

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE

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June 9, 2015
Start: 10:17 a.m.
Recess: 7:55 p.m.

HELD AT: Council Chambers - City Hall

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Chairperson

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Appearing for Katherine McFadden

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One Percent for Culture and Artist

Jennifer Wright-Cook, Executive Director
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Aminata Duwaman, Student
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Kristina Erskine, Student and Co-Founder
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Appearing for Rashi Roy

Ashi Marharas, Co-Founder
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Mike Weiss, Waterfront Foreman
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South Street Seaport Museum

Robert Lee
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Andy Bicking, Director of Public Policy
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Community Voices Heard

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[sound check, pause]

SERGEANT-AT-ARMS: Quiet, please. We're going to tape this. [sic]

CHAIRPERSON FERRERAS-COPELAND: Good morning and welcome to the City Council's twelfth and final day of hearing for Mayor's Executive Budget for Fiscal 2016. My name is Julissa Ferrers-Copeland, and I am the chair of the committee. We've been joined by Council Member by my colleagues, Council Member Arroyo, Rosenthal and Van Bramer. Today, we will first hear from the Mayor's Office of Management and Budget, the Department of Finance and the New York City Comptroller, and then the public. The public portion of today's testimony will begin at approximately 1:30 p.m. I want to remind everyone who wishes to testify to please fill out a witness slip with the sergeant-at-arms. For members of the public, the witness panel will be arranged by topic. So please indicate the topic of your testimony on your witness slip. We understand that many seniors or people with disabilities who wish to testify must leave by a certain time. So we will try to accommodate that. Please put the need--that need by putting you on some of the earlier witness panels.

Any senior or person with a disability who requires this accommodation, please make a note on your witness so we know you are here. For members of the public who wish to testify but cannot do so at today's for any reason, you can email your testimony to the Finance Division at financetestimony@council.nyc.gov, and the staff will make it a part of the official record. We will be accepting testimonies until 5:00 p.m. on Friday, June 12th. Before we get started, I want to thank the entire Finance Division Staff for all their excellent work in preparing for these hearings. Everyone played an important role so I want to thank everyone by name starting with the Director, Latonia McKinney, Chief Counsel Tanisha Edwards, Assistant Counsel Rebecca Chasen, Deputy Director and Chief Economist Dr. Ray Majewski, Deputy Director Regina Poreda Ryan, Deputy Director Nathan Toth, Deputy Director Paul Samone, Unit Head Paul Stromm, Eisha Wright, Chima Obichere, Emre Edev, John Russell. The Finance Analysts in alphabetical order Jessica Ackerman, Alia Alli, Maria Enache, Ellen Eng, Chris Esherman, Gia Feng [sp?], Crilhien Francisco, Sarah Gastelum, Kenny Grace, Brittany Morrissey, Jimmy Regas, Steve Reister, Jonathan Seltzer, Dohini

Sompura and Norah Yahya. I'd like to also thank the wonderful and hardworking Finance support staff Nicole Anderson, Roberta Caturano and Alia Bagan. Next, I want to thank my staff. My Chief of Staff Jorge Fanjul, Ivan Acosta, Lillian Zapada, Shammeik Barat, and the District Office staff that allows me to be here. So I really appreciate all those members of my district office. I also want to thank the sergeant-at-arms who keeps us safe here everyday. Director of Security Carlo Diablo, the Chief Sergeant-at-Arms Rafael Perez, John Biando, Angel Chacon, Eddie Cojasa [sp?], Justin Rohr, Raul Rodriguez, Gina Sharp, Alan Schuh and Colin Todd. And the film crew and NYC Media, who watch--who help those who are at home or at work watch us. They spend just as much time at these hearings as we do. So I want to take the time to thank them for their hard work. They have done an excellent job.

Okay, with that said, let's get started.

As you know, as you all know, in prior years the Council will begin Executive Budget hearings with testimony from individual agencies regarding their budgets and conclude hearings with the testimony from the Office of Management and Budget as well as the

public on the last day of hearings. This year we did things a little differently because we began with OMB and now we will end with OMB. On May 18th, during OMB's first appearance before the committee the discussion focused on the City's Budget structure and the Ten-Year Capital Strategy. The narrow focus--the narrow focus allowed the Council to closely examine the City's Capital Budget with a particular interest in the city's Ten-Year Affordable Housing Plan. After having heard over 100 hours of testimony from the city agency heads about their agency's operations, priorities--and priorities, today's hearing will offer a final opportunity for the Council to publicly examine the values, priorities and plans of the Fiscal Year 2016 Executive Budget. But first, a brief timeline of the budget process to day.

On February 9th, Mayor de Blasio released his Preliminary Budget for Fiscal 2016 totaling \$77.7 billion. The Preliminary Budget set forth a progressive agenda that seemed to align with the progressive values of the City Council. Unfortunately, the Preliminary Budget omitted the major policy changes that the City Council expected

to integrate into the budget. Which hindered the Council's ability to fur--to [coughs] to fulfill its charter mandate of responsibility to examine budget measures prior to adoption. Nevertheless, throughout March, the Council had Preliminary Budget hearings and listened to testimony from over 40 agencies and the public. On April 14th, the Council released its Preliminary Budget Response. This document specified the changes to the Preliminary Budget that the Council sought to include in the Executive Budget. The recommendations were made with an eye towards responsible prosperity by calling for a budget that is transparent, progressive, efficient, equitable and aims to ensure access, opportunity and justice for all New Yorkers.

On May 7th, the Mayor released his Fiscal 2016 Executive Budget totaling \$78.3 billion. The Council was very pleased that many of our proposed-- of our proposals from the Budget Response were included in the Executive Budget, including plans to improve viral hepatitis surveillance; a larger budget for the Human Rights Commission and increase headcount; increase funding to the Anti-Gun Violence Initiative; and baseline funding for Priority 5

Vouchers, CUNY Prep and school lunch fees in most middle schools. These were good changes, and with the addition of these proposals in the Executive Budget, the Council is fulfilling its role in shaping the priorities of the City. The Executive Budget also included some of the policy changes that were anticipated in it, but were omitted from the Preliminary Budget including financial details in the City's Ten-Year Affordable Housing Plan, the Citywide Savings Program, and new features to identify agency efficiencies and savings. The Department of Corrections Anti-Violence Agenda, a 14-point plan to reduce violence on Rikers Island. HRA's launch of a major civil legal service initiative focusing on homelessness prevention and access to government benefits. And the Department of Education's Renewal School Initiative.

However, over the past three and a half weeks, when the Council held hearings to examine the Executive Budget in detail many council members voiced concern about the continued lack of transparency in many areas of the budget; the feasibility of implementation of the Ten-Year Capital Strategy; the omission of funding to key proposals;

and the possible reverse--[coughs]--reversion to the infamous phenomenon known as the budget dance.

At first glance, the delayed implementation of proposals and the lack of transparency in many areas of the budget may seemingly appear to be reminiscent of the days of the budget dance. However, let me be clear. The days of the budget dance are over, and as Finance Chair, I reject any notion of the budget dance. In the past, there were devastating cuts to essential services such as the closure of firehouses, and reducing funding to libraries only to have Council fight to restore the funding. In this administration, there were no across-the-board cuts to essential services. However, the administration failed to reflect in the Executive Budget funding for many of the Council's priorities such as senior services and youth program. We are more serious than the budget dance to call this a dance. This is our negotiating house. This is our power and our moment to negotiate all of the city's budget. The Council has made every effort and put forth detailed suggestions to ensure that it is fully immersed in the entire budget process. For example, in the area of transparency, the Council

learned in the Executive Budget hearings that in some cases the changes proposed to units of appropriation in the Council's Budget Response weren't even discussed with OMB, and relevant agency for inclusion into the Executive Budget. With respect to the Executive Ten-Year Capital Strategy, while council members did acknowledged that it is--that it provided a greater level of detail than the preliminary strategy, details regarding the implementation of the proposed projects including timeline, project management staff and existing infrastructures to facilitate such an ambitious plan were made unclear.

Now, let's turn to the Citywide Savings Program. Throughout the hearing, we learned that many of the proposals that were identified as new efficiencies were not actually new actions. And would have been implemented without the savings programs, and in some cases the proposals were not even efficiencies at all. Some of the largest savings were the customary reductions of conservative estimates made every year by OMB. For example, in Fiscal 2016 debt service re-estimates accounted for 34% of the savings program, and this number grew to 64% in Fiscal 2017. Doing these types re-estimates--

re-estimates makes the budget more accurate, but in the Council's estimation, it is not rightly labeled as a savings. That's not to say that the savings program did not include any attempts to realign resources and identify efficiencies. A good example of real savings is achieved--if achieved are the Fire Department's plan to reduce discretionary overtime by \$2.2 million and the identification by several agencies of contracts for services, particularly IT services that will be in-sourced. However, while some agencies clearly took the charge seriously, there remains an odd distribution of savings across agencies. For example, the Department of Corrections has no savings proposed while the Health and Welfare agencies found savings of \$226 million over the life of the plan. These are just some of the issues we hope to address today and in the coming weeks as the Council works with the administration to diligently negotiate an adopted budget that includes many of the items proposed in our Budget Response, and that reflect the responsible prosperity. We will now hear from Dean Fuleihan, the Director of the Office of Management and Budget after he is sworn in by my counsel.

LEGAL COUNSEL: Do you swear and affirm to tell the whole truth to the best of your knowledge and belief?

DEAN FULEIHAN: I do.

LEGAL COUNSEL: Thank you.

DEAN FULEIHAN: Good morning Finance Chair Ferreras-Copeland, members of the Finance Committee and members of the Council. I am pleased to be here this morning to give the final report on the Executive Budget of the City of New York for Fiscal 2016 on behalf of Mayor de Blasio and the Administration. I'm joined at the table today by OMB's First Deputy Director Larian Angelo and by members of the OMB staff who will assist me in answering your questions. Over the weeks since I last reported to the Council, our government has engaged in a productive conversation about this budget. The Council has asked numerous questions of the Administration and we have our--done our best to address them. Through it all, it is clear that the Council and the Mayor share a common set of core values. Given the nature of the process so far, I will not take you through the Executive Budget in a detailed way, which I did at the first hearing.

Rather, I will outline the thinking behind the budget as a whole, and then quickly open the floor to your questions. The Executive Budget for Fiscal Year 2016 funds a strategic set of investments that will make our city stronger, fairer, more resilient and capable of sustained and sustainable growth. These are vital expenditures that address pressing problems today so they don't grow into more expensive ones tomorrow. In addition, we are righting longstanding wrongs and reaching New Yorkers that have gone unreached. Our investments are bold and comprehensive, but overwhelmingly, this is a budget of fiscal responsibility that recognizes the risks ahead. The budget is honest. Our revenues and debt service estimates are cautious and realistic. We have removed a major source of uncertainty by locking in more than 80% of our labor contracts, and budgeting for contract patterns for the full workforce. The budget is careful. We have secured and will continue to find savings and efficiencies from all parts of our government. Agency savings and savings on debt will reduce spending by nearly \$1 billion Fiscal Year '15 and '16 combined. This includes more than \$530 million in agency savings alone with a further \$400

million in debt service savings. In keeping with our goal to be as forthright as possible throughout this process, the Administration documented these saving in the Executive Budget and will continue to update the Council on our progress as we go.

I also want to note that the Health and Hospital Corporation, which is not an agency by an independent authority has found \$300 million in savings for Fiscal Year '16 and will be providing ongoing annual savings. Another major source of savings is the reduced--reduction in healthcare costs and improving healthcare delivery to our employees. Our strategy for bringing healthcare costs down is unprecedented across all agencies and it is already working. We have hit our 2015 target of \$400 million in savings. We have guaranteed savings of \$3.4 billion through Fiscal Year '18 and a minimum of \$1.3 billion in savings each year thereafter. The budget is prudent. While funding our strategic agenda, we have taken unprecedented steps to set aside reserve funds so the city's finances will be disrupted by a downturn in the economy. We are building reserves in three ways. First, we are raising the general reserve to \$1 billion and plan to do this annually.

Second, we are raising the Retiree Health Benefit Trust Fund, which pays the healthcare cost of city employees to \$2.6 billion, a full year of retiree healthcare costs based on current projections. Third, we are establishing a capital stabilization reserve of \$500 million. This is unprecedented and protects our ability to make significant investments, retire debt in a downturn, and pay for research on projects so they can make informed choices.

Our responsible management of the City's budget has been noticed by rating agencies and monitors. Moody said the '16 Executive Budget has strengths and includes strong governance and financial best practices. Fitch said highly effective budget management. The City's sound approach to budget development features reasonable revenues and expenditures forecasting, proactive budget monitoring and effective actions to eliminated projected deficits. Standard and Poor's said the City now has an element of certain in its financial plan that it lacked in the past when labor settlements and associated wage and benefit increases were unknown. And, I am proud to announce today that all three major rating agencies just affirmed again

the City's strong stable ratings. But we cannot rest on these laurels. Our careful management of the City's resources is particularly important given the uncertain state of the economic picture.

As I reported to you before, we are in a recovery, but it is not a strong one. Real wages have declined or remained flat in more than half of our major city industries. USGDP growth, 2.4% through 2014 is the second lowest we've seen compared to previous recoveries. New housing construction, the traditional employment driver remains weak. This recovery is now past 70 months, more than one year longer than the average modern expansion. When a city finds itself in a recession the effects are fast and powerful. As Mayor de Blasio has said, it creates a domino effect. Outside pressures will come to bear on city finances. Revenues plummet. The demand for services goes up. Federal and State aid already imperiled during this recovery may be slashed. As a result, cities that find themselves in this situation are most often forced to increase taxes and cut vital services. In the end, everyone suffers. Unfortunately, there have been more worrying news since last time we met.

The first quarter of this year generated a negative 0.7 GDP clearly indicating a struggling national economy. The City of Chicago, the third most popular city in the country just saw its credit rating downgraded to the low investment grade status, and been forced to borrow hundreds of millions of dollars in unheard of interest rates to satisfy its creditors. According to an analysis by the Chicago Tribune, Chicago is paying at least \$70 million more to borrow the money than if the city were rated at the higher level of just 15 months ago. In addition to be uncertain, the economy is producing unprecedented and growing disparities between the rich and poor. As the Mayor has said, it is sobering to think that 186,000 more New Yorkers fell below the poverty line in 2013 than fell below the poverty line in 2009 during the height of the Great Recession. Today, nearly 46% of New Yorkers live at or near the poverty line.

New York City Expense Budget for Fiscal Year '16 is \$78.3 billion. It funds investments and goals we share with the City Council, including baseline funding for the Middle-School Free Lunch Initiative, CUNY Prep, 80 additional park enforcement

patrol officers, and the Cure Violence Anti-Gun Initiative. We have added funds to support a seven-year tree pruning cycle for street trees and those around the perimeters of parks. This is on top of our Universal Pre-Kindergarten, supporting renewal schools, addressing homelessness, bringing mental healthcare to where it is needing; building or preserving 200,000 units of affordable housing; maintaining our aging infrastructure; and lifting up NYCHA. We are also investing in public safety. This budget builds on nearly three-quarters of a billion dollars over the next four years that have been added to the NYPD by this Administration, as well as more than half a billion dollars of additional capital commitments. We are funding critical investments in new technology, police training and recruitment, new vests and much more.

The Executive Budget adds funding for other critical safety programs including \$1.8 million to expand our Shot Spotter Gunshot Detection Program to 28 precincts. It is a fiscally sound budget. The 2015 Budget remains balanced. The 2016 Budget is in balance. There are, however, out year gaps. These must be addressed, and they will go up in the event

of an economic downturn. Our realistic projections have helped shield New Yorkers from some of the more extreme consequences that are possible when cities overextend themselves, and this will be even more important as we continue to guard against future revenue uncertainty.

I would now like to speak about the Ten-Year Capital Strategy, which includes the Financial Plan for One New York City, our blueprint for a stronger, more equitable, more sustainable, more resiliency. The Year Strategy is \$83.8 billion of which \$75.5 billion is city funds. The Four-Year Capital Plan represents a 24% increase over the Four-Year Plan represented to you last year. The strategy and plan are realistic reflections of our needs through 2025. Our debt service, as maintained at below 15% of tax revenues and our first ever capital stabilization reserve of \$500 million means that we are cushioning our budget against downturns. As Mayor de Blasio has said, the Executive Budget reflects the fact that New York City has arrived at a complex and critical moment. On one hand our city is vibrant and strong and capable of enormous growth under the right circumstances and with the right

investments. On the other hand, far too many New Yorkers are struggling. The City of New York has financial resources to address our mutual priorities and the challenges that New York faces, but only if we remain fiscally responsible and strategic. Once again, I would like to thank the City Council for giving me the opportunity to speak to you today, and now I look forward to your questions.

CHAIRPERSON FERRERAS-COPELAND: Thank you. I wanted to talk about the Citywide Savings Plan. Can you explain how just determine which budget actions you decided to attribute the program as savings, and help us understand why the Council and the public should view the program as legitimate efforts to find efficiencies in the City's budget? An example is when asked why additional revenue from the red light bus lane and speed cameras should be considered a savings, Commissioner Trottenberg testified that she does not, in fact, consider such a revenue a savings, and it is unclear why OMB classified it as such.

DEAN FULEIHAN: So when--when we--when we asked the agencies last fall when the Mayor requested that we look for savings and efficiencies, we did not

include revenues to be very clear. What we asked for was the agencies to find ways, and we went through a long process to work with them to come up with savings. It was not the traditional means where they were given a percentage. It was a much more cooperative process. At the Preliminary Budget hearing, there was a request for how we would monitor this and move forward. So when we put together the savings book we did include--we did include things that traditionally would have gone into that, and we're open to take those out. So it included about \$125 million of revenue actions. But in the Mayor's presentation to you and my presentation to you a few weeks ago, I never included those as part of our savings. When I talked about \$930 million, we were very clear that \$400 million of that was debt service that the other were agency savings. And I did say yes there are some in the book, which would be more traditional. The plan to--to close the gap, would have traditionally had a certain category of revenues. But we're more than open to talk about in the future not including those.

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2 CHAIRPERSON FERRERAS-COPELAND: Well, I
3 would think it appropriate. It just--it seemed to
4 look very--

5 DEAN FULEIHAN: [interposing] Okay.

6 CHAIRPERSON FERRERAS-COPELAND:
7 Especially, as you talk about the Red Light Program,
8 it just to make no sense that revenue would be
9 considered a savings.

10 DEAN FULEIHAN: Done.

11 CHAIRPERSON FERRERAS-COPELAND: Good. I
12 hope this whole hearing goes that easy. Why did some
13 of the agencies such as the Department of Corrections
14 have to produce any efficiencies while others like
15 DFTA, which is already stretched too thin, their
16 budget was required to return \$1.3 million of
17 baseline Council initiative funding as part of the
18 Savings Plan?

19 DEAN FULEIHAN: So this was--and--and
20 we've spoken about this. This is not a one-time
21 effort. We're going to keep working with the
22 agencies. Some have much more complex--they all have
23 very complex situations. But Corrections was clearly
24 an area where our emphasis has been on addressing
25 what had been neglected problems for a number of

years both in capital an expense. The Mayor has come out with a 14-point plan. That was really the focus. That does not mean that working with you, and working with the--with the Corrections Commissioner and his staff going forward that we don't want to find savings. But that had been the focus. It really was a program focus.

CHAIRPERSON FERRERAS-COPELAND: Then we have the opposite of that, which is DFTA, which seems to have very limited funding in this--in your Executive Plan, and it had to present a \$3.1 million baseline savings, which were Council initiatives that weren't years. So you know how hard these negotiations are to find the money to be able to create these initiatives and to have it be put out as a savings. DFTA has a whole host of challenges of unfunded needs that his Council has identified.

DEAN FULEIHAN: So the goal was not to-- As you know, the goal had been clear the message now to reduce services. We don't believe we did that at DFTA, but we're happy to have conversations. One of the benefits of going through this process and working to an adopted budget is actually that benefit and that dialogue.

CHAIRPERSON FERRERAS-COPELAND: So, we're going to--I think in the case of DFTA and the case of DYCD and some other agencies there are services that are going to be impacted by the savings that they've proposed.

DEAN FULEIHAN: Right.

CHAIRPERSON FERRERAS-COPELAND: So, we're going to aim--we're going to continue to engage in those conversations, and--

DEAN FULEIHAN: [interposing] Right. I just want to add we have increased DFTA's budget since the beginning of this Administration by \$24 million. So we don't--we didn't feel we were neglecting them, but we're happy to have conversations if you think a savings was something we should reconsider. That's part of this process.

CHAIRPERSON FERRERAS-COPELAND: Absolutely. The NYPD Fiscal 2015 Budget totals \$5.2 billion. Yet, the department presented only two program efficiencies related to miscellaneous revenue projects in Fiscal 2015 totaling \$3.5 million. The NYPD's Fiscal 2016 budget of \$4.9 billion did not include any other program efficiencies or savings in Fiscal 2016 or the out years. Why didn't the NYPD

have to propose any future savings, particularly since the Council has repeatedly called for, and the agency has acknowledged the need for an overtime control plan?

DEAN FULEIHAN: So, once again, we are working. It's another area that requires a significant amount of work, but we are working with the NYPD on the overtime budget. There were many instances over the past year that forced that overtime to go up. And that's clearly reflected in their budget.

CHAIRPERSON FERRERAS-COPELAND: Well, from our perspective if overtime goes up, then it says that the agency needs more support. So, if you're--it seems that DFTA gets the cuts, NYPD and Corrections don't have to propose savings. So something's got to give, and we need to understand. We want to work--this--this budget is our budget, the Council and the Mayor's budget. The priorities that are set forth and the focus currently is a challenge for us to understand why DFTA has to take these cuts, but NYPD does not have to propose a plan. I understand you saying you're having conversations.

2 This is year 2 of our budget process. When did the
3 conversations turn to an actual overtime plan?

4 DEAN FULEIHAN: So, let's go back. DFTA
5 did not take cuts under this Administration. Under
6 our joint efforts, DFTA has actually had increased
7 funding over the past two years, and there were
8 initiatives for DFTA in the Executive Budget. You've
9 highlighted one component of the Savings Plan, and
10 asked us to look at that with you, and we're happy to
11 do that. On the NYPD, there are always going to be
12 events. We have done together over three-quarters of
13 a billion in investments in the NYPD. We've done
14 over \$500 million of capital investments. We are
15 making significant investments in training in
16 technology to address the very concerns that you're
17 talking about with the NYPD. Some of these things
18 obviously are going to take time, and can't happen
19 overnight. There are also events that do create
20 pressure on overtime budget. We share your goal of
21 trying to reduce that.

22 CHAIRPERSON FERRERAS-COPELAND: So my
23 hope is that as we continue to negotiate that because
24 we're not able to get the plan at this--the control
25 plan now, perhaps we can talk about a timeline.

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2 Since we're not going to--you know, when can you see
3 some type of give on the overtime?

4 DEAN FULEIHAN: Sure. I'm happy to come
5 back and have--and talk about--about both Corrections
6 and the NYPD.

7 CHAIRPERSON FERRERAS-COPELAND: Great.
8 Before June 30th?

9 DEAN FULEIHAN: We should. We're having
10 constant conversations with you.

11 CHAIRPERSON FERRERAS-COPELAND:
12 [interposing] I know you're having constant
13 conversations. I just want to get you on the record.
14 Debt service accounts for 34% of the Citywide Savings
15 Program in Fiscal 2016, and growing to 61% in Fiscal
16 2017. Can you give us highlights on how you were
17 able to lower our debt service expenses. And can we
18 expect additional debt service savings in Fiscal
19 2016, particularly from short-term variable rate
20 bonds.

21 DEAN FULEIHAN: So we--the--the ways we
22 achieve savings on debt service are through the
23 interest rates, which you've actually just cited. So
24 the interest rates are lower than our projections,
25 and our projections are cautious. And, the

marketplace can change very quickly. And we've seen actually over the past few weeks that rates have gone up, actually gone up for other municipalities much more than for New York City and other state much more than New York City. We've also constantly and aggressively financed debt. So we have an advantage with this low interest rate climate, and whenever we can, we do significant refinancing. We also had the ability to move. As we talked about in the first budget hearing, we have used to almost capacity the State Building Aid Bonds that were--that were State debt. While the debt service payments are the same, significant amounts of money, basically half of the School Construction Capital Program has now moved over to the city, and the city responsibility. In that switch we were actually find--we were actually able to find additional savings.

CHAIRPERSON FERRERAS-COPELAND: And, the-

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DEAN FULEIHAN: [interposing] We would hope that in Fiscal Year 2016 we have additional savings.

CHAIRPERSON FERRERAS-COPELAND: With the-

DEAN FULEIHAN: [interposing] We hope so, but once again, the market is very unstable.

CHAIRPERSON FERRERAS-COPELAND: Just got to watch the interest rates then.

DEAN FULEIHAN: Sure.

CHAIRPERSON FERRERAS-COPELAND: According to the Citywide Savings Program, the city will generate annual budget savings totaling \$55 million by improving management of the city's procurement process. However, few details have been provided as to how these savings will be achieved or by which agency. How will the city save \$55 million per year through improved management of the City's Procurement Process?

DEAN FULEIHAN: So the City--well, there are a couple of answers to the procurement process. On the 55, specifically, the City has traditionally put aside additional money, which has been used in some years when procurement costs go up, or prices increase. We had made--we made a decision that we did not need to do that, and agencies would live within the allocated resources they had. That's the \$55 million. On additional procurement, we're in a long process. We discussed this certainly at the

capital hearing to try to--and we have made improvements in speeding up the process, and getting projects in the ground sooner. So we are trying to find more and more efficiency savings. You also cited the I--IT, which is a major procurement, which we are in-sourcing and have announced major efforts to in-source. So these are all part of a process. Once again, it's not going to happen overnight, but we're being very aggressive to try to figure out how to find more and more procurement savings, and to speed up that process.

CHAIRPERSON FERRERAS-COPELAND: Units of appropriation. As I've engaged many of the commissioners in this conversation. At the hearing regarding the Department of Buildings budget, Commissioner Schamuburg testified that DOB is in the midst of discussion with OMB to increase the number of unit appropriations within the agency's budget. As you know, currently, \$108.5 million of DOB's \$148.7 million total budget is in a single unit of appropriation for personal services. Can you please provide us with an update as to the conversations, and can we expect to see new U of As for DOB or any other agency including the Adopted Budget?

[background comments, pause]

DEAN FULEIHAN: So, on U of As, we worked with you last year. We did create more U of As. I have a feeling that conversation will continue, and that we will continue to have those conversations. I don't have a specific answers. You have given us a list of U of As that you've asked us to look at, and we're in that process. And that's obviously a process that we're going to be discussing with you over the next couple weeks.

CHAIRPERSON FERRERAS-COPELAND: Great. So we do have a list of U of As, as you can imagine. I just hope that we can get this next batch because we committed to six. I believe we had three at prelim and now we have four. So, I'm hoping that by June 30th, we have all six.

DEAN FULEIHAN: I believe we did all six.

CHAIRPERSON FERRERAS-COPELAND: We--that is not a--Well, let me--

DEAN FULEIHAN: [interposing] Okay, we should confirm.

CHAIRPERSON FERRERAS-COPELAND: -- confirm, but I believe we have--we haven't had all six.

[pause]

CHAIRPERSON FERRERAS-COPELAND: So, we'll just follow up on that. But, we will have a list that we will continue to provide to--well, we'll continue negotiate on the U of As, and that would also include the Department of--the Law Department. In our Budget Response, we had requested the Law Department restructure. Also, we identified--there was an issue with the appropriations to better reflect this programmatic nature specifically to create U of As for legal services and support services. At the hearing, I asked the corporate counsel why the requested U of As were not reflected in the Executive Budget, and what were discussions were had on the issue. He stated the Law Department was unfamiliar with the Council's request for the U of As and, therefore, had not considered it as part of the budget process.

[background comments, pause]

DEAN FULEIHAN: All right, we will definitely have a conversation with the Law Department on that request.

CHAIRPERSON FERRERAS-COPELAND: Okay.

You know, I would hope that whenever we have a budget responses--

DEAN FULEIHAN: [interposing] We are-- we're going through all the--you gave us a long list.

CHAIRPERSON FERRERAS-COPELAND: [interposing] Right.

DEAN FULEIHAN: The reason we are reaching out to--to all of the agencies. I apologize. I was confused whether that was an HRA legal services request or the Law Department.

CHAIRPERSON FERRERAS-COPELAND: No, no, it was just corporate counsel--

DEAN FULEIHAN: [interposing] Okay, thank you.

CHAIRPERSON FERRERAS-COPELAND: --who said he hadn't heard of anything about even having a discussion about that U of A. I'm going to talk about the Neighborhood Development Fund and oversight. And then I'm going to open up and give my colleagues an opportunity to ask questions and I'll come back in the second round. The Mayor's Ten-Year Capital Strategy includes a billion dollars in capital spending for a newly created Neighborhood

Development Fund to provide for critical infrastructure work for neighborhoods to be rezoned under the Mayor's Affordable Housing Plan. About two-thirds of this is within EDC's budget. However, as the Council understands it, the decision making process on how this money will be spent will be determined jointly EDC, City Planning, OMB and the Deputy Mayor for Housing and Economic Development. While this brings together different agencies with complementary talents, that should help ensure this money is well spent. The lack of centralized decision, may create some difficult--some difficulty in oversight for the Council. Who will be the final decision maker who's accountable to the Council for it to perform effective oversight. Most of the funding--the funds are currently within EDC's budget, but will likely be used for myriad of projects such as parks, roads, sewers, et cetera. Do you have a list of which projects will be funded through the fund? And when the projects go through, will they stay in EDC's budget or will the associated agencies take over the fund?

DEAN FULEIHAN: So this is a coordinated effort. It really needs to be a coordinated effort.

I think you agree with that. And one of the things that we're trying to do in the Administration really is break down silos, and make sure that we're working together. This is under the Deputy Mayor's overall supervision. So, but--but it will be a cooperative effort, and hopefully we'll all be able to answer those questions. Whether it's City Planning or not, we all have something to add, as well as obviously the community in talking with the Council on a regular basis. As you know, as we discussed the first time, these are--these are--we actually--we do not yet have a list. We're going to have to be working on that as we--as we develop affordable housing and we find infrastructure needs to make sure that we reach the goal of 200,000 more units. That we reach that goal that we are doing the proper infrastructure that's required. And the same is true really of the Neighborhood Development as well.

CHAIRPERSON FERRERAS-COPELAND: So do you expect that this billion dollars represents the total cost for infrastructure for rezoning?

DEAN FULEIHAN: No, I expect it's a--it's a part of it. Obviously, really the coordination is going to be even greater. What is the Department of

Transportation doing in that community? What are their plans in that community? What is the School Construction Authority's plans in that community? So--so this is in addition--these are additional resources, and--and one of the criticisms of the prior administration was that they did not have additional resources available to them when they were trying to do affordable housing. We're trying to make sure that that's available, but it's even a broader coordination effort.

CHAIRPERSON FERRERAS-COPELAND: So while, you know, we understand that you do need this coordination because there's different types of supports for different neighborhoods throughout the city and it's going to be probably assigned to different projects. Again, the challenge that we have here is oversight. Once the funds are spread out, how do we follow them? How do we know. So, what I'd like to know in particular with projects associated to the rezoning, could OMB include a reference and project titles of the projects or a separate tracking report. So that we can follow from EDC all the way through which agency, and we're able to follow those monies for proper oversight.

DEAN FULEIHAN: Yes.

CHAIRPERSON FERRERAS-COPELAND: Great.

Okay. So I'm going to come back in a second round.

We've been joined by Council Members Chin, King,

Kallos, Lander and Cornegy. Again, a reminder. We

will have a five-minute clock for the first round,

and three-minute clock for the second round. We will

now hear from Council Member Rosenthal followed by

Council Member Van Bramer.

COUNCIL MEMBER ROSENTHAL: Thank you so

much, Chair Ferreras-Copeland. Thank you, Dean

Fuleihan and Lynn and Angela for coming. It's--it's

great to hear this from you. I really want to ask

questions on two areas. One is the cost overrun

reports, Local Law 18 on the capital projects and

second, I'd like to learn more about the additional

funds for city workers and contract workers up to

\$11.50 an hour and the \$50 or \$60 million that you've

put in for that. So I'm going to try to split my

time in half. The value of the cost overruns from

Local Law 18 for this fiscal year is \$215 million. A

lot of that is sort of usual like a normal, you know,

continuation of the contracts. That makes a tone of

sense to me. There are a couple, though, were in DEP

where the reasons listed are incredibly helpful. The reason listed for one, an \$11 million cost overrun is design errors, design omissions, contractor. You know, unidentified hazardous materials. All of that, which makes sense. Another one is design errors. This is a \$4 million overrun. Design errors, omissions, administrative changes, non-material scope changes. I'm wondering how much you use these documents, and whether or not something like a design error or design omission gives you pause in how you-- where you remember. Where do you remember that, you know, these particular contractors, Elder Electric and Blasland Bouck and Lee are particularly, you know, prone to design errors and design omissions costing city taxpayers in total on these particular ones \$50 million?

DEAN FULEIHAN: So, we share your concern again on the procurement process, and ways to improve it. So we are looking at this. If we see a pattern obviously the agency should pick it up. We should be talking with the agency about how to find savings. It's interesting the ones you've identified because we have put it in the budget--

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2 COUNCIL MEMBER ROSENTHAL: [interposing]
3 No, indeed, it looks so great.

4 DEAN FULEIHAN: --which--which is
5 actually an attempt to say, okay, let's try to make
6 sure that when we give you an estimate of a capital
7 project, we're actually giving you an estimate of a
8 capital project--

9 COUNCIL MEMBER ROSENTHAL: [interposing]
10 Right.

11 DEAN FULEIHAN: --that makes sense that
12 the agency then can actually implement and that
13 attempts to reduce the cost overruns. So that is one
14 of the reasons for the pre-scoping. It's one of the
15 reasons in the Capital Stabilization Fund, or the
16 primary reason and the goal is the debt service. We
17 also said potentially on major projects it's another
18 area where we may want to consider.

19 COUNCIL MEMBER ROSENTHAL: Right. I'm
20 just saying this is your and to the administration
21 these are 2000--Fiscal '15 reports--

22 DEAN FULEIHAN: [interposing] Sure.

23 COUNCIL MEMBER ROSENTHAL: --of \$215
24 million in capital overruns. So it's concerning.
25 Similarly, with the technology overruns, even at

DOITT it's an \$11 million cost overrun. You might explain that as this is the year that you did it correctly. And, you know, now you have the accurate number, but that's one I'll be watching as well. This is an IBM renewal.

DEAN FULEIHAN: Okay.

COUNCIL MEMBER ROSENTHAL: \$11.8 million of concern to taxpayers. And similarly, at NYPD, now NYPD will be hiring a full-time consultant to implement new technology, \$7 million of cost overruns, a 50% increase with no indication that, you know, this is what got us into trouble--oh, I have to move on--in the first place. And so, I thought we were trying to get rid of consultants, and try to bring all the expertise in-house. That was one of the big lessons learned.

DEAN FULEIHAN: We--we are moving in that direction.

COUNCIL MEMBER ROSENTHAL: [interposing]
Okay, now it will likely be.

DEAN FULEIHAN: That's not going to happen--that's not going to happen every single time.
[sic]

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2 COUNCIL MEMBER ROSENTHAL: [interposing]

3 Okay. So I want to ask about the increase in wages

4 of city workers to \$11.50 an hour, which I applaud

5 and in full support of the \$50 million add to the

6 budget for that. And I know we're doing city workers

7 as well.

8 DEAN FULEIHAN: Yes.

9 COUNCIL MEMBER ROSENTHAL: 100% applaud.

10 What would have been the cost--I'm sure you did an

11 analysis of why you hit \$11.50, right? What would

12 have been the cost had it been \$13 an hour?

13 DEAN FULEIHAN: I'll have to come back to

14 you and give you that.

15 COUNCIL MEMBER ROSENTHAL: So you don't

16 know that?

17 DEAN FULEIHAN: I don't know that off the

18 top of my head, but I'm sure--

19 COUNCIL MEMBER ROSENTHAL: [interposing]

20 Do you know that? Does one of your staff know that

21 today?

22 DEAN FULEIHAN: Well, I will come back to

23 you and see if I can give you an exact number.

24 COUNCIL MEMBER ROSENTHAL: So no one in

25 your staff knows that?

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2 DEAN FULEIHAN: The reason we did \$11.50,
3 it was not arbitrary obviously--

4 COUNCIL MEMBER ROSENTHAL: [interposing]
5 Right.

6 DEAN FULEIHAN: --it was part of--it was
7 part of the living wage number.

8 COUNCIL MEMBER ROSENTHAL: That's right.

9 DEAN FULEIHAN: It's what happens when
10 you get a benefit. That's why we did--

11 COUNCIL MEMBER ROSENTHAL: [interposing]
12 That's right. I'm wondering why--

13 DEAN FULEIHAN: You're asking me--

14 COUNCIL MEMBER ROSENTHAL: [interposing]
15 I'm asking you what the cost would be fundamentally
16 to get to \$15 an hour? While in 1000% per cent
17 support of \$11.50, we also know that at some number
18 people are losing [bell] their food stamps and other
19 city benefits. And I'm trying to understand what
20 sweet--why this was the sweet spot, and--

21 DEAN FULEIHAN: [interposing] Right,
22 and--

23 COUNCIL MEMBER ROSENTHAL: --what it
24 would cost to get to \$15 an hour fundamentally.

25

DEAN FULEIHAN: It was a major step, and it was a step. Their--the outside contractors had not seen any increase in some cases going back to 2008 or before, and they were asking for one so we were addressing a fundamental--

COUNCIL MEMBER ROSENTHAL: [interposing]
I can repeat more strongly--

CHAIRPERSON FERRERAS-COPELAND: Council Member Rosenthal, we can--I can put you on the second round.

COUNCIL MEMBER ROSENTHAL: Thank you so much.

CHAIRPERSON FERRERAS-COPELAND: Okay.
Council Member Van Bramer.

COUNCIL MEMBER ROSENTHAL: For the record, I'm in support.

CHAIRPERSON FERRERAS-COPELAND: Council Member--followed by Council Member Arroyo.

COUNCIL MEMBER VAN BRAMER: Thank you very much, Madam Chair and Mr. Fuleihan, I wanted to start off by saying that on Friday afternoon I was at the Woodside Library for a six-day service rally, and saw an amazing presentation from a group of youngsters performing Zumba, which they do at the

library after school. And I also heard from Alejandro, a teenager whose life, he said had been changed by the power of books and libraries and going to the Woodside Library on Saturdays. Tragically, the Woodside Library is no longer open on Saturdays. And I wanted to talk to you about the budget as it relates to our public libraries. As you know, at budget adoption last year we added \$10 million. That as not nearly enough, but it was a \$10 million addition. With that money, the libraries have hired nearly 100 workers. They have expanded hours of service, and added programs. This administration had an opportunity to baseline that \$10 million. Not a lot of money when you're talking about a \$78 billion budget, but you did not take that opportunity. If that funding is not restored in this budget, there will be a cut and libraries will have to reduce those workers that they hired. That is unacceptable to me. And I wanted to ask you if you think that that's an acceptable outcome for libraries in this day and in this climate?

DEAN FULEIHAN: So two answers.

Historically, we've done this at adoption, which is what happened last year. And you and I did exchange

at--only a few weeks ago where we said that's obviously going to be part of the conversation for adoption. But, I do want to add that at the Executive Budget on the capital side, which had never happened before, there was long-term capital put in. Which would allow libraries to start planning. So there has been an effort by the Administration, a significant one. It's never been done before to give them long-term planning on the capital side.

COUNCIL MEMBER VAN BRAMER: I certainly recognize the first step with the capital plan, and that was a good positive sign, as it relates to the capital on libraries. Far below what libraries need, and which I think even your department acknowledges is the need for libraries on the capital side. But you deserve credit for beginning that process. But on the expense side, we are not there. We are not even close, and with what you said about New Yorkers, nearly half of New Yorkers living at the poverty line. 186,000 additional New Yorkers. Does this administration believe that libraries being open, library programs being available for free to all New Yorkers is helpful--is helpful to people in poverty in the City of New York?

DEAN FULEIHAN: As you know, we've been using the libraries for programs that we've initiated with you, and we're going to keep doing that. And we obviously support it, and joined you last year at adoption of additional funds for the libraries. So that pretty much speaks to it.

COUNCIL MEMBER VAN BRAMER: Well, I--I think it needs to speak to it a lot more, and I think that we have to do more. \$65 million will get us simply to where we were at FY08 with every library full six-day service open in the City of New York. We cannot in good conscience talk about ending the budget dance when libraries continue to be band-aid back and forth as part of this process. These are, if I may, essential city services, core city services--I don't think anyone denies that--in city-owned buildings. This funding should be set, and it should be baselined off the table going forward because it is so fundamentally important to everything this administration cares about, everything. Immigrants, the working poor, those who are out of work. This is what this time is about. Libraries are as progressive as progressive gets.

DEAN FULEIHAN: So, if I may take exception with just one piece that you said, I don't really believe it's a revisiting of the dance. We reached an agreement last year on the libraries. The libraries to us in the Executive Budget with major request on capital, which had not been done before, and we exceeded to give it. And put in, in advance a--a pool of money that allows them to actually plan, which they weren't able to do before.

COUNCIL MEMBER VAN BRAMER: [interposing]
To the--

DEAN FULEIHAN: I actually don't think that's a dance.

COUNCIL MEMBER VAN BRAMER: It's--it's absolutely true the libraries came to you with a billion, four request for capital funding, and wanted to be included in the Ten-Capital Plan for the first time. You all did include them for the first time. That's historic. You deserve credit for that. It's certainly not all that we need. But, it is also accurate to say that the \$65 million expense request has been on the table at the same time. And so we can't say we did libraries because we're going to make sure the roofs don't leak and there's air

conditioning and heat at the appropriate seasons.

But we're not going to fully fund them so that they're open for the people who need them in Woodside and other cities--other neighborhoods all across the city. [bell] So I am just saying, and I'll come back in the second round, but I am imploring this administration to make libraries a higher priority, and it's fundamentally right and moral a fight against inequality. We cannot fully engage, in my opinion in that very, very solemn effort unless libraries are fully included in that work. And we have libraries open six days. So that all of the people that I know you care about, I care about and Mayor de Blasio cares about are getting the fundamental services they deserve and rightfully are entitled to.

COUNCIL MEMBER ARROYO: Jimmy?

DEAN FULEIHAN: Understood.

COUNCIL MEMBER ARROYO: Hello. Hi. Good morning, Mr. Director. How are you?

DEAN FULEIHAN: I'm fine. Thank you.

COUNCIL MEMBER ARROYO: I'm going to now focus my questions around the--wage increase for non-profit--

DEAN FULEIHAN: [interposing] Yes.

COUNCIL MEMBER ARROYO: --workers and contracts. On May 7th, the Mayor announced that there is a plan to increase wages for nearly 35,000 workers that are employed by non-profits in the city. And during the budget hearing for Youth and Community Development, the commissioner indicated that--he used the term eligible contracts and/or workers. And I just want to understand the nuance around that eligibility criteria.

DEAN FULEIHAN: So--

COUNCIL MEMBER ARROYO: [interposing] Let me--let me get all my questions in.

DEAN FULEIHAN: [interposing] I apologize. I apologize.

COUNCIL MEMBER ARROYO: We only have five minutes. And then which are the eligible ones? How will it work? How will we ensure that once those increases are given to the providers that that will end up in the workers' paychecks? And if you don't know how much it's going to cost to bring the city workers up to \$15 an hour, do you know what it will take to bring these contract workers to \$15 an hour?

DEAN FULEIHAN: So, starting at the beginning. The 30,000 number is full-time--is an estimate of full-time equivalent. So the actual workforce that we're talking about in many of these agencies actually is part time. So, the actually numbers will be about 50,000 employees. So it's actually more. So, the number you--you were using and that we had cited was full-time equivalent to be clear. So, it's a--it's a much bigger--

COUNCIL MEMBER ARROYO: [interposing]
Okay, I understand that.

DEAN FULEIHAN: --population.

COUNCIL MEMBER ARROYO: Okay.

DEAN FULEIHAN: I--in terms of who is eligible or not, it is intended to provide for our not-for-profit providers in particular in the social service areas. So, I'm going to have to go back and have a conversation with the Commissioner. As far as I'm concerned, these--they're eligible. I don't know who's eligible and not eligible. I have not heard that. How are we going to--to make sure the workers get it? Our intention is to work with the agencies that deliver these services through these providers and make sure that the 2.5% wage adjustment and the

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2 minimum wage actually go to those workers, and we've
3 had no resistance. Once again the not-for-profit
4 community that has been providing these services has
5 not had an increase by the city since at least 2008.
6 We have not heard from any not-for-profit that isn't
7 excited about being able to raise--

8 COUNCIL MEMBER ARROYO: [interposing] I'm
9 sure you haven't.

10 DEAN FULEIHAN: --and--and to raise
11 their minimum, but we--there is going to be an audit
12 function. We are going to make sure that that's
13 exactly what happens. That is the goal. I do say
14 we--we obviously can do estimates. Once again, we
15 picked \$11.50 to match the living wage requirement.
16 That made perfect sense to us. It was a significant
17 amount of money, and that's what we achieved here.

18 COUNCIL MEMBER ARROYO: So, what is this
19 going to cost the City--

20 DEAN FULEIHAN: [interposing] The--

21 COUNCIL MEMBER ARROYO: --on the contract
22 non-profit side? For every single contract that

23 [background comments]

24 DEAN FULEIHAN: Do you have the numbers?

25 I apologize. So, in--in--in '16, it's--it's \$25

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2 million. Well, actually it's \$25 million for every
3 year of the finance.

4 COUNCIL MEMBER ARROYO: Moving forward?

5 DEAN FULEIHAN: Yes.

6 COUNCIL MEMBER ARROYO: And this is--will
7 be--so every provider will see an increase in--in
8 their contract?

9 DEAN FULEIHAN: Every--yes.

10 COUNCIL MEMBER ARROYO: When?

11 DEAN FULEIHAN: Well, we're working with
12 them right now because we have the same concerns you
13 do. This is effective July 1st. However, we want to
14 make sure the very same things that you highlighted
15 in your questions, we want to make sure that it goes
16 to the workers. We have to make sure of that, and
17 we're in the process of working with that.

18 COUNCIL MEMBER ARROYO: [interposing]

19 Well--

20 DEAN FULEIHAN: The results of additional
21 resources, there was \$5 million for a career ladder
22 and that's another goal that we have done with our
23 workforce that we would like to see the not-for-
24 profit community also do.

25

COUNCIL MEMBER ARROYO: Well, that's-- that's good to hear. The concern that we have from the community development perspective and--and the charge of that committee is examine poverty and low-income communities. And we know that non-profit providers in the city contracting with the city are main employers in certain communities. And they--we cannot continue to perpetuate poverty wages in our city when we as a government are the ones that are engaging in that--in that practice.

DEAN FULEIHAN: We agree completely. It's the reason this morning, let me add, that the Mayor--the Mayor had issued a release on Early Learn to settle a longstanding problem that we inherited on right and the--and the crisis that was occurring in daycare. So we addressed that just this morning actually to try to address that very question.

COUNCIL MEMBER ARROYO: Okay, I appreciate that. Thank you for that clarity, and if you can get back to us on the issue of eligibility and whether or not there is some sort of eligibility for providers and/or contracts.

DEAN FULEIHAN: Yes, we will find out exactly what the Commissioner was referring to.

COUNCIL MEMBER ARROYO: Thank you, Madam
Chair. [bell]

CHAIRPERSON FERRERAS-COPELAND: Thank
you, Council Member Arroyo. We will now hear from
Council Member Chin followed by Council Member
Kallos.

COUNCIL MEMBER CHIN: Good morning.
Thank you, Chair. Good morning--

DEAN FULEIHAN: [interposing] Good
morning.

COUNCIL MEMBER CHIN: --Director Fuller.
In your testimony, you talk about a strategic set of
investments that will make our city stronger, fairer
and more resilient, but you left our seniors, okay.
And I know that you kept talking that yes, you know,
the Mayor put some new money for senior services. We
appreciate that, but my question is that in DFTA's
little budget, it's like 3.4% of the City's budget,
and they did identify half a million dollars of
savings from their Land line to voiceover Internet
Protocol, right? Wasn't that enough, and you asked
them to give more, and they gave that \$3.1 million of
baseline funding that the Council put in, in the
past. And that money could be used to cut waiting

lists of 2,000 seniors that are waiting for case management. 500 seniors that's waiting for home care. Why didn't you allow them to use that money to offset, you know, critical needs in the agency?

DEAN FULEIHAN: [interposing] So--

COUNCIL MEMBER CHIN: That's the question.

DEAN FULEIHAN: So, once again, since the beginning of the Administration, we've put \$24 million of new funding in to address the very issues you had articulated. You also questioned during the Executive Budget on elder abuse why the RFP had not gone forward. And the Mayor has announced and moved that forward. There were additional initiatives in mental health for the elderly and senior centers, a pilot that will grow to well over--I believe well over a million and a half in the--in the outgoing--in the outgoing years. So there have been initiatives to address. The \$3.1 was simply not being used by the agency.

COUNCIL MEMBER CHIN: Well, the thing is like part of that, right, the \$400,000 that we fought so hard to give social for our daycare. That's \$50,000--\$50,000 per agency to have this program for

eight agencies. Last year, the City Council enhanced that with \$600,000. So if you put that together, if you want to baseline the \$600,000, that's one million that the agency could have RFP'd out, you know, to provide those vital services. These are seniors with Alzheimer's with dementia. \$50,000 and we were able to enhance it. So it's \$95,000 per agency. That means an extra day of service. That means they can hire extra staff, and all of a sudden now we've lost the 400. So it seems like talking with the Commissioner at our hearing, they--she said that she's still having ongoing conversations with you. I told her, I said, you better not be waiting in line. You got to jump the line, okay. Because seniors should not be on waiting lists. Don't you agree?

DEAN FULEIHAN: I agree that we have made significant investments into this community. I understand that you would like to see more, and that you--you disagree with the way the \$3.1 million was handled. I understand.

COUNCIL MEMBER CHIN: But Dean, the senior population is growing, and last year at the adopted budget, we were able to get \$20+ million in new funding. So we're not there right now, and in

the Preliminary Budget I was not happy, and you told me to wait, and it is not in the Executive Budget. And how long are you going to be talking? We only got about a couple--two weeks.

DEAN FULEIHAN: The question that we were specifically referring to was the Elder Abuse RFP, which we did do.

COUNCIL MEMBER CHIN: [interposing] The Elder Abuse RFP was promised at \$2 million, okay, and then it went back down to 800. I'm glad the Mayor, you know, put it back in after the hearing. But let's not go there, okay. Because the Council put in another million dollars last year for elder abuse. I am talking about 2,000 seniors on waiting lists for case management. They're waiting to be assessed whether they could qualify for food stamps, home care, other vital services. We have 500 seniors waiting for homecare services. These are seniors that are not on Medicaid. You're talking about just eight hours a week. Are they a priority? I mean we have that in our Council Response, and it's not a lot of money.

DEAN FULEIHAN: Once again, we are addressing problems that affect seniors throughout

the spectrum homeless. We are putting significant resources. At DFTA alone we put \$25 million basically a year in additional resources. We are spending more than \$100 million in this budget alone on the initiative, many of which go to help seniors. So I--I disagree.

COUNCIL MEMBER CHIN: They're not allowing seniors in our homeless system okay. We've asked about that because we were trying to convert one of our shelter in district into a shelter for seniors. So, Director Fuller, I'm asking you--you better hurry up with that discussion and make sure you put them money back for senior services. [bell]

DEAN FULEIHAN: I--I--

COUNCIL MEMBER CHIN: I'll come back with the second round on my other question. Thank you, Chair.

DEAN FULEIHAN: I have a feeling we'll continue this conversation.

CHAIRPERSON FERRERAS-COPELAND: Thank you. [laughs] You're right. Council Member--thank you Council Member Chin. Council Member Kallos followed by Council Member Lander.

COUNCIL MEMBER KALLOS: Thank you Finance Chair Ferreras-Copeland for your leadership through the budget process and Director Dean Fuleihan for appearing before us today. It's my hope we would receive responses to our questions after hearings as promised rather than having to wait to meet here for these two hearings each year. To the extent these are not new questions, it is my hope that you came prepared with answers today. Due to the limited time, I will be asking my questions upfront, and hope that you will use your time answer all of the questions rather than simply running the clock. Last year, I asked about \$4 billion of potential costs-- contract cost overruns identified by a Local Law 18 Report and provided a copy of that report. During the Preliminary Budget hearing earlier this year, I asked again and sent another copy. Today, more than a year later, can you report on overruns, efforts to control them and avoid them in the future? In August of last year, OMB released an RFP for capital projects scope development with \$30 million allocated in Fiscal Years 2015 and again in 2016 to scope and estimate costs for outside architectural construction management and engineering. Has this RFP been

awarded? Will this help avoid aforementioned overruns. And, since this is an ongoing issue, why can't these services be provided by city employees instead of more costly consultants? With our new progressive administration, the Mayor has sought to provide substantial justice settling several high profile lawsuits like the Central Park Five with a judgment and claims budget for Fiscal Year 2015 of \$695 million. Despite settling these high profile cases and investing millions in defending frivolous lawsuits, counts are projected to increase from \$695 million to \$817 million in Fiscal Year 2019. The Law Department was unable to answer the--where this figure came from stating that it is not directly related to the City's estimated risk and liability from current lawsuits. And further stating that his number is set by OMB. To be clear, this money is coming from the Expense Budget and represent close to a billion dollars that could be used for education, social services or even debt services instead of sitting and waiting to be paid out in lawsuits. Please provide the transparent formula you used to determine the budget for judgment and claims. The last question will be thank you for the capital

stabilization reserve of \$500 million. Can this funding be used Paygo Capital pre-payment or diffusement to provide debt services, and with regard to debt service savings? And with regard to debt service savings, interest rates remain low. Yet the Fiscal 2016 Plan lists a general obligation bond interest rate assumptions, which were reduced from 7 to 5.5%. But what is the actual expected true interest costs for most recent general obligation bond issuances? In addition, with regard to the tax-exempt variable rate bonds for Fiscal Year 2015 at .35%, the assumption for the same bonds in Fiscal Year 2016 is 4.25%. Why aren't we setting our goals with regards to what the reality of the market is? And can they be changed?

DEAN FULEIHAN: So, yeah, let's go backwards. So the--the debt service can--and the estimates can obviously changed. You run a big risk. You've seen--we've seen municipalities and you know this as well as anyone. You've seen municipalities just over the past few weeks see, you know, see a significant increase in the interest rates they're doing, which has not happened in New York City. So, yeah, we could--we could make a guess and lower--and

lower that. It would not be by the monitoring community or the rating community or I believe by you to be seen as a prudent means for--for forecasting how we're going forward on debt service. You've made the point that we have a significant capital investment. And that we are doing that through bonds, and we therefore need to be cautious. And I actually think you agree with that, and that's part of the reason that we put forward even an additional cushion, which is riding on, actually with things you've said in the past, on the \$500 million capital stabilization reserve actually it-- So I maybe would suggest that we should share that with you in terms of your prior questioning. So I think that that's the debt service question. I have written all these down as we were doing before. On the--on the

COUNCIL MEMBER KALLOS: [interposing]
Judgment and claims.

DEAN FULEIHAN: --on the judgment and claims, I--I--honestly these are consistent with history. These are consistent with the amounts. As a matter of fact, the current year is--is a reduction from the prior year. We do a statistical on the smaller claims. We do a statistical forecast of

what's happened in the past. We have conversations with the Law Department, and I--certainly this is not an unusual amount of money. These are--actually, \$700 million is not an unusual estimate given that two years ago we paid over \$700 million. So I don't think those estimates are in anyway exaggerating the potential liability.

COUNCIL MEMBER KALLOS: I--I think we'd just like to know you find those estimates--

DEAN FULEIHAN: [interposing] We'll be happy to--we'll be happy to--

COUNCIL MEMBER KALLOS: --and I'll ask the issue--

DEAN FULEIHAN: [interposing] Sure.

COUNCIL MEMBER KALLOS: Can I have the answers for the other questions on the second round?

DEAN FULEIHAN: Okay. [bell]

CHAIRPERSON FERRERAS-COPELAND: Council Member Lander.

COUNCIL MEMBER LANDER: Thank you, Madam Chair and Director it's good to have you here. I have three questions. I'll ask them one at a time, and we'll see whether I can get them in my first round or not. I appreciate that we had the

opportunity to do the first hearing really digging in and focusing on the capital plan. And since then we've been able to talk some of the agencies about their capital plan. One thing that the Chair focused on in that hearing, and the Council has been in dialogue with you about is the steps needed to improve the city's capacity to manage those capital projects. You've significantly grown the cap--what's in your capital strategy, which is great. But there's a lot of work to do make sure those projects happen, they happen on time, they get spent. WE do more management across agencies where we're looking to--the amount, the cost to do a bathroom is widely varied. It's not clear we're able to look at contractors working for our different agencies. So I guess my questions is what steps have you taken and what steps are you planning to take to strengthen the city's capacity to manage and make transparent, deliver on and make as effective as it can be, report to us on the city's capital projects as we increase spending?

DEAN FULEIHAN: Right. I mean you've heard from commissioners who are coming to you and actually giving detail on how they are changing their

process. So both in transportation there have been significant improvements. In Parks Department there's an--there's an effort. So I'm not, you know, going to articulate what those are. But commissioners are clearly doing that on a centralized basis. Both the Mayor's Office of Contract Services and--and OMB are actively engaged to try to figure out how we can improve this process on a constant basis. We've improved our process. So we've reduced the amount of time it takes to be at OMB, and we turn those around. And we're much more efficient about what the agencies give us so they understand what they're giving us. So, yes, we understand that we have a lot of work to do and, you know, we're proceeding.

COUNCIL MEMBER LANDER: So, I'm just going to push for a little more--seeing a little more of that either from you--

CHAIRPERSON FERRERAS-COPELAND:
[interposing] Fine.

COUNCIL MEMBER LANDER: --or from MOCS or from City Hall. You're right that some of those agencies have come in. But in a few cases as they've done that, they've pointed to things outside of their

control that they can't reform internally. And it would be helpful to understand--

DEAN FULEIHAN: [interposing] Yes.

COUNCIL MEMBER LANDER: --what's happening from City Hall or OMB or MOCS.

DEAN FULEIHAN: [interposing] Okay, so we're--we're happy to do that.

COUNCIL MEMBER LANDER: Super. I think it's important for all of us.

DEAN FULEIHAN: I agree.

COUNCIL MEMBER LANDER: Super. Thank you. Second, continuing on capital but moving to the libraries, I just--I--while I fully support Council Member Van Bramer's push on the expense funding and I'm eager for us to restore six-day service, I do want to push a little on the library capital itself. And while being enthusiastic about that \$300 million that's the first time there's a long-term commitment. I don't see that in this year's budget. It doesn't look to me like we increase library capital this year historically at adoption between the Council and the Administration. We added \$30 million last year because Brooklyn Delegation pushed really hard for Brooklyn. We got it up to 35, but right now it's not

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2 there. I-I don't see it. So, can you help me. Is
3 that \$300 million, is any of that new money coming
4 year? Is that something that's still subject to
5 negotiation prior to adoption? How are we going to
6 get started because it would be great to fix those
7 roofs and air conditions, but we've got to get busy.

8 DEAN FULEIHAN: So there--there are a few
9 answers to that. We can start planning with them.
10 They can actually access the scoping piece that we
11 have made available. So it lets them start working.
12 There is obviously going to be a roll from '15 into--
13 into '16.

14 COUNCIL MEMBER LANDER: But the roll
15 doesn't address the \$1.4 billion of new needs that
16 \$300 million--

17 DEAN FULEIHAN: [interposing] No, no,
18 but it does address--

19 COUNCIL MEMBER LANDER: --doesn't really
20 apply to.

21 DEAN FULEIHAN: --how we are moving
22 forward efficiently on capital in general. So
23 there's a roll because obviously in some cases
24 perfectly legitimate. In some cases because the
25 process is broken down. So we--we can start that

process with them this year. So there was not a specific amount, but we have resources, by the way, the energy efficiency resources of One New York City that are there. They have that available as well. So they have other--other abilities to access capital that are not in that \$300 million.

COUNCIL MEMBER LANDER: Good. So, obviously, I hope that we're going to get started demonstrating that expanded commitment by doing better with them this year at adoption than we have done in the average recent years, that \$30 or \$35 million we've done in recent years I'm really hoping that we can boost it up above that as a sign that this new money we're really going to start spending and not only long-range planning. Can I ask my third question or should I wait for round two?

CHAIRPERSON FERRERAS-COPELAND: [off mic]

COUNCIL MEMBER LANDER: All right. I'll wait for my second round.

CHAIRPERSON FERRERAS-COPELAND: Thank you. We're actually starting the second round now. So, we'll add you to that list. I want to talk about capital needs and the Ten-Year Capital Plan to kind of follow up with Council Member Lander. As we all

know, \$83.8 billion is the largest capital strategy in the city's history. What type of needs assessment to determine the state of good repair of the city's assets did the Administration conduct prior to deciding which projects to prioritize and fund?

DEAN FULEIHAN: Two answers just for qualification that in 2008, the city did have an \$83.3 billion capital plan. So this is consistent with that, and we would argue the cap--the Ten-Year Capital Strategies that occurred after that were not an accurate reflection of actually what was the planning process. So, we wanted to go back to an honest planning process that actually give you more input into how we move forward. With each agency we have been, since this was a significant increase, and we recognize that. We worked agency by agency on what their priority needs were, and that's what's come together.

CHAIRPERSON FERRERAS-COPELAND: Okay, we're going to talk about.

DEAN FULEIHAN: [interposing] I mean, you know, I can--I cannot--we talked about this at the first hearing, but obviously public health and safety were--was the key and from there the other

goals that we share in terms of resiliency, energy efficiency all of which are reflected in the Ten-Year Strategy.

CHAIRPERSON FERRERAS-COPELAND: Now, I know that we were constantly talking about getting capital projects moving forward. In your conversations has there been any change since we've last spoken to how we can improve projects actually seeing the light of day?

DEAN FULEIHAN: Yeah, we--we are meeting with our colleagues in the--in the--in the Mayor's Office of Contract Services. We're meeting with agencies, but I don't have a specific list since three weeks ago to say here are--here are new items. Once again, in the Executive Budget there is the scoping. There is the pre-scoping, which we actually do think we'll start to address many of these issues. And the--the Capital Stabilization Fund is another source to address that very question.

CHAIRPERSON FERRERAS-COPELAND: And for members one of the most frustrating I think experiences or agencies is parks, and being able to fund projects and parks, and it seems--And I know that Commissioner Silver spoke to creating some

systems that would expedite that, but we just urge you to help in that process by eliminating as much of redundancy that exists in your agency so that things can move quickly.

DEAN FULEIHAN: Yeah, we are.

CHAIRPERSON FERRERAS-COPELAND: Let's about the HHC accounting methods. The Health and Hospital Corporation Financial Plan is--

DEAN FULEIHAN: [interposing] I just want to add--

CHAIRPERSON FERRERAS-COPELAND: Yes.

DEAN FULEIHAN: --he's adding 55 staff just for this very purpose we have, I would say.

CHAIRPERSON FERRERAS-COPELAND: Great. No, we're very supportive of that. We want to be able to get these projects moving ahead. The Health and Hospital Corporation's financial plan is operated on a cash basis. Cash basis accounting laws for the recognition of income at the time it actually--it's actually received. This means that invoice income is not counted as an asset until payment for the invoice is actually in hand. The same approach is applied to debt in that any expense incurred--expenses incurred are not posted until they are paid. HHC prefers this

method because it provides a real time assessment of its current cash flow. City agencies, however, operate on an accrual basis, which generally means that expenses are counted when the goods and services are received. During our May 18th, hearing, you stated that for those--for this year--for Fiscal 2015 HHC has a balanced budget. However, according to HHC's financial plan, HHC anticipate a Fiscal 2016 operating deficit of \$618 million. Can you reconcile the two positions. Is this disparity due to the different basis of accounting between agency-HHC and OMB, or is there something that we're missing?

DEAN FULEIHAN: No, I--I--and I can be corrected here, but what HHC does is they were showing an operating deficit for the year. But then, right below that they actually said, and we're taking the following actions, which often happens in a cash based budget. The State does that, too. They're then saying here are the measures we are taking both revenue and cost savings to get us into balance. So they did present a balanced budget. But--so they said their operating was at a deficit and then here are the actions below the line that we are taking to get to a balanced budget.

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2 CHAIRPERSON FERRERAS-COPELAND: Okay, we
3 just wanted to have that clear and on the record.

4 DEAN FULEIHAN: Yeah, absolutely.

5 CHAIRPERSON FERRERAS-COPELAND: Now, I
6 want to talk about lack of pay parity between UPK and
7 ACS providers. Under the Universal Pre-Kindergarten
8 program, providers caring for four-year olds are paid
9 more through the Department of Education than
10 providers caring for zero to three-year-olds. Under
11 the Universal Pre-Kindergarten program, providers
12 caring for four-year-olds are paid more through the
13 Department of Education than providers caring for
14 zero to three-year-olds paid through the
15 Administration of Children's Services. We understand
16 that the Administration has an analysis that the wage
17 disparity that the wages disparities and the wages
18 for Early Childcare workers. What would it cost to
19 pay Early Learn teachers the same rate as DOE
20 teachers? And why isn't this a budget priority this
21 year?

22 DEAN FULEIHAN: So on Early Learn and so
23 it's timely because we--the Mayor just put out a
24 release that had task force recommendations on this
25 very topic. So we have done several things. One is

on--on the Early Learn NYC providers, we are changing the methodology for reimbursement into an expense base. And that goes back to the beginning of the program. So that will make significant improvements in what they then were complaining about when Early Learn was initially established. Many were able to access private contributions. Others were not. So at the very base, that helps the process there. In addition, the--the wage adjustment that we talked about, which is the first one again since 2005, provide another incentive as well as the minimum wage. So we are making steps for the rest of the not-for-profit community. Obviously, a very major decision was made to gather on UPK expansion, and to get there in two years. And we're getting there to over 70,000 four-year-olds being--having really full--a full day class in UPK. So that was clearly a part of the process. On the actual differential, I don't have that number.

CHAIRPERSON FERRERAS-COPELAND: This is in particular very important to this Council not only because mostly women hold these positions, but we understand that zero to five is part of the development stage--

DEAN FULEIHAN: I understand.

CHAIRPERSON FERRERAS-COPELAND: --so we want to have equally as qualified teaching staff that is paid for and compensated in the same way whether you care for a--a two-month old or you care for three-year-old, a two-year old, a five-year old. I would hope that in--as a city with this robust budget, we are able to get a space. And while we recognize that the Mayor has made efforts in the right direction, it still doesn't get to the core problem of we need to pay. We need pay parity for all the workers in any of these centers.

DEAN FULEIHAN: So once again, that's we approached it to increase. We made serious adjustments just recently and in the Executive Budget to this part of the--to this part of the provider community. That was a different approach than we did do on UPK. We made a dramatic increase on UPK to really do something that had never been done before, basically created a class in two years. And--and encouraged and incentivized and it has been a huge effort and success that we should all be very proud of and we are.

CHAIRPERSON FERRERAS-COPELAND:

[interposing] Right.

DEAN FULEIHAN: And we are also making efforts in the Early Learn community. We are making adjustments some of which were just announced this morning.

CHAIRPERSON FERRERAS-COPELAND: Great.

Again, we're going to continue in these conversations. I think it's--obviously, we worked together.

DEAN FULEIHAN: [interposing] Yes.

CHAIRPERSON FERRERAS-COPELAND: It's a great program, but we also have to now help address what this great program has created. Not intentionally, but it is a fact in every--you know, in a lot of these centers having to have two different rates of pay. I want to talk about lack of parity between after school providers. DYCD has agreed to compensate--COMPASS provider providing slots as part of the \$51 million baseline that had previously been funded by the Council at the rate of \$3,200--\$3,200 per participant, the same rate offered to the rest of the city's COMPASS providers. However, OMB rejected this funding level even though

the RFP for these services had already been issued.

Can you tell me the basis or your thought behind this decision?

DEAN FULEIHAN: So, I believe, but I'm going to come back to this, because I actually didn't--I need to come back about this. Your staff actually raised this with me yesterday that we were funding the number of slots. And I actually--the number of openings that were provided by the Council, and I think that's how we--the--it was arrived at. But, in fairness to you, I want to get back to you on this.

CHAIRPERSON FERRERAS-COPELAND: So we would like to have--continue in those conversations because obviously if an RFP goes out with one number--

DEAN FULEIHAN: [interposing] Right.

CHAIRPERSON FERRERAS-COPELAND: --we should be able--

DEAN FULEIHAN: [interposing] Yes.

CHAIRPERSON FERRERAS-COPELAND: --to honor that number.

DEAN FULEIHAN: [interposing] Your staff raised this--

2 CHAIRPERSON FERRERAS-COPELAND: And not
3 put the bottom--the burden on the non-profits.

4 DEAN FULEIHAN: Your staff raised this
5 with me yesterday and I promised I would get back and
6 will get back quickly.

7 CHAIRPERSON FERRERAS-COPELAND: Great.
8 Likewise, OMB has consistently funded Beacon--Beacon
9 programs across the city at a lower rate than the
10 federally funded Beacons with average of--by an
11 average of about \$60,000 difference between budgets
12 for city funding and federally funded Beacons. What
13 is the rationale for the underfunding when Beacons
14 continue to serve a clear and consistent need.

15 DEAN FULEIHAN: Once again, historically
16 that's--what we inherited was these different rates
17 on these--on these groups, and it's something that we
18 should be having conversations on.

19 CHAIRPERSON FERRERAS-COPELAND: Great.
20 Well, we're going to--well, you can imagine my
21 conversation side might be.

22 DEAN FULEIHAN: I have a feeling.

23 CHAIRPERSON FERRERAS-COPELAND: Great.
24 Wanted to before we open up to the second rounded in
25 reference to the Cultural Institutions Retirement

System and the annual commitments, we--there's roughly about 20,000 participants, 60% daycare center employees, 40% cultural employees. The Executive Budget provides for \$19.5 million to help meet the projected increase. CIRS needs roughly \$7 million in additional funding for the retirement system. Are you negotiating this or where--? We'd like to know the status of this, and can the Administration commit to putting in the \$7 million needed to help support this group?

[background comments, pause]

DEAN FULEIHAN: We--we--we're unaware of a disagreement on the amount. We're going to pay obviously what's required.

CHAIRPERSON FERRERAS-COPELAND: You're going to pay what's required?

DEAN FULEIHAN: Absolutely.

CHAIRPERSON FERRERAS-COPELAND:
Excellent.

DEAN FULEIHAN: So we're happy to have a conversation with you about that estimate.

CHAIRPERSON FERRERAS-COPELAND: Great.
I'm going to come back before we close up civil legal services, but I want to give my colleagues an

opportunity to ask their questions. This second round will be a three-minute round. We will hear from Council Member Rosenthal followed by Council Member Van Bramer. Council Member Rosenthal.

COUNCIL MEMBER ROSENTHAL: Thank you so much chair. To start with, I want to echo the concerns of Council Member Chin. You know, in my district certainly what I'm seeing my senior centers is increasing demand for services. You know the wait list for homebound services, caretakers the meals has been increasing. So--so I just want to echo her concerns on the demand for care from seniors.

DEAN FULEIHAN: Understood.

COUNCIL MEMBER ROSENTHAL: Thank you. Secondly, so when will you be able to tell the Council the cost of going to \$15 an our for contract workers and separately, you know, for the DC37 workers? When can you get us that information?

DEAN FULEIHAN: I'll try to get it to you as quickly as possible. I mean on the contract--honestly on the contract workers those were estimates. I want to be careful.

COUNCIL MEMBER ROSENTHAL: Estimates are fine.

DEAN FULEIHAN: Okay, but, you know, I mean--

COUNCIL MEMBER ROSENTHAL: I live by drafts. So that's not a problem.

DEAN FULEIHAN: But I--I just want to be--once again, it was an estimate to get where we are. It was very--

COUNCIL MEMBER ROSENTHAL: [interposing] It's not a problem.

DEAN FULEIHAN: Okay.

COUNCIL MEMBER ROSENTHAL: Thank you. Will subcontract workers be included in the increase to \$15--to \$11.50 an hour? Sorry, that was a little slip. So, for example, in a shelter if there's a security contract so the subcontractor of the contract will the be included? Will those wages be included in the \$11.50 an hour?

DEAN FULEIHAN: I don't believe that would be included.

COUNCIL MEMBER ROSENTHAL: Okay, thank you.

DEAN FULEIHAN: I'm happy to have more conversations about specific examples. Because not all of them. I may have enough information.

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2 COUNCIL MEMBER ROSENTHAL: Okay. As soon
3 as we get the information we'll know--

4 DEAN FULEIHAN: [interposing] Sure.

5 COUNCIL MEMBER ROSENTHAL: --contractor
6 and subcontractor. Okay, and in coming to the \$11.50
7 an hour, did you take into consideration that sweet
8 spot of where people lose benefits? So workers
9 making \$9.00 an hour now count on food stamps,
10 Medicaid, other government services to get by. Did
11 you take the possible loss of those services into
12 account when you aimed for the \$11.50?

13 DEAN FULEIHAN: Once--once again, the way
14 we got there was pretty clear. They had been asking
15 for a wage adjustment for a number of years.

16 COUNCIL MEMBER ROSENTHAL: Okay.

17 DEAN FULEIHAN: We gave the two and a
18 half wage adjustment, and--

19 COUNCIL MEMBER ROSENTHAL: [interposing]
20 Great.

21 DEAN FULEIHAN: --and we entered into the
22 process of saying we also want to provide your lowest
23 wage workers with a much more significant--

24 COUNCIL MEMBER ROSENTHAL: [interposing]
25 And again, I applaud--

DEAN FULEIHAN: --and that's when--and we got to the \$11.50 through the living wage.

COUNCIL MEMBER ROSENTHAL: Right. So again, I applaud the efforts 1000%. I'm not disparaging that. I just had constituents coming into my office currently I get \$9.00 an hour. I am on food stamps to get by, and Medicaid actually going to \$11.50 is not going to help me. So, I get it that \$11.50 has been the number running around, and so you went to the \$11.50 and I applaud it 100%. I just want to know whether or not the city took into account. [bell] that sweet spot of losing other benefits?

DEAN FULEIHAN: As I indicated exactly how we got there. We got there through the request for the wage adjustment. We got there by trying to get as much information as we could on the employees, which, by the ways not easy. And we're going to make sure that we have better information going forward. And then we--we inserted the \$11.50 and said there has to be a minimum, which, of course, is a much greater than the 2-1/2%.

COUNCIL MEMBER ROSENTHAL: Thank you.

CHAIRPERSON FERRERAS-COPELAND: Thank you, Council Member Rosenthal. Council Member Van Bramer followed by Council Member Chin.

COUNCIL MEMBER VAN BRAMER: Thank you very much, Madam Chair. I want to echo Council Member Lander's comments, and I associate myself with those remarks in terms of the capital this year. And just say once again that while I appreciate the historic inclusion of libraries in the Ten-Year Capital Plan, I would hope that we're never in a place where we say that we can do capital or did capital. And, therefore, libraries have been taken care of because we can do both. We can both invest in the capital and invest in six-day service at the same time both opening libraries and having them in good state of repair.

DEAN FULEIHAN: I don't recall saying that we were done with the library conversation. Because we had done something historic and something the library had wanted on the capital side.

COUNCIL MEMBER VAN BRAMER: I--I--I didn't put words in your mouth. I am simply saying that when we talk about that historic investment in libraries, it should never be construed as,

therefore, we are good, right? It--as long as in my opinion--it doesn't have to be your opinion, but in my opinion as long as we haven't done this \$65 million and have six-day service, we haven't fully gotten to the place that we need to get to.

DEAN FULEIHAN: Understood.

COUNCIL MEMBER VAN BRAMER: And I want to thank you because in my first round, I meant to say something about the programs that libraries have been indispensable to that the Administration cares about and you brought it up.

DEAN FULEIHAN: Sure.

COUNCIL MEMBER VAN BRAMER: You talked about IDNYC. Yesterday we had the libraries in that very seat talking about UPK, right, and libraries are sites for UPK, a couple in Queens already, one in my district. And English language classes, and re-entry programs and services to the incarcerated all incredibly important initiatives. And I just want to stress again because I know this from when I worked for libraries. For many immigrants free English classes are a lifesaver, and for many of those folks, Saturday is the only day they can take that class because they are working essentially all the time

Monday through Friday. And-and I remember back in the cuts of the '01 and '02 years getting letters from children saying please don't cut the library hours on Saturday because then my mother won't be able to take that English language class. So I tell you that story once again to implore the Administration to get to the place where every library can be open on Saturday, and every person who wants to learn and that every child can get to those libraries. And--and I just want to say that libraries are partners with this Administration really in everything that we're doing and care about and--and this Administration can partner more, better and in more substantial ways when it comes to funding with libraries.

DEAN FULEIHAN: We agree on the partnership. That's why I raised it to your first answer.

COUNCIL MEMBER VAN BRAMER: I look forward to continuing the discussion, Dean. [bell]

CHAIRPERSON FERRERAS-COPELAND: Thank you, Council Member Van Bramer. Council Member Chin followed by Council Member Kallos and we've been joined by Council Member Cumbo.

COUNCIL MEMBER CHIN: Thank you, Chair, Director Fuller. I'll start off with a correction. My math was wrong. The senior--DFTA's budget is only .34% of the City's total budget. Less than half a percent, okay. So I think we have a long way to go. Because the senior population is growing, and some of us are already there, and in 2030, one out of five are going to be seniors age over 60 living in New York City. And we appreciate the Mayor's investment in the Capital Budget to build 10,000 units of senior housing, and we want to make sure the seniors will be able to age safely, healthy, comfortably in place. And that's why we need more vital services for our seniors, and it's a strategic investment. Now, in our Council Response we asked for all these basic, basic core services. Senior centers that are over-utilized. They are bursting at the seams, senior centers that are under-funded. Senior centers that needs transportation costs, space costs. Those are basic programs. Now, do you think it's the Coty Council's responsibility to meet that budget gap every year, year after year?

DEAN FULEIHAN: So, let me try it differently. We do believe that we have been

addressing concerns in the senior community, some of which you acknowledged. And I am listening to you, and I understand you would like that to go further. It is part of the reasons we have an adoption process. Part of the reason we have the dialogue. My response to you before was that we have made investments since this administration came in, in the senior communities. I understand that you're telling me you don't believe it went far enough. I--

COUNCIL MEMBER CHIN: [interposing] No, the investment is there, but it's working together with the Council. I mean we fought very hard to put extra money in these core program. And I want the Mayor to continue, but I don't want to start from zero. That's why in the Adopted Budget I want to see more because population is growing and the need is growing. So, I mean you put some extra money in there for geriatric mental health, and we appreciate that, right. It's a beginning. It's a pilot program, but what I'm talking about is the core service, basic service. DFTA is an administration agency. It is the administration's responsibility. I mean we have new needs. I mean we need to fund more centers for immigrants. Those are the ones that

we can. I mean the Council put up money in a planning to start a NORC in Staten Island, which they have now. I mean that's--that's our job to start some new programs and new ideas, but the basic core service that is the Administration's responsibility. Isn't that true?

DEAN FULEIHAN: Yes, and we did believe we were [bell] addressing it. I understand you would like that to go further.

COUNCIL MEMBER CHIN: Okay. So, now after the last hearing we did get the Mayor to put in more money--

DEAN FULEIHAN: [interposing] Right.

COUNCIL MEMBER CHIN: --or put back the money for elder abuse or--

DEAN FULEIHAN: [interposing] Right.

COUNCIL MEMBER CHIN: I am very hopeful that after today's hearing, we're going to get more put back, right? Thank you.

CHAIRPERSON FERRERAS-COPELAND: Okay. Council Member Kallos followed by Council Member Lander. Thank you, Council Member Chin.

COUNCIL MEMBER KALLOS: On the second round we're just hoping to get the answer to

questions previously posed. So, I'll pose the question, if you can give the quick answer. The true interest cost for the most recent general obligation bond issuance. While we're waiting for a staff person to get that, the next question is for tax-exempt variable rate bonds for Fiscal Year 2015, which are at .35%, what year were the same bonds offered at 4.25% as is being estimated?

DEAN FULEIHAN: So, I'm going to answer that one. What was the last one?

ALLEN ANDREWS: [off mic] It was 3.7-- 3.75.

DEAN FULEIHAN: 3.75 was the last--

ALLEN ANDREWS: The last one--the last bond issued. The last bond issued was 3.75.

COUNCIL MEMBER KALLOS: [off mic] My apologies.

CHAIRPERSON FERRERAS-COPELAND: [off mic] You need to state your name.

COUNCIL MEMBER KALLOS: Thank you.

ALLEN ANDREWS: Oh, I'm sorry. Allen Andrews, Deputy Director for Finance.

COUNCIL MEMBER KALLOS: Okay, and do you know what year a tax-exempt variable rate bond was offered at 4.25? How many years ago that was?

DEAN FULEIHAN: It was many--I don't know the exact number of years. It was obviously a number of years ago. I'm going to say again--

COUNCIL MEMBER KALLOS: [interposing]
That the variable--

DEAN FULEIHAN: --I'm going to say again--
--I'm going to say again we have seen the economy change.

COUNCIL MEMBER KALLOS: Okay.

DEAN FULEIHAN: We've seen revenues decline quickly.

COUNCIL MEMBER KALLOS: [interposing] I already got the answer. For the capital projects scope development has that RFP been awarded? Is the process--

DEAN FULEIHAN: [interposing] The RFP is in--we are in the process of doing that, and getting approvals. We have to go through--

COUNCIL MEMBER KALLOS: [interposing] It was offered in August, 2014.

DEAN FULEIHAN: I'm sorry. It's going through the approval process. It's almost done but we are proceeding on the scoping. I mean we are working--

[background comments]

DEAN FULEIHAN: Yeah, we are working with agencies right now.

COUNCIL MEMBER KALLOS: Can we do it in-house since these engineers, architectures-- architects and other will be needed for the foreseeable future? Is there a reason we're using contractors and outside consultants instead of just hiring those same people, the city employees like we've done in the technology sector?

DEAN FULEIHAN: So--so, sure. We will try to. As part of that, we should be working with agencies. It's a good idea to do that. In some cases we do need some outside expertise in this area.

COUNCIL MEMBER KALLOS: Will we see that number come down from \$30 million.

DEAN FULEIHAN: No, we--we don't want the number to come down. You're saying there may be a more efficient way to spend the dollars--

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2 COUNCIL MEMBER KALLOS: [interposing]

3 Yes.

4 DEAN FULEIHAN: --but we actually, we
5 were pleased. I think it was a good initiative, and
6 I think you supported that, to actually increase the
7 pre-scoping efforts.

8 COUNCIL MEMBER KALLOS: Yes.

9 DEAN FULEIHAN: So, we don't want to
10 lower the number.

11 COUNCIL MEMBER KALLOS: With regard to
12 Local 18 of \$4 billion in potential contract overruns
13 that was identified is there a response to that?

14 DEAN FULEIHAN: I--I'll work with MOCS.
15 We'll get you a specific response to that this week.

16 COUNCIL MEMBER KALLOS: Please, please so
17 we do not have to do this--

18 DEAN FULEIHAN: [interposing] I agree.

19 COUNCIL MEMBER KALLOS: --next year.

20 DEAN FULEIHAN: Thank you.

21 COUNCIL MEMBER KALLOS: And then for the
22 capital stabilization reserve, can that be used for
23 debt defeasement in order to provide debt service
24 saving?

25 DEAN FULEIHAN: It could be, yes.

COUNCIL MEMBER KALLOS: Thank you.

[background comments, pause]

CHAIRPERSON FERRERAS-COPELAND: Council Member Lander followed by Council Member Cumbo. Sorry.

COUNCIL MEMBER LANDER: Thank you, Madam Chair. Director Fuleihan, this is a question on the-on the mansion tax. I support the mansion tax, and I really hope they can hear us in Albany and that we get it. I support the lock box idea making sure that it's put for affordable housing, and then really we get it there. I support the maintenance of that effort idea to make sure it's an additional amount, and doesn't just erode other monies to build affordable housing. And, I love the New York City Housing Development Corporation, which I think does a dynamite job of creating and supporting affordable housing. But, I am troubled by the provision that you have proposed up there that would allow permanent assignment of the revenue from the mansion tax directly to the New York City Housing Development Corporation. Since while it's a wonderful part of our affordable housing plan, it's outside of the Council's oversight on this budget process. And so,

I wonder if you've given some thought to how we would work together when we get that money to make sure that we have--

DEAN FULEIHAN: [interposing] Sure we're happy to work together--

COUNCIL MEMBER LANDER: --appropriate, sufficient oversight of those resources?

DEAN FULEIHAN: --with--with the corporation to make sure. Do you know what it was done that way? It was done that way to make sure and to give assurances in Albany that this was for affordable housing. It would meet the objective. It would not be used for any other purpose. Actually, everything in your preamble to the question were the very reasons that it was done that way. But in terms of reporting and oversight, you know, we share that same goal. And we should figure out a way when we get this, and I--I'm encouraged by your positive response that this is really very important to us and to the--to the affordable housing program moving forward. That we should be giving you all any kind of reports you need on this.

COUNCIL MEMBER LANDER: And I guess I would just propose from--for something at the front end and not just at the back end--

DEAN FULEIHAN: [interposing] Right.

COUNCIL MEMBER LANDER: --and I understand the reasons why it makes sense to dedicated. But there's got to be something whether through an MOU or something that would help us have confidence that as we budget together for the affordable housing plan. Those new tax resources again when they come, and we have to keeping pushing for them together, aren't just a question of giving the Council a report on what you've done with it. But that there's a process for working with--

DEAN FULEIHAN: [interposing] That's fine. I'm quite sure no one would--

COUNCIL MEMBER LANDER: --and negotiating with the Council on how that's going to be spent. Thank you very much and thanks for pushing on that as well.

CHAIRPERSON FERRERAS-COPELAND: Thank you, Council Member Lander, and now we will have Council Member Cumbo and Johnson, and this is their

first time. So it will be five minutes. Council Member Cumbo followed by Council Member Johnson.

COUNCIL MEMBER CUMBO: Than you. I quickly wanted to go into what we learned at the ACS Executive Budget hearing. The Council learned that the recent Early Learn RFP process did not include site visits or consider letters of recommendation. So, as you know, we had approximately 14 daycare providers who were not awarded a contract to continue to do Early Learn services for the community. And so, we just learned about this. We learned that the RFP process did not include site visits, did not include letters of recommendations. And ultimately has put out daycare providers that have been in business for 20, 30, 40 and some 50 years. Many of these in communities of color. Many of these are women who have created an industry through daycare providers and through this RFP process. We've essentially wiped them out, and wiped them out of their community. Is the Administration concerned that some providers will be losing significant funding and contracts without even having site visits or references checked? Is this RFP going to re-looked at? Because in addition, if the organization

wants to file what they know--what they call is a protect to the decision, one of the other challenges is that ACS again decides on the process. So they are--they give the award, deny the award, and then if you have a complaint, they also oversee that. I think it should be an independent arbitrator of some sort. As well as on the panel review process, we had no understanding of who was on the panel, if the panel reflected the diversity of the City of New York. We were also not given opportunities to learn who were the actual providers, what their score was. So we just have to take ACS' word for the fact that whoever got the award actually scored higher. Because we can't know their score or any of those. So this RFP process, and many of our providers did score excellent or great, or had scores of 85 and better is really wiping out an entire industry. So did you all have any thoughts about the RFP process and how it's being conducted?

DEAN FULEIHAN: I'm happy to have a conversation with the agency and come back to you, and I'll do that quickly.

COUNCIL MEMBER CUMBO: Are you aware of this situation?

2 DEAN FULEIHAN: I knew of the RFP and the
3 award and the process, but what you're highlighting
4 to me is--is--I was not completely aware of that. So
5 I'll find out.

6 COUNCIL MEMBER CUMBO: Are there other
7 agencies when an RFP is issued that if an
8 organization has a complaint about how the process
9 was done, lack of transparency. They felt it was
10 done unfairly that there's some independent body that
11 can review these. I think it's unfair for the agency
12 that denied you the contract to also review it being
13 overturned.

14 DEAN FULEIHAN: Fair questions. Let me
15 come--let me have a conversation with Mayor's Office
16 of Contract Services, and we will come back to you
17 with the answers on those.

18 COUNCIL MEMBER CUMBO: Okay, and also
19 wanted to get to another one. The Committee asked
20 about lease negotiations at the ACS and the DCAS
21 hearings because the Council finds that there's a
22 lack of transparency in the leasing process. It
23 seems to take DCAS a very long time to negotiate
24 leases sometimes to the detriment of programs being
25 run by other agencies. Daycare and senior centers,

for example, are often programs that are put in limbo not knowing if they will survive year-to-year because contract negotiations would impact if they could operate in a particular facility. Since DCAS takes the lead in lease negotiations, how often are other agencies given a status report? And in general, how does DCAS communicate with the agencies regarding the status of the lease negotiations. How do DCAS and other agencies work together to secure lease? And can you speak to the contingency--contingency plans specifically to ACS childcare centers.

DEAN FULEIHAN: So two different questions. On the broad question of leases I'll have to come back to you. On ACS specifically they are going through a very quick review process of all the leases. We know and we share the concern that prices are going up, and services may be lost in communities. And we are doing everything we can to make sure that that does not happen, and we are working with the agency on that.

COUNCIL MEMBER CUMBO: Okay, and give that we're in the final month of June just to reiterate, you know, this is causing an extreme level of confusion for families, for children, for daycare

providers not knowing what their future is going to be. And, in communities and districts such as mine where gentrification is rapidly expanding throughout the community, we have a lot of challenges in terms of how are we going to keep these vital resources in our communities alive. So, I'm very concerned about this. Many members in the City Council also share my concerns in terms of making decisions that would wipe out organizations that have been in existence for decades in our communities.

DEAN FULEIHAN: So we share your concern, and we're--and to make no child does--is--is not provided that service. So we share this concern. We're working on it, and we'll be working on with you.

COUNCIL MEMBER CUMBO: And we look forward towards a great solution that will be a win-win for all parties involved. [bell]

DEAN FULEIHAN: I get it.

COUNCIL MEMBER CUMBO: Thank you.

CHAIRPERSON FERRERAS-COPELAND: Thank you, Council Member Cumbo. Council Member Johnson.

COUNCIL MEMBER JOHNSON: Good to see you, Dean. Thanks for being here. I know it's been a

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2 tremendous amount of work for your staff. So thank
3 you.

4 DEAN FULEIHAN: Thank you.

5 COUNCIL MEMBER JOHNSON: I wanted to ask,
6 yesterday or last night the State Comptroller,
7 Comptroller DiNapoli said that there's a projected
8 surplus of \$3 billion on top of the \$1 billion that
9 was socked away for the Rainy Day Fund, and the \$2.6
10 billion for retiree benefits. I wanted to just hear
11 your thoughts. Do you think that that's an accurate
12 number? Do you agree with this assessment?

13 DEAN FULEIHAN: What the--what--I just
14 want to clarify.

15 [background comments, pause]

16 DEAN FULEIHAN: Yeah, I just wanted to
17 get a clarification. So the--the \$3 billion normally
18 what the State normally on their case basis would
19 consider at surplus. That is the pre-payment. So we
20 have a balanced budget in 2015. That is what that \$3
21 billion is what allows us to have a balanced budget
22 in 2016. And what I wanted to make clarification
23 that that \$3 billion actually includes and allows for
24 the \$1 billion of the general reserve in 2016.

25

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2 COUNCIL MEMBER JOHNSON: So, I don't
3 think that's what the Comptroller was saying. So
4 there seems to be a disagreement. My understanding
5 from reading what he said was that the surplus means
6 that the Mayor's projection of revenues and expenses
7 was off by \$3 billion. That's what he said
8 yesterday.

9 [background comments]

10 DEAN FULEIHAN: I--I don't believe he
11 thought there was an additional \$3 billion, but we'll
12 clarify with them. I really do believe that what
13 they were saying was that we--we were able to pre-pay
14 2016 liabilities in 2015 and that that allowed--which
15 includes the general reserve of \$1 billion plus the
16 programs that we share, the common programs we share.
17 And that allowed us to reach a balance in 2016. But
18 I'm--we're happy to have a conversation. We talk to
19 them all the time--

20 COUNCIL MEMBER JOHNSON: [interposing]
21 Okay.

22 DEAN FULEIHAN: --to get an absolute--

23 COUNCIL MEMBER JOHNSON: [interposing]
24 Okay.

25 DEAN FULEIHAN: --clarification for you.

COUNCIL MEMBER JOHNSON: Because it said the \$3 billion is not the same money as the \$1 billion socked away by the city in the Rainy Day Fund and the \$2 billion set-aside for city government retirees' healthcare. That's what--

DEAN FULEIHAN: It is not part of the additional--it is not part of the \$236 million that's correct that was put into the Retiree Health Benefit Trust. On that, I agree.

COUNCIL MEMBER JOHNSON: Okay.

DEAN FULEIHAN: The billion, I don't.

COUNCIL MEMBER JOHNSON: So, I wanted to ask about the baseline programs: HRA, DYCD, DOHMH, and DFTA's plans for soliciting bids for Council initiatives that have been baselined have revealed I think significant, significant flaws. Finding procurement too difficult, DFTA and DOHMH proposed to simply cut some of the baseline funding for Council initiatives. And HRA expects bidders to work with smaller, locally based organizations. But cannot ensure that all community level services will continue. DOHMH has proposed repurposing a significant portion of the Council portfolio of programs like Dental Van. Just got rid of it.

DEAN FULEIHAN: Yes.

COUNCIL MEMBER JOHNSON: We're--we're going to fold it into community schools. This is serious and there are hundreds of organizations that provide services primarily to low-income New Yorkers that are now in total jeopardy, And I want to hear what the plan is from the Administration to try to ensure that these services are not affected across the city from groups that the Council gave funds to year after year to do certain program. Where are we on baseline.

DEAN FULEIHAN: So you know that we inherited this situation--

COUNCIL MEMBER JOHNSON: Yes.

DEAN FULEIHAN: --from the prior administration. That they had baselined these funds, that we are required to do an RFP. We did--the agencies did those RFPs. In many cases many of the providers, so it depends really where--what agency. In many of those cases many of the providers ended up actually winning those.

COUNCIL MEMBER JOHNSON: Not DOHMH.

DEAN FULEIHAN: Once again, in DOHMH there were still RFPs being issued--

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2 COUNCIL MEMBER JOHNSON: [interposing] On
3 the concept papers--the concept papers were written a
4 way where many of the organizations don't qualify.

5 DEAN FULEIHAN: So they have--we have
6 secured in certain cases a temporary funding for some
7 of those providers at DOHMH. And honestly, we're
8 going to just have to work together to figure out how
9 we address that as we move to adoption.

10 COUNCIL MEMBER JOHNSON: Okay, thank you.
11 Corizon, the \$440 million contract with DOC is up
12 December 31st, 2015. The press is reporting that the
13 City is not going to continue with that contract.
14 There's been no announcement from the Administration.
15 The press has reported that HHC is going to be taking
16 those services over. Do you have any update for us
17 on where the Verizon contract stands?

18 DEAN FULEIHAN: Yeah, we're in
19 conversations on that. You're right. It ends at the
20 end of the year [bell] and we're having conversations
21 about how to move forward in an appropriate way.

22 COUNCIL MEMBER JOHNSON: If moves forward
23 again, or if there is new contract with HHC, I would
24 implore you all to ensure that there's not an
25 indemnification clause for whoever the next provider

is so that city is on the hook for any mistakes that the contractor makes. Thank you, Madam Chair.

CHAIRPERSON FERRERAS-COPELAND: Thank you, Council Member Johnson. I'm going to have--have some additional questions before we wrap up this portion of the hearing. The Mayor's recent announcement--the Mayor recently announced a deal on several project labor agreements to set \$340 million. Will these be reflected in the Capital Commitment Plan, and will the Education Five-Year Plan be amended before the adoption to reflect savings, and redirect the money to other needs?

DEAN FULEIHAN: I'll get back to you. I'll get back to you on the exact amount of the savings and exactly how we're attributing it, or whether we already had planned for it. So let me find it.

CHAIRPERSON FERRERAS-COPELAND: Okay, and on the plan. On the SCA, one area of particular concern is the Construction Authority's ability to carry out its Planned School Capacity projects. In response to the Council's call to fully fund the DOE's projected need for school seats, the DOE indicated that SCA's difficulty in funding

appropriate--the difficulty was finding appropriate sites to construct or lease school facilities, and make it--making it difficult to commit to the existing plan. The Council is interested in OMB's assessment of DOE's ability to carry out it's \$12.2 billion program within the next four years.

DEAN FULEIHAN: Well, they actually have been very successful in--in being able to execute on a plan. I mean they're not one of the agencies. They're an agency that actually does execute. They did articulate to you that is true they are having trouble finding sites. Now, we do believe that they'll be able to execute on it.

CHAIRPERSON FERRERAS-COPELAND: Are you in constant communication with them so that you can identify the--

DEAN FULEIHAN: [interposing] Yes.

CHAIRPERSON FERRERAS-COPELAND: --
because--

DEAN FULEIHAN: [interposing] Yes, we're talking to them constantly.

CHAIRPERSON FERRERAS-COPELAND: Okay.

Then, during our hearing, our Executive Hearing with the School Construction Authority we found that there

is really no explanation as to where the funding comes from for SCA. We know how it's spent. We know that it does cost, but we don't understand where it comes from clearly. There's no way. There's no transparent or clear way neither in the five-year plan or OMB. My request--our request is that there is something, a document or a process that says this is state money, this is private, this is city, this is--

DEAN FULEIHAN: [interposing] Okay, absolutely.

CHAIRPERSON FERRERAS-COPELAND: Can we have that?

DEAN FULEIHAN: We--we--we thought we did that in our Capital Plan. We'll--we'll make sure we do that.

CHAIRPERSON FERRERAS-COPELAND: Okay.

DEAN FULEIHAN: I'm happy to do that.

CHAIRPERSON FERRERAS-COPELAND: Great.

So we're going to do that. That was a clear yes.

And then I wanted to talk about the city is funding

labor increases at a number of cultural

organizations. It is assuming there will be savings

to healthcare costs. We understand that there is

review looking at the specific situations, the cultural and the health insurance cost. Where does this review stand, and what does it mean for the cultural institutions?

[background comments]

DEAN FULEIHAN: Once again, I mean, they will be provided. We'll go back and review this. My understanding was we were fine with them, and we are taking care of the obligation that the city has on their healthcare. This is the second question on this. So I'm going to make sure that that's the case.

CHAIRPERSON FERRERAS-COPELAND: Yeah, I believe--and it's my understanding and if, you know, you can give me clarity on this.

DEAN FULEIHAN: I will. I'm happy to.

CHAIRPERSON FERRERAS-COPELAND: I believe there was two--they received the cut 25%, about 25% was returned. However, the rest of this cut still remains.

DEAN FULEIHAN: Yeah. It's not my understanding. So why don't I get you an exact here's how we're dealing with it, and we'll have a conversation with them later today.

2 CHAIRPERSON FERRERAS-COPELAND: Okay, and
3 if we can also figure out how we can resolve it
4 because we definitely want to make sure that the--

5 DEAN FULEIHAN: [interposing] I agree.

6 CHAIRPERSON FERRERAS-COPELAND: --that
7 the cultural institutions are not negatively
8 impacted--

9 DEAN FULEIHAN: [interposing] Agreed.

10 CHAIRPERSON FERRERAS-COPELAND: --by
11 these proposed healthcare things.

12 DEAN FULEIHAN: That is not the
13 intention.

14 CHAIRPERSON FERRERAS-COPELAND: I know.
15 I know it wasn't the intention, but, you know, we're
16 almost at another year and I would hate for that not
17 to be corrected.

18 DEAN FULEIHAN: I--I'm not sure it needs
19 to be corrected, but we're going to--we'll make sure
20 that we--

21 CHAIRPERSON FERRERAS-COPELAND:
22 [interposing] But in the even that it does--

23 DEAN FULEIHAN: --do agree on this.

24 CHAIRPERSON FERRERAS-COPELAND: --need to
25 be correct, it should be corrected.

DEAN FULEIHAN: I hear you.

CHAIRPERSON FERRERAS-COPELAND: Okay,
Council Member Johnson for round two.

COUNCIL MEMBER JOHNSON: Thank you, Madam
Chair. Dean, I wanted to ask about the--the Council
put in our budget response or request to do a match
on the state's \$10 million for ending the epidemic.
And the Administration has done a tremendous amount
especially last year on the 30% rent cap for people
living with HIV and AIDS. The \$10 million match in
the city is incredibly important because for us to be
able to implement the blueprint as it as released by
the Governor and accepted by the Governor the City
and State both have to share the responsibility. And
80% of the folks living with HIV and AIDS live in the
city. So, I wanted to hear and see if there was any
progress before adoption on where we are with the \$10
million match to the State funds that were put in the
April 1st budget.

DEAN FULEIHAN: So, two answers to that.
First, on that at 30% I just want to point out the
State unfortunately capped their percentage. So we,
the City, are paying a much higher percentage than
the State. So while we pursued that at the Stated

level, did have permission to move forward. The State is not sharing in that the way they should be, quite honestly. However, this request came after the Executive Budget. We are reviewing it and obviously it's a conversation that we're going to be having about during adoption.

COUNCIL MEMBER JOHNSON: What do you mean it came after the Executive?

DEAN FULEIHAN: I thought the--the--

COUNCIL MEMBER JOHNSON: It was in our Budget Response.

DEAN FULEIHAN: Yes, correct.

COUNCIL MEMBER JOHNSON: But I got it. I wanted to just drill down a little more on HHC. So I know someone talked earlier about the accruals related to HHC. The--the deficit is projected to balloon to \$1.6 billion by 2019 out of \$7 billion for the entire corporation. Are you concerned about the precarious financial situation that looms for HHC on the horizon?

DEAN FULEIHAN: So we are obviously concerned, and I'll share this concern about how important HHC is to the city, and its viability and its help. As--as we both know, a large part of that

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2 is that under the--under the Affordable Care Act, the
3 Federal Rules on reimbursement are changing. And the
4 assumption was that institutions such as HHC would
5 not be--would not any longer have to take care of
6 uninsured. That turns out to be completely
7 inaccurate.

8 COUNCIL MEMBER JOHNSON: Yep.

9 DEAN FULEIHAN: And they do have a
10 serious population--they have a large population of
11 uninsured they are still carrying.

12 COUNCIL MEMBER JOHNSON: And
13 undocumented.

14 DEAN FULEIHAN: Correct and the federal--
15 the federal--the implementation of that federal
16 change was delayed by a year. And it is our goal to
17 make sure that that continues to be delayed. So, we--
18 -and not be implemented. So we still--we have--we
19 have work to do with the federal government, with the
20 state government to make sure that they recognize the
21 care provided by HHC, the unique care provided by
22 HHC, and that's allowed to go forward. Of course,
23 we're very concerned. It's part of the reason we
24 were--[bell] we worked on the Medicaid waiver last
25

year and we were successful with that with both the federal government and the State.

COUNCIL MEMBER JOHNSON: And we're not getting our fair share in DSRIP funds?

DEAN FULEIHAN: That's correct.

COUNCIL MEMBER JOHNSON: Thank you. Thank you very much. Thank you, Madam Chair.

CHAIRPERSON FERRERAS-COPELAND: Thank you, Council Member Johnson. Council Member Cumbo.

COUNCIL MEMBER CUMBO: Thank you. Just a follow up to yesterday's DCLA hearing. There's been a groundswell of support from the arts community in terms of an additional \$30 million that was requested. \$15 million of that going to the CIGs, and the other \$15 million going to the programmatic groups. We didn't actually see that up here in the Executive Budget that requests for the \$30 million, and wanted to know what are your thoughts on that. How are we moving forward? The arts community is certainly thriving in New York City, and the city experience is a great return on their investment in the arts. So wanted to know where we were with that?

[background comments]

DEAN FULEIHAN: I--I don't have an immediate response. We'll--we'll have the conversation with the office.

COUNCIL MEMBER CUMBO: Okay, this is an important issue.

DEAN FULEIHAN: [interposing] Yes.

COUNCIL MEMBER CUMBO: So, we'll definitely look forward to speaking about it.

DEAN FULEIHAN: Okay.

COUNCIL MEMBER CUMBO: Okay.

CHAIRPERSON FERRERAS-COPELAND: Thank you, Council Member Cumbo. Director Fuleihan, I'm going to follow up with a letter on certain topics, procurement savings, civil legal services, some COLA issues, and several other topics. So I'm hoping that you--what I'm asking that you respond to us as soon as possible because it will be part of the negotiations, and we really need that information quickly.

DEAN FULEIHAN: We will respond immediately.

CHAIRPERSON FERRERAS-COPELAND: Excellent. Well, thank you so much for coming to testify, for clearly agreeing to a lot of--making a

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2 lot of commitments. And we will be following up on
3 all of those. Thank you, Director Fuleihan.

4 DEAN FULEIHAN: All right, thank you.

5 CHAIRPERSON FERRERAS-COPELAND: We will
6 take a three-minute break before we hear from the
7 Department of Finance Commissioner.

8 [pause]

9 [gavel]

10 CHAIRPERSON FERRERAS-COPELAND: We will
11 now resume the City Council's hearing on the Mayor's
12 Executive Budget for FY2016. We just heard from the
13 Office of Management and Budget, and now we will hear
14 from Commissioner Jacques Jiha. In the interest of
15 time, I will forego making an opening statement. So
16 after my counsel swears you in, Commissioner, you may
17 begin your testimony.

18 COMMISSIONER JIHA: Okay.

19 LEGAL COUNSEL: Do you swear or affirm to
20 tell the whole truth to the best of your knowledge
21 and ability?

22 COMMISSIONER JIHA: Yes.

23 LEGAL COUNSEL: Thank you. You may
24 proceed.

25

COMMISSIONER JIHA: Good afternoon,
Chairwoman Ferreras and members of the City Council
Committee on Finance. [coughs] I am Jacque Jiha,
Commissioner of the Department of Finance. I am
joined today by Michael Hannon, First Deputy
Commissioner and Jeffrey Shear, Deputy Commissioner
for Treasury and Payment Services. Thank you for the
opportunity to testify before you today on our Fiscal
Year 2016 Executive Budget. First, I'm glad to
report that city finances remain strong. For May
revenue collections total \$47.6 billion, which
represents a 7.4% increase of the same period last
year. Our average daily cash balance for May was
\$11.1 billion [coughs] exceeding the average for the
same period last year by \$1.9 billion. When I last
testified before you on the Preliminary Budget, I
presented my vision for reforming our dated tax laws
as well as creating an agency that is technologically
advanced and innovative in its business practices. I
also shared a broad range of our accomplishments over
the past year. My testimony today will provide
updates on several developing initiatives as well as
new achievements since my testimony last February.
It gives me great pleasure to report today that we

have successfully achieved the most significant and sweeping changes in decades for the City dated Business Tax Code. The new structure merges the city corporate and banking [sic] tax laws to align with similar changes made last year on the state level. It modernizes and streamlines the tax code thereby eliminating business administration, and addresses the most common areas of dispute within taxpayers and the city. Most importantly, the new structure no longer penalizes the creation of value in the city. [coughs] The new market sourcing moves will encourage businesses to locate in New York City since taxpayers will now source their business receipts, the location of the customers and the tax in those jurisdictions rather than be taxed based on the location of their assets and employees.

The New corporate tax structure provides tremendous benefits to small businesses and manufactures in the form of lower tax rates. Manufacturers with less than \$10 million in New York City business income will have their tax rate cut in half to 4.4%. While corporations with less than \$1 million in New York City business income will have their tax rate cut to 6.5% from 8.85%. This reform

will not only make New York City an attractive destination for small business creation and retention, but it will also promote job growth in the city. The next phase of business tax reform will work toward modernizing the tax treatment of fruitful entities such as limited liability companies, partnerships and sole proprietorships. In addition to the rate cut, small business and property owners can now take advantage of our--our new real property income and expense short form, which greatly reduces the filing burden for these entities. As of the June 1st filing deadline, about 7,900 businesses have used the short form. We have also revised our penalty structure for property owners who fail to file who are late in filing their income expense information. The penalties are now lower, and as a result we have saved property owners \$1.2 million.

Property owners affected by Sandy also received some good news. The Governor signed into law our Hurricane Sandy Legislation, which provides permanent tax relief for about 2,200 property owners. The legislation ensures that owners who rebuilt their homes after the storm are not penalized in the form of increased value due to rebuilding. Their assessed

values are the same as they would have been had the storm not occurred. Their assessments will only increase when a homeowner builds a larger house than what existed prior to Sandy. Property owners do not need to take any action to receive the benefit. The Department of Finance sent revised notices of property value to impacted homeowners last month. The accomplishments speak volumes about the negotiating skills, the depth and breadth of knowledge and experience of the Department of Finance staff. I want to take this opportunity to recognize their accomplishments and to thank them for their work on behalf of the city.

In the last 12 months [coughs] I have met and heard from many of our stakeholders about how we can better serve the taxpayers of the City of New York. Their thoughtful insights and feedback have informed our thinking as we play the future of the agency. We know that property tax reform is a major concern for property owners. So, we are making it one of our priorities. Although, broad improvements will require legislation in Albany, we have identified and prioritized steps for making the system more equitable and more efficient. Chief

among them is a major initiative to reform the process of property valuation by improving data collection, economic models and assumptions that we use to evaluate properties. We are also leveraging tools such as Bluebook [sic] Information Systems, Tetometry [sic] multiple listings, Google's review [sic] to collect and verify property data and ensure geographical consistency evaluation. Finally, we are encouraging property owners to review their property data online, and send in any corrections for review by the Department of Finance for a newly released website for Class 1 properties. This customer friendly and simply--this customer friendly and simple request can be made seamlessly for the same web page.

Affordable housing is another area of concern for New Yorkers. So, we are aligning the agency processes and rules with the Mayor's goal of expanding affordable housing in New York City. We are also drafting legislation with--with HPD and HDC that will exempt a transfer of real estate from the Real Property Transfer Tax if the property will be used for affordable housing. We have removed some initiative obstacles for developers seeking to

construct affordable housing in condominiums. Our past practice has been to only provide tax lots for individual units in new buildings when construction was completed. Developers have informed us that landlords want to see the lots allocated before they offer financing. To resolve this concern, we are now providing tentative tax lots for individual units upon the submission of floor plans for the proposed condominiums. This new process will expedite financing for developers who provide essential affordable housing in the city while at the same time ensuring that we are valuing the property before, during and after construction.

Another of our major initiatives is to make sure that we are doing everything within our power to protect homeowners from default and related crimes. Our initial focus was on strengthening the data collecting process to identify potential for unit transfers. Thus far, our efforts have resulted in 115 criminal investigations and 11 arrests with many more cases still under review. Because we need the state's support to make more of an impact, we introduced a bill in the State Legislature requiring sellers to provide the thumb print and property

transfer documents when notarized, which will prevent investigation and help with investigations when default does occur. The bill also strengthens the vetting of notaries before they receive their commissions, requiring them to provide fingerprints for background checks to review any criminal activity. The bill also requires notaries to keep a journal listing actions related to real property transfers. And in certain cases, we required notarized documents with the City Register or Richmond County Clerk. When there is a criminal court proceeding regarding default, documents will be automatically recorded along with other land documents to clear the title of the property for the legitimate owner. We believe that our initiative actions and legislative proposal will help to detect and deter for--without compromising the efficiency of the city recording process that is required by law. We want to protect the integrity of the process, but also ensure that recording--recordings are not already burdensome.

Now, that I've outline our most recent accomplishments and our immediate plan for the future, I would like to report of the status of

recent activities. Last month, after extensive notification and outreach, we saw close to 2,400 outstand tax liens for delinquent properties. Of the property owners first notified, 92% avoided the resale by either satisfying the tax obligation, entering into a tenant plan, or establishing the eligibility for a tax exemption. This year's sale generated \$102 million to be credited to the City's General Fund and used for vital New York City programs. Since 1996, New York City has collected \$1.4 billion in delinquent property taxes through the resale process. In May, we also released the Fiscal Year '16 Final Assessment Roll finalizing values on more than one million properties. The total market value of the final role was \$969 billion, declining from the tentative roll by nearly two percentage points as a result of exemption and Tax Commission's omissions. The market value for the final roll was by 7% from last fiscal year. We are also making progress on another one of my priorities, which is to expand participation in the exemption programs that help the city's elderly and disabled renters. For the first time this agency is systematically focused on increasing participation in the Senior Citizen

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Rent Increase Exemption and Disability Rent Increase Exemption Program, better known as SCRIE and DRIE. Our outreach staff is dedicated to informing seniors and people with disabilities in their communities, and registering as many eligible households as we can. Our commitment to this program is demonstrated in the scope of our outreach efforts. This year, we held 105 SCRIE events compared with 32 during the same period last year, an increase of 220%. As a result, we have enrolled 6,900 new participants, 13% increase for May. As much as we are dedicated to increasing enrollment, we are required by law to make sure that the programs are properly administered and that benefits, and that benefits are who are granted to those who are eligible. They are among the requirements the tenant must meet in order to qualify for SCRIE and DRIE. For instance, the annual household income has to be \$50,000 or less, and the tenant must pay one-third of the household total market income for rent. For years, the Department of Finance has been renewing benefits without determining whether more than one-third of the household income was spent on rent. As a result, many tenants rents were frozen at an amount that is

lower than what they should have been. The law requires a check of the one-third test every year. Therefore, we are bringing the programs into compliance with the law. We will implement it respectively. Our efforts were prompted in part by a series of audits that the State Comptroller is conducting of all the city tax exemptions in abatement programs. Last April, the City Comptroller released his audit of the disabled and homeowner exemption programs, which identifies some individuals improperly receiving benefits including those collecting benefits from deceased family members.

We estimate bringing SCRIE into full compliance could potentially result in a reduction of benefits to about 4,800 SCRIE recipients, and the relocation of benefits for 600 SCRIE recipients because their legal rent will be less than one-third of their income. For DRIE, we anticipate 200 recipients may have their benefits reduced and about 50 may lose eligibility altogether. I want to stress that these are projections. Most SCRIE or DRIE recipients have been deemed ineligible understand eligibility determination will be made on a willing basis as leases are renewed. It is my hope that

legislation to prevent the potential reduction or loss of benefits will be enacted, and those that face an uncertain future can find some relief. We introduced legislation in Albany that will grandfather in current recipients who fail to meet the one-third test as long as they meet the other requirements, and we will reinstate the benefits retroactively.

SCRIE and DRIE are not the only exemption programs under review to ensure the effective administration. All of the homeowner exemption and abatement programs including STAR, E-STAR the Co-Op and Condo Abatement, Senior Assistance [sic] and Homeowner exemption and the veteran exemptions are also being evaluated. We are developing appropriate compliance procedures, and we will be seeking legislative fixes as needed. Thank you for the opportunity to testify today. I hope that my testimony has provided an informative update of the goals and accomplishments of the Department of Finance. We continue to work hard on behalf of the citizens of New York City. By working together with all of the stakeholders, we will achieve success on our many--on our many initiatives making the city a

good place to live and work. Now, I'm happy to take your questions--to answer your questions.

CHAIRPERSON FERRERAS-COPELAND: Thank you, Commissioner. We've been joined by Council Members Cumbo, Miller and Rosenthal. Thank you for your opening statement. It was very detailed. I want to publicly thank you on the record for briefing us yesterday on this very important SCRIE/DRIE issue. And the Council appreciates that you made yourself available to use. It's something that we were very happy to see, and it was very informative for us. Now, I want to talk about your great concept of creating the office of a taxpayer advocate. The Fiscal 2016 Executive Plan includes a new need of \$755,000 in Fiscal 2016 and \$505,000 in the out years for five positions within the newly created taxpayer advocate's office. The office, which will be located at 253 Broadway will consist of one taxpayer advocate, three case workers and an attorney. During this years Preliminary Budget hearings you stated that you were looking into whether such office would be created through legislation. What, if any, have you determined? Because we know the advocate--we would hope, and I'm sure you agree, should have some

type of independence and be able to create an independent report directed to the Council similar-- in similar ways that the Federal Advocate reports to Congress is what we would like to see. So just wanted to see where--what your thoughts were.

COMMISSIONER JIHA: Yeah, as I introduced to in my testimony and the Preliminary Budget, the goal is first to establish the office. And after we establish the office and work out all the issues and the problems that may arise as you build an office, is to propose legislation. So that that would basically, where the Mayor could appoint a taxpayer advocate with the consent of the Council. That's the model that we're looking at where, you know, it's a similar to exactly what the federal government. But there has to be some kind of relationship between the taxpayer advocate and the Commissioner. And for the simple reason you don't want the taxpayer advocate to become just another agency looking over finance. The natural reaction would be keep them away--keep them away from us. We want them to be part of the--of us, because as I said before, the goal is to make sure we have a group of people with a fresh perspective on the particular issue. And us to understand the way

our office operates to basically help folks without the means to navigate the system.

CHAIRPERSON FERRERAS-COPELAND: So, can you talk about what you consider the scope of the taxpayer? Like we hear taxpayer advocate. That could mean very different to the average taxpayer than it does to you, Commissioner. So what is the scope of this--of this new taxpayer advocate and their staff?

COMMISSIONER JIHA: We--at the macro level I can give you--at the macro level I think there are two major tasks from my perspective that I'm looking for. One is to have a place where the taxpayer without any resources can go if they have a problem, and that--or if they find--if we provide them an answer that they are not satisfied with. So there is an outlet that the average person without the means-- I mean you could imagine a corporation with big time lawyers, they know exactly what to do. But the average person does not. So the average person without the means so that would give them the venue, where they could go and find somebody that could help somebody navigate through the system. That's one aspect, but more importantly from my

perspective, give that the--the office would be small particularly at the beginning. Is assuming what I call systemic issues, okay, to identify some of the systemic issues that, you know, the taxpayers--the challenges the taxpayers deal with on a day-to-day basis when they deal with finance. If the systemic issues require systemic fixes to come up with legislation. Okay, the proposed legislation so it could come before the Council or before the State basically to provide those issues. [sic] So again, these from perspective are two of the main tasks and one is basically to help the average person. And the other one is to identify the systemic issues that, you know, that basically are challenges for many people when they deal with the Department of Finance.

CHAIRPERSON FERRERAS-COPELAND: And how do you see this taxpayer advocate, which I'm assuming--you said that you hope that this person gets hired with the consent or the assessment of both the Council and the Mayor. So I'm assuming this person hasn't been hired.

COMMISSIONER JIHA: No. Initially, the person will be hired. The person will be hired and, of course, that

CHAIRPERSON FERRERAS-COPELAND:

[interposing] At the present right now.

COMMISSIONER JIHA: We're in the process of the person--we've identified our candidate.

CHAIRPERSON FERRERAS-COPELAND: So you're going to hire the person, but then you want the Council--

COMMISSIONER JIHA: [interposing] No, no, no, no, no. What I said is initially we want to create that office and maybe a year or year and a half down the road after we work out all the details, all the problems of putting together an office, that's when we'll come to you with the legislation, okay, to create that office. That office could be a four-year term and that person, you know, appointed by the Mayor, and with the consent of the Council. And again, we're working on the model the way we're going to, you know--

CHAIRPERSON FERRERAS-COPELAND:

[interposing] So what you're doing now is designing the model. So--

COMMISSIONER JIHA: [interposing] But we already designed the model. We want to--we want to begin implementation in the first phase. The first

2 phase is basically to hire the person. Have the
3 staff working, see how that office is going to
4 interact when they deal with our own office with
5 everybody else's office, okay. See the challenges,
6 the kind of problems that arise, and we fix them.
7 And after we fix them, then we have our office up and
8 running smartly, okay. So we will come to you with
9 the recommendation, and that is--

10 CHAIRPERSON FERRERAS-COPELAND:

11 [interposing] And if the Council says we don't like
12 your taxpayer advocate, what do you do with this
13 person that's been working with you for a year?

14 COMMISSIONER JIHA: Well, that's the
15 person's job to sell himself or herself. I mean at
16 the end of the day someone has to convince you are
17 they doing a good job before--I mean before you could
18 say, you know, I'm going to approve or disapprove.
19 You know, it's up to that person.

20 CHAIRPERSON FERRERAS-COPELAND: Okay.

21 COMMISSIONER JIHA: I mean it's--[laughs]

22 CHAIRPERSON FERRERAS-COPELAND: Well, I
23 should start calling you immediately.

24 COMMISSIONER JIHA: Well, I think the--
25 the minute we hire that person, we would make sure

that person would go down and meeting the council members, and the person will also go around the City--

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CHAIRPERSON FERRERAS-COPELAND:

[interposing] Of course.

COMMISSIONER JIHA: --and meet with different community groups and to present himself or herself to the public.

CHAIRPERSON FERRERAS-COPELAND: So just on the taxpayer advocate just to wrap it up, I wanted to know what is your vision on how this person interacts with the DOF Omubudsperson that we legislated. And, the interaction right now with DOF is mostly focused on 311 calls. Does the taxpayer-- do you reach the taxpayer advocate also by 311?

COMMISSIONER JIHA: Well, again we're going to start--all of these are things we're going to have to work out with all of those things. So the City invested a lot of money in the 311 system. So we're going to have to find a way for calls that come, you know, through 311 to be channeled to the taxpayer advocate. So I think these are things we'll be working with 311--

CHAIRPERSON FERRERAS-COPELAND:

[interposing] I just think it's--

COMMISSIONER JIHA: --in terms of the

system, and we're also going to give them because the legislation requires that we have the email address I believe. The email address of the taxpayer advocate and all literature. So again, there will be ways.

But again, I have--we have to wait for that person to come in and to sit down, and again as I said--

CHAIRPERSON FERRERAS-COPELAND:

[interposing] I just think that, you know, it's a-- it's a great concept. It worries me that we have an ombudsperson. We have you Commissioner and we have your great staff. Now we have the taxpayer. So for the 311 person that's getting a complaint of noise, a complaint of, you know, a whole host of things, and then a taxpayer calling it seems like will you have the capacity to very clearly train or tell this 311 operator who they should reach?

COMMISSIONER JIHA: Right now, they--they are trained. You know, I mean I think really--

CHAIRPERSON FERRERAS-COPELAND:

[interposing] Right, it's one person.

COMMISSIONER JIHA: --30% of the calls are coming to us. I think about 30% of the 311 calls are coming to us. They're calling for something related to tax.

CHAIRPERSON FERRERAS-COPELAND:
[interposing] Well, now that you're adding these other people, how do you see--

COMMISSIONER JIHA: [interposing] We train them and they know exactly. As I said, we are going to have to work with 311 to put the process in place, but I don't think it's--I understand, you know, I understand your concern and we will address these concerns as we establish processes for that office.

CHAIRPERSON FERRERAS-COPELAND: Okay, I just don't want to kick it off and people to be discouraged.

COMMISSIONER JIHA: No, no.

CHAIRPERSON FERRERAS-COPELAND: So anything that you can avoid in the onset--

COMMISSIONER JIHA: [interposing] In the onset.

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2 CHAIRPERSON FERRERAS-COPELAND: --is--is
3 better. I know that in your statement, you talked
4 about the tax lien, the lien sale. Sorry.

5 COMMISSIONER JIHA: Uh-huh.

6 CHAIRPERSON FERRERAS-COPELAND: We
7 haven't gotten a copy of that. Can you just please
8 forward us the copy of the--

9 COMMISSIONER JIHA: [interposing] We'll
10 have to do that.

11 CHAIRPERSON FERRERAS-COPELAND: --lien
12 sale, pleas. Outstanding ECB reporting. Last year
13 DOF collected \$41.5 in the Environmental Control
14 Board fines. However, there's still as much as \$1.5
15 billion outstanding, and we had a hearing on this.
16 Earlier this year, the Council passed Local Law 11 of
17 2015, which required DOF to publish a report no later
18 that November 1st about the total outstanding debt
19 owed to DOF--

20 COMMISSIONER JIHA: [interposing] Uh-
21 huh.

22 CHAIRPERSON FERRERAS-COPELAND: --and
23 DOF's collection efforts. Have you begun working on
24 this report, and how much ECB debt is currently
25 outstanding to DOF? And what will new collection

efforts, if any, has DOF utilized thus far to increase collection rates for the Environmental Control Board?

COMMISSIONER JIHA: Yes, we have--we have begun to work on the report. We are in the process of opening the information and collecting the data. [coughs] But, with respect to the total amount of debt, I still believe it's about one and a half billion dollars. We've made some progress in terms of collection. One of--as I explained to you last time, one of the initiatives that we implemented was verification around the outside debt collectors. And one of the things we see it's still early, but it seems to be working. A good example was six months prior to looking at the debt, we only collected \$600,000 from a particular collector. When we looked at that debt--the same debt at the collection it went up to \$5 million six months after. So, you know, you could see people were complacent. So once you know there's competition so every six months we're working at the debt. That seems to be working. So, we--we also increased our costs with the ECB folks--I mean the people--the people with the city. So we're doing a number of steps to increase collections. But

again, as I said as you--as you know it's a very difficult debt to collect. We're doing our best. We're exhausting all--all our options before we come back to the Council with any other ideas that we may have.

CHAIRPERSON FERRERAS-COPELAND: And under tax collection I know there was two. You talked about a third. Have you included a third already?

COMMISSIONER JIHA: We're in the process of doing our RFP for the different debts that we have, I mean Jeff could provide you more.

CHAIRPERSON FERRERAS-COPELAND: And also, if you could just let me know when does the present contract expire for the other two?

DEPUTY COMMISSIONER SHEAR: I don't know that off the top of my head, but the--we have two agencies working the debt now, and their contracts are close to expiring. Well, I should put it that way. We have a bid on the street that the department is evaluating now that creates six different classes of debt work on. It--there are three types of debt under the bid. One is parking violations. The second Environmental Control Board debt originally issued by the Department of Buildings, which is

roughly half of the debt. And the third is all other ECB debt. For each of those three types we have two classes of contracts. One will be the collection agency that gets the first or the primary assignment. So when DOF is finished collecting, we will give it to that agency. And then the second category are the collection agencies that will get the debt second. So the first agency will have the debt for six months. Then they will have to turn over the debt to the second collection agency. So that creates six separate categories for the agencies to build upon. And it ensures the continuation of the debt rotation program. So--which, as the Commissioner says, ensures that the initial agency is not complacent. They're going to only have the debt for a limited time. And it also ensures that all of the ECB debt will be worked by two collection agencies in addition to the work that the Department of Finance does. Right, and so one of the agencies we are in the process of expense--the two agencies we're using now we're extending their contracts 'til March of 2016 to ensure a smooth transition. But again, when we're ready to roll with the bid that's on the street, we

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2 are going to transition over to the new collection
3 agency.

4 CHAIRPERSON FERRERAS-COPELAND: Right,
5 and just don't want to limit your power of being able
6 to say this collection agency isn't working. So, you
7 know, we'll

8 COMMISSIONER JIHA: Yes, that's what
9 we're trying to add, as many players as possible to
10 the mix.

11 CHAIRPERSON FERRERAS-COPELAND: Uh-huh.

12 COMMISSIONER JIHA: Because, you know, if
13 you, it's--if you have only one vendor settling your
14 debt, the vendor could be complacent. Or, naturally
15 gravitate toward the low hanging fruit. So the debt
16 that is easier to collect, that is what they work on
17 first rather than the hard collecting or the debt
18 that is hard to collect.

19 CHAIRPERSON FERRERAS-COPELAND: Now, are
20 you just using collection agencies? Because I know
21 we have legislative including marshals. I know you
22 have sheriffs. So what is--what is the relationship
23 with them and the collection of debt?

24 COMMISSIONER JIHA: Yeah, we still have--
25 we--we have given some debt to the marshal, and we

are going to actually use that process going forward to give him more.

CHAIRPERSON FERRERAS-COPELAND: Okay.

Last week the Manhattan District Attorney released a grand jury report that indicated people are now using technology to manipulate sales tax receipt to lower the sales tax obligation. The Phantom-Ware or Zapper, as termed by the D.A., manipulates sales receipts by either hiding a portion of daily sales, hiding all sales for an entire day or altering details--or altering details of a particular sale. In Fiscal 2016, the City projects \$1.86 million in interest income from sales tax, which is \$270,000 lower than the current projection of sales tax interest income in 2015. Did your projections for 2016 take into account the rise in the use of sales tax suppression software?

COMMISSIONER JIHA: The Zapper issue is a--it's a--it's a--it's a big problem in the S1 industry, and we're glad that the--the D.A.'s findings came out with a grand jury report and basically told the rest of the world the challenges that we have with respect to assess that division. Because this is unfair to a lot of the businesses

that are paying taxes, and to see that, you know, you are complying with the law, you're abiding by the law and you have businesses out there who are trying to use sales stats as a competitive weapon. Because then they're charging, and as a result they could charge, you know, the prices could be lower. And also at the same time, securing--obtaining city services and not paying for it. So it's a problem, and we think that we--we're going to follow up with--on the D.A.'s report basically to put in place a number of strategies and techniques basically to go after these people. With respect to the forecast that we have, I think it's--as anything, it's a sales tax evasion, and a tax evasion is always embedded into a forecast. We cannot identify it exactly to say this particular problem. We cannot say, you know, question the city's X dollars. But embedded in the forecast itself is all these problems with respect to people trying to avoid taxes.

CHAIRPERSON FERRERAS-COPELAND: Okay. So the grand jury recommends criminalizing the use of such software both on the state and local level for the use of such software. What efforts, if any, has DOF made? I know that you spoke about taking into

2 account some of the recommendations. Are you--do--
3 are you working with any state legislation perhaps to
4 prevent the tax suppression software? In the
5 Council we're already looking at that from the
6 Council's perspective. But also on the state level
7 are you engaging in those conversations?

8 COMMISSIONER JIHA: Yeah, we are--we're
9 working with the state. This is not something we can
10 do, you know, by ourselves. It's a joint effort with
11 the State and the City with respect to sales tax. So
12 we're working with the state. As I said, we cannot
13 publicize some of the techniques, some of the things
14 that we're doing, but we're working with the State to
15 make this a priority. As I said, we're going--we are
16 following up with--on some of the foundation [sic]
17 report, and we are doing the best that we can to make
18 sure that we try to curb to some extent that problem.

19 CHAIRPERSON FERRERAS-COPELAND: All
20 right, and I wanted to refer now back to your opening
21 statement when you talk about the exemption for
22 affordable housing on the--on the transfer of real
23 estate tax. Can you tell me--I blanked out there for
24 a second--can you tell me on average what is that
25 going to look like? What is that exemption? What

is--what is that going to save the developer? What does the exemption look like on average?

COMMISSIONER JIHA: I don't--we haven't been really looking into the fiscal impact of this, but we know it's a problem. For instance, at HDCC currently one property is transferred from a private party to HHDC. And basically we impose and we know HPD told us that this is for the, you know, affordable housing, and yet we're taxing them, making the cost of them--you know, making the construction costs more expensive than they should have been.

CHAIRPERSON FERRERAS-COPELAND: Right.

COMMISSIONER JIHA: And so we know. We understand the challenge, and as a result, we are currently working with HHDC and HPD to come up with legislation basically so the steps that you have in between from one developer--from one private party to a developer to a not-for-profit to a private party, this transaction could be exempt from income taxes. But I don't have, you know, the figure--

CHAIRPERSON FERRERAS-COPELAND:

[interposing] It would be great to see the fiscal tax.

COMMISSIONER JIHA: --there as we develop. I mean we see, you know, working on the legislation as we have the final draft, we'll definitely come up with an estimate of--of, you know, what it would look like, how much it would cost. But at this point in time, it's--it's, we basically, do-- The point I'm trying to make is we--we're changing direction, you know, and we are--we didn't do it in the past, and for us it's--it's a little unproductive to make it costlier. And as a result, make the, you know, make less affordable units, you know, available to the public.

CHAIRPERSON FERRERAS-COPELAND:

Absolutely, and, you know, I think it's a--it's a great idea. We were just talking about progressive and in the right direction it is. However, we--I wouldn't be the Finance Chair if I wasn't asking for the fiscal impact on what those revenues--what that would change. So if you can get me those numbers, I would greatly appreciate it.

COMMISSIONER JIHA: Sure.

CHAIRPERSON FERRERAS-COPELAND: I'm going to give my colleagues an opportunity to ask question,

and I'm going to have additional questions in the second round.

COMMISSIONER JIHA: Sure.

CHAIRPERSON FERRERAS-COPELAND: We have Council Member Miller followed by Council Member Cumbo. We've been joined by Council Member Levin.

COUNCIL MEMBER MILLER: Thank you, Madam Chair, and thank you, Commissioner for being here, and thank you for the briefing yesterday as well. I also want to publicly thank your staff for the community outreach and engagement not just in the lien sales, but coming out and really giving us vital information around SCRIE and DRIE and the other things. And it's been a great partnership. One of the things that is particularly dear to me, and I see and hear that you have--your office has invested a great deal of time and resources around the area of defraud. Obviously, coming from a community that's about 70% homeownership and often many seniors, that's low hanging fruit. Could you speak particularly to the details of--of that program and the--the staffing that are dedicated to that? And if, in fact, the new staff of investigators will be dedicated to that as well?

COMMISSIONER JIHA: Yes, one of the major steps that we took last year is to basically insert the sheriff into the legal process. So it's not just one investigator. We have an entire sheriff team basically being involved in the investigative process. So that when there is suspicion of any criminal activity and the sheriff--basically, we refer the cases to the sheriff, which opens up an investigation. As I said, at this point in time, we have about 150 investigations and about 11 arrests with more--more to come. So it's a--it's a--it's been working well. And I understand some of the challenges. I used to live in--in South Jamaica. So I know that area very well, and I know the challenges that they deal with respect to people who working by--you know, people with bad intentions. So our vote is basically to try to push through whatever we can within our power to basically root out this problem.

COUNCIL MEMBER MILLER: Thank you. That--that is--has a significant impact. One of the things that I hope we can partner up on you talked about the state legislation and other things that are around other areas of authority. The D.A. testified some--some weeks back that there were over 300

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2 convictions over the past few years, but there has
3 been no jail time associated with that. And there's
4 been millions of dollars in wealth that has been lost
5 as a result of that. So I hope that we can partner
6 in rectifying that as well.

7 COMMISSIONER JIHA: Sure.

8 COUNCIL MEMBER MILLER: About the
9 marshals, how many marshals are there in the city?

10 COMMISSIONER JIHA: [off mic] I don't
11 know. Jeff.

12 DEPUTY COMMISSIONER SHEAR: Fifty, about
13 50.

14 COUNCIL MEMBER MILLER: Is--is--is there
15 currently--I know that in the Southeast Queens area
16 that there--there was a retirement that had not been
17 filled. Has it been filled and if not, what is the
18 impact on not having a marshal to get back to?

19 COMMISSIONER JIHA: They don't report to
20 us. It's, you know, the independent contractors for
21 us as far as I understand.

22 DEPUTY COMMISSIONER SHEAR: [off mic]
23 Yes, they are.

24

25

COMMISSIONER JIHA: Yeah, yeah, they're independent contractors don't report to our office so, therefore, you know.

COUNCIL MEMBER MILLER: So you wouldn't know what the impact on that would be. So we have been experiencing a great deal of foreclosure in Southeast Queens. Obviously, the greatest number of foreclosures in the city have occurred in Southeast Queens over the last few years. Could you quantify what the loss of revenue is throughout the city in terms of the tax base due to foreclosures?

COMMISSIONER JIHA: I don't have an estimate. I could ask my staff if they could come up with something.

COUNCIL MEMBER MILLER: Yeah, that is a number that is really important. We're--we're--we're doing some work around that--

COMMISSIONER JIHA: [interposing] Okay.

COUNCIL MEMBER MILLER: --and obviously it has a negative impact on revenue stream.

COMMISSIONER JIHA: We'll try to get back to you to see if they could develop a methodology to get to that number.

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2 COUNCIL MEMBER MILLER: Okay, thank you
3 so much.

4 COMMISSIONER JIHA: A pleasure.

5 COUNCIL MEMBER MILLER: I appreciate it.

6 COMMISSIONER JIHA: And again, thank you
7 for the compliment to my staff. They worked real
8 hard to try to please, and I know someone [sic] has
9 done a great job with our staff. Thank you.

10 CHAIRPERSON FERRERAS-COPELAND: Thank
11 you, Council Member Miller. Council Member Cumbo
12 followed by Council Member Rosenthal.

13 COUNCIL MEMBER CUMBO: Thank you. Always
14 good to see you, Commissioner. Wanted to ask you
15 about the speed light camera fines. In Fiscal 2015,
16 it's the first fully fiscal year of the
17 implementation of the speed cameras. The Fiscal 2016
18 Executive Budget reflects an increase of \$21.4
19 million from the Fiscal 2015 Adopted Budget to \$29
20 million in Fiscal 2015 and Fiscal 2016. Since state
21 currently regulates the numbers of bus lanes, speed
22 and red light cameras that the city is permitted to
23 install. And that the city has not yet reached its
24 authorization limit. Do you foresee additional
25 increases in revenue for Fiscal Year 2016?

COMMISSIONER JIHA: You know, it's--it's a forecast again. I'm assuming that if you were to raise the number of speed cameras to the level otherwise logic will dictate that, you know, there will be an increase. But we have not done the forecast of this. So, therefore, I cannot give you a number. This is mostly OMB dealing with this kind of forecast, they've done the forecast. So, but again my assumption is if you were to raise up to that level, otherwise level, there would be some additional revenue coming in.

COUNCIL MEMBER CUMBO: It would seem that with the implementation of the Vision Zero that the speed cameras would be something that would be of great assistance. And so from what I'm understanding we haven't implemented them to the fullest degree that we could. Do you think in your capacity that implementing them would help in the goals that we're trying to achieve with Vision Zero, or also in terms of revenue generation for the city?

COMMISSIONER JIHA: It would definitely but I think question would be best to be asked to DOT because we don't implement, and their conditions of theirs we don't get involved. We only be on the back

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2 end collecting summons, collecting the fines, but we
3 don't--we don't get involved on the front end.

4 COUNCIL MEMBER CUMBO: Okay. I also
5 noticed that in your testimony you talked about a
6 number of pieces of legislation that have to get
7 passed through the state. How have your experiences
8 been with that?

9 COMMISSIONER JIHA: Thus far, it has
10 been--we have been very successful.

11 COUNCIL MEMBER CUMBO: Wow, you could
12 probably show us something.

13 COMMISSIONER JIHA: We have been
14 extremely successful. We have maybe two big pieces
15 of legislation. The tax conformity was one, and we
16 also had Sandy, and we have the SCRIE--SCRIE and DRIE
17 legislation in Albany for the third--one-third income
18 initial test. And we are very positive that this will
19 get through sometime this week or next week. So far
20 we've been--you know, as I said, we have a very good
21 staff. We know our way around. We've been--we've
22 dealt with Albany in the past. We know exactly what
23 to do. You know, how to move things.

24 COUNCIL MEMBER CUMBO: So a positive
25 attitude is the trick?

COMMISSIONER JIHA: Always positive.

COUNCIL MEMBER CUMBO: Thank you very much.

CHAIRPERSON FERRERAS-COPELAND: Thank you, Council Member Cumbo. Council Member Rosenthal.

COUNCIL MEMBER ROSENTHAL: Thank you so much, Chair Ferreras-Copeland and Commissioner, I want to reiterate the Chair's gratitude for your coming to the Council yesterday to talk more about what's being done for the 5,700 SCRIE and DRIE recipients. I guess my only--I mean I'll be very interested to hear what the State does. I guess we'll know Monday or Tuesday. So I appreciate getting word from your office about what the outcome is of the bill that you're helping to push through. And I guess I also would love some assurances about the nature of the letter that will go out to the recipients, to Council Members and to senior centers educating all of us about what will happen with these seniors upon renewal of their lease, and to guarantee that the letter won't be in jargon.

COMMISSIONER JIHA: Well, as I indicated to you yesterday and--and I said I'm sorry that we did not communicate or share with the Council members

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2 the notice before it went out to the public. And as
3 I said, I promised you that the next notice that we
4 send out about this issue, we will reach out to the
5 office the council members to share with them so that
6 they could see prior. Yeah, prior--prior to mailing
7 the notice. And I'm hoping it's going to be very
8 good news.

9 COUNCIL MEMBER ROSENTHAL: Yeah, me, too.
10 I appreciate all your support on that.

11 COMMISSIONER JIHA: Yes.

12 COUNCIL MEMBER ROSENTHAL: You know, we
13 had about a dozen constituents come into our office,
14 you know, terrified--

15 COMMISSIONER JIHA: [interposing] Yes.

16 COUNCIL MEMBER ROSENTHAL: --about the
17 contents of that letter.

18 COMMISSIONER JIHA: And us, too. And us,
19 too.

20 COUNCIL MEMBER ROSENTHAL: Secondly, I'd
21 like to ask you about the increase in funding for the
22 Department of Finance to help with the--eliminating
23 illegal hotels in the City. Currently the Department
24 of Finance has one staff member who works on this.

25

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2 You just go funding for four more. I guess that's a
3 400% increase.

4 COMMISSIONER JIHA: [laughs]

5 COUNCIL MEMBER ROSENTHAL: So that's
6 great news. I'd like to understand do you currently
7 track the number of violations that are issued by
8 your current staff person? What's been the yield for
9 the Department of Finance? So do those violations
10 yield money for the city?

11 COMMISSIONER JIHA: Yeah.

12 COUNCIL MEMBER ROSENTHAL: What's been
13 the success rates?

14 COMMISSIONER JIHA: Yeah, they do. I
15 don't have the information in front of me, but I
16 could provide you all the detailed information.

17 COUNCIL MEMBER ROSENTHAL: Yeah?

18 [background comments]

19 COMMISSIONER JIHA: Yeah, yeah.

20 COUNCIL MEMBER ROSENTHAL: You have that?

21 COMMISSIONER JIHA: The audit. The
22 audit, just on their audits. But we will provide you
23 all the information, all of the information about it.

24 COUNCIL MEMBER ROSENTHAL: I would
25 appreciate that--

COMMISSIONER JIHA: Yeah.

COUNCIL MEMBER ROSENTHAL: --sooner than later because I'm going to be tracking the larger impact of the OS--the increase in OSC spending.

COMMISSIONER JIHA: Sure.

COUNCIL MEMBER ROSENTHAL: Do you know specifically if the--well, are they violations or summonses that are issued, and do they specifically indicate that it's related to the OSC, Office of Special Enforcement?

[background comments, pause]

DEPUTY COMMISSIONER SHEAR: Right, right. So what we are doing are audits for--regarding payment of hotel tax. So the Department of Finance does not issue violations or summonses for illegal hotels. That's the province of other agencies like the Department of Buildings. So the focus here is on hotel tax and maybe other tax payments that might be due from hotel operators.

COUNCIL MEMBER ROSENTHAL: They collect the fee, right.

COMMISSIONER JIHA: Yeah, our role basically on this is basically as the sheriff [sic]

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2 is, is enforcement. The Department of Buildings and
3 the Department of Fire basically issued a notice.
4 COUNCIL MEMBER ROSENTHAL: [interposing]
5 That's right.
6 COMMISSIONER JIHA: They will come with a
7 marshal behind them to make sure they conform.
8 COUNCIL MEMBER ROSENTHAL: But the
9 Department of Finance I think issues something. No?
10 You don't write a violation?
11 COMMISSIONER JIHA: No, the Buildings and
12 Fire and that's all. Am I correct?
13 COUNCIL MEMBER ROSENTHAL: You know,
14 maybe we should sit down and we could have a little
15 briefing on this?
16 DEPUTY COMMISSIONER SHEAR: Yes.
17 COMMISSIONER JIHA: Okay, yes.
18 COUNCIL MEMBER ROSENTHAL: I--I--I don't
19 want to waste any of your time.
20 COMMISSIONER JIHA: Okay.
21 COUNCIL MEMBER ROSENTHAL: Thank you very
22 much, Commissioner.
23 COMMISSIONER JIHA: Okay.
24 CHAIRPERSON FERRERAS-COPELAND: Thank
25 you, Council Member Rosenthal. Commissioner, I

wanted to talk about the application for exemption for SCRIE. This one was issued in--this is the most recent one. This is your May 7, 2015 and it speaks to: You must submit this application within 60 days of the SCRIE beneficiary's death or permanent move. And then this one was issued in September of 2011, which is prior to you obviously, but it states: This application must be filed within 30 days of death of the beneficiary. So, you know, I'm assuming that there's--well, there can't be legislation.

Obviously, this isn't something that you legislate because there's fluctuation in the time of reporting. Can you walk me through the--the difference between what happened in 2011 and the 60-day change from 30 to 60 in 2015?

COMMISSIONER JIHA: Okay. In both cases, I wasn't around, but I--I could--I could give you the rationale behind what happened. In August in 2014--May 2014, that's--that's when we instituted the 60-day--that's when you're talking about the benefit takeover notice. It came about after an audit by the City Comptroller basically asking the city--the Commission--the Department of Finance to put in place processes and procedures to ensure that people would

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2 not receive benefits who are not eligible to receive
3 those benefits after their death, okay, of the person
4 is on the lease. So they're trying to minimize the
5 window as much as possible. So you don't want to
6 have a deceased family sometime in January and then
7 you end up revoking the benefits 12 months later to
8 somebody who is not eligible to receive the benefits.
9 So therefore, they're trying to tighten the window as
10 much as possible. So that's the reason why we have
11 the--

12 CHAIRPERSON FERRERAS-COPELAND:

13 [interposing] Well--

14 COMMISSIONER JIHA: --we have the 60
15 days.

16 CHAIRPERSON FERRERAS-COPELAND: Right.

17 COMMISSIONER JIHA: It's a policy.

18 CHAIRPERSON FERRERAS-COPELAND: Well,
19 Commissioner I think obviously a year is too long.
20 But if someone just passed, and sometimes it takes
21 some time (1) for grieving, (2) to find documents,
22 figure out where you're standing, insurance policies.
23 And it just doesn't seem like a sufficient or fair
24 time for someone who has just lost a loved one.
25 Sometime it's the sole breadwinner or we don't--a

whole host of situations. It just doesn't seem like a sufficient time, that we should be allowing more time. So would you consider that if it's not legislated, and so I know that it's part of the audit. So these are recommendations. Would you consider increasing the time to allow for someone to pull these--themselves together?

COMMISSIONER JIHA: Yeah, if we--it's-- it's a--it's an issue. It's a concern to me as and I do share your concern. As a result, we are currently working in Albany with--with the state to again--it's part of the list of factors that we have for this week, this week or next week to see if we could extend it to six months or 90 days from the notice when we send the notice. So, again, we're trying to work, and if--if we're not successful, after a while we'll come back and we'll revise--revisit that issue to see if we could give people more--more room. But again, as you--as you know, that with the creation of the SCRIE ombudsman--ombudsperson that--that was signed into law last-last month the story in the newspaper that with the person in the newspaper, we will reinstate her benefits. And anybody who is in the class--was in that lawsuit because we have not

2 seen the lawsuit. We do not know who is in the
3 lawsuit or who was not in that lawsuit, we would
4 advise them basically to reach out to their
5 ombudsperson. Okay, so that--that they could--their
6 cases could be reviewed to see if they are qualified,
7 if they are eligible.

8 CHAIRPERSON FERRERAS-COPELAND: So just
9 for clarity, the timeline that, the 30 to 60 days or
10 60 to 30 days, is that--is that legislated?

11 COMMISSIONER JIHA: No, it's just part
12 it.

13 CHAIRPERSON FERRERAS-COPELAND: It's a
14 policy?

15 COMMISSIONER JIHA: It's a policy.

16 CHAIRPERSON FERRERAS-COPELAND: So that
17 you can change internally?

18 COMMISSIONER JIHA: That exactly. That's
19 something we could always redo. But also you have to
20 understand where the Department of Finance is coming
21 from. Because we're also getting criticized by all
22 the monitors.

23 CHAIRPERSON FERRERAS-COPELAND: We're
24 going to stand with you, Commissioner.

25 COMMISSIONER JIHA: [laughs]

CHAIRPERSON FERRERAS-COPELAND: You're not going to be alone.

COMMISSIONER JIHA: All right.

CHAIRPERSON FERRERAS-COPELAND: We will stand with you. If those turn--I--I think 60 months, you know, I mean 60 months doesn't do it.

COMMISSIONER JIHA: [laughs]

CHAIRPERSON FERRERAS-COPELAND: I mean 60 days is not enough, 90 days, six months.

COMMISSIONER JIHA: Yeah, we will work--we will work--we will work--we will work with you to see. It's a policy that can always be changed. Policy can always be bent.

CHAIRPERSON FERRERAS-COPELAND: Yes.

COMMISSIONER JIHA: So we'll work--we'll work. But again, we're trying to address it because--

CHAIRPERSON FERRERAS-COPELAND: [interposing] So we--I just want you to change your policy.

COMMISSIONER JIHA: Okay, yes, we will look at it because one thing we're trying to do to clarify is the BTO [sic] what are called--what are

called--the benefits takeover is not in the law currently.

CHAIRPERSON FERRERAS-COPELAND: Right.

COMMISSIONER JIHA: Okay, that's what we're trying to institute in the law to begin with.

CHAIRPERSON FERRERAS-COPELAND: Right.

COMMISSIONER JIHA: Because by law we shouldn't be giving benefits. Okay.

CHAIRPERSON FERRERAS-COPELAND: Agreed.

COMMISSIONER JIHA: Okay. So, but again it's a policy issue. We're trying to get it resolved legislatively. But if we're not successful in Albany, we will try to administratively to see what we can do in terms of balancing the interest of--of people. Because, you know, I understand the concern. You're mourning and all of a sudden you have to worry about filing an application right away.

CHAIRPERSON FERRERAS-COPELAND: Right.

COMMISSIONER JIHA: It's--

CHAIRPERSON FERRERAS-COPELAND:

[interposing] A SCRIE application isn't the first thing you think about--

COMMISSIONER JIHA: [interposing] Yeah, it's not--it's not--it's not easy--it's not easy.

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2 CHAIRPERSON FERRERAS-COPELAND: --when
3 someone passes.

4 COMMISSIONER JIHA: So we will--we will--
5 we will work with you.

6 CHAIRPERSON FERRERAS-COPELAND: Okay,
7 excellent. Well, Commissioner, thank you so much.
8 Oh, Council Member Rosenthal has a second round of
9 questions.

10 COUNCIL MEMBER ROSENTHAL: Thank you so
11 much. I have a quick question, which, of course, now
12 I'm forgetting. Oh, I remember.

13 COMMISSIONER JIHA: Oh, good.

14 COUNCIL MEMBER ROSENTHAL: When you do
15 the analysis of the 5,700, would it be possible for
16 you to--so it's an estimated number, right?

17 COMMISSIONER JIHA: Yes.

18 COUNCIL MEMBER ROSENTHAL: It's not
19 specific names?

20 COMMISSIONER JIHA: It's--it's an
21 estimated number based on information received from
22 the last leases. That information from the last
23 lease indicates that people--

24 COUNCIL MEMBER ROSENTHAL: Indicates--

25 COMMISSIONER JIHA: [interposing] Yes.

COUNCIL MEMBER ROSENTHAL: --that it might be--they might be paying less than a third?

COMMISSIONER JIHA: Yes.

COUNCIL MEMBER ROSENTHAL: So when you--

COMMISSIONER JIHA: [interposing] Some people about \$600.

COUNCIL MEMBER ROSENTHAL: Sure. So over the course of the year you'll be doing the lease renewal.

COMMISSIONER JIHA: Absolutely. Yes.

COUNCIL MEMBER ROSENTHAL: Of course. When you're doing that, would you keep information about what the percentage is? And let me--where I'm going with this is that perhaps the quote, unquote right number is not a third. Maybe it should be 30% of 28% of someone's income would be devoted to rent. The stories that we heard in our office was yes, maybe my income--my benefits have risen to some degree faster than my rent, but I'm still burdened because my disabilities don't cover all of my medical costs or whatever. So that paying third of my income or benefits for rent is still too high, and I'm wondering if we can use this as an opportunity to learn how many people at different percentage level

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2 have addition burdens that would yield, you know,
3 would result in them having to lose their homes or
4 whatever? Would you be up for doing that kind of
5 analysis?

6 COMMISSIONER JIHA: Oh, yeah, of course.
7 It's always good to learn--

8 COUNCIL MEMBER ROSENTHAL: [interposing]
9 Yeah.

10 COMMISSIONER JIHA: --to get more
11 information.

12 COUNCIL MEMBER ROSENTHAL: But I mean are
13 your systems capable--

14 COMMISSIONER JIHA: [interposing] I don't
15 know. I have to go back to my folks and discuss with
16 them whether or not they do--you know, they could set
17 this thing a certain way to provide us the
18 information--

19 COUNCIL MEMBER ROSENTHAL: [interposing]
20 Right.

21 COMMISSIONER JIHA: --and get back to
22 you.

23 COUNCIL MEMBER ROSENTHAL: Thank you so
24 much, Commissioner. I appreciate that.

25 COMMISSIONER JIHA: Yeah, yeah.

CHAIRPERSON FERRERAS-COPELAND: Thank you, Council Member Rosenthal. Commissioner, we have a few other questions, but I'm going to follow up with a letter to you. If you can get them back to us as soon as possible. That's the challenge of being the last panel before the Comptroller is that now you have to get this letter back to me in 24 hours--

COMMISSIONER JIHA: [interposing] Okay.
[laughs]

CHAIRPERSON FERRERAS-COPELAND: --so we can use it to negotiate. I see you. [laughter]
Thank you. Thank you very much for coming to testify and we really appreciate your partnership throughout this Council's process. Thank you.

COMMISSIONER JIHA: Thank you, very much.

CHAIRPERSON FERRERAS-COPELAND: Great.

COMMISSIONER JIHA: My pleasure.

CHAIRPERSON FERRERAS-COPELAND: We will take a five-minute break and we will hear from the Comptroller. Oh, he's here. We'll take a two-minute and we'll hear from the Comptroller.

SERGEANT-AT-ARMS: Ladies and gentlemen also be advised for those of you who just made your way into the Chambers we have ask that no food or

beverages. We ask if you could please silence all electronic devices. If you have not filled out a witness slip, please take the time right now. It's a great opportunity to fill out a witness slip if you have not filled out a witness slip. [background comments] And also, when you are filling out the witness slip, please put the topic that you are speaking on so we know how to section you into panels. And we also ask you to please take any conversations outside of the Chambers throughout the hearings. So once again, silence all electronic devices. No food or beverages. All private conversation please take out side. Thank you.

[pause]

[background comments]

SERGEANT-AT-ARMS: Once again, ladies and gentlemen, if you just made your way into the Chambers we ask you please no food or beverages. If you cannot find a seat on the floor there is additional seating in the balcony. If you have not filled out a witness slip and plan on testifying, please come down to the sergeant-at-arms desk and make sure you note the topic that you wish to speak on. Any and all electronic devices we ask you to

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2 please silence. Could I have your attention, please?

3 Could I have your attention, please. Quiet in the

4 Chambers, please. Quiet in the Chambers. Keep it

5 down, please. Keep it all.

6 [background comments]

7 SERGEANT-AT-ARMS: Any and all electronic
8 devices please silence at this time. Thank you.

9 [pause]

10 SERGEANT-AT-ARMS: Folks, anybody waiting
11 to sign up please fill out a witness slip. Come to
12 the sergeant-at-arms desk, fill out a witness slip.
13 Make sure you put the topic that you wish to speak on
14 top of the witness slip.

15 [background comments and noise]

16 SERGEANT-AT-ARMS: Once again, can
17 everyone please find a seat. Unless you are waiting
18 to fill out a slip, find a seat, please. We are
19 going to begin with our Comptroller in a few short
20 moments. So once again, please find a seat. Silence
21 all electronic devices. [background comments] Once
22 again, please find a seat. We ask for silence in the
23 Chambers. Please keep it down.

24 MALE SPEAKER: Quiet, please. Keep it
25 down.

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2 [background comments]

3 SERGEANT-AT-ARMS: Rosario, please find a
4 seat. [background comments]

5 [pause]

6 [gavel]

7 CHAIRPERSON FERRERAS-COPELAND: We will--

8 SERGEANT-AT-ARMS: [interposing] Quiet,
9 please.

10 CHAIRPERSON FERRERAS-COPELAND: We will
11 now resume the City Council's hearing on the Mayor's
12 Executive Budget for FY 2016. We just heard from the
13 Department of Finance, and now we will hear from
14 Scott Stringer the New York City's--the New York
15 City's Comptroller. In the interest of time, I will
16 forego an opening statement. So I just wanted to
17 also say as a reminder to all members of the public
18 who wish to testify please be sure to fill out a
19 witness slip with the sergeant-at-arms. The public
20 witness panel will be arranged by topic. So please
21 indicate the topic on--of your testimony on your
22 witness slip. We understand that many seniors or
23 people with disabilities who wish testify must leave
24 at a certain time. So we will try to accommodated
25 that need by putting you on some of the earlier

witness panes. Any senior or person with disability who requires these accommodations please make a not on your witness slip so that we can know who you are and accommodate you accordingly.

[background comments]

CHAIRPERSON FERRERAS-COPELAND:

Comptroller, you may begin your testimony.

SCOTT STRINGER: Well, thank you, Chair Ferreras and members of the Finance Committee. I see Council Member Wills and Council Member Rodriguez. Thank you for giving me this opportunity to testify, and I do want to say Madam Chair, thank you for your leadership during the budget process. Thank you for taking our testimony seriously, and engaging us not just during budget time, but engaging our office throughout the year. We're very glad to have partnered with you and work with you. Joining me here today is our Deputy Comptroller for Budget, Tim Mulligan. And I today I will be presenting the Comptroller's Analysis of the City's FY16 Executive Budget. Officially, the FY16 Budget totals \$78.3 billion, but because we are pre-paying some of next year's expenses with resources from this year, the total expenditures for FY16 are actually \$81.5

1 billion. My testimony today will focus on the state
2 of the city's economy, the Executive Budget, the need
3 to build a financial cushion and, of course, the
4 Capital Budget.
5

6 Let me begin by putting this budget into
7 the context of our city's current economy. New
8 York's job growth continues to be strong. We've
9 exceeded the nation's job growth rate and created
10 over 120,000 jobs in 2014. So far in 2015, we've
11 created 25,000 jobs. As you know, in the past I've
12 been worried about the types of jobs created. The
13 proportion of new jobs in high income sectors is up,
14 but we haven't seen a reduction in the proportion of
15 jobs created in low-income sectors. And the
16 improvement at the high end means that there is
17 declining proportion of jobs in middle-income
18 sectors. Now, I want to remind everyone that
19 economical recoveries are not just about job
20 creation. They're also about wage growth. Even
21 though we're in the sixth year of recovery, most New
22 Yorkers aren't seeing bigger paychecks. In fact,
23 only one out of ten economic sectors, the information
24 sector, experienced real wage growth for 2008 to
25 2014. Because wages have not grown with inflation,

New Yorkers working in all other sectors including finance, professional services, manufacturing, advertising, and government have seen their real take-home pay shrink. That's got to change before we're truly on the road to a better economic future. Too many people's wages are declining relative to the cost of living. And it's the key reason we need to raise the minimum wage to \$15 an hour. Now, that being said, it's obvious that a \$15 an hour wage won't completely solve this problem, but it's a crucial first step towards helping people make ends meet.

Now, let me turn now to some forward looking indicators in the City's real estate market. For commercial rents, demand remains high, and vacancy rates continue to decline. This is good news and further evidence that businesses want to pay a premium to do business in our city. Residential building permits have largely recovered from the massive decline caused by the Great Recession, and prices continue to increase. Our economy has rebounded. The City's economy is about 13% larger than it was prior to the Recession. Unlike the aftermath of previous recessions, the current

expansion has not been driven by Wall Street. While the financial industry has provide a stable base to the city's growth, it has not been the source of it. Rather, the drivers of growth have seen traditional business service industries like accounting, architecture and engineering, advertising and computer system design and related services.

Now, I just want to turn to the 2016 budget proposal. I'm happy to note that this is the second year in which the budget is not only balanced as required by law, but also combines targeted new investments with increasing reserves for the future. In all, it presents a sound, prudent fiscal plan for the city. I was glad to see the Executive Budget now includes an agency efficiency program. As you know, I have repeatedly asked that the city agency find savings and efficiencies that don't affect the delivery of vital services. In February, I said the program could yield a billion in savings, and so it's great to see that the Executive Budget now includes a voluntary agency savings program that meets this target with the combined Fiscal Year 2015 and 2016 total of \$1.06 billion. Thirty-eight percent of the program or \$400 million comes from debt service

savings and from re-financings that my office achieves joint with the Mayor's Office. I have previously called for and identified lowering the assumed debt service interest rates and this budget does just that. Last February, in fact, my office identified \$150 million in interest rate savings. And the budget now reflects \$159 million in those savings. Twelve percent of the savings program comes from realizing additional revenues. In February, we identified \$25 million in likely additional revenue from speed camera violations, and this budget reflects that is \$26 million. The largest remaining savings is \$409 million in agency spending reductions. So this kind of cooperation with OMB and the Comptroller's Office I think has produced some very good savings for the future that the Council can contemplate in your ongoing budget negotiations. This is a small portion of the total budget for the year. It's 0.58% of agency city fund spending and is well below the 2.6 prior program average. So we clearly need more reduction, but it certainly is a good start. It is a step in the right direction. I urge the to continue to identify savings whether it's through voluntary savings or specific agency targets.

This would help us increase the amount of savings and compound the effect for future years. So, in the time that I have I want to focus on the major changes in the Executive Budget since the Preliminary Budget in February. Executive Budget benefits from \$2.1 billion and additional resources in FY15 and FY16, and it comes from higher than expected revenues, debt service savings and from lower than estimated citywide expenditures. Looking at the other side of the ledger, the money is used to building up reserves and to fund additional agency and citywide spending including new initiatives and to compensate for postponing the sale of additional yellow taxi medallions among other items.

As for the money going toward new initiatives, I commend the Mayor for adding funding in a number of important areas with a five-year--with five-year adds such as adding \$200 million to address homelessness, something we desperately need to do. I commend the \$87.6 million for Rikers education, mental health and weapons reductions programs, and \$138 million for NYCHA community and senior centers. As well as about \$50 million a year to fund renewal schools. I also want to commend many of the

Council's contributions to the budget process. I applaud Council Members Ferreras, Garodnick and others for calling on the Administration to restore \$28 million for 34,000 seats in summer youth job programs. This is critical for our children, and I support Council Member Chin's call for \$3 million to address the 2,000-person waiting list for programs like emergency meals and homecare. And I do support Chairperson Ferreras' call to press the State for more support for HPD. And I do back Council Member Menchaca's call today to restore funding to adult literacy programs for our immigrant population. This is critical to the life of our city, and I'm glad to be part of that effort.

Now, I'd just like to take you through our office's projections of additional revenues and how they in turn reduce the projected out year budget gaps. My office forecasts tax revenues to be higher than those projected in the Executive Budget by nearly \$600 million '16 and a cumulative \$3.9 billion for FY17 through FY19. After netting out anticipated budget risks and offsets, our projected revenue increases reduced the out year budget gaps to a cumulative \$2.6 billion. And finally, I want to take

a moment to talk about the Capital Plan. The Ten-Year Capital Strategy, which comes out every two years has planned commitments of almost \$84 billion. As I pointed out in my Capital Report in February, from FY05 through FY13, the City's achievement rate on projects average 60%. So it's important for the city to increase that percentage so that critical projects in all five boroughs can become a reality for taxpayers. Although the overall increase in planned commitments for the next ten years is up 56%, there is a vast range of growth by area. Housing is a large part of the investment. HPD and NYCHA are up 186% and rehabilitation of DCAS managed waterfront properties increased by 272%. Economic Development Corporation capital increased nearly sevenfold not including the Neighborhood Development Fund. Funding for courts more than tripled to over \$1.5 billion and transportation just about matches the average overall capital increase, a total of \$13.4 billion is planned for the next ten years, a 55% increase since the 2013 strategy. In terms of the affordability of borrowing for capital projects, the Administration projects debt service to remain below 15% of local tax revenues.

All of these initiatives focus on our city's current needs. But a prudent and responsible budget must also consider our long-term interests. So I want to revisit a topic I raised with you in February, and that's the continuing need for the city to build up its budgetary cushion. This will protect us when hard times hit, and preserve vital services during the next economic downturn, national disaster or other unforeseen events. We know from past experience that when the economy is hit with a downturn, our revenues drop by billions. And it goes without saying when the floor is about to fall out from under our feet, we must have the resources to keep the foundation intact. Now, we are fortunate that the number of jobs in the city is up nearly 10% since the pre-recession peak, and city revenues are up 25% from their pre-recession peak as well. But despite this good news, our current cushion of \$7.2 billion is still a billion short of what we had on hand prior to the Recession. Clearly, we've got to do much better.

So I hope to work with the Mayor and with the distinguished members of this City Council. I know that we will pass a prudent budget that will

meet the needs of all of our people by--certainly before June 30th as you as you always do. And I just want to say thank you to all of you. I know Council Member Johnson joined us. Thank you for listening to the testimony, and Chairwoman--Chairperson, I thank you once again for allowing me to be here today.

CHAIRPERSON FERRERAS-COPELAND: Thank you, Comptroller. We've been joined by Council Member Wills, Rodriguez and Johnson. I wanted to talk about the Municipal Bond Tax Exemption. The-- President Obama's Fiscal 2015 Budget Proposal once again includes a 28% cap on the tax exemption for new and outstanding municipal bonds. You have expressed concern about what this would mean to New York City, and for the State and local governments elsewhere in the country. New York City has over \$100 billion in bonds outstanding and plans to issue about \$30 billion in bonds as part of the Four-Year Capital Plan for FY16 to FY19. Where are the short and long-term risks that a cap on Municipal Bond Tax Exemptions would bring to the city? And has your office estimated the fiscal impact the city would incur?

SCOTT STRINGER: So we need the tax exemption to support the bond sales, and if you cap it, we believe that's going to significantly hurt our ability to market those bonds. So we--that is why we have been advocating on a federal level. I could certainly, you know, work with the Council to give you more information as to why this is a crucial part of our bond sale strategy.

CHAIRPERSON FERRERAS-COPELAND: The President has made [coughs] this proposal for several years in a row. Is there a chance that it would come to fruition in Fiscal 2016 from your perspective.

SCOTT STRINGER: You know, I've given up long ago trying to figure out what happens in Washington. But I think it's important that we do everything we can from our bond--from the bond side to talk to federal officials, which we've been able to do. So I'm glad we're optimistic that sanity will prevail. This is very unique to our city, and sometimes it's a challenge trying to make folks understand from far away how some of the, you know, why we need a tax exemption, why we're unique in this space.

CHAIRPERSON FERRERAS-COPELAND: Again,
and any way this Council can engage with you--

SCOTT STRINGER: [interposing] Thank
you.

CHAIRPERSON FERRERAS-COPELAND: --to give
you the support you need to advocate on that.
[coughs] Pensions and other liabilities. All three
rating agencies have expressed concern about the
city's long-term liabilities, including debt,
unfunded pension liabilities and unfunded healthcare-
health insurance liabilities for retirees. To quote
Fitch, "Growth in the budget burden associated with
these liabilities would negatively affect the city's
credit rating." How seriously, in your opinion, is
the City taking the issue of long-term liabilities
including, but not limited to, pensions?

SCOTT STRINGER: Well, we have--I mean
we've taken this very seriously since the moment I
became Comptroller. Our fund for this is strong
certainly relative to other pension funds, but we
cant rest--we can't rest on that. Part of what we're
examining, as you know, is--is, you know, fees
related to the value of the pension fund, how we can
reduce fees by increasing value. Our OPED \$90

2 billion, you know, is--is \$90 billion the trust and
3 so obviously we're concerned about that overall
4 strategy. At the end of the day, the pension
5 liabilities we believe have sort of leveled. And
6 we're not experiencing the kind of-- I think we
7 talked about this in February. We haven't seen the
8 kind of, you know, uptick that we've seen in the
9 past.

10 CHAIRPERSON FERRERAS-COPELAND: Okay,
11 thank you. Employment in the first quarter. I know
12 that spoke to this in your testimony. In your office
13 in your Quarterly Economic Update, it is stated that
14 during the first quarter of 2015 over half of the new
15 private sector jobs were in high wage sectors. This
16 is certainly an encouraging new trend following
17 recovery years in which the bulk of new jobs were in
18 industries not paying high wages. Can you elaborate
19 on this trend, and where these decent paying jobs are
20 coming from?

21 SCOTT STRINGER: Well, some of the long--
22 some of the long-term factors we can't do much about.
23 So for example the high cost of office space in New
24 York City encourages firms to spin off back office
25 operations to lower cost locations. So that

certainly hurts. I mean one thing we can do is to have the deepest most capable labor pool as a way of ensuring our economic--our economic future. And that is something that we continue to work on, and we want to work on with the Council. We have to prepare for a high tech economy and make sure our kids benefit from that. That is why when the Council funded arts education and that partnership with the Mayor, that's not just about art any more. But that's also about entry into the high tech economy. We've got to take advantage of those entry level jobs that pay \$60,000 and \$70,000 a year for entry level work. And we have to spin that across the city, and that is the way we invest. We cannot simply keep our kids in low wage jobs by not providing them the education and the bandwidth to move up the economic ladder. Because at the end of the day, this all about the aspirational goal of getting to the middle class, and the way you do that is by a strong education foundation. Taking advantage of the economic sectors that will--that we will see increase, job growth and also good wages.

CHAIRPERSON FERRERAS-COPELAND: We agree with you. During the May 18th budget hearing, OMB expressed concern that some signs were point towards

the city's economy. I know that you just testified that our economy is strong but we also have, I think--and this is what you do--think about what may be coming down the road. I know you made mention to it, but if you can just clarify it for us for the record. Is the city's economy turning to the worst within the next years. OMB cited weak GDP growth, which you also cited, and flat wages, which you also mentioned in your opening statement. And the current 70-month recovery already exceeding the 60-month average for modern time expansion. So, we're kind of treading waters that we've never seen in modern times. Does your office share the interpretation of the certain economic conditions for harder times, and can you explain why or why or not outside of these elements.

SCOTT STRINGER: Huh?

CHAIRPERSON FERRERAS-COPELAND: What else--what else should we be sensitive to as New Yorkers that this might be a time to save or a time to--?

SCOTT STRINGER: Well, I--listen, I come here today to tell you that, you know, the economy is very strong. And we are seeing increased job growth. Obviously, we're concerned about low-wage--low-wage

workers. But make no mistake, we are in--we are in a good position. Our out year gaps are more than manageable. We have some ideas about that as well. But the challenge for the Council in the Executive is also is--is one of balance and priority. So part of the reason why we argue for more--for more savings within agencies is part of the strategy of increasing our cushion in case we have some very tough times. And unfortunately, as good as I can speak about the budget today or the OMB Director coming to the Council and being--and telling you to be cautious it's because history shows that when--when something bad strikes, it does cost us billions overnight. Whether it's a hurricane, a terrorist attack or something unforeseen. So what I would say, and this is why I think the Mayor has been very prudent in his Preliminary and now his Executive Budget is that while we have a lot of things we need to spend more money on, and clearly there's a lot of people who struggle in this city and need our financial support, it has to be balanced with more of a cushion for tomorrow. More efforts to create savings in agencies. So that we'll have the money for today, but recognizing that we have a very unpredictable

tomorrow. And that is what I think the balance between OMB and the Comptroller's Office should be about in this testimony. It's jus the balance and thinking, not just about the Four-Year Financial Plan, but quite frankly I think now we have to think about the city in terms of where we're going to be, you know, 10, 15, 20 years from now as well. And that's tough when we see right in front of us all the challenges. Sixty thousand people homeless, 25,000 kids in homeless shelters. I'm glad that there's a large investment in that. We need to invest more in education, but through the lens of caution we also have to think about putting away for tomorrow.

CHAIRPERSON FERRERAS-COPELAND: Thank you. We will now hear from Council Member Rodriguez followed by Council Member Wills.

COUNCIL MEMBER RODRIGUEZ: Thank you, Chair. Controller, thank you for your work especially on your report on the MTA. When they came here to testify, you know, as you know, they don't agree with the report. So one of--one of those areas what we addressed with the MTA was about how the city is investing more--how the city is investing more money on the MTA than what it is projected or where

most New Yorkers believe that we do. So they also-- and, of course, we believe with you. We believe that we always see the contribution based on the amount of dollars that we allocate. But we don't add all those contributions that New Yorkers may. When there's a transaction of \$500,000 or more, there is a percentage that we pay in taxes that go to the MTA.

SCOTT STRINGER: Uh-huh.

COUNCIL MEMBER RODRIGUEZ: But also they--they refuse the argument on how much the city have paid for the--to cover the debt of the MTA. Can you elaborate on that one?

SCOTT STRINGER: Sure. We--we offered this analysis because the Chair of the MTA actually had the nerve to send a letter demanding more money for the MTA from the City without ever sending the same letter to the State. So, it got us thinking, you know, let's--let's finally show the public who's paying for what. And what we found is that straphangers pay \$5.3 billion a year at the fare box, but also New York City residents pay about \$4.8 billion in subsidies and fees and other ways that we contribute to the MTA. Fifty cents every time someone get into a taxi. That comes to \$4.8 billion.

That's about \$130 per household on top of your monthly Metro Card. And then for the Chair to come to this Council during budget season, and when asked the question by the Chairwoman, that this guy didn't understand the math behind the report to me shows just what a serious position we're in with the MTA. Especially with the fact that our audits are showing the tracks are dirtier, the trains and buses aren't running on time. And I do think that we New Yorkers have to send a strong message to the MTA. First of all when you come to a Council hearing you respect the council members. And if you didn't understand a report that everyone is citing, then maybe you should get briefed on that report or even read it. Because what we're saying today is something very clear, that we have no problem in this city paying our fair share or even more for the trains to run on time and to have a strong transportation system. But this State agency cannot allow for the State to pay must \$600 million a year in direct subsidy while we're paying close to \$10 billion. Suburban commuters are paying more than their share. Yes, suburban commuters are doing that as well, and who's left off the hook? The State? New Jersey? Connecticut. It's time for

everybody to ante up to have a fully funded MTA Capital Plan and get the trains running throughout our region. This is crucial to our economic job growth. It's crucial to our overall economy, and I know Ydanis you have championed that for many, many years now in your role now as Transportation Chair but we should not let them off the hook.

COUNCIL MEMBER RODRIGUEZ: Thank you. My second question is reopening the budget discussion with the budget director recognizing that in New York City 46% of residents live in poverty, 46%. How can we work together toward--and in this case as you have that opportunity to sit in those advisory board, and work with all those other partners who sit down there making the decision of where to invest our dollars to be sure that we look in those particular circuit [sic] where the majority of those 46% live and be able to bring some incentives and motivation to bring some investments in those particular circuits.

SCOTT STRINGER: One of the tings that we had said, what I have said since I've been Controller is it's time for the City to invest in our communities. [bell] And our--when our Women and Minority Owned Businesses are struggling interacting

with our city agencies, here's the facts: The City spends \$18 billion a year on procurement. We buy paperclips. We buy yellow pads. We hire janitorial services. We law firms and accounting firms, and of that \$18 billion spent, 4% goes to Women and Minority Owned Businesses. That is why I letter graded all the agencies covered under Local Law 1. We gave the city a D because when you only invest 4% in MWBEs and we broke down the spending, Council Member, we're not doing--that is not good enough. And that is why our communities are struggling economically because if these business would be able to access and do business with our city, they would grow their companies, hire locally, and created economic growth in neighborhoods that really struggle. So what I would say, priority number one because raising-- raising the wage to \$15, we have to have a meaningful investment in MWBEs. And quite frankly, we don't need any more studies or analysis because I did it. It's there. You could through that letter graded book that we did and see how much money we spend without the African-American community, the Latino community, the Asian community, how much money we spend with women owned firms. That's how you jump

start this economy. That's how we make investments, and that's what we're going to continue to advocate for, and by the way, we're going to come back with our letter grades in the next few months. And I just want to say because I never want to think that this letter grade is in any way a political document. Because we also even though the Comptroller's Office is not covered under Local Law 1, I did an examination of our spending in our office, \$90 million office, 700 employees. I wanted to know what we were spending with MWBEs in my office, and we gave ourselves a C. And the truth is more effort has to be made to engage the majority of the people who live in our city, and that takes a lot of hard work. And we can't do baby steps any more because we're not going to create economic opportunity without this investment, and the City can do so much to help that.

CHAIRPERSON FERRERAS-COPELAND: Thank you, Council Member Rodriguez. Council Member Wills followed by Council Member Johnson.

COUNCIL MEMBER WILLS: Mr. Comptroller, than you for coming out.

SCOTT STRINGER: Thank you.

COUNCIL MEMBER WILLS: I do want to applaud your work on borough diversity. I think it's needed, and you stepped up, and most people would not step up. With that being said, I have a few questions.

SCOTT STRINGER: Sure.

COUNCIL MEMBER WILLS: Have you did an audit of the efficacy of the ACS UPK programs that we have, the Early Learn, with the new RFPs and the fact that a lot of our centers are--what is it? Hybrid centers now, and we're having a huge problem with a lot of our city funded Early Learn centers being that they're hybrid with Universal Pre-K. A lot of our centers are in danger. Have you looked at that issue?

SCOTT STRINGER: We--we've not announced audits yet on UPK.

COUNCIL MEMBER WILLS: Okay. Can you please--

SCOTT STRINGER: [interposing] I'm still trying to register the contracts.

COUNCIL MEMBER WILLS: Well, yeah, and that's one of the--well, that's the least of the issues going forward. So, I wanted to get into a

couple of issues. This past April the Federal Equal Opportunity--Employment Opportunity Commission, EEOC, was in favor of a 2013 complaint filed on behalf of over a thousand administrative managers represented by CWA 1180, found the city responsible for engaging with pay discrimination towards minority, Black, and Latino women. The decision was based in part of the failure of the Administration to add employees response to the charges in the complaint. EEOC proposed a constant--I'm sorry. My mouth is really dry from medication.

SCOTT STRINGER: It's okay.

COUNCIL MEMBER WILLS: A settlement of \$246 million in back pay and damages, and an increase in salary to \$92,000. If the City failed to tender and offer by April 17th, and enter into this agreement, the issue will be referred to the DOJ. What is the status of the City's response to the April ruling by EEOC? Has it entered into this agreement with the complaints and tender--and tendered an offer?

SCOTT STRINGER: I think that's a question that I would direct to the Mayor's Officer

COUNCIL MEMBER WILLS: Okay. So to your office then with this, in your estimation what impact, fiscal or otherwise, do your settlements in these cases NYPD Police Service Division, the Vulcan Society and others, the actual racist elements of these cases? What implications does the city stand to suffer going forward because of these policies?

SCOTT STRINGER: Well, obviously-- obviously where you see policies that need to change, you change them. And where there's a judge that finds discrimination it behooves the city to move quickly and if damages are allowed, then damages are collected. You know, part of--you know, we're going through a period in this city because of the cases coming out Brooklyn and the good work of Brooklyn D.A. Thompson--

COUNCIL MEMBER WILLS: [interposing]
Right.

SCOTT STRINGER: --we're settling in pre-litigation in our office a lot of these cases balancing the justice for people saying were wrongfully imprisoned taking this example, and also balancing the fisc of the city. And we have to continue to be vigilant pre--we have to continue--we-

1 -we have to learn from our mistakes and fix the
2 system. Because part of what our--part of the tool
3 that we have, you know, there's the clam stat work
4 that we're doing is an early warning system to
5 showcase where claims are coming, and working with
6 different agencies to get them to use that data as a
7 way of preventing something bad from happening. And
8 that is something that we're certainly using in
9 various city agencies. We're working on this in the
10 Comptroller's Office and managing the pre-litigation
11 settlements where we can the cases coming out of
12 Brooklyn. But, my sense is these large settlements
13 are unfortunately going to be with us for a--for
14 awhile longer.

16 COUNCIL MEMBER WILLS: So, if this is
17 going to be a long-term liability, it seems that
18 with--how do you see that affecting our bonds, our
19 ability to get bonds? I mean if the city is seen as
20 having these policies that are causing these types of
21 issues, you don't think that that would affect the
22 fact that people want to invest in your bonds or
23 anything else?

24 SCOTT STRINGER: I--I think--I think
25 that's--I think that rhetoric is a little heated.

COUNCIL MEMBER WILLS: It's not rhetoric.
It's just one man. It's just me and my opinion.

SCOTT STRINGER: Well, I'm saying it's
heated. You are--you have heated rhetoric.

COUNCIL MEMBER WILLS: [laughs]

SCOTT STRINGER: And--and I don't think
that is--from the bondholders that I know, I--I don't
think they're looking at that heated rhetoric. So I
don't think the bonds are in jeopardy. But,
obviously we do have settlements, and we've had some
very serious issues related to discrimination cases.
It is something we should take seriously. Obviously,
any time the city pays out a settlement, it comes
from taxpayer dollars. But also we want to have a
city for everybody, and I think a lot of the work of
this Council and the Mayor and what we're trying to
do in the Comptroller's Office is trying to make the
city accessible for everybody regardless of race or
economic background--status. [bell]

COUNCIL MEMBER WILLS: Okay. I have two
more quick question [bell] but you said that they
rhetoric is heated.

SCOTT STRINGER: Right.

COUNCIL MEMBER WILLS: It seems heated, but what I'm asking you is if these are actual cases, if these are actual findings that there's discrimination going on, when does it get to the point where it's no longer heated rhetoric.

SCOTT STRINGER: [interposing] Well, that's a--

COUNCIL MEMBER WILLS: --and it's actually reality?

SCOTT STRINGER: --that's a--that a different question.

COUNCIL MEMBER WILLS: Okay.

SCOTT STRINGER: I--I--I think that--you asked me and what I can speak to is the integrity of the way we market our bonds.

COUNCIL MEMBER WILLS: No, not--not your integrity in the way you market the bonds. What I'm asking you is if we keep having case after case, after case, after case that is founded that there is discrimination there, then that is going to change the outlook of people outside of New York City and inside of New York City. So at what point does it no longer become heated rhetoric and the reality?

SCOTT STRINGER: You know, I would--I'm not--it's hard to--it's hard to know that except again I think the real issue here is to do everything in our power that--to make sure that we don't have-- that that rhetoric does not get into the discourse around the country. And I--I don't--I don't think it--I don't think it is--

COUNCIL MEMBER WILLS: [off mic] One more question. [on mic] All right, the next question is I know that your office has been willing to work with us on a report that we asked for. What is the financial impact of violent crimes for certain communities? Be it--be it disinvestment or lower property values, et cetera, I wanted to know where we are with that report or do you--can you predict a date of it being published?

SCOTT STRINGER: Well, we're--we're continuing to work with many communities looking at, you know, the impact of violence in our neighborhoods. You know, we will continue to come up with the data that all of you request as quickly as we can. I don't know off hand when we would be able to put something like that out. My sense is it

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2 requires a little more work, and we'll certainly work
3 with you in the coming months.

4 COUNCIL MEMBER WILLIS: No, you're
5 respectful for doing that, [sic] and we really
6 appreciate it.

7 SCOTT STRINGER: Oh, and I want to, and I
8 appreciate you for--for giving us the opportunity to
9 work together.

10 COUNCIL MEMBER WILLIS: Thank you, Madam
11 Chair.

12 CHAIRPERSON FERRERAS-COPELAND: Thank
13 you, Council Member and Council Member Johnson.

14 COUNCIL MEMBER JOHNSON: Mr. Comptroller,
15 good to see you. Thank you for your testimony. You
16 mentioned that--

17 CHAIRPERSON FERRERAS-COPELAND:
18 [interposing] I'm sorry, Council Member, we've also
19 been joined by Council Member Dromm. Go ahead, sir.

20 COUNCIL MEMBER JOHNSON: You mentioned at
21 the end of your testimony that you believed that the
22 \$7.2 billion cushion that we have is still a billion
23 short of what we had prior to the recession, and that
24 you think we need to, of course, save more money.
25 What is the appropriate number? What is a safe

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2 number that we should sock away in case the economy
3 has a downturn?

4 SCOTT STRINGER: So look, there's no--
5 there's no set amount, but just to give you a little
6 context-- In what year?

7 DEPUTY COMMISSIONER MULLIGAN: [off mic]
8 In 2009.

9 SCOTT STRINGER: In 2009, our cushion was
10 \$11.5 billion, and today our cushion is \$7.2 billion.
11 So, we would recommend to the extent possible that we
12 slowly build towards a number closer to \$11.2 rather
13 than what we have now--

14 COUNCIL MEMBER JOHNSON: [interposing]
15 Okay.

16 SCOTT STRINGER: --which I think--which I
17 think is achievable. I come here today to point that
18 out because I know you're dealing with so much
19 pressure to have to meet the needs of priorities that
20 people come to you with. But I just want you to have
21 that number for your own calculation about providing
22 the cushion.

23 COUNCIL MEMBER JOHNSON: Thank you.

24 Crane's reported yesterday that the de Blasio
25 Administration will use extra money to balance the

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2 budget for Fiscal Year 2016. \$3 billion is what
3 Comptroller DiNapoli said, an extra \$3 billion. It's
4 not the same money as the one \$1 billion socked away
5 for the City for a Rainy Day Fund, and it's not the
6 \$2.6 billion that was set aside for City Government
7 Retirees' Healthcare.

8 SCOTT STRINGER: [off mic] Do you this?

9 COUNCIL MEMBER JOHNSON: Do you have any
10 questions surrounding that \$3 billion?

11 SCOTT STRINGER: I'm going to give this
12 to our Deputy Budget Director--

13 COUNCIL MEMBER JOHNSON: [interposing]
14 Okay.

15 SCOTT STRINGER: --to talk to you about
16 the roll.

17 DEPUTY COMMISSIONER MULLIGAN: [off mic]
18 That's--[on mic] Excuse me. That's just--that's just
19 the size of the roll of '15 coming out into '16,
20 right. It's characterized as a surplus, but it's
21 really utilized to balance '16. Right, so it's not
22 extra in the sense it's spoken for in '16. That's
23 the--the difference in the Comptroller's testimony
24 from the--the \$81 billion number and--and this \$78
25 billion.

COUNCIL MEMBER JOHNSON: [interposing]
\$78 billion, how much is--

DEPUTY COMMISSIONER MULLIGAN:
[interposing] So that's--that's really just the roll.
That's a big part of the cushion. That's not all of
the cushion, but, you know, the bigger that number
is, the easier it is to respond to shocks and
downturns.

COUNCIL MEMBER JOHNSON: Okay, I have a
few more questions and I'll try to rifle through
them.

DEPUTY COMMISSIONER MULLIGAN: No, it's
good.

COUNCIL MEMBER JOHNSON: Rikers has been
in the spotlight. You praised in your testimony the
investment on Rikers Island to reduce violence and
get inmates programming and care that they need. The
current provider, Corizon--I asked you about this in
February, but I want to specifically hone in on they
were given an indemnification clause in their
contract. And they have been--there have been 15
preventable deaths under their watch. And the City
is now on the hook for that negligence and that
malpractice. Do you have any concerns regarding the

indemnification clause in a contract--a \$440 million contract.

SCOTT STRINGER: The thing I can tell you now is I know the City is reviewing the contract.

COUNCIL MEMBER JOHNSON: [interposing]
Yes.

SCOTT STRINGER: It's problematic. I know you've taken a leadership role in this. I have serious issues related to Corizon. I do think, yeah, I was at Rikers some months ago touring the facility and meeting with officials, and obviously, we've had to settle claims, you know, claims against the city based, you know, the Murdough case--the Murdough case. And so, we just have to be vigilant there. That's why I praise the Council for investing--the Executive for investing the money. I urge the Council to do all you can to clean it up, but the City is reviewing that contract right now. And I'll certainly report back to you if I know anything.

COUNCIL MEMBER JOHNSON: And I will ask you that depending on whether the contract gets extended or they move it to HHC or whatever else that whatever--whoever the next contract is with we should look into this indemnification clause.

SCOTT STRINGER: Yes.

COUNCIL MEMBER JOHNSON: I want to ask a bit about Claim Stat, which you mentioned.

SCOTT STRINGER: Okay.

COUNCIL MEMBER JOHNSON: All over the city, people trip and fall on sidewalks. Sometimes there's been a defect in the sidewalk. I can tell you that in Chelsea there have been major issues in certain places. And when you go to the Department of Transportation and you ask them about fixing the sidewalk, they say, it's the owner's responsibility of the building to fix the sidewalk. The owner doesn't fix it. They pay the fine. The sidewalk never gets fixed. What do we do in instances like this when people are tripping, falling, suing the City, the owner doesn't make it. They just pay the fine. What--what should we be doing in circumstances like this?

SCOTT STRINGER: Have a hearing.

COUNCIL MEMBER JOHNSON: Have a hearing?

SCOTT STRINGER: Have a hearing. Bring them in because the--the great tool--Claim Stat is a tool for just these issues. So when an agency--when an agency sees claims for the--for something [bell]

that's happening over and over and again, the Claim Stat tool can now show you whether it's Chelsea or East New York where the claims are coming from as it relates to slip and fall, pot holes. All of those issues. You know, we use the example of the Parks Department of tree limbs falling, hurting people and the city has to pay out millions of dollars in claims. But there's a correlation between the claim and the amount of money that we allocate for tree pruning. So it's no accident that tree pruning--tree limb cases went up when the budget eliminated a million dollars in tree pruning. So we should look at the--the Claim Stat as a way of saying, you know, what, in our budget priorities, maybe we should spend more money in this area related to those claims. The problem that I think is challenging is that commissioners have priorities. And when there is a claim an agency with the exception of HHC, which is special, the claim comes out of the general fund, not the DOT budget. Which is why I think we should have more hearings on this because we've got to move the agencies to recognize that part of their responsibility is reducing claims in their agency. Right now, we project the City is going--we're--we're

going to set aside in this budget over \$700 million. Is it \$732? Do we know the exact? I can get you the exact figure. How much. Over \$700 million because we anticipate these claims against the City. If we could reduce them by 10%, well, there's \$70 million that can go to education or the housing or other priorities. So this is a tool that is--we've only had for a year, but I would urge you and your colleagues to--to help us get to the agencies, and work with us. We have a great collaboration with Commissioner Bratton. When did you ever hear of the Police Commissioner and the Comptroller's Office in partnership on anything? And yet, we when we get claims to our office, we immediately send them to Commissioner Bratton because he wants to see the trends in real time in the data. And this partnership is something we could be doing with other agencies.

COUNCIL MEMBER JOHNSON: I want to thank you for your testimony. Thank you for your leadership. And I specifically want to thank you on your analysis related the fees we pay around our pensions and the work that you are doing on that. I think it's incredibly important, and I think you have

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2 done a great job in your office the last year and a
3 half.

4 SCOTT STRINGER: Thank you.

5 COUNCIL MEMBER JOHNSON: Thank you, Madam
6 Chair.

7 CHAIRPERSON FERRERAS-COPELAND: Thank
8 you, Council Member--

9 SCOTT STRINGER: [interposing] Thank you.
10 I just want to say, Council Member, we--we pay--we
11 project that we pay out \$710 million.

12 CHAIRPERSON FERRERAS-COPELAND: Thank
13 you. Council Member Dromm.

14 COUNCIL MEMBER DROMM: Thank you, very
15 much. I'd like to say ditto to that.

16 SCOTT STRINGER: Thank you.

17 COUNCIL MEMBER DROMM: I think you're
18 doing a fantastic job as well.

19 SCOTT STRINGER: Thank you.

20 COUNCIL MEMBER DROMM: I have a question
21 regarding the use of the Smart School Bonds Act money
22 for technology. And as we've spoken about in the
23 past, our schools are not eligible to get iPads or
24 Tablets, and other schools around the State are
25 eligible to get that through that Bond Act funding.

And I'm wondering if we've taken any steps to move toward that goal to be able to acquire those especially for our District 75 students.

SCOTT STRINGER: I'm sorry. I missed it. What were you saying?

COUNCIL MEMBER DROMM: I'm sorry.

SCOTT STRINGER: Just repeat it one more time. I'm sorry, your question.

COUNCIL MEMBER DROMM: The whole thing?

SCOTT STRINGER: Just the middle--the--

COUNCIL MEMBER DROMM: Okay, I--we have seen with our District 75 students assistance with varying devices such as the iPad and such as the Tablets are very productive in--in those environments. Particularly in those environments. And, you know other districts around the state are able to use that funding for this purpose. We're the only ones I think that are not, and I'm wondering if you've taken any action in terms of moving toward that goal to allow us to be able to purchase those iPads.

[background comments]

DEPUTY COMMISSIONER MULLIGAN: [off mic]

I'm not sure that's capital eligible. It depends on the capital eligible. Sometimes laptops are.

SCOTT STRINGER: So, we--we--we haven't yet determined whether this bucket of money would actually make those purchases eligible. Obviously, we're--we're going to be discussing with many council members, yourself included who come to me about revisiting controller directive that would make some of these purchases capital eligible. I'm not there yet. We're beginning to discuss that internally. But I will work with you this year. Whether this bucket of money it eligible or not, I can't tell you today. But we are going to keep our promised in having a discussion about, you know, comptroller directive on what is capital eligible, you know, whether it's, you know Smart Board, you know, iPads and the like.

COUNCIL MEMBER DROMM: So that was king of the point I was trying to make as well is that I-- I do believe that all the districts around the State are able to use that funding specifically to be able to purchase those items. It's just us who cannot do that.

DEPUTY COMMISSIONER MULLIGAN: [off mic]

Stricter rules. [sic]

SCOTT STRINGER: First of all, we--we--we have partly because of our financial crisis, our rules are somewhat, you know, they're definitely more strict. The Comptroller's Office makes them strict, and I'm certainly open to having the conversation.

You can imagine why we're very careful in terms of breaking down small items in the Capital Budget because we--we have inventory quality control and, you know, there have been some issues as--as you know with some abuse. So it's--it's something that I look at cautiously. I would love to have every tool and technology for every child no matter how small. But we're going to need larger discussion about how to inventory. You know, we did an audit in the Department of Education and we found that in just ten locations, the DOE was missing 2,800 computers. Computers. Not Smart Phones. Not iPads. And we found them in closets, unpacked. So one of the things that we'll need from you is that you should bring in DOE, and we should ask them about their inventory controls. How they make purchases. What happened to these computers? What's their plan for

the future. They've agreed to set up that inventory system, but before we go farther, we do need to hear from them. Because if we were to grant them the ability to make these--these tools capital eligible, I would certainly need guarantees that the shenanigans--the shenanigans stop there.

COUNCIL MEMBER DROMM: All right, you used that word shenanigans. I have an Irish background.

SCOTT STRINGER: As--as do I. As you know, as you know.

COUNCIL MEMBER DROMM: And I agree and I saw your report and I--I read the report and I thought it was very--very informative.

SCOTT STRINGER: Thank you.

COUNCIL MEMBER DROMM: When we do question them in hearings on education, they kind of toss it back to your ball court as well.

SCOTT STRINGER: To where?

COUNCIL MEMBER DROMM: To you. When we have our Education Committee hearings here, I have asked them about that. And they kind of say, well, we need to get Comptroller approval. So it's been a back and forth. But we can probably--

2 SCOTT STRINGER: [interposing] Let me
3 say this. But here's the thing that's not the--see
4 that--that is true. They do need to get my approval.
5 What I need from DOE is an inventory plan. I need
6 them to show us that when you--when you take in a
7 computer or an iPad that you know for certain where
8 it is at all times. And we just did an audit that
9 showed 2,800 computers missing in ten locations.
10 They now have agreed to set up an inventory system,
11 which means there hasn't been one. So the only thing
12 I'm saying to you, which will be very helpful, is I
13 would love to come and testify. We'd love to have
14 the DOE procurement officials there. There's a lot
15 of procurement discussion that we're having with the
16 Administration [bell] around DOE. So this is not
17 something that's a big secret. We need to drill down
18 on this because, of course, you--you--you sit with--
19 you go into a classroom. You want to imagine what
20 could be in that classroom, right? All the tools,
21 all the new technology. I worry as Comptroller what
22 is going to be missing from that classroom and who
23 took it.

24 COUNCIL MEMBER DROMM: And I thank you
25 and I get that, and I just want to finally say that

there is a way to track these that they can electronically be tracked if they were to be taken out of where they're supposed to be taken, et cetera. But let's just work on that goal together.

SCOTT STRINGER: Yes.

COUNCIL MEMBER DROMM: Thank you.

SCOTT STRINGER: Thank you, sir.

CHAIRPERSON FERRERAS-COPELAND: We've been joined by Council Member Gibson. Comptroller, the DOF Commissioner testified before you--before us today. He stated that the enforcement of the rule to require survivors of descendants who previously received SCRIE to file a Benefit Takeover Application within 60 days of the--of death was--

LEGAL COUNSEL: [interposing] [off mic]
Was a result.

CHAIRPERSON FERRERAS-COPELAND: Oh, was a result of the Comptroller's audit. Can you elaborate on this and your findings.

SCOTT STRINGER: So they're not following rules, right? So they blame me.

CHAIRPERSON FERRERAS-COPELAND: Right.

SCOTT STRINGER: So, I'm here to tell them if you follow the rules and do your job, right,

then no one is going to get thrown off of SCRIE and other programs. But to come here and say that auditor points out that they're not doing it the right way, right, to me seems silly, evasive and it doesn't get to the point of the audit. What they should have come here and said to you is, you know what, the auditor is right. We have failed. We will put procedures in place to protect people, and that's what they should be thinking about, and I'm glad you asked me the question.

CHAIRPERSON FERRERAS-COPELAND: Great.

So I just--we want to just clarity, and it seems that they are taking a lot of your suggestions into account. And our biggest concern was for them not to go back. You know, obviously they admitted to having found exactly what you found is that they were absolutely wrong. But they wanted to make sure. Our concern is that if people have been on for longer that they're not penal--penalized, but that they are enforcing the law moving forward. And that was very important and I wanted to thank you because you were able to highlight that in your report.

SCOTT STRINGER: And I appreciate that, and look, I also think there's state legislation--

CHAIRPERSON FERRERAS-COPELAND:

[interposing] Yes.

SCOTT STRINGER: --that hopefully will correct this, and--and I do want it corrected. The last bill I passed in the assembly before I left was the enactment of the DRIE program.

CHAIRPERSON FERRERAS-COPELAND: Right.

SCOTT STRINGER: So I take DRIE and SCRIE very seriously, which is why we did the audit and, you know, I just think when they came here today and said, you know, it's because of us, you know, that wasn't exactly accurate.

CHAIRPERSON FERRERAS-COPELAND: Very good Thank you, Comptroller. Thank you for coming---

SCOTT STRINGER: [interposing] Thank you, everybody.

CHAIRPERSON FERRERAS-COPELAND: --to testify before us today.

SCOTT STRINGER: Thank you, Council Member.

CHAIRPERSON FERRERAS-COPELAND: You've been insightful and your audits really are important for us. As you can see, we use them often.

2 SCOTT STRINGER: Thank you, you do.
3 Thank you very much all of you and thanks for the
4 great questions.

5 CHAIRPERSON FERRERAS-COPELAND: Thank
6 you, and we will take a ten-minute break before we
7 begin with the public.

8 [pause]

9 SERGEANT-AT-ARMS: All right, ladies and
10 gentlemen, once again, we ask everyone to keep the
11 middle aisle open, please. Our public testimony will
12 begin in about 10 or 15 minutes so please sit tight.
13 Once we have the room set up presenting seating on
14 the floor for those of you in the balcony that want
15 to sit on the floor, we will let you know if there
16 are seating available.

17 [pause]

18 SERGEANT-AT-ARMS: Ladies and gentlemen,
19 once again, if you could please keep the center aisle
20 open at this time. Please keep the center aisle
21 open.

22 [pause]

23 [background comments and noise]

24 SERGEANT-AT-ARMS: Ladies and gentlemen,
25 your attention, please. Can we keep it down, please.

Keep it down, please. All the folks that need handicap assistance, if you could please make your way up to the front. Ladies and gentlemen, please keep it down for a couple of minutes, please, please. All handicapped, please make your way up to the front.

[pause]

[background comments and noise]

[pause]

SERGEANT-AT-ARMS: Ladies and gentlemen, our public portion is going to begin very shortly. For those of you who just joined us, we ask you to please silence your electronic devices. Any private conversations must be taken outside the Chambers throughout the whole course of the public testimony. We ask everyone to please cooperate. So, once again, if you have an electronic device, please silence it at this time. Any private conversations should be taken outside. And also, no food or beverages allowed in the Chambers. It is strictly prohibited. Thank you.

[pause]

SERGEANT-AT-ARMS: Good afternoon, ladies and gentlemen. May I have your attention please.

Quiet, please. May I have your attention, please.

For those of you that have not been here before,

welcome to the Council Chambers, we are currently

taking--going to be taking testimony shortly from the

public on the Executive Budget for 2016. If you

haven't already done so, you have to fill out a

witness slip. This is how we know we're here. If

you called ahead or you talked to somebody who told

you, you are on some sort of list, make fill you fill

one of these out. Because if you don't fill this out

here, your name will not be called. On this all we

need is your name and who you're representing, and on

the top right corner, you can please write the topic

that you will be testifying on. If you have any

copies of your testimony, hold onto those copies or

any literature that you want to share with the

members. Hold onto that information until your name

is called to testify. When your name is called,

you'll be coming up to this witness table up front to

your left. You will take a seat there. The

Sergeant-at-Arms will ask you for those statements,

and they'll disseminate that information to the

members at that time. This way, they have your

statements right in front of them when you're

speaking. If you have any electronic devices that make noise, telephones and so on, please set them to vibration. It's going to be a long night. We have over 118 people that are signed up to testify. So we'll be here for a while. We'll be here as long as people want to testify. So, you know, we--we're going to get out of here early, but tomorrow early like 3:00 in the morning tomorrow. Anyway, we'll stay here and listen to everybody until we have exhausted our list of witnesses. If you have any questions, just feel free to get the attention of one of the sergeant-at-arms and we'll be more than happy to assist you or try to answer your questions to the best of our ability, or assist you with anything that you may need help with. Thank you so much for your cooperation, and you can continue to speak until we say quite, please.

[pause]

SERGEANT-AT-ARMS: Quiet, please.

CHAIRPERSON FERRERAS-COPELAND: We will now begin the public session of the Council's Fiscal 2016 Executive Budget hearings. As a reminder to all members of the public who wish to testify, please be sure to fill out a witness slip with the sergeant-at-

arms. The public witness panels will be arranged by topic. So please indicate the topic of your testimony on your witness slip. As mentioned earlier, I understand that many seniors or people with disabilities who wish to testify must leave at a certain time. So we will try to accommodate the need by putting you on some of the earlier witness panels. Any seniors or persons with disability who requires this accommodation please note it on your witness slip so we know who you are. For people who cannot testify at today's hearing for any reason, but would like to submit their testimony, you may email your testimony to financetestimony@council.nyc.gov, and the Finance Division staff will make it a part of the official record. Testimonies will be accepted through 5:00 p.m. on Friday, June 12th. Again, you know, we do acknowledge this. We take everything very serious, and we have a list already of testimonies that we've received online. So, with that being said, we're going to call up the panel. As many of you know, we have over 100 people here ready to testify, and I'm very, very happy and eager to hear your testimony with Council Members Chin and Levine. Council members will be coming in and out,

but-- So we're going to have the clock timed for three minutes. I'm going to ask the sergeant-at-arms if you can move the clock back to the other side so that people can see the time. So while they do this, we're going to ask Judith Arroyo, President of Local 436, DC37; Oscar Alvarado, Special Assistant to the President of Local 1549; Americo Santiago, Local 371, DC37, and Josh Barnette, the NYCHA Chapter Chair, Local 375, DC37 to please come up to testify.

[background comments, noise]

CHAIRPERSON FERRERAS-COPELAND: And you are--you will be on a clock, but if there's additional testimony, we will take the entire testimony for the record. Let's just get the clock situation over there and you may start.

[background comments, noise]

CHAIRPERSON FERRERAS-COPELAND: Okay, we're ready? Okay, you may begin.

JUDITH ARROYO: Okay. Good afternoon, Chair Ferreras, members of the Finance Committee and members of the City Council. I am Judith Arroyo, President of Local 436, District Council 37, AFSCME. I represent approximately 1,000 public health nurses and public health epidemiologists who work for the

City of New York. I wish to take this opportunity to address the Department of Health and Mental Hygiene's budget priorities in the 2015 Executive Budget.

While I would like to comment on all of the initiatives and programs mentioned by Commissioner Basset in her May 20th testimony, within my three-minute time limit I wish to concentrate on what was not included in the Commissioner's testimony. I was disappointed not to hear her mention the \$1.7 million needed for the Nurse Family Partnership Program. The Nurse Family Partnership Program is an evidenced-based community health program that serves low-income women pregnant with their first child. It started in 1977 in El Mira, New York and for 37 years it has proven to be an extremely successful program not only throughout the United States but overseas as well.

If you look at the attached documents, you will find a one-page overview of the program. If you turn it over, you will see the dramatic results from the program. You will see a 48% reduction in child abuse and neglect; a 56% reduction in emergency room visits for accidents and poisonings; a 59% reduction in child arrests at age 15. And by the way, that is how Pennsylvania pays for their NFP program. When they

realized there would be a 59% reduction in arrests with teenagers and adults, they actually took money out of building prisons to pay for the NFP. So that's how they made the exchange. So, the statistics prove that this program works. In this day and age when all forms of government watch every penny of tax levy dollars, the Rand Corporation determine that for every dollar spent on the Nurse Family Partnership Program, the return is \$5.70 for high risk populations, and \$2.88 for the entire population served. I strongly encourage you to review the attached documents on this highly successful program and urge you to include the \$1.7 million for the program to continue and expand. I have to make a note here, though, that we wish this money to be used to hire more public health nurses and to expand the programs that now exist in Manhattan and Jamaica as well as in the Bronx and Brooklyn rather than to contract out. That way you can be assured of the fact that the program will be run according to the Nurse Family Partnership visiting guidelines. Thank you for allowing me to testify this morning--this afternoon. I will be pleased to answer any questions you may have.

Good afternoon. My name is Oscar Alvarado and I'm Special Assistant to Local 1549 President Eddie Rodriguez, and I want to thank you for allowing me to testify and for all the past help that you have given to public health. Local 1549 represents 4,500 clerical and administrative employees at the New York City Health and Hospital Corporation, and its public HMO Metro Plus. The cost of providing necessary quality services to the public continues to outpace this public assistance cost of care and income. HHC's plan for the next year includes the reduction of 1,000 more staff. In addition, the city wants HHC to find \$300 million in savings. This is like demanding blood from a stone since HHC is already extremely understaffed. HHC already has an extremely low administrative overhead. Where will these savings come from? HHC is a key to making healthcare more accessible especially in areas where the greatest disparities in healthcare exist and, therefore, should be expanded not contracted. A New York Post article last year spoke about the excessive tax dollars received by large hospitals with high paid CEOs who do not service anywhere near the number of poor patients that HHC does. The

article speaks to the need to support HHC and its mission to treat all those who come to its doors. Yet, the HHC continues on a mission to privatize. There are at least 500 private temps performing clerical duties in HHC. That represents over 10% of the clerical workforce. We also saw continued moves to privatize dialysis and appointment call center responsibilities. We believe that this compromise the quality of work performed and patient confidentiality. The dialysis in Lincoln Hospital Call Center privatization attempts were stopped for now. However, private call centers are still being utilized in some HHC networks. Call centers not privatized do have private temp agency employees work in them. Private temp agency employees are still being utilized in patient care areas. It is important to think that private non-vetted temporary employees have access--have access to patients' medical record numbers and other insurance information. What guarantees are there against fraud and HIPAA violations? The City is proposing to spend more than \$16 million on building community health partnership clinics in the next three years. This is wise, but the Union believes based on past history

that those grants will be privately run and set being run by HHC. The City Council provided funding to expand these clinics a few years ago with public tax dollars, but they are private clinics not staffed with public employees. We believe that public tax dollars should not be used to build private healthcare institutions while HHC continues to bleed. The City Council should inquire as to who will run these clinics and make sure they are run by the city or HHC. To highlight the differences between privatization and public health--and public health, one has to look no further than Rikers Island's contract with the city for health services fiasco. At one time, the agency was the main vehicle delivering healthcare to prisoners with great outcomes. The private contract has been a waste of taxpayer dollars and proven to be bad for prisoners' health. In 1979, the city tax levy dollars provided 33% of HHC's funding. Now, it is below 10%. This was curtailed courtesy of Mayor Giuliani who tried to privatize and destroy the public system. The city has a better than \$1 bill surplus budgeted as reserves. The money is there for public health investment is the will. In the 2016 Budget we're

asking for increased city tax levy funding for HHC public health. The City and HHC to decrease privatizing HHC's staffing and services and hire civil servants, and funding for community health clinics should be for public facilities, not private gain. Thank you.

JOSHUA BARNETT: Good afternoon. My name is Joshua Barnett. I'm a member of Local 375 Civil Service Technical Guild, DC37 and AFSCME. I'm also currently employed as an architect in New York City Housing Authority Capital Projects Division that approves the work for the Boston Housing Authority. I'm here to express my concern over several proposal in the NYCHA portion of the City Budget very similar to what my union brothers and sisters just expressed about HHC. There are positive aspects to Next Generation NYCHA plan as was worked out by Mayor de Blasio and two other agencies on recycling and improved services. However, too much of the plan based on city money is based on balancing the budget on the backs of residents and staff. We know that NYCHA is direly underfunded. With the ongoing operating shortfall and with a backlog of \$18 billion in capital repairs, something needs to be done. And

that if we can fill the ongoing shortfall from Washington. So it is gratifying to finally see the city and Albany stepping up to the plate after years of neglect and direly needed funding. But as outlined in the plan especially regarding the city money, the proposed cuts in staffing, raising rents and parking fees, cutting social services and developing NYCHA land are very disconcerting when the waste in outsourcing at NYCHA go virtually unaddressed. There were over 15,000 NYCHA in the 1990s. We are down to 11,000 now and the plan calls for losing 1,000 more. We've lost almost 25% of our employees including field staff and groundskeepers and skills trades. We're working with a skeleton staff and we can't take additional cuts. The two-year ration [sic] from deferred maintenance is one of the factors that led to the decline and destruction of public housing in cities like Chicago, St. Louis, Newark and New Orleans, and we cannot let that happen here. And the 1,000 proposed in the city plan to be shifted to other agencies doesn't address the issue of the need to cut NYCHA's management. When I started working for NYCHA in 1998, there were 440 people in my department in the construction with technical titles

such as architect and engineer. We're down to 265, but the number of managers has actually increased. In Capital Projects there are more deputy directors than we can count, but only one person handling fire hazardous material abatement projects. We have more managers watching fewer workers, and the Next Generation Plan doesn't address that. Much more importantly, as my sister and brother just stated, the plan doesn't address the incredible amount of money NYCHA spends on private consultants and contracting firms. Many public agencies long ago drank the for-profit Kool-Aid that the private sector is somehow more efficient and cost-effective than hiring and keeping experienced staff. Despite repeated evidence that privatization and outsourcing invariably leads to more money paid for less service, it is ironic that just days after the city announced the plan to in-source vital services, NYCHA is moving in the opposite direction. NYCHA has outsourced private construction management firms since 2004 with no audit. If you go on the NYCHA telephone directory and hit "consultant" a hundred people will come up. Design services for the recent cap--allocation

capital money is all being outsourced and we need to address this issue. Thanks very much.

AMERICO SANTIAGO: Good afternoon, Chair Ferreras, Council people, people on staff and every one present. My name is Americo Santiago and I'm representing SEIU Local 37, President Anthony Wells and the over 18,000 that are represented by us. First and foremost, as President Wells would say, NYCHA is more than brick and mortar. As a union SEIU Local 371 vows to stand firm in its effort to protect the jobs of its members. But we will also fight to ensure the clients served by our membership continue to receive the best services. Several years ago, this union sat in these chambers battling to keep the current community and senior centers open. Back then NYCHA's executive staff joined by an entourage of upper management painted a Picasso of an idea regarding the operation of these facilities, and they used the budget cut decision as an excuse to outsource the work. DYCD and DFTA were placed in the forefront of city agencies capable of running better programs than the loyal municipal workers at the selected sites. Their inability to substantiate this claim was echoed at yesterday's Council meeting when

they again confirmed that they never conducted any evaluations on the current programs in any of the 57 NYCHA run facilities nor the sponsor sites taken over by the aforementioned agencies both of which are funded by this Council. Just this morning NYCHA met with the staff members who will be affected by the closure or outsourcing of these facilities to talk about what the plan looks like. Now, this plan is scheduled to take place June 30th of 2015, which is 20 days away. How can these individuals decide whether to stay at the remaining sites based on the seniority or choose the right City agency to work at in such a short period of time? Now, when the Administration was asked why they were informed at the last minute, staff were told oh, the agency wishes to keep all the facilities open, but their budget runs out after June 30th of 2015. A budget completely taken care of by the Council for the past several years. Outsourcing vital needs in communities already suffering from the lack of quality programs and removing tenured city employees empathetic to the client's needs will only ensure the demise of these communities. What will the residents do when sponsors refuse to operate a cooling site

during a heat emergency? Who will open up in the middle of the night when the sponsors again do not feel it's part of their responsibility to make such accommodations for the residents in NYCHA. Sponsored programs with the primary concern of acquiring the funding necessary to keep their non-profit operational by just maintaining their numbers up in order to do so. And what happens to the senior only developments that have a senior center in it and it's scheduled to close? Many of these sponsors do not even meet the current New York State mandated requirements to school age programs. So who's reviewing their credentials? The New York City Housing Authority's approach to fixing this grave situation they're in via the Next Generation Proposal emulates how they have managed their repairs. It will get done in the next how many months, years or whenever. If we do not take care of today's generation, then there will be no next generation. NYCHA's history had been to formulate a plan that sounds great and hope that nobody realizes that they've never followed up on it. They are consistent with being unreliable, and residents know that this is one of the things that they can truly depend on.

As for the Administration, the development of the Next Generation was created not only to preserve public housing, however, to fulfill the Mayor's affordable housing agenda. Affordable to who? The proposal is filled with uncertainties, and many questions left unanswered by its developers.

CHAIRPERSON FERRERAS-COPELAND: I'm sorry to cut you please wrap up your statement.

AMERICO SANTIAGO: Definitely can. We'd like to say in closing by saying that the sponsors cannot do a better job than our city employees and they'll never be able to. These loyal employees in the centers, Family Services, resident engagement, citywide programs and other departments within NYCHA are the mortar that keeps the hundreds of thousands of brick living in NYCHA in clean, safe and connected environment. They are the extended family of the residents in NYCHA preserving the ideal of a village raising the children. Thank you and we ask that the Council funds these sites, and request that the current municipal workers continue to run them.

CHAIRPERSON FERRERAS-COPELAND: Thank you very much for your testimony, and in many cases you're exactly where we are, and it's about pushing

back on the Administration. So thank you very much for coming to testify, and making your voices a part of the--a part of the public record. Now, we will hear from Kim Bealy--Berry, DC1707 AFSME; Mabel Everett, DC1707 AFSME; Ernest Logan, CSA: Jean Claude--Cla--Calixite from the Trans--Amalgamated Transit Union.

[background comments]

CHAIRPERSON FERRERAS-COPELAND: And just so that we have the next panel in queue so that we can get this moving even faster, the next panel will be Mike Wong, Local 1321 DC37; Eileen Muller, President of Local 1482, DC37; Valentin Colon, President of Local 1930, DC37; and Marty Needelman, Brooklyn Legal Aid. You may begin your testimony.

MABEL EVERETT: [off mic] Good afternoon, my name is.

SERGEANT-AT-ARMS: Push the button.

MABEL EVERETT: [on mic] It's with a heavy heart that I'm here testifying today. My name is Mabel Everett. I am the President of Local Day-- of Local 205, the Employees of Daycare with Council-- District Council 1707. It's a heavy--oh, excuse me. I want to first thank the Council for allowing me to

1 speak, and to thank the Council for saving 60 public
2 daycare centers during the Bloomberg Administration
3 using the Council discretionary's fund. These were
4 alert actions that thousands of daycare parents,
5 advocates and employees will never forget. But,
6 indeed, this Administration is continuing the closing
7 daycare centers. They are vital centers that remain
8 the heartbeat of many of these communities. Many
9 have come from--you know, we usually have a list, but
10 I know earlier the Council had spoke of many of the
11 things that I had here on my list. And with the time
12 and the number of people that's here, I just want to
13 thank you for doing that, having our concerns. I
14 just want to add a few comments. In your testimony
15 earlier, you had stated that there were 14 centers,
16 but there's 20 that's in areas that either didn't get
17 to RFP or because of leasing they were not picked up.
18 The other one that you had spoke about earlier was
19 the fact that you had asked them about were there
20 anyway that anyone can grieve it or find out why they
21 didn't get the RFP. Because in the past when they
22 didn't get it, there was never no questions asked so
23 we didn't have anyway of knowing. These discretion--
24 60 discretionary centers they ran fine for the last
25

two years. We hadn't had any problems, but it seems like we thought that they were going to be based in and ACS went right back and put out the RFP. We're asking you to look into this, and conduct an investigation to find if we can have some extended time. Because many of the centers were sent out letters six months ago and some were not. So the parents are quite concerned. Come June 30th these parents may not have anywhere to take their children. Thank you.

KIMBERLY BERRY: [off mic] Good afternoon. [on mic] Good afternoon. My name is Kimberly Berry. I'm the Director of Daycare and Head Start from District Council 1707. I'm--it's my pleasure to come before you today. Thank you for having us. On behalf of the Executive Director and District Council 1707, Victoria Mitchell and the Council Executive Board, I welcome the opportunity to speak to the City Council. [coughs] Long--long-time and dedicated centers across the city are being forced to shut down for various of reasons. But because these centers are vital to the poor and working families, it does not get the attention it should in the press. Because these are the children

of the poor and working families, these closing are largely ignored. Because the employees of these centers are predominantly women with many being women of color and heads of families, they are ignored to the extent that more than 50% do not have the healthcare they received three years while very little have been written about it. The fact that these employees have not had raises in 10 years there is no public outcry. The fact--the fact that many of these children--these childcare workers make less than \$50 per hour, should I tell them to change careers? District Council 1707 was highly critical--critical of the previous administration before and after the implement of Early Learn. Before Early Learn being--began sucking the life out of public center-based daycare centers, New York City had large--had the largest most comprehensive public childcare system in the nation. Children had excellent service in all five boroughs that was safe, affordable, and quality early education that provided parents the opportunity to work and feel secure that their children were being prepared to enter public school. Currently, ACS is preparing to close around 20 daycare centers starting this month. They are

being closed for a multitude of reasons including the closing of 12 long-term centers due to the sketchy RFP process that even members of the Council rightfully question. Each Early Learn was devised to lower the City's investments in our children. It was designed to reduce the number of children served-- served, reduce the wages and benefits of employees-- to reduce the number of programs and to reduce the reimbursement rate to vendors making too many programs incapable of providing quality care. If the City Council can convey this to the Administration, our children will be educated and successful. Thank you.

SERGEANT-AT-ARMS: Quiet please.

JEAN CLAUDE CALIXITE: Yes. Good afternoon Chairman--Chair Ferreras-Copeland members of the Committee on Finance. I thank you for this opportunity to testify as related to the Fiscal Year 2016 Executive Budget of the City of New York. My name is Jean Claude Calixite, and I am the Financial Security-Treasurer of Local 1181 of Amalgamated Transit Union. Local 1181 represents thousands of school bus drivers and matrons who transport and care for our city's most vulnerable school children each

day. These drivers and matrons take pride in the work they're doing, transporting our city's most precious cargo. While working in Local 1181 I spend everyday negotiating terms and conditions of employment on behalf of these workers that allow them to live, work and retire in dignity with the best pay and benefits. The Bloomberg Administration decimated this entire industry of hardworking dedicated experienced men and women who tirelessly work to safely transport New York City kids with well school children. [coughs] Mayor Bloomberg targeted these men and women, forcing many to lose their jobs and by forcing others to take stock, salary and benefit cuts and effectively rendering them unable to support their own family often time after many, many years on the jobs faithfully serving the city's children. All in the name of unusually for master cut excessive spending. This union has approximately 3,000 members, almost all of whom work with children with special needs. The result of certain drastic loss of members and cut in pay, and benefits, have been challenging for our union. But the impact has also been felt all around our city as 90% of our members are New York City residents. The economic ripple

effect of people out of work, and making less than they need to support their families can be devastating for working families and communities. Just as troubling, the loss of jobs by these thousand of individuals, that means the loss of qualified, experienced and skilled workforce to whom we entrust the safe transport of our children. To our distrust Bloomberg struggled. The City Council has been a stalwart ally to Local 1181 and the thousand of drivers and matron it represent. We continue to thank you for your expedited work in responding to our needs on this extremely important matters. But I came to relieve their strain and financial pressure this has placed on workers and their ability to support their families as a result the past Administration's action. As a stop gap immediate relief measure, Intro 449 and Local Law 444 of 2014 has been a tremendous success establishing a great program for families affected by the unnecessary and poorly planned administration-

CHAIRPERSON FERRERAS-COPELAND:

[interposing] Mr. Calixiite, I hate to cut you off, but if you can just wrap it up, please.

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2 JEAN CLAUDE CALIXITE: Yes, thank you.

3 Yeah, and poorly planned admission or the Employee

4 Protection Provision, EPP, by supplementing wages and

5 benefits. Since this law was enacted more than 1,200

6 employees--

7 CHAIRPERSON FERRERAS-COPELAND:

8 [interposing] Thank you, Mr. Calixite. Understand

9 like you have like 30 seconds.

10 JEAN CLAUDE CALIXITE: All right, thank

11 you.

12 CHAIRPERSON FERRERAS-COPELAND: All

13 right. Thank you.

14 JEAN CLAUDE CALIXITE: Thank you for your

15 time.

16 CHAIRPERSON FERRERAS-COPELAND: Of

17 course. Thank you and I guess like Ernest Logan

18 isn't here yet. So someone is if here for Ernest.

19 Thank you very much for coming to testify before us

20 and your full statement will be admitted into the

21 record. Thank you.

22 JEAN CLAUDE CALIXITE: All right, thank

23 you.

24 CHAIRPERSON FERRERAS-COPELAND: I'll call

25 up the next panel, whom I have already called. I

just wanted to take this opportunity to acknowledge that one of our unit heads in the Finance Division was assaulted earlier this morning, Paul Stromm [sp?]. So he is now home and recovering, but know that you are in our prayers, and we acknowledge you. I know that this was an important day because it's the day of our final finance hearing, but Paul we're thinking of you and wish you a speedy recovery. Thank you. So our next--our current panel is Marty Needelman, Valentin Colon, Eileen Muller and Michael Wong. And the next panel so that you can get ready is Fran Schulas [sp?], Matthew Joseph, Kenneth Mulligan and Ralph Pallarino. You may begin your testimony.

[pause]

MARTY NEEDELMAN: My name is Marty Needelman and I'm Co--I'm Co-Executive Director and Chief Counsel at Brooklyn Legal Services Corporation A, also known as Brooklyn A. I want to thank you for your past support, and I'm here to urge you to continue to allow us to be recipients of critical funding via the local, the City Council local initiative item. The services that we provide are vital to many of your and our constituents especially

long-term residents threatened with displacement from their homes. We have a long history of providing high quality free legal services in non-criminal matters to low and middle-income tenants, homeowners, community based organizations, community development corporations, daycare and senior citizen centers. Work prevents homelessness and preserves and expands the availability of affordable housing providing security and economic stability to Brooklyn residents. Through our programs, we address the system problems facing our communities by providing a combination of full legal representation, brief advice services, legal education and advocacy to vulnerable low-income populations including the working poor, the unemployed, individuals with disabilities, seniors, immigrants and families in crisis. For over 47 years Brooklyn A has been at the forefront of preserving affordable housing. Over the past year, our legal representation and advocacy impacted the lives of over 25,000 Brooklyn residents. We helped maintain the affordability of 830 units of housing and supported the development over new units of affordable housing. Given the current crisis of affordability of housing in New York City, ongoing

gentrification of our districts, and the resulting huge displacement pressure on our residents, our services are unfortunately needed more than ever. And our accomplishments show that we are well positioned to continue this vital work. As we continue the dialogue about preserving affordable housing in New York City, it is crucial that the counsel support this legal work done in close collaboration with the community partners who also need Council and City support. I urge you to support Brooklyn A through our local initiative of the City Council to help support and expand the vital work we do in our communities, and thanks again for your prior support.

VALENTIN COLON: Good afternoon. My name is Valentin Colon. I'm the president of the Local 1930, and on behalf of my colleagues, Cuthbert Dickenson the President of Local 374, John Hyslop, President of Local 1321, Eileen Muller, President of Local 1382 and my colleague Michael Wong, who is also from local 1321. I want to thank the City Council for giving me this opportunity and for us to be here to speak about the need for increasing funding for New York City's libraries. New York City's libraries

are a paragon of efficiencies. We serve millions of people, provide millions of programs. We circulate millions of books and materials all with record low staffing levels. However, this library funding model is unsustainable. The more we offer, the more people come, but sadly the more we have to turn away. New York City has an incredible need for library services and we cannot provide them because we do not have the necessary financial resources for a world class library system like ours. As representatives of public service, staff of the three systems, we hear our members exhaustion, stress and frustration. We have branches with one librarian and 100 kids. How is that fair to the children and parents who rely on our services. We have branches where every old computer and printer breaks and we have only a handful of computer technicians who can repair them, and that happens system wide. How does that help our patrons? It doesn't. People stand outside our branches to use a free Wi-Fi because the branches are closed. How does that help a student trying to do their homework? It doesn't. To help our members relieve stress and provide better services, the locals, our parent union DC37 work in an

unprecedented alliance with the three library systems, and community groups to advocate for and additional \$65 million increase in operating funds. We did this because the increased funding is the only way we can meet our patrons needs, and alleviate the pressure and exhaustion of our members. \$65 million equals more staff, more public service hours helping every New York City resident. Yes, our motivation is self-serving. However, that self interest serves the greater good of our city. New York City libraries are--and our millions of patrons need \$65 million not \$30 million not \$20 million and not the Mayor's baseline figure. We need the full \$65 million. The Mayor has repeatedly stated that he'd baseline our operating funds. What he has done for us noteworthy and it has not been done in decades. [bell] However, this proposal continues a seven-year trend for a library budget, and that has forced the libraries to cut front line staff by another 27. I need to get that piece out because that's a big thing. We've lost 27% of the staff of front line workers. It doesn't meet the libraries, unions and City Council's goal to increase hours and six-day

service. If we get less than 65, we will not have enough staff for the six stations.

EILEEN MULLER: Well, for efficiency, that was our testimony, all three of us. So thank you very much.

CHAIRPERSON FERRERAS-COPELAND: Good. I would have given you an extra minutes. Okay. [laughter] Thank you very much and the rest of the New Yorkers who are sitting here, thank you also. Again, Ralph Palladino, Kenneth Mulligan, Matthew Joseph and Fran Schaloss--Schloss [sp?]. [background comments] And just for time and expedience, the next panel will be Joe Puleo, President of Local 983, Roger Murray, Marilyn Saviola, and Udene Murray.

[pause]

FRAN SCHLOSS: Good afternoon, Chair Ferreras and Members of the Finance Committee. My name is Fran Schloss and I am President of DC 37 Local 1757. Local 1757 represents, assesses, appraises and housing development specialists. To my left is Matthew Joseph, Vice President of Local 1757. I am going to speak with regard to the critical need for hiring of more assessors, and assistant assessors as an integral part of the budget of the Department

of Finance for the coming fiscal year. The dearth of these professionals within the ranks of the Department of Finance Property Division is one of the leading causes of the continuation of uncollected revenue. Assessors are responsible for overseeing the valuation of approximately one million, fifty thousand properties within the City of New York. Based on the value of a property, taxes are levied and money collected. In part, the revenue collected from the real property assessments provide for the services that the residents of the city rely upon such as police, fire and sanitation departments. It in part supports the school system and the city's infrastructure. The New York State Real Property Tax Law reads that only New York City assessors that are state certified or those individuals in the process of becoming certified assessors can assess real property. To date, however, the assessment process continues to be handed over to modelers. The city is losing revenue from its 703,000 Tax Class 1 properties that comprise one, two and three-family homes. The Department of Finance now depends upon questionable computer models instead of hiring the number of assessors necessary to provide for fair and

equitable assessments regarding Tax Class 1 properties. Modelers, however, cannot even pretend to inspect these one, two and three-family homes. The capital improvements such as the gutting of the interior of the entire house, the addition of another level or the digging out of the basement. Modelers are assessors. Legally, therefore, as per the New York City Charter Section 1521, they cannot enter a property and inspect it for evaluation purposes. They, therefore, cannot formulate an accurate property value. For many instances an accurate market value pivots on the findings of a physical inspection. Typically, a capital improvement contributes to the value of a property. Forty-five percent of that value, if it were to be timely acknowledged, would be taxable. If assessors were out in the field walking a geographic area that was manageable in size, they would be picking up capital improvements that were filed with the Department of Buildings and even those that were not. Modelers value Tax Class 1 properties by regression analysis. Regression analysis, however, according to the International Association of Assessing Offices is to be used as a benchmark, and to as a means to

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2 determine a definitive value. There are over 253,000
3 parcels that comprise income producing tax cluster
4 properties. We know them as apartment buildings.
5 Criticism of the GIM method evaluation of properties
6 brought back the use of capitalization rates through
7 2011 assessment roles. Going back to basics for this
8 tax class is now sustained by the hiring of--

9 CHAIRPERSON FERRERAS-COPELAND:

10 [interposing] I hate to cut you off by I really have
11 queue of over a hundred people. So, I would
12 appreciate--

13 FRAN SCHLOSS: That have little--I'll
14 just finish this--that have little or no experience
15 analyzing income and expense statements. They are
16 mandatory submissions that we are losing money. They
17 low value properties when these properties should
18 valued at a higher rate.

19 CHAIRPERSON FERRERAS-COPELAND: Thank
20 you. Duly noted. Thank you. You may begin your
21 testimony.

22 [background comments]

23 KENNETH MULLIGAN: Good afternoon. I'd
24 like to thank the Finance Committee for the
25 opportunity to testify in front of the City Hall for

Local 1549. My name is Kenneth Mulligan. I'm Assistant Director of the Clerical Division. Accompanied with me is Council Representative Nathaniel Hurt, who also covers correction for all the clerical and administrative employees in Local 1549 throughout the five boroughs. Local 1549 represents over 16,000 clerical and administrative employees in New York City including over 140 in the Department of Corrections. The titles are--the titles that we represent at clerical associate, cashiers, correctional aids and also paralegals. We would like to thank this Council for advocating for funding for civilianization projects of the 100 clerical positions in the Department of Corrections for the 2016 Executive Budget. At District Council 37 and Local 1549, we estimate there are over 300 jobs in the Department of Corrections that can be civilianized. For example, correction officers function as secretaries to the wardens and the deputy wardens. Correction officers performing timekeeping responsibilities, cashiers, clerical administrative responsibilities. We feel that this will be the job in the function of Local 1549, the job that they took--the were vetted for and they actually took the

exam for. In support of our theory, we'd like to--in support of our theory, we gave you a list of the areas and the number of correction officers who are performing primarily correctional response-- correctional responsibilities. In addition, we submitted a step three grievance hearing officer background after the work that the correction officer was doing, which was actually clerical work. To talk about the numbers, currently the cost of a five-year incumbent correction officer including benefits is \$84,263. The cost of a correctional aid or an administrative aid is \$51,658 including the benefits. The difference between a correction officer and a clerical administrative aid is estimated at \$33,395 per assignment. You multiply that times 100 positions, you get--you get \$3,300,000 and--you get \$3,339,000. This don't add up, and that don't include the 10% in the bargaining plan for correction officers. As partners in productivity and efficiency, we can save money for this great city. We could save money for not just the correction officer--not just for the Department of Correction and not just for the city but for the taxpayers of the city. We are only 1% of the--of the personnel

population in corrections, and I'm quite sure you need more than 1% to actually do the clerical and administrative responsibility in corrections especially when you're dealing with so much going on. So we want to meet as partners in productivity and efficiency and we look at being--we look at working with you in the future. I have the rest of my testimony. That's why I'm talking so fast.

CHAIRPERSON FERRERAS-COPELAND: We have the full testimony here, but we appreciate it.

RALPH PALLADINO: Good day. Ralph Palladino, Second Vice President, Local 1549. I'm testifying on NYPD civilianization. Of course, that means uniformed employees who are able bodied sitting at desks doing routine clerical work like payroll, filing, answering phone and roll call among other tasks. The City Council estimates that at the end of last year there were 667 positions at the NYPD. We want to thank the City Council for advocating for 200 more positions this year. Last year you won and fought for 200 positions last year. We say that before police officers are hired and city tax dollars are misused, that 500 positions should be civilianized first. We agree with the fact that

there should be 1,200 more police offices on the street. Our members want community policing. They want to be protected by the police. That is not the issue, but in terms of saving money, \$30 million a year could be saved if the 500 positions were civilianized. That money could be used for the Health and Hospital Corporation that's going broke. That money could be used for libraries. That money could be used for the disabled, et cetera instead of being thrown away. We won three arbitrations on this, and the last administration and this administration has not moved fast enough on doing it. The last speaker before the public hearing, the City Controller said he wants--he wanted to see agency efficiencies, investments, savings compounded in future years. That's what civilianization does. We can have--it would support community policing. It would create jobs for New Yorkers that need jobs. When we talked about jobs before, how about 500 city jobs? What is wrong with that? They are taxpayers like all of our members would be, are. They would be taxpayers, too, and that would, in turn, help the city finances. And the final thing is that the city and the NYPD says that it's training issues and

budget issues. Well, training for payroll and all that other stuff is a civil service position. Our members know how to do it, and they could be trained, and the budget issue could be settled right here and now by June 30th. There's a surplus and this is a cost saving issue. So we can have safer streets. We can have more jobs in communities that need them, okay, and we can save tax dollars by doing this. This year it needs to get finished. Thank you very much, by the way. [applause]

CHAIRPERSON FERRERAS-COPELAND: Okay, than you.

SERGEANT-AT-ARMS: Quiet, please.

CHAIRPERSON FERRERAS-COPELAND: So in this kind--this Chamber, we are--we don't applaud, but you can do this. This means you're applauding.

RALPH PALLADINO: [laughs]

CHAIRPERSON FERRERAS-COPELAND: So this is--it's okay.. It's all right. I didn't state the rules so you got one on me. And Ray, I just wanted for a full disclosure my mother was one of those D37 1549 members, but during the Giuliani administration was removed out of NYPD when they were undoing civilization. So, to see that now here daughter sits

here as Finance Chair and, you know, is advocating to be able to give someone else an opportunity to have a stable job, I think speaks volumes. I know you're very frustrated, but [speaks Spanish]. We're in this together.

RALPH PALLADINO: Yes.

CHAIRPERSON FERRERAS-COPELAND: I just wanted to make sure.

RALPH PALLADINO: [off mic] So, we are for sure.

CHAIRPERSON FERRERAS-COPELAND: Okay, just wanted to make sure. Okay, just wanted to make sure.

RALPH PALLADINO: [off mic] We're still good.

CHAIRPERSON FERRERAS-COPELAND: I know, I know. But we are pushing back. We're engaged fully. This is something that we take very seriously, and we agree with you 100%, and we're hoping to get there way before June 30th.

RALPH PALLADINO: It takes two to Tango in the budget.

2 CHAIRPERSON FERRERAS-COPELAND: That's
3 right, but we're not doing the budget dance. We
4 don't Tango any more with the administration.

5 RALPH PALLADINO: Oh, yeah, yeah.

6 CHAIRPERSON FERRERAS-COPELAND: We did
7 not. We don't dance. There's no dancing here. All
8 right. Thank you very much for your testimony, and
9 we will call up the next panel. Oh, I'm sorry.
10 Roger Murray and Joe Puleo and then we will have
11 because I know you all want to testify together.
12 We're just getting--Udene Murray, if I'm saying that
13 right, and Marilyn Saviola. You may begin. You may
14 come to the panel. And then the next panel following
15 this one is Fern Zagor, CEO of the Staten Island
16 Mental Health Funding. Marion [sic] Lyons,
17 Independent Care Maintenance--Maintenance? See she
18 didn't say where. Kathy McFadden and Ashley
19 Blackwood. Hello.

20 JOE PULEO: Hello. Good afternoon. My
21 name is Joe Puleo. I'm President of Local 983. I'd
22 like to begin by thanking the City Council for
23 earmarking the Parks Enforcement Officers. For the
24 first time in many, many years we have 80 additional
25 officers that are earmarked from last year. That

means we didn't lose anybody, and hopefully we won't lose anybody in the future. But as you know, we need a lot more and Madam Chair, in your district, Flushing Meadow Park, you know, nowhere is it more apparent that we need Parks Enforcement Officers. I was there a few weeks ago. The PEP officers are overwhelmed. You know, there's--there's not enough to say the least, and now that summer is approaching, all of those officers that are there, will be deployed. They will be on the beaches. They will be in the pools. So that means that we will actually have less PEP officers this summer when needed most. We have 240 tax levied [sic] PEP officers. That is not enough. It doesn't go near. We need to go back to previous budgeting ideals like One Percent for Parks because half a percent really doesn't cut it. And even more unfortunate are the playground associates who--who we don't have that we lost from last year's budget. We lost maintenance workers in parks. You know, we don't have them, you know, and they're very crucial. We lost gardeners. We don't have them in this budget. So we do need to put more emphasis on putting money there. Don't forget the parks are the places where people go, the elderly go

there, our children go there. They have to be maintained. They have to be safe. We cannot allow these parks to be overtaken. As you know, crime is on the rise. Crime is on the rise throughout the city and we don't want to go back to 1990 statistics, right. Okay, that's basically all. I'll give my time to these people. Thank you.

MARILYN SAVOLIA: Thank you, everyone for the opportunity to speak to Council. What we're talking today about is access to healthcare for people with physical disabilities particularly women. The CDC more than 20 years ago said that women with physical disabilities were an under-served--frankly under-served population. But, yet, when we talk about access to care, what do we talk about? We talk about money, being insured or under-insured. That's anything by access. But being by access is going to a place where I can get on a table for pelvic exam. My friends in college can where we get in and get a mammogram done, and not be turned away because cost more or not be told by a hospital in the city that people like me can't come here. I should go someplace else because I cost too much or take too much time. And the Americans with Disabilities is 25

years old this year. There is no further accessible healthcare system in the State let alone New York City, and several years ago we approached the Council at an oversight hearing, which Finance Chair chaired at that time, and also Council Member Arroyo, and what we talked about was not being available. You know not being able to get care and that the equipment and hospitals were not accessible, nor were people trained that with all the medical schools in New York City not one had curriculum including people with disabilities. And as a result of that, the City Council put \$15 million--\$2.5 million in their budget to start working with HHC to make the HHC facilities the Women's Health Program in them accessible.

[coughs] Excuse me. And unfortunately, only got the first year of funding and the second year was full because of Sandy. Now, this year our City Council through the Health Committee's act for \$15 million they set aside for HHC to continue with the work we began. We surveyed eight facilities. Right now we have three HHC facilities up and functioning and three coming along. These are not ADA compliant because even if tomorrow you mandated to me that September 1st everything had to be ADA compliant it

2 wouldn't happen. It costs too much. But what we're
3 doing with HHC is going in and seeing what--what
4 changes can be made, what can we do? The tables are a
5 though in that, get rooms are large enough or get
6 accessible weight scales and [bell] we've begun to do
7 this but there's no money for us to continue this
8 program with working with HHC because of this. And
9 as the 25th anniversary, this is the year that we
10 really make everything accessible in the city of New
11 York but it's not. It has a long way to go. Rather
12 than talking, I'm going to ask some of the women that
13 have benefitted from the program to tell you their
14 stories. One of our--one of our mentors was unable
15 to stay, and that was Catherine McFadden. So Udene
16 is going to go and then Nicole Mila who's the program
17 director will go.

18 UDENE MURRAY: Good afternoon. My name
19 is Udene Murray. I live in Brooklyn with my husband
20 Bernard. We just celebrated our 40 year anniversary
21 in March and I have three children and two
22 grandchildren. I have multiple sclerosis. I was
23 diagnosed in the year 2000. As a young woman, I
24 attended classes in institution technology and I
25 worked in the fashion industry. Later I worked for

more than 20 years a medical billing in Methodist.

[sic] I loved my job, but in 2009 my condition

deteriorated to the point that I was not able to work

and stopped--I had to stop working. It's very

important for me to get breast cancer--it was very

important for me to get breast cancer screening and

gynecological exams. I was 24 years old and I found

the lump--I found a lump in my right breast. I had a

lumpectomy. I found the lump myself when I went to

the bathroom. That was in 1978. At that time, a

woman my age was not give mammograms. I had to fight

to get an appointment and then to get diagnosed. And

when even once I was diagnosed my insurance would

not pay for the test. I had to pay for it--for the

mammography myself. Later in life I had thyroid

cancer, and my thyroid was removed. Having cancer at

such a young age I've been very diligent about

getting screenings and gynecological exams. But my

MS Progressed to the point that I could no longer

control the movements of my legs. This became a

terrible ordeal. Once I began using a wheelchair, I

experienced negative exasperated attitude from the

staff at the hospital radiology unit where I went for

my mammogram. They were not trained to work with

women in my condition with physical disability and they acted very inappropriately treating me like I had no right to be there. It was also very difficult physically because the equipment was not accessible. My aid had to lift me up, and then leave me trying to standing on for dear life the mammography machine, which was not designed for women--for men. When I was told, the staff--when I told the staff about it, about the mammography service needs, they said, Oh, we're working on it. The last time I went to the hospital and tried to hold onto it myself to get a mammogram, I fell down. I was supposed to go back in April for an appointment, but I didn't. I didn't keep my appointment. [bell] I just get to wondering why, you know, these things keep happening. The machine was not designed for people like me. But that was not the worst experience that happened to me. I had a gynecological exam by a doctor and she treated me so bad. She forced my legs into the stirrup and forced the equipment into me, and she made me bleed so bad, and that was the worst thing that ever happened to me. If it wasn't for the ICS Women's Program, the way they treated me and took care of me. They made me go to a doctor at the HHC

Woodhull Hospital where they had the best treatment there for me. And as I mentioned, I want to tell you as bas it has been being--to get a mammogram since I've been using a wheelchair, to go to the gynecologist was much worse. When I went to the gynecologist in March, I had no control of my legs. The doctor acted out. I could not do this any more. I'm sorry it's taking so long.

CHAIRPERSON FERRERAS-COPELAND: I know. I just need to have you wrap your--your testimony, please.

UDENE MURRAY: Okay. I would just say, okay. What I went through between one hospital and the other was night and day, but no one have to go through what I went through the misery of the pain and humiliation, to have to be from one doctor to the other and not having the right equipment and not having the correct equipment. Thank you so much.

CHAIRPERSON FERRERAS-COPELAND: Thank you very much for your testimony. As you know, this is something that we've taken very seriously, and I'm looking to advocate for. We've questioned HHC on this topic, and we recognize that this budget should reflect the rights for everyone regardless of your

ability or not to get proper care. So we're in the fight with you together. I know we have the UFT that's before us to testify.

[background comments]

RICH MANTELL: Hi. My name is Rich Mantell. I'm the Vice President of the Middle Schools for the UFT. On behalf of our members and our 1.6--1.1 million students we serve, it's a privilege to come before you to discuss the 2016 budget as it relates to our schools. I want to thank Chairwoman Ferreras and the other members of the Council for your advocacy on support of our schools, our school communities. Thank to you, our schools are better for it. So we're moving forward in a new era now. We have new initiatives such as Pros where teachers and administrators design and implement programs that meet the unique requirements or needs of their school populations. There is new dedicated time for professional development and newly created leadership positions that empower educators to improve their skills. There is new parent engagement time, and it strengthens that school to home connection. Perhaps more importantly the struggling schools otherwise know as the renewal schools are

finally getting the resources and the support they need. I just want to talk about a few other things now. Teachers know best what supplies will make the biggest impact on their students' achievements. And teachers think of different lesson plans and ways to innovate projects that will help their students learn and grow. Unfortunately, a lot of these resources are not available to teachers, and that is where a program called Teacher's Choice comes in. When teachers have the freedom to purchase their own materials they can address the critical needs and accomplish the amazing work in the classroom. We encourage the members of the Council to visit our website and read some of the hundreds of stories. Actually, everybody should read it. Some of the hundreds of stories about teachers and other educators have used Teacher's Choice to enhance classroom learning. Teachers spent almost \$600 on supplies last year. I mean that's a lot of money. Some folks spend more than a thousand dollars to buy supplies for their own classroom because they can't get it from their employer. We're asking the City Council and the Mayor to fully restore the Teacher's Choice program to help our teachers and our students.

We have community schools, and they remain one of the most beneficial initiatives supporting our schools, and this movement continues to grow in larger part because of the Mayor's strong leadership on this issue. These schools give teachers and administrators a host of additional tools to help our students and thrive. They can strengthen entire communities by addressing the needs of children and their families in a holistic manner. CLS, Community Learning Schools is built on close partnerships with non-profit organization, public agencies, business and community school networks that all share common goals. They create programs such as mentoring. They have tutoring, food and wellness programs, vision and dental health, and physical and mental services. We now have more than two dozen schools in this program that we are expanding. This year we hope to secure-- [bell] I'm almost done--a million dollars from the Council to develop a program that will align mental health services with the needs of the various community schools. Our community schools have found that one of the top needs identified by both parents and teachers is to provide mental health for our students. And just one final thing, there's no

denying the fact that smaller class size provides students with more individual attention. Unfortunately, according to a recent Mayor's Management Report for Fiscal Year '15, 31% of students in elementary and middle schools are 44% of high school students are in buildings where enrollment exceeds capacity, but enrollment still continues to increase. The Capital Plan as it currently reads will meet less than half the projected need and we urge the Council and the Mayor to consider doubling the number of seats allocated in the Capital Plan. So, in wrapping up, I just want to say we have a great opportunity now to use the budget to strengthen our schools--

CHAIRPERSON FERRERAS-COPELAND: I hate to be disrespectful, but you wrapped up twice. [laughs]

RICH MANTELL: This is my real wrap up.

CHAIRPERSON FERRERAS-COPELAND: Okay.

RICH MANTELL: That was my preliminary wrap up.

CHAIRPERSON FERRERAS-COPELAND: Okay, we just have a long day.

RICH MANTELL: I'm done. I'm done for the day.

1 COMMITTEE ON FINANCE

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2 CHAIRPERSON FERRERAS-COPELAND: Thank you
3 so very much.

4 RICH MANTELL: Thank you and--

5 CHAIRPERSON FERRERAS-COPELAND:
6 [interposing] Okay.

7 RICH MANTELL: --look forward to working
8 with you.

9 CHAIRPERSON FERRERAS-COPELAND: Good,
10 good. I have a question. On PEP Officers, do you
11 have a projected ideal number? Because I know we're
12 kind of going back and forth?

13 JOE PULEO: Well, I could tell you this,
14 back in the early '90s, we had 450 and we were able
15 to have 24-hour patrols in all the boroughs.

16 CHAIRPERSON FERRERAS-COPELAND: 450.

17 JOE PULEO: Now, that--that is not, you
18 know, a solution. You know what I mean. That is a
19 bare minimal of what I feel that we should have.

20 CHAIRPERSON FERRERAS-COPELAND: Right,
21 but that would be back to at least a more stable--

22 JOE PULEO: Exactly.

23 CHAIRPERSON FERRERAS-COPELAND: --
24 workforce. [sic]

25

2 JOE PULEO: Again, we're seeing crime on
3 the rise, you know, what I mean? It's apparent.
4 It's everywhere and we don't want our parks to be
5 overtaken like they once were in the '80s. So I
6 think the minimum, the bare minimum would be about
7 450. And again, we cannot forget what happens in the
8 summer at the beaches and the pools--

9 CHAIRPERSON FERRERAS-COPELAND:
10 [interposing] Right, of course.

11 JOE PULEO: --become the priority.

12 CHAIRPERSON FERRERAS-COPELAND: Of
13 course.

14 JOE PULEO: Again I know you're for us,
15 and I know and Mark Levine--

16 CHAIRPERSON FERRERAS-COPELAND:
17 [interposing] Right

18 JOE PULEO: --and Commissioner Michael,
19 and I know it's not your fault, but actually Mayor's
20 budget was less this year in the parks than it was
21 before in the previous administration. So again, I
22 thank you for it, but it's not--it's not enough.

23 CHAIRPERSON FERRERAS-COPELAND: Okay,
24 thank you very much. Thank you for coming to
25 testify. We will call up the next panel. Much

appreciated. Ashley Blackwood, Cathy McFadden, Marion Lyon and Fern Zagon. Sorry if I'm like literally-- Zagon.

FERN ZAGOR: [off mic] Zagor.

CHAIRPERSON FERRERAS-COPELAND: Oh, Zagor. Sorry. My last name is Ferreras. I've heard it all and the next panel will be Andrea Vanay [sp?], Roberta Haines, Rebecca Russell-Fennell, and Suki Taroda Ports [sp?] will be the next panel. So if you can make your way to the--your left, my right.

[pause]

ASHLEY BLACKWOOD: Okay. My name is Ashley Blackwood. I'm a member of ICS, a member of ICS. I'm active at ICS. I also do jewelry, knitting and crocheting, but what really got me to ICS when the woman's program came forward I refused to go to a doctor for incidents that I had. I'm not even going to read this because it's too much. [laughs] I had problems with the doctors, with mammograms, you know, they didn't want to help. Like they said, they wasn't trained, and with ICS they had people to go with us, nurses to sit out there to help us and did a lot. My mother, father, family members too many of them. We have breast cancer, colon cancer, you know,

because cancer runs in my family, and at the age that we go now to take these mammogram tests is late. I found a lump. It was benign I think it was. Right now my arm is--and I suffer breast cancer now. It's a lot. GYN I refused to go, but they found--I went to Morrisania, and Dr. Phillips go up and down. I'm able to get on them. I'm able to get off. I cannot stand up for long periods of time because I got hurt at my job. I'm a maintenance engineer, compactor didn't fit me, I'm down, but that don't keep me down. ICS has helped me. They have helped me into a lot of the women's programs where I'm capable of doing a lot of things for me. And I want to thank you for listening to my testimony.

CHAIRPERSON FERRERAS-COPELAND: [off mic]
Thank you for your testimony. Don't cry. Thank you.

ASHLEY BLACKWOOD: I'm not [laughs]

NICOLE MYLAN: [off mic] Yes you are.

ASHLEY BLACKWOOD: Not this time.

NICOLE MYLAN: [off mic] My name is
Nicole Mylan. I'm the Director of the Women's Health
Program at ICS and I am testifying for Katherine
McFadden, who was not able to stay due to
transportation issues. Access-A-Ride mainly.

[laughs] My name is Katherine McFadden. I'm 48 years old. In 2000, I was diagnosed with Multiple Sclerosis. I was born in the Bronx and live there all my life. My parents were both blind and from the age of 14 I had to stop--until I had to stop working at 33, I worked at Vision Services for the Blind. Cancer runs in my family. My daughter was diagnosed with cancer when she was just 14. She's now been cancer free for four years, and recently received a full scholarship to attend NYU. Because of my family history, I've always believed it's best to know as soon as possible if you have cancer so that you can get help. In 2003, I went for my first mammogram, but the only option for having the test was to stand at the machine. I was very weak and could not stand so I never went back. After about 2007, I also stopped going for gynecological exams for five years because the experience was so hard. In April of 2013, I did finally go back because I was experiencing pain and I was scared and worried about my health. That was very hard. My legs were weak because of the MS and I could not get my legs into the stirrup on the exam table. When it was lifted in the foot on my weaker side kept falling down. It was

not a good exam or a good experience. This spring I was able to get a gynecological exam and also get my first mammogram in 12 years through HHC's partnership with the ICS Health Access Program for Women with Physical Disabilities. This was at Morrisania Diagnostic and Treatment Center in the Bronx. When I went for the gynecological exam it was wonderful. The table lowered. It had stirrups where my entire leg went in so I was stable and felt secure. I didn't have to worry about a leg that I have no control over falling out. The doctor was patient and kind and was able to a proper and thorough exam, which was such a relief to me. The mammogram was great. They lowered the equipment and the nurse helped me position myself and held my back to stabilize me. They found some shadows so this month I'm going for a breast sonogram just to confirm that I don't have cancer. I kept asking myself what if I never went what might happen to me? Whether or not someone is an ICS member, these services should be accessible. Everyone should be able to go to a doctor. Thank you.

ANNA MARTINEZ: Hi. Good afternoon. My name is Anna Martinez. I'm the Program Coordinator

at ICS for the Women's Health Program. I'm going to be reading Marion Lyon's testimony today for her.

Good afternoon. My name is Marion Lyons. I'm 52 years old and I have an 18-year-old son. I have a degree in broadcast communications and serve as the welcome sergeant at the Army's Manhattan Citadel in East Harlem. I am also a former Paralympian who won a silver medal for the United States in the 1984 summer games, discus throw competition. I've always been a strong independent person, but because I have a disability for many years I have been unable to get basic health services that many people are able to take for granted. I had cerebral palsy since birth, and my main symptom is severe spasticity. I've been to gynecological offices that didn't have an adjustable exam table. I had to struggle to get out of my wheelchair and climb onto the table, which is not safe at all. I've had gynecological exams where they did not take a sample of my cervical cells because they lacked the equipment and expertise to work with me. So I just had to worry whether I had cancer or a precancerous condition. Once I had a mammogram at a hospital where they knew I had a wheelchair. I told them when I made the appointment.

When I got there, they told me I couldn't bring it into the exam room. So I had to get up and hold onto the wall and aids arm to get into the room. Since I am unable to stand on my own, they couldn't get a clear picture so I had to go back, which scared me and cost more money. For many years, I just stopped trying. It was so difficult and upsetting. I never really felt confident that I was getting a valid exam. My experience in the ICS Women's Program has been like night and day. Through the ICS partnership with the Breast Examination Center of Harlem, I was finally able to get a mammogram I felt confident in. This center has chairs that people with disabilities can use for mammography if our wheelchair is too big or the arms don't come off. In my case, one side of my body has more spasticity than the other side, which makes it difficult to get a good reading. When I went to the Breast Cancer Center, they suggested I use their chair and guess what? They were able to see everything. What a difference. What I learned from this was that even with a disability if you have the right equipment and technicians are trained, you can have a perfect exam [bell] instead of being left wondering whether you have cancer. I also have had a

gynecologic exam through the ICS Program. The gynecologist was wonderful. She was patient, and I got a real exam for the first time in many years. The whole experience was not only successful from a medical perspective, it was amazing to be treated so respectfully. When I had a spasm, the doctor held my legs.

CHAIRPERSON FERRERAS-COPELAND:

[interposing] I'm sorry. I'm going to have to ask you to wrap it up.

ANNA MARTINEZ: Okay. The ICS Program is very important, but this kind of care should be available to all women with disabilities.

CHAIRPERSON FERRERAS-COPELAND: Thank you.

ANNA MARTINEZ: One of my dear friends who had a disability developed breast cancer and by the time she found out, it was too late. Nobody should have to die because they can't get screenings and early treatment. Thank you.

CHAIRPERSON FERRERAS-COPELAND: Thank you. You may begin your testimony. We're going to do this for you over here. I'm going to do this right here.

[pause]

FERN ZAGOR: Start again. Hi, I'm Fern Zagor. I'm the CEO of the Staten Island Medical Health Society and thank you for this opportunity to address you today. Just quickly about the society, we are a critical not-for-profit service provider offering services at 21 locations throughout the borough. We've been serving the borough for 120 years, and we're the go-to agency for children and families on Staten Island. We're the only agency that's licensed to provide mental health, substance abuse and developmental disability services, and we offer award winning early childhood UPK Head Start programs. We serve 6,000 children and their families every year. In past years, the society has requested funding from the City Council for a number of programs and the--the Council has been generous enough to provide those services--services that we couldn't get in any other way. We've been experiencing tremendous loss in our funding due to the Medicaid reform. And so the City Council dollars have been absolutely necessary. Last year, most of the programs being funded by the City Council were baselined in the budget for city departments, DOHMH

and ACS for us. This approach was welcomed by the society and other CBOs throughout the city because it was assumed that we would receive a contract from the oversight agency and, therefore, would not have to submit an annual request to the City Council. This would in turn lead to security and sustainability of these much needed and well used programs. However, this approach has had unintentional consequences. It's backfired. The baseline funding is not being used as originally intended. Apparently, the city departments have chosen not to renew this funding for the existing programs as the City Council had intended. Rather, they are using the increase in their budgets for new program initiatives. Programs offered in communities for years will no longer have the funding to operate. Therefore, we at the Society were forced again to seek funding from the Council to maintain the critical services we provide on Staten Island. Without City Council discretionary funding, these services will disappear. We have through our City Council Member Debbie Rose we have our Court Involved Youth and Cease Fire Programs. We have Head Start Programs, developmental disabilities programs, Teen Center and Under Five. But we are particularly

concerned about our Dongan Hills Head Start Program. Our program site is dependent on City Council discretionary dollars and it has been baselined. It holds a special place in our hearts and in our history. It is the oldest Head Start program in the country. Fifty years ago, Lyndon Johnson's War on Poverty was launched. Its expectation was to give opportunity to education to the neediest of our society. For 50 years we have proven success. We are about to close that program because the discretionary dollars coming from ACS have ended. We've already given layoff notices, and our families who have been--who have been impacted by Hurricane Sandy, will be providing additional services are no longer going to get that program. Thank you.

CHAIRPERSON FERRERAS-COPELAND: Thank you very much for your testimony. Thank you to all. We're going to call up our next panel. Andrea Vanay, Suki Toreda Ports, Rebecca Russell Fennel, and Robert Haynes. And the following panel after that will be Emanuel Youssef, Doris Gervada, Kit Fong Li, and Raul Gamara--Gamara.

[background comments, pause]

COUNCIL MEMBER JOHNSON: You may begin in any order that you'd like. Just make sure the mic is turned on.

[background comments]

ANDREA VANAY: Good afternoon. My afternoon. My name is Andrea Vanay, and I am a Live On New York Senior Advocate from Forest Hills. The Live On New York senior program--advocator program educates and trains older adults to be leaders in their communities on vital policy issues. We firmly believe that seniors deserve our fair share of city funding. I'm here with my colleagues who also had presentations to make. Thank you very much to Chairwoman Ferreras and to the City Council for the opportunity to testify today. Live On New York is dedicated to making New York a better place to age, and is made up over 100 members who service over 30--300,000 older New Yorkers annually within an array of community based services including transportation, multi-service senior centers, congregate and home delivered meals, elder abuse, affordable senior housings with services, case management, NORCs and other services intended to support older New Yorkers. Live On New York's goal is to help all New Yorkers

age with confidence, grace and vitality.

Specifically, I am here to speak about two issues out of several that affect older adults, families and loved ones, case management and caregiver supports.

Regarding case management, I also represent seniors who are not able to be here today to speak for themselves. Homebound and elderly people most of

whom are 85 and older isolated and need case

management. Most case management clients are one

fall away from a crisis. Case managers also help

family members who need help caring for their

parents, spouses and loved ones. \$3 million will

help serve seniors on waiting lists and lower

caseload sizes. Another important issue that affects

older adults and loved ones is caregiving. Access to

affordable elder care is the workforce issue of the

21st Century especially for women. In New York State

family members taking care of elderly parents, of

which I was one, spouses, parents, partners and

others provide \$32 billion of free care to the State,

but they need help. Many leave the workforce or have

problems on their job due to taking care of loved

ones, and then do not have funds for when they

retire. With a growing population of older adults,

this need will continue to grow. \$3 million in new funding would provide services to the caregiver such as information about services, counseling and support groups and respite care, getting a break to work or do other things. Thank you again for the opportunity to testify today. Please ensure that seniors get our fair share of city funding.

COUNCIL MEMBER JOHNSON: Thank you very much.

REBECCA RUSSELL-FENNELL: Good afternoon. My name is Rebecca Russell-Fennell. I thank you for the opportunity to present you with an issue of great importance to the William F. Ryan Community Health Center. Today, I hope to impress on you the urgency of extending the Infant Mortality Reduction Initiative for Fiscal Year 2016. Though we understand that the Department of Health has a new vision for this initiative, as of July 1st there will be numerous communities throughout the city that will abruptly lose vital services. It's imperative that vulnerable mothers and infants not be made to suffer because of the late release of the Breast Feeding and Family Planning RFP and its restrictive zoning measures. By giving agencies that have relied upon

this funding for many years an opportunity to seek other sources of capital, as well as a window of opportunity to fashion any necessary staff or programmatic transitions, we'll better be able to continue serving the clients and communities that need us. We at the Ryan Center have a recipient of IMI funding since 2005, and we now stand to lose over \$43,000 annually from the termination this grant. This year alone IMI has allowed us to provide 170 case management visits for high risk pregnant women including connecting them to additional healthcare services and social services and providing intensive breast feeding training for both pregnant and postpartum women. These services are critical given the large disparities that exist in the infant mortality rate in New York City. In 2013, for example, the infant mortality rate among white infants in New York City was a relatively low three per 1,000 live births. But it was 8.3 among African-Americans; 4.8 among Puerto Ricans and 4.3 among other Hispanics. And in high poverty neighborhoods, the rate was 5.2. The Ryan Center is located in the Upper West Side and we primarily serve clients from the Upper West Side, Harlem, Manhattanville,

Morningside Heights and Hamilton Heights. And in 2013, over 80% of our patients were living under the Federal Poverty Level with 90% at or below 200%. Over half of our patients are Latino; 27% African-American. Over 20% of our patients in 2013 were uninsured, and over a quarter required translation services. The Ryan Center is just one of many IMI funded agencies that has been successfully reaching the medically underserved in high-risk communities. An extension for IMI funding for Fiscal Year 2016 would allow for a more calculated and seamless transition not just for these agencies, but for these communities that we're really proud to serve. So I thank you for your time and for your consideration.

COUNCIL MEMBER JOHNSON: Thank you for your testimony.

REBECCA HAYES: Okay. Thank you very much. Good afternoon, honorable members of the Finance Committee, the Mayor's Office and the New York City Council. My name is Roberta Hayes. I represent the Children's Cord Blood Bank, a public charity located in New York City, which is trying to raise awareness for the need to save babies' umbilical cords to provide treatment options for

children and adults with blood cancers and genetic illnesses. Having access to a public free umbilical cord blood stem cell donation program and parent education programs should be every parent's right in all states including New York. Right now, it's only available in approximately ten states. Despite the fact that the New York City Legislature passed a law that says the physician should discuss cord blood options with pregnant women and their families, not all boroughs of New York City and not all hospitals can offer parents the public donation option. Either a parent must pay for private cord blood banking for their child and family's sole use only, which can be cost-prohibitive. Or, the cord blood unit is discarded as medical waste instead of being made available to thousands of children and adults with leukemia, sickle cell and over 70 different diseases. Adults' umbilical cord stem cells from the cord blood is used for transplantation. It is FDA approved, non-embryonic and non-invasive, and is fast for passing bone marrow donation for the treatment of leukemia, lymphoma and myeloma, especially in children. These diseases have been on the rise in New York City especially since 9/11 and in first

responders. Community members are often much more likely to be a genetic match when family members are not available or do not match. And core blood stem cells are less likely to attack the host recipient, which is why they're important for children. We have accumulated over 3,000 signatures on a petition to support greater access to public blood banking in New York City area hospitals, 85% of which now are now currently served by a public cord blood program. Parents want to be able to donate their child's cord blood to help save lives. Like bone marrow, cord blood must be genetically matched to a recipient. Less than 20% of children of color will receive a match if one is not available in their family. New York City areas hospitals deliver over 90,000 babies per year. But less than 5% of the cord blood units are saved. Having an additional public umbilical cord blood bank in New York City is critical. It would be an investment in the health of all New Yorkers. It would increase jobs and spur medical treatments using cord blood transplants for regenerative medicine and save healthcare costs. Clinical trials using cord blood stem cells are used to treat heart damage, trauma, post-birth decline

with cerebral palsy, diabetes and vascular disease, to name a few. Everyday seven children will die in the United States from cancer. [bell] That's one very 3-1/2 hours. New York City must be willing to take the lead in this cause, and to rectify this disparity of healthcare benefits. Thank you.

COUNCIL MEMBER JOHNSON: Thank you very much.

EMANUEL YOUSEFF: Good afternoon. My name is Emanuel Youssef. I'm here today to talk about elder abuse prevention. I'm from Hope of Israel Senior Citizen Center in the Bronx. Also, I am a Live On New York Advocator. I'm here--I want to thank you the Chairwoman Ferreras and Margaret Chin for your leadership and continued support. I am here to speak on behalf elder abuse victims. Elder abuse is a hidden crisis throughout New York City that's very real that's very real. As statistics finds that right now we are here today--as we are here today, over 120,000 elderly people here in New York City are victims of elder abuse. Another statistic estimate that elder abuse crimes are costing the state billions of dollars annually. Many victims do not report the abuses to the police, social workers or

health professionals. Elder abuse prevention programs work. Elder abuse providers offer clinical social work, counseling, case management, support groups, legal assistance in family and criminal courts, secure identity forms [sic], and allocate-- require locks, gates, alarms for clients as needed. Apply for benefits and entitlements, conduct training enriched programs to educate community groups to identify outreach points to potential signs of elder abuse. We are pleased that the city added \$2 million for elder abuse victims services last year with approximately 1,000 elder persons seen annually, the Department of Aging, Elder Abuse Providers Network, and number that will continue to rise. We urge City Council to also continue the \$1 million City Council funded last year to reach even for that, and to the communities to address this hidden crisis. Another important issue that will--that will have a enormous positive impact on seniors and their families in providing \$9 million in funding for social workers and senior centers and senior house and buildings. Senior centers serve [bell] thousands of seniors,. many of the immigrants, citywide everyday. For over 15 years, we have been asking for funding for social

workers and senior centers who help seniors to get benefits, addressing egregious and concerning issues.

COUNCIL MEMBER JOHN: Sir, I'm going to have to ask you to wrap it up.

EMANUEL YOUSEFF: Thank you very much for your support, and you will be there and you will be happy you did the right thing. Thank you.

COUNCIL MEMBER JOHNSON: Thank you very much, sir. Thank you for being here to testify today. Thank you all very much. [laughter] SO up next is Yuly [sp?] Richardson, Doris Guevara, Kit Fong Li, and Raul Gamara.

FEMALE SPEAKER: [off mic] Raul Gamara left.

COUNCIL MEMBER JOHNSON: Raul Gamara left, okay.

MALE SPEAKER: Better move here.

COUNCIL MEMBER JOHNSON: Okay, Mary Cartenia. Is Mary Cartenia?

FEMALE SPEAKER: [off mic] She left.

COUNCIL MEMBER JOHNSON: She left as well? Okay. Joseph Sang. Bobby, did Joseph leave? Oh, no, here he comes. Okay, great. So those are the folks now. Let me read the folks that are going

to be on deck. On deck Mary Haviland, Christopher Bromson, Jeffrey Chin, and Joshell Mar--Mel--Guererro. Hopefully, I said it right. Okay, good. Great. You may begin in whatever order you'd like. Make sure the mic is on and you have three minutes. Thank you.

DORIS GUEVARA: Am I off.

[background comments]

SERGEANT-AT-ARMS: No, it's on.

DORIS GUEVARA: Oh, sorry. [laughs] My name is Doris Guevara. [sic] I am from Sunnyside Community Center in Sunnyside, Queens. I am also a Live On New York Senior Advocator and I advocate for the senior for services, our fair share of city funds. Thank you very much, everybody Ms. Chairman Ferreras and you and everybody because of for the opportunity to testify today. We know that the senior center has provided groundbreaking opportunity to older adults citywide and around many different programs. There are currently 16 senior centers. All of these are in the neighborhoods with many immigrants. Funding assistance senior centers and to know what the senior centers deliver, we bring an additional social society to improve the health

treatment and nutrition and other needs of the Sunnyside of their daily immigrants. We are asking for \$2 million for the senior centers in neighborhood with many immigrants. Another problem is that we have seniors at the communities is ESL and citizenship classes in senior centers. With a growing number of elderly immigrants attending senior centers in the city, it is time to bring the funding back. We request \$1 million to fund a ESL program and to bring these seniors out of isolation. Thank you again for the opportunity to testify today. Please ensure that seniors get--get our fair share of the city. Thank you.

COUNCIL MEMBER JOHNSON: Thank you for your testimony. So someone can take the microphone and to-- Mr. Sang, than you.

JOSEPH SANG: All right, thank you. Good afternoon. My name is Joseph Sang. I will be 75 years old in September, and I have a strong compulsion to speak out on the budgeting process that is currently in session. I've worked over 33 years in industry, and served three years in the United States Army and the Army Reserves, and I have paid my federal and New York State taxes faithfully to

support all the programs of each of the prior mayoral administration. I find the current budgeting directed at reducing funds for seniors very disappointing and somewhat unfair. Now, having successfully raised three kids through college, cared for my parents until they passed away and with father at age 99 years and 11 months all without public assistance. And now, with time on my hands I have the fortunate opportunity to attend probably one of the best senior centers, Amico Senior Center, which provide myself and wife daily ability to stay socially and mentally engaged, which is very important for us seniors so that we don't prematurely be institutionalized and being a burden to society. We seniors have build the city to where it is today, and then to find out that a budgeting process is trying to reduce funds for senior programs like the Premier Reimbursement and not provided senior center staff members cost of living adjustments for over ten years is quite irresponsible. It has been clearly noted that the senior population will be rapidly growing in the future years, and cutting funds for seniors makes no sense. I hereby publicly request that the funding for seniors be maximized and that

other programs be reduced in light of all the sacrifices and contributions that we seniors have already made. I thank the committee--thank this committee for allowing me to testify today, and it's my hope that my suggestions and comments will be responsibly considered.

COUNCIL MEMBER JOHNSON: Mr. Sang, you know, we're supposed to be honest here at the Council, and I don't believe that you're 75 years old. [laughter] I guess the--the key to--the key to looking good being a senior is being a senior in New York City because I don't believe any of the folks age when they stay here. Thank you for your testimony.

COUNCIL MEMBER CHIN: Council Member Johnson, the secret to them being so fit and healthy is because they go to the senior centers, and that's why we need more funding for them. [applause]

COUNCIL MEMBER JOHNSON: That would--we coordinate--

COUNCIL MEMBER CHIN: [interposing] And Mr. Sang is also a photographer, an artist. See, he keeps himself mentally alert.

COUNCIL MEMBER JOHNSON: We coordinated that. That was a set up so Margaret could say that. [laughter] Okay, up next. Thank you.

KIT FONG LI: Good afternoon. My name is Mrs. Kit Fong Li and I am from Hamilton Madison House City Hall Senior Center in Manhattan. I am a Live On New York Senior Advocate, and I am advocating that seniors deserve their fair share of city funding. Thank you very much to Chairwoman Ferreras, Councilwoman Margaret Chin and to the City Council for the opportunity to testify today. Many seniors at my senior center rely on senior center meals and home delivered meals as our main costs of food. Senior centers and Meals on the Wheels provider only get \$2.45 per meal to pay for all the food. This is not enough as price of food keeps going up. \$3.3 million more in funding is needed for senior centers to provide nutritious meals, and improve the cultural force of seniors. Thank you to the Administration for adding \$1.8 million in additional funding preventing waiting list for Meals on Wheels. We also want to thank City Council for rewriting the sixth weekend meal program last year, which have previously had been eliminated at \$500,000. Many seniors need

the meal to take home from their senior center for the weekend because it is hard for us to cook, and it helps to make sure seniors get the nutrition they need. NORCs needs a total of \$4 million in funding so no NORCs will have to close--to close that. Plus \$1.5 million for more NORCs programs in New York City Housing Authority buildings. The NORCs in my community have had hundreds of added seniors. The staff helps seniors if they have problems with document paperwork and receiving benefits, getting to the doctor. And there are volunteers keeping an eye on neighbors to make sure [bell] they are okay. We have exercise classes, health screening and other important programs right where we live. NORCs benefit the entire community. Thank you.

YULY RICHARDSON: Dear City Council leaders and members, ladies and gentlemen, hello, my name is Yuly Richardson. I'm an ESOL instructor at IndoChina Sino-American Community Center. It is my pleasure to speak at this hearing on behalf of the IndoChina Sino-American Community Center. We are located in the Lower East Side of Manhattan. For 25 years we have been serving thousands of Asian adults and seniors in citizenship, ESL, DACA, youth

employment and adult and senior programs. Our entire population is immigrant and low-income Asians in NDA3, Manhattan as well other boroughs. In most of those years our programs and participants have been under-funded and had to struggle every year as the funding dwindled. It is not fair when our population and demand are growing. We urge and request or City Council to make a change to support our population in need. By the end of June there will be no more ESOL, adult literacy and DACA funding in the IndoChina Sino-American Community Center. In the past, these programs have received 1,200--I'm sorry--\$12,000 and \$30,000 respectively per year. Our immigrant adults and undocumented youth will not have the continued support. They are truly disappointed because their hopes and dreams are crushed. It is our responsibility to speak up for them, and get them the help they deserve. Every month over 300 new immigrants sectors, seniors and lower--low-income families get free food distribution in our centers as well as food stamp application assistance. We have applied for senior service funding every year, but never have been granted. Years ago we had a small amount of funding support from DD-DFTA, but not any

more. For years, we have also applied for grants from the City Council Speaker, the Manhattan Borough President and Borough Delegation, but have not succeeded. Currently, there are only a few thousand dollars from the City Council in our Citizenship, Education and Application Assistance, and the Youth Employment Training programs. They heavily depend on our own fundraising and volunteering for the maintenance and growth. We don't believe that we are the only ones facing hard times. Many of the programs are suffering from the lack of support and funding from the City Council. We humbly but strongly ask the City Council to respond to and support our appeal for more funding for our people in dire need. These people can be the great and productive asset to our community. We would really like [bell] to ask you to respond to our appeal for more funding for our programs. Thank you.

CHAIRPERSON FERRERAS-COPELAND: Thank you very much and thank you for testifying. You may begin.

DORIS GUEVARA: Mrs. Ferreras.

CHAIRPERSON FERRERAS-COPELAND: Yes.

DORIS GUEVARA: Can I speak in Spanish--

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2 CHAIRPERSON FERRERAS-COPELAND:

3 [interposing] Can you--

4 DORIS GUEVARA: --a little for you?

5 CHAIRPERSON FERRERAS-COPELAND: I--I

6 totally understand Spanish and can translate. We

7 have all these people here. So if you want we can

8 talk on the side.

9 DORIS GUEVARA: No, I was reading in

10 English, but you were not here for a few seconds.

11 CHAIRPERSON FERRERAS-COPELAND: Right.

12 DORIS GUEVARA: I want to tell you

13 something that's personal.

14 CHAIRPERSON FERRERAS-COPELAND: We can

15 talk on the side. We just have to bring up this

16 panel.

17 DORIS GUEVARA: Okay.

18 CHAIRPERSON FERRERAS-COPELAND: Okay.

19 [Speaking Spanish]

20 DORIS GUEVARA: Okay.

21 CHAIRPERSON FERRERAS-COPELAND: Okay?

22 Bueno. Okay. Okay, thank you all for testifying. We

23 will call up the next panel. Joshel Mala Gargano

24 Joe--Mary Haviland, Christopher Bromson and Jeffrey

25 Chan, and the following panel after that will be Jose

Fena, Sam Fan--Sam Finello, Chris Rodello of AARP,
and Rachel Sharon of City Meals on Wheels.

[background comments, pause]

Are you telling me to begin?

CHAIRPERSON FERRERAS-COPELAND: Yes.

Okay, great. Thank you. Thank you for
making arrangements for us, and I--I want to thank
Council Member Julissa Ferreras and all the members
of the Finance Committee for listening to this
testimony this afternoon. My name is Mary Haviland.
I'm the Executive Director of the New York City
Alliance Against Sexual Assault. Our mission is to
prevent sexual violence and reduce the harm it causes
through prevention and intervention. As you know,
sexual assault is a serious public health and public
safety issue. You may be aware that sexual assault
statistics are up. There were 540 rapes reported in
the city, an 8% increase of last year's statistics.
This measurement was taken from the Mayor's
Management Report from January through May, and
misdemeanor sex crimes were up 18% over the last year
totaling 1,128. You may be aware also that 65% of
the total number of reported rapes in New York State
take place in New York City. The prevalence of

sexual assault has been studied by the CDC, and if you apply that prevalence to New York City, almost 840,000 men and women have experienced rape in their lifetime in New York City. And almost 50,000 women will experience rape in 12 months in New York City. So, clearly with the reports at about 1,500 a year, report--sexual assault is one of the most unreported crimes in the City. Today, I am speaking on behalf of the Sexual Assault Initiative, which is composed of four different groups, the Kingsbridge Heights Community Center; Mount Sinai Sexual Assault and Violence Intervention Program, or SAVI; the New York City Alliance Against Sexual Assault; and Mount Sinai Saint Luke's Roosevelt Crime Victims Treatment Center. Collectively, the initiative provides free and comprehensive services to over 2,000 victims of sexual assault including children, women and men. And conducts over 10,000 counseling and training sessions and trains over 400 medical and human services professionals across the five boroughs. We are this year asking for \$600,000; \$150,000 for each of the four programs. We're asking for an increase in the funds based on a couple of things. The first is--is the increase that I just cited of--of rapes

and sexual assaults in New York City. The second is the attention to--to college sexual assault, which has generated many more calls to our centers. In my testimony, my written testimony, I talked--I highlight four things that the programs will be doing with the extra money. And finally, you might be aware that the--that this last year, the New York State--the New State [bell] funding for Rape Crisis Centers was--was very destabilized by funding cuts totaling over \$4 million. And that has affected each of the programs in the Sexual Assault Initiative, and that's the last reason we're asking for an increase. Thank you.

CHRISTOPHER BROMSON: Hi. My name is Christopher Bromson and I'm the Assistant Director of the Crime Victims Treatment Center, and part of the New York City Sexual Assault Initiative. And I would like to thank each of you for being here and for your patience in meeting with us and listening to us as we request a little bit more money than we have in the past. And the reason that we're doing that is because in 2005 that was the first year that we received City Council funding. And at CVTC that allowed us to start a program that specifically

addresses the needs of male sexual assault survivors.

We are the only program in the city still ten years

later that is addressing the specific needs of male

sexual assault survivors for free. So the money you

gave us was put really good use and it worked. So,

in 2005, we had about 10 men who were receiving

services from CVTC, and now in 2014, we served 157

men from all five boroughs and beyond. So, the money

is working, and the reason that that's working is

when you go out and outreach in communities who have

been under-served and who don't have access to these

services, and when you offer it to them people. And

CVTC is not the only program who has been successful.

Each one of us who has received this funding has

really been successful in addressing the needs of

populations that we identified as under-served. So

CVTC serves, which no one else is serving. SAVI

serves trafficking survivors in the Queens Court

system who without intervention and without support

they very often end up in trafficking circles and

back in the life. Kingsbridge Heights is one of the

only programs serving children who have been sexually

abused right after the abuse happens. And the

Alliance is one of the only people doing training for

sexual assault, forensic examiners who help sexual assault survivors right after an exam--an assault. So we have had a wait list for two years for male Spanish speaking survivors, for two years and longer. The money has been really successful in allowing us to help people who need help, but in a city of eight million, these statistics are staggering. One in four women will experience sexual assault or sexual violence and one in six men. So think about people you know, and you know somebody who these crimes have affected. And we really need this support to be able to offer any New Yorker who has experienced sexual violence the services that he or she needs to heal. So thank you.

JOSHUA GUERRERO: Good afternoon. My name is Joshua Guerrero, and I'm from Ridgewood, Queens. I was also a student at Live On New York. My work at Live On New York exposed me to issues that are often overlooked in society where unacknowledged aging zone is rampant. Issues that as a youth I was never made aware of. These are issues that much of my generation does not identify with because older adults are immensely marginalized. Older adults deserve recognition. I am here to also strongly

support that seniors deserve their fair share of city funding. Thank you so much to Chairwoman Ferreras and to the City Council for the opportunity to testify today. Specifically, I am here to speak about two issues that plague older adults, families and loved ones, caregiving and adult day services. Access to affordable elder care affects both care recipients and caregivers, and it's the workforce issue of the 21st Century, especially for women. In New York State family members taking care of elderly parents, spouses, partners, and others provide \$32 billion of free care to the state, but they need help. Many leave the workforce or have problems on their job due to taking care of loved ones, and then do not have funds for when they retire. With the growing population of older adults, this need will continue to grow. \$3 million in new funding would provide services to the caregivers such as information about services, counseling and support groups and respite care, getting a break to do or to do other things. Another related issue is vital funding for adults day services. We thank City Council for putting back \$600,000 of the adult day services money that was cut. We are requesting that

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2 the \$600,000 plus an additional \$1.9 million be put
3 in the budget so that full funding for adult day
4 services returns to \$2.3 million. Adult day services
5 if for seniors who have Alzheimer's or dementia or
6 have physical disability. It provides a safe space
7 to receive services, a nutritious meal and not to be
8 isolated at home. Adult day services also gives
9 family caregivers some time to themselves that they
10 need so that they can continue taking care of their
11 spouse, parent or other loved one. Thank you again
12 for the opportunity to testify today. Please ensure
13 that seniors get our fair share of city funding.
14 Thank you.

15 CHAIRPERSON FERRERAS-COPELAND: [off mic]

16 Thank you.

17 [background comments]

18 JEFFREY CHIN: Good afternoon, ladies and
19 gentlemen of the committee. My name is Jeffrey Chin.
20 I'm speaking today on behalf of the Greater Chinatown
21 Community Association in regards to continued funding
22 for quality of life programming for seniors. During
23 Fiscal Year '15 thanks to discretionary funding
24 applied through Council Member Margaret Chin's Office
25 and some stipends from the Lower Manhattan Cultural

Council, the Greater Chinatown Community Association has been able to provide a wide range of programs to seniors in Chinatown and surrounding neighborhoods including senior technology classes, and English as Second Language for seniors, poppy tree class and art seminars. These programs provide the necessary cognitive and physical activity to seniors in our community to promote successful aging. One of the principal studies done on Asians have identified three key factors in what scientists call successful again, which is based on minimizing the risk of disease and disability; maintaining cognitive and physical function; and continued engagement with life. Furthermore, studies have shown a strong correlation between successful aging and disease prevention. Current estimates place senior medical as four to five times higher than the national average. And funding for quality of life senior activities and promoting successful aging will mitigate the cost--the cost of medical treatments that current burden the New York City Healthcare system. Education in particular plays a powerful role in successful aging since studies have shown patterns of intellectual activity help maintain high

functional level in old age. Which is why our center offers many different classes aimed at seniors. The classroom provides not only a setting for seniors to learn new schools, but also a forum to interact with new people and opportunity to make new friends. For example, our computer classes for seniors teach seniors basic--the basics of computer usage like how to use programs such as Face Time, Skype or ReachOut, which provides seniors with the tools to keep in--keep with continuing engagement in life by allowing seniors to stay in contact with family back in China or across the country as well as seeing and interacting with their grandchildren. The Chinese community in particular will require strong--has a strong need for funding in--funding senior activities in the future due to the nature of the one child policy. The next wave of immigrants will--will be older and they'll have to support four grandparent households. Under these circumstances, it's easy for the needs of many seniors to be ignored. It's vital to ensure that this funding for this program continues to ensure seniors in our community can age successfully to being active and productive in old age. Thank you very much.

CHAIRPERSON FERRERAS-COPELAND: Thank you very much. Thank you for coming to testify. We're going to call up the next panel. Chris Widelo, Josefina San Faleo and Rachel Sherrow, City Meals on Wheels, and following that panel will be Evelyn Rodriguez; Kiara London, Marian Avilla, Brandon Nonguel [sp?] and Nina Dastor [sp?]. And again, we apologize if we're mutilating these names. You may begin.

RACHEL SHERROW: Thank you. Thank you Chairperson Ferreras, Aging Chair Chin and Council Member Johnson for sticking around to hear us. My name is Rachel Sherrow, I'm the Associate Executive Director at City Meals on Wheels. And I want to begin by thanking all of you for your continued support, and great understanding of the need for aging services as well as City Meals on Wheels, which is a public-private partnership with the NYC Department for the Aging. I'm not going to go through my testimony because I've been sitting here all day, and I'm sure other people. I want to respect their time and your time. I have to implore you to for the need for the million dollar request that City Meals is asking. Thank goodness the

Mayor's budget includes \$1.8 million to increase Meals on Wheels this year. We are 100% capacity right now. We would like to increase it by 5%. The Mayor has that in his budget, which means that DFTA will increase those roles. But homebound seniors certainly like myself and the rest of us don't eat only five days a week. We eat on weekends and holidays, and certainly in emergencies. We need to ensure that these new Meals on Wheels recipients will receive meals seven days a week, 365 days a year with a little extra on the shelf in case of emergencies. This million dollars goes a long way. For every meal that City Meals serves 67 cents back--comes back from the federal government through the Cash in Lieu of Commodities Program. It does not go back to City Meals on Wheels. It goes back to the city to the Department for the Aging, which enables them to serve an additional almost 200,000 meals. So for the one million that you're going to give us July 1, you will get back almost \$1.4 million back into the City. We obviously can't do it without your support. We raised \$18 million on our own publicly with support from about 40,000 New Yorkers. 100% of all of those donations as well as yours from City Council goes

directly to the New York preparation and delivery of all those meals throughout the city. My salary, administration overhead is paid for by our generous board members, and very targeted grants. I thank you for allowing me to testify. I'm here for any questions. I'll be here tomorrow pandering as well, and I love to dance and I'll do it until June 30th, and I appreciate your support. Thank you.

CHRIS WIDEL0: Hi, good evening. My name is Chris Widelo. I'm the Associate State Director for AARP here in New York City, and on behalf of our 2.7 million in New York State about three-quarters of a million here New York City. I appreciate the opportunity to testify before the--the committee and thank you to the committee members for sticking around for this. I submitted a copy of my written testimony, but I'll keep this brief. My statement today will focus on the need to fully fund and expand community based aging services administered by the Department for the Aging. This funding AARP believes will improve older New Yorkers' quality of life while also saving City taxpayers money by allowing more people to avoid more expensive taxpayer funded institutional settings. Enhancing these programs

will undoubtedly keep older New Yorkers living with independence and dignity in their homes and communities where the vast majority wants to stay for as long as possible. Based on an AARP analysis of census data, over the next two decades the share of people living in New York City who are 65 and older will grow to one in eight to one in six residents. Overall, New York's 60 plus population will increase exponentially to a projected \$1.84 million by 2030, a 47% increase from the year 2000. The services AARP believes should be more adequately funded will help family caregivers perform services that would actually be evaluated at around \$32 billion a year statewide if they had to be provided by paid professionals. A final New York City budget must make an additional investment in non-Medicaid home community based care that assists not only older persons but their informal family caregivers as well. AARP believes that the lack of commitment to older residents and their caregivers comes at the wrong time when current demographic trends are taken into account. AARP is requesting that the City Council provide an additional \$40 million to the Department for the Aging budget. Some of the funding would go

toward case management, senior centers, elder abuse, and respite care. Thank you again for allowing us the opportunity to testify on this important budget proposal. The programs that I've highlighted will not only help thousands of New Yorkers and their families, but undoubtedly save New York City taxpayers in the future. Thank you.

JOSEFINA SAN FALEO: Good evening. I'm Josefina San Faleo [sp?] With Latinos against FDNY Cuts. Council members and concerned New Yorkers, I'm attaching remarks that I had earlier prepared about FDNY and 2014 fire statistics. There are some booklets that I provided that come from the Fire Department. I'm here because of something that I had found extremely disturbing during the last weekend. And to preface, I had briefly observed May and June joint committee hearings of the City Council. And in the criminal justice topic, there were panels that suggested steering--steering people towards health and housing services instead of jails or providing support services to people that are leaving the jails and prisons, which is a very worthy and logical direction to go to. Less imprisonment or better care of people that eventually they can get to age to the

senior services. But I will ask you to please fund programs for police, attorneys, judges and correction officers who control the spigots of justice and fairness. We might benefit from their the mental health evaluation and therapy to stop bias bail and sentencing and bullying and assaulting of inmates and acceptance of prison gang bullying and beatings.

Last month I had by coincidence read about the--the problems that afflicted a man named Kalief Browder.

And I am aghast and deeply disturbed at finding out that he committed suicide on Saturday. Mr. Browder

was born in 1993 and he was innocent and he was

imprisoned at Rikers for three years without trial.

He was in solitary confinement for much of the time,

and he was brutalized by inmates and thugs with

badges. He was released without a trial after three

years. I don't want this to happen in my name and I

don't want it paid for with my taxes and this is--

this what is the discussion here today. Banana

republics put people in jail without a trial. They

put them in holes, they disappear people. This has

happened in South America, and I was born in Cuba and

allegations were made for years that that's what Cuba

did [bell] to political prisoners. I am here and

justice delayed is justice denied. Please act to prevent lawsuits that are going to occur like in this situation. And I dedicate my testimony to Miles Dobson who was 40 years old and he was killed due to a loophole in custody law. Thank you.

COUNCIL MEMBER JOHNSON: Sir, I want to thank you for being here today from AARP, and tell you that the most popular thing I've done in my district twice over the last year is the shreddasaurus mobile that AARP sends to shred documents.

CHRIS WIDELo: Yes.

COUNCIL MEMBER JOHNSON: I had it last week. 500 people showed up were line all down the street.

CHRIS WIDELo: [interposing] They go it done, right?

COUNCIL MEMBER JOHNSON: So thank you for providing that service. It's very popular. People love it. Thank you.

CHRIS WIDELo: My pleasure. Thank you.

CHAIRPERSON FERRERAS-COPELAND: Well, we might need a shreddasaurus also.

CHRIS WIDELo: Give me a call.

CHAIRPERSON FERRERAS-COPELAND: I will.
Brandon Manuel, Nina Dasteur [sp?], Marianne Avilla,
Carol London and Evelyn Rodriguez followed by David
Garcia Rosen, Hanson Natasu [sp?], Samot--Samake--
sorry. Cornate, and Shaff--Shaffiaho Asimano [sp?]
And again, thank you all for your patience. This is
really important to us, and we do use all of your
public testimony for negotiations as we move forward.
So bear with us and I appreciate your patience.
We're in this together. You may begin.

[pause]

CHAIRPERSON FERRERAS-COPELAND: Good to
go.

EVELYN RODRIGUEZ: Good afternoon. My
name is Evelyn Rodriguez. I'm the Director of Youth
Development for the Committee for Hispanic Children
and Families. I want to thank the chair and members
of the Council for giving us the opportunity to
testify today. Founded in 1982, CHCF combines
education and advocacy to expand opportunities for
children and families and strengthen the voice of
Latinos in New York. CHCF provides programs and
services through youth development programs and Early
Care Education Institute on policy and advocacy

initiatives. Among our programs is the Young Woman's Advocacy Project. Participants of this project will be addressing you today in relation to funding for comprehensive sexual and reproductive education in high schools, and more resources for licensures.

CHCF is pleased that the Executive Budget does include funding to address some of the needs of our children and families. However, other items were not included. For the purposes of this hearing, I will address our recommendations to the FY Budget two main areas. (1) Childcare and education and early education, and (2) youth development. In both areas language is a--language access is a huge problem despite the fact that there are clear federal, state and local laws that mandate language access. This adequate funding must be set aside for New York City agencies providing social, human and educational services so that they implement language access plans that include recruitment and training of bilingual staff and the collaboration with community based organizations servicing these populations. CHCF is pleased to that the Executive Budget added \$114 million to UPK in Fiscal 2016. We take note that DOE's budget totals \$21.8 billion, \$1 billion more

than the Fiscal 2015. In light of this, we recommend that high quality UPK bilingual and dual language programs are opened. Presently, there are only ten bilingual UPK programs in the city, and we can definitely do better and more to be representative of our diverse population. CHCF welcomes the inclusion of funding for community and renewal schools, expansion of middle school and after school programs and the addition of 63 guidance counsels to high need schools. Still, improvements or restorations can be made during budget negotiations. CHCF believes that given the high priority--the high poverty rates in the city, universal free lunch should be available to all students. In addition, CHCF supports the Council's recommendation to add funding for enhancing restorative justice practices in schools. A disproportionate number of Black, Latino and LGBTQ students are suspended in our schools. Specifically, Black and Latino students combined received 89% of all school suspensions in comparison to White students with less 7% of all suspensions. Finally, CHCF supports the addition of \$17.3 million dollar--dollars to the FY2016 budget to establish a pilot year round employment program for 8,000 youth between

the ages of 14 and 24 and restoring funds for Sonic summer programs. CHCF believes that it is our collective responsibility to uphold human rights and principles and to provide a safety net in order to prevent our most vulnerable fellow New Yorkers [bell] to suffer from hunger, homelessness and lack of educational opportunities. Thank you for your time.

 KIARA LONDON: Good afternoon. My name is Kiara London and I'm a sophomore at Progress High School for Professional Careers located in Brooklyn. We are here representing the 25 young women enrolled in the CHCS Young Women's Advocacy Project at Progress High School. We have spend the school year learning about our rights as human beings, our sexual and reproductive rights as teenagers and young women, how to work as a team and about advocacy and legislation. This program is effective in empowering the team. It has not only helped me to succeed in school, but what I've learned has helped me to improve the way I view life and build relationships with other young women. It has helped me prepare for [coughing] for real life after school. These life lessons will stay with me and my team, and hopefully even more teams in the future with the help of your

support. We want to highlight the mandate for our Comprehensive Sexual Health Education class for all high school students. Although high school juniors are mandated to take this class in their junior year of high school, we believe that it is important to have all incoming freshmen take a comprehensive health class. This is a really important issue for me because I remember when I was in middle school I learned about sexual and reproductive health, and I felt much more informed and prepared than any of my friends. I learned how to make healthier decisions. I am a child of a teen mom, but now as a sophomore, I know how to not follow in her footsteps. One of the other participants in the Young Women's Advocacy Project shared with us that in her family there exists a pattern of teen pregnancies starting with her mother and including her cousins who are 13 and 14. No one in their home or in their family spoke to them about sexual health, nor did they learn it in school. These stories highlight the importance of ensuring that young people receive accurate and comprehensive sexual health information. The reality in our school is that we only have two certified health education teachers serving over the 300

students that are supposed to take a health class. We need at least two more certified health teachers in our school to be able to reach more students and make information more widely available. We propose as a starting program a pilot program with a funding of \$500,000 to hire additional health education teaches. Each would be placed at one of the five different schools in each district to provide more comprehensive, inclusive, accurate sexual health information. Thank you.

[background comments]

MARIANNE AGUILAR: My name is Marianne Aguilar [sic] and I am a sophomore at Progress High School for Professional Careers in Brooklyn. I also participate in the CHCS Young Women's Advocacy Project. The National Conference for State Legislators or NCSO recently created a postcard called Teen Pregnancy Affects Graduation Rates. They say that only 40% of teen mothers finish high school. That's not acceptable. The Department of Education has the option of funding programs that will help increase the rates of teen mothers graduating from high school. Why haven't they done this year. We know that one way of helping teenager mothers

graduate from high school is through this support of Living for the Young Family Through Education or Life Centers located in public high schools throughout the city. Life Centers provide childcare services to children of student parents. They also help student parents with achieving their education and parenting goals by providing counseling, advocacy and referral services. Life Centers have helped approximately 200 students graduate from high school annually.

Unfortunately, Life Centers have a limited amount of spots available for teen mothers. Right now, only 18 teenage parents can enroll in the center at the Grand Street Campus that service three schools and a total of 2,528 young people. Enrollment is first come, first serve, and if the center is full they need to find another center and another school to participate in, raising another challenge for young parents. We ask that the starting point funding be increased to \$300,000 to grow the number of spots available to teen parents on the Grand Street Campus, at the Bronx High School of Business, and one more school in the city. Every high school in the city should have a Life Center. This can be a City Council initiative for next year. The way parent and child--Oh, this

way parent and child can be in the same building reducing travel time for the parent before and after school. Thirteen years ago, Life Centers were able to provide Mommy and Me classes, and parenting for mother during the school day and credit bearing classes along with Comprehensive Sexual Health Education class for all high school students. We need more money to bring important courses like Mommy and Me back. These programs with remaining credit bearing have been known to empower young women and build relationships with other teenage mothers that share similar experiences. We propose funding of at least \$150,000 to start supporting Mommy and Me credit bearing class and three New Life Centers at the Grand Street campus and Bronx High School of Professional--Bronx High School of Business of \$75,000 each. Thank you for taking the time to hear our issues, our proposed solutions and live stories from the point of view of the next generation of professionals and leaders.

CHAIRPERSON FERRERAS-COPELAND: [off mic]

Thank you very much. [sic]

COUNCIL MEMBER CHIN: I just wanted to thank these young women leaders for coming. They met

with me. The City Council invited them to come and testify, and I did raise those questions to the Chancellor, and they're looking into it. So thank you for being here today.

MARIANNE AGUILAR: Thank you so much for your support, Councilwoman Chin.

CHAIRPERSON FERRERAS-COPELAND: Thank you. Thank you. So the next panel could start making its way. Ansari Finate[sp?], Hastanatos Sannik [sp?] David Garcia-Rosen, and Shaffi Asmara [sp?]. And the next panel will be Arnold Lehman, Thelma Golden, Heather Woodfield, and Jennifer Wright-Cook.

[pause]

DAVID GARCIA ROSEN: Okay. In June of 2014, the City Council announced the first of its kind investment of \$825,000 in the Small Schools Athletic League. After this announcement, the nearly 2,000 student athletes of the SSAL celebrated on the steps of City Hall to thank the Mayor and City Council for letting them play. The city had invested in a first of its kind high school sports league that was designed to meet unique needs of small schools, English language learners and at-risk students. A

league that was prepared to offer tutoring and mentoring to its student athletes. The budget mandated the money be given to the schools based on the number of teams they have in the SSAL. Inexplicably, money was then given directly to the PSAL to fund the establishment of the new Small Schools Athletic League. The new SSAL kicked out over 70% of the teams in the SSAL including almost all the teams that have 100% English language learners. The new SSAL dismantled the soccer, baseball and softball leagues and placed them with ping-pong and co-ed track. They provided no tutoring and no mentoring. They blatantly misappropriated the \$825,000 that was supposed to keep the students on the field. I am submitting into evidence that details how the New York City Department of Education misappropriated the \$825,000 allocated to that SSAL. It is titled *How to Misappropriate \$825,000 and Sideline SSAL Student Athletes*, a 10-step guide by the NYC DOE PSAL. The DOE simply rebranded two pre-existing PSAL Divisions with the initials SSAL, divisions that would have added teams even without the \$825,000. The Council had intended to invest in the mission and vision of the SSAL, not to rebrand it

pre-existing PSAL divisions. Why then are we giving the PSAL four more million dollars this year? The PSAL, a league that was found guilty this year by the U.S. DOE Office of Civil Rights for violating the rights of girls to play sports. The PSAL, a league that is being investigated by the federal government for violating the Civil Rights Act of 1964 by not providing Black and Latino students with equal access to high school sports. The PSAL, a league that continues to provide our wealthiest, whitest schools with a quarter million each year for their world class sports programs while leaving tens of thousands of students of color with little to no access to high school sports. We cannot give the PSAL four more million dollars without holding them accountable for two decades of civil rights abuses. We cannot give the PSAL another \$4 million to distribute behind closed doors and a system filled with cronyism and mismanagement. We cannot give the PSAL another \$4 million until the DOE submits a detailed plan to distribute the PSAL's near \$30 million budget equitably and transparently. I urge the City Council to immediately hold a hearing to ensure that DOE has a plan to move us out an era of inequity and civil

rights violations and into an era of transparency and equality. I in my 17-year career have watched generations of students pass through high schools without the opportunity to transform their lives through the power of sports. We cannot allow one more student to fall victim to the failed policies and leaders of the public schools athletic league. Today, we must stand united and tell the DOE let them play.

SHAFFI ASMARA: Good afternoon. My name is Shaffi Asmara. I'm a junior at International Community High School. I'm also a student leader leading the NYC Let Then Play. Sports is really important in our life especially in students' life. Sports influence productivity in our life especially in a student's life. First of all, sports are good exercise and help students build their character. Sports makes students mentally alert and physically strong. For the sport good health is one of the most important benefits of sports. Secondly, by playing sports students learn how to cope with difficult situations. Thirdly, sports are good diversion and give students energy to learn their lessons well. Fourthly, it gives the necessary break from the

everyday boring life. It is not only by being in a class that student learn leadership and how to work as a team. By playing sports, students learn the skills as well. One of the most important things about sports and student life is that it helps them stay in schools. Sports decrease truancy. Sports decrease drop-out in schools. Sports does a lot of more than we can see in student life. That's why it is not fair that the PSAL gives disproportionate opportunity to students at high school with the most White students by funding more 12 teams at their school while leaving high school with 100% students of color with almost no sports. That's the reason why since 2011, the NYC Let Then Play has been fighting to get sports to students of color in the New York City high schools. That's the reason why [coughs] on March 25th of this year, we came to protest in this building during the public hearing. That's the reason why we are coming up every Wednesday at 5:00 p.m. in front of the City Hall to protest. That's the reason why we, the NYC Student League [sic] are asking the Mayor de Blasio, Chairperson Ferreras and all the City Council members to take action to force the PSAL to stop violating

students of color rights, and to give them the opportunity to have access to sports of their choice in their schools. Thank you.

HASTANATOS SANNIK: Good afternoon everyone. My name is Hastanatos Sannik, and I'm one of the leaders of NYC Let Then Play. I'm also a student who goes to a public high school with almost no sports. This year we were told that there is no money available for us to play sports. When we take a look at statistics, what students have access to 44 different things in their schools, and we Black and Latino students have few and some others have zero sports in their school. Zero sports. In a developed city like New York, who can believe that is money to finance 44 teams at one school and no money to finance the sports at a Black or Latino School? In February of 2015, a few months ago, the PSAL was found in violation of Title 9 by the Office of Civil Rights. However, there still--the City still give them money that they mismanage without consequences. Chancellor Farina and Mayor de Blasio are not supporting us and keep on ignoring the fact that civil rights of Black and Latino students are being ignored and violated by our elected officials. In

1964, Martin Luther King, Jr., Rosa Parks and many others fought to get us equality, but where is it? When we compare the New York of today to the 1950s and 1960s, there is no difference because nothing has changed. We demand a changed law to give at least six teams to them by every high school, share equitably their fields on the long-term and provide every New York high school student with sports. Doesn't everyone want every student to have those opportunities? Is because sports develops skills to address communication, group work and more importantly improve the attendance and grades of many students. On behalf of the NYC Let Them Play leaders and all the people supporting us, I would like to thank you--I would like to thank all of you for listening and caring about the 70,000 students of color with no sports in New York City. Thank you.

ANSARI FINATE: Good afternoon everyone. My name is Ansari Finate. I goes to International Community High School and I'm one of the leaders of NYC Let Them Play, and I'm not going to be that long because everything has been said by my two colleagues. And our former David-Garcia Rosen, which he was suspending for standing in solidarity with his

students that he wanted them to have equal access to sports. He don't want to see them dropping out of school. He don't want to see the teenagers at our school in our New York City schools to be delinquents and leaving high school without fulfilling their objective. So basically we are here today to tell the New York City Council that we are tired of them giving PSAL more money and not caring how the PSAL distributes the money. Because the PSAL thinks that it's fair to fund a school with 44 teams and telling us every year there is not--there is not enough money. They are taking away our dreams. They are taking away something that we need in our life, which is leadership. Because through sports, you bring, you could build togetherness. You bring leadership. It brings love and it chase away hate. Sports gives us an opportunity to express our talent, and to express how we feel. But without sports it's very difficult bring students together because like our school we have students from every corner of the world, but through sports we speak the same language. We have our understanding even though we speak different languages but if we have sports in the school year, we have that to--we have that togetherness. We have

the mentality of we are all one world fighting for sanity, but sport is very difficult. So we are here to tell Mayor de Blasio and Chancellor Farina that this is the right time to take action and to tell the PSAL, Eric Goldstein and Janet Duby [sic] that what they are doing is unfair. It's unequal and it's giving some of New York City students the opportunity to succeed and leaving others with nothing. So thank you.

CHAIRPERSON FERRERAS-COPELAND: Thank you very much for your testimony. I just wanted to reiterate this Council has been very supportive. We were the ones that fought to instate this--the funding necessary, and we were as frustrated and as upset as you are. Clearly because we wanted those fundings to--or that line of funding to be able to answer all the questions you had. [bell] We will continue to pressure the Administration. But I want you to understand especially when you target your messaging that we your allies in this. We are in this together, and we are trying to get answers and demand that the resources are put in the appropriate place. But I want to be clear the Council is you ally in this conversation. We are not your

adversary. So when you engage with our colleagues I hope that you keep that in mind, but I'm very proud and very happy to see you come before us and testify on this very important part of this hearing. Thank you.

CHAIRPERSON FERRERAS-COPELAND: We will now have Thelma Golden, Heather Woodfield and Jennifer Wright-Cook followed by Allise Gutierrez, Roberto Zamora, Akella Thomas and Anna White.

[pause]

THELMA GOLDEN: Good afternoon. I'm Thelma Golden, Director and Chief Curator of the Studio Museum in Harlem, and incoming Chair of the Cultural Institutions Group. I'm joined this afternoon by colleagues from arts and cultural organizations who receive support through the Cultural Development Fund. I would like to begin by acknowledging the Council and their extraordinary support of arts and culture in New York City. New York City's support of arts and culture is unprecedented, and it has proven year after year to be a sound investment that returns incredible dividends. Countless dividends in education, in tourism and the positive economics for the city that

comes from the millions of people who visit our institution. As well as the dividends that accrue for the overall wealth and--health and wellbeing of the city and its residents. The CIG is a coalition of 33 arts and culture institutions located through the five boroughs including museums for children, art, living collections, history natural history, science, performing arts and film. Among our members are some of the most renown arts and culture institutions in the world as well as institutions that are integral to the stability and growth of our neighborhoods. Collectively, our exhibitions and educational programs attract more than 20 million in Fiscal Year '12 New York residents, families, school children, teachers and tourists each year. CIGs are the cornerstones in our community and often major employers with 9,000 employees who live all over our city. While we all have individual mission statements, we have a shared a commitment and dedication to providing all our visitors with a better understanding of world and common experiences. A strong arts sector is not only inherently powerful, but it's crucial to the economic health and wellbeing of the city and its residents. To that end, the CIGs

have developed partnerships with our colleagues in city government, and community based social service organizations to provide a host of services that complement our core missions. These are only a few of the partnerships between local and community organization in the arts and culture sector. This year the CIG and arts and culture organizations that receive support through the Cultural Development Fund have joined forces with the cultural community to advocate for a \$30 million increase to the DCLA budget in FY 2016. Arts and culture provide a common link between all people in New York regardless of wealth, creed, color, race, age, gender, sexual orientation or physical and mental ability. Arts and cultural organizations as well as multiple other groups and individuals have worked diligently with city agencies to broaden the strong connection between arts organizations and the wellbeing of the city with a particular focus on localized programming to target youth, immigrant and elderly communities. DCLA is integral to this relationship continuing to excel in its mission to promote and advocate for quality arts programming for all New Yorkers, a goal that ultimately results in greater social, economic

and cultural diversity citywide. Instead of going through all the many partnerships and programs that you all know about that are important to us with the many agencies in the city, as well as other community organizations including those here, I just want to say that on behalf of all the CIGs we want to continue provide real experiences that cross culture and promote the diversity of the city through the inspiration that comes through the arts and culture. Thank you.

HEATHER WOODFIELD: Hi, I'm Heather Woodfield. I'm the Executive Director of One Percent for Culture and a practicing 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 organizations across all 51 City Council Districts. There are over 1,500 non-profit organizations in our city, which welcome over 114 visitors each year, 72% of whom attend for free. These organization employ over 120,000 individuals including over 56,000 artists. Many of these cultural organization work in tandem with City agencies to broaden the strong connection

between cultural equity and the wellbeing of the city. Today, the arts and cultural community is united in asking for a \$30 million increase in funding for the Department of Cultural Affairs to be divided evenly between the Cultural Institutions Group and the Cultural Development Fund in order to expand access to culture for all New Yorkers. I want to share with you just a few examples of the amazing work that could be expanded, enhanced or embarked upon by cultural organizations with a \$30 million increase in funding for culture this fiscal year. With additional funding, BRIC suggests that they would expand their free programming. Harlem Stage has suggested that additional support for the city's arts and cultural community could ensure the survival and stabilization of the arts organizations of color. Which have been dedicated to the service of communities and artists of color in some cases for close to 50 years. Dance NYC states that increased funding is necessary to advance an equity agenda by including new groups and by helping to--currently funded groups to scale up their delivery of public value. Additional funding would allow groups Explore the Metropolis to increase the number of composer

residencies and expand their programming to Western Queens, Fort Greene and the Rockaways. The League of Independent Theater proposes that additional funding could help preserve at-risk organizations pointing out that since 2009 at least 71 independent performance venues have been shuttered due to rising rents and gaps in funding both public and private since 2008. The Center for Arts Education points out that there are over 200 city schools that still have partnerships without arts and cultural organization. And that additional funding through DCA could be used to be used to target educational programs to underserved schools to ensure greater equity in the delivery of arts and cultural education. The Field expresses that additional funding to local arts councils via the CDF would provide more support for artists and groups with that 501(c)(3) status in order to better serve their communities. With these examples and the benefits that arts and culture provide to our city and mind, we urge you to increase to DCLA by \$30 million to be divided evenly between the CIG and CDF. We thank you for your time today, and for your steadfast support of the non-profit cultural community. We look forward to continued

collaboration between city government, cultural organizations and artists in order to better serve all New Yorkers. [bell]

JENNIFER WRIGHT-COOK: Thank you to the Finance Committee, City Council and Mayor's Office. I'm humbled to add my request to those of my fellow citizens. My name is Jennifer Wright-Cook. I'm the Executive Director of the Field. The field is a 29-year-old arts service organization dedicated to helping New York artist thrive. The support we receive from the DCA is vital to our mission and delivery. So thank you. If you believe that every New Yorker deserves access to the arts, then you must say yes to a \$30 million increase to the arts. If you believe that going to a museum, a bands concert, a play or a concert should be affordable to all New Yorkers, then you must say yes to a \$30 million increase. If you believe that being an artist in New York should not be limited to those who can afford to be an artist, then you must say yes to 30. If you believe that job opportunities in the arts should be available to all New Yorkers, then invest in my very own Field Leadership Fund and say yes to 30. If you believe that more diverse voices and visions must be

added to our cultural economy, the add cash grants to the Community Arts Development Fund. If you really want to build our capacity, then say yes to 30. If you believe in the arts, then you must invest in the artistic process, not just the product. Say yes to 30 and invest in experimentation, risk, failure and growth. If you believe in the arts, then invest in artists. Say yes to 30 and increase the Borough Arts Council's re-grants to individual artists and small companies particularly in the Bronx and Queens. If believe that cultural diversity and equity are vital to New York's health and vibrancy, then you must say yes to 30. Let's put our money where our mouths are. The work of diversity and equity needs funding to be successful. So say yes to 30. Thank you.

COUNCIL MEMBER VAN BRAMER: I just want to say thank you. I would expect nothing less than our cultural panelists to deliver some theater and some presentation. So thank you to three of you. Thelma, in you new role, a great job, and I really appreciate all that you. And I know that we love culture and the arts, and look forward to supporting you all so much so in the future. So thank you.

JENNIFER WRIGHT-COOK: Thank you.

CHAIRPERSON FERRERAS-COPELAND: Thank you again for testifying. I just--you know, not only do we love culture and the arts, but you are a financial engine for us. You're an economic engineer in the city and that's what is most important for us from this perspective. You probably couldn't do a lot of the things that we can fund. A lot of tourists come to visit your sites. New Yorkers come to visit your sites. They buy dinner. They go to the theater. They do all types of things. So we thank you very much--

JENNIFER WRIGHT-COOK: [interposing]
Thank you.

CHAIRPERSON FERRERAS-COPELAND: --for testifying today, and congratulations.

JENNIFER WRIGHT-COOK: Thank you.

CHAIRPERSON FERRERAS-COPELAND: And we'll call up the next panel. Ann White, Akella Thomas, Robert Zamora and Luis Gutierrez followed by [coughing] Janay Gaskin, Bushwick Youth Food Council and Aminaka Amba--Ambadulamani--man--mane--Kristina Erskine, Paul Rosh LeRoy and Nassasteet--Nastastia Calla, Oh, boy.

[background comments, pause]

LUIS GUTIERREZ: Okay. Good afternoon, distinguished member of the City Council. My name is Luis Gutierrez. I'm currently a graduate student from Hunter College, and I proudly serve as the Chair of the CUNY Coalition for Students with Disabilities, CCSD, which is the representative organization of CUNY's more than 9,000 students with disabilities. Students with disabilities rely on CUNY for the support and innovative programs that are crucial to helping us compete for jobs. We rely on CUNY for the support that's crucial to helping us compete for jobs in the face of a sadly staggering 80% jobless rate among New Yorkers with disabilities. We highly benefit from programs like CUNY LEADS. I urge your support for the University's request for a \$1 million enhancement in the Fiscal 2016 City Budget for CUNY LEADS, which is linking employment, academic and disability services. This program provides students with disabilities academic support, career development and job placement services increasing their chances of college success, competitive employment and independence upon graduation. I am one of the so many of CUNY students with disabilities who have benefitted by enrolling with

CUNY LEADS. Hunter College's CUNY LEADS' counselor helped register me and other Hunter College students with disabilities with ACCESS/VR, and as a result of my registration with ACCESS/VR, I received assistance with tuition, books and transportation during my journey to receiving my bachelor's degree. LEADS also provides students like me with career counseling, internship and job placement assistance. CUNY LEADS has helped students like me proudly graduate and ultimately helps many of us who currently rely on public assistance and disability benefits, find career opportunities and become New York taxpayers. In fact, 70% of CUNY LEADS students like me achieve competitive employment within 18 months of graduation. I'm happy to announce that I recently graduated from Hunter College with a Masters Degree in Rehabilitation Counseling. I look forward to a new chapter in my life, and will continue to utilize CUNY LEADS as a resource to help steer me in the direction of my career choice. CUNY LEADS will continue to help mold the future leaders in the workforce of tomorrow. Thank you for your time.

[background comments, noise]

ROBERTO ZAMORA: Good afternoon, honorable City Council members. My name is Roberto Zamora. I'm a student at Queens Borough Community College and the President of the Student Organization for Students with Disabilities, otherwise known as the SODA Club. I'm currently to serve as the Treasurer of Community Coalition for Students with Disabilities, CCSD. As students with disabilities, an important aspect of our everyday life is the ability to fully participate in college life as independently as possible like our non-disabled colleagues in college do. One of the basic requirement, which helps us be successful is the accessibility of--of campus facilities. For example, an issue that students have been discussing at QCC is the problems with the access--accessing our science, amenities, library buildings as the accessible doors constantly break down. As a result, students, staff and faculty with physical disability have to wait for someone to be kind enough to help them open the doors. Is that fair? Is that equal access? Fellow community college students with disabilities constantly share similar frustrations about barriers of many campus buildings which are in need of crucial

repair, maintenance and renovations that would make these facilities come into the compliance the Americans with Disabilities Act. Therefore, I ask you to support the \$27.3 million in capital needs for CUNY's community colleges. Your help is needed to address health, safety and ADA needs an institute upgraded facilities that are often more than 50 years old. Please include this funding as part of the New York City Fiscal 2016 Adopted Budget. Thank you and have a nice day.

AKELLA THOMAS: Good afternoon, honorable Chair and distinguished council member. Restore the Merit Scholarship. My name is Akella Thomas, a member of CUNY Coalition for Citizens with Disabilities, and a proud student of Hostos Community College. I would like to address the importance of the Merit Scholarship for current and future CUNY students with disabilities. As you know, the Merit Scholarship is an award given to promising New York City high school students. These scholarships create higher education access for recipients who exude the qualities and demeanor that keep CUNY an institution of academic excellence and make it a first choice destination for may of the city's top students

including those with disabilities. These scholarships are particularly important to students from poor and working families who do not have their full financial need met by the top program. Indeed, the Merit Scholarship allows these students to fill the top gap without having to work extra hours to pay for this tuition gap. Extra hours that direct precious time and energy away from our studies. In this regard, the Merit Scholarship--Scholarships are particularly important for students with disabilities many of whom are reliant on SSI and Medicaid for their independence and wellbeing. These students typically do not have the opportunity to work to fill the top gap because doing so places their critical disability benefits at risk. Because of these circumstances, the Merit Scholarships are particularly important to high achieving students with disabilities since these scholarships represent one of the few readily accessible sources of financial aid that students with disabilities can draw upon to meet their full financial need. On behalf of students of Hostos and CUNY--CUNY's more than 9,000 students with disabilities, I urge you to support CUNY's request for \$17 million for the Merit

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2 Scholarship Program to ensure that CUNY continues to
3 be a university of access and access for all students
4 especially those with disabilities. Thank you.

5 CHAIRPERSON FERRERAS-COPELAND: Thank you
6 very much for testifying and we just wanted to
7 acknowledge that the Americans with Disabilities Act
8 turns 25 years old next month.

9 AKELLA THOMAS: Yes.

10 CHAIRPERSON FERRERAS-COPELAND: So, we
11 take that into account as we negotiate this budget.
12 Thank you very much. All right, next panel. Jean
13 Ann Basking, Aminata Duwaman [sp?] -- Please, you're
14 going to correct me as you through all this, right?
15 Okay, great, you're all here. I don't have to do
16 that again. The following panel if you can just get
17 ready for queue is Cat Parker, League of Independent
18 Theaters; Michael Weiss, South Street Seaport Museum;
19 Robert Lee, Asian-American Arts; and Ann I think it's
20 Dennen or Dearan--of New York City's Arts Coalition.
21 You may begin.

22 AMINATA DUWAMAN: Good afternoon audience.
23 My name is Aminata Duwaman [sp?] and I'm currently 16
24 years old. I'm--I am attending the Academy of Urban
25 Planning on the Bushwick campus. This is also my

second year with the Bushwick campus--Youth for Quality--Youth Food Policy Council. I am testifying today, however, to explain, Universal Free School Lunch to all schools. Thank you, Madam Chair, the Finance Committee and the Mayor for bringing the Universal Free School Lunch in middle schools this year, in this current year. Also, thank you to the City Council for continuing to prioritize expansion of this program to high schools and also elementary schools. I am here today to what is incredibly important to all students. Imagine someone who has been trying to stay on scene for the longest time and they're hide and seeking. They try their best to not show any evidence at all of their hiding area. Why exactly are they hiding? Because they don't want to be seen by other members of the game? Why not? Because if that does happen, they lose. In the case of school lunch, many students play the same game of hiding and wanting to be unseen. Why do students then not want to be seen on the lunch line? Because of the fear of getting caught. Why? There are many reasons to answer that. Let's got to one of--two of the main points. (1) A social class system that is reinforced by the school lunch process. (2) Stigma/

bullying. All over the world the motto is to treat people the way you want to be treated. While this motto does not at all exist in our school. However, what does exist includes name calling, putdowns, bullying, labeling students, et cetera. Can you believe that school lunch can actually cause this. People are ashamed exactly are ashamed to get up and get lunch. What about if they are hungry? What about--what if that lunch is the only meal for their day? What if their parents don't have enough money to give them to buy lunch? Then what? The answer is obvious. They are hungry for the whole entire day until hopefully they get home and eat. The reason why students do not get in line because they are afraid to get caught eating what our world currently knows as free food. Getting labeled or being bullied for being a free food eater is like getting labeled as an outcast. Being an outcast in school means that with our Universal Free School Lunch means that everybody knows who you are in a really, really bad way. It has the same stigma of the person who was homeless, and is also on public assistance. You believe what I'm--what I am attempting to say. You can believe what I'm uttering to be credible because

I was victim and I still am a witness. I know that this not what the DOE was aiming for but this what happens in school cafeterias, schools that don't have Universal Free School Lunch. We ask you--we ask you to please expand the Universal Free School Lunch to all students in NYC do this will be a great success and achievement for all. [bell] Thank you very much for all your efforts and positive productions.

JANAY GASKINS: I am Janay Gaskins. I am 15 years old. I am a freshman at the Academy for Environmental Leadership. I'm a member of the Bushwick Campus Youth Food Policy Council. Thank you Chair Ferreras-Copeland and members of the Finance Committee for being our companion and working with the--champion and working with the Mayor to bring--bring Universal Free School Lunch to middle schools. Thank you to the Council, the City Council for continuing to prioritize expansion of this program. Thank you to the Council--the City Council for continuing to prioritize expansion of this program to all New York City public schools. I am here today because free school lunch cannot stop here. All students including elementary high school students like me also need this important program. I believe

in Universal Free School Lunch because in order to focus throughout the school day, you need to eat so you don't focus on being hungry. This also brings in situations related to health. Health is very important because with good health you do not have to worry about a barrier that prevents you from doing things. When students do not eat in the school day, they cannot concentrate in classes, which causes failing grades. Classroom academics should not be affected by a lack of nutrition and hunger. Also, in the case of many parents, they do not have the money to provide for their children because of low income. Thank you to the members of the Finance Committee for working with Mayor de Blasio and the Chancellor to take the--to take the best of last year. We should now expand free school lunch to all levels of school.

KRISTINA ERSKINE: Hello. My name is Christina Erskine. I'm a former high school student at the Bushwick campus. I'm also a co-founder of the Bushwick Campus Youth Food Policy Council and currently a college freshman. I am here today on behalf of the students from Harlem who were not able to testify today, but we have submitted their testimonies as well as all New York City public

school students as it pertains to Universal Free School Lunch program because this issue still resonates with me as a college student. I'm here to present Rashi Roy's testimony. My name is Rashi Roy and I attend the Brooklyn School for Math and Research at the Bushwick campus. I am 16 years old and currently in the 11th grade. I am part of the Youth Food Policy Council at my school. I would like to thank Madam Chair and the Finance Committee for working with the Mayor to bring Universal Free School Lunch to middle schools this year. Thank you also to the Council for continuing to fight for expansion of this program. Universal Free School Lunch is what everyone is talking about these days. Thankfully, Free School Lunch was officially instituted in some middle schools this year, but I need the same to be instituted in my high school and all high schools citywide next year. Cost of school lunch is something causes a burden on many parents. Not all parents who send their kids to public schools can afford to pay bills without worrying about a limit. My parents find--my parents fit into the category of most parents who don't worry about the limit. Ever since I started high school, my parents were

constantly stressing about how to balance all of the bills, and also pay for both me and my brother's school lunch. Once free school lunch was established in middle schools, that was one less school lunch fee for my parents to worry about. I know I am not the only one who has parents struggling. Universal Free School Lunch shouldn't only be limited to middle schools. It should reach out to all schools alike. Thank you.

ASHI MAHARAS: Hi. My name is Ashi Marharas [sp?] and I'm here to give the testimony for Natesa Collob. [sp?]. I am a former high school student at Bushwick campus, and I'm currently a freshman at York College, and I'm also a co-founder for the Bushwick Campus Youth Food Policy Council. So Natesa Collob is a 17-year-old high school student at the Bushwick School for Math and Science--for Math and Research at the Bushwick campus, and she quote: As some of you may know, the Lunch Campaign was really to have Universal Free School lunch in all--in all public schools. I would like to thank Chair Ferreras-Copeland and the members of the Finance Committee for being our champion and working with the Mayor to bring Universal Free School Lunch to middle

2 schools this year. Thank you also to the Council for
3 continuing to advocate for expansion for Free School
4 lunch. Although this is a great start, it is not
5 enough. Today, you heard about the bullying and the
6 stigma many students face in the lunch room, the
7 impact our parents' finances and the implications of
8 hunger. However, I would like to make another point.
9 What happens when the students have free lunch and
10 middle school and then begins high school and no
11 longer has it? The transition into high school is
12 challenging enough. Why create another barrier. We
13 are asking that you extend Universal Free School
14 Lunch for all New York City public schools so this
15 does not have to happen. In general, if a student
16 does not have access to school lunch, that can affect
17 them as well. Students can't focus when they are
18 hungry. Education is a key for success. So why take
19 that away. Why take something away needed to get a
20 good education. Thank you.

21 CHAIRPERSON FERRERAS-COPELAND: Thank you
22 very much for your testimony. We're very proud of
23 you here in this Council, and I appreciate you coming
24 and I hope you have enough time to go home and do
25 your homework. [laughter] Okay, very good. Thank

you, ladies. We will now--the next panel Cat Parker, Michael Weiss, Robert Lee and Ann Dennon, I believe, and the following panel--so get ready--is Randi Levine, Maggie Moroff, Kermit Patterson, Howard Shi and Andy Bicking, Scenic Hudson. You may begin.

CAT PARKER: Thank you. I'd like to start by saying I've never been here before, but I've seen the last two days proceedings and it's very impressive and a little intimidating. So here I go. Good afternoon--evening. My name is Cat Parker, and I'm speaking today on behalf of the League of Independent Theater and its members. The League is a 501(c)(6) political advocacy organization, and it represent's the city's 50,000 independent theater artists including individual theater makers and performance venues from across all five boroughs. We are her today to join our forces--join our voices and our forces with the cultural community to ask for a \$30,000 increase in funding for the Department of Cultural Affairs to be divided evenly between the Cultural Institutions Group and the Cultural Development Fund to expand access to culture for all New Yorkers. Ur members have felt an incredible impact from the rising cost of producing art.

Performance space rental is roughly 40% of every production budget, and the cost of those rental spaces has risen drastically since 2008. As a result, at least 72--the number has gone up since the earlier testimony--at least 72 independent film companies have collapsed and vanished then including some cultural significant venues like the Sullivan Street Playhouse and the Living Theater. And while production costs were increasing, the City's cultural budget was reduced. Now, due to the improvements in the economy since that reduction, we feel the time is right to restore the levels of funding to the 2008 levels. We believe that the additional funding will play a critically important role in increasing the cultural artistic diversity of the city. Additional funding will empower a broader base of smaller organizations, more individual artists and more independent institutions. It will also reach organizations and artists of more diverse cultural backgrounds. This is a moment of incredible opportunity. The League has been working with its membership to generate ideas on how we could work with our public partners to harness the potential of independence performance space. This includes

projects like a cultural impact study to measure the fiscal impact that our performance committee has on the city. Opening unused city-owned property as low-cost rehearsal space and creating a registry of community facilities that are accessible to the public for artistic use. We look forward to working with you on the cultural tapestry of this great city, and thank you for the opportunity to share our concerns and ideas. Thank you. [coughing]

MIKE WEISS: Good evening. Thank you very much esteemed Council members, particularly Council Member Margaret Chin, who's a staunch supporter of the South Street Seaport Museum, for the opportunity to address you all today. My name is Mike Weiss. I am the Waterfront Foreman at South Street Seaport Museum. I am here today representing Captain Jonathan Boulware Executive Director of the Museum. And at the Captain's direction, I am here to tell you a very brief story. New York is a city built on its waterways. The roots of this great city both culturally and economically are its harbor in the East River and in their connections to the sea. New York's current position as a financial and cultural capital is no accident. Indeed, it was the

South Street Seaport with its cobbled streets and piers bustling with activity that brought New York to its prominence. Imagine the East River from the Battery to the Brooklyn Bridge packed so densely with sailing ships that the mass of all these ships appear to be a living forest. This is the story of the birth of New York, and it is the tale that the South Street Seaport Museum shares with its visitors and students. Using 19th Century buildings that were New York's first world trade center and historic ships at Pier 16, our programs engage New York City school children from all five boroughs in practical tactile living history programs. Our visitors sail New York Harbor in historic vessels. Our volunteers and staff maintain the traditional skills and trades necessary to preserve these ships. I, myself, have circumnavigated the earth in a cargo carrying sailing tall ship of the very type that our museum maintains in the East River. I'm a proud New Yorker, and I can tell you first hand that the value of working in ships like this and why they're so important to preserve. Though our ships no longer move commerce across oceans and call on ports like Macau, Shanghai, and Melbourne, Ushuaia, Christchurch, Liverpool, they

once did. And now, they are here as a practical--as practical and relevant examples of the birth of our city that every person that lay their own eyes and hands on. Just last month the Seaport Museum embarked on an ambitious city funded ship preservation project for the 1885 Liverpool built ship Wavertree, the crown jewel of our fleet and icon for more than 400 of our volunteers. She now lies at the Caddell Dry dock in Staten Island undergoing preservation and repair work that will ensure her existence for another generation. No other project of this scale has been undertaken in the United States in recent history. When complete a restored Wavertree will form the basis of a robust offering of educational and public programming that ties New York to its water and to the world. But the funding in place is sufficient only for the first phase of this project. Several key elements of the ship including the towering masts that make her such a presence on the East River are not within the current project budget. It is critical to complete this project, and not allow it to--to remain unfinished before the most iconic part of it is done. [bell] We are now poised to complete this restoration project in away that

will do this administration and the city and all people of New York proud. I urge the City to continuing supporting the pending capital request for phase 2 of Wavertree's restoration as an icon of New York City. Thank you for your time and your consideration of this request.

ROBERT LEE: [off mic] Thank you for this opportunity to speak. [on mic] The mic is off. Okay, now it's better? Thank you for this opportunity to speak to address you the City Council. I am Robert Lee of the Asian-American Art Center, and I am a member of the CEG, Cultural Equity Group. It is--that's no G-I-G. That's C-E-G, the Cultural Equity Group, and we have been operating on the city for more than 40 years. We've been organized as a group for the last, you know, seven or eight years looking for equity. And now this language that we have evolved is the concern of many people in this city, and it's now her before you as a proposal for the funding of the Department of Cultural Affairs for \$30 million. Perhaps I should read this line from the end of my talk right off top, which is the CEG respectfully supports the request of \$30 million increase to DCLA's budget to be split evenly between

the CEG and the CDF. Let me continue then on the beginning of what I wrote then, which is that as a member of the CEG, our concerns are that the goals of cultural equity in the planning process initiated by the City Council and the Mayor de Blasio does come to address New York City's communities of color their contribution to the city and to the state. The inequity they have with--withstood for decades by DCA's funding patterns. The shift in demographics that cries out for change today, and the need for New City to retain its cultural leadership in taking a direction that embraces a multi-cultural America. I welcome this moment in a consideration of an increase to the allocation of the Department of Cultural Affairs is a step meant to further the conversation across the color line, something that William Edwards Burkhardt--we know him more readily as E.B. Dubois--called for so many years ago the color line. Historically, marginalized racial, ethnic and other cultural groups that have been marginalized have existed on the fringe of the mainstream. We should not forget that 40 years of inequitable funding have been justified by this marginalization. And it is good that seek to further this American conversation,

further an equitable distribution of funds, and resources to assure that under-resourced, under-served emerging and mid-sized organizations ground [bell] in the culture and arts of their communities are fairly funded. CEG believes that more funding to the Department of Cultural Affairs is a step forward connecting diverse New Yorkers to each other through arts and cultural opportunities. CEG requests recognition of landmark organizations of color, as well as the Cultural Equity Group appointment to the New York City's Citizens Advisory Committee.

CHAIRPERSON FERRERAS-COPELAND: Thank you very much for your testimony. Your time is up. I really appreciate it, but we will have your testimony in full if you submit it to the record.

ROBERT LEE: Thank you.

CHAIRPERSON FERRERAS-COPELAND: Thank you. The next panel. I'm sorry. Go ahead. Council Member Barron would like to make a comment.

COUNCIL MEMBER BARRON: Thank you Madam Chair. No problem. I want to thank the panel just briefly. I support what you're saying specifically in terms of the communities of color for so many years being under-funded and being marginalized.

Glad to see that last year this Council put significant money into giving those theaters of colors and others--other groups as well some initial funding. We hope to expand that. And in terms of the testimony regarding the South Street Seaport Museum, also focusing on the fact that our history so often marginalizes the contributions that people of color. I have to take a trip and visit there because as you talk about the waterways, and the bus lane ships that, in fact, created New York City and New York State, I hope that there is significant and appropriate acknowledgement that New York City became as great as it did because of the slavery that existed here. And the great numbers of Africans who were forced into slavery, built Wall Street and built this economy. So I'm going to take a trip there and see how significant and how prominent that acknowledgement is, and whether or not there's acknowledgement that that South Street Seaport Museum was, in fact, ready for the auction block existed. Thank you.

MIKE WEISS: That's no small part of our education program, and I don't think you'll be disappointed.

COUNCIL MEMBER BARRON: Thank you.

ROBERT LEE: I thank you for this frank discussion. Let's keep the discussion going on the color line.

CHAIRPERSON FERRERAS-COPELAND: Amazing. Thank you. See, it wasn't that bad. Okay. Randy Levine, Maggie Moroff, Kermit Patterson, Howard Shi and Andy Bicking followed by Kimberly Barry, Phoebe Plagens, David Eng, and Constance Lasso.

[background noise, pause]

CHAIRPERSON FERRERAS-COPELAND: Okay, you may begin your testimony in whatever order. Please make sure that your microphones are on.

ANDY BICKING: Thank you. Good evening. My name is Andy Bicking, Director of Public Policy for Scenic Hudson. Scenic Hudson works to protect and restore the Hudson River and Hudson River Valley as an irreplaceable national treasure and a vital public resource. And you may ask what brings us to the New York City Council hearings today coming from the beautiful Hudson River that we share. The reason is increasingly we have been focused on securing New York City's and the Hudson Valley supply of fresh local food through collaboration with the region's

agricultural and land trust community. We and our land trust partners have a strong track record of working with farm families to conserve Hudson Valley farm land, and are positioned to help address the city's estimated \$1 billion unmet need for fresh local food. In 2013, we authored a food shed conservation plan, the first of its kind in the nation, a strategy to conserve the city's regional food shed. This study found that if New York City wishes to secure access to fresh local food, it must invest in conserving the region's farms. The reason for this is that the demand for food is greater than ever, but that won't save the region's farmland alone because real estate pressure always will favor development over agriculture. In fact, 89% of the Hudson Valley's farmland remains at risk. Also, securing the region's farm is fundamental to creating a sustainable and resilient food system. It's critical to do this for a number of reasons. It brings us expanded access to healthy food. It helps grow the city's food economy, bolsters the supply of local food, the green market schools and institutions, it mitigates climate change by reducing the city's food print and creates a more

environmentally sustainable region. It will also ensure the city's investments in regional food distribution infrastructure. And importantly, this food is increasingly reaching the city's most under-resourced communities where access to healthy food is most challenged. And we've documented this in an additional report entitled *Local Food Pathways*. Clearly, public interest in this issue is growing, and as the support among New York City and statewide leaders, 14 City Council members--members led by Development Committee Chair Garodnick and Environmental Committee Chair Richards have recently sent a letter to the Mayor urging a \$5 million a year investment for 10 years to conserve regional farms. Meanwhile, a coalition of city based food, hunger and environmental groups as well as 24 celebrity chefs and restaurateurs have highlighted this in a letter to the Mayor and the Council Speaker. While the Mayor's One New York City plan calls for partnering with the state to protect farms that produce local regional food, most notably the \$20 million investment made by Governor Cuomo in the recent budget. This initiative is truly dressed for success, and we are poised to become a national

2 progressive food policy model, and welcome the
3 opportunity to collaborate with the City Council and
4 the Mayor's Office to achieve this important goal.
5 [bell] Thank you.

6 CHAIRPERSON FERRERAS-COPELAND: [off mic]
7 Thank you.

8 KERMIT PATTERSON: Good afternoon. Thank
9 you for allowing me to speak in front of the
10 committee. My name is Kermit Patterson. I'm the
11 Deputy Director for Sports & Arts in Schools
12 Foundation City Council sponsored sports camps. As
13 you guys know, part of Sports and Arts' mission is to
14 help bridge the academic gap among students in under-
15 serving communities. Let me just start off also by
16 saying thank you to the Council. You guys have given
17 sports and arts support for over 20 years. With that
18 support, we're able to service about 20,000 students
19 across the city annually. So that's with our summer
20 camp programs and our after school sports league.
21 Just to give a few statistics--excuse me--like I
22 said, there's about 20,000 students that we serve
23 throughout our city with the generosity funding
24 through the--the Council initiative. Most the kids
25 that we service are minority, Black and Hispanic

students throughout the city. We're asking this year for an increase in the give of \$500,000 to offset some of the permit costs, security costs as well as increase in the number of slots allowed for students to take part in our summer camp programs. [bell] I know. I'll be very brief. In short, I just want to say on behalf of the 20,000 students that we service on an annual basis, sports and arts encourage and urge you guys to restore the funding to the additional 500 that we're asking for. Thank you so much for your time.

MAGGIE MOROFF: Good afternoon. Before I forget, Randi Levine who was supposed to be on this panel had to go to a meeting, and she's on her way back. So hopefully she'll get another change to speak. Thank you for the opportunity to speak with you guys today. I'm Maggie Moroff. I'm the Coordinator of the ARISE Coalition. We're a group of parents, educators, advocates and academics who work together to push for system wide changes to special education, and to improve the day-to-day experiences of and long-term outcomes for students with disabilities here in the city. I'm not going to read my full testimony. I know the form know that time

is precious, but I do want to highlight a few things in there for you. First, one of the things that the ARISE members really want to see happening through ASAP is for the DOE to foster significant increase in literacy rights for students with disabilities. The current DOE does seem to share this goal with us, but we all know that they're going to need sufficient resources in order to make that a reality. For that reason, we were particularly happy to see the money proposed by the Mayor in the Preliminary Budget to support literacy development for students with disabilities. And that's a great start, but it's only a start. Just a few--a few of the facts. Students with disabilities represent a substantial and growing population in our City schools. They represent over 18% of our students in the public schools right now. In 2014, less than 7% of those students between the grades of third grade and eighth grade group participated in standardized testing scored a three or four on their ELA exam. That's pretty devastating. In 2012 and '13, the most current year for which we have this data only 31% of high school students with disabilities passed their ELA Regents Exams, an exam that they need in order to

graduate from high school. So, there's a whole lot more that can be done by the DOE to support students with special education needs around their literacy development. Studies show that when those students receive age-appropriate intensive systematic evidence-based interventions, they literacy skills do advance. But, to make that reality, the city is going to need to make an investment in those practices. Therefore, I'm going to skip through the bulk of that testimony. But I am here today to urge the Council to fund not only the \$655,000 that's being proposed for Fiscal Year 2016, but to really consider that as a down payment on a longer term commitment to ensuring that every student in New York City including students with disabilities learns to read proficient, and graduates from school prepared for life beyond school. While I have your attention, just really briefly, we also want to voice support for the Council's request for \$14.2 million for staffing increases of the Regional Committees on Special Education. Those committees support increasing numbers of students with disabilities, increasing [bell for a bunch of reasons. So thank you for that, and thank you for everything.

HOWARD SHIH: Hi. Thank you for--to the Committee on Finance for convening this hearing. I'm Howard Shih. I'm the Research and Policy Director at the Asian American Federation. The Federation's mission is to raise the influence and wellbeing of the Pan Asian American community through research, policy advocacy, public awareness and organizational development. We were established in 1989. The Federation represents a network of 43 member agencies, and works with an additional 15 agencies around the city. These agencies work in the fields of health and human services, education, economic development, civic participation and social justice. I'm here today to highlight our newest report and analysis of city--city government funding to social service organization serving New York City's Asian American community. While the Asian American community in the city makes up 15% of the population, the Asian American community only received 1.4% of the contracts and just 3.1% of the total contract dollars given by city agencies to social service providers from Fiscal Year 2002 to 2014. The share of total contract dollars going to the Asian American community also varied widely by city agency from a

low of 0.2% for the Department of Health and Mental Hygiene to a high of 4.2% for DYCD. I've included a full copy of our--a hard copy of our report with our testimony, and the report is also available on our website at aafederation.org. This report clearly shows that our member agencies are doing much with very little. On behalf of and for our most vulnerable residents and on behalf of our member agencies, we ask--we ask the City Council to address this funding gap. First and foremost, the City budget must increase funding the Asian American community to reflect the tremendous population growth in our communities. We also need the--to change the city contracting process to recognize the expertise and importance of community groups that serve Asian New Yorkers by considering factors such as language and cultural expertise and deep roots in the community in the RFP grading process while concurrently providing capacity and support of the Asian focused organizations that are in the best position to provide these services. We ask our City Council to increase the opportunity for smaller community organizations to compete on their own for city contracts. The consolidation of city contracts

by the previous administration has resulted in Asian led and Asian focused service providers being relegated to subcontracts and with mainstream groups and are often first to lose their funding when budgets become tight. We also testified earlier this year at earlier hearings on the needs of Asians--of the Asian senior population. And so we hope that you will support our member agencies that provide services are best able to reach them. And we look forward to working closely with the City Council [bell] to ensure that member agencies have the resources they need to serve our vulnerable population. Thank you.

CHAIRPERSON FERRERAS-COPELAND: Thank you very much, and thank you all now for your patience. I know that we're getting into the evening hours, and we probably should be eating dinner, but we're in this together. So, I thank you. Thank you for testifying today, and we'll open up the next panel. Kimberly Berry, Phoebe Plagens, Mabel Everett, David Eng and Constance Lasso followed by Kim Salazar, Ambias Pius [sp?], Justin Lebois, Lateef Wearrien, Don Kao--Don Kao and Feggy--Oh, my God.

FEMALE SPEAKER: Bellstein.

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2 CHAIRPERSON FERRERAS-COPELAND:

3 Bellstein. Yes? All right. Good.

4 [background comments, pause]

5 CHAIRPERSON FERRERAS-COPELAND: [off mic]

6 You may begin.

7 PHOEBE PLAGENS: Good evening. My name
8 is Phoebe Plagens and I'm the Senior Public Affairs
9 Associate at Citizens' Committee for Children of New
10 York. CCC is a 71-year-old independent multi-issued
11 child advocacy organization dedicated to ensuring
12 every New York child is healthy, housed, educated and
13 safe. I would like to thank Chair Ferreras and
14 members of the City Council Finance Committee for
15 holding today's hearing and for the opportunity for
16 public testimony. The Executive Budget included some
17 important new programs and resources for children and
18 families which CCC supports. These include 100 new
19 shelter beds and mental health services for runaway
20 and homeless youth; a restoration to save 17
21 elementary after school programs; funding for capital
22 improvements of Horizons and Crossroads, juvenile
23 detention programs, and for childcare centers. A
24 variety of new programs and initiatives to address
25 family homelessness through prevention programs,

rental assistance and aftercare services in the second phase of the pre-kindergarten and middle school expansions. In addition, we are extremely grateful that the Administration reversed course and reinstated funding so 34,000 middle school students will have camp this summer. We are grateful to the Council for your collaboration in having this issue addressed before the budget was finalized, and we look forward to working with you to get these funds baselined for the future. Despite the good news, there are a number of essential programs and services for children that CCC is disappointed to see were not founded in [coughs] in the Executive Budget. We appreciate the City Council's leadership and partnership in many of advocacy efforts. And we hope that you can negotiate an adopted budget that addresses these priorities including Universal Free Lunch for all public school students, Universal Breakfast After the Bell, a \$6.2 million increase for emergency food programs; an additional \$19.9 million so the Summer Youth Employment Program can serve 50,000 youth; funding to prevent childcare centers from closing; \$8.8 million so that elementary after school programs are paid the same rate; funding to

increase for childcare elementary after school
beacons and cornerstone program; funding to ensure
there is no loss in services through the Mental
Health for Children Under Five Initiative. And
finally, City Council restorations including EBTs and
farmer markets; mental health services for court
involved youth; and the Early Literacy Program.
Please read our full testimony where you will find
all the issues we hope can be addressed in the
Adopted Budget. Thank you again for your commitment
to the Children of New York City. [off mic] I had a
long laundry list.

DAVID ENG: Good evening, Chair Ferreras
and members of the City Council Finance Committee.
My name is David Eng and I'm here on behalf of the
Human Services Council. We're an organization
representing over 170 non-profits in New York City
and New York State, and we serve as an advocate for
them. As you know, social services are very
important to the communities that we serve, and one
of things we've been fighting for is a COLA, Cost of
Living Adjustment for the social service sector.
It's been over six years that the social service
sector have received an increase in COLA. In this

past Executive Budget the Administration had put in a 2.5% increase. We're very appreciative of that, but at the same time we are still waiting for kind of the details of this increase. So we hope that the City Council, of course, will include this COLA in its adopted budget, and at the same time work with the Administration. Get us the details. As you know, July 1st is a time when modern non-profit organizations plan their budget for the upcoming fiscal year, and without the details of this COLA it's very difficult for them to do so. And, in fact, it will affect, of course, their ability to serve the community and provide crucial services to New Yorkers. So we hope that the City Council along with the Administration will work with us in making sure that the COLA will be right across the board to all those different agencies that provide human services to New Yorkers. And at the same time that we get all the details so that we can properly serve New Yorkers as well. Thank you.

[pause]

CONSTANCE LASSO: My name is Constance Lasso, and I'm here with my partner Grace Shannon. We're trying to represent the members of the--what I

used to know as the Fort Greene Senior Citizens Center when I was associated with it from way back in the late '70s. And now it's known as the Grace Agard Harewood Senior Center. Grace has been a member for eight years consecutively of the center. So we have together a long and varied experience, and I think we represent the diversity of the center. That's what we're hoping, and we want to thank you on the Council for the support, which you've give over the years and especially this year. Many of you have, as in my understanding, even contributed some of your funds into the center's budget. And I know that's an unusual thing, and we are--we are very pleased with it, and I think it also reflects what the center has always meant to all of Brooklyn. It's one of the oldest centers in the senior center system and it has as well a daycare center, which is endangered. ACS has not approved it for continuing, and we're down here trying to help that center, too, because it's a part of what we're all a part of. We recently had guests from Canada who came down, high school students performing for us, and for the children and for the whole community, jazz and classical music and everything. We're--we're all a part of one center

and the Friday night jazz concerts, which have been going on forever draw in people from all over Brooklyn. So to me to not have the Grace Agard Center would be like to take down the Statue of Liberty or something with the very symbolism of it. We are in a very diversifying, gentrifying neighborhood, and we hope--right Grace?

GRACE SHANNON: [off mic] Yes.

CONSTANCE LASSO: We hope that we can be a part of reducing some of the tensions going on in the community. We have 89 new members who come from all walks of life, a very diverse group economically in terms of language, in terms of ethnic backgrounds. And we have a large percentage of male members, which is very unusual for most senior centers. That--that lease signing issue is very serious. I could go through all the services that we give, but you know them. [bell] It's what's given at ever single senior center. We just, in my opinion, do more of it, and we do it very well. Thank you very much.

GRACE SHANNON: I want to just say thank you. Thank you very much for listening to us, and helping us all through these years. God bless you.

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2 CHAIRPERSON FERRERAS-COPELAND: [off mic]

3 You've got it back. [sic]

4 GRACE SHANNON: Oh, thank you.

5 [laughter] You can have it.

6 CHAIRPERSON FERRERAS-COPELAND: [off mic]

7 GRACE SHANNON: You can have it.

8 CHAIRPERSON FERRERAS-COPELAND: [off mic]

9 And the next panel will be-- [on mic] Wow, it's

10 been--it's been a long one. [laughs] Taj Finger,

11 Judith Kahn, Jennifer Parish, and Rodrigo Sanchez

12 Camus, the next panel after this one.

13 [pause]

14 CHAIRPERSON FERRERAS-COPELAND: And

15 welcome back. I remember you guys testifying before

16 us last year. So good to see you again.

17 [pause]

18 KIM SALAZAR: Well, hello. Thank you for

19 having us. I apologize with my finger. [Speaking

20 foreign language] My name is Kim. I'm from--my name

21 is Kim. I'm from Councilman Van Bramer's district.

22 I was able to present a project which--23 years ago.

23 I was the first transgender youth among a diverse

24 group of predominantly non-LGBT youth.

25 CHAIRPERSON FERRERAS-COPELAND: [off mic]

KIM SALAZAR: I'm sorry. Do you want me start?

CHAIRPERSON FERRERAS-COPELAND: [off mic]

KIM SALAZAR: I'm sorry. Anyway, I was a participant of Project Reach 24 years ago. I was the first transgender youth among a diverse group of predominantly non-LGBT peers. And this was at a time when being trans was not as understood and not as accepted and posed more of a danger to me I suppose. And I think it is important because I took the context of my issue, and I strived to succeed outside the perspective of my circumstance. My time at Reach taught me a lot of things, and what I took from it was a sense of empowerment, and I was able to advocate for myself and advocate the system. Now, I'm pursuing my second college degree at Hunter. I'm pursuing my Ph.D. in psychology, and I have to credit Project Reach with a degree of my accomplishments because I think it helped shape who I am. I understand that you guys support a lot of programs citywide. Among those are programs for job abuse, rehabilitation, and reintegrating ex-convicts into society and juvenile intervention and such. And so, I--I want to stress the point that a lot of the

problems that we spend money on basically stem perhaps either a direct assault or as a trickle down effect of teens having made not very good decisions when they were growing up. [bell] I just want to thank you for this opportunity, and I hope that you consider our petition. [coughs]

[pause]

FEGGY: Hello. My name is Feggy [sp?], and I am 24 years old and I am currently an intern at Project Reach. I came here to speak on behalf of Project Reach, and I'm going to tell you just a little bit about myself. I grew up in an ultra orthodox Hasidic community, and at the age of 16 I came out as a Lesbian. Obviously, that didn't go very well with my family or community. And so, I was sent to reparative therapy. I was cured for a couple of years, and was in an arranged marriage by the age of 18, and I had my son by the age of 19. I--my marriage, obviously, didn't work very well since apparently the curing expired at one point. [laughs] And I left my ex-husband with my child one and a half years into my marriage, and went through a nasty custody battle, and a bout of a short period of homelessness. And finally, it was--you know, became

independent and went back to school, and I'm currently at Brooklyn college doing an undergraduate degree in philosophy and gender studies with led me to Project Reach. And the reason--the way I got in touch--the way I got to know about Project Reach was through women working at the school who heard my story and said I have the perfect fit for you, and there's this place called Project Reach. And coming down to Project Reach I know that I would learn a lot from them, and I would be able to contribute a lot to community that shared many of my struggles or communities that shared many of my struggles. What I didn't realize was that it would actually personally help me with my child as well. I have a 4-year-old child that is currently non-conforming, a very expressive little child. And my son is the child that goes to school with the tutu and the fairy wings, et cetera. And I'm having a very difficult time at his daycare currently, which we've actually reached that with Project Reach through Brad Handler. [background comment] Brad Lander. I'm sorry and he was saying that he was going to help us out with that issue. But--and, in fact, Project Reach themselves will be going down to conduct workshops to educate

the staff and the parental body of my son's school about gender--just about gender concerns. And so-- and so Project Reach in my time having interned here is actually going to make a big difference in my life. And from what I've seen and from the letters that I've seen, the stuff that they've done is incredible, and I--I want to vouch for them, [bell] and vouch for this petition. So thank you for listening.

KATHLEEN CHAMBERS: Thank you. Hi.

Well, my preferred name is Kathleen Chambers. On that, I wrote my legal name Ambias Pius [sp?], but please address me as Kathleen Chambers. My story on my entrance to Project Reach is sort of unique I guess because Project Reach in itself is, from what I've noticed, a unique organization that actually reaches out citywide, and then comes in to host specific events. And I was introduced to Project Reach at a dinner they hosted at the Brooklyn Pride Center. And if Project Reach was not a group that would go out to other boroughs and try to like interact with the communities, I probably would have never met them. And prior to meeting Project Reach I came from a really conservative Islamic family, and

my coming out to them as a transgender woman was just completely mind baffling. And to be honest, at that point, they just did not know what to do with me. And because of how they were raised, because of how the culture is there, I did not have the freedom to express or be myself in any way. But, meeting Project Reach--excuse me. Sorry. I'd like to have your attention. Sorry. But, you know, meeting Project Reach since I've had such a conservative family who did not want this sort of--they did not want their child to become a woman, Project Reach allowed me to finally learn to express myself, learn to be myself, and all--like in so many ways I'm a lot happier with myself, with my life. And I went from this extremely depressed person who was never--who never wanted to be the spotlight. And now with Project Reach's help I am actually participating in a documentary about transgender youth across the city. Thank you.

CHAIRPERSON FERRERAS-COPELAND: I just want to say that for the purposes and in the future for the City Council you write on this document whatever you want us to refer you to. You don't have to write anything else. Okay?

KATHLEEN CHAMBERS: [off mic] All right.
Thank you.

LATEEF WEARRIEN: Good evening City Council Members. My name is Lateef Wearrien. I have the privilege of serving in multiple capacities at this organization. I came when I was 14 from an organization called Jewish Board and that was based in Brooklyn, New York to being a summer intern, a your 14-year-old to actually running a summer program this past summer, a summer coordinator. And this is the first summer where we didn't have adult staff. It was all youth led and run program. I think that's amazing, and one thing that makes Project Reach very unique and different from other organizations is the fact that it's borough wide. I think the problem here is people want to focus on bullying, and bullying is a problem. But Project Reach wants to discover the bullying as a symptom and get into the root cause. I want to share something. Right now, currently, I'm the president of my Black Student Union, at SUNY Plattsburgh, which is a predominantly White institution. So the battle of racism is real. And I just went on a social media site called GIKA, and someone wrote, "Who's down to make a white

student union?" And that's the--that doesn't bother me. The second part that bothers me is why don't we call the White student union the KKK? And that happens. It's just here, and that's the conversation people have a Project Reach. Not only that, it's about transgender youth. Discrimination is everywhere. I'm very much against racism, but I can't be an advocated against racism and extremely homophobic. If you want to be against social--if you want to be for social justice and against discrimination, you have to be against all of it. And that's the beauty of this organization that you bring in leaders and they go out and make changes in the world. I have to thank Margaret Chin and some of the City Council people already donated to our organization. Giving more support to this is bringing together the youth people to actually talk about these issues. You meet young people who are Asian. You meet people who are different from you. To comment in short, I think this--Project Reach is not only in New York City, they go to different colleges and universities to host history of racism workshops. That's the core problem. Personally, I'm tired of talking about bullying. I think it's a

problem. Don't get me wrong. It's a problem, but let's talk about the stem problem, hatred, racism, homophobia and sexism. So, thank you for listening to me.

DON KAO: Hi. How are you? When it? Is it good evening yet or good night? I'm sure. [laughs] Anyway, thank you for allowing us the time to speak, and I feel like I'm among friends because I know a lot of you. And I want to say that Maria, Council Member Arroyo, actually took a risk and had us come and do a workshop with her community board members I believe, and it was amazing. But I do want to give her some props because she--she had all right answers. So it was a little difficult to facilitate a learning experience with the rest of them. But anyway, it was a lot of fun. My name is Don Kao and I'm--I--I think I was born at Project Reach. I've been there for 30 years. When one of the young people when we presented to the Caucus, the LGBT Caucus said well, Project Reach opens its--its--30 years ago it was only working with Chinese immigrant youth. And he said well the opened the doors to Black, Latino and Italian youth, and not only did they lose two-thirds of their Asian youth, but the

only one that's left is Don Kao. Anyway, I thought that was kind of funny. I thought I'd share that with you. Anyway, we have been around for a long time. Our challenges recently had to do with the fact that we've been getting State funding and we've lost two large state grants because the State doesn't seem to understand the importance of citywide work. And what we do is we work in all five boroughs. We just submitted 120 letters of support from 30 or 40 individuals from all five boroughs because they know our work. We were given money I think about eight years ago by the Department of Health that we've created a citywide consortium called the Outright Consortium that services what we call the outer borough LGBT centers because we felt that Manhattan was too well resourced compared to the outer boroughs. And in the end, when we--we want to reapply they forced us to apply within Manhattan and we lost because they were community of Manhattan groups. So anyway, I bring this up to you because I--I want to let the audience know, although many people have left, that the City Council here for the past two years has been the only one that actually supports the work we know we need to do with the

State. We end up doing work and kind of manipulating funding, and doing the anti-discrimination and social justice work that is really need in the city. And I guess we're appealing to you this year because you're the only ones that really support our work. We need to tell you that we need greater funding to sustain our work. And so we're hoping that you will look at the letters of support, and hear what the constituency of people from all five boroughs are saying about what they need. And as far as I know, there aren't a whole lot of organizations that do what we do, and we would appreciate your support.

CHAIRPERSON FERRERAS-COPELAND: Thank you.

DON KAO: Okay.

CHAIRPERSON FERRERAS-COPELAND: Council Member Chin and myself were talking about how impactful your testimony was last year. So I'm glad to see you all here this year, and that you're here bringing your voice, your story, your challenges and, you know, and that we're able to take that with us through this whole process of the budget. But I--I also urge you not to give up on the State. I find

that when people lose funding in the State, the natural thing is to come to the Council.

DON KAO: Uh-huh.

CHAIRPERSON FERRERAS-COPELAND: But I think we need to hold our State elected officials accountable to funding programs that are important. And I'm sure my colleagues would agree with that. We're here with you. We are partners. We want you to succeed, and we definitely want you to be around--

DON KAO: [interposing] Uh-huh.

CHAIRPERSON FERRERAS-COPELAND: --for another 30 years.

DON KAO: Well, our expectation is to partner with you and--and go to State.

CHAIRPERSON FERRERAS-COPELAND: Absolutely--

DON KAO: [interposing] I would appreciate you--

CHAIRPERSON FERRERAS-COPELAND: --let's go to the State and make some noise. I think council members have some good friends up in the State. Council Member Chin.

COUNCIL MEMBER CHIN: Yeah, I--I really want to thank our Finance Chair for the support

because even though Project Reach is in my district with their program, it is citywide. So that's why we're advocating the Speaker. It is really important for you to talk to every single council member because you probably have the constituents, the youth that you serve probably living in all parts of the city. So if you can also get individual funding from individual council members, that also adds up.

DANIEL KAO: We--we actually--we actually use that strategy, and actually applied to 40 out of the 50 city council members because know we are in those districts. The problem is, and this is no criticism by the way, [laughs] we actually sent out packets that we laboriously put together and sent along. Because they were asked, you know, with the federally online application we sent all 40 city council member packets. But whenever we called them, you know, to meet with them, they didn't seem to know about our organization. So I think probably a lot of those packets are probably sitting in the legislative offices. So if you could ask all of them to go look in there, they'll find us there. [laughs]

COUNCIL MEMBER CHIN: We can do that.

DANIEL KAO: That would be great.

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2 CHAIRPERSON FERRERAS-COPELAND: We can do
3 that, and then next year--

4 COUNCIL MEMBER CHIN: [interposing] You
5 only have to do one application online, right and
6 just kind of click everybody's name. But definitely--
7 -but it would also help to have the young people call
8 the council members--

9 DANIEL KAO: Sure.

10 CHAIRPERSON FERRERAS-COPELAND: Yeah.

11 COUNCIL MEMBER CHIN: --and remind them.

12 DANIEL KAO: Okay.

13 CHAIRPERSON FERRERAS-COPELAND: And I
14 think next year let's no use that strategy.

15 COUNCIL MEMBER CHIN: Okay.

16 CHAIRPERSON FERRERAS-COPELAND: We could
17 take another approach and we probably should engage
18 in conversations with Council Member Chin in my
19 office, and we'll figure other ways that you can--

20 DANIEL KAO: [interposing] Terrific.

21 CHAIRPERSON FERRERAS-COPELAND: --have
22 them endorsed. Excellent. Thank you--

23 DANIEL KAO: [interposing] Thank you very
24 much.

25

2 CHAIRPERSON FERRERAS-COPELAND: --very
3 much for coming to testify. I hope you get dinner.
4 You'll probably get it before me. So enjoy.
5 [laughs] The next panel.

6 [[background comments, pause]

7 CHAIRPERSON FERRERAS-COPELAND: And the
8 following--do I need to--everybody knows who the next
9 panel is or do I have to read it again? I think
10 we're good, right? Rodrigo Sanchez, Jennifer
11 Parrish, Judith Kahan and Taj Finger. Excellent.
12 Welcome and the following panel after that is Tyree
13 Stanbeck, Wasim Loam, and Joshua Barnett. Thank you.
14 And you may begin your testimony in whatever order
15 you'd like. Just please make sure that your
16 microphones are on.

17 JUDITH KAHAN: Hi. Great. So all that
18 stuff. [laughs] Hi, my--good evening. [laughs] My
19 name is Judith Kahan and I am the Chief Executive
20 Officer of the Center Against Domestic Violence.
21 Since 1976, the Center has been working so the
22 society free from violence are transforming the lives
23 of victims and raising awareness in our communities.
24 The Center is the largest of the city's Teen
25 Relationship Abuse Prevention Program or RAPP

providers. We offer this program to nearly 30,000 high school and intermediate school students at 15 locations in all five boroughs of New York City in every school. RAPP delivers workshops about healthy relationships, one-on-one counseling and support groups, peer leadership activities, staff education, parent education, and community workshops. Often the masters level social worker who coordinates RAPP is the only adult a teen can turn to within the schools. RAPP is recognized throughout the country as a model program to stop teen relationship abuse. This proven program helps young people stay in school, and to develop the tools for self-sufficiency. RAPP coordinators not only teach students about healthy relationships and how to avoid and end abusive relationship, they assist them to graduate, to go on 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 on to two or four-year colleges because of RAPP. From 2010 to '13, those of us who provide RAPP and those who have benefitted from this groundbreaking program came to the City Council to save the citywide social work program that helps

almost 60,000 high school and intermediate school students from all three boroughs. And you save this program year after year. We thank you for your faith in what we do and your dedication to the youth of New York City. This year, the Mayor included RAPP in the budget, but the RFP released by HRA this year provides only the 2009 RAPP funding level. This means as HRA Commissioner Steve Banks said in his address to the City Council General Welfare and Finance Committee, there were eight campuses--there will be eight campuses cut from the RAPP. When we appeal to the council members to save this program, we were asked over and over again the program could be expanded to more city districts--to more City Council districts. [bell] Now placing RAPP on 22--only 22 campuses cuts the pro--program by more than a quarter. There are so many more students who need this program. RAPP is no longer a demonstration program. They're a proven tool. Every time I meet students--graduates their stories touch my heart. Please restore RAPP to reach the help--teens on 30 campuses from an additional \$1,088,000 so that this valuable program can give more teens a better future. And I know where you can get the money.

CHAIRPERSON FERRERAS-COPELAND: [off mic]

From where? [sic]

JUDITH KAHAN: I know where you can get the money, from the paperclip fund that the Comptroller spoke about. [laughs]

TAJ FINGER: Good evening, Chair Ferreras and esteemed members of the City Council. My name is Taj Finger and I'm speaking in behalf on the--the Center for Court Innovation. Don't worry. I'm not really going to read my testimony. Only a little bit. So, first of all, thank you to the City Council for your support of the Center for Court Innovation and the past support you gave in the previous year or \$400,000 to support our core work. Which includes improving public safety strengthening the public's trust in justice and increasing the use of effective alternatives to incarceration, and enhancing access to justice for New York City's most vulnerable residents. This year we're asking for \$775,000. \$400,000 to support our core work, which you are pretty familiar with I think and then \$375,000 for three critical new initiatives. And those are--one is Project Reset, an early diversion pilot in Brownsville and East Harlem, which diverts 16 and 17-

year-olds arrested for minor, non-violent offenses, the counseling and the community service at one of our justice centers before they ever come before a judge. Avoiding any chance of a criminal record or jail time. The Red Hook Housing Center and the Harlem Center, which aid distress individuals either facing eviction or severe housing repair needs with financial counseling, legal assistance and social services. A recent analysis found that more than 250 evictions were prevented through the efforts of the Harlem Help Center. And finally, at the Brownsville Community Justice Center police community, police community dialogues are regularly--regularly convened and have already help to build trust, understanding and advance common goals in Brownsville. So thank you very much and we appreciate your support.

RODRIGO SANCHEZ: Good evening. My name is Rodrigo Sanchez, and I am the Acting Co-Director of Legal Services at Northern Manhattan Improvement Corporation. We are a member of the Legal Services for the Working Poor Coalition. I'm happy to be before the City Council to testify about that. The Legal Services for the Working Poor Coalition is made up of five legal services providers who offer

citywide services, Kendall [sic] Legal Services, housing conservation coordinators, and FY Legal Services, Northern Manhattan Improvement Corporation and the Urban Justice Center. Together we provide comprehensive legal services to working poor New Yorkers who otherwise could not afford an attorney. Together we have a combined history of serving New Yorkers for more than 125 years. Annually, we serve over 30,000 New Yorkers. Our coalition was created 11 years ago, and with support from the City Council we have been able to address the legal service needs of working poor and low-income New Yorkers. The working poor individuals whose financial situations are only slightly better than our poorest citizens and who cannot afford an attorney when they are faced with a legal problem such as a foreclosure, unpaid wages, bank account seizure or denial of government benefits, SNAP benefits or a non-payment petition from a landlord. Problems like these that threaten to send struggling New Yorkers into a downward spiral of meeting crisis that they may never escape. A few years ago, Judge Lippman convened a task force combined of bar, business and labor leaders to examine the problem of unmet civil legal services

needs in New York State. And found that even with current funding legal services organizations meet no more than 20% of the need of low and moderate income New Yorkers for civil legal services. In response, Judge Lippman has included an increase in funding in the State Judiciary Budget to better address the unmet need. As we applaud the work that the Chief has done to provide funding for civil legal services for low-income New Yorkers, none of that funding is available to serve the working poor New Yorkers whose income exceeds 200% of the poverty level. That is why this funding from the City Council is so critical for working poor New Yorkers. It is important to recognize that this Council's funding for civil legal services for the working poor is the only funding that specifically targets the civil legal needs of working people to ensure continued self-sufficiency for families in New York--who are struggling in New York City. Needless to say, for capacity reasons we are not able to meet the legal services needs of the many people who seek our help. The human consequences of our inability to meet the demand are dire. Children whose families have been wrongly denied unemployment benefits, public assistance or

SNAP benefits go hungry. Families whose homes could be saved through aggressive foreclosure or eviction defense become homeless. People with disabilities are denied the disability benefits they need to live with dignity. And workers who have been cheated of wages by unscrupulous employers go unpaid. In light of a need that increases to grow--that increase as New Yorkers continue to struggle with the ramifications of the economic crisis. In light of the human toll when civil legal services go unmet--unmet, and in light of the positive benefits of civil legal services funding, we urge the Council to restore and increase funding for civil legal services overall and to increase the legal services for the working poor to the \$2 million of 2008. Thank you very much.

CHAIRPERSON FERRERAS-COPELAND: Thank you very much for testifying and for your patience with us today. It's very important that we get your voices on the record. Thank you.

RODRIGO SANCHEZ: Thank you.

CHAIRPERSON FERRERAS-COPELAND: Next panel Christina Fox, Angel Sanchez Guerrera, Omar Enriquez and Sarah Austin. Oh, I'm sorry. I just

skipped a panel, didn't I. Okay. It's okay. How many of those people are here. You. All right. We come on up, and we're going to--we're going to put you on the panel with Joshua Barnette, Wasim Lone, and Tyree Sandbeck. All right.

[background comments, pause]

CHAIRPERSON FERRERAS-COPELAND: Thank you and you may begin in the order--whatever order you'd like.

TYREE SANDBECK: [off mic]

CHAIRPERSON FERRERAS-COPELAND: Okay, what we will do is please make sure the mic is on.

TYREE SANDBECK: Good evening. I'm Tyree. You know me. [laughs] I am the spokesperson for the Citywide Council Presidents, which are the NYCHA resident leaders. We're not here today to endorse or say that we're against the NYCHA budget. What we are here for are to clarify some of the points that were testified to by the general manager yesterday. First and foremost, there can be no Next Gen NYCHA if we don't preserve the generation that is here now. Within ten years I'll be one of those seniors that they're talking about that won't have a place to live. I happen to be one of the fortunate

NYCHA residents, and I only point this out to illustrate that I'm going to continue with. I'm a college graduate. I make a very successful salary considerate to other NYCHA residents. I'm considered to be in the upper 5% of incomes. On the floor that I live in my building there are eight families. After they testified yesterday, and the Mayor said that in the NYCHA Next Generation they're looking to have families who make a minimum of \$46,000, I would be the only person left on my floor. The other seven families would be we don't know where--we are not--as residents we are against the RAD, the Rental Assistance Demonstration program. As they said yesterday, they tried to smooth past it, and said that yes they're in favor of the RAD. But when questioned in, we asked is that ultimate--is the ultimate goal to sell those apartments? And they replied, "Well, uh, well, uh..." And we said, "No, no, no. Is the ultimate goal to sell those units." "Yes." And I say that that's what Next Generation NYCHA is all about, selling and getting rid of public housing as we know it. We must demand that you attach assurances and management of the money that you give them. Yesterday, they talked about \$300

million being given to them to fix roofs. Well, I ask, what happened to the \$300 million that Obama gave you in stimulus money to fix roofs? None of those roofs are repaired today. We talked about \$300 million in money to repair roofs yesterday while at this very moment, there's a \$5 million Bond-B projects going on to repair roofs at 32 developments. Again, none of the roofs are repaired. We must have fiscal responsibility of the monies given them. \$3 billion. People think, oh, yeah, we got \$3 billion to work with. No, after insurance and after all the payments that have to go out, it comes to \$100,000 that they have income. And in closing, residents are not stupid. We can understand a three-card Monte Game. Revenue means money coming that you can actively use towards something else. The three-card Monte comes in if the money from the Police Department. It was only excused shortly. So it wasn't--that's not money that they have to spend. That's money they didn't have in the first place. So they can't use it to spend it somewhere else. So in closing, we're just saying as residents whatever you give to NYCHA, we want to see fiscal responsibility to know that the money is being managed correctly.

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2 CHAIRPERSON FERRERAS-COPELAND: Thank
3 you.

4 TYREE SANDBECK: Thank you.

5 CHAIRPERSON FERRERAS-COPELAND: Thank you
6 very much for your testimony. Whoever is next on the
7 panel may begin.

8 SARAH AUSTIN: Hi, my name is Sarah
9 Austin. I'm here today speaking on behalf of the
10 Staten Island Community Job Center, and I want to
11 thank you for the opportunity to testify today. I'm
12 here in support of the New York City Day Labor
13 Workforce Initiative. I strongly believe this
14 initiative will bring a better future to workers
15 across New York City and especially on Staten Island.
16 The Staten Island Community Job Center is a non-
17 profit organization led by day laborers and domestic
18 workers founded to empower, educate and provide
19 assistance to the recently arrived immigrant
20 community on Staten Island. There are currently 8,00
21 to 10,000 day laborers in New York City. Day
22 laborers experience rampant wage theft, pervasive
23 construction accidents, workforce hazards, lack of
24 access to workforce development training and lack of
25 access to infrastructure. I'm here to ask members of

the City Council to support the Day Laborer Workforce Initiative with an allocation \$365,000 in the Fiscal Year 2016 budget. The Day Laborer Workforce Initiative the expansion and development of three existing day laborer centers across the five boroughs. Right now there are four main day laborer centers in New York City. This initiative will support the expansion of three, which will provide dignified physical space for day laborers and support through job placement, wage theft legal clinics, referral to critical services, and workplace development. Staten Island is the fastest growing immigrant borough and day laborers are a vital part of the local workforce although it is mostly underground and not recognized. The work mostly in construction and landscaping. They work mostly in construction and landscaping. Our workers played a vital role in the aftermath of Hurricane Sandy and were recognized by the New York Times as the second responders because of the coordinated efforts to assist residents through day laborer volunteer brigades. In 2009, the temporary Commission on Day Labor Centers released a list of recommendations as to how the City of New York Should support day

laborers. But, unfortunately, until today, no meaningful investment has been made, and our city is falling behind other major cities in the country that have already implemented programs supporting this vulnerable and important workforce. New York City has the opportunity to create its own model for the day laborer through the Day Laborer Enforce--Day Laborer Workforce Initiative. The locals organizations' Workers Justice Project, New Immigrant Community Empowerment, and Staten Island Community Job Center are well recognized for their cutting edge work and deserve the opportunity to build their capacity with a \$365,000 investment by the City Council. We strongly urge you to support the Day Laborer Workforce Initiative. Thank you very much.

WASIM LONE: Thank you. My name is Wasim Lone. I'm the Director of Organizing for the Little Lower East Side. I'm here on behalf of the Stabilizing New York City Coalition, and to support their request for the NYC initiative, Stabilizing--Stabilizing New York. We are a coalition of 13 tenant housing groups citywide who have come together to fight landlord harassment and intimidation. Specifically, we--our band-aid is to protect rent

stabilized--stabilized apartments when landlords are using very aggressive tactics to drive them out of their apartments in order to make them into market rate apartments. There is a loophole in Albany called Vacancy Decontrol, which gives incentives for a private landlord--to private landlords to harass tenants so they can either benefit and get very much rents. The 13 groups we have a really good group citywide and the last year we organized 250 tenants associations citywide with outreach to 5,000 tenants. We have created a property database of 1,500 properties of landlords who we consider to be predatory, and very aggressive. And as a result of our organization and leadership development in these buildings, the Attorney General's office currently opened four investigations into mega landlords like Steven Croman [sp?], Marolda Properties, Icon Coalition and lastly Bulbar [sp?] Property Management who have huge portfolios. Regarding funding of the allocation of \$1 million in 2015, we haven't actually received that. We already requested additional funding of \$1 million more since we have three more groups who are joining the coalition. It's very important work in this--in this current period of

severe housing crisis where affordable housing is nowhere to be found. And even public housing is under attack as the gentleman talked about. The preservation of the existing rent stabilized apartments, about one million in the city, is critical to--to doing something about the housing crisis. And we will continue our work. We will offer it to more buildings, and it's--it's--the 13 groups provide critical strategic planning and organizing so we can--we can match our resources and power to expose these landlords who are out to get tenants out by using tactics like deprivation of services, frivolous lawsuits, physical and verbal threats and so forth. And construction activity as a way to drive tenants out. Thank you very much.

[background comments]

ANGEL SANCHEZ: Hello. Good afternoon Chair Julissa Ferreras and the distinguished members of the Finance Committee. On behalf of the Workers Justice Project, I want to thank you for this opportunity to testify today. We're here today in support of the New York City Day Laborer Workforce Initiative. We strongly believe that this initiative will bring a better future for workers across New

York City. My name is Angel Sanchez, and I am the Program Coordinator of the Workers Justice Project. The Workers Justice Project is a Brooklyn based community organization that operates the oldest day labor center in Bensonhurst, Brooklyn and a unique woman day laborer organizing program in Williamsburg, Brooklyn. Our organization promotes justice and opportunities for immigrant workers, especially day laborers and domestic--domestic workers that live and work in Brooklyn. In today's economy, New Yorkers rely on the work of thousands of day laborers in a growing workforce that has uplifted New York's economy during its most difficult times. In 2001, the city employed thousands of day laborers to clean up the debris caused by the terrorist attacks of September 11th. Most recently, day laborers were among the first to respond to clean up and recovery efforts of the--of Hurricane Sandy. These anonymous heroes are consciously contributing to the revitalization of our city, but are regularly cheated on their wages, experience pervasive construction accidents, and earn lower wages and lack access to workforce development training and infrastructure. We're here today to ask members of the City Council

to support the Day Laborer Workforce Initiative with an allocation of \$365,000 for the FY16 budget. The Day Laborer Workforce Day Laborer Workforce Initiative supports the expansion and development of three-day labor centers. Which will provide a safe and dignified space for workers to wait for work, protect them from the elements, harassment and exploitation, secure a living wage, increase the transparency in the hiring process, and provide accountability to employers and workers. Provide wage theft legal clinics, referral to critical services, and work--workplace development. New York City has this unique opportunity to invest in--invest in models that have demonstrated to be successful in creating social and economic pathways for a new generation of immigrants. The Bay Parkway Community Job Center operated by the Workers Justice Project has demonstrated the ability to set a living wage of \$15 per hour since last year. [coughs] Create over 1,000 temporary to full-time jobs and reduce wage theft. However, the center lacks a physical infrastructure and problematic capacity to serve the larger community of South Brooklyn. Since 2002, the center operates in a small trailer that is powered by

a generator and where no more than 30 workers can gather because of the lack of space capacity. The limited problematic--programmatic capacity has limited our ability to serve our community. This initiative is unique--is a unique opportunity for New York to recognize the contribution of day laborers and expand models that effectively secure fair wages, workplace safety and better opportunities to improve their quality of life in our community, 365-day support.

CHRISTINA FOX: Good afternoon Chair Julissa Ferreras-Copeland and the members of the Finance Committee. On behalf of new Immigrant Community Empowerment, I want to thank you for opportunity to testify at today's public hearing on the Fiscal Year 2016 Budget. My name is Christina Fox and I'm the Community Organizer at New York Community Empowerment, or NYCE. NYCE is a member-led community based organization in Jackson Heights, Queens that works to ensure that new immigrants can build social, political and economic power in our communities. We work predominantly with Latino day laborers who work in construction and domestic worker who either live or work in Queens. We are testifying

today to request City funding for the Day Laborer Workforce Initiative, a \$365,000 budget request to support the expansion and development of Day Laborer centers across the city. Standing to benefit are an estimated 8 to 10,000 day laborers who look for work in over day laborer corners throughout the five boroughs. Primarily, immigrant men and women, many experience wage theft, accidents in the workplace, and lack of access to workforce development programs. Day labor centers counter these realities by providing dignified physical space for day laborers and by providing support for job placement, wage theft legal clinics, referrals to critical services and a workforce development programs. Specifically, with wage theft, day labor centers offer day laborers a place where they can work with staff who understand the challenges in recovering wages from unscrupulous and often unlicensed contractors. We know from studies that roughly 60% of day laborers report being underpaid, and 49% report not being paid at all. We also know that the construction industry accounted for one-third of unpaid wage theft judgments collectively won by low-wage workers represented by not-for-profit legal service providers. This means

that it's one of the toughest industries to cover wages in even if the Department of Labor or the courts find in favor of the workers. At NYCE and other day labor centers, we operate wage theft clinics where the first order of business is to attempt to negotiate directly with the employer. In 2014, NYCE was able to recover almost \$75,000 in unpaid wages through demand letters and phone calls to the employers. While day laborers who use informal hiring sites, such as street corners, face benefit wage left, day laborers who secure work through day labor centers rarely experience wage theft. This is because at our centers and employer must provide complete contact information and agree to honor the rules and guidelines of the center. It also raises wages for workers because employers must honor baseline rates that workers have agreed to charge at each center. Day labor centers conduct regular outreach to day labor corners and provide accessible Know Your Rights education to prevent wage theft. At NYCE we craft culturally sensitive, population specific materials to educate workers like our *Yo No Me Han Pagado* or *I Haven't Been Paid* pocket size booklet created by and for day laborers.

Currently, we are working to created by and for day laborers. Currently, we are working to create a new Smart Phone application for day laborers to alert each other about unscrupulous contractors who use the day laborer corners to pick up workers. Lastly, day labor centers bring the voice of immigrant day laborers to state agencies like the Department of Labor to make sure that they understand and better address the unique enforcement challenges found in the day labor industry. The Day Labor Workforce Initiative is asking New York City to join other municipalities across the country by investing \$365,000 in day labor worker centers to support the expansion of day labor worker centers across the city. [bell] We respectfully request that you prioritize your support for our initiative during the budget negotiation process, and thank you very much for your time and consideration.

CHAIRPERSON FERERAS-COPELAND: [off mic]

Thank you. That was very fast. [sic]

CHRISTINA FOX: [laughter] I was on a mission. I've been waiting the whole time.

OMAR ENRIQUEZ: Well, thank you for your patience. Thank you for representing my communities

you service. My name is Omar Enriguez and I work for the National Day Labor Organizing Network. The people here are members of our organization, part of the organization that are here in the--in the New York area. NNDLON has 48 organizations throughout the nation. We work on the west coast, eastern. We have just opened a station in the Alabama, and we worked in the west coast. Everything has been said here, but I'm so glad that I'm going last, and really because whatever--all that I heard here contributes to what makes New York great. All the things that were said from the museum, which I agree they should have something about the slave labor that was provided to make New York City great. But also about the immigrant labor that is being provided that are victims of wage theft. All we want is some dignity when we do our work. These centers provide that service. This service provides a place where they could go when their wages are stolen. As I go around the nation, since I'm able to do that, I could go to the west coast. I could go to Georgia. I could go to Maryland even, and I'm faced with the question, Omar, what's going on in New York? How come the immigrants are not being treated like the way they

should be treated? New York is the gateway to the United States, which is a for instance. To me it's like how can I defend that. New York City is far behind in the protection of day laborers. As a example, Seattle. The day laborer center Casa Latino has the most effectiveness in the protection of wage theft, which is prevalent among the workers that we-- that our organization represents. But, in Seattle, which is on the west coast, right, the city provides--the City of Seattle provides \$150,000 in Seattle. Maryland operates five day--five day laborer centers in that state. It has expanded into Virginia. They provide trainings for workers. How much is the funding? \$2 million in Seattle. So when I go out to these places, Omar, what's going on in New York? And I say, yeah, what's going on in New York? I mean I know that all the things that have been said here are needed. It's going to be a hard decision for you. The budget is tight, but it's \$365,000 for something that is going to pay off big time. Immigrants is what make the United States great. In New York we need to represent immigrants. Thank you.

CHAIRPERSON FERRERAS-COPELAND: [off mic]

Thank you. [on mic] Thank you and thank you for

your testimony. Like I said, every one of these voices is important, and we do take that into our process for negotiating. We agree with you. You know, NYCE is in my back yard, a lot of this work, and thank you for being here for the hearings. I feel like we're--you're part of the family now. Thank you all. Get home safely. Enjoy your dinner because we're not having any yet.

[background comments]

CHAIRPERSON FERRERAS-COPELAND: I think we just called this panel, didn't I? Okay, Randi Levine, Anthony Feliciano.

FEMALE SPEAKER: [off mic] He's gone.

CHAIRPERSON FERRERAS-COPELAND: He's gone. Okay. Enye Grace Kim. Monica Escobar, Bojana Nowak [sp?] and Hewlett Chiu.

MALE SPEAKER: [off mic] He's not here now.

CHAIRPERSON FERRERAS-COPELAND: Okay. So, we'll call up Claudia Calhoon. Is Claudia here? Okay. All right, great.

[background comments, pause]

CHAIRPERSON FERRERAS-COPELAND: You may begin your testimony.

RANDI LEVINE: Good evening. Thank you for the opportunity to speak with you today about the Fiscal Year 2016 Executive Budget, and thank you for saying into the evening to listen to this testimony. My name is Randi Levine, and I'm Policy Coordinator at Advocates for Children of New York. For more than 40 years Advocates for Children has worked to promote access to the best education New York can provide for students especially students of color and students from low-income background. In our written testimony we've outlined several increased funding initiatives in the area of education that were included in the Executive Budget, and that we're pleased to see there. What I want to do with my time today is to highlight two areas in education that were not adequately addressed in the Executive Budget, and that we urge you to prioritize as budget negotiations move forward. First, we were pleased that the City Council's response to the Preliminary Budget included \$14.2 million for increased staffing for the Regional Committee on Special Education offices. But, we were disappointed that the Executive Budget did not include this funding. The regional CSE offices are responsible for processing special education

referrals, evaluations, holding IEP meetings and arranging for special education services for a number of important populations including pre-schoolers. As such, CSE staffing is an important component the Pre-K for All expansion. In our written testimony, we've outlined the substantial delays that we've seen in getting pre-school special education services arranged at the time when these services can be most effective. And we've given you data as well as case examples from the more than 150 calls we've received about pre-schoolers who were not receiving their mandated services on time. As the budget process moves forward, we urge you to prioritize including at least \$14.2 million in the final FY2016 Budget for CSE, CPSCE staffing in order for Pre-K for all. For that expansion to be a successful universal program, the city must build the infrastructure to serve pre-schoolers with delays and disabilities including this adequate staff. Second, we appreciate it that the City Council's response to the Preliminary Budget highlighted the importance of increasing funding for restorative justice approaches. And AFC is proud to be part of the Mayor's leadership team on school climate and discipline. For the FY16 Budget, the

leadership team requested \$4.7 million for a program called Safe and Supportive Opportunity Program Expanded, which would provide restorative approaches and training and school guidance interventions to 20 schools that have high numbers of suspensions. [bell] This was not included in the Executive Budget, and we urge you to prioritize as the final budget negotiations take place. Thank you for the opportunity to speak with you today, and I'm happy to answer any questions.

ENYE GRACE KIM: Good afternoon. My name is Enye Grace Kim and I'm a Certified Affordable Care Act Navigator in New York and New Jersey and an advocacy project coordinator at Korean Community Services of Metropolitan New York. I would like to thank the entire City Council for everything they have accomplished for immigrant communities here in New York City. Asian Americans have the lowest rate of health insurance due to linguistic and cultural barriers and have trouble navigating different healthcare systems compared to their countries of origin. These barriers hinders Asian Americans from access healthcare service, and cause a lower rate of health insurance enrollment. However, in spite of

these challenges and hardships that we face everyday, the ACA has truly impacted the lives of people that we serve. To share one story, I received a thank you letter from Mr. Han, whom I served a couple months ago. Before the ACA, private health insurance wasn't affordable for him because of his financial situation. He only visited the doctor's office when it was absolutely necessary. Upon enrollment, he was so happy because for the first time in his life in the U.S. he was able to afford insurance. A month after enrollment, he spent an entire night coughing. If he did not possess health insurance, he would have not gone to the hospital and would have waited for the coughing to subside. Because he had health insurance, he went to the E.R. the next day and was diagnosed as having a heart attack. He underwent two surgeries and had four stents implanted, which he was able to afford because he had health insurance. With Access Health in New York City, we will hear more successful stories like Mr. Han's. These funds will allow community based organizations to provide culturally and linguistically appropriate service for their community members and deliver preventive health information to their clients. We would like

to request the City Council to increase this new initiatives by \$5 million and continue to support these very vital services for everybody's life. Thank you.

COUNCIL MEMBER JOHNSON: Thank you very much.

MONICA ESCOBAR: Good evening. My name is Monica Escobar and, and I am a program associate for New York Navigator Program at Seedco. Seedco appreciates the opportunity to present testimony today to the City Council about the ways we can improve access to care and for considering funding for Access Health New York City. Seedco is a national not-for-profit organization that advances economic opportunity for people, business and communities in need. I'm here today to illustrate some of the challenges that many New Yorkers face understanding and accessing healthcare by sharing two stories from Seedco's network. Tia was uninsured and working as a home healthcare aid in Brooklyn. Last September, she experienced a medical emergency that left her with past due medical bills. Because was employed, she assumed she was not eligible for Medicaid or any type of low-cost health insurance.

After meeting with a Seedco navigator, Tia realized that her low wages made her eligible for Medicaid. Tia is now working with our community health advocate to address her unpaid medical debt from September. Our second story is Asna. Asna moved to New York City from Pennsylvania, and in May of this year she was unemployed and knew that her low income will be-- will allow her to get Medicaid. She assumed that she was not eligible to apply for affordable health insurance in New York as a result of her move. Asna was under the impression that there was a waiting period for benefits. Fortunately, while attending a community event Asna met Seedco's community health advocate who informed her of New York residency requirements. The community health advocate referred Asna to one of our navigators who got her covered through Medicaid. Tia and Asna were very fortunate to have had a chance encounter with Seedco Health Initiative Team, who helped them understand healthcare coverage and connect them to healthcare services. Sadly, these often--this is often not the case as many hard working New Yorkers are unaware or misinformed of their healthcare options. The unfortunate situation experienced by Tia and Asna

would have been avoided altogether had they known about their options. Access Health New York City supports Seedco and other community based organizations throughout the city to offer education and outreach on healthcare coverages for all New Yorkers. Access Health New York will link more New Yorkers who are eligible for ACA coverage to enrollment, and would also link clients who cannot participate in ACA enrollment to other safety net healthcare services such as Federally Qualified Healthcare Centers and Health and Hospital Corporations. These institutions are vital for delivery of cost-effective primary care to the uninsured community in New York. We would like to express our thanks to the Council and the Finance Committee for the opportunity to testify. We appreciate the Council's interest and consideration in this critical effort to connect hard to reach [bell] uninsured New Yorkers to navigators and to existing sources of healthcare coverages.

COUNCIL MEMBER JOHNSON: Thank you.

BOJANA NOWAK: Good evening. My name is Bojana Nowak, and I'm a counselor at Domus. I thank you for the opportunity to testify today. Domus is

organized to minister to our community. Domus is a not-for-profit human service agency. The mission of Domus is to improve the quality of life for those in need particularly immigrant families and seniors and to enable our low-income clients to achieve maximum self-sufficiency and independence. Domus is an active member of the New York Immigration Coalition's Health Collaboration and is here today to testify in support of the Access Health NYC Campaign. For over 30 years, our agency has been a direct service provider in such areas as public benefit entitlements, managed health care assistance, legal immigration services, senior services, emergency housing and housing and employment assistance, ESL instruction and civics classes. Domus serves approximately 2,500 clients annually predominately from Poland. The vast majority of our clients reside in the neighborhoods of Queens, Brooklyn and Staten Island. There are approximately 58,000 Polish immigrant residents in New York. Ridgewood alone currently has a population of over 5,000 immigrants from Poland. Our program assists clients seeking all types of healthcare, government programs, private individual plans and coverage through the New York

State marketplace. Because of limited resources, lack of information on how to access the healthcare system and get the care they need as well as language barrier, our clients face the following problems:

How to access and navigate the marketplace. How to access and navigate HHC, enrollment in Medicare and Medicaid. Choosing Medicare and Advantage Plans and prescription drug plans for Medicare recipients. Resulting in billing issues, make Medicare--medical appointments, getting medical equipment. Finding the right doctor and appropriate clinic for specific clients' needs. Filings disputes and assistance with claim hearing. Our staff helps them find options for medical care including access to free or low-cost care. We pre-screen our clients for eligibility, make referrals to navigators and Medicaid offices, help them manage the care by arranging medical appointments. Translating correspondence from their plans. Assisting with fighting or negotiating bills, and participating in a formal process such as a fair hearing or an appeal. The one-on-one assistance they receive at our agency in their own native language enables them to begin navigating the complexity of the health system. Access Health NYC

funding would enable us to support the organization's operating budget by adding more staff hours. Full-time staff will help our agency reach a larger number of the immigrant community members. Domus gives Access Health NYC our strongest possible support and we urge the Council to fund this important initiative. Thank you.

COUNCIL MEMBER JOHNSON: Thank you, Ms. Nowak. Hi Claudia. Thanks for sticking around.

CLAUDIA CALHOON: Absolutely. Thank you for the opportunity--thank you to you all for sticking around and thank you for the opportunity to be here. I'm actually going to speak on behalf of Betsy Plum, who is our Director of Special Projects, and I'm going to talk about the New York immigration overall city agenda. I'm the Director of Health Advocacy and--and you all have heard me talk about Access Health NYC a lot. It's really an honor to share this panel with my collaborative members. So, in a city where more than one in three is an immigrant and immigrants comprise nearly half of the workforce, the coalition really hopes that our budget reflects the needs of immigrant New Yorkers. Our testimony informed by these needs and it's carried to

us by community based members like the ones you see here as well as by our own community level work. The needs of immigrants are reflected in our 2015 Immigrant Equality Agenda as well as in a report we published last week and we shared both of those with you all, with our testimony. So just for efficiency, I'm going to focus on three priority areas. One is immigrant services. One is access to healthcare and one is civic participation. First, New York must invest in new resources to meet the needs of President Obama's November Executive Actions, which stand to help more than 200,000 New Yorkers once the court injunction is lifted. Fingers crossed. But support must also be renewed to the 2013 DACA Initiative, which is going to expire on June 30th. The Administration has proposed to redirect that funding to immigrant legal services while cutting literacy services by 80%. We believe legal services should be expanded, but not at the expense of equally viable literate--literacy services, which are an enormous need throughout New York. Without renewing funding, over 4,000 immigrant New Yorkers will lose access to essential adult education classes. Second, we urge the Council to approve the \$5 million for

Access Health NYC. I won't spend a whole lot of time except just to say that it's very important for immigrants and for CBOs to have the resources they need to link people to services in a way that my colleagues on this panel have described. And third, New York City houses over 40% of all voters in the state. But with the continued lack of language accessibility, limited understanding of the electoral process and issues at the polls, New York City's new Americans continue to be civically disengaged. New York City should invest \$1 million to engage 75,000 immigrants, and should support the expansion of the immigrant participation in participatory budgeting by allocating \$500,000 to engage immigrants communities in that work. I thank you again for the opportunity to testify. I ask that you please review the accompanying materials that we offer today. They provide a much fuller vision for how the city budget can best meet the needs of immigrant communities and fulfill our mutual goals creating the best budget for all New Yorkers.

CHAIRPERSON FERRERAS-COPELAND: Thank you very much for testifying today. We appreciate you coming and sharing your experience, your expertise,

1 COMMITTEE ON FINANCE 442
2 and we look forward to engaging with you in the
3 coming months after we pass the budget.
4 CLAUDIA CALHOON: Thank you.
5 CHAIRPERSON FERRERAS-COPELAND: We'll
6 call up the next panel. Mallory Nugen--Nugent, Dee
7 Strut--
8 MALE SPEAKER: [off mic] Not here. [sic]
9 CHAIRPERSON FERRERAS-COPELAND: Okay, not
10 here. Carlos Cortez, Mojave Ali, and we'll call up
11 Veronica Conant, Michael D. White, Paul Ness.
12 [background comments, pause]
13 CHAIRPERSON FERRERAS-COPELAND: Okay.
14 We'll call up two more. David Soko, Carolyn Mc--
15 Thank you. McAntry [sp?].
16 MALE SPEAKER: [off mic] Carolyn is not
17 here any more. [sic]
18 CHAIRPERSON FERRERAS-COPELAND: Okay, and
19 Theodore Grunewald.
20 [background noise, pause]
21 CHAIRPERSON FERRERAS-COPELAND: You may
22 begin.
23 MALLORY NUGENT: Hello. My name is
24 Mallory Nugent and I'm a Policy Analyst for Human
25 Services and Poverty Reduction at the Federation of

Protestant Welfare Agencies. I'd like to thank the chairwoman and the members of the Finance Committee for the opportunity to testify before you today.

FPWA strongly urges the Council to invest in initiatives that enhance the upward mobility of New Yorkers. We appreciate the Council's investment in worker cooperatives last year. With your support we have doubled the number of co-ops in New York City and improved wages, working conditions and the ability to build profits [sic] for cooperative members across the city . We're asking you to continue this positive movement by enhancing the funding to \$2.34 million. We estimate that with the enhancement we can bring the total number of co-ops to 73 and reach over and reach over 1,500 cooperative entrepreneurs. We also ask the Council to invest \$365,000 in the Day Laborer Workforce Initiative. There are currently 8 to 10,000 day laborers in New York City. They are primarily comprised of recently arrived immigrant men and women. This effort will support the expansion of the four day labor centers currently in New York, which will--which provide dignified physical space for day laborers as well as a variety of supports. These supports include job

referrals, wage theft legal clinics, Know Your Rights trainings, referrals to services and workforce development. In addition to the workforce investments, we must invest in the health of vulnerable of New Yorkers. We ask that you support \$5 million for Access Health NYC. The initiative will enhance the capacity of community based organizations to provide education outreach and assistance to all New Yorkers about how to access healthcare and coverage. The outreach will target hard to reach New Yorkers such as immigrants, those with disabilities and homeless individuals. Close to 80% of the funds will be re-granted to 52 CBOs to conduct more than 600 events to reach approximately 10,000 people throughout the city. It is estimated that the consumer hotline also provided for the initiative, would enhance--would provide assistance to 2,600 people during FY16. In addition, training and technical assistance for CBOs--for CBO grantee will be provided by the lead organizations, one of which is FPWA. FPWA would like to thank the City for it's investment in the social service workforce in the Executive Budget. We are very pleased to see the \$11.50 wage floor and the 2--2.5% co-op. We see this

as a huge first step in ensuring that those who provide vital services are paid a living wage. We also applaud the \$5 million investment in social service career ladder, which we look forward to working with the City to develop and implement. In addition to these initiatives, FPWA also urges deeper investment in human service programs. You'll see in our written testimony many items and concern from early education to senior services and everything in between. In order to build a true city of equal opportunity, the most vulnerable New Yorkers must be supported and assisted in enhancing upward mobility. Through investments in human services and social safety net programs, the City demonstrates its support for these vital programs and the populations they assist. Thank you.

CHAIRPERSON FERRERAS-COPELAND: [off mic]
Thank you from me. [sic] [laughter]

MUSHTAQ WALI: [coughs] Well, good evening, good night. It's been a long day, and you guys weren't kidding when you said it's going to last until early tomorrow. [laughs] I'm from the Council People's Organization. My name is Mushtaq Wali. My nickname is Avi as in Alibaba. COPO was founded in

2002 to address the post-9/11 backlash against experienced by the Southeast Asian and Muslim residents. Prior to 9/11, many in our target communities were already isolated from mainstream services working at low-wage jobs, living in overcrowded housing and struggling to establish a foothold. As recent immigrants, many in our community lack English proficiency, do not understand local and federal laws and were unaware of the services available to them. Following 9/11 racially-motivated attacks, racial profiling, selective immigration enforcement only compounded their problems and magnified their mistrust of the mainstream providers in the city agencies. COPO's mission is to assist these low-income South Asian and Muslim immigrants to reach their full potential as residents of New York City. COPO empowers marginalized communities to advocate for their rights, and to understand their responsibilities as Americans. As part of this work we build community relations among Muslim and non-Muslim organizations as well as between our local communities and various government agencies. Each year COPO serves over 3,000 clients speaks--our staff speaks eight

languages. We offer a wide range of social services including a senior center, SNAP and healthcare enrollment, domestic violence prevention and immigration legal assistance. As well as education programs such as ESL, UPK and COMPASS after school. COPO also played a major role in Hurricane Sandy relief, partnering with the Mayor's Office of Immigrant Affairs, conducting outreach to over 1,200 households and providing extensive case management to over 230 households. Though this work--through this work we secured over \$2.5 million in grants and other resources to help residents in Brooklyn's impacted neighborhoods to rebuild and return to normal. COPO's target is South Asian including Indians, Bangladeshis and Pakistanis who make up roughly 30% of the Asian population in New York City, and has one of the highest growth rates among all Asian groups. Bangladeshis and Pakistanis also have high rates of poverty, 29% and 28% respectively. And language isolation making it difficult for them to access services from mainstream providers. Despite these facts, according to a recent report on city funding of social services prepared by Asian-American Federation of New York, South Asian organizations

only receive 1.3% share of city funding, far below their share of the population and disproportionately low given the challenges they face. To wrap it up, COPO would, therefore, like to join the American--the Asian-American Federation of New York and encouraging the current City Administration to include additional criteria for proposed evaluation processes [bell] such as the ability to serve immigrants or people with limited English proficiency within language services. This change will be an important step in recognizing that organizations such as COPO that are deeply rooted in the community demonstrate the ability and commitment to serve linguistically and culturally diverse populations. Thank you.

[background comments, pause]

VERONICA CONAN: I think I turned it off. Yeah. I'm Veronica Conan. Thank you for giving us an opportunity to speak, and your mental tone [sic] is unbelievable. I don't know how you can do it. I'm Veronica Conan, Deputy Director of the Public Library and member of the Community to save the public library, and past President of the West 54th and 55th District Association. I strongly plans to increase the operating budgets and to create baseline capital

budgets for the public library systems. I would like to comment on how city funds already granted to New York Public Library for its addendum [sic] central library plan to best serve the public. Over a year ago when the New York Public Libraries--Central Library Plan were abandoned, we were delighted to hear the books that would be preserved at 42nd Street and that Manhattan would be saved and renovated. We hoped that the climate control would be upgraded in those stacks and the three million books be returned there soon. However, more than a year later, the book stacks are still empty. They have been empty for two years. NYPL still lacks transparency about their modified plans and the use of \$151 million city funds granted in taxpayer money. The Library considers the \$46 million for upgrading of the air conditioning too expensive. Instead, they plan to continue to keep a huge amount of the research collection off site and spend \$23 million to complete the second Bryant Park extension under the park. Offsite storage is not inexpensive. We discovered that at New York Public Library's website for each year, there is a tax form 990 for not for profits, and in it there is hidden in there, but we found it

is a cradle tied to compensation for the highest paid contractors. And from that we finally had some figures, which is why I waited all these hours for New York Public's expenses. The off-site storage is not--it is disgusting. For the last two years over \$20 million to have almost five million items now. So a very large proportion of the collection there, and it's in Princeton, New Jersey. Not even in New York State. Clancy Moving and Storage who moved and stored the three million books got over \$3 million. Tow--the two together over \$3 million--\$23 million is a minimum cost. We still don't know a lot of the additional expenses relating to off-site storage. Norman Foster was paid for his no longer wanted architectural plans, \$9-1/2 million, which makes the total of the service \$3 million, and in September 2014, the library bought 74,000 square feet for \$34-1/2 million. So, some of these would be almost the same as the one-time cost of upgrading the book stacks and completing the second stack extension allowing free storage of eight-almost seven million items locally with easy access and entry. \$46 million already awarded in city funds to upgrade the book stacks is a bargain, and a solid investment. So

we really are turning to you to please help this supplement. Then we wouldn't have to come and sit here six hours to testify, and you would have a shorter time to testify. Just one sentence about please do not allow the sale of public libraries. The Science and Industry Business Library is a terrific library. It has so many things that actually I gave you a set of the agenda.

CHAIRPERSON FERRERAS-COPELAND:

[interposing] I know, but we need to be considerate of other remaining panel members. I thank you very much for coming to testify--

VERONICA CONAN: [interposing] Yes.

CHAIRPERSON FERRERAS-COPELAND: --and for being patient. You may begin your testimony.

THEODORE GRUNEWALD: Chair Ferreras, members of the Finance Committee and members of the New York City Council. Thank you for this extended session. The Committee to save the New York Public Library of which I am the Vice President, Theodore Grunewald, is very grateful for this extended session. Few in this city love the library more than its fiercest critics. The Committee to save the New York Public Library was formed in 2013 by concerned

citizens who acted to stop the New York Public Library's foolishly wasteful Central Library Plan, half billion project that if executed would have depleted the New York Public Library's finances as thoroughly as it would have diminished the 42nd Street Carrere and Hastings Building and the research collections housed within it. Prodded in no small part by our activism, the New York Public Library agreed last year to drop the CLP, the Central Library Plan. It's important to remember today that the previous administration allocated \$150 million in taxpayer money for the now discarded plan, and that the New York--NYPL Board of Trustee spent one--\$18 million. The NYPL says it has turned over a new leaf and is coming up with an alternative plan, which will satisfy its critics. The NYPL is here to say, and they were here yesterday, to say to New York citizens and to their City Council representatives, show us the money. Yes, give the NYPL the money it needs, but show us the budget. How are these funds to be allocated? What checks and balances does the City Council have to ensure that these monies are going to the branch libraries in our local communities where capital improvements, more computers, more programs,

more librarians, and longer hours are needed the most? Who will oversee these allocations so that the NYPL is not embarking on another impractical extravagant plan? It's reassuring that the NYPL's endowment has now exceeded \$1 billion. The Council can always suggest that the trustees like Steven Schwartzman and other billionaires on the board scrounge up a few spare millions from under their sofa cushions. But that's not how this works. The people's library is also dependent upon the people's money. And with that, the City Council must represent the citizens' interest. Please give the NYPL the \$1.4 billion in capital funding and \$65 million operating expenses that they need, but do not do so without insisting on greater transparency, and without asserting--and without asserting public oversight of the people's funds by the city. Among other things, the Council should insist on a fully independent cost analysis of the new 42nd Street Plan, including a cost benefit analysis of restoring the stacks and returning all three million missing volumes compared to the missing volumes--to missing volumes spend now off site. Not just books go off site, but so do jobs. And last but not least, the

forthcoming expose recommended by Vanity Fair--in the current issue of Vanity Fair magazine that is in this book *Patience and Fortitude: Power Real Estate and the Fight to Save Our Public Library* will show that the City has not been looking after our buildings and institutions. Let's turn this around so that volume 2 of this book will tell a different story. Thank you.

CHAIRPERSON FERRERAS-COPELAND: Thank you and thank you for your testimony. Just for clarity, the \$1.4 billion and the \$65 million is not just for NYPL. It's for all three of the systems.

THEODORE GRUNEWALD: All three systems?

CHAIRPERSON FERRERAS-COPELAND: Yes.

THEODORE GRUNEWALD: Yes. Thank you.

CHAIRPERSON FERRERAS-COPELAND: I just wanted to make sure that was clear. You may begin.

MICHAEL WHITE: Michael White for Citizens Defending Libraries.

MAYOR DE BLASIO: [recorded speech] It's public land and public facilities and public value under threat. We understand your budget difficulties, but that is no reason to rush to threaten incredibly valuable public assets, historic

buildings, beloved community institutions. And once again we see looking right behind the curtain real estate developers who are very anxious to get their hands on these valuable properties.

MICHAEL WHITE: That is the Mayor speaking as a candidate in 2013 against the tragedy of selling and shrinking libraries. He knew what he was talking about in 2013. He also took money from a lot of people who were involved in selling off libraries, including the development team that is involved in turning the Brooklyn Heights Central Destination Library at corner of Tillary and Clinton into a luxury tower. There is no reason that the libraries should be as drastically under-funded as they are now, except to provide an excuse to sell them off and shrink them as real estate deals. The Brooklyn Heights transaction is closely modeled under the Donnell transaction. [coughs] It was conceived at the same time of the overlap of people. Scott Sherman's new book makes clear that even though we knew that the NYPL would have been deeply in the hole and taken a loss if they had to restore a full scale Donnell. The losses are even--still more than were ever suspected. \$5 million was spent to outfit the

temporary cramped small library in addition. So we netted less than \$33 million. That's about half of what the penthouse apartment is being sold for. It's in the neighborhood of what the other apartments in the 50-story building are being sold for. [coughs] We netted so little money, and then the--the rent on that--the annual rent on that subtracts further taking about a million a year, close to a million a year. Then we have what we paid the highly paid consultants to tell the Library officials that the idiotic idea that they had was a good one. So we've lost a lot of money. The Brooklyn Heights Library is a 63,000 square foot building. It is a highly serviceable and adaptable building. It was designed to be a place where you could to and get books. When it had opened it had 90,000 volumes. It was enlarged in [coughs] 1991. [bell] We will not be able to ever correct our mistake if we put it at the bottom of a luxury tower. It will be unexpandable and we will have sold off and \$85 million asset to net virtually nothing just like Donnell.

CHAIRPERSON FERRERAS-COPELAND: Thank you very much for your testimony. It's important to put it in the record. Thank you for coming this evening

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2 out to the Council. Have good a good evening. Get
3 home safely, and we're going to call up our last
4 panel. You guys are the troopers. Alexis Poisey--
5 Posey. Tim Tompkins Times Square Alliance.

6 TIM TOMPKINS: [off mic] I'm here.

7 CHAIRPERSON FERRERAS-COPELAND: You're
8 here. Rene Giordano--Giardano, Anna Valdez, Anthony
9 Roscisos. Did I say that right?

10 ANTHONY ROUSSOS: [off mic] Ros

11 CHAIRPERSON FERRERAS-COPELAND: Rosios.

12 ANTHONY ROUSSOS: Roussos.

13 CHAIRPERSON FERRERAS-COPELAND: Oh,

14 Roussos. Why am I making it so complicated?

15 [laughs] Laura Deck--Deckerman.

16 LAURA DECKELMAN: [off mic] Deckelman.

17 CHAIRPERSON FERRERAS-COPELAND:

18 Deckelman. Come on up. Paul Deckelman and Tom

19 Murphy. All right, last panel. That means you're as
20 hungry and as tired as we are.

21 [background comments, pause]

22 LAURA DECKELMAN: Okay, is it on. Okay.

23 Fresh air, ocean breezes, open blue sky, sea breeze

24 blowing in your face and hair, breath taking views of

25 New York City, laughter of children. These are some

of the fleeting memories of the Rockaway Brooklyn Army Terminal Ferry that we enjoyed for two years. It's no secret that we miss the ferry. And that's why I'm here today on behalf of the Rockaway Peninsula and the Brooklyn communities on their ferry run to respectfully ask that you re-authorize interim operations of the former Rockaway ferry service until citywide ferries begin in 2017. Or, do anything possible to start citywide service before 2017. The ferry ended because it was not considered cost-effective for the City. According to the EDC, ridership wasn't enough to justify the city paying for large passenger subsidies per ride and continuing the service. The inefficient ridership resulted from mistakes made back in 2012 when ferry service began. For instance, no accommodations were made for Rockway's east end commuters. People without cars had no direct access to the beach 108th Street Ferry Landing and so we've lost many potential east end riders. Plus, the ferry was not promoted enough. Many people who could have been potential passengers did not know that such a service existed, and there was no weekend service, which could have served many recreational riders either going to Rockaway or

traveling to Manhattan. With such changes including the east end ferry stop or direct shuttle service from the east end to the ferry terminal, aggressive promotion so that as many people as possible know that a transit option exists. And weekend ferry service especially in the summer to potentially attract thousand of tourists our ferry would be cost-effective for the city. This summer Rockaway's economy has the potential to flourish and receive more tourists than ever because of Lonely Planet in Queens the top tourist destination for 2015. And Rockaway's beaches just got the top rating of all citywide swimming beaches for 2015 from New Yorkers for Parks. Such recognition plus all that Rockaway has to offer, as well as the status as the only legal surfing beach in New York City could create an economic and business rebirth for Rockaway, still fighting to rebound for Hurricane Sandy. The city would benefit from added tax revenues from more people spending money in the Rockaways. On a personal note, I believe in this cause enough to do everything possible to make our goal of the early ferry return a reality. I rode on the ferry every day for over a year photographing the beauty of the

ride to help promote Rockaway service through social and news media. Last summer, I spent practically every day getting petition signatures to keep our ferry permanent. And recently, I was among nine statewide recipients of the Hero of the Harbor Award for Metropolitan Waterfront Alliance. In conclusion, [bell] by providing ECE's access, promoting ferry service and having weekend ferries, we would see a big increase in ridership. That would cut the theoretical cost per rider figure and make the ferry viable. We hope that you'll consider bringing our Rockaway Ferry back sooner than later and, if possible, by the summer of 2015. Thank you.

PAUL DECKELMAN: Okay. [coughs] Good evening Council Members and thank you for hearing my testimony. My name is Paul Deckelman a homeowner and taxpayer in Far Rockaway, Queens. I believe that I speak for many of the 135,000 residents of our geographically isolated peninsula. For years, I've commuted work in Manhattan via subway, bus and while we still had it, the Rockaway Ferry. Like thousands of other Rockaway commuters, I got stranded by that giant MTA mess on Tuesday and Wednesday, May 26th and 27th due to A-Train power problems at Howard Beach.

If anything proved the need for a reliable alternative to the subway and buses, that was it. We all heard the Mayor's State of the City speech in February. His idea of using our waters linking our city's five boroughs as a transportation resources with ferry service for isolated areas like Rockaway is great. But the view from what we locals down in the Rockaways call the Rockaway transportation desert is that waiting two whole years for this means wasting those two whole years, and that makes no sense. Why reinvent the wheel? Why tear down what was already in place like our ferry service and start from scratch two whole years later? Instead, let's build on what we had. Improve it and then when the time comes, make it part of the city's larger plan. This isn't rocket science. If the political will is there, re-establishing the ferry like we had for two years after Hurricane Sandy could be done in a matter of weeks, not months or years. Remember that the ferry was up and running two weeks after Sandy. Yes, it was an emergency situation, but that just shows what can be done quickly. But I'd like to correct one glaring misconception. During last year's debate over keeping the ferry, all kinds of numbers were

thrown around to justify ending it. The total annual ferry cost was \$6 million, and that's less than one one-hundredth of one percent of the city's \$75 billion budget. It was doable, but we were told right up to the end and even beyond that only 400 people supposed rode the ferry round trip each day with an unsustainable supposed \$30 per ride city subsidy cost. Not so. The 400 rider figure may have been true when the ferry first started in November 2012, but by the time it ended two years later, ridership had grown to a thousand round trip riders per day or 2-1/2 times the much repeated 400 riders figure. According to official ridership numbers that boat operators had to submit to EDC under the contract rules. Do the math and that brings the city's per ride subsidy cost down to \$12, not \$30 and that's about what the city now pays for express bus service. And raising the ridership would bring that figure down even further. The original ferry was unfortunately not well promoted, and there was no provision to make it easier for people on either the east or west ends of Rockaway to access the ferry. The RFP for permanent ferry service includes shuttle buses to the ferry site, and hopefully if the Council

chooses to restore Rockaway's ferry before then, the interim service could as well. In closing and in conclusion, just let me say that if we wait two years to bring the ferry back, we waste two years. Thank you for hearing me.

ALEXIS POSEY: Hi. Okay, I'll go. Good evening Chairperson Ferreras-Copeland distinguished members of the City Council. My name is Alexis Posey. I'm a Senior Policy Analyst for Workforce Development at the Federation of Protestant Welfare Agencies. I am testifying on behalf of the New York City Worker Cooperative Coalition in support of the Council's Local Cooperative Business Development Initiative. We are greatly appreciative to the Council for the Fiscal Year '15 funding of \$1.2 million. Since July, 2014, the initiative has supported a start up of 50 worker cooperative businesses. Twenty-two of these startups are poised to launch and will have 194 worker/owners by the end of this month. As a result of capacity building and technical assistance provided through this initiative, the 22 existing worker cooperative businesses are also experiencing growth. Partners of the initiative have also been educating the broader

entrepreneurship and business communities about worker ownership. Since July 2014, the initiative has reached and educated over 800 individual worker/owners, business owners, lawyers and economic development professionals. In addition, partners of the initiative also work to build relationships and foster effective collaborations with city agencies that play a role in economic and community development. For instance, with the support of Small Business Services, the Coalition is working to provide ten steps to starting the worker cooperative training with SBS at locations across the city. This collaboration will also include events for worker/owners that cooperative members can display and network with other business. On March 3rd, 2015, the Coalition conducted a worker cooperative fair, which was hosted by the Office of Speaker Melissa Mark-Viverito, Councilwoman Arroyo, Councilwoman Rosenthal, Councilman Cornegy and Councilman Garodnick. The Worker Co-op Fair showcased ten worker cooperative businesses, which are located in different parts of the city. This event provided an opportunity for these businesses to engage with each other as well as the representatives in the City

Council. This initiative has gained national attention and served as the best practice for states such as old--excuse me--such as Ohio and our nation's capital, Washington, D.C. Given the significant interest generated amongst the 800 entrepreneurs we reached in year one, a demand for incubation is expected to grow in Fiscal Year '16. In addition to the support and resources that are needed to sustain the 44 worker co-ops, the Coalition is seeking funding enhancement for the initiative. We respectfully ask the City Council to increase the investment in the Worker Cooperative Business Development Initiative from \$1.2 million in Fiscal Year 2015 to \$2.34 million in Fiscal Year 2016. The focus of year two will be building and strengthening working cooperatives around the city. We will ensure the success of 24 newly created worker cooperatives in Fiscal Year '15 and identify 20 new startups businesses to launch. We are expanding our now offering of services and geographic reach by bringing on three new partners, Bachna Incubation and office space to new startups, Urban Upbound, new worker co-ops for NYCHA residents in Long Island City, Astoria and Howard's Point and the Workers Justice Project

and new worker co-ops in South Brooklyn and Staten Island [bell]. Thank you so much. Please consider our proposal a request for \$2.34 million. Thank you.

ANN VALDEZ: Good evening. My name is Ann Valdez. I'm a leader at Community Voices Heard. Community Voices Heard is glad Mayor de Blasio and HRA Commissioner Banks have announced that the exploitive--the exploitive unpaid labor called the Work Experience Program is being phased out. Community Voices Heard would like to see the end of WEP by December 31st, 2015. We are glad that the 500 CUNY students are receiving work study positions instead of WEP. However, on May 31st according to HRA's website, there were still 8,347 people assigned to WEP in New York City. Currently, Sanitation, MTA and DCAS have the highest number of WEP workers. While HRA has control over when to stop sending people to WEP, 14 city agencies and the MTA used WEP workers to do almost 4,000 full-time equivalent positions. CVH has been talking with council members, unions and agencies about creating a pathway from HRA to the city agencies to hire people instead of--instead, to replace that workforce. CVH has the following recommendations on how to replace WEP.

Direct entry into non-competitive labor class entry level positions. CVH believes the WEP workers deserves a chance at the jobs that they were doing for no pay. We want to build a pathway for direct entry into labor class entry level non-competitive positions in city agencies. While many people who are on public assistance have taken civil service tests, there are also many positions which are not civil service. The people who have been doing WEP already should have first chance at those positions because they have already proven that they can do the job, and it is a way off of--and it is a way off of public assistance. Once WEP is over, HRA should insist--instead assess [laughs] screen, determine interest and prepare people to be sent to agencies to interview for a non-competitive entry level city position. 15,000 subsidized transitional jobs in city and private agencies, the Parks Department and the Department of Sanitation have job training participant positions, which are subsidized traditional positions. On May 31st, 2015, 3,173 people are working at positions through Granter Version, which uses the cash assistance grant as a portion of the person's paycheck. This is one way to

pay for it. But this will require redistribution of HRA funds or additional funds. CVH would like to the City to have a goal of at least 15,000 transitional jobs per year, 8,000 in city agencies and 7,000 in private industry, both profit and non-profit. 8,000 city agency transitional jobs increase the Parks Opportunity program to 7,000 JTPs per year. Sanitation increased the DSNY JTP from 117 JTPs to 300, and potentially over 700 transitional jobs across the city agencies. 7,000 for private--for profit and non-profit, private industry goal of 7,000 subsidized positions with guarantees of hiring at least 85% of the people who work there and paying a living wage. Provide a credit on civil service tests, if possible--if people have experienced WEP--have worked through WEP. I'm sorry. I just need to get through this quickly. It is possible and like for example 73,000 people took the Sanitation test. There are almost 1,000 WEP workers in the Sanitation at this time. So there should be a way to find the pathway, and there's also JTP there. So there should be a way to give them jobs. [bell] Increasing their employment services. There are 500 WEP workers--

CHAIRPERSON FERRERAS-COPELAND:

[interposing] I'm really sorry to cut you off. I really am, but we have to be consistent, and there's a gentleman right after you, and we have to get out of here. I think they turn the lights off at 8:00.

ANN VALDEZ: Okay.

CHAIRPERSON FERRERAS-COPELAND: Okay. I think. I'm joking.

ANN VALDEZ: Just one second. GD ESL.

CHAIRPERSON FERRERAS-COPELAND: Got it. GD ESL, literacy. Got it. Thank you. You may begin.

ANTHONY ROUSSOS: I'm Anthony Roussos, former Director of Fiscal Affairs for the DOT's Bureau of Bridges. If I may, I would like to give the Council some insight, historical perspective and perhaps some comment of what I've seen and experienced as fiscal positive achievements and fiscal failures and disasters. And, to offer a cautionary warning on the bottomless fiscal pit of the MTA. And to remind the Council that the discovery of the MTA's habit of keep three sets of books, its use of fear mongering to make people feel that they have no choice but to cave in. And to

continue to promulgate the waste of billions of dollars in inflated administrative costs for a corrupt and wasteful contract process, nepotistic practices. And a ceaseless arrogance and indifference of the needs of the city, the city's viability and the needs of all its citizens who requests needs and pleas they continuously ignore at all public hearings. And, indeed, only a hold such hearings to fulfill its legal obligation to do so. Please remember that in its present day fiscal request for money to allegedly maintain old equipment, it regularly, if not annually, receives such monies to maintain this equipment. What do they do with the money and what set of books will they present to show where the money went? I'd like to briefly state that before the creation of DDC, who I also worked for, when the city still had its large in-house engineering forces including iron workers, bricklayers, carpenters, electricians, highway repairs, patrons and laborers, we were constantly able to--we were consistently able to perform the same work in less time at a much lower cost, and had better quality with an average savings of 40 to 60% versus contracting the work out. Secondly, I'd like

to speak for the hundreds of thousands of present day youth and the youths of the past. Several generations of people lost because they fell between the cracks are victim to an inept social service system, a less than poor and inadequate educational system, or a non-existent or adequate apprentice training program. And an over-zealous, corrupt, mentally unstable police force. And a prison system that does not understand or comprehend the meaning of a rehabilitation program or have any incentives to offer one. We have millions of people on the streets and in prison who are not qualified for jobs, cannot read or write, have serious mental issues, cannot obtain or afford housing. And may naturally have some anger issues or cannot see any other way to counter this sense of drowning or a feeling of being kept down by the system other than by doing drugs to help block out their pain and their feeling of worthlessness, a drug use that they now depend up. In the past, our people could walking the George Washington Bridge of Washington Heights to the Williamsburg Bridge in Brooklyn and throughout the Bronx at all hours mostly after dark. I have seen what's out there and what or who is not, and who is

there that can provide help. It appears that most of the people that are being helped are the ones that are physically able to go the social officers. But there's a large group that cannot make these offices. They fall between the cracks. And I would like with the last note, we should provide better aesthetic things [bell] for the people of the city. And it's time that we all audited the MTA with a goal towards disbanding the good old boys hierarchical network that exists, and its relationship with real estate barons, bankers and all the politicians. And to free up billions of dollars in waste, greed and avarice that we can put to better use.

CHAIRPERSON FERRERAS-COPELAND: Thank you. You can--you can officially say that you wrapped up ---[applause] Yes, we should clap--that you wrapped up the FY16 Budget hearings. You did that--

ANTHONY ROUSSOS: [interposing] That's right.

CHAIRPERSON FERRERAS-COPELAND: --this panel. Thank you.

ANTHONY ROUSSOS: A couple more minutes I would have given a--given a bigger--a bigger splash.

CHAIRPERSON FERRERAS-COPELAND: It's okay. Thank you so much. I want to personally acknowledge Council Member Chin, Johnson, King and Arroyo. You hung in there with me. I appreciate it. [applause] The people of New York City appreciate it. This concludes the City Council's hearing on the Mayor's Fiscal 2016 Executive Budget. We are wrapping up at 7:55 p.m.

COUNCIL MEMBER JOHNSON: I want to thank. You've done an amazing job. Over a hundred hours. [applause, cheers] Chair Ferreras over a--over a hundred hours you've sat there. You have done an incredible job.

CHAIRPERSON FERRERAS-COPELAND: Thank you.

COUNCIL MEMBER JOHNSON: Thank you. Thank you.

CHAIRPERSON FERRERAS-COPELAND: Thank you. Thank you. As a reminder to my Finance Committee colleagues, the Finance Committee will meet tomorrow at 10:00 a.m. in the Committee Room next door. We will be voting on five items. So be sure to be on time. As a reminder to the public, if you wish to submit testimony for the official record, you

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2 can email your testimony to Finance Division at
3 financetestimony@council.nyc.gov, and the staff will
4 make it a part of the official record. We will
5 accept testimonies through 5:00 p.m. on Friday, June
6 12th. Thank you everyone for being a part of this
7 year's budget process. This hearing is now
8 adjourned?

9 [applause, cheers]

10 [gavel]

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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date June 21, 2015