just want to thank our young people starting off.  
19 You all are so brilliant and to have a command of  
20 such issues at such a young age is very inspiring  
21 and I see future political leaders here. I just  
22 ask one thing of you, that you wait 'til we finish  
23 our term before you... [laughter] I want to add as  
24 well too, a very serious issue that was brought up  
25 in the testimonies today has everything to do with



NYCHA and I am so pleased that representatives from the Church of the Open Door with Reverend Mark V.C. Taylor here, as well as representatives from Walt Whitman, Ingersoll, Farragut, Lafayette Gardens, as well as Atlantic Terminal, but I'm especially proud that our TA leader for Lafayette Gardens, TYree Stanback is here, not only representing Lafayette Gardens, but he has always been a champion and a voice for our NYCHA developments throughout New York City and the advocacy that you have done and brought to the forefront in terms of the importance of our community centers, our senior centers, public safety, all of the issues surrounding equality are to be commended and it is because of you that we are all here and I want to make sure that this advocacy continues because there are some shortfalls in the budget that have not been addressed, particularly as it pertains to our community centers and senior centers and I look forward to continuing to working with you and all of those that have come here today and I thank you for your service. I thank you for being here. I thank you for always being here, even when no one

else is here. So thank you very much for your advocacy.

CHAIRPERSON FERRERAS: Thank you very much and we're going to call up the next panel as soon as they get in queue. But just want to appreciate everyone that has stayed. We see the diversity in the panel so that we can hear what this budget is all about and it's a lot of little intricacies; it's a lot of little components of the budget that make a very, very big impact. So we're going to call up the next panel. We have Courtney Bryan; Dara Hunt; Toussaint Bonaparte; Anthony Pappas and Patricia Poux. [background voices] I am so sorry, Patrick. I'm at almost our 10 of hearings, so for today. You may begin your testimony. [background voices] Okay.

MALCOLM LEWIS: I'm going to start?

CHAIRPERSON FERRERAS: Go for it.

MALCOLM LEWIS: Okay. Hi, my name is Malcolm Lewis and I am with Project Reach. It is my first time speaking here and I am from Staten Island, New York. It's a fairly rural part of New York City. It's also a fairly heteronormative, discriminatory and homogenous area of New York.

During high school, I got involved with the Staten Island LGBT Community Center and through them I met Project Reach, a not-for-profit organization that does a lot of social activism in various subsections of society and one of the subareas is the LGBT community. They were holding an LGBT Retreat for inter-borough youth when I met them and before this time I had never been around so many people like me; young, colored and queer. These retreats were... well, they are still held on the... in Catskills on a farm. During the retreats, we have group talks where we talk about the discrimination in our community, living as young, queer youth in our own communities and exchange words and ideas that brought in our understanding of our world.

Project Reach, which isn't even an LGBT organization, were the first organizations in 1990 to have an LGBT Retreat. That's a fun fact. These organizations allow separated and segregated youth to meet one another before retreats at dinners held all over the city. This specific work isn't merely a meet and greet though. You're not... I'm sorry, these dinners aren't merely a simple meet and

1 greet. They're more like a meet and hi, nice to  
2 meet you; you're not alone greet. This work has  
3 been fairly vital to my psychological health and  
4 well-being because when you feel alone in the world  
5 and no one cares, it's a deafening feeling and when  
6 you find people who think, speak, feel and are like  
7 you it's... an entirely new world opens to you, one  
8 full of connectivity, support and lights.

10 I have one minute, so I will just  
11 continue speaking about... from Preschool I've  
12 always known that I'm going to be myself, but  
13 growing up in Staten Island, it's kind of hard to  
14 be yourself and not feel like everyone doesn't like  
15 you, but when I went to the Staten Island LGBT  
16 Community Center, I met people on Staten Island  
17 that were similar to me, but it wasn't a lot. It's  
18 a small, small, small group on Staten Island. But  
19 going to Project Reach, which is located in  
20 Chinatown, a lot more people come from inter-  
21 borough like from the Bronx, from Queens, from  
22 Manhattan, from Staten Island and from Brooklyn.  
23 When you meet all these people, it's interesting at  
24 first. It was a culture shock because I'm not used  
25 to meeting so many multi-cultural people. Staten

Island is very homogeneally... well, it's very white [laughter] and going to Chinatown, meeting a lot of queer youth; queer being a factor 'cause I don't... before high school I don't think I knew a queer person. Project Reach opened [chime] a door. Oops.

CHAIRPERSON FERRERAS: Thank you.

MALCOLM LEWIS: Thank you.

CHAIRPERSON FERRERAS: I'm still reeling at your last comment, but the next panelist can begin. Thank you and this is your house. You should come here more often.

MALCOLM LEWIS: Okay.

CHAIRPERSON FERRERAS: Okay.

MALCOLM LEWIS: I will.

TOUSSAINT BONAPARTE: Hello, my name is Toussaint Bonaparte. I'm with Project Reach, of course. Just wanted to talk a little bit about coming to the program and why I continue to be with the program. I came in from a Special Education high school. Project Reach came in and they were able to teach us about their curriculum and some of their things latched onto me around social justice work and being able to meet different people from

different communities because I predominantly lived in Harlem and Washington Heights and there was just limited amount of meeting people of different cultures outside of Black and Latino, brown people. One of the things that really grounded me was how people establish themselves as cultures, but like as men and women. There were certain languages that I used to use and terms I used to speak until I came to Reach, things that degraded myself as a person. Some of the things like the 'N' word and how I looked at women using the 'B' word, as an example. It was powerful hearing the stories of women and the work and the movements that they have gone through, especially the movements that's happened in Project Reach itself. In 1991, we had a women's strike, where women in the program felt unsafe, even though these men were saying that they were advocates and allies, but in the space they put on faces, but when they stepped outside of the program, that face changed and these women went on strike and were able to talk about their stories and also be able to empower themselves to have these young men look at themselves and look at their own privilege and that's one of the things

that was really important about me sticking around is how do I express myself; how do I look at my own privilege and power and how do I work with other young men? So I work with a young men's group talking about how we can't be just allies and advocates, but we also have to not be bystanders since bystanders are the people who perpetuate the sexism and misogyny that continues to go on this world. So if we're going to continue to say that oh, we support women and we support men, we have to look at what's the difference between negative masculinity and healthy masculinity; looking at works that break down gender walls and gender roles and you know, how we can get on this level of equality. So these are some of the things that keeps me within the program and that's why I continue to work with young men and to work with the people like Lateef and work with people who run the women's group like Yiman and some of the other staff in our program.

DARA HUNT: I am not with Project Reach, but I am so happy to learn about it. Good evening, Chairwoman Ferreras and members of the committee. You're staying here to listen to us all

restores my faith in government. Thank you for the opportunity to testify. My name is Dara Hunt. I'm a volunteer with Pledge 2 Protect, a growing coalition of individual citizens and groups working to protect the health and safety of all New Yorkers. We're doing this by raising awareness of the fiscal, environmental and community impacts of the city's current Solid Waste Management Plan and the 2006 plan going forward.

Pledge 2 Protect was founded to alert the city to the risks of building the East 91st Street Marine Transfer Station, but our mission has expanded to a citywide focus, as we have learned more about solid waste management planning in New York. Over the years, certain communities have been overburdened and borne disproportionate effects of many of the functions we must perform such as waste management, but our goal should be to reduce... and it can... be to reduce those negative impacts everywhere, not to shift them around. All New Yorkers deserve a better waste management plan than they are getting at this time. We deserve one that's driven by modern technologies, modern approaches and one that is sustainable, fair and



cost-effective, but I'm here today to talk about the cost associated with implementing the 2006 Solid Waste Management Plan.

The cost of just one element of this plan, the East 91st Street Marine Transfer Station, has been investigated by the IBO, the Independent Budget Office. What the IBO found is that if the East 91st Street MTS is built and implemented, it will increase the cost of processing garbage from \$90 a ton to \$238 a ton, nearly tripling those costs. If this site goes into operation, it will increase the city's waste management cost over 20 years by over \$600 million compared to current cost. The capital costs of building the East 91st Street facility have ballooned from an original estimate of \$47.5 million to \$215 million. These projected increases are dramatic and they are almost certainly replicated across other projects. The Solid Waste Management Plan must be reevaluated. It is not going to achieve its laudable goals and we must move forward with a much more sustainable plan for New York City. Please read Pledge 2 Protect's *Talking Trash*. It uncovers

[chime] many important factors and it's on our website, [pledge2protectnyc](https://pledge2protectnyc.org). Thank you.

COURTNEY BRYAN: Good evening. Thank you again for the opportunity to speak, members of the committee and Madam Chair. My name is Courtney Bryan. I am the Director of Criminal Justice Operations at the Center for Court Innovation, and the Center, as you may know; I hope you know, is a public-private partnership and an independent not-for-profit organization that works with the courts and government and communities to reduce crime, assist victims and increase public confidence in justice. And I'm here today to urge the Council to support continuing funding of our groundbreaking efforts to tackle chronic issues like homelessness, drug addiction, mental illness, domestic violence, truancy and juvenile delinquency. Through our demonstration projects throughout the five boroughs, our provision of technical assistance and our research at the Center has helped propel New York City to the forefront of the national movement on problem solving justice. The Center's projects have reduced crime, improved the quality of life in

our city's neighborhoods and most importantly, in these very difficult times, saved money.

Many of the most challenging problems facing the residents of our city find their way into the court system each year. New York City Criminal and Family Courts are overwhelmed by high caseloads, many driven in large part by drugs, mental illness, homelessness, violence and poverty. Conventional courts don't address these issues and as a consequence many persons committed to our prisons, jails and juvenile detention facilities come home far worse than they went in and recidivism rates are appalling.

The Center believes that the courts, governments and communities can work to solve the problems that I've talked about and reduce both crime and incarceration and do so while saving money. Beginning with the Midtown Community Court 20 years ago and through demonstration projects throughout the five boroughs, including the Red Hook Community Justice Center, Bronx Community Solutions, the Harlem Re-entry Court, we have documented that we can both reduce recidivism,

reduce crime, reduce incarceration and repair the relationship between government and communities.

We're bringing this approach to a new neighborhood in Brownsville, so the Brownsville Community Justice Center is in the planning stages and thanks to very generous support from the Council, we'll be opening soon, but in the meantime, we're working on gun prevention and gang violence prevention programs in Brownsville, in Crown Heights, in the South Bronx and through the Council's support and I'm hoping continued support we'll be able to do that.

Also, our initiatives, just to give you a sense of what we're focusing on in the year ahead, is a new approach to human trafficking cases, a new approach to the mentally ill, who are disproportionately representative in our jails and prisons, but particularly at Rikers Island and at juvenile detention facilities. And most importantly, I think just overall to enhance and repair the relationship [chime] in many ways that government has with the people. Thank you.

[Pause]

PATRICK POUX: Hi, good afternoon.

Thank you so much for allowing me to speak, Council and to thank the Council for allowing me to speak today. My name is Patrick Poux. I'm the owner of a company called Heal Homeowners and the CEO of the company and the objective of my company is actually to help people maintain their homes and keep their homes, but the reason why I'm actually here today is not about the homeownership. It's more about the family in ACS.

As a person who deals with people who own homes, I see a lot of families and I meet a lot of children every day and one of the things I've noticed is that the first thing we learned in life is from... by children is by parents and how they guide us and the environment in a household will determine what kind of person a child will be later on in the environment, meaning you're a product of your environment and sometimes if the environment which you're in is abusive or is not conducive to success, it influences the person as an adult, as a child and in the decisions they make in the future and my concern is that parents are raising their children in environments that are sometimes not

conducive for their success and what I mean by that they're involved in relationships that are abusive. Children are witnessing their mothers being beaten by their husbands, the drug use, alcoholism, marijuana or whatever you want to call it and the problem I have is not to say what's happening in the household. The problem I'm having is that people are actually assigned to make sure that household doesn't take place anymore, which is the representatives of the agency known as ACS, Administrative Children's Services.

I went to court and I seen a case myself and I seen a few cases actually where a parent brings a child in there accused of child abuse and the evidence is there to show that the abuse is taking place in the household, yet the person who's in charge, which is the judge in this case, who takes an oath to be honorable, who you consider your honor and judge, is actually like the reaper. They're destroying the household. They're giving the abusive parent the rights to that child and I'm wondering if that's actually being done deliberately or is it being done because of

something else like what we hear in Pennsylvania where kickbacks are happening.

I'm a firm believer in you reap what you sow and I cannot stand here and see it as a person of this community and sit here anymore and to see that was happening in our communities isn't right at all. You have a situation where young men are uncomfortable expressing themselves as far as who they are inside and I think everything that comes back to it comes back to the household, the home. You know, if your home is safe and you feel you can express yourself, you can do anything you want to do in life and if your environment at home is not what it needs to be and if people who are assigned to make it right are not doing their job then who do you speak to; what is your outlets? That's one of the reasons why we have bullying in schools because they've probably been abused at home or you have people laughing at you for getting free lunch, laughing at you 'cause of how you choose to live your lifestyle, who you decide to be as a person because it comes from home. And the judges are in a position of power, but the abuse of power is not being dealt with the proper way and

I'm honestly calling... I'm pulling the coattail. I'm not going to sugarcoat anything; I'm not going to lie. My hands are damaged, so I don't lie. I don't have time to raise my hand and say I'm going to tell the truth because in a day I feel as though like you go to court it's like the Twilight Zone. You go there thinking one thing and it is not what it appears to be. [chime] My time is up. Thank you.

PROFESSOR PAPPAS: Good evening. My name is Anthony Pappas. I'm a professor at St. John's University. I teach Economics. I won't give you a lecture in Economics because it puts my students to sleep. Instead, I'll talk to you about atrocities. These atrocities take place in our courts every day and they need to be addressed. Fathers commit suicide; mothers commit suicide; children are abused and they are not taken care of when they go to the Family Courts. I will give you an example of the problem.

When she was 15 years old, Linda Sparkman went into a court in the United States. The judge told her to go to the hospital to get her appendix removed. He secretly ordered the surgeon



1 to do a tubal ligation, cutting off her fallopian  
2 tubes. Linda Sparkman was 15 years old. She did  
3 not know what was going to happen. She did not  
4 have legal counsel and she did not have an  
5 opportunity to appeal this secret operation. She  
6 married when she was 17 and discovered that she  
7 could not conceive. When she investigated and  
8 found that the judge did this, she took her case to  
9 the Supreme Court of the United States, which ruled  
10 that the judge had judicial immunity by a narrow  
11 vote of five to three.  
12

13           This concept of judicial immunity is  
14 antithetical to American values. It elevates the  
15 judiciary to the Divine Right of Kings and there is  
16 no accountability for the judiciary in the courts  
17 of New York. This is intolerable. We cannot have  
18 this. If we have a Civilian Complaint Review  
19 Board, and Mr. Brown spoke about what happened to  
20 his son when he took his complaint to the Civilian  
21 Complaint Review Board, we need to have  
22 accountability over the judiciary and denounce this  
23 doctrine of absolute judicial immunity. As was  
24 indicated by other people, you go into the courts  
25 and it's the Twilight Zone.

In my own case, the judges are writing about me that I made thinly veiled threats in the idiom used by the perpetrator of the Fort Hood massacre. Where is the FBI? You can't be walking around making threats like the guy at Fort Hood. They also write that I committed a violent Class B Felony where I should be up in Attica state Prison. It's a total hallucination. They tolerate false testimony, they do whatever they want and they need to be held accountable. We can throw money at ACS, we can throw money at the courts, but if we don't have any controls and if we have a system that is broken and dysfunctional, it [chime] will not serve our families and our children.

CHAIRPERSON FERRERAS: Thank you very much for your testimony. I just want for clarity's sake... the City Council does not have legislative or budgetary authority over the judiciary system; however, we are council members and we represent constituents and your concerns are validly documented for this hearing.

PROFESSOR PAPPAS: That's part of the problem. Nobody has jurisdiction...

[crosstalk]

CHAIRPERSON FERRERAS: I...

[crosstalk]

PROFESSOR PAPPAS: Over the courts.

[crosstalk]

CHAIRPERSON FERRERAS: Know. I know.

Thank you very much. I really appreciate all of your testimonies. We're going to call up the next panel.

COMMITTEE CLERK: Maria Roca; Cheryl Huntley... Huber, I'm sorry; Robin Mann; Jennifer Levy and Nova Strachan and Cathy Dang. And Robin Mann, FIERCE.

CHAIRPERSON FERRERAS: [off mic] You may begin.

MARIA ROCA: Good afternoon. Thank you to Chair Ferreras, as well as the other council members. I'm Maria Roca. I'm the founder and Chair of the Friends of Sunset Park, an all-volunteer organization.

I'm here to ask for additional funding before all decisions are made to the Parks Department FY '15 Budget, but targeted funding, which I think it's one of the issues that has come up in other testimony so that money just doesn't

get given and then no one knows where the money really landed. So the targets are following: equipment and staff for open space maintenance and restorations and when I... even though I'm here from Sunset Park, this is true of many other underfunded parks around the city. And extended hours from June to September to keep comfort stations opened until sunset. I'll speak about Sunset Park, but again, this also relates to other parks.

Sunset Park is one of many New York City neighborhoods surrounding underfunded parks. As the neighborhood continues to experience dramatic increases in real estate values and commercial activity, the Parks budget hasn't reflected the corresponding increase in tax revenues. Parks are an important and highly visible part of our patrimony. As the world-class city we consider ourselves and often speak about, we need to manage ourselves as such. Two examples to bring my point hopefully to your attention: a week ago, a "parkie," as park staff field staff are often referred to, was seen trying to cut two foot high grass with a gas powered lawn mower that was

residential grade, the kind of mower that you would  
by at Lowe's or Home Depot. The poor man was out  
there in the sun for two hours to try to finish an  
area that should've taken at the most 30 minutes to  
mow, should he had been given the proper equipment;  
likewise with other equipment and we, as part of  
the Friends of Sunset Park, witness this all the  
time. The comfort station closes at 4:00 p.m.;  
however, the park is elbow to elbow patrons until  
sundown. This does not make any sense, folks. The  
park is where our communities meet, regardless of  
age, regardless of color, regardless of economic  
circumstance and we need to take care of them  
because we show our children, particularly our  
youth, that have been so well represented here,  
[chime] how we take care of them is how we take the  
space that they enjoy.

CHAIRPERSON FERRERAS: Thank you.

MARIA ROCA: Thank you.

CATHY DANG: Good afternoon or good  
evening now. My name is Cathy Dang and I'm the  
Executive Director of CAAAV, Organizing Asian  
Communities. We're a member of a new citywide  
coalition that has come together to fight for the

depletion... to fight against the depletion of affordable housing in New York City at the hands of predatory equity and I want to thank all of you for having us here today and letting me testify.

Our Predatory Equity Coalition is made up of 12 community organizations, a legal service provider and housing advocacy organizations including CAAAV; Mothers on the Move; Chhaya CDC in Queens; Pratt Area Community Council in Brooklyn; Woodside on the Move. We are citywide; we're everywhere; we're neighborhood-based organizations.

Over the past seven years, New York City's affordable housing market has been severely destabilized by private or predatory equity companies that purchase large number of rent stabilized buildings at inflated prices and then push out the rent stabilized tenants so that they can charge market rates using a wide range of harassing techniques from frivolous lawsuits to failing to provide heat or conduct necessary repairs. As a result, the city has lost thousands of units of affordable housing over the last few years at the hands of mega-corporations like Vantage and Pinnacle. For us, in Chinatown Lower

East Side, we've lost 15,000 rent regulated apartment units since 2006. We've lost 20 percent of the Asian population in Chinatown; 60 percent of the Black and Latino population on the Lower East Side.

As the crisis continues, organizers and lawyers have begun working with tenants in all five boroughs, fighting back against these landlords' aggressive behaviors and tactics. The strategies we use are organizing tenants in the predatory equity buildings and educating them about their rights, mobilizing them and organizing and developing their leadership to hold their landlords accountable and using the legal system as an avenue and tool to hold the landlords accountable.

A recent example of the predatory equity impact on affordable housing in our city is the Three Borough Pool, which many of you probably have heard about, the portfolio of 44 rent regulated buildings in Manhattan, Brooklyn and the Bronx.

For us, at CAAAV, we organized in seven buildings in Chinatown owned by a landlord who's a predatory equity company, with 100 tenants. When

1 we organize them we're able to change and impact  
2 the thousands of residents that live in the  
3 buildings owned by this one landlord and we're able  
4 to set a precedent and scare the other landlords in  
5 their neighborhood, which also influences and  
6 impacts the 200,000 residents that live in  
7 Chinatown.

8  
9 So as part of Stabilizing NYC, we are  
10 coming to City Council to ask for your support. We  
11 have met with many of you already and we thank a  
12 lot of you for supporting Stabilizing NYC so when  
13 it comes to the floor, we ask for your support.

14 Lastly, as CAAAV's ED and one of the  
15 organizations who helped to pass the Community  
16 Safety Act, I want to echo sentiments that will be  
17 shared by the FIERCE youth and we are strong allies  
18 of FIERCE and we are concerned about the increase  
19 of the NYPD presence in New York City.

20 JENNIFER LEVY: Good afternoon, council  
21 members. Thank you very much for the opportunity  
22 to testify. I'm Jennifer levy. I'm the Project  
23 Director of Bronx Legal Services and I am joined by  
24 Nova Strachan, who is from Mothers on the Move and  
25 we're here as representatives of a Bronx coalition



called the Bronx Justice Network, which is a coalition of eight community-based organizations with a successful history of doing social justice work and Bronx Legal Services.

The network was formed with the purpose of building the capacity of grassroots organizations in the Bronx and working towards a coordinated strategy to address the community's greatest challenges in the following areas: immigrants' rights, housing, opportunities for youth and sustainability. We've submitted a Speaker's initiative request for \$500,000 to be shared among the nine organizations to implement an intensive training program, followed by a series of issue-related forums.

We propose to build capacity by doing targeted outreach to 30 groups working in each of the four issue areas and conducting intensive two-day trainings with each group of 30. Each training will have a concrete skills component, a fundraising component, a movement building component and an issue identification component. The trainings will be supplemented by ongoing peer-to-peer mentorships, resource sharing and legal

services support. We will work towards a coordinated strategy for confronting the Bronx's greatest challenges in these four issue areas by taking the issues identified in the training and convening broad-based community forums. The forums will provide an opportunity to share issues and challenges with elected officials, policy leaders and community-based organizations throughout the Bronx. We will introduce thought leaders and scholars to provide the network of greater insights and strengthen the knowledge-base of the network members and the community-at-large. And finally, the forums will serve as a venue to invite, engage and recruit community-based organizations and community leaders in collaborative problem solving and strategy development. I'll turn it over to Nova.

NOVA STRACHAN: So the illustration to provide an example of how this would work...

CHAIRPERSON FERRERAS: [interposing]  
I'm sorry, you need to bring the mic real close.

NOVA STRACHAN: Oh, I'm sorry.

CHAIRPERSON FERRERAS: It's being recorded so...

NOVA STRACHAN: I'm sorry.

CHAIRPERSON FERRERAS: Thank you.

NOVA STRACHAN: To provide an example of how this would work, Mothers on the Move has been engaged in community organizing and public housing developments for many years. Nos Quedamos does both housing development and advocacy and they would both partner or we would partner with legal services to provide training on ongoing support to 30 organizations. The trainings would address concrete skills and housing, court public housing rights and termination proceedings when they're trying to evict and tenant rights under rent stabilization. The trainings would also draw from community actions for safe apartments and MOM's tenant organizing experience to paint a picture of a movement building. The participants would be asked to identify the most common issues confronting their constituents. As an example, public housing tenants being terminated or barred from admission because of family members' conduct with the criminal justice system. The year-end forum would pull together thought leaders and community leaders to devise a strategy to address

the problem, which could be legislative, court-based, movement-based or all three.

In conclusion, the Bronx is in desperate need of this project. As the community groups flounder with fewer resources for this kind of grassroots work that this would support, they are forced to shut their doors and decrease services, like how we had at MOM, and this is the model that will leverage the small investment to help thousands of residents receive badly needed quality service and while this is targeted for the Bronx or while this pressing for the Bronx, it is an approach that could work citywide.

I thank you for the opportunity and waiting and being here listening to our testimonies and please support us in this initiative. Thank you.

CHAIRPERSON FERRERAS: [off mic] Thank you.

ROBIN MANN: Hey, my name's Robin. My name is Robin. I'm a youth organizer, part of FIERCE that's an organization for LGBTQ youth of color dedicated to community empowerment and activism. I'd like to thank the Committee on

Finance and the Chair, Julissa Ferreras, for allowing me to testify. I would also like to thank the presence of other orgs here that are speaking in solidarity with me. So yeah, I'm going to just go hard.

The budget plan to spend \$94.3 million on hiring 1,000 new NYPD officers relies on the fallacy that more cops equals more safety. There's no real genuine data put out by the community that's showing a correlation between the increase of police officers and community safety or the decrease of "stop and frisk" and the increase of gun violence. If anything, I would like to acknowledge that the NYPD is complicit in rising numbers of assault and murders against civilians. Need we be reminded of Ramarley Graham, the unarmed Bronx teenager who was shot and killed in his own home in front of his family by Richard Haste and still hasn't received justice? We're never told how the police was protecting us when 14-year old Javier Payne had his head smashed through a storefront window and nearly died. And I can speak that if we look back on the history of the Christopher Street Pier for every decade it's been

around and like claimed by our community, there have been dead bodies that have piled up and some of them have belonged to our own comrades and like pretty well-known social justice leaders that they've been neglected by investigators and law enforcement and what happens now with the police is they just enforce the curfew and kind of limit our access to public space instead of actually preventing like real violence. And I understand that this proposal comes out of a spike in gun violence and a real desire to prevent lives from being lost, but I feel that adding to the NYPD's numbers when they already have adequate resources, which is acknowledged by Commissioner Bratton, is not the way to address it. Instead of allocating more guns and capital to a police force that's failed time and time again to be accountable to the communities that they supposedly serve, we should actually be investigating an organization, some of them grassroots, like the Anti-Violence Project or the Safe OUTside the System Program that's housed by the Audre Lorde Project that actually worked towards developing community responses to violence. Strategies like training business owners to

identify and deescalate potentially violent situations. A lot of communities should have sustainable plans for safety on their terms.

I'd like to add also that as a high school student that does qualify for free lunches, I find the fact that [chime] you know, these are all contained at the same hearing to be ironic because well, according to a report that was released in March by the US Department of Education Office for Civil Rights, Black students make up 16 percent of total students in the country, but they make up about a third of school-related arrests and there's \$227 million spent on police presence in public schools in this city, so what's the point of putting food in our stomachs when Black and Brown young bodies are being criminalized?

CHAIRPERSON FERRERAS: Thank you.

ROBIN MANN: And I'd like to end that the reality is that increasing police presence has done more to antagonize communities of color, queer communities, youth and folks like me who have with these identities than it has done to protect us. Thank you.

[crosstalk]

CHAIRPERSON FERRERAS: Thank you very much. Yes, very impressive and your voice is definitely duly noted. I just want to express that the officers that we had budgeted it is a Council priority, but this is a Council that's diverse and a Council that really is reflective of the constituencies, so your opinion is greatly appreciated and will be taken into consideration as we negotiate our budget. Thank you very much for coming today. Next panel.

COMMITTEE COUNSEL: Darrick Whitley; Jackie Vimo; Anthony Feliciano; Charmaine Ruddock and Stephen Beasley.

[Pause]

JACKIE VIMO: There we go. Good afternoon. I will be very quick. My name is Jackie Vimo. I'm the Director of Health Advocacy at the New York Immigration Coalition. We're an umbrella organization for over 150 groups across New York State and we're here to urge that the City Council include \$5 million for Access Health New York City, a new City Council initiative that has been proposed by Council Member Johnson, as the Chair of the Health Committee. This would support



desperately needed grassroots community education programs about options for health coverage for New Yorkers, regardless of income or immigration status. We, as the NYIC, represent lots of organizations that work with immigrants and those of us who are immigrants know how important cultural competence is to getting information. I, myself, grew up translating all the documents to my Argentine parents and having to be the broker you know, to explain how things work in this country and we know that community-based organizations also do an important job of that role and you know, for example, one of our groups, South Asian Council and Social Services last week called me and said that they had a priest who spoke only Tamil and they were the only organization that could go and explain to this Tamil priest and his two children how he could get health care services, but also that he could get health care services and not worry about immigration consequences. We know that lots of immigrants across the city don't know what their options are. Many who are eligible for health insurance coverage have not enrolled because they don't know about it or because they are

needlessly afraid. There are over 83 percent of immigrants in New York that are actually eligible for coverage, so the fact that we're not covering them makes no sense, especially given the budget crisis that HHC is in right now and more importantly, there are undocumented immigrants who are left out of health care, both on the federal level and on the state level and they actually have options in New York, but no one tells them that. They can go to HHC; they can go to federally qualified health centers and they don't know and it's really just a tragedy that they're getting access to health insurance because they don't know about that. And the best way to do that, what the city could do very easily is put \$5 million into the city budget to fund organizations in the districts where there are high levels of uninsured to get the word out to them about what their options are, and also just to make sure that we have a stronger, healthy New York and also a New York where more people are getting covered, which is good for the bottom line. So thank you so much. I hope you support this initiative.

STEPHEN BEASLEY: Hello, Chair Ferreras and Councilman Johnson and also Cornegy. Where is he at? Oh, yeah, and everyone, and everyone. So I'm Stephen Beasley. I'm from CAMBA and the Greater Brooklyn Health Coalition. Huh?

[background voices] No. Oh, did I say woman?

[background voices] Oh, okay. Anyway, we've deformed this. I'm saying hello... I was saying hi to everybody. [background voices] Thank you. It's okay. I'm the perfect person for you to do that with. It's fine. So I'm speaking in support of ACCESS Health NYC on behalf of the People's Budget Coalition, CAMBA, which you've heard about and the Greater Brooklyn Health Coalition.

So my work revolves around managing partnerships and deliverables so that we can increase the various services that we can offer to various New Yorkers. However, every once in a while, one of our newest New Yorkers, as the Office of City Planning calls immigrants in its reports, which are very informative, someone will come in my office from Africa; from the Caribbean; from Eastern Europe; from South Asian countries; from

the Arab world and they'll be completely clueless about how to access the Health and Human Services that they need in the city and now could this arguably still happen with all... with \$15 million in Access Health NYC? Absolutely, but if we have a more comprehensive citywide network and stream of information, such as Access, then we can see a positive effect on the quality of life of New Yorkers and also decrease the burden of the hospitals and increase capacity of community-based organizations who serve in these communities throughout the five boroughs; specifically 65 of these community-based organizations.

I have to speak out in favor of anything that's going to enhance DOE, NYCHA or New York Public Library through these funds because over the course of 25 years, I've benefitted from, volunteered and now run mentoring programs; sexual health education programs; anti-stigma initiatives for HIV and now fitness and nutrition interventions that actually Councilman Cornegy helped us launch a few months ago and also, every program I've ever worked in the New York City Council has enhanced and supported and promoted, so thank you.

However, we need safe and staffed and fully functioning schools and libraries and community centers to reach these clients... reach people who are clients and reach people who are participants in their environment. They have to be fully functional. They have to be up and running as much as possible and if we're going to be a world-class city, we have to use our financial and human resources to ensure that we can be an example of a city that says okay, New York City and any American city is a place where people are engaging people and informing them and empowering them to improve the quality of their lives. So thank you all.

CHAIRPERSON FERRERAS: Awesome. Thank you. You still have time left. Next panel.

CHARMAINE RUDDOCK: Good afternoon, Chairperson Ferreras and members of the City Council. First, let me thank you for the opportunity to provide testimony at today's hearing on the Executive Budget for Fiscal Year 2015. My name is Charmaine Ruddock. I'm from the Institute for Family Health. I run our Community Health

2 Initiative to eliminate health disparities, Bronx  
3 Health REACH.

4 The Bronx Health REACH Coalition, led  
5 by the Institute for Family Health, was formed in  
6 1999 to eliminate racial and ethnic disparities in  
7 health outcomes in diabetes and cardiovascular  
8 disease in the African American and Latino  
9 communities in the Bronx. We work with community  
10 organizations, residents and leaders to improve  
11 access to affordable healthy food, increase  
12 opportunities for active living and recreation and  
13 reduce underage and excessive drinking and exposure  
14 to secondhand smoke in the Bronx.

15 And as of 2012, we became the Bronx  
16 borough lead for the Partnership for a Healthier  
17 New York City. On behalf of our coalition and as  
18 one of five borough lead organizations working with  
19 the Partnership for a Healthier New York, we're  
20 asking the Council to support the budget request of  
21 \$2.3 million for the Partnership. The Partnership  
22 began through a grant from the Centers for Disease  
23 Control that was given to the city's Health  
24 Department and as of September of this year, the  
25 funding will be eliminated because of the

Congressional 2014 Budget, which cut and eliminated those funds.

The Partnership is a citywide multi-sectoral coalition of over 450 community-based organizations working to make it easier for New Yorkers to be healthy. The Partnership's purpose is to help New Yorkers avoid the onset of chronic diseases like Type II diabetes; cancer; heart disease; emphysema by making it easier for people to make healthy choices in their communities. We work in four specific areas: healthy eating, active living, tobacco-free living and reduced underage and excessive alcohol use. These are the top four actual causes of death in New York City. We work collaboratively with community-based organizations to make healthy foods available in neighborhoods; increase opportunities for people to be physically active; help people avoid tobacco smoke and educate the public about the harms of underage and excessive drinking. I

In a little over two years, we've achieved significant results. Through our work with 33 small stores citywide, we've been able to improve the availability of healthy foods in

neighborhoods, impacting over 300,000 shoppers and their families. Because 74 organizations have agreed to make healthy foods available at meetings and events, almost 37,000 people are impacted. Due to the 25 active design projects, we're supporting more than 500 people that are being active... or work to get residential [chime] buildings smoke-free impacts over 12,000 New Yorkers. The rest of my testimony has been given to you.

ANTHONY FELICIANO: Actually, good evening. My name is Anthony Feliciano. I'm the Director of the Commission on the Public Health System and with the Federation of Protestant Welfare Agencies we have been facilitators of the People's Budget Coalition. That includes the Immigration Coalition and CAMBA you see here. We are an alliance of 20 plus community and labor organizations united around preserving and expanding our city public health programs and services.

The heart of PBC's advocacy efforts are expressed in two central beliefs: we need to increase local control over the participation and the decisions around health care resources and



public health issues. We need to develop a collaborative effort that can address the multiple factors causing health disparities, including causes that extend well beyond the health care system.

While the health care outcomes of New Yorkers may have improved in recent years, we still see substantial inequalities among New Yorkers, particularly around economic status, immigration, gender, sexual orientation, age, disability and race and ethnicity. And so in recent years, with the exception of Bronx Health REACH, we've had several concerns with some initiatives that have been created to create health disparities that have not been as effective as they should be. Some factors contributing to the lack of scalability and outcomes actually include that many initiatives do not embody the voices of community and health care workforce and lack effective mechanism to engage communities and build support among them, which is necessary for sustainable long-term results. The other is that many initiatives are disconnected from other significant community development strategies that have the potential to influence the

known determinants of health disparities; housing, safety and education. And that many initiatives are not built on a platform of responsive policymaking, accountable governance, management and adequate stable financing that assures a continuity of response from prevention to early detection to treatment to evaluation.

We are very enthusiastic that the Department of Health proposal to create a Center for Health Equity is a great step. We understand that the details are still being discussed, but we are hopeful that in its creation it will help address concerns we have expressed in the beginning of my testimony.

I would like to take your attention to new initiatives endorsed by the People's Budget Coalition. The first one is Access Health NYC, which we have heard just recently and without giving more details, we want to thank Corey Johnson, who helped lead and carry this with us. But it's very important. It's going to help so many of your districts, particularly high districts of uninsured. Including... insurance is not the only problem contributing to health disparities.

2 We have several other initiatives that we want to  
3 get support for. The first one is Healthy Women,  
4 Healthy Futures. \$3 million for this initiative  
5 would expand efforts and effectiveness from  
6 programs like the Infant Mortality Reduction  
7 Initiative to reduce dramatic and persistent health  
8 disparities in maternal and infant death. The  
9 other one is workforce improvements. \$1 million  
10 can be invested in increasing diversity in the  
11 health professions and creating a well-trained  
12 culturally competent workforce by funding the  
13 existing New York Metro Health Education Centers.  
14 [chime]

15 And finally, I just want to say that we  
16 need to win some real Health Home Rule in this  
17 city. The state has failed to protect the safety  
18 and the health of our communities and we need to  
19 figure out how we can do real community health  
20 planning that engages communities and the  
21 workforce. Thank you.

22 CHAIRPERSON FERRERAS: Thank you very  
23 much. Thank you very much to this... we will have  
24 Council Member Johnson address the panel.  
25

COUNCIL MEMBER JOHNSON: Just very, very quickly, I just want to thank you for being here and for being patient. I want to thank everyone who's testified and we'll do that at the end, but I am particularly enthusiastic about your testimony today, all of you, and I am very proud of the Access Health NYC Initiative. I know that in a rapidly changing health care system with the ACA, with HHC, with DISTRIP [sic] and DISH and all these acronyms that are hard to understand, a lot of people, even through signing people up through the ACA enrollment on the exchanges in New York, left a lot of people behind and it was hard to qualify to be a navigator in the CAC and we have plenty of minority populations and communities in new York City where there wasn't adequate language access or materials that were provided, so it's my hope that this \$5 million it's not going to be a panacea or solve the problem, but it can help reach communities that otherwise have not been talked to or educated in a real way about this and protect them. And I think what this Council has done long before my time here and what members who are sitting up here have done is stepped in to fill in

the gap where the state and federal government have not done their fair share to take care of New Yorkers that may not have a voice in the process so that they're not left behind and all of you are advocating on behalf of that today and I look forward to working with you all to hopefully make sure that this new initiative is a reality. Thank you very much.

CHAIRPERSON FERRERAS: Thank you very much to this panel. We will call up the next panel.

COMMITTEE COUNSEL: Milinda Nimmons; Joseph Mpa; Anthony Soules; Daphne Carr and Stan Williams. [background voices]

ATHENA SOULES: Greetings to the esteemed City Council. I'm Athena Soules. I am submitting this testimony on behalf of DRUM South Asian Organizing Center. DRUM fights for low-wage workers, South Asian immigrants and issues such as unfair policing in our communities. We join many other New Yorkers in being concerned about the proposal to add 1,000 police officers to the NYPD; however, this issue presents an opportunity to

raise broader questions about our city, its budget allocations and subsequently, its priorities.

New York City spends \$227 million a year on school policing. New York City Public Schools have 5,200 school safety agents, which is larger than entire police forces in some cities. This proposal to add 1,000 New York Police Department officers, who may be added to police our public schools, is not a good use of our city's resources nor is it in line with the direction that school districts around the country are taking with the new federal Department of Justice and Department of Education guidance on improving social school climate.

It is also alarming at a time when we do not have enough money for education, and many schools remain under-resourced, even for basic supplies, teachers and maintenance. New York City is the largest public school in the country and has a responsibility to be a leader in education and in ending the school to prison pipeline. The NYPD should not spend such an extravagant amount of money for school policing. Instead, this money should stay in education and be used for effective

programs that promote community and harmonious school climates such as restorative justice. Restorative justice would hold all parties accountable in a conflict and increase a greater sense of community, and therefore a preventative measure that would not require the involvement of law enforcement. Policing our streets or in our schools cannot be the answer to all of our social problems.

How we allocate our city's budget reflects on our priorities and our expectations of our communities. [chime] Are we investing in the building of education, employment and harmony in our communities or are we investing in the criminalization of our communities?

MILINDA NIMMONS: Good afternoon. I'm new at this, so I'm doing my best, but it's a dream come true and I appreciate the opportunity. Good afternoon or good evening to all council members. My name is Milinda Nimmons, a proud new member of Community Service Heard and it's also a community-based organization. It helps people with low-income and people that have issues; the minorities as well as anybody else that have issues.

I am a current public assistant recipient, like thousands of others that have lost their source of income and have tried multiple ways of seeking employment independently with no success. We have no other choice than to depend on the insufficient benefits and provide... I mean... sorry, provided by HRA's currently failing public assistance system trying to survive and/or support our families. I truly appreciate the funds available to those in need, but the total of rental cash benefits for single adults is only \$215 a month and it cannot pay rent for a room. I strongly believe that WEP workers deserve to earn pay... I mean to... sorry, deserve to earn a sufficient salary for their services and/or physical labor performances contributed during HRA's requested working hours. The WEP Program is a work experience program.

Community Voices Heard is here to speak out with an attempt to have our voices heard as one and to obtain the appropriate attention and gain the needed support towards having WEP positions replaced by subsidized employment transitional jobs in all city agencies. It would be cruel and unfair



2 to have these WEP positions put on the back burner,  
3 held over for another year longer. We, the people,  
4 can't afford to put the lives of thousands of  
5 families on another waiting list. It's more than  
6 due time for change. CVH has been seeking for many  
7 years and still needs your support to put in motion  
8 the budget for transitional jobs in all agencies  
9 currently using WEP workers. The HRA Commissioner  
10 is working on a new plan for replacing WEP, but in  
11 order for the positions to be replaced with  
12 transitional jobs, the budget process needs to plan  
13 for that. Replacing WEP will begin to improve and  
14 build the economy. Replacing WEP will help many  
15 employed citizens gain back a sense of self-esteem.  
16 [chime] Overall... over... overall, it will help to  
17 eliminate a lot of pain and suffering for a wide  
18 range of individuals that are currently unemployed.  
19 There is a vast amount of serious problems caused  
20 due to poverty...

21 CHAIRPERSON FERRERAS: [interposing]

22 Ma'am, I'm so sorry. I'm going to have to wrap you  
23 up.

24 MILINDA NIMMONS: Sure.  
25

CHAIRPERSON FERRERAS: But thank you very much for your testimony.

MILINDA NIMMONS: That's okay. Thank you.

CHAIRPERSON FERRERAS: And I must say that when you said this is part of your dream, it's really constituents like you that help us realize our dream to be on this side of the table, so we're dreaming together.

MILINDA NIMMONS: [off mic] Thank you.

CHAIRPERSON FERRERAS: You may begin your testimony.

JOSEPH MPA: Yes, good evening or good afternoon. I am Joseph Mpa, a member of Community Voices Heard and I'd like to say hello to Councilwoman Vanessa Gibson, Councilwoman Arroyo, Councilman Brad Lander, Councilman Johnson and Miss Ferreras and Councilwoman Chin and every other council member who's here, okay. Thank you.

I am here today to speak about why the budget process should be an important part of ending a form of slavery called Work Experience Program or WEP. What is the sweat of a person's brow truly worth? What makes one person's sweat

more valuable than another? Ultimately, the survival of our species revolves around his ability to sustain, grow, nurture and adapt; doing things in a manner which bring about harmonious, productive results. Today in New York City, almost 12,000 people are working as WEP Work Experience Program workers. As currently is implemented by the Human Resources Administration, the Work Experience Program is not nurturing, not harmonious, not productive and not sustaining. It has successfully created a vehicle by which intimidation, frustration, humiliation and indifference have paved the path to a cycle of poverty. Through misinformation and miscommunication, prejudice, sexual harassment, hazardous working conditions, lack of training, little to no supervision and a lack of proper equipment, WEP has become another word for failure; failure to positively engage, motivate, train, educate and incentivize men and women who desperately want to exit off of the poverty highway. There exists an army of people with employable skills, decades of experience, extensive education and a burning desire for an honest

1 opportunity to better themselves and their  
2 families. They want respect and a chance, dignity  
3 and an opportunity to work, to be employed and to  
4 earn a living wage. The injustice of WEP is that  
5 you can have a person with education and experience  
6 assigned to do the exact same task as another  
7 individual who receives a living wage, contributes  
8 to their Social Security account, is eligible for  
9 vacation, sick leave, employee bonus, an  
10 opportunity for a promotion and a raise and a  
11 paycheck and the respect and self-esteem that comes  
12 with it, while the person who is a WEP worker  
13 receives none of these; none of these thing and  
14 since they are not considered an employee, they are  
15 not eligible for disability benefits, unemployment  
16 benefits or rights enjoyed by every other worker.

18           We cannot erase the tragedy of slavery,  
19 but we can end a modern day version of it by  
20 treating people with dignity, providing real  
21 opportunities for education, training and  
22 employment. Transitional jobs is what's needed.  
23 They can be funded by using grant diversion in the  
24 millions of dollars being ineffectively used by  
25 contracted unsuccessful back to work agencies.

There is no substitute for the feeling of satisfaction one gets from receiving a living wage paycheck, an opportunity to improve yourself and advance based upon the work that you do. Thank you.

          DAPHNE CARR: Greetings to you and thank you and thank you to everyone who's here and thank you to everyone who's testified on behalf of those struggling for dignity and the rights of the 99 percent. My name is Daphne Carr. I'm a member of Occupy Wall Street. I'm here to make testimony on the 2015 NYPD budget. I'm here today with DRUM, FIERCE, Injustice for Cecily to bring testimony on constituencies disproportionately affected by the NYPD policies.

          As an activist, I am a member of such a community. I am here today to make suggestions that will increase New Yorkers' rights while reducing the NYPD budget, specifically in terms of the \$480 million in overtime for planned and unplanned events, including policing public assemblies and money used in settlement for the \$180 million of annual rewards and civil rights lawsuits against officer misconduct.

At non-violent assemblies in the city, there is a disproportionate police response in terms of numbers of officers, number of response vehicles, use of militarized tactics and the mass use of frivolous arrests. These tactics violate our civil rights and erode the idea of free Democracy. In OWS from 2011 to 2013 alone, there were 2,000 arrests. There was no large-scale violent action or a credible threat that would justify such mass action. The NYPD's use of militarized force intimidates people as they attempt to assert their rights and the aggressive policing tactics escalate the mood of peaceful assemblies. These tactics include kettling of people into pens or through netting or barricades, the use of full body armor when no credible threat presents itself and the illegal use of less lethal weaponry, such as pepper spray in the eyes of peacefully assembled non-violent people. The frequent employment of such preemptive, inhumane and illegal tactics are a major contributor to the public's perception of the NYPD as lawless, violent and out of control.

I am here today to demand change in these tactics, understanding that their change will reflect positively on the budget and would mean less overtime and fewer civil rights lawsuits against the NYPD. I ask for a change to the NYPD policy of strategic incapacitation of publicly assembled on non-violent people. I ask for the end of kettling and free speech zone tactics. I ask for publicly available written policies on the use of less lethal weaponry, a full inventory of current police weapons of this type and written public justification of when an officer uses a less lethal weapon in a non-violent situation. I ask for written policy on tactics used to monitor and police first amendment assemblies. I ask for automatic review of officer numbers, tactics and resulting arrests related to the deployment of six or more officers to a location of first amendment related assembly. The review should include justification for the number, duration, the type of tactics and the explanation for any arrests. I ask for serious consequences; suspension without pay, a dismissal, probation or termination from the NYPD for officers who are [chime] found guilty and I

think these things would help not just the budget, but the civil rights that we enjoy; as we would like to enjoy as New Yorkers. Thank you.

STAN WILLIAMS: Thank you, Miss Chairwoman and members of the committee. My name is Stan Williams and I'm a part of the Justice for Cecily McMillan team and the Occupy Wall Street movement. I am here today in support of DRUM, who spoke earlier, FIERCE, who spoke here earlier and Occupy Wall Street, who are bringing testimony on the constituencies disproportionately affected by the New York City Police policy. My testimony is an argument against the wasteful use of NYPD; for over-policing non-violent assembly, which I will do by way of narrative about my friend and coworker, Cecily McMillan.

On the night of March 17th, 2012, about 500 activists assembled to celebrate the six-month anniversary of Occupy's beginning. More than 200 officers were sent to Zuccotti Park to clear the park of that non-violent assembly. The group was barricaded into the park and then was forcibly removed from the park, cursed at and mocked by the officers and 73 people were arrested. At the park



1 that night, my friend, Cecily McMillan, was  
2 being... well, she was being escorted out of the  
3 park and in the course of that escort, the male  
4 officer grabbed her breast so hard she was later  
5 bruised. When she tried to defend herself she was  
6 beaten by the police, dragged into a holding pen  
7 and refused medical treatment while she lay in  
8 seizure. The officer responsible for this assault,  
9 who has known cases of assault on other innocent  
10 people while on duty and has assaulted another  
11 activist that same evening. The judge in Cecily's  
12 case refused admission of this evidence and the  
13 officer was not penalized. We cannot let this  
14 happen to women activists or anyone on the streets  
15 again.

17 I join Daphne and members of other  
18 constituencies in asking for a change to these  
19 policies and including an end of strategic  
20 incapacitation techniques that preemptively  
21 constrain people assembled to practice political  
22 speech. I ask for an end to the kettling and free  
23 speech zone tactics. I ask for publicly available  
24 written policy on the use of less lethal weaponry,  
25 a full inventory of police weapons of this type and

written and public justification from an office whenever a less lethal weapon is deployed. I ask for written public policy on tactics to use to monitor and police first amendment assemblies. I ask for an automatic review of officer number, tactics and resulting arrests related to the deployment of six or more officers to the location of a first amendment related assembly. While these measurements cannot help Cecily, they could help future women in their quest for justice and send a clear message to police and community that gender and sexually-based harassment and assault will not be tolerated with the force or society. I add this to my demands about an end of over-policing of non-violent assembly and excessive use of force on non-violent people [chime] as a general call for the restoration of NYPD's role to uphold and protect civil rights of all New Yorkers. Thank you.

CHAIRPERSON FERRERAS: Thank you very much for your testimony. I really appreciate this panel. We are going to call up the next panel. Thank you very much.

2 COMMITTEE COUNSEL: Burchell Marcus;  
3 Bonita Brown; Aleah Howard and Lisa Caswell.

4 [background voices]

5 ALEAH HOLLAND: Thanks for having me.  
6 I can't believe you guys are here 'til 7:00 p.m.,  
7 but I want to start. I'm here to oppose the budget  
8 that was requested for ACS. My name is Aleah  
9 Holland. I'm a lifelong citizen of Brooklyn, a  
10 registered nurse for 17 years, licensed childcare  
11 provider and I found Heal Network, an organization  
12 that's been in effect for seven years, providing  
13 free after-school programs; tutoring; mentoring  
14 programs to the community for the last... since  
15 2007.

16 Okay, I also am responsible, which I  
17 wrote an open letter to the Mayor, which was picked  
18 up on a national blog, opposing ACS, as I  
19 discovered a massive amount of fraud, waste and  
20 abuse in their system. I actually wrote a book  
21 about it. I want to read some of the letter  
22 that... some of... and it's so funny because a  
23 couple of the people that came here today and spoke  
24 against ACS, they have come with me to court to  
25 witness the abuse, the fraud and they weren't

supposed to speak, but they took the opportunity to say some of the things they witnessed or whatever and they came as a support for me.

Okay, but I'm going to go. Since 2012, I've been working with nearly 10,000 mothers to create a movement to bring awareness to the need of ACS reform as a child protection agency in New York City. The Family Court system has become a multi-billion dollar protected empire build on seizing children and separating families. There is no accountability for hurting families in this system. ACS is no longer the best interest of the child. It has been known to be the best interest of the pedophile and abuser. There are thousands of proven cases where caseworkers and social workers are repeatedly found guilty of fraud, withholding information, fabricating information, destroying evidence or seeking to terminate parental rights unnecessarily for incentives. Poor families, whose only crime is being poor, are often targeted, which the \$3 billion taxpayers pay for. This system of secrecy and competency and familial destruction by this agency, as we all know it, the Administration for Children Snatching, which is responsible for

the violent deaths of Myls Dobson and too many other children under its poor and pitiful care, must end. From Lisa Steinberg 20 years ago to Myls Dobson, I'm appalled with ACS. [chime] Okay.

CHAIRPERSON FERRERAS: [off mic] Thank you.

ALEAH HOLLAND: Thank you. But they should not receive extra money. A federal investigation should be warranted with that money. [background noise] I've been here since 1:00.

BURCHELL MARCUS: Good evening, panel.

ALEAH HOLLAND: Thank you.

BURCHELL MARCUS: Yes, good evening. Good evening, panel. Good evening to the Finance Chairperson, Miss Julissa and also to my good friend here, Miss Gibson and to my brother over there, Brad Lander. My name is Burchell Marcus and I'm the Community Director in Brooklyn. I advocate for the people of Kings County, Brooklyn. I'm one of the liaisons between the elected officials and the people because when there is issues such as abuse by ACS and the Police Department, I'm called to address those issues and I would meet with whoever the councilperson or a representative is

with that community and try to resolve... get it resolved.

I've been working diligently and very hard on the abuse by ACS on families and just two weeks ago, I had two cases. One is yet to be resolved; one was resolved where ACS workers have been fabricating lies and causing fraud between families. In actuality, their goal really is not to really help the families, but to destroy families and I would be lying if I sit here and said that they are for families. They really are not. I sat in ACS meetings where they had no jurisdictions over the families and they insisted that they did and they're running these single parents up in courts with lies and trying to get the judge to take the children away. I had to step in and stop one such incident of a woman in Brownsville, Brooklyn in Brownsville Houses and I'm saying to this panel we should call for an investigation to the way ACS is running; the way they come to you guys for money, right, and say no to this agency. As far as I'm concerned, this agency needs to be depleted; needs to go away 'cause we should find... put together something

that will protect the interests of the children and families. They're using the children to destroy the families and they're coming before us and the courts with lies and we can no longer accept this. If we are here to represent all constituents, we should do so [chime] in the way that they expect us to do, so thank you very much.

CHAIRPERSON FERRERAS: [off mic] Thanks for your testimony.

BONITA BROWN: Good evening. My name is Bonita Brown and I've been dealing with the corrupt ACS system since 2009. ACS has falsified documents; they lied about doing home visits; they have not accurately did background checks and you can see, I have a lot of documentation to support what I say, so I oppose because I... two and a half to three years old, ACS reports that they submitted to Queens County Family Court caused them to remove my son because of a false report my mother-in-law made on me, stating that I beat my daughter, which I grant... I was granted custody of my daughter. She was 13 at the time and Kings County Family Court... never beat my kid. My daughter told the police at the scene I don't beat her; my kids get

time-out. At two and a half years old, my son can tell you what a full body check was; he can tell you time-out is his punishment; he doesn't get beat. They said... ACS said my son don't talk. ACS was telling Jamaica Hospital not for me to get my kids medical records I have where I have on audio. I recorded going go to take my son to the doctor and the physician is telling me I am not allowed to bring my son because ACS has told them I have no rights. My parental rights have not been restricted [sic]. I was here at the Executive hearing for the budget; I'm against it. They said it's their report that the judge look [sic] at more than anything, which is a fact, 'cause I have everything that they've given to the courts against me, which is not true. I was a state employee at the time when the report was made; I lost my job. I had a city job I had just got hired for. I was not able to get that and I worked for a not-for-profit taking care of mentally challenged adults who don't take care of theirselves [sic] and I'm very, very aggressive when it comes to supporting people who can't defend themselves [sic] and now I'm in a situation where I cannot get no assistance



because of their false reports. They tried to intimidate me. They didn't have a case to begin with. They tried to force resources on me, which I don't need your resources. I'm a woman. I work three jobs. What are you doing for me and my kids? Up 'til today, my son had had ringworm off and on from March 2nd of 2010 when his father got him up to today. He's been driving with my son without a car seat. I have video of it. I have where my son has gone to the doctor and I've given the scripts to the ACS worker. I'm a Section 8 tenant. They said my house was inaccurate [sic] because my son didn't have a bed. Tell me where; I'm a single mom; two kids; where it requires me to have a bed for my two-year son? My son is six going on seven and I don't have visits with my son because of the reports that ACS has submitted against me where I have enough people that can speak up for me. What do I do with this corruption with ACS? My kids are very important to me. I'm a very good mom. I have principals; I have doctors; I have lawyers; I have people in the community that know me that know I raised other people's kids and I help with other people's kids and I don't have my own son and

2 nobody can give me answers because of ACS. I just  
3 got a report where ACS [chime] said I don't have  
4 custody of my own daughter. She's 18. I still  
5 have legal custody of her.

6 CHAIRPERSON FERRERAS: Thank you very  
7 much for your testimony and clearly it's important  
8 to this Council to hear your words and they'll be  
9 taken into consideration as we negotiate on the  
10 budget, but we would also want to make sure that  
11 you're receiving the proper services that you need  
12 from organizations to support you through your  
13 advocacy.

14 BONITA BROWN: We've shopped  
15 everywhere. No one...

16 CHAIRPERSON FERRERAS: Okay, we'll  
17 follow up. You may begin your testimony. Thank  
18 you, ma'am.

19 LISA CASWELL: My name is Lisa Caswell  
20 and I'm the Senior Policy Analyst for the Daycare  
21 Council of New York, but I have to acknowledge the  
22 20 years I spent as a preventive service worker and  
23 director dealing with some of the issues that are  
24 being brought up by this table. I didn't expect to  
25 be on this panel, but I just have to say that some

1 of the work that needs to be done has to do with  
2 providing supports in the areas of housing and  
3 childcare for families at risk of removal of  
4 children and I just have to also acknowledge some  
5 of the statements that have been made with regards  
6 to my fellow activists, and I want to thank you all  
7 for staying so late and I just had to say that as a  
8 citizen.

10           As a policy analyst related to  
11 childcare, I'm not going to read my testimony  
12 'cause you can read it later. I just want to talk  
13 about the fact that the Daycare Council represents  
14 management at the table and our testimony is  
15 focused primarily on supporting workers. You all  
16 know what our current Mayor has done to try to  
17 really address the issues of salaries for childcare  
18 workers and we stand in full support of those  
19 measures. There are some challenges that are  
20 coming up around the UPK stuff. Certified teachers  
21 of two and three-year old classrooms are going to  
22 be receiving less money than their counterparts who  
23 are teaching in classes of four-year olds. There's  
24 also problems having to do with access to benefits  
25 and incremental increases for those teachers of

four-year olds in the non-profit setting. You'll hear from some of my other colleagues about the fact that... that you already know about, the need for an extended full day for the new UPK seats.

I also want to mention stuff that has to do with the rate; the rate for Early Learn is really serious. I'm sure you know that 50 percent of the workforce lost access to health benefits because their salaries were too low to pay the monthly premiums that they needed to contribute to and the Welfare Fund that's supported by the Daycare Council in DC 1707 will be depleted if it's asked to continue to pay five percent towards these monthly premiums.

I just want to acknowledge the fight that you put up; your predecessors. A lot of our member would not have been able to survive if you hadn't been there for the discretionary funding. I can't really talk. I've been here since 10:00. This has been really emotional for me. I just want to really acknowledge how you stood firm in the last administration. Thank you for that and tell you what it feels like to be in a position where we're moving forward, so that's it.

CHAIRPERSON FERRERAS: Thank you very much for your acknowledgement and we are going to... we're very moved. Yes, very moving panel and I appreciate it. We're going to take down your information and have the committee [chime] follow up, so thank you very much for your testimony. We're going to call up the next panel. Or I'm going to call up the next panel. August... of course, I got... {background voice} Wojtkiewicz. Is that close enough? Okay, come on up and Andrew Mora... Moya, okay. Sanaly Santiago; Mikolaj Lis... Mikolaj Lis and Michael White. Michael White is here. Do we only have two for this panel? Let's call up... okay, we're going to call up Greg Helmstetter... Helmstetter, I'm sorry. I tried to excuse myself from... in the beginning. Alice Owens and Stephanie Gendell. You may begin your testimony.

AUGUST WOJTKIEWICZ: Hi, my name is August Wojtkiewicz and I am here on behalf of the students of City University of New York and the issue that I wish to speak to you about is the issue of climate change and the measures that we can implement to help solve the issue.

I'm part of an organization called CUNY Divest, which is asking our University to take money out of its endowment that is in fossil fuels and to put the money into renewable energy companies and sustainable initiatives that will help solve the issue of climate change. The reason we're doing this is because New York City is facing these impacts and it's a severe threat to many countries and people all around the world and the issue specifically that we're promoting is the fact that we, as a University, are profiting from the destruction and pollution that fossil fuel companies take part in every day. So what we're saying is we do not want our students to benefit and to feel the brunt of these measures in the future and we would like the University to divest its holdings in fossil fuels and you, as a City Council, oversee the CUNY Board of Trustees, as well as the Finance Committees and you approved their budget and so what we're asking you to do is to urge the Board of Trustees to divest its holdings in fossil fuels because of this issue of climate change, which affects us all. And as a measure of student resolve and faculty resolve at

2 the City University, we have passed 11 resolutions  
3 in the various governing bodies of the University,  
4 including the University Student Senate, the  
5 Professional Staff Congress, which is the faculty  
6 union of the University, as well as City College,  
7 Hunter College, Baruch College, the College of  
8 Staten Island, Bronx Community College and the  
9 Graduate Center, among others. And the students  
10 feel strongly about this and the faculty are in  
11 support. We would just like the Board of Trustees  
12 to take this issue seriously and to not continue to  
13 invest in companies that are promoting the  
14 destruction of the planet. And there are  
15 alternatives; technologies exist and a better world  
16 is possible. And the issue becomes more critical  
17 when you consider the fact that when legislation is  
18 introduced to limit fossil fuel companies'  
19 commissions, the value of these companies will  
20 decline significantly and it'll harm the endowment  
21 in the long run. So thank you. Thank you very  
22 much. [chime]

23 MICHAEL WHITE: Michael White. Just a  
24 minute and I'll get this going again. I'm sorry.  
25 No, this is not going to work I guess, so I'll give

that up. I was going to play a video for you of my testimony. That video was going to be critical of the fact that when the library heads were here, what you did was let them, rather than testify, just play a video about how libraries are good. Well, that's not in dispute. We know that libraries are good. That's not what we have to find out at these City Council hearings. Fact of the matter, there are tons of questions that need to be asked. I've furnished them to you and they will be up on the web. They were not asked at the City Council hearing.

Monday, the day before the City Council hearing, an article was fed to *The New York Times* that the Central Library Plan was going to cost half a billion dollars; hundreds of millions of dollars more than the public had been told a long time ago it was going to cost. At the same time, very suspiciously, they suddenly said that they had a plan that was just fine and dandy that was going to sop up all the rest of the money and that we should just accept that it was right. Well, we were right. We were more than right; we've been vindicated. Based on the fact that we were right,



I think you'll have to realize that all the other questions that we are asking about the library sales and shrinkages and sell-offs and how extensive they are need to be asked and if you don't ask them you don't have control over the matters of the budget here that you have to have control over.

So if you have time to play an 11-minute video from the libraries about how good the libraries are, you have time to do the more serious work of asking the hard questions that need to be asked of the library heads because the public has zero trust of the library heads in these library sales that are not for the benefit of the public. Thank you.

GREG HELMSTETTER: First of all, I'd like to thank everybody for sticking around this late at night and thank you guys for taking the time to hear our testimonies and for giving us your individual meetings as well. My name is Greg Helmstetter and I'm from Partnership with Children and we bring full-time Master's level social workers to 44 schools in all five boroughs in New York City. In total, we have 150 social workers

who provide individual counseling, small group counseling and full classroom intervention to help support kids socially and emotionally so that they can succeed academically.

One of the most pressing challenges to New York City's schools is the effect on children of the toxic stresses caused by poverty. Drugs and violence, crime, high unemployment, homelessness and food scarcity are just a few of these toxic stressors that prevent children from learning. They create nearly insurmountable barriers, turning schools from centers of education into centers for crisis management.

The most effective strategy to breaking down these barriers is to address these toxic stressors at the earliest possible age. With the new Universal Pre-K program that is being initiated this coming fall, kids will have earlier access to the essential educational tools; however, without social workers in the schools, the students in the most need of the Pre-K program will not receive the social and emotional supports that are necessary for it to be completely effective. In order for

New York City's children to succeed, the entire community needs to be involved.

Partnership with Children not only helps each individual child, but our social workers equip the schools, the community and the families with the tools to support the children and to help them succeed in every aspect of life. In addition to the counseling and intervention services we provide, our role extends past the end of the school day. Our social workers provide professional development workshops to better prepare teachers and family case management to build parents' confidence in schools.

I would like to at this time respectfully request that the New York City Council consider a new initiative that would help organizations like Partnership with Children expand social work services in schools to include Pre-K so that every child from the earliest age can succeed. Thank you.

ALICE OWENS: Councilperson Ferreras and members of the council, my name is Alice Owens. I am the President of Colony South Brooklyn Houses, a social service agency operating in Brooklyn since

1904. Colony has six childcare centers and for the past two years, through the heroic efforts of the Council and in recognition of their community importance, these centers have been funded by discretionary funds. This year again through the Council's efforts, we understand that these monies, which have now been baselined, will once again be apportioned to our centers and included in the forthcoming budget. We are enormously grateful for that and to the Council for its steadfastness. Colony is also fortunate to operate Universal Pre-Kindergarten programs at its sites and it fully supports the Council and the Mayor for their emphasis on UPK.

I would like to let you know again how important Colony Centers are to the children and families in our neighborhoods. Without the funding, our programs would have to close, parents would be without reliable child care, which will affect their ability to hold jobs and go to school. Vulnerable children would be without quality programming and credential caring staff would be unemployed.

The centers Colony operates funded through the Council are located in East New York, Williamsburg and Sunset Park. All communities have a high concentration of need as defined by the administration for Children's Services. Private daycare is not an option and informal childcare arrangements do not have the reliability or provide the learning experiences that these families require. No one disputes the positive impact that early childhood programs have. Children learn to relate to other children; to settle disputes in a safe and practical way; to play and to exercise their fine and gross motor skills; to respect other people; to practice tolerance and to learn that conflicts can be settled without violence.

Without Colony Centers or Provider Mother Homes, parents could easily become unemployed. Whatever economic improvements have occurred, they are not robust. Jobs are scarce; our parents, no matter how hardworking, are economically fragile. Our Pine Street Center has a bus service, which each day transports youngsters to and from the city transitional housing sites in which they live to Pine Street, where they

participate in a full-day childcare or UPK program. We've had an excellent experience with a supportive private landlord.

Our experiences as discretionary centers have been overwhelmingly positive. We have met all of the Health Department requirements. We have worked closely with professional development instituted CUNY to strengthen our programs and plan for a sustainable future.

Thank you on behalf of Colony, the children, parents and staff for the discretionary funding. We ask that it be continued. [chime]

STEPHANIE GENDELL: Good evening. My name is Stephanie Gendell. I'm the Associate Executive Director at Citizens' Committee for Children. I want to thank you all for holding this hearing and for staying this long to hear all the public testimony. It's incredibly refreshing to be testifying before you where I'm not begging you to restore the same 47,000 childcare and after-school slots and to be submitting testimony that actually includes a list of things in the Executive Budget that we support, rather than just oppose. I did want to a few items not included in the Executive

Budget that we believe would really help strengthen the city and the well-being of children.

The first that has come up a few times is ensuring that the lead teachers for three-year olds have the same salary as those for four-year olds, otherwise next year's four-year olds will not have any programs next year. Another is to restore or add, whatever the correct terminology is, funding for OST elementary school for this coming summer and its 22,000 children who don't have the funding for this summer. The Immunization Clinic that we've now rescued twice and Mayor de Blasio put in funding to restore the elimination of the two clinics that Mayor Bloomberg was planning to eliminate, are now at risk again because of a federal cut of \$4.38 million and that's the two clinics. One's in Crotona and one's in Tremont.

With regard to the Department of Homeless Services, we would like them to be doing a review of safety in all of their Tier II and cluster-site shelters to ensure they are safe for children and then add funding that's necessary to make them safe like they've done to the two shelters that needed assistance. We support

Universal lunch and appreciate your support for that, as well as Breakfast in the Classroom, now known as Breakfast After The Bell and believe that should at least be expanded and eventually be citywide.

While almost everything has been restored and baselined, there are items that were not. We include the full list of them in the testimony, but an important one to us is the enabling the use of food stamps in Farmers Markets. We actually think that should be in all Farmers markets and we don't want to lose the terminals that we already have. We support the plan to increase Summer Youth Employment and support your proposal to add 10,000 slots this year with \$14.2 million. And lastly, we hope to see in the budget the funding to ensure that there are audible alarms in schools; the elementary schools in District 75 school to ensure that children are safe and once we get them in schools, we also think we should have them in childcare centers where we also have very young children. Thank you.

COUNCIL MEMBER JOHNSON: Yeah, I want to thank you all for your testimony and I just feel



like I must comment on the library testimony and say that while I share your anger over much of the history surrounding the plan at the New York Public Library, I just want to say that I think this Council and these members in particular that have remained here, but even my colleagues that aren't here, take our oversight role incredibly seriously and I think a lot of the things that have happened since the New York Public Library abandoned its plan is in huge part because of activism from folks like yourself and other folks that are here, but also from this Council and the serious questions that were raised and asked. I understand that you folks may be upset about letting the library system play a video with regard to the work that they do and I understand that you have many questions. I've read them. I've read them, but sir, I got it, but I just want to say that so much of what's done at local libraries falls on the back of individual council members, who time and again, each budget season, step up and support public libraries. So I would just say that I think some of your anger that's directed at this Council is misplaced. We share similar values. We step up on behalf of

2 libraries in our neighborhoods. We've asked tough  
3 questions and will continue and to question the  
4 commitment of members of this Council when we've  
5 shown time and again that we care I think is  
6 unjust. Can we do more? Yes. Should we ask more  
7 questions? Yes. But if it wasn't for many of the  
8 members that are up here today, our libraries would  
9 be suffering even more and it's important to  
10 acknowledge that. Thank you.

11 CHAIRPERSON FERRERAS: Thank you,  
12 Council Member Johnson. Thank you to this panel.  
13 We will call up the next panel. Thank you.

14 COMMITTEE COUNSEL: Can we have Keith  
15 Luke; Lani Sanjek; Marjona Jones and Douglas  
16 Israel? How 'bout also Kimberleigh Smith?  
17 Lucretia John; sorry if I said that wrong. Agnes  
18 Abraham and Carolyn McIntyre. [background voices]

19 CHAIRPERSON FERRERAS: You may begin  
20 your testimony. [background voices]

21 AGNES ABRAHAM: Good evening, Council  
22 Members. My name is Agnes Abraham and I'm the  
23 Chair of Kings County Hospital Centers Community  
24 Advisory Board. I'm also the Chair of the Council  
25 of HHC's Community Advisory Board. First, I want

to thank you so much for the appropriations that you've made to the Health and Hospitals Corporations and to the monies that you've given to Kings County Hospital Center for many equipment that we've had. For example, the Council appropriated significant funding in prior years to create an integrated Cancer Care Center at the hospital. This funding has directly benefitted thousands of patients, their families and community as a whole.

Currently, the hospital needs funding for a new PET/CT scanner. That new scanner will produce more detailed images and lead to more accurate diagnosis. We also need \$2.1 million in funding for a Nurse Call Station replacement. This Nurse Call Station replacement will allow nurses to view real-time patient information and perform certain critical patient care activities directly from their station.

Our sister five star long-term care facility, Dr. Susan Smith McKinney, is in dire need of housing for the patients. There are approximately 20 patients that have exhausted their medical and rehab needs, but due to lack of

suitable housing, continues to occupy beds that can be better utilized for patients, and thereby increase their revenue stream. In addition, the Dentistry Department is antiquated and in serious need of upgrade and expansion.

The Council has also provided programmatic funding to support HHC's child health centers, expanded HIV testing, behavioral health programs and for ongoing operational costs that they have no other source of funding for.

In this year's Preliminary Budget increase, we ask... we know that you could give \$2 million, but we are asking for an additional \$100 million since HHC has a \$220 million gap to close this year. The Council funding has been vital to the operation of many HHC programs and for this we are eternally grateful. I also want to thank all of the council members for being here to listen to us and not just to patronize us. We thank you for being the public servants and we thank you for keeping the public in the public health system because HHC, as we know it, is bar none the greatest health care system in the nation and we want you to continue supporting it because without

HHC some of us can't [chime] go nowhere. Thank you.

LUCRETIA JOHN: Hello, good evening.

Good evening. Thank you, Council Member Chin and the members of the Aging Committee and the other members of the City Council. Thank you for the opportunity to testify today. My name is Lucretia John and I am an organizer with ALIGN, which anchors the New York Caring Across Generations Campaign. ALIGN is a long-term community labor coalition dedicated to creating good jobs, vibrant communities and an accountable democracy for all New Yorkers. New York Caring Across Generations is a coalition of over 40 organizations representing over 200,000 New Yorkers. We're part of a national effort to ensure dignity, respect and good quality of life for caregivers and people who receive care.

The number of New York City seniors is growing rapidly, but the city has been steadily cutting services for... steadily cutting funding for senior services. More than one million seniors will likely need home care in the next decade. Right now, tens of thousands of New York City

seniors are unable to access the home care they need to live with dignity.

For low-income seniors, these budget cuts hit even harder. The Department of the Aging program called the Expanded In-home Services for the Elderly Program, EISEP, provides hope to low-income seniors who need home care. EISEP helps non-Medicaid eligible low-income seniors aged 60 years and older, including those who are undocumented, pay for... it pays for part-time home care services. The program is a life line to almost 3,000 seniors, offers respite to family caregivers and provides living wage jobs to home care workers. It should be expanded.

Unfortunately, in the past several years, city funding for EISEP has been cut. As a result, fewer and fewer seniors are being served, hours are being cut and there's a growing waiting list for the program.

I am here today to urge all members of the Aging Committee and the Council to support New York City seniors and strengthen the program that provides them with the services that allows them to thrive as they age. New York Caring Across

Generations urges the city to allocate an additional \$1.8 million for EISEP home care to clear the 240 person home care waiting list. Increasing funding for this... for home care in this year's budget would represent an important first step in addressing unmet home care needs for low-income seniors. And that's three seconds left, so okay. [chime] Thank you.

LANI SANJEK: Thank you, Chairperson Ferreras and Chairperson Chin and other council members. I'm Lani Sanjek, President of the new York City chapter of New York Statewide Senior Action Council. We're a grassroots advocacy organization devoted to issues that impact on older New Yorkers and have been around since 1972. The members of our New York City chapter are activists from all five boroughs. Many represent neighborhood groups, community organizations and retiree organizations and of course, we are appreciative of the tremendous improvements in the aging portions of our city budget, but we know that it still falls very short of the needs that exist now and that we can anticipate will continue to grow.

We are here today as a member of the New York Caring Across Generations Coalition and we are specifically endorsing that the city include the additional \$1.8 million in DFTA's budget to reduce the existing waiting list for people who have already been assessed to be in need of the very strategic home care services that EISEP... the EISEP program provides and our organization has been an advocate for EISEP since its founding in the 1980s and EISEP was really created to address a very specific gap in the continuum of long-term care and it has both important consequences for the costs of long-term care because what it does is it protects people. It provides strategic non-medical services and it protects people against financial devastation. It is... I see it as preventative in terms of those who are really the important service population, the people who have low incomes, but low enough to qualify for Medicaid and those who are at particularly high risk for having to move into institutionalized care or very much more costly medicalized home care. EISEP is a prevention program and EISEP is a very critical portion of a more community-based [chime] social



2 service model of care and what we hope is that the  
3 City Council's leadership in drawing attention to  
4 this particular part of the continuum we see as  
5 very vital right now. Thank you.

6 MARJONA JONES: Good evening. Thank  
7 you very much for staying and also to member of the  
8 audience who are staying. Thank you for this  
9 opportunity to testify today. My name is Marjona  
10 Jones and I will be testifying for my organization  
11 and also for Keith Luke, who unfortunately, is bed-  
12 ridden and is unable to make it this evening.

13 My name is Marjona Jones and I am the  
14 Organizing Coordinator for Brown Community  
15 Development Corporation. 2009, Reverend Clinton M.  
16 Miller, Pastor of Brown Memorial Baptist Church in  
17 Clinton Hill organized leaders of his congregation  
18 and local community leaders to create Brown CDC.  
19 The vision of our organization is to eliminate  
20 inequities in housing, education, economic  
21 opportunities, health and wellness and since 2012  
22 we have also been members of the Caring Across  
23 Generations Coalition.

24 The issue of home care and senior  
25 issues is paramount to our organization and to our

1 congregation. Again and again, we hear dire  
2 circumstances that some of our aging population is  
3 facing. These circumstances range from a four-year  
4 waiting list for senior housing to inadequate and  
5 inaccessible home care. Unfortunately, these  
6 circumstances are not unique to our seniors. The  
7 number of New York City's seniors is growing  
8 rapidly, but the city has been cutting funding to  
9 senior services. More than one million seniors  
10 will likely need home care, as Lucretia said  
11 earlier, and right now, tens of thousands of New  
12 York City's seniors are unable to access the home  
13 care they need to live with dignity.

14 I'll end it there because much of what  
15 is said in our testimony has been echoed by my two  
16 fellow coalition members and we'll just say that  
17 this campaign is basically about dignity and  
18 respect. This is about making sure that our loved  
19 ones... we say seniors as a umbrella term, but  
20 really these are our grandparents, our mothers, our  
21 fathers, our aunts and our uncles. We want to make  
22 sure that they're able to live with dignity and  
23 respect and everyone that is in a situation where  
24 they make too much money to qualify for Medicaid or  
25

they don't have enough money to pay for home care on their own, EISEP is vital to them. EISEP allows them to be still functional a part of society and still be able to... you know. You know what I'm trying to say. So I would just urge that the City Council increase this funding of \$1.8 million to clear the waiting list of 240 seniors. That would really change their lives and their families' lives as well. [background voices]

This is for Keith Luke. My name is Keith Luke and I have been receiving care services through EISEP program for the last few months. I heard about the program many years ago when I took care for my mother. She had serious health problems and eventually needed a wheelchair. At the time, I was working and going to school, but I dropped out of school to take care of her. As her health got worse, we were able to get a professional home care worker through EISEP. Towards the end, I tried to take leave from my job for her full-time care, but I got fired instead and this is before we had protections like FMLA for family caregivers.

We have made progress since then, but could still do more to support seniors and family caregivers. The city should increase funding for EISEP so that more seniors like me can receive services and so that people in the program can get all the hours that they need. I get around pretty well still, but sometimes need a little extra help. Home care is a blessing and I cannot afford it or pay it on my own. I think it's great that people get paid a decent amount to do this work. It's very good that we have a program in New York. Now is the time to make sure the program is better funded so it can support more seniors, more family members and more care workers. Thank you.

CAROLYN MCINTYRE: Thank you. I'm appreciating looking into your eyes and the eyes of the City Council and all of you that are still here and I deeply appreciate that. My name is Carolyn McIntyre. I'm a social worker and I really appreciate what you said about dignity and respect. We have a lot in common in this room; that we are fighting for dignity and respect and love in our society and it's being sold off piece by piece by the one percent and a person earlier was talking

about the line from schools to prisons. We're also talking about the train from libraries to prisons and what I'm talking about is on the NYPL Board of Trustees is Steve Schwarzman. He's on a Nominating Committee. He's CEO of the Blackstone Group. The Blackstone Group is invested in luxury high rises and hotels that are replacing libraries that they sell, like Donnell Library. The Blackstone Group is also invested in privatizing prisons. The Blackstone Group is invested in fracking. The Blackstone Group is also invested in fleecing civil service pension funds. This man is providing direction for our library systems in New York and in Brooklyn. He's on the Nominating Committee. The main lawyer for the Blackstone Group is Simpson and Thacher and Hank Gutman is on the Board of the Brooklyn Public Library.

So I'm not sure what I'm asking for today. I could say give money to the libraries, but we have a breach of trust, a breach of trust in leadership and we can't trust the NYPL and BPL Board of Trustees. And the heads of those libraries are taking direction from this Board of Trustees that wants very much to make money off of

the real estate, which will fuel inequality in our society. The fact that the NYPL wants a half a million dollars and we don't know what that money going to go towards and they also want to sell libraries doesn't make sense. And I just want to show you... 'cause I have met with over the past year and a half; you know I'm with Citizens Defending Libraries. We're 16,000 people. We have three library advocacy groups, at least three petitions to save the Brooklyn Public Library. The Girl Scouts have their own petition to save the Pacific Library and the library trustees and the heads are not listening. They are getting rid of the books so that they can get ready to sell more libraries and they say it's... [chime] and I'm going to pass down to you the photographs of the empty bookshelves and I also want to show you the replacement library for Donnell Library, which looks like a stairwell and I'm also going to pass around the picture of... and the 50-story high rise that's replaced Donnell Library, this is a penthouse apartment that's selling for \$60 million. They're planning to cram a tiny library in the basement.

CHAIRPERSON FERRERAS: Thank you,  
ma'am. Thank you very much for your testimony.  
You can give that to the Sergeant-at-Arms. Council  
Member Johnson.

COUNCIL MEMBER JOHNSON: I want to  
thank Miss Abraham for her testimony today on  
behalf of the Community Advisory Board that she  
chairs for HHC. Her dedication to the corporation  
is so commendable and her continually coming out to  
advocate on behalf of HHC because of the people  
that they serve is commendable and you are right  
when we say that New York should be proud that we  
have the best public hospital system in the country  
and we have to make sure that it is funded in a way  
that take care of the people that need it most. I  
just want to say to Miss Sanjek that Muriel Beach,  
who is a member of your Board, is a very active  
constituent of mine and is always in my ear about  
your organization and I will tell her that I got to  
say hello and I lastly want to say that what  
happened at Donnell was shameful and it shouldn't  
happen again and we have to keep an eye to ensure  
that nothing like the tragedy at Donnell ever

happens again with a public library in New York City. Thank you.

CAROLYN MCINTYRE: Thank you very much.

COUNCIL MEMBER LANDER: And I just want to say thank you to the Caring Across Generations team. I had the honor of attending the launch of Hand-in-Hand, the employers network, a month or two ago and the work that you've done in New York City and across the country, creating a bridge between caregivers and those who need care and recognizing the importance of dignity in the work and that on all sides of that we've got work to do together and that you came out tonight to bring that to us. You know, it really is you know the partnership between caregivers and those who receive care and the public is a critical one and I really appreciate your... all the work that you do and your time and attention to it. Thank you.

CHAIRPERSON FERRERAS: Thank you and I I just want to acknowledge that it's a panel of powerful, amazing women also, so thank you.

ALL PANELISTS: Thank you.

CHAIRPERSON FERRERAS: Oh, Council Member Margaret Chin wants to...



COUNCIL MEMBER CHIN: Yes, I just wanted to thank the panel for coming tonight and especially the people who testified for the EISEP program, also earlier. We are going to continue to advocate with the administration to increase money and we will work with you to advocate with the state. The City Council, there is initiative in there to get this program expanded to take care of the people on the waiting list, but definitely this is a long-term you know, advocacy that we got to get the state on board with us to expand this program, so I look forward to working with you and thank you for coming today.

ALL PANELISTS: Thank you.

COMMITTEE COUNSEL: Did anyone not get called that wishes to testify? Thank you, everybody.

CHAIRPERSON FERRERAS: I want to thank all of my fellow colleagues: Council Member Gibson, Council member Lander, Council member Arroyo, Council Member Johnson and a special thank you to Council Member Chin, who provided the fuel, so if you saw us sneaking over there, she provided our dinner. [applause] So I thank you very much. The

people's voices have been heard. We have officially had here today almost 10 hours of testimony and I really, really cherish this. The fact that our colleagues are still here, this will make us even stronger during our budget negotiating. So I'm going to read my final statement here out of my book. Oh, that was it. That's right. Okay well, we have three more days where you can submit your written testimony to [financetestimony@council.nyc](mailto:financetestimony@council.nyc). It is my pleasure to call the Executive Budget hearings for FY '15 adjourned.

[gavel]

[cheers, applause]

C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.



Date:

\_\_\_\_06/21/2014\_\_\_\_\_