

CITY COUNCIL
CITY OF NEW YORK

----- X

TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE, JOINTLY WITH THE
COMMITTEE ON TECHNOLOGY, COMMITTEE ON CULTURAL
AFFAIRS, LIBRARIES & INTERNATIONAL INTERGROUP
RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING

----- X

May 19, 2016
Start: 10:08 a.m.
Recess: 05:00 p.m.

HELD AT: Council Chambers - City Hall

B E F O R E:

JULISSA FERRERAS-COPELAND
Chairperson
DAVID G. GREENFIELD
Co-Chair
JAMES VACCA
Co-Chair
JAMES G. VAN BRAMER
Co-Chair
ANDY L. KING
Co-Chair
RITCHIE J. TORRES
Co-Chair

COUNCIL MEMBERS:

Ydanis A. Rodriguez
James G. Van Bramer
Vanessa L. Gibson
Robert E. Cornegy, Jr.

COUNCIL MEMBERS:

Laurie A. Cumbo
Corey D. Johnson
Mark Levine
I. Daneek Miller
Helen K. Rosenthal
Steven Matteo
Peter A. Koo
Daniel R. Garodnick
Joseph C. Borelli
James Vacca
David G. Greenfield
Donovan J. Richards
Carlos Menchaca
Andrew Cohen
Mark Treyger
Deborah L. Rose
Ritchie J. Torres
Andy L. King
Ben Kallos
Elizabeth S. Crowley
Costa G. Constantinides
Rafael Salamanca, Jr.
Rosie Mendez
Barry S. Grodenchik
Vincent J. Gentile
Speaker Mark-Viverito

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

Anne Roest
Commissioner
DoITT

John Winker
Associate Commissioner
Financial Services
DoITT

Rachel Laiserin
Associate Commissioner
Procurement and Vendor Management
DoITT

Chad Rosenthal
Deputy General Counsel
DoITT

Tom Finkelpearl
Commissioner
NYC Department of Cultural Affairs

Dennis Walcott
President & CEO
Queens Library

Tony Marx
President & CEO
New York Public Library

Linda Johnson
President & CEO
Brooklyn Public Library

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

Shola Olatoye
Chair & Chief Executive Officer
New York City Housing Authority

Karen Caldwell
Executive Vice President &
Chief Financial Officer
New York City Housing Authority

Nicole Ferreira
Vice President of Development
New York City Housing Authority

1 COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
2 LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
3 CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
4 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
5 AND THE COMMITTEE ON PUBLIC HOUSING 5

3 CHAIRPERSON FERRERAS-COPELAND: Good
4 morning and welcome to the City Council's ninth day
5 of hearings on the Mayor's Executive Budget for
6 Fiscal 2017. My name is Julissa Ferreras-Copeland; I
7 am the Chair of the Finance Committee.

8 We are joined by the Committee on
9 Technology, chaired by my colleague, Council Member
10 Jimmy Vacca and the Committee on Land Use, chaired by
11 Council Member David Greenfield. We've also been
12 joined by minority leader Matteo.

13 Today we will hear from the Department of
14 Information Technology and Telecommunications, the
15 three library systems, the Department of Cultural
16 Affairs and the New York City Housing Authority.

17 Before we begin, I'd like to thank the
18 Finance Division staff for putting this hearing
19 together, including Director Latonia McKinney, the
20 Committee Counsel, Rebecca Chasan, Deputy Directors
21 Regina Poreda Ryan and Nathan Toth, Assistant
22 Director Emre Edev, Unit Head John Russell, Finance
23 Analysts Kenny Grace, Aliya Ali and Sarah Gastelum;
24 the Finance Division Administrative Support Unit,
25 Nicole Anderson, Maria Pagan and Roberta Caturano,

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 6

who pull everything together. Thank you for all your
efforts.

I'd also like to remind everyone that the
public will be invited to testify on the last day of
budget hearings on May 24th, beginning at
approximately 3 p.m. in this room. For members of
the public who wish testify but cannot attend the
hearing, you can e-mail your testimony to the Finance
Division at FinanceTestimony@Council.NYC.gov and the
staff will make it a part of official record.

Today the Executive Budget Hearing begins
with the Department of Information Technology and
Telecommunications; the department's Fiscal 2017
Executive Budget totals \$635.2 billion [sic], which
represents an \$82 billion increase from Fiscal 2016
Adopted Budget, yet, even with a budget of this size,
DoITT has identified only \$7.2 million in Fiscal 2017
as a part of the Citywide Savings Program; the entire
\$7.2 million comes from an increase in cable
subscription revenue above the amount that would have
been projected. The committees would like to hear
testimony regarding why the agency considered an
increase in revenue a savings and why it could not

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 7

2 find actual ongoing efficiencies to include in the
3 savings plan.

4 In addition, funding was added to DoITT's
5 budget for the Procurement Innovation Project, which
6 is the project to replace the antiquated automated
7 procurement tracking system with a more user-friendly
8 system that significantly expands its functionality.
9 We look forward to hearing about how this new system
10 will improve the citywide procurement process and the
11 long-term benefits of such a system's upgrade.

12 Before we begin, I'd like to remind my
13 colleagues that the first round of questions for the
14 agency will be limited to five minutes per council
15 member and if council members have additional
16 questions, we will have a second round of questions
17 at three minutes per council member.

18 I will now turn the mic over to my co-
19 chairs, Chair Vacca and Chair Greenfield for their
20 statements and then we will hear testimony from the
21 Commissioner after you're sworn in by our counsel.
22 And we've been joined... [background comments]

23 CO-CHAIR VACCA: Thank you, Madame Chair.
24 I'd like to welcome everyone here to the Executive
25 Budget Hearing that we're conducting along with the

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 8

Finance Committee and the Land Use Committee. I'm
James Vacca; I'm Chair of the Committee on
Technology.

Today we will hear testimony from the
Department of Information Technology and
Telecommunications (DoITT) on its Executive Budget
and general agency operations. DoITT was created to
consolidate citywide management of information,
application development of city IT resources, the
City's website NYC.gov, telecommunication services,
and communication technologies. The department is
also charged with achieving long-term productivity
improvements, revenue enhancements and cost savings
for the City's IT services and technologies.

DoITT's Fiscal 2017 Executive Expense
Budget totals \$635.2 million, which compared to last
year's adopted budget of \$553.1 million is an
increase of approximately \$82.1 million or close to
15 percent.

Today we will examine all components of
DoITT's Fiscal 2017 Executive Budget, which includes
approximately \$20.2 million in additional new needs
and \$25 million in other adjustments that DoITT has
identified since the FY2017 preliminary budget.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 9

Some of these new needs include \$2.8
million to expand citywide broadband access, \$5.6
million to overhaul Department of Education's Special
Education Student Tracking System and an additional
\$2.1 million for further maintenance costs to ensure
citywide security and data recovery.

Since DoITT has identified many areas
that require additional funding and its budget is
significantly higher than previous years, it is
important to take a closer look at the department's
revenue sources and cost savings. With the projected
revenues from DOT NYC, the city's top level domain,
and LINC NYC, the city's new Wi-Fi hubs that will
replace all existing pay phone infrastructure, has
not changed since the FY2017 preliminary budget; it
appears that the only cost savings DoITT anticipates
is \$7.2 million in additional revenue stemming from
additional subscriptions; this is revenue, not a
savings. The Citywide Savings Program was designed
to enable each agency to identify alternative funding
sources and programmatic changes that will yield
budgetary savings. Seeing none identified, these
committees would like to work with DoITT to further
identify budget savings and operational efficiencies.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 10

1
2 Additionally, we hope to hear more
3 specific information about DoITT's budget plan
4 regarding new positions in the Mayor's Office of
5 Media and Entertainment (MOME). DoITT's plans go
6 forward with NYC WIN or alternative networks and of
7 course, the anticipated opening of PSAC II, the 911
8 backup call center located in my district; with it
9 set to open for business next month, I will be
10 seeking the most up-to-date information on the
11 placement of call-takers there, the completion of
12 construction and the projected maintenance costs
13 going forward. So I'd like to welcome the
14 Commissioner and thank her for her work throughout
15 the year. Thank you, Madame Chair.

16 CO-CHAIR GREENFIELD: Thank you. Good
17 morning, my name is David Greenfield; I'm the Chair
18 of the Council's Committee on Land Use. This hearing
19 will cover the Fiscal 2017 Executive Budget for
20 DoITT. Because there is significant land use
21 consideration related to building and maintaining IT
22 infrastructure throughout the city, including
23 franchise issues; this is a joint hearing with the
24 Committee on Technology, Land Use and Finance.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 11

I wanna thank Chair Julissa Ferreras-
Copeland and Chair Jimmy Vacca for co-chairing this
hearing. I also wanna thank Council staff for the
work in preparing for the hearing, especially Ken
Grace, John Russell and Sheila Johnson.

DoITT provides citywide coordination and
technical expertise in development of the use data,
voice and video technologies in the City service and
operation; they also provide infrastructure support
for data processing and communication services to
numerous City agencies, researches and manages IT
projects and administers the City's cable television
-- I'm very excited about that one -- public pay
telephone and mobile high-capacity telecommunications
franchises.

The goal of the committees throughout
these hearings is to ensure the City's taxpayers are
getting the best return on their dollar and we intend
to examine DoITT's financial plans, budget proposals
and other operational issues.

I wanna thank DoITT Commissioner Anne
Roest and her staff for joining us today; good to see
you folks again look forward to hearing your

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 12

testimony and answering our very detailed questions.

Thank you.

CHAIRPERSON FERRERAS-COPELAND: Thank
you, Chair Greenfield. I was remiss in not
acknowledging and welcoming our new Finance Analyst
Sheila Johnson; I know that you **[inaudible]** in your
remarks, but I just wanted to thank her for her work
for this committee.

We've been joined by Council Members
Rodriguez, Borelli, Garodnick, Koo, Grodenchik,
Richards, and Mendez.

After my counsel swears you in, you may
begin.

COMMITTEE COUNSEL: Do you affirm that
your testimony will be truthful to the best of your
knowledge, information and belief?

COMMISSIONER ROEST: Good morning, Chair
Ferrerias-Copeland, Chairman Greenfield, Chairman
Vacca and members of the City Council.

My name is Anne Roest and I'm the
Commissioner of the Department of Information
Technology and Telecommunications and the Chief
Information Officer for New York City. Thank you for

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 13

the opportunity to testify today about DoITT's Fiscal
2017 Executive Budget.

With me are John Winker, our Associate
Commissioner for Financial Services, Rachel Laiserin,
our Associate Commissioner for Procurement and Vendor
Management and Chad Rosenthal, our Deputy General
Counsel.

DoITT's Fiscal 2017 Executive Budget
provides for operating expenses of approximately \$635
million, allocating \$149 million in personal services
to support 1800 full-time positions and \$486 million
for other than personal services.

Totaling \$128 million, intracity funds
transferred from other agencies to DoITT for services
provided accounts for approximately 20 percent of the
budget allocation. Telecommunication costs represent
the largest portion of the intracity expense, which
was \$115 million in Fiscal 2016.

The 2017 Executive Budget reflects a
decrease of \$8 million and an increase of \$45 million
from the Fiscal 2017 preliminary budget for Fiscal
2016 and Fiscal 2017 respectively.

The increases to the Fiscal 2017
Executive Budget are attributed to IFA extensions,

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 14

OTPS funding associated with ongoing maintenance
costs required to support recently approved capitally
funded initiatives and one-time funding that arose
from Fiscal 2016 for projects such as the citywide
procurement innovation and broadband access.

In short, the 2017 Executive Budget
provides the funds we need to keep doing all the
things that we do to provide resilient, scalable and
leading IT services, infrastructure and
telecommunications to City agencies.

So while the budget breaks the DoITT
mission down into line items, we're talking about
something far greater than the sum of its parts;
we're talking about how DoITT is going to leverage
its resources to lead and efficiently manage world-
class IT services for the City of New York.

The 2017 Executive Budget we're talking
about today reflects our commitment to fulfill
DoITT's mission through a robust infrastructure
secured by layers of intertwined defenses, improved
services, such as 24/7 coverage for essential
citywide IT functions, facility and technology
upgrades, as well as keeping pace with agencies'
request for shared IT services.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 15

2 We are doing more, for example, our data
3 center has grown from 2300 servers to 7500 servers in
4 just the last four years; that's a significant
5 increase in output and that's just one example,
6 investments in new [sic] capital by in-source and
7 consultant staff and also by ramping up our
8 recruitment efforts with an eye toward diversity and
9 inclusion led by our Chief Diversity Officer Kenneth
10 Hunter, and since our last hearing we continue to
11 work with agencies to identify opportunities to in-
12 source IT work and reduce reliance on external IT
13 consultants. In just this last budget cycle alone,
14 94 head count have been added across various
15 agencies, bringing the total to nearly 300 new head
16 count for the conversion of consultants to City
17 staff, and finally, by expanding access to technology
18 for all New Yorkers through expansion of Wi-Fi and
19 broadband initiatives.

20 You may recall that in my last testimony
21 I highlighted Mayor de Blasio's commitment to
22 providing every resident and business across the city
23 with affordable, reliable high-speed broadband
24 service by 2025. To further this goal, the
25 administration has funded six positions in this

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 16

budget to staff a broadband unit to work closely with
Mayor's Counsel Maya Wiley's office in rolling our
various broadband initiatives.

I appreciate the opportunity to discuss
DoITT's 2017 Executive Budget, that concludes my
prepared testimony and I look forward to answering
any questions. Thank you.

CHAIRPERSON FERRERAS-COPELAND: Thank you
very much Commissioner. We're going to go into a
first round of questions and if members have
additional questions, I'll come back for a three-
minute round.

I want to talk about the cost savings.
As I said in my opening, in the executive plan an
additional cable subscription has increased DoITT's
revenue by \$17.2 million in Fiscal 2017; this
increase in revenue makes up DoITT's entire Citywide
Savings Program in the Executive Budget. Considering
DoITT's budget totals \$635 million, why are there no
other opportunities for cost savings identified?

JOHN WINKER: Hi, I'm John Winker; I'm
the Associate Commissioner for Financial Services at
DoITT. You are correct; the initiative that we put
up is a revenue initiative; we worked with OMB to

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 17

essentially assess our various projects going into
FY17 and we were able to use revenue enhancement to
meet the efficiency program and targets that were set
for us. If you recall, in the FY16 Executive Budget
we had the Consultant Conversion Program and that was
able to, I guess, achieve some savings in the overall
baselined budget, cost avoidance and things of such.
Essentially we received 70 positions to bring
consultants onboard, convert those; essentially we've
done approximately 50 percent of those hires to date
and we've been able to save about \$8.1 million in the
baselined budget on a recurring basis... [interpose]

CHAIRPERSON FERRERAS-COPELAND: So that
savings is basically because you haven't hired the
remainder, so...

JOHN WINKER: Well that number will be
enhanced when we hire the remainder. The 8.1 has
been achieved just on the 35 that we've hire so far...

CHAIRPERSON FERRERAS-COPELAND: Uhm-hm.

JOHN WINKER: so essentially we'll be
achieving about \$16 million in savings in the base
once they're all hired. In terms of ongoing, we work
with OMB continuously to assess various opportunities
for savings, whether it be ELAs or other types of

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 18

2 contractual mechanisms that we have in place, to
3 really just try to right-size the types of budget
4 allocations that we have. So going forward we'll
5 continue to do those types of... [interpose]

6 CHAIRPERSON FERRERAS-COPELAND: So this
7 is a challenge that this Council has with OMB's
8 savings program and you know, this is not just in
9 particular to your agency, but several agencies have
10 given savings similar to this and in the Council,
11 when we have a \$2 billion new needs that's proposed
12 by this Mayor, we have a challenge when agencies that
13 we're hoping can find other efficiencies don't and
14 while this is, you know, something you work with OMB,
15 we consider this revenue and it's projected revenue;
16 it's not revenue that you got from last year, it's
17 revenue that you're projecting; correct...? [crosstalk]

18 JOHN WINKER: Well this is actual... Well
19 based on the revenues that we collected in FY16,
20 current fiscal year, that is projected to maintain in
21 the base going forward.

22 COMMISSIONER ROEST: Yeah and I'd like to
23 add too; for DoITT, for a shared service agency, we...
24 I mentioned in my testimony that the amount of
25 infrastructure we're supporting, servers alone have

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 19

increased 300 percent. So there's efficiency in
providing the services we provide and despite our
growing infrastructure support, we are still
committed to meet the budgetary requests for savings.
So we've got an especially difficult challenge
because we wanna do more and more for the agencies to
help them with the savings and the efficiencies that
a shared service can provide and still meet the
demands for reducing the budget and operating
efficiently, so we are working hard to make sure that
we are being diligent about the spending program
going forward.

CHAIRPERSON FERRERAS-COPELAND: Okay.
Procurement, DoITT's Fiscal 2017 budget includes \$14
million for their Procurement Innovation Project
upgrade. Can you walk us through the ways in which
this project will improve the system and provide a
breakdown on how these fundings will be spent, these
funds, sorry.

COMMISSIONER ROEST: So DoITT is
performing the technology work for the CPI project on
behalf of the Mayor's Office of Contract Services,
who is the business owner, but the project, in a
nutshell, will provide end to end procurement

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 20

2 processing, bring some of the transactions online
3 that are currently paper-based and provide a more
4 seamless experience for the agencies, but also more
5 transparency and exposure for the procurement process
6 across the board. So we've done a competitive bid
7 for software, it's a cloud service that we will be
8 implementing, working on behalf of MOCS over the next
9 few years.

10 CHAIRPERSON FERRERAS-COPELAND: And what
11 is your expected timeline to get this kind of all
12 overhauled?

13 COMMISSIONER ROEST: Yeah, I think it's a
14 three-year... we'll have to get back to you with the
15 timeline for the project that was recently awarded..
16 [crosstalk]

17 CHAIRPERSON FERRERAS-COPELAND: Okay, so
18 you'll get back to me with the timeline.

19 And I guess for us, a timeline is
20 important because we wanna be able to track the
21 costs, right and you know, do you anticipate for this
22 in phases and will other phases cost more than
23 others?

24 COMMISSIONER ROEST: So the money that
25 you see in our budget was allocated for the first

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 21

year of cost of project; we recently awarded a \$30.5
million contract for that software and for the
services to implement the software and that is a part
of the innovation project; it's the major part of the
innovation project, but there may be other components
that would be implemented at a later date.

CHAIRPERSON FERRERAS-COPELAND: So the
other components, you don't expect it to be more than
30.5?

COMMISSIONER ROEST: I really... We don't
know yet; there's a major innovation project to
streamline procurement; I expect that this will be
the major part of the project, the implementation of
the software, but that project is ongoing.

CHAIRPERSON FERRERAS-COPELAND: Okay.
The ECTP, the Emergency Communications Transformation
Project to date has contract commitments totaling
approximately \$1.8 billion in capital funds; funding
in the capital plan for the current ECTP projects
total \$306.4 million. Has DoITT identified
additional capital budget savings for this project
and are the costs associated with the project still a
target or are they expected to increase?

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 22

COMMISSIONER ROEST: We expect no
increase, we're still within budget for the ECTP
program; the program's not complete, but we are
within budget.

CHAIRPERSON FERRERAS-COPELAND: And PSAC
II is scheduled to be fully operational by June 2016;
are you still on schedule?

COMMISSIONER ROEST: Yes we are.

CHAIRPERSON FERRERAS-COPELAND: Okay.
Excellent. Well I'm gonna have Chair Vacca, followed
by Chair Greenfield and then we will hear from our
colleagues.

We've been joined by Council Members
Gentile and Menchaca.

CO-CHAIR VACCA: Thank you, Madame Chair;
Commissioner.

I wanted to go into the Special Education
Student Information System. The Executive Budget
includes \$5.6 million to overhaul DOE's management,
evaluation, placement; service delivery for students
with special needs and I'd like to know where we are
with this project and are there additional costs
beyond the 5.6 that you would think could be
required?

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 23

2 COMMISSIONER ROEST: The \$5.6 million was
3 our one year allocation for short-term remediation
4 and fixes of the SESIS project that DoITT heavily
5 involved in; that's not the total for future long-
6 term plans for SESIS and those will evolve over the
7 years. So DOE should be speaking to what the long-
8 term plans are for SESIS and whether or not there'll
9 be additional costs, but for DoITT, for the one year
10 we expect to make substantial improvements in the
11 existing system to support the special education
12 processes in the schools, and we're working very
13 closely with DOE on that, but that's the one year
14 cost for short-term remediation.

15 CO-CHAIR VACCA: So it's a one term cost
16 that's going to be to correct the system and then
17 DOE's on its own?

18 COMMISSIONER ROEST: We will continue to
19 work with DOE, but they'll lead the effort to
20 evaluate the long-term plans for SESIS.

21 CO-CHAIR VACCA: Why are you doing this
22 in the first place; why isn't DOE doing this? What
23 is wrong with our special education evaluation system
24 that DoITT has to go into DOE and install a whole new
25 system? How is that happen [sic]... [crosstalk]

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 24

COMMISSIONER ROEST: So we're not
installing a whole new system; it's simply a capacity
issue. Again, we're working very closely with DOE;
there is not a meeting held that it's not both
agencies; we're bringing capacity to bear on a
problem the Department of Education has identified
and we're working very closely with them.

CO-CHAIR VACCA: Has DOE acknowledged
that we have major problems with evaluating; placing
special education students? They have to acknowledge
that there's been some type of a breakdown for this
expenditure to be spent and then for your agency to
do the total reorganization. Something must have
happened that special education parents should know
about. Are they acknowledging that we've had
problems here for a period of time that only DoITT
can come in and solve for them; is that where we're
at?

COMMISSIONER ROEST: Quite honestly, I
haven't been involved in the policy discussions
around DOE; we were asked to come in... [crosstalk]

CO-CHAIR VACCA: That I would understand.

COMMISSIONER ROEST: Yes, we were asked
to come in and look at a system that has some

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 25

1 technology challenges and work with DOE on that and
2 that's really what our role has been.
3

4 CO-CHAIR VACCA: Does DOE have a
5 technology point person that you deal... [crosstalk]

6 COMMISSIONER ROEST: They do... [crosstalk]

7 CO-CHAIR VACCA: They do?

8 COMMISSIONER ROEST: Right now... actually
9 right now they don't have a CIO; they are recruiting
10 for a new CIO, their CIO left a few months ago.

11 CO-CHAIR VACCA: Did they have a chief
12 executive person for technology?

13 COMMISSIONER ROEST: They did.

14 CO-CHAIR VACCA: They did and that person
15 left?

16 COMMISSIONER ROEST: Yes, he moved on to
17 another opportunity.

18 CO-CHAIR VACCA: So now they are looking
19 for a new person; it's been vacant for a couple of
20 months, but you're continuing your work with them?

21 COMMISSIONER ROEST: Yes and they have an
22 acting, very competent action CIO that we're working
23 with.

24 CO-CHAIR VACCA: Alright, now DoITT's
25 included in the executive plan \$2.6 million for the

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 26

2 Technology Development Corporation; can you tell us
3 what this corporation is doing; who are the members
4 of the corporation and what they do and some of the
5 projects they're involved in?

6 COMMISSIONER ROEST: Yes. TDC, the
7 members of the corporation, it's a not-for-profit;
8 it's managed by a board that's appointed from both...
9 the Mayor's office and the Comptroller's office have
10 representatives on the board to make sure that it's
11 fiscally operating well; there are consulting
12 services; they replace the need for... some of the need
13 for the City to go out and hire consultants to do
14 things like QA, project management and project
15 assistance, and so they've got expertise in project
16 management; again, risk assessment, business analysis
17 and they assist the City in place of going out and
18 hiring often more expensive systems integrators.

19 CO-CHAIR VACCA: How many members are on
20 the corporation and who are they; are they City
21 employees; who are the board of directors of the
22 corporation? It's a nonprofit.

23 COMMISSIONER ROEST: It's a not-for-
24 profit; the board is chaired by the City's CTO,
25 Minerva Tantoco, I'm on the board, there's a

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 27

representative from OMB, there's representatives from
the Comptroller's office, there are at-large members
from the public appointed by the Mayor's office and
the Comptroller.

CO-CHAIR VACCA: Why did we have to have
a nonprofit... Why do we have to have this corporation;
why couldn't we do this in-house; why do we have to
have a nonprofit, you know, technically a nonprofit?
I mean it's a nonprofit basically controlled by the
City; the City employ... [crosstalk]

COMMISSIONER ROEST: We have..

CO-CHAIR VACCA: City employees and
mayoral appointees control the not-for-profit board..
[crosstalk]

COMMISSIONER ROEST: So I... I...

CO-CHAIR VACCA: why do we need it; why
do we need a nonprofit?

COMMISSIONER ROEST: I wasn't here when
it was initially formed, but my understanding, and I
think there's some really good arguments to have an
external group that can come in and do project
management and even QA on City projects, so they're
not City employees, but they replace, again, some of

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 28

the expensive QA and project management resources we
were hiring.

CO-CHAIR VACCA: No, I understand that,
Commissioner, but the board of directors is composed
of City employees and mayoral appointees and they are
overseeing contracts that are issued, so my point is;
why do we need a nonprofit to oversee contracts that
are issued; why don't the contractors go through a
normal process via your agency?

COMMISSIONER ROEST: They're actually
overseeing projects and I would say the board of
directors like any not-for-profit, they aren't
running the operation, they're making sure that the
operation is run according to law and that fiscal
responsibility is exercised; they're not in the day
to day operations; there is a director in the not-
for-profit who manages the day to day operations and
they operate somewhat independently to provide that
independent view of the projects and how they're
being managed and whether they're being managed well
and if they need additional resources. So it's the
same as if you went out to hire a gardener or any of
the other QA vendors to make sure that the City is

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 29

operating efficiently and to bring higher end
resources in.

CO-CHAIR VACCA: Does this corporation
post its minutes on your website; is there a
transparency requirement based on meetings and
minutes and who gets what contract; is there a
transparency thing that we have here?

COMMISSIONER ROEST: There is; in fact,
it's on their own website, they have [inaudible]...
[crosstalk]

CO-CHAIR VACCA: They have their own
website?

COMMISSIONER ROEST: They do, Technology
Development Corporation has their own website where
they post the projects they're involved with, meeting
minutes, etc.

CO-CHAIR VACCA: And if contracts are
given, there is an advertisement process; there is an
opportunity for people to get these...

COMMISSIONER ROEST: Yeah, I'm not aware
of many procurements by TDC; I'll have to get back to
you on what they were, but yes, they would have to
follow the standards that... it's in their charter,

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 30

2 which is on the website, the procurement process...

3 [crosstalk]

4 CO-CHAIR VACCA: And their funding is
5 provided solely from City sources?

6 COMMISSIONER ROEST: Yes.

7 CO-CHAIR VACCA: Okay. Alright, thank
8 you, Commissioner.

9 CO-CHAIR GREENFIELD: Thank you very
10 much. Good morning.

11 COMMISSIONER ROEST: Good morning.

12 CO-CHAIR GREENFIELD: How are you,
13 Commissioner?

14 COMMISSIONER ROEST: I'm very well; you?

15 CO-CHAIR GREENFIELD: I'm wonderful...

16 COMMISSIONER ROEST: Thank you [sic].

17 CO-CHAIR GREENFIELD: feel much better,
18 now that I see you; it's a good way to start my
19 morning; thank you very much. Yes, thank you; I
20 appreciate that, Mr. Leader.

21 So I'm just curious about some staffing
22 issues. As the Chair mentioned, you know we're on
23 quite a spending spree here in the City of New York;
24 we're slated to spend an extra \$2 billion and you
25 know, you and I... you actually gave me the courtesy of

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 31

2 running through some of those numbers and many of
3 those numbers made sense, but I had some questions
4 and I know some of these are just under the umbrella,
5 but perhaps you can shed some light on it.

6 Mayor's Office of Media and
7 Entertainment; do we call the MOME; is that what we
8 call it?

9 COMMISSIONER ROEST: Uhm-hm. Yes.

10 CO-CHAIR GREENFIELD: Wow; someone's
11 gotta work on that branding over there. So they are
12 looking to increase their head count by 17 positions,
13 including 7 new positions, such as a chief of staff,
14 an industry liaison, a social media webmaster; I'm a
15 little bit perplexed about this, so this is an agency
16 that has management, they've never had a chief of
17 staff; they never had an industry liaison; the whole
18 purpose of the agency is to be the Mayor's Office of
19 Media and Entertainment, so no one ever liaised with
20 anyone in the industry; I mean how does that work and
21 why do they suddenly have this drastic need for so
22 many more staffers?

23 COMMISSIONER ROEST: So I'm not involved
24 in the day to day operation of planning of exactly
25 how they allocate their staff and what their needs

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 32

are, but we will get that information and get it back
to you.

CO-CHAIR GREENFIELD: Okay. I mean it's
within your budget though, right; I mean it's not
your... it's not in your direct purview but it's in
your indirect purview; is that fair?

COMMISSIONER ROEST: It is, so we will
get that information and get back to you... [crosstalk]

CO-CHAIR GREENFIELD: Okay; I'm just..
from our perspective it's a very large addition; I
think they have some 100 or so staffers or some 100
odd staffers now and to suddenly increase 17
staffers, including chief of staff and industry
liaison; a social media webmaster, that's just.. it
seems a little bizarre, honestly, so we'd like to
have some specifics about that.

I actually... you know further to MOME, I'm
wondering if you know anything about the film
incentive programs, so New York City has a film
incentive program; we spend \$19.4 million in Fiscal
2017 to incentivize film and television production;
sounds like a good thing, except, interestingly
enough, the State already has a tax credit of \$420
million to incentivize production in New York, so

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 33

2 once again, just curious about -- has there been a
3 study done on the effectiveness of this film
4 incentive program; do we know that we're getting more
5 business as a result; what's sort of the costs
6 benefit?

7 COMMISSIONER ROEST: Again, we'll have to
8 get back to you with that.

9 CO-CHAIR GREENFIELD: Okay, I'm 0 for 2
10 here; I'm gonna for the trifecta. Chief technology
11 office staffing; I think that we have a new role,
12 chief technology officer; I've gotta tell you, by he
13 way, this flummoxes me; I always thought that you
14 were the chief technology officer, but who knew;
15 apparently we have a different chief technology
16 officer and this chief technology officer I think is
17 looking for 22 staffers; that's a lot of staffers; I
18 mean I have 10 staffers in my office and I do a lot
19 of work with those 10 staffers, so what exactly is
20 our chief technology officer gonna do and why do they
21 need so many staff when already DoITT has lots and
22 lots and lots of staffers?

23 COMMISSIONER ROEST: So I believe that's
24 22 positions in total; not 22 new positions and they
25 have a different role than we do, looking at

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 34

2 innovation and civic tech integration and
3 collaboration and so they have a different role;
4 they're doing a lot of work with outside
5 organizations and working one things like Smart
6 Cities, so they have a different role. I'll get
7 information about the 22 and exactly what they're
8 doing and what they're working on and we'll get that
9 to you.

10 CO-CHAIR GREENFIELD: What.. I'm sorry; I
11 still don't understand, I apologize, I'm not so good
12 at the super cutting edge technology, so I'm just a
13 council member. Can you explain to me.. no, no,
14 seriously, I really don't understand; can you explain
15 to me what that means? You're the commissioner of
16 DoITT; in fact, by the way, DoITT has a good slogan,
17 DoITT, right, I mean unlike MOME. So you're the
18 commissioner of DoITT and DoITT oversees all the
19 technology in the city; I don't really understand why
20 do we even have a chief technology officer and what
21 exactly their role is and why they have two dozen
22 staffers? How many people do you have in your
23 agency, currently, as of today.. [crosstalk]

24 COMMISSIONER ROEST: Approximately 1800.

25 CO-CHAIR GREENFIELD: How many?

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 35

2 COMMISSIONER ROEST: Approximately 1800.

3 CO-CHAIR GREENFIELD: I mean that seems
4 like plenty of people to do whatever you need to do
5 in the world of technology; we need a brand new
6 office and staff?

7 COMMISSIONER ROEST: So this is a
8 division that you see often in government, actually
9 and in corporations and that's the innovation versus
10 operations and the thought is it creates a natural
11 tension and pushes the operations to be more open to
12 innovation and on the innovation side they can focus
13 on just new cutting edge technologies, which frankly
14 I wouldn't have the capacity or time to be focused on
15 running an 1800 person operation. So the idea is you
16 take the innovation out and create some natural
17 tension between innovation and operation.

18 CO-CHAIR GREENFIELD: Alright, I think
19 you underestimate your skills, Commissioner..

20 COMMISSIONER ROEST: Well thank you.

21 CO-CHAIR GREENFIELD: I think with 1800
22 folks you could probably do some innovation as well,
23 but I will trust your judgment.

24 My final question is; I've always been
25 curious about this and you know, got this huge

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 36

1 opportunity now; the City's television channel, we
2 spend \$30 million; is there... just curious about the
3 operation, the oversight; also, do they generate ad
4 revenue; how many people actually watch it? I don't
5 know, I mean so... [background comments] I mean I'm
6 sure a lot of people are watching us here today,
7 because this is very riveting; any time Chair
8 Ferreras-Copeland -- no, no, seriously, she has the
9 best hearings. But seriously speaking, do we sort of
10 know what the return for that, like how much are we
11 paying per eyeball versus like public access
12 television; is that sort of the same standard?

14 [background comments]

15 JOHN WINKER: Yeah, I mean we do generate
16 some revenues; not necessarily from advertising,
17 'cause essentially it's, you know... [background
18 comments] oh is it off? It's on, just too far away.
19 Essentially, the revenues that are generated are from
20 leased access programming that we have from there;
21 it's roughly \$2 million a year that we're generating
22 in terms of revenue. We don't have Nielsen numbers
23 with us, but we could certainly... I know that they've
24 generated them in the past; we could certainly get
25 that information to you, should it be available.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 37

2 CO-CHAIR GREENFIELD: What do you mean;
3 what does leased access mean; sorry?

4 JOHN WINKER: It's essentially foreign
5 programming, foreign lang... foreign language
6 programming... [crosstalk]

7 CO-CHAIR GREENFIELD: We don't even have
8 our own programming on this television; we have a
9 need to give the space... [crosstalk]

10 JOHN WINKER: We have both types; we have
11 foreign language programming... [crosstalk]

12 CO-CHAIR GREENFIELD: Yeah.

13 JOHN WINKER: which is basically reaching
14 into the community and giving them access to the
15 airwaves.

16 CO-CHAIR GREENFIELD: Yeah. So we lease
17 it out to other folks who wanna... [interpose]

18 JOHN WINKER: That's right.

19 CO-CHAIR GREENFIELD: Got it. Okay.

20 Once again, I'm just curious about this, you know,
21 certainly it seems to be some whimsical programming
22 on the five NYC TV stations; I'm curious about if
23 it's a good use of resources and whether for example
24 if we're already doing things like letting people buy
25 their own air time, maybe we should look at the

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 38

2 potential of advertising and trying to monetize it as
3 opposed to just simply having it as an informational
4 station. So if you can get back to us on that... yes,
5 Commissioner; did you wanna add something?

6 JOHN WINKER: Well I believe there's a
7 restriction on advertisement for those particular
8 channels, so that's... [crosstalk]

9 CO-CHAIR GREENFIELD: So I can... someone
10 else can buy time on the air and say whatever they
11 want, but you can't have advertisement; is that
12 correct?

13 JOHN WINKER: That's correct; it's not a
14 broadcast channel.

15 CO-CHAIR GREENFIELD: Yeah. Okay. I
16 mean I'm not quite sure I understand the difference,
17 honestly, between someone being able to buy air time
18 and say whatever they want versus advertisement, but
19 I'm understanding from your answers that it's not
20 also directly within your purview, so if you can get
21 back to us on that as well, I would be very grateful
22 and I... [crosstalk]

23 COMMISSIONER ROEST: We will [sic].

24 CO-CHAIR GREENFIELD: thank you so much
25 for your good work and so far my phones work well and

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 39

computers we hear good things about and so we're
appreciative for your leadership. Thank you very
much.

CO-CHAIR VACCA: **[inaudible]**,
Commissioner; can you give us an update on the
broadband access plan and where we stand with
broadband in the city?

COMMISSIONER ROEST: Well there are
several initiatives going out around broadband, I
mean LINC NYC would be the largest of the projects we
have going on; we're also working to bring Wi-Fi to
some NYCHA developments; that's been a pilot program
this year, and we've got additional investment in
libraries **[inaudible]**, so we've got several programs
going on; we can provide you a summary.

CO-CHAIR VACCA: Is there an allocation
for that that you're requesting; is there an
additional allocation that you need for that or is it
something that is progressing to your satisfaction?

COMMISSIONER ROEST: Yes it is; we had an
allocation of \$10 million for broadband; we had an
additional I think \$1 million this year for the
libraries, so yes, we are getting what we need to
move forward with public Wi-Fi.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 40

CHAIRPERSON FERRERAS-COPELAND: Thank you
chairs. We've been joined by Council Members
Rosenthal, Cohen and Treyger; we will hear from
Minority Leader Matteo, followed by Council Member
Rodriguez; followed by Council Member Koo.

COUNCIL MEMBER MATTEO: Thank you, Madame
Chair. Welcome, Commissioner.

Commissioner, I wanna talk about 311 a
bit. I have a bill -- and I don't wanna go over the
substance of the bill, but I'll just generally say
it's a bill that deals with anonymous complaints
where people are using 311 for neighbor harassment
complaints; that they call 311 anonymously about
issue after issue on their neighbor and I wanna talk
about the ones that are unsubstantiated that were
obviously for harassing; that's the basically the
crux of the bill and we're gonna have a hearing on
that in the future. But what I want to ask you, if
you have; do you have data on these types of
anonymous complaints that, you know, for a property
or another issue that, you know there could be
anonymous complaints that all turned up
unsubstantiated and basically it really is being
used, 311, as a harassment tool and if you don't, I

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 41

2 was wondering how we could work together to find out
3 how maybe we could put 'em on a map or portal; not
4 everything has to be solved through legislation and
5 this could be one of those issues, but there is
6 certainly an issue; I have cases after cases of my
7 constituents calling from my district, from Council
8 Member Borelli's district of their lives being
9 harassed and I understand what 311 is supposed to be
10 used for and support that people should be calling
11 311 to report incidents; downed traffic lights, all
12 that, but there is, unfortunately, a group of people
13 who are using it as a harassment tool. So I was
14 wondering if we can get stats or numbers or work
15 together offline so we could see what the patterns
16 are or the trends; maybe add it to portals. Like I
17 said, not everything has to be done legislatively,
18 but this is an issue that continues to arise; in
19 fact, just this last week I got someone come into my
20 office crying that they can't even go outside because
21 they know that their neighbor is just looking to call
22 311 on every move and every time that we send someone
23 out or 311 sends someone out, DOB; Health, comes back
24 unsubstantiated; the issue's not even close to being
25 an issue and lives are being turned upside down

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 42

2 because of it and it's something that... it's an
3 unintended consequence, but it is a reality and it is
4 a consequence and I was wondering if we could get
5 look to get the numbers and you know, I would love to
6 meet offline to discuss further in how we can improve
7 the system and hear your thoughts.

8 COMMISSIONER ROEST: So we do have a lot
9 of great data on 311 calls; I'm not sure we have the
10 data on whether or not a call was substantiated, but
11 we'll look into that and would love to talk to you
12 offline; it's really a good time to sit down and talk
13 because we are looking to replatform 311 over the
14 next few years and would be interested to know
15 exactly what kind of data needs there are from the
16 system that may or may not be answered right now, so
17 would love to sit down **[inaudible]**... [crosstalk]

18 COUNCIL MEMBER MATTEO: Yeah and I
19 appreciate that because it is extremely important and
20 you know, in terms of the budget hearing, we're
21 talking about waste of resources too; I had this
22 conversation with Commissioner Chandler with DOB and
23 his first response was, not only is it harassing, but
24 we are wasting our inspectors going out time and time
25 again after hours and they know that they have to

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 43

1 check because it's a complaint, but they know 9 out
2 of 10 it's not gonna be anything because there is
3 harassing behavior on the property and so we're
4 wasting resources and then we have a real issue and
5 the inspector can't get to because we're wasting time
6 on the harassing issue. So I would love to discuss
7 this further and if we could set up the meeting with
8 my office as soon as possible, that'd be great.

10 COMMISSIONER ROEST: We'll do that.

11 COUNCIL MEMBER MATTEO: Thank you.

12 CHAIRPERSON FERRERAS-COPELAND: Thank
13 you, Council Member. Council Member Rodriguez;
14 followed by Council Member Koo; followed by Council
15 Member Rosenthal.

16 COUNCIL MEMBER RODRIGUEZ: Thank you,
17 Chair. Good morning and thank you for all your work.

18 Yesterday we heard from the MTA that by
19 the end of this year all train stations [sic] will
20 have free Wi-Fi; when is your deadline on when do we
21 expect to see all parks with free Wi-Fi?

22 COMMISSIONER ROEST: Well as you're
23 aware, the Wi-Fi in the parks is primarily through
24 our franchise agreements; we don't have a plan and a
25 deadline for all parks; we'll work with the Parks

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 44

2 Department and work with you to understand where the
3 priorities are around parks. What we wanna do is
4 blend all of the programs we have together to make
5 sure that we're being efficient; in other words, if
6 we're gonna put a LINC kiosk right next to a small
7 park, we wouldn't wanna also put Wi-Fi in that park
8 because they'll have access. So we should sit down
9 and look at the parks in your area and talk about
10 what the plans are for all the different programs in
11 your area and make sure that we're effectively
12 implementing.

13 COUNCIL MEMBER RODRIGUEZ: **[inaudible]**
14 important you know like, you know of course, I always
15 say that I support this administration 100 percent
16 and the commitment of Mayor de Blasio and all of you
17 as part of the team to close the gap on inequality
18 and technology is one of those where we have
19 inequality and I think that we don't have to, you
20 know do much homework to know that there's
21 communities that **[inaudible]** that we have to look at
22 the most organized and more vocal community and a
23 more powerful community in order for us to say that's
24 where we aim to be and when we look about parks that
25 you know, starting having access to Wi-Fi, no doubt

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 45

2 that the working-class parks are not the first ones
3 and it's not only on this one; it happened you know...
4 that's our reality, the dynamic where we work, so
5 what I would like to see you know is only to say I
6 have Fort Tryon Park, great, you have **[inaudible]**
7 park or you have Highbridge Park, but I'd like to see
8 a more comprehensive plan where we can say by the end
9 of 2017; by the end.. or 18; whatever it is, we're
10 aiming to have all parks in New York City with Wi-Fi;
11 that's when it comes to parks.

12 My second question is on schools, and I
13 know that DOE, you know, they do their own
14 independent... that you don't get to do the payment for
15 you know the bill [sic] to the DOE; even though you
16 do to the rest of the agency, you interact with the
17 rest; however, you know, as a former teacher that I
18 was for 13 years; as the father of two daughters, we
19 know that when it comes to technology female and
20 black and Latino are the ones behind and when you
21 look on how are we doing in our schools; when Verizon
22 made their agreement with the City, they were
23 supposed to be mandated to bring broadband; connect
24 it to the schools; it was in the original agreement
25 between the City and Verizon; however, for whatever

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 46

2 reason or whatever they did, they were able to get a
3 plan, to get a waiver to **[inaudible]** few million
4 dollars and with those few million dollars that
5 you'll be spending at your school, then that private
6 company is not obligated to connect all the schools
7 with broadband, so how can... and today **[inaudible]** is
8 that you know the broadband, the capacity is
9 underground, but those are not connected between
10 those underground and the school, so at some level we
11 can say yes, it's the DOE, but how can you reinforce;
12 how can you go back and see what was the original
13 commitment with a private company and address the
14 reality that most of the schools today, even though
15 we put capital; they don't have the capacity to run
16 the level of quality internet services we expected
17 for our children, so how can you be hopeful to
18 address an issue that affects many of our schools?

19 COMMISSIONER ROEST: So you're absolutely
20 right that DOE has their own contracts and their own
21 programs for broadband; we are however interested in
22 supporting them however we can, and if you have
23 thoughts about particular areas that we could be
24 helpful to the DOE as they move forward, we'd be
25 happy to hear that.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 47

2 COUNCIL MEMBER RODRIGUEZ: I think that
3 the City should revise that part of the agreement
4 with Verizon; I think that you know, whatever way
5 they were able to get rid of the obligation that they
6 had at the beginning, which was when the City did the
7 deal in the previous administration, they were
8 supposed to be obligated, mandated to connect all the
9 schools with broadband; however, they came out with a
10 whatever waive **[inaudible]** agreement, but I don't
11 recall the numbers, \$7 or \$9 million and then with
12 those few million dollars then they got out from that
13 obligation and they put on the DOE to use private
14 contractors; something that we knew that it was
15 placing our schools to fail, so today we cannot go
16 back [bell] but we need to move forward.

17 COMMISSIONER ROEST: Yeah, I really would
18 have to look into that with the DOE and understand
19 exactly what happened; I'm not familiar with what
20 happened in the prior administration around that, so
21 I will... sure.

22 CHAIRPERSON FERRERAS-COPELAND: Thank you
23 Council Member. We will now hear from Council Member
24 Koo; followed by Council Member Rosenthal; followed
25 by Council Member Richards.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 48

COUNCIL MEMBER KOO: Thank you, Chair and
thank you, Commissioners and your staff for coming
here to testify.

My question is; during your testimony you
said the Mayor's commitment is to provide every
resident and business access to affordable, reliable
high-speed broadband service by 2025; do you think
you really can attain the goal?

COMMISSIONER ROEST: Yes we do; in fact,
we think we're making great progress now with, again,
programs like the LINC; we're looking at other
opportunities; yes, we do.

COUNCIL MEMBER KOO: So how far are we in
the process?

COMMISSIONER ROEST: We'd have to go back
if you wanted to know by coverage across the city,
square mile coverage, but...

COUNCIL MEMBER KOO: Yeah.

COMMISSIONER ROEST: the links are
rolling out rapidly; we do have Wi-Fi in the parks,
we've got several other programs around libraries and
community centers; I'd be happy to provide an update,
but we are moving rapidly and we've got other ideas
about how we can push broadband out more affordably.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 49

2 COUNCIL MEMBER KOO: Yeah. The next
3 question from me is; it bothers me a lot whenever I
4 use... on the subway I cannot use my phone or I cannot
5 receive message, so what's... New York City is one of
6 the greatest cities in the world, but we are really
7 behind, compared with other cities, so how far... you
8 know, what's in the plan to improve that; at least we
9 can get service, even major stations, like Penn
10 Station, you cannot... you don't get signals in there
11 or Wi-Fi in there.

12 COMMISSIONER ROEST: So that program is
13 being run by the MTA, which doesn't fall under
14 DoITT's purview; I love it when I get credit for what
15 they're doing, but in this case, you know, we really
16 can't answer any questions about what's happening in
17 their program; I would refer you to the MTA. You
18 know...

19 COUNCIL MEMBER KOO: Okay.

20 COMMISSIONER ROEST: I love it that I can
21 get connection in a lot of the subway stations, but I
22 do know that they still have some work to do and they
23 do have a plan and I would ask that you refer to
24 them.

25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 50

1
2 COUNCIL MEMBER KOO: Alright. So my last
3 question is; you have this NYC 311 on phone; it's
4 really good, you know I use it many times, but a lot
5 of times when you wanna use it, they ask you to...
6 usually automatic [sic] they know the location you
7 wanna complain, right, but that only happens when you
8 complain about restaurants; they will automatic
9 download the address for you; for the other
10 complaints you have to enter the address, but after
11 you enter the address you **[inaudible]**, you know,
12 there always somehow is problem, it won't send a
13 message over there; there always a problem. So can
14 you take a look into that?

15 COMMISSIONER ROEST: Yeah, so I just --
16 to make sure I understand, you're saying when you
17 enter the address in the 311 app..

18 COUNCIL MEMBER KOO: Yeah.

19 COMMISSIONER ROEST: it's not carrying
20 the address forward?

21 COUNCIL MEMBER KOO: It is not
22 downloading the address; it is supposed to use GPS to
23 download the address..

24 COMMISSIONER ROEST: Uhm-hm.
25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 51

2 COUNCIL MEMBER KOO: but only..

3 [crosstalk]

4 COMMISSIONER ROEST: Okay..

5 COUNCIL MEMBER KOO: working only in the
6 restaurant category, but in other categories you have
7 to manually input.

8 COMMISSIONER ROEST: Well that's the
9 first I've heard of that problem and yes, we'll look
10 into it.

11 COUNCIL MEMBER KOO: So this has been
12 happening for a long time **[inaudible]**, but there's
13 no... I don't know where to complain to, you know.

14 COMMISSIONER ROEST: Well you found the
15 right person... [crosstalk]

16 COUNCIL MEMBER KOO: So...

17 COMMISSIONER ROEST: but yeah, we will
18 look into it.

19 COUNCIL MEMBER KOO: My last question is
20 the same question that Council Member Rodriguez
21 asked, but in my district we have [sic] Francis Lewis
22 High School, a lot of the students want to use their
23 Wi-Fi, but they don't have enough broadband to
24 support the use, so how can you help them to improve
25 the Wi-Fi system there?

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 52

2 CHAIRPERSON FERRERAS-COPELAND: Council
3 Member Koo, give me one second; can the sergeant at
4 arms please close the back door so that we can hear
5 the council member?

6 COUNCIL MEMBER KOO: Sure. Yeah. So
7 that's my question. We need to improve the Wi-Fi
8 capacity for all high schools and libraries because
9 they are too slow in there, you know the Wi-Fi, you
10 have to wait a long time to get online and sometimes
11 it doesn't work. So you have to set a priority to do
12 that for high schools, libraries -- I think those are
13 the most priorities, yeah.

14 COMMISSIONER ROEST: Yes, thank you.
15 Again, the schools are a separate program, but we
16 will work with them; that is definitely a priority
17 for the city to improve the broadband in the schools
18 and the public's used spaces, so we'll work with DOE,
19 talk to them.

20 COUNCIL MEMBER KOO: Okay. Thank you.

21 CHAIRPERSON FERRERAS-COPELAND: Thank
22 you, Council Member Koo; we will now hear from
23 Council Member Rosenthal.

24 COUNCIL MEMBER ROSENTHAL: Thank you so
25 much, Chairs. Commissioner, great to see you.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 53

2 I'm so glad you brought Rachel Laiserin
3 with you; now I know we're in really good hands.

4 COMMISSIONER ROEST: Me too. Thank you.

5 COUNCIL MEMBER ROSENTHAL: Yeah. First,
6 just sort as chair of the Contracts Committee I have
7 a couple of questions for you. MWBEs, plan versus
8 actual overtime; how have you been doing?

9 COMMISSIONER ROEST: Rachel will take
10 that.. [crosstalk]

11 [background comment]

12 COUNCIL MEMBER ROSENTHAL: I didn't mean
13 to punt that.

14 RACHEL LAISERIN: Thanks. We're actually
15 doing a little bit better than we were doing last
16 year with the MWBEs; for the first half of the year
17 we awarded 47 contracts to MWBE firms.

18 COUNCIL MEMBER ROSENTHAL: Okay. And
19 then the difference between the number of contracts
20 and in terms of the dollar amount, of the percentage
21 of the total dollar amount of contracts awarded, is
22 it similarly...

23 RACHEL LAISERIN: So we... in terms... last
24 year, in terms of number or contracts, we awarded... at
25 this same time as last year, we had 26 percent and

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 54

this year it's 26 percent in terms of number, but in
terms of the dollar value, we've actually increased
from 10 percent last year to 18 percent his
year...[crosstalk]

COUNCIL MEMBER ROSENTHAL: Wow. Okay,
that's interesting. Thank you; I'd love to follow up
on that.

Commissioner, you mentioned changing the
311 platform in the next few years, first of all, is
that in the budget yet?

COMMISSIONER ROEST: Part of it; right?

JOHN WINKER: Yes, it's been funded; we
have \$13 million currently in the budget on the
expense side; that should get us through the first
phase of the implementation.

COUNCIL MEMBER ROSENTHAL: So it's a
four-year plan; what year did you put the money in?

JOHN WINKER: It starts in 17.

COUNCIL MEMBER ROSENTHAL: In 17?

JOHN WINKER: Yeah.

COUNCIL MEMBER ROSENTHAL: So you're
starting now, you're really...

JOHN WINKER: Yes.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 55

COUNCIL MEMBER ROSENTHAL: Okay it's in
the budget, sorry, for 17, 18 and...

JOHN WINKER: It's 17, 18 and then we'll
see where we are after...

COUNCIL MEMBER ROSENTHAL: Okay.

JOHN WINKER: at that point.

COUNCIL MEMBER ROSENTHAL: In terms of
fixes -- and we should talk about this not on my
time, but things that... or would you consider doing
this now, things like additional drop-downs; is that
stuff you're considering for your 311... would you
consider that for your 311 operators now, like
illegal hotels as a drop-down?

COMMISSIONER ROEST: So we certainly take
any requests; one of the reasons we're replatforming
311 is the difficulty in making changes to an older
platform... [crosstalk]

COUNCIL MEMBER ROSENTHAL: Like
[inaudible]?

COMMISSIONER ROEST: but certainly
interested in hearing what some of the priorities
would be. We do continue to make some changes...

COUNCIL MEMBER ROSENTHAL: Okay.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 56

2 COMMISSIONER ROEST: complex changes are
3 difficult on that platform.

4 COUNCIL MEMBER ROSENTHAL: Right. So
5 here's a complex one...

6 COMMISSIONER ROEST: Okay.

7 COUNCIL MEMBER ROSENTHAL: a call comes
8 in and if it involves multiple agencies, how does
9 that get addressed and maybe we should talk about
10 that offline, but that's I think our biggest problem
11 in our district is that there will be a mold problem,
12 lack of ventilation, construction as harassment, you
13 know, whatever... noise... [crosstalk]

14 COMMISSIONER ROEST: Yeah, we should talk
15 about that now and I think, again, it's a good time
16 to talk about it, because whatever we can do in our
17 current system of course we'll look into, but as we
18 go forward and replatform and then the new system, we
19 wanna make sure that we're addressing any of the
20 shortcomings in the existing system.

21 COUNCIL MEMBER ROSENTHAL: Okay. And is
22 training of 311 operators; is that in your budget or
23 someone else's?

24 COMMISSIONER ROEST: That would be part
25 of the budget, part of our budget.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 57

COUNCIL MEMBER ROSENTHAL: Okay. So if I
could get a breakdown of your expense numbers in
training versus software..

JOHN WINKER: Sure.

COUNCIL MEMBER ROSENTHAL: whatever it is
you people do. Okay.

JOHN WINKER: Yeah.

COUNCIL MEMBER ROSENTHAL: And do you
have a relationship with the Technology Development
Corporation; do you know if that contract is
continuing?

COMMISSIONER ROEST: It is continuing
this year, yes, and in fact, I am on the board.

COUNCIL MEMBER ROSENTHAL: Good. Was
that something that had to be renewed?

COMMISSIONER ROEST: Yes.. [crosstalk]

COUNCIL MEMBER ROSENTHAL: And it [sic]..

COMMISSIONER ROEST: A renewed contract;
it's newly added in the budget; it had to be added
again to the budget..

COUNCIL MEMBER ROSENTHAL: Yes.

COMMISSIONER ROEST: I think the existing
contract is up at the end of this year..

COUNCIL MEMBER ROSENTHAL: Okay.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 58

2 COMMISSIONER ROEST: this fiscal year.

3 COUNCIL MEMBER ROSENTHAL: How much was
4 put in the budget for it for 17?

5 COMMISSIONER ROEST: Point six, was it?
6 [background comment] \$2.6 million.

7 COUNCIL MEMBER ROSENTHAL: And is that
8 flatlined; ongoing?

9 JOHN WINKER: Yeah.

10 COMMISSIONER ROEST: Yes.

11 COUNCIL MEMBER ROSENTHAL: \$2.6 annually?
12 Great. But it's also a contract. Hm, I'll ask you
13 about that. And then how's it going integrating, in
14 terms of technology, and of course I think of it in
15 terms of MOCS, but you're thinking of it, you know
16 broader than that, but with... you know, what's the
17 timeline in terms of integrating technology with DOE,
18 NYCHA, HHC; is it on the horizon; is it something
19 you're working on?

20 COMMISSIONER ROEST: I'm not sure... could
21 you restate that question?

22 COUNCIL MEMBER ROSENTHAL: Well like the
23 Verizon contract; that was something that was... that's
24 an IT...

25 COMMISSIONER ROEST: Uhm-hm.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 59

2 COUNCIL MEMBER ROSENTHAL: contract and
3 you know the thought of sort of integrating that with
4 non-mayoral agencies; is that something you guys
5 contemplate or think about?

6 COMMISSIONER ROEST: So I would refer to
7 MOCS [bell] on that, just how we're gonna handle some
8 of the contracts going forward. Are you talking
9 about for TDC or for DoITT?

10 COUNCIL MEMBER ROSENTHAL: IT, IT in
11 general.

12 COMMISSIONER ROEST: Just in general.
13 Well we do work with the non-mayorals on IT issues..
14 [interpose]

15 COUNCIL MEMBER ROSENTHAL: Okay.

16 COMMISSIONER ROEST: often speaking with
17 NYCHA; DOE, so we do; I'd like to know what you think
18 we should do more.

19 COUNCIL MEMBER ROSENTHAL: Okay. Thank
20 you so much. Thank you so much, chairs.

21 JOHN WINKER: There's one thing I wanna
22 clarify before we walk away; TDC, their allocation is
23 .6, it's \$600,000; I think you said 2.6; it's ac..
24 [background comment] it's actually .6, yeah,
25 \$600,000, \$600,000 in the base.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 60

2 COUNCIL MEMBER ROSENTHAL: Do you think
3 that's sufficient?

4 JOHN WINKER: Well that's what their
5 current allocation is.

6 CHAIRPERSON FERRERAS-COPELAND: Thank
7 you.

8 COUNCIL MEMBER ROSENTHAL: Uh okay.

9 CHAIRPERSON FERRERAS-COPELAND: Thank
10 you, Council Member; we will have Council Member
11 Treyger; followed by Council Member Cumbo.

12 COUNCIL MEMBER TREYGER: Thank you very
13 much, chairs.

14 I just... couple of questions and something
15 that... we passed, not too long ago, a bill requiring a
16 plan on how to make our telecommunication systems
17 more resilient in light of Superstorm Sandy and
18 climate change and it is my understanding that DoITT
19 would play a critical role in this Climate Change
20 Adaptation Task Force in outlining details on how to
21 make our systems more resilient in light of the fact
22 that a lot of our communication systems went down
23 during the storm and there were plans on how to make,
24 you know, food distribution more resilient, how to
25 make fuel energy distributions systems more

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 61

2 resilient; where are we at with the
3 telecommunications resiliency plan?

4 COMMISSIONER ROEST: So we did form a
5 Telecommunications Resiliency Task Force and they've
6 been working closely with the providers -- Verizon,
7 AT&T, Sprint, etc. -- and documenting their progress
8 toward a more resilient system; we can get you a
9 report from that group, but we've made great progress
10 and the telecommunications providers have been good
11 partners in that and that's rolled up into the
12 broader resiliency planning for the City, but on the
13 telecommunications side we do feel like we've made
14 good progress and that we've gotten a lot of good
15 participation from the providers.

16 COUNCIL MEMBER TREYGER: Is there a
17 report ready or are they just still meeting?

18 COMMISSIONER ROEST: We can update you; I
19 think the broader resiliency report will include
20 telecommunications.

21 COUNCIL MEMBER TREYGER: And have all the
22 providers been cooperative in these discussions...

23 [crosstalk]

24 COMMISSIONER ROEST: Yes.

25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 62

1
2 COUNCIL MEMBER TREYGER: because we heard
3 last year that not all of them were being very
4 cooperative and I'd like to get a clear answer
5 whether or not all of them are and which ones are
6 not.

7 COMMISSIONER ROEST: Some responded more
8 quickly than others, but we will get you that along
9 with a status on **[inaudible]**... [crosstalk]

10 COUNCIL MEMBER TREYGER: Can you share
11 with us today which ones have not been cooperative?

12 COMMISSIONER ROEST: No; my understanding
13 is at this point they have all come to the table and
14 they've all been cooperative, but I will get you
15 information if there's anything contrary to that.

16 COUNCIL MEMBER TREYGER: Because last
17 year I remember hearing Time Warner may not have been
18 very cooperative and I also would like to hear about
19 Verizon's level of cooperation; I know that AT&T had
20 an enormous role during the communication outage and
21 there was a lot of discussions and I would look
22 forward to getting an update on that, because my
23 committee, which I chair, Recovery and Resiliency,
24 we'll be doing a follow-up hearing at some point soon
25 on our telecommunication systems.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 63

2 I know we heard before about Wi-Fi and
3 LINC NYC and all these things; at last year's budget
4 hearing I raised this issue and I'm raising it again;
5 there was a report not too long ago that showed the
6 City installed I think one of the first LINC NYC
7 systems in, I think it was in Manhattan, right
8 outside a Starbucks that already offers people free
9 Wi-Fi inside and in Southern Brooklyn, I represent in
10 Coney Island, Seagate, Bensonhurst, Gravesend; I
11 don't believe we have a LINC NYC system at this
12 point. Why don't areas I represent in Southern
13 Brooklyn; why don't they have a Wi-Fi system yet and
14 why is it that Cablevision sys that if you are a
15 customer of theirs and you are by the boardwalk you
16 might get looped in for a little while of Wi-Fi
17 service, but then you have to pay.. if you're resident
18 that doesn't have Cablevision, you have to pay for a
19 fee to use Wi-Fi, so we have systems where Central
20 Park and Prospect Park offers I believe free Wi-Fi
21 through their agreements with some providers; you
22 have areas in Dumbo, Downtown Brooklyn that certainly
23 are wealthier areas than Coney Island that provide
24 free Wi-Fi to many residents and small businesses;
25 why is it that there are is still a major digital

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 64

1 divide to this day and areas that I represent in
2
3 Southern Brooklyn do not have free Wi-Fi and what is
4 the plan moving forward to make sure that this
5 happens?

6 COMMISSIONER ROEST: I'll speak to the
7 LINC's first. The LINC rollout started, and how it's
8 being rolled out is based a technology
9 infrastructure, so they started with an aggregation
10 point right outside a major telecom center in
11 Manhattan and then they're building out and they'll
12 build out rapidly. We've only been putting LINC's in
13 the ground for a few months and there is a plan to
14 get to the other boroughs quickly and making sure
15 that it's done with equity is a focus of the Mayor's
16 Council Office and of ours, so... [crosstalk]

17 COUNCIL MEMBER TREYGER: Commissioner,
18 with all due respect, and I mean this respectfully, I
19 heard the same thing last year and I'm hearing that
20 there's just a plan. At some point words have to be
21 implemented and a plan has to be implemented. I see
22 that there's been a rush to install them in parts of
23 Manhattan and other parts of the city, which again,
24 I'm not begrudging, but I'm begrudging the fact that
25 my neighborhoods are still left out of this process.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 65

2 When are [bell] we gonna see infrastructure
3 installations to make way for the LINC's system and
4 other free Wi-Fi services?

5 COMMISSIONER ROEST: I know that they've
6 started laying fiber in the other boroughs; I can get
7 you a progress report, but the bottom line is;
8 they're building out from a central point and they're
9 moving as quickly as reasonably possible to the other
10 boroughs from that central point, so it's going to
11 spread quickly.

12 COUNCIL MEMBER TREYGER: I know my time
13 has run out, Commissioner and at a later time we'll
14 meet to discuss also security concerns I have about
15 people's private information. Thank you, chairs for
16 your time.

17 CHAIRPERSON FERRERAS-COPELAND: Thank you
18 Council Member; we will hear from Council Member
19 Cumbo and then we will hear from Chair Vacca with his
20 second round of questions. Oh sorry, Council Member;
21 we've been joined by Council Members Torres, Rose and
22 Cumbo.

23 COUNCIL MEMBER CUMBO: Thank you, thank
24 you so much, Chair. Wanted to talk about the 911
25 NextGeneration; the ability to utilize text, and very

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 66

1 excited about this legislation because it's going to
2 give us an opportunity in order to empower
3 particularly the hearing impaired, those with
4 speaking challenges, those that are perhaps a victim
5 of domestic violence or other issues that would not
6 have an opportunity normally to call; this will give
7 them a new power in terms of their safety. Where are
8 you all in this particular process; I understand that
9 a request for proposals was issued and wanted to know
10 what is your timeline and how is it moving forward?

12 COMMISSIONER ROEST: So the RFPs were
13 issued; we've gotten responses back and we're
14 evaluating. I do wanna break out the Text to 911
15 from the NextGen 911 though, because although text
16 would naturally be included in NextGen, we're also
17 working on an initiative to bring text in sooner than
18 the full NextGen implementation.

19 COUNCIL MEMBER CUMBO: I'm sorry; can you
20 say that last part again?

21 COMMISSIONER ROEST: We're working on an
22 initiative to bring Text to 911 in to deliver that
23 prior to the full implementation of NextGen 911.

24 COUNCIL MEMBER CUMBO: Oh that's
25 fantastic. When do you look to see that happening?

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 67

COMMISSIONER ROEST: So we're testing
solutions right now; we're hoping to have something
within the year.

COUNCIL MEMBER CUMBO: Within a year?

COMMISSIONER ROEST: Within the year.

COUNCIL MEMBER CUMBO: Within a year in
terms of hoping to have a plan or hoping to
implement?

COMMISSIONER ROEST: Hoping to implement...

[crosstalk]

COUNCIL MEMBER CUMBO: Oh that's
fantastic.

COMMISSIONER ROEST: Text to 911. But
again, we're testing technologies; they have to work,
they have to work for the operation, so we're working
closely with our partners at PD and fire what
potential opportunities would be to bring something
in sooner.

COUNCIL MEMBER CUMBO: How many people
responded in terms of...

COMMISSIONER ROEST: I'll have to get
back to you; we got many responses to the RFI; it was
more than a dozen, but I don't know the exact number.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 68

2 COUNCIL MEMBER CUMBO: Oh that's
3 fantastic. And what are some of the things that
4 you're looking for; are you looking for companies
5 that have done this in other cities; are you looking
6 for... what is the expertise that you're looking for
7 exactly?

8 [background comment]

9 COMMISSIONER ROEST: So what we're
10 looking for is definitely people who have done it in
11 other cities; I just wanna make clear what we issued
12 recently was an RFI; not the RFP yet... [crosstalk]

13 COUNCIL MEMBER CUMBO: Right.

14 COMMISSIONER ROEST: So what we're hoping
15 to get from the RFI are the best-in-class ideas for
16 the RFP to know what people are doing in other
17 cities; how to get the best, most robust, resilient
18 system, but also, how to implement the features that
19 NextGen offers most quickly. So we're looking for
20 what's been done in other cities; what's tried and
21 true and also, what are some of the great new ideas
22 that people are looking at with NextGen.

23 COUNCIL MEMBER CUMBO: Is there a
24 particular city that you're looking at that has
25 become somewhat of a model of what we're most

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 69

interested in before you've even really gotten a
chance to touch the surface of the responses you've
gotten so far?

COMMISSIONER ROEST: You know there
aren't any major cities that have gone completely to
NextGen, so we're looking at just successful
implementations of multimedia or text. We recently
had a group go down to visit Harris County, Texas
where they've been successful in implementing Text to
911, so we are looking around to see who's
successfully implemented, but there aren't that many
large cities who have moved forward with NextGen yet.

COUNCIL MEMBER CUMBO: Well I certainly
look forward to New York City being the first major
city to implement 911 Text in the NextGeneration
system. I thank you for the work that you're doing
thus far and I'm excited about what the year end will
bring as far as implementation, so thank you very
much.

COMMISSIONER ROEST: Thank you.

CHAIRPERSON FERRERAS-COPELAND: Thank
you, Council Member; we will hear from Council Member
Gentile; followed by Chair Vacca.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 70

1
2 COUNCIL MEMBER GENTILE: Thank you,
3 Madame Chair. And Commissioner, I'm not sure, 'cause
4 I stepped out of the room, whether this was asked,
5 but I think this is in your valleyway [sic]. The
6 franchise agreements that the City has, particularly
7 with the Fios, the Verizon Fios agreement and indeed,
8 I think you were there when the City Council had this
9 hearing on the compliance that Verizon has or has not
10 done in regard to the complete rollout of Fios.
11 Their rollout was due in 2014; this is 2016 and since
12 this is a budget hearing, I was looking in the budget
13 to see if there was any talk or any personnel that is
14 dedicated to checking on these compliance issues with
15 the franchise agreements, particularly as I
16 mentioned, the Fios, so could you talk about that?

17 COMMISSIONER ROEST: Sure. There's no
18 new personnel who are working on compliance issues;
19 we've got the existing staff who continue to work on
20 monitoring the Fios rollout, and I do wanna say,
21 while I have the opportunity; I really appreciate
22 what the Council did, helping us push Verizon and the
23 Fios rollout by holding a hearing that was very
24 effective... [interpose]

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 71

COUNCIL MEMBER GENTILE: So what's
happened since that hearing that you can congratulate
us on or thank us...? [crosstalk]

COMMISSIONER ROEST: Yes. So I would say
that Verizon came to the table a lot more willing to
provide information; if you remember, that was one of
the issues we had was a lack of information from
Verizon, so they've come to the table, they've
provided a lot more information to the City about
what they're doing, options for improving the
rollout; we have not yet heard a plan that we're
satisfied with for the rollout, but they did come to
the table and were willing to talk and were willing
to look at different options for rolling out Fios.

COUNCIL MEMBER GENTILE: Do we know
percentagewise how much of the rollout has been
completed?

COMMISSIONER ROEST: We do; I would wanna
get you those numbers rather than...

COUNCIL MEMBER GENTILE: Could you do so?

COMMISSIONER ROEST: Yes, we will.

COUNCIL MEMBER GENTILE: Great. Okay.

Thank you very much.

COMMISSIONER ROEST: Thank you.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 72

2 CO-CHAIR VACCA: Commissioner, I wanted
3 to go into FirstNet; I'd like to know what FirstNet
4 is and is DoITT in negotiations with the federal
5 government to use FirstNet and what would be the
6 contract terms and renewal conditions?

7 COMMISSIONER ROEST: So FirstNet is a
8 really big topic, so FirstNet is a federally run
9 first responder network that will be nationwide;
10 there's an RFP on the street that the federal
11 government put out for folks to respond to build out
12 the FirstNet network and that was actually extended
13 recently; they were supposed to be due I think in
14 late April, but they extended to May 31st, so
15 responders have until May 31st to get their RFPs back
16 to the federal government. The federal government is
17 negotiating with the State, not with the
18 municipalities, although they have been in so speak
19 to us several times about the requirements around
20 FirstNet for each of the states and then the states
21 will have an option to opt into FirstNet or not. We
22 have been working directly with FirstNet; for the RFP
23 they allowed states and municipalities, interested
24 parties to provide requirements and to comment on the
25 RFP, which we did; the New York City Police

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 73

1 Department actually took the lead on that, but worked
2 with DoITT and the Fire Department and other
3 responders to provide input into the RFP. So we're
4 waiting to see the award from the RFP; we've been
5 working with the State, we have people that sit on a
6 committee that the State has around FirstNet and when
7 the RFP comes out and we understand how it will be
8 rolled out, we'll have more information about how the
9 City will be able to participate. We don't know yet
10 what the terms and conditions will be.
11

12 CO-CHAIR VACCA: So this is a nationwide
13 program for first responders?

14 COMMISSIONER ROEST: Right, for a first
15 responder network.

16 CO-CHAIR VACCA: How would that relate to
17 911, for example?

18 COMMISSIONER ROEST: It would relate to
19 911; it would be communications between dispatch and
20 first responder to first responder out in the field.

21 CO-CHAIR VACCA: So it would supplement
22 911 or would be different system or?

23 COMMISSIONER ROEST: It would be the
24 communications network; they currently have radios
25 for communication to dispatch; it would be a newer

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 74

version of the communication network for the City,
should we decide to use FirstNet.

CO-CHAIR VACCA: And there's no expense
budget obligation that you anticipate this coming
year?

COMMISSIONER ROEST: No, in fact that's
part of the RFP is to come up with recommendations on
how it could be funded, even self-funded or if the
cities will have to contribute to be able to use the
network.

CO-CHAIR VACCA: 'Cause that's not
resolved yet?

COMMISSIONER ROEST: That's not resolved
yet.

CO-CHAIR VACCA: Now during the Council's
preliminary budget hearing for DoITT, I had asked
some questions on the use of NYCWiN and the key issue
that we discussed was the cost benefit analysis of
the network; there is a concern that commercial
carriers, which would be overwhelmed in the case of
an emergency, that they would find it very expensive.
Has the administration prepared any comparisons
between the cost of providing services on NYCWiN as

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 75

opposed to contracting out for those services through
a commercial provider?

COMMISSIONER ROEST: Yeah, that was the
intention of the RFI we did last year around NYCWiN
to find out from private industry and from the
commercial carriers what some of our options would be
and what it would look like as far as support and
cost and we are continuing with that evaluation while
we're working with the NYCWiN support provider to
lower the cost on the existing NYCWiN network; that's
current negotiation that's ongoing, so I can't say a
lot about that, but we are working to lower the cost
in the existing network and looking at our options,
both through an RFI and other conversations with the
carriers. We're also working with the agencies to
better understand what their needs would be and
whether a commercial carrier could provide support to
some of the agencies for some of the systems
currently on the network.

CO-CHAIR VACCA: I had expressed a
concern that we developed a system that now is really
not usable.

COMMISSIONER ROEST: So it is usable; the
question is, is it the best network for us going

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 76

2 forward; I think at the time it was built it was the
3 right answer; it was built based on recommendations
4 from the 911 Commission and it really was --
5 actually, from a technologist point of view, it was
6 quite a feat, the building of a network that covered
7 the 305 square miles. But like with any technology,
8 you have to step back at points in time and say is
9 this still the right thing for the city and that's
10 where we are right now.

11 CO-CHAIR VACCA: Okay. I'm sorry; there
12 is just so much noise; I don't know where this noise
13 is coming from. [background comments] Can someone
14 go outside; can you go outside and tell them to move
15 their discussion to somebody's office or something?
16 I'm sorry, Commissioner, because... [crosstalk]

17 COMMISSIONER ROEST: No problem.

18 CO-CHAIR VACCA: you're testifying and
19 it's distracting to me and I'm sure to you.

20 My concern is that we spent a lot of
21 money that we could've spent elsewhere; was the
22 NYCWiN expenditure a waste of money; was it a waste
23 of taxpayer dollars because it's become obsolete so
24 soon?

25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 77

2 COMMISSIONER ROEST: Yeah, I don't
3 believe it was; with all of the nodes we've had in
4 the network, those were people who would've had to
5 pay carriers for subscription services all along. So
6 no, I don't believe it was a waste of money; again, I
7 just think it's time to look to see if there are --
8 with the changes in technology and the
9 commoditization, if that's a word, of
10 telecommunication services, it is time to look and
11 see if there's a more cost-effective way to support
12 our agencies.

13 CO-CHAIR VACCA: I mentioned the special
14 education before, the allocation for the special
15 education where you are going to be doing a new
16 system for them regarding evaluation and all; are you
17 involved in any other way with DOE looking at
18 technology and the lack of uniformity of technology
19 that various schools have? Every school seems to
20 have different technology; some schools have very
21 good technology resources; other schools have
22 inadequate technology resources, and when you go from
23 school to school you'll see a Smart Board in one
24 room; the next room with no Smart Board; the next
25 school will have no Smart Boards. We in the Council

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 78

2 provide discretionary money many times for
3 technology, but we're really filling gaps here and
4 there that DOE should've filled, so I had questioned
5 the Chancellor maybe, oh my god, four years ago;
6 three years ago, and then the new Chancellor, when
7 she first came in, saying is there a survey as to the
8 technology needs of the schools and how are we
9 meeting them and I just don't get an answer; it
10 doesn't seem like we have a uniform technology policy
11 at our schools and I was wondering, maybe your agency
12 should be called to the rescue again, because I just
13 don't think DOE has their act together on that.

14 COMMISSIONER ROEST: Yeah, we have not
15 been involved in the discussions around technology in
16 the schools; I imagine that's quite a challenge with
17 the number of schools in the distributed network, but
18 be happy to have any conversations with DOE if
19 they're interested.

20 CO-CHAIR VACCA: Thank you, Commissioner.

21 CHAIRPERSON FERRERAS-COPELAND: Thank
22 you. We will now hear from Council Member Rosenthal.

23 COUNCIL MEMBER ROSENTHAL: Just really
24 quick follow-up; thank you, Commissioner. I wanna
25 bring your attention back to TDC, to Technology

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 79

Development Commission and I was just looking it up
online and it looks like there are four pretty
important vacant positions there; I don't know if a
new president has been hired yet or director of
operations; I hope...

COMMISSIONER ROEST: They have not been;
in fact, the recent resignation of the president was
a surprise; it was actually due to a relocation of
his wife to an overseas post, and so that did leave
that additional position open, but we are actively
recruiting, and he had been the director of
operations before that, so...

COUNCIL MEMBER ROSENTHAL: Uhm-hm.

COMMISSIONER ROEST: left two positions
open. But we are actively recruiting and looking to
fill those as soon as possible.

COUNCIL MEMBER ROSENTHAL: Uh-huh. And
then just to clarify; it is 2.6 in the budget; it's
in the PS line, so it's not an OTPS; I imagine the
OTPS is maybe 600, although I don't know what it's
for, but in the PS line it's 2.6, growing a little
bit next year, although I would be curious to know if
last year or the previous year it was higher; if it's
been cut in any way I'd be concerned and if anything,

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 80

2 I would wanna look into thinking about making it
3 larger. You know the issue that Council Member Vacca
4 was talking about... [crosstalk]

5 JOHN WINKER: Well just... just... just to
6 clarify, DoITT does not have PDC's PS budget; the 2.6
7 may be... may... may be accurate, [sic]... [crosstalk]

8 COUNCIL MEMBER ROSENTHAL: Oh it might
9 not be in DoITT?

10 JOHN WINKER: but it's not in DoITT's
11 budget.

12 COUNCIL MEMBER ROSENTHAL: Okay, we'll
13 figure that out... [crosstalk]

14 JOHN WINKER: Okay, yeah [sic].

15 COUNCIL MEMBER ROSENTHAL: **[inaudible]**
16 think that's important. I mean with 31 people, I
17 don't think it could be 600,000; these people get
18 paid a little bit more than that. But you know, to
19 go to Council Member Vacca's issue, and we all know
20 that the issue about schools not having access to
21 broadband and having very different systems is a
22 crisis; it's been a crisis for the last 15 years, and
23 it doesn't seem like the Department of Education is
24 really moving it along; they have a lot of other
25 priorities; they're trying to educate our kids, but

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 81

it strikes me that maybe DoITT or TDC could have a
really impactful role there in making the situation
better. All of my schools complain about the same
thing and I'm being asked to put money in the budget
to improve the broadband, which is a little
incomprehensible to me, but is that something you
would consider, as a member of the board of TDC, sort
of bringing back?

COMMISSIONER ROEST: So TDC operates on
requests from the agencies, so if DOE did request
support from TDC, we certainly would consider it.

COUNCIL MEMBER ROSENTHAL: Uhm-hm. What
is DoITT requested support for DOE?

COMMISSIONER ROEST: I'm not really in a
position to do that.

COUNCIL MEMBER ROSENTHAL: Thank you very
much.

CHAIRPERSON FERRERAS-COPELAND: Thank
you, Council Member. Thank you very much for coming
to testify today; there are additional questions that
we'd like to get to you; if you can respond to us
expeditiously, 'cause we're gonna be using them in
the coming days for negotiations on the budget.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 82

2 COMMISSIONER ROEST: Sure thing..

3 [crosstalk]

4 CHAIRPERSON FERRERAS-COPELAND:

5 Excellent.

6 COMMISSIONER ROEST: we'll do that.

7 Thank you.

8 CHAIRPERSON FERRERAS-COPELAND: Thank
9 you. Thank you again for coming to testify; thank
10 you, chairs. We will take a 5-minute break while we
11 will begin with DCLA.

12 [pause]

13 CHAIRPERSON FERRERAS-COPELAND: We will
14 now resume the City Council's hearing on the Mayor's
15 Executive Budget for Fiscal 2017. The Finance
16 Committee is joined by the Committee on Cultural
17 Affairs, Libraries and International Intergroup
18 Relations, chaired by Majority Leader Van Bramer.

19 We just heard from the Department of
20 Information Technology and Telecommunications and now
21 we will hear from the Commissioner of the Department
22 of Cultural Affairs, Tom Finkelpearl.

23 In the interest of time, I will forego an
24 opening statement, but before we hear testimony, I

25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 83

will open the mic to my Co-Chair, Majority Leader Van
Bramer.

CO-CHAIR VAN BRAMER: Thank you very
much, Madame Chair and obviously we are very, very
excited about this hearing and hearing from our
Cultural Affairs commissioner, and having just come
from a raucous rally out on the steps of City Hall in
support of a robust addition to the budget for
culture in the arts in the City of New York, which is
so incredibly important, and in the interest of time
I won't say too much and reserve my time for the Q&A,
but I'm anxious to hear from the administration on
how we're going to make sure that culture in the art
continues to inspire all of New York City and drive
all that is good about our city. Thank you very
much; thank you chair.

CHAIRPERSON FERRERAS-COPELAND: You will
be sworn in by our counsel and then you may begin
your testimony.

COMMITTEE COUNSEL: Do you affirm that
your testimony will be truthful to the best of your
knowledge, information and belief?

24
25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 84

COMMISSIONER FINKELPEARL: I do. Okay.

Good morning, Chair Ferreras, Chair Van Bramer and
the committee and council members.

I'm here today to present testimony
regarding the Mayor's Executive Fiscal Year 2017
Budget for the Department of Cultural Affairs. I'm
joined by a number of my colleagues from the
Department of Cultural Affairs sitting in the first
couple of rows over here.

I'll begin today with a brief summary of
the numbers. The Executive Budget allocates \$144.1
million in expense support for the Department of
Cultural Affairs; this includes \$108 million for the
Cultural Institutions Group, \$28.5 million for the
Cultural Development Fund, \$6.7 million for agency
operations, \$481,000 for the creation of the Cultural
Plan, and \$370,000 for building community capacity
programs.

As I've emphasized in the past, while we
look like a large agency, we spent just 3.7 percent
of our annual expense budget on agency operations in
the current fiscal year. The rest goes straight to
our constituents to support an incredible range of
cultural programming.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 85

Turning to the agency's capital budget,
the four-year plan is now \$774.6 million, which
includes funding for 386 active projects at 190
cultural organizations across the city. From major
new construction projects to equipment and system
upgrades, these projects are essential to maintaining
the infrastructure that provides New Yorkers with
access to world-class cultural facilities in all five
boroughs. This figure also includes \$7.5 million for
the Affordable Real Estate for Artists that we're
calling the AREA Initiative; that's the studios and
workspace.

This investment is a step towards the
commitment that Mayor de Blasio made in his 2015
State of the City Address to build affordable housing
and workspace dedicated to artists living and working
in the communities across New York City.

Other project highlights include the
complete exterior rehabilitation and interior
renovation of the Nuyorican Poets Café, their turn of
the century tenement building on East 3rd Street;
sight-wide electrical improvements for Snug Harbor on
Staten Island, which will increase the efficiency and
safety of electricity on the campus and allow

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 86

capacity for future growth; construction of a new
Edible Academy and Family Garden enhancements at the
New York Botanical Garden, providing extraordinary
new educational amenities for families that visit the
garden; the South Side project in Downtown Brooklyn
cultural district, which will provide the
neighborhood a new cultural hub with space for 651
Arts span [sic], the Brooklyn Public Library and a
new home for the Museum of Contemporary African
Diasporan Arts, and a chiller replacement at the New
York Hall of Science, which will keep visitors cool
in New York's hot summer, so you can see we chose
just one project from each borough, I believe.

Now I'd like to expand on a few of the
items included in the expense budget; first, funding
for the cultural plan. Last year Mayor de Blasio
signed legislation, sponsored by Chair Van Bramer and
Council Member Levin, that will create the first-ever
Comprehensive Cultural Plan for New York City. Over
the last several months we've done a great deal of
research and have had in-depth conversations with
officials from other cities who have undertaken their
own cultural planning process. While these have been
illuminating, New York is a place like no other; we

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 87

2 are fully committed to creating a plan that speaks
3 for all New Yorkers.

4 This plan will also allow us to unite a
5 lot of work we've been doing into a clear and
6 compelling vision in a format that welcomes feedback
7 and input from the public; the plan will sew it all
8 together, from the Cultural Workforce Diversity
9 Survey released earlier this year to the social
10 impact of the arts report currently in development,
11 to new initiatives like Public Artists in Residence
12 Program, the IDNYC cultural partnerships and more.
13 The plan will integrate this research and new
14 programming in a way that gives residents a better
15 understanding of where we're at with regards to our
16 cultural engagements. In turn, the public's input
17 will provide the backbone of the plan's policy
18 recommendations and benchmarks moving forward.

19 Another program represented in the
20 expense budget is building community capacity. BCC,
21 as we're calling it, strengthens organizations and
22 cultural networks that connect residents in targeted
23 neighborhoods; it takes a collaborative and
24 comprehensive approach to building cultural capacity
25 by bringing together local stakeholders from across

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 88

sectors for training, workshops, public programs and
more. We announced in January that East New York,
Cypress Hills and Brownsville be the first
neighborhoods to host this new DCLA program; we want
local cultural groups to be deeply engaged in the
community planning process currently underway there.
We have increased funding for BCC by fourfold so we
can bring the program to new neighborhoods across the
city.

The de Blasio Administration's commitment
to diversity, equity and inclusion in all fields is
also something we're actively pursuing with our
partners in the cultural sector. We thank the City
Council for its collaboration in these efforts; just
last week we welcomed more than 200 representatives
of theater groups from across the city to the New
Victory Theater on 42nd Street to discuss strategies
and opportunities for promoting diversity, equity and
inclusion; we were delighted to have Chair Van Bramer
join us and address the crowd. It's our hope that we
can continue to drive this conversation forward and
make real progress; not something in the distant
future, but today. A commitment to diversity is a
multifaceted effort and we've been able to increase

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 89

funding for cultural programming that engages
residents of all backgrounds through partnerships
with sister agencies.

The administration's number one priority
in the arts is arts education. Within months of my
appointment as commissioner, I was proud to join the
Mayor, the Chancellor and members of the Council;
some of you were there, to announce \$23 million
increase in funding for the arts; we also worked
closely with Paul King from the Department of
Education Arts Office to bring turnaround art to four
Brooklyn schools, infusing their curriculum with
intensive arts training; each school also partnered
with a celebrity artist; though I can't divulge the
details, the students will be taking part in some
very exciting end-of-the-year activities later in
May; more to come on that soon.

Our Public Artists in Residency program
(PAIR), P A I R, which brings the power of creative
practice to civic issues, has been embraced
throughout the administration. We launched the
program last summer with the Mayor's Office of
Immigrant Affairs and announced our second PAIR with
the Department of Veteran Services in November.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 90

Veteran Services Commissioner Sutton has given art
and culture a central role in her new agency in its
mission of improving lives and cultivating health,
healing and wholeness. We'll soon announce our next
PAIR with the Administration for Children's Services.

DCLA's current fiscal year 2016 budget is
among the highest in the agency's history; the
administration is pleased to have such strong
partners in the City Council on providing the robust
support for our cultural sector. We're proud to work
with the Council on the Cultural After School
Adventures, SU-CASA creative aging program, the
Cultural Immigrant Initiative and Artist Catalysts
for Change Gun Violence Prevention Program, these
targeted investments in the arts, which educate,
transform and transform communities in every
neighborhood.

We look forward to continuing this
important work in partnership with you on the
Council. The arts are an integral part of what makes
our city such a remarkable place, as Chairman Van
Bramer said just a minute ago, and we're proud of the
role City support plays in the vibrancy, breadth,
diversity and cultural activity.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 91

Thank you, Chair Van Bramer, Chair
Ferrereras and members of the committee for your
ongoing support. I will now take any questions you
[inaudible]... [crosstalk]

CHAIRPERSON FERRERAS-COPELAND: Thank
you, Commissioner. We've been joined by Minority
Leader Matteo, Council Members Johnson, Rosenthal,
Koo, King, Kallos, and Crowley.

Commissioner, last fiscal year all
cultural Council initiatives were enhanced and new
initiatives were included in the budget -- sergeant
at arms; can we... -- existing initiatives have grown
in both the number of organizations funded, as well
as in total designations over the years; however, the
administration has not matched the Council in its
commitment to New York City's culture and arts; the
Fiscal 2017 Executive Budget does not include the
Council's preliminary budget response call for an
additional \$40 million for the CIG members and small
community-based nonprofit cultural organizations, and
I just wanna add; you have been in the shoes of these
cultural institutions, so please walk me through your
engagement with OMB and what is the thinking behind

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 92

why this priority that's so important to this Council
was not included in the Executive Budget.

COMMISSIONER FINKELPEARL: So first I
could say that you're correct; I had spent 27 years
of my adult life working at and running cultural
institutions and I understand the, you know, ongoing
year to year effort it is to raise the money and so
I'll say also that, as we know, this is not a
finished budget negotiation; there's still weeks to
go, so that's not a closed book. But I also would
like to say, if I may, that there are new things in
this budget and there is a robust appreciation, and
if I could just run through some of the new stuff.
We did add \$481,000 for the Cultural Plan, building
community capacity, another \$185,000, which brings it
to \$555,000 over a couple of years; that's quadrupled
the size of that. In capital there have been two
robust years in capital; \$320 million of new projects
under this administration; we're looking forward to a
partnership with the Council for another robust year
for capital this year; in Executive Budget there was
added \$7.5 million for new capital funding for the
AREA program; we have put in \$80,000 for Public
Artists in Residency; other agencies have put in

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 93

money, including ACS, NYCHA; obviously the big one is
Arts Education, the \$23 million added by the DOE.

But I'd also like to say that sometimes it's quite
difficult to very quickly get additional City money
for individual projects or initiatives, so we've gone
out and gotten private money as well from the Ruben
Foundation, David Rockefeller Foundation, National
Endowment for the Arts, Ford Foundation, Rockefeller
Foundation, and Mertz Gilmore to add to the funding
for things like diversity, the diversity initiative,
the Public Artists in Residency and so on.

So what I'm saying is; that the core
mission of what we do is reflected in a robust way;
there's no other city in America that spends anything
close to the amount of money that this city is
spending. It is a robust budget already and we look
forward to continuing to talk to you on the Council
about possible enhancements as we go forward.

CHAIRPERSON FERRERAS-COPELAND: So this
is kind of the theme that we've gotten from a lot of
commissioners where they're just assuming that the
Council is going to step up, as we've done; this was
evident with DYCD, DFTA, HRA; there's a lot of
agencies that feel we're relying on the Council to

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 94

1 come in and put their Council discretionary dollars
2
3 to enhance the agency; what we're saying is, while
4 you've mentioned, and there is... I don't wanna take
5 any credit away from the growth and where you've
6 taken the agency; there is a \$40 million need that
7 still remains and the need didn't happen in one year;
8 the need is... it grew into a \$40 million need and
9 that's a challenge that we're... we're trying to
10 understand why this hasn't been a priority for the
11 administration, and you know this mayor funded \$2
12 billion in new needs and if we're calculating
13 everything, your agency maybe got about \$1.3 million
14 out of \$2 billion and that is where we're having a
15 challenge and we... you know while I understand that
16 for you, Commissioner, every bit of work that you do
17 is... yes, it's a victory, but there's a very big
18 victory that has yet to be accomplished. Would you
19 agree?

20 COMMISSIONER FINKELPEARL: So yes and no
21 and yes, in a sense that... [crosstalk]

22 CHAIRPERSON FERRERAS-COPELAND: Well
23 start with no then, 'cause I know yes.

24 COMMISSIONER FINKELPEARL: Alright. So
25 no; what I'm saying is that the budget that has been

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 95

1 proposed, the Executive Budget, is a budget that is
2 robust by any national standards; it does include new
3 funding that includes the really brand new idea of
4 spreading out the arts into agencies that really
5 haven't been in a core way engaged in the arts in the
6 past. There is new activity happening so that the
7 budget being proposed also is a budget that gives,
8 you know, very large amounts of money out to the
9 cultural field by any national comparison. So I'm
10 saying that the core mission is maxed by this budget;
11 I'm saying also that we're, you know, still in
12 discussions and that we're obviously quite aware of
13 the \$40 million ask and that that's, you know the
14 subject of discussions as we make our way towards
15 adoption in the coming weeks.

17 CHAIRPERSON FERRERAS-COPELAND: And when
18 we talk about the Cultural Development Fund; what has
19 been the increase on the Cultural Development Fund?

20 COMMISSIONER FINKELPEARL: Well the
21 Cultural Development Fund increase is one that
22 happened when that was reformed a number of years
23 ago. Are you saying in this budget?

24 CHAIRPERSON FERRERAS-COPELAND: Yes.
25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 96

COMMISSIONER FINKELPEARL: No, there's
not... it's the same.

COMMISSIONER FINKELPEARL: And in past
[sic] it will have [sic]... [crosstalk]

COMMISSIONER FINKELPEARL: So the CDF
funding increase; I think it was six years ago when
there was sort of the reform and a change in the way
that that money was allocated into, you know getting
rid of the previous, the line items, etc. and making
it a competitive process; there was an increase up to
the level it's at now, \$28.5 million at that time;
that was a big increase and a big reform that
happened under the last administration.

CHAIRPERSON FERRERAS-COPELAND: So again,
I mean and I'm sure my co-chair is going to repeat
this; you're going to hear this throughout this
hearing, because it was put in our budget response
and it is... [crosstalk]

COMMISSIONER FINKELPEARL: Yes.

CHAIRPERSON FERRERAS-COPELAND: a
priority for this Council...

COMMISSIONER FINKELPEARL: Yep.

CHAIRPERSON FERRERAS-COPELAND: The core
direction that you're taking your agency, and it is

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 97

not what we're questioning; we think all those things
should happen, but they shouldn't happen in the place
of a \$400 [sic] million increase. So that is the
point that I wanna get very clear across to yourself,
Commissioner and the this administration; we can't
change priorities in the administration or in your
agency and then leave the cultural institutions that
have been through some of the toughest times just not
funded.

COMMISSIONER FINKELPEARL: Or funded as
they have been funded... [crosstalk]

CHAIRPERSON FERRERAS-COPELAND: Right.

COMMISSIONER FINKELPEARL: or there's no
cuts...

CHAIRPERSON FERRERAS-COPELAND: Well with
no growth...

COMMISSIONER FINKELPEARL: No growth,
right. And so I will say... [interpose]

CHAIRPERSON FERRERAS-COPELAND: and then
expecting them to grow and expecting them to do
IDNYC, expecting them to... every time that this
administration has challenged them to perform they
have and they have gone above and beyond, but we now
need to put our money where our mouth is and support

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 98

these cultural institutions in the way that they
deserve. So I'm gonna leave that there; I want to
talk about CIG, the Citywide Cultural Plan and then
I'm gonna come back to my second round after the
chair speaks.

CIG is a public-private partnership
between New York City and a group of private citizens
that was established 130 years ago; there are 34 CIGs
throughout the five boroughs; these private
organizations are linked to the City through formal
partnership agreements which have guaranteed a
measure of public funding to the institutions. When
was the last time a cultural organization was
incorporated into a CIG and what is the process for
an organization to become a CIG and what are the
requirements for consideration?

COMMISSIONER FINKELPEARL: So the last
CIG to join was the Museum of Jewish Heritage -- what
year was it? -- 1997.

CHAIRPERSON FERRERAS-COPELAND: The
Museum of...

COMMISSIONER FINKELPEARL: Jewish
Heritage in Battery Park... [crosstalk]

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 99

2 CHAIRPERSON FERRERAS-COPELAND: Okay,
3 Jewish Heritage.

4 COMMISSIONER FINKELPEARL: So the answer...
5 So it has been a long time since it's happened; there
6 was a big growth in the Cultural Institutions Group
7 under Commissioner Gelstaller [sp?], several
8 commissioners back and it was the time at which the
9 CIG grew out into the boroughs in a really robust
10 fashion, so everything -- it's in Queens, by the way
11 -- there were no cultural institutions in Queens in
12 1970; right, none, so every single one, both the
13 public and the private are new, but all those CIGs
14 were added at that time; it was a way of getting
15 culture out to the boroughs and the way that it
16 happened, you know, as I understand it and this
17 happened for a long time, is simply it's a
18 designation by the mayor; that there is a process,
19 often a quite public process, which I was involved in
20 personally, I will say, when I was at PS 1
21 Contemporary Art Center in the 70s; that was a very
22 public discussion amongst the council members,
23 Geraldine Ferraro at the time was the congresswoman,
24 there was the mayor, there was the commissioner of
25 Cultural Affairs, etc., but it hasn't... [crosstalk]

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 100

1
2 CHAIRPERSON FERRERAS-COPELAND: So
3 several were... there... right, there hasn't... this hasn't
4 happened since 1997... [crosstalk]

5 COMMISSIONER FINKELPEARL: It happened
6 not at all under Bloomberg; it hasn't happened for a
7 long time.

8 CHAIRPERSON FERRERAS-COPELAND: Right.
9 So have you engaged in any conversations; we've had
10 several organizations... [interpose]

11 COMMISSIONER FINKELPEARL: Yes.

12 CHAIRPERSON FERRERAS-COPELAND:
13 requesting some type of engagement either in the CIGs
14 or in something similar; have you given it thought as
15 to what the next phase this might be?

16 COMMISSIONER FINKELPEARL: So the
17 Bloomberg Administration announced quite publicly
18 that there would be no CIG, no new Cultural
19 Institution Group designations under their mayoralty;
20 we haven't made that announcement, nor have we said
21 that there will be any, but what we have said is that
22 there will not be any until the completion of the
23 Cultural Plan, so we're not going to consider the
24 idea until -- 'cause we have to... if we're gonna spend
25 all this money and spend the entire year doing

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 101

1 planning, it makes sense to make a decision of this
2 magnitude only after having done that. So the
3 Cultural Plan is gonna begin in August; it's gonna
4 take the entire fiscal year; the report will be due
5 at the end of the fiscal year and that would be the
6 time we would consider that question.
7

8 CHAIRPERSON FERRERAS-COPELAND: Okay.

9 Well you kind of pivoted to my next question, but the
10 executive plan includes \$480,000 in new funding for
11 the implementation of citywide cultural plan; can you
12 elaborate on how the funding will analyze the city's
13 current cultural priorities? I know that you..

14 COMMISSIONER FINKELPEARL: Yes.

15 CHAIRPERSON FERRERAS-COPELAND: you kind
16 of pivoted from the CIGs, but how do you see this
17 **[inaudible]**...? [crosstalk]

18 COMMISSIONER FINKELPEARL: Yeah. So it's
19 gonna be... we have gone through the process of
20 choosing a consultant; it hasn't been announced,
21 we're doing some contracting; they'll be under
22 contract soon; there'll be a robust public discussion
23 about what... you know to understand what it is that
24 the people of New York City value in the arts and
25 culture sector. So it'll include community meetings,

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 102

1 it'll include stakeholder meetings, etc.; again, a
2 quite robust public process. And so you know, it's
3 a... creating a plan is something that's done quite
4 often in cities; we have never done one in New York
5 City; there have been a bunch of cultural plans all
6 over America; we've read a lot of them, talked to a
7 lot of people that did them; we have ideas about how
8 to do it successfully, but it comes up with a series
9 of recommendations; for example, in Chicago the
10 number one recommendation is; we need better arts
11 education in the public schools; we already agree
12 with that; that could be the result of this plan as
13 well. But it's a comprehensive look at the arts
14 cultural sector with an eye towards the understanding
15 of how we can best support it.
16

17 CHAIRPERSON FERRERAS-COPELAND: So you
18 expect this to be done in a year... [crosstalk]

19 COMMISSIONER FINKELPEARL: Yes.

20 CHAIRPERSON FERRERAS-COPELAND: and
21 public engagement; what do you... when you say public
22 engagement; that can mean one thing for me and
23 another thing for you, so what is it that you're...
24 even though... when you worked at the museum we were on
25 the same page, but... [interpose]

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 103

2 COMMISSIONER FINKELPEARL: Yeah.

3 CHAIRPERSON FERRERAS-COPELAND: but now
4 that you have your new hat on we might not be. Like
5 we're not on \$400 million, so I want you to be a
6 little specific on... [crosstalk]

7 COMMISSIONER FINKELPEARL: \$40 million.

8 CHAIRPERSON FERRERAS-COPELAND: I'm
9 sorry, \$40 million... here... you guys... [laughter]
10 [crosstalk]

11 COMMISSIONER FINKELPEARL: Uh... no, she
12 spoke right, \$400 million, \$400 million.

13 CHAIRPERSON FERRERAS-COPELAND: You know
14 I have millions, billions; all of it, \$40 million.

15 COMMISSIONER FINKELPEARL: Okay. So I
16 mean look, but we have appointed, in conjunction...
17 this is all in the law, which was passed last year
18 and signed by the Mayor and sponsored by Jimmy and
19 Steve; there is an appointment of a Cultural Plan
20 Advisory Committee and the Council put in names and
21 we put in names and the committee has met already
22 twice, Eddie, twice; I was out for the first one; I
23 was there for the second one; the first thing... and
24 that's a really good group that represents a lot of
25 different interests around the city; there's a plan

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 104

2 that's been proposed to us by the consultant that's
3 gonna do the plan, and by the way, this is I think a
4 fantastic group that's gonna be doing it and the
5 first thing we're gonna do is go to that commission
6 and get input, but it includes community meetings,
7 community forums; it will seek public input.

8 CHAIRPERSON FERRERAS-COPELAND: Okay.

9 COMMISSIONER FINKELPEARL: I mean the
10 enormity of the city is a challenge; right?

11 CHAIRPERSON FERRERAS-COPELAND: Right.
12 Right. Okay. I'm gonna come back with my second
13 round; we're gonna now hear from Chair, Majority
14 Leader Van Bramer. We've been joined by Cumbo,
15 Cornegy and Levine.

16 CO-CHAIR VAN BRAMER: Thank you very
17 much, Madame Chair and I want to follow up,
18 Commissioner on some of the questions, and in some
19 ways, just as importantly, some of your answers; I
20 thought and I'm paraphrasing here that Chair
21 Ferreras-Copeland said; would you agree that there
22 are still big victories yet to be won; you said yes
23 and no and...

24

25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 105

COMMISSIONER FINKELPEARL: I can't
remember exactly what I said yes and no to, so I
would have to get back to that question.

CO-CHAIR VAN BRAMER: So I guess what I
would ask... [crosstalk]

COMMISSIONER FINKELPEARL: She asked me;
do I agree with X, Y and Z and I said **[inaudible]**...
[crosstalk]

CO-CHAIR VAN BRAMER: Right. So let me
ask you a question. So given that we know that this
administration has now passed with the Council two
Executive Budgets and you now have a third that
you've proposed, and yet the Mayor has not allocated
even one dollar to increase your budget that would
then go through the Cultural Development Fund, for
example, to all of the groups that so desperately
need the funding; is that a good thing for the City
of New York?

COMMISSIONER FINKELPEARL: So the \$28.5
million that's going through our agency to the field;
what I'm saying is, is that that is a robust amount
of money, that there's nothing like that... [interpose]

CO-CHAIR VAN BRAMER: Is it enough?

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 106

2 COMMISSIONER FINKELPEARL: there's
3 nothing like that in any other city. I think that
4 there is, you know, a question of scale and that this
5 is at a large scale; this is a lot of money going
6 through; when you say is it enough... [interpose]

7 CO-CHAIR VAN BRAMER: Is it too much
8 money?

9 COMMISSIONER FINKELPEARL: Not too much
10 money; I'm saying this is **[inaudible]**... [crosstalk]

11 CO-CHAIR VAN BRAMER: Are you saying that
12 the groups that want more money and need it don't
13 have the capacity to accept additional funding and
14 therefore spend it in ways that would benefit the
15 children and the seniors in all of our neighborhoods?

16 COMMISSIONER FINKELPEARL: I'm not saying
17 that.

18 CO-CHAIR VAN BRAMER: Okay. It sounded...
19 When you say it's a question of scale...

20 COMMISSIONER FINKELPEARL: No, no.

21 CO-CHAIR VAN BRAMER: I know you don't...
22 [interpose]

23 COMMISSIONER FINKELPEARL: What I'm
24 saying is that that the core mission of the agency is
25 accomplished with the budget that's proposed; that

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 107

additions like the ones that are being proposed by
the Council are ones that are still under
consideration; this is not adoption; this is an
Executive Budget; that we absolutely -- and I mean I
wanna look over at the groups and say that what
they're doing is an incredible value to the city; we
understand that every day and I also understand the
challenges of the... you know the fundraising
challenges in the environment that we're in. But the
budget that's being proposed is a very, very large
budget even by historical standards of this city..

CO-CHAIR VAN BRAMER: You said that many
times and I get that that's a talking point for the
administration as far as today's hearing, but it's
not good enough and budgets are reflections of values
and I would ask you; is culture and the arts a
fundamental value, access to culture and the arts a
fundamental value of this administration?

COMMISSIONER FINKELPEARL: And I would
say yes, absolutely and I would say yes both because
I feel like culture and the arts are being integrated
into the everyday activities of other agencies, and I
do think that the \$23 million added to arts education
counts; that does count for 1.1 million students in

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 108

2 the system and you know, obviously that's not money
3 that's directly going to the cultural groups, but
4 that's money that is enhancing the cultural life of
5 New York City that's important for the long-term
6 viability of the groups.

7 CO-CHAIR VAN BRAMER: No one here I think
8 would dispute that, but if budgets are about values
9 and this administration has as a core value culture
10 and the arts, then it has got to stop proposing
11 budgets that don't include one dollar of increases to
12 your budget that would directly go to the cultural
13 organizations that are seated here today and so many
14 who are not; increasing your agency's budget we agree
15 with and support, though nominal for some of the
16 additional staff and some of the additional things
17 that you've got going, but I would argue that one of
18 the core missions of your agency is also making sure
19 that the Cultural Development Fund and even Council
20 initiatives are being allocated to all of these
21 cultural nonprofits, neighborhood-based organizations
22 and if those dollars have never been increased by
23 this administration, and if in fact inflation
24 adjusted, those dollars are actually lower than what
25 they were; then you're not fulfilling a part of your

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 109

1 core mission and you're not doing it to the fullest
2 extent of what can and should be possible,
3 particularly given the situation that the City finds
4 itself in today. Do you agree with that?
5

6 COMMISSIONER FINKELPEARL: I would say
7 that if you look at the increases in funding for the
8 arts, including the robust capital budgets, including
9 the \$23 million added to the public school education,
10 there's no city in America that has increased funding
11 for arts and culture as much as we have done. That
12 having been said, again I don't wanna diminish what
13 you're saying, I hear you; believe me also that I
14 hear this from cultural groups all the time; this is
15 not... this year the effort, in terms of getting the
16 word out has been quite vibrant; I've heard it from
17 Council Members, I've heard it from the cultural
18 media repeatedly. So you know again, I'm saying that
19 the core mission is met by this and we're gonna
20 continue discussions up to adoption.

21 CO-CHAIR VAN BRAMER: So I think you
22 understand that, you know, notwithstanding our very
23 long relationship and mutual respect, I am
24 increasingly frustrated you know at not having the
25 Cultural Affairs Commissioner, you know, being able

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 110

2 to speak even more affirmatively about the value of
3 this and the importance of this; I realize you can't
4 get out in front of the Mayor of the City of New York
5 that you serve, but there's got to be a way, and
6 maybe you can speak to how you do it internally a
7 little bit, where you can advocate and you can be an
8 advocate, not just explaining some of the things that
9 have been done, but forcefully advocating with us for
10 an increase to your agency's own budget which would
11 then in turn mean an increase in the budget of all of
12 the cultural organizations that you so rightfully
13 turned to to address in this hearing; they are
14 clambering for this; our neighborhoods are clambering
15 for this, 46 Council Members in this body signed a
16 letter to the Mayor of the City of New York yesterday
17 calling for this \$40 million; that's an unprecedented
18 level of support in this City Council for culture,
19 for the arts and I'm proud to work on that with our
20 Minority Leader Steven Matteo, but we're not seeing
21 the same passion from the administration; we're not
22 seeing the same commitment from the administration;
23 that's the problem. When you talk about increases in
24 culture over the last two years, they have all come
25 from the City Council; our City Council initiatives

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 111

2 have increased dramatically for culture; we've
3 created new cultural initiatives under this Council
4 and we're just not seeing the commitment from this
5 administration.

6 So I'm looking at you, Commissioner for
7 you to speak to how the internal conversations are
8 going on the other side and what's being said and is
9 there an active dialogue going on about the \$40
10 million increase over on the other side...? [interpose]

11 COMMISSIONER FINKELPEARL: So... you know,
12 I mean obviously the internal conversations are
13 internal, but I can say that there are conversations.

14 CO-CHAIR VAN BRAMER: Would you say
15 they're going productively?

16 COMMISSIONER FINKELPEARL: I mean I... and
17 I can't publicly comment on internal conversations,
18 but I can assure you internal conversations are
19 occurring.

20 CO-CHAIR VAN BRAMER: I just wanna feel
21 that this administration is passionate about this
22 work and that you, as the Cultural Affairs
23 Commissioner, whose life has been dedicated to this,
24 you know are in there, banging the drum and getting
25 people to focus on this, which has not been a focus

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 112

1 of this administration; the funding for arts in ed is
2 terrific, we all agree with that; I would also point
3 out that it was in the City Council's response to the
4 Mayor's first proposed budget before it was
5 allocated, so this Council once again has just been
6 leading the charge, pushing this administration to
7 this place where we could get more funding for the
8 arts in every way. So I wanna ask; would \$40 million
9 for culture, were it to happen, be a good thing for
10 your agency, for culture in the State of New York and
11 for the City of New York?
12

13 COMMISSIONER FINKELPEARL: So yeah, I'm
14 convinced that the groups who are sitting here could
15 well use the money, if that's what you're asking for;
16 I can say that, yes.

17 CO-CHAIR VAN BRAMER: And would you agree
18 with me that the administration can do more to
19 establish this as a priority?

20 COMMISSIONER FINKELPEARL: I would say
21 that I don't agree with your premise that it's not a
22 priority of the administration; I think the
23 administration has demonstrated with robust budgets,
24 with robust capital budgets, with you know the
25 baselining of the -- which I know is something that

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 113

1 was in a budget that the Bloomberg Administration had
2 sort of proposed on the way out the door, but as you
3 know, the first time we had no budget dance in a long
4 time was a couple years ago and I know that you have
5 said it's sort of time to get past that, but that was
6 I think an accomplishment as well. So I do think
7 that arts and culture has been a big priority; I do
8 believe these are robust budgets; I obviously hear
9 what you're saying in terms of this \$40 million and
10 the priority; I've heard it from the field.

12 CO-CHAIR VAN BRAMER: So let me just say,
13 I think in terms of the budget dance, I think this
14 Council and Chair Ferreras-Copeland has done great
15 work to... [crosstalk]

16 COMMISSIONER FINKELPEARL: Absolutely.

17 CO-CHAIR VAN BRAMER: end it in many
18 meaningful ways; in terms of culture and the arts,
19 like we haven't even started to dance though..
20 [interpose]

21 CHAIRPERSON FERRERAS-COPELAND: We're not
22 at the party.

23 CO-CHAIR VAN BRAMER: right, we're not
24 even at the party, because there's no discussion of
25 oh, we put a little bit in last year or we're gonna

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 114

baseline it or we're gonna restore it; that's the
dance, traditionally; you haven't even gotten to the
ball and that's the problem and that's where we need
to go this year in the budget.

I wanna just say a couple other things..

[crosstalk]

COMMISSIONER FINKELPEARL: Can I just go
through some more [sic]... [crosstalk]

CO-CHAIR VAN BRAMER: Yep. Yep.

COMMISSIONER FINKELPEARL: The budget
dance was in response to cuts, right, so it was
restoring cuts, yeah, no?

CO-CHAIR VAN BRAMER: Well having also
worked for... [interpose]

COMMISSIONER FINKELPEARL: Yes.

CO-CHAIR VAN BRAMER: a nonprofit that
faced this issue, it's not simply about cuts, because
it's also about funding that is put into a budget
that is adopted that is then not baselined, because
even if that's not a cut from the beginning, if it's
not restored it's a cut... [crosstalk]

COMMISSIONER FINKELPEARL: **[inaudible]**

CO-CHAIR VAN BRAMER: so there is a dance
in terms of whether or not it's gonna get restored;

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 115

2 I'm saying that while libraries are there this year
3 in some way, you're not there because you didn't even
4 see any increases, right; that's what we're talking
5 about. I just wanna talk about IDNYC for a second..

6 [crosstalk]

7 COMMISSIONER FINKELPEARL: Yeah.

8 CO-CHAIR VAN BRAMER: before I move on to
9 a second round later, but what has happened with
10 IDNYC has been a great success for the
11 administration, for the Council; for the City of New
12 York; do you think it would be as successful as it is
13 without culture and without the memberships, the free
14 memberships and all of the work that culture has done
15 to make that a success?

16 COMMISSIONER FINKELPEARL: Yes, I think
17 that the success of the card with 820,000 plus is..
18 one of the big reasons it was a success was the
19 culture partnership, absolutely, and I think that
20 the... and this has been said many times before, that
21 the original idea of the card before cultural, you
22 know was really to help New Yorkers who don't have ID
23 at some level, and what the IDNYC cultural
24 partnership did was open it up to all New Yorkers and
25 we're very happy to see that really in places all

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 116

2 over the city there are large numbers of people
3 getting those cultural memberships.

4 CO-CHAIR VAN BRAMER: So I just wanna say
5 the number you cited of 820,000 cards, we know that
6 the cultural memberships that have already been
7 redeemed are approaching 400,000, which is staggering
8 when you think that almost 50 percent of the people
9 who have the card have in one way or another redeemed
10 membership; that's just a staggering... [interpose]

11 COMMISSIONER FINKELPEARL: But it's not...
12 'cause there are a lot of people that have gotten
13 multiple memberships... [interpose]

14 CO-CHAIR VAN BRAMER: Sure.

15 COMMISSIONER FINKELPEARL: we don't
16 actually know the unique users, but it is fantastic
17 and it's a large number, yes.

18 CO-CHAIR VAN BRAMER: Right. Right and
19 we don't wanna diminish the success of the program in
20 any way. But does the administration appreciate the
21 role of our cultural organizations in making IDNYC a
22 success; does it appreciate the value or do we take
23 it for granted?

24 COMMISSIONER FINKELPEARL: No, I think
25 it's highly appreciated. We had a meeting of many of

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 117

2 the groups that are here today at the [inaudible] --
3 when was that -- earlier this week and yeah, I mean
4 we have repeatedly expressed our appreciation. The
5 other thing that that meeting was about was how to
6 strategically make sure that those hundreds of
7 thousands of people that are now engaged with
8 institutions remain members and that's important for
9 audience development; it's also important for long-
10 term growth of membership programs. And so we had a
11 panel discussion; it was organized by our agency; a
12 lot of the best practices were shared and it was
13 really interesting to see. So it is a big
14 partnership; we're extremely grateful; I think we
15 have said that repeatedly to the groups and I think
16 that you're next going to get to the question of, you
17 know, what is the financial burden that's been
18 imposed upon the groups by that and it is a kind of
19 mixed bag, which is that there is an initial outlay,
20 you know of printing membership cards or streamlining
21 your process, etc., but there's also a very large
22 upside long-term potential in audience growth and
23 membership growth.

24 CO-CHAIR VAN BRAMER: Potential.

25 COMMISSIONER FINKELPEARL: Yes.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 118

2 CO-CHAIR VAN BRAMER: Right. Has there
3 been a windfall, lucrative, beneficial surge in
4 funding in that way that you're aware of?

5 COMMISSIONER FINKELPEARL: So that
6 question will be answered and it's not just renewal
7 of memberships, but buying individual tickets, etc.
8 later in the year that weren't... so those memberships
9 that are expiring right now are not huge in numbers;
10 the huge numbers came over the summer and into the
11 fall and that's gonna be the moment -- believe me, we
12 are hoping and all the groups are hoping to capture
13 that energy.

14 CO-CHAIR VAN BRAMER: So I'm gonna wrap
15 up, but I just wanna say, culture needs more than a
16 pat on the back, right; it needs funding and the arts
17 and ed funding is great and very, very successful;
18 cultural capital is absolutely vital for the City of
19 New York, but this agency, this administration is not
20 doing all that it should unless we see a step forward
21 on the part of this administration in this budget to
22 make sure that culture is increased in terms of the
23 funding that it receives and that that funding then
24 goes and flows right back to all the organizations
25 who are doing this amazing work, and I certainly will

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 119

continue to press through, as I know this Council
will, to make sure that that happens. Thank you very
much.

CHAIRPERSON FERRERAS-COPELAND: Thank
you, Chair. We will now hear from Minority Leader
Matteo; followed by Council Member Koo; followed by
Council Member King.

COUNCIL MEMBER MATTEO: Thank you, Madame
Chair; welcome Commissioner. I want to begin by
commending Majority Leader Jimmy Van Bramer on your
leadership; every cultural group here appreciates
your leadership on this and it's been wonderful
working with you to attain this goal and we will be
steadfast in budget negotiations, so thank you Jimmy.

And I want to follow up with the Majority
Leader's remarks, you know and he spoke about budget,
about values and I always talk about a budget, it's
about priorities and everyone who knows me and
follows me knows my priorities, you know starting
with property tax, property tax relief, because it
gives the City funding back to our constituents,
where it should go and when we talk about culturals,
we're talking about money that needs to go back to
the culturals so they can do what they do best. They

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 120

2 all have to deal with rising costs and every time
3 there's rising costs and everything else, it takes
4 away from the services and the great services they
5 provide to our children, to our families, to our
6 friends all over the city and I wanna thank all the
7 cultural groups for coming today; I do wanna
8 recognize the four that came from Staten Island --
9 the Staten Island Zoo, Richmond Town, Staten Island
10 Museum and Snug Harbor -- and thank them for their
11 services they provide for not only Staten Islanders,
12 but for New York City residents; thank you to all the
13 groups and it's a very dedicated coalition and there
14 is no doubt that this \$40 million is needed and
15 again, operational costs have been stagnant since
16 '08, we have the money in the budget and we're asking
17 for \$40 million and in an \$82 billion budget, that's
18 pretty much crumbs and it will make an impact in
19 borough equity, Staten Island groups will get it,
20 every borough, every group will get it, they deserve
21 it, they need it and this is the year to make this
22 happen, so I just wanna reiterate those and that, you
23 know Commissioner, we do want to work with you to
24 make this happen.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 121

2 I just wanna switch now to capital. Many
3 of us, my colleagues spend a lot of money from our
4 budgets on capital for our culturals, I've given over
5 \$1.5 million over the first two years, and you know,
6 we get that feeling that without us providing that
7 money, the capital needs are gonna go unmet. So with
8 that I'm asking, how does your agency prioritize
9 funding for capital, not only for Staten Island
10 organizations, but for the organizations around the
11 City, because you know, we're more than happy to fill
12 in gaps, but you know, there are capital needs that
13 sometimes have to be phased in because we don't have
14 that type of capital and we get concerned that that
15 roof that needs to be replaced, you know is gonna
16 take time and then you know -- talk about the zoo, if
17 the roof needs to be replaced and they can't use that
18 building, services get shut down, so there's an
19 impact, so I'm asking how you and your agency can
20 work with us and to prioritize capital funds?

21 COMMISSIONER FINKELPEARL: So I mean the
22 capital budget, which has been a good success story,
23 I think everybody agrees, that in the last two years
24 \$320 million have been allocated for capital budgets
25 for cultural institutions; the administration has put

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 122

in about half of that, maybe just a little bit shy of
half of that; the capital applications from cultural
groups come through in the spring, they're analyzed
by our capital team, we have a capital team at our
agency; we don't build this stuff, it's built by DDC
or if it's a large capital project where there's a
lot of private money, that can be a cultural capital
grant. So it is something that we do in
collaboration with the Council, absolutely, that
large amounts of money are going from the Council;
capital to these projects as well, but I think it's a
very successful collaboration with the Council; that
we are constantly listening to priorities, 'cause you
guys know the cultural organizations in your
districts; pretty much every group that comes to talk
to me about their capital needs says they've already
talked to the council member and the borough
president and I feel like that is a good
collaboration [background comments]... I'm sorry...
that's a good collaboration that is happening already
that is meeting the capital needs. DDC is building a
lot of those projects on behalf of the City, so I...
yeah... [interpose]

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 123

2 COUNCIL MEMBER MATTEO: Right and we look
3 forward to continuing that. One last question; do
4 you have data in regards to the economic impact on
5 the cultural organizations on the city and if not;
6 can you get that for us...? [crosstalk]

7 COMMISSIONER FINKELPEARL: There have
8 been... So we haven't done a study of that; there have
9 been studies done of the impact of cultural
10 organizations on the city, [bell] and I think the
11 last large one was done by -- what's that? -- Center
12 for an Urban Future did one recently; we could
13 certainly send that to you; that was released I think
14 less than a year ago, and the impact is enormous.

15 The other thing though that we're quite
16 interested in is the economic impact, but there's
17 also the social impact. So we all know that small
18 culturals in communities that aren't necessarily
19 bringing a lot of tourists to New York City can be
20 very, very valuable for that community; I think
21 that's what we experienced in Corona over all those
22 years. And that is a study that we have been
23 involved in commissioning, social impact of the arts
24 and culture in New York City, which preliminary
25 findings will be available next month and then about

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 124

1 six months later we'll have the final report. So
2 think that there are economic impacts and social
3 impacts that are equally important.
4

5 COUNCIL MEMBER MATTEO: Man, if you could
6 send that to us, we will appreciate it. Thank you..

7 [crosstalk]

8 COMMISSIONER FINKELPEARL: Yeah,
9 absolutely, we're gonna definitely publicize that.

10 COUNCIL MEMBER MATTEO: Thank you.

11 CHAIRPERSON FERRERAS-COPELAND: Thank
12 you, Minority Leader. I just wanted to piggyback on
13 one point, and I know that in many cases we are
14 collaborating when it comes to the cultural
15 investments, but there have been certain projects
16 where the administration has not stepped up with
17 their partnership, where the cultural institutions
18 believe the City Council could put in a portion, the
19 administration will put the other portion and then
20 now this project is delayed another year because they
21 have to then go renegotiate with you and I feel like
22 the administration assumes that the Council's going
23 to put in whatever the remainder money is and that to
24 me is not a fair partnership.
25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 125

2 COMMISSIONER FINKELPEARL: I mean I'd be
3 happy to talk to you further about this. There are
4 projects also that we think are high priority that
5 the Council doesn't think are as high priority; it's
6 a balance; in many, many, many cases we're both
7 putting in money, the majority of the cases and I
8 think there's a lot of agreement on what the most
9 important projects for the institutions across the
10 city. In some cases there have been, you know, ones
11 where the administration's put in more than the
12 Council or vice versa, but it's not just a one-way
13 street.

14 CHAIRPERSON FERRERAS-COPELAND: So I
15 would love to follow up with you so we can go through
16 some of these projects in particular, which is a
17 challenge for us in the Council, 'cause obviously
18 you're... you know, you have an opportunity to set your
19 priorities before the Council does and unfortunately,
20 when you set your priorities and you don't fund
21 something, then you're imposing priorities on us
22 because you didn't fund it. So it's not like the
23 Council can say, we want... you know, our priorities
24 are different; it's just you didn't fund it, so then
25 it becomes our priority because we have to save it.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 126

2 COMMISSIONER FINKELPEARL: Uhm well let's
3 talk... [crosstalk]

4 CHAIRPERSON FERRERAS-COPELAND: We'll
5 follow up.

6 COMMISSIONER FINKELPEARL: Okay. Thank
7 you.

8 CHAIRPERSON FERRERAS-COPELAND: Council
9 Member Koo; followed by Council Member King; followed
10 by Council Member Crowley.

11 COUNCIL MEMBER KOO: Thank you, Chair
12 Ferreras.

13 Thank you, Commissioner Finkelpearl; you
14 have a very nice name. [laugh]

15 COMMISSIONER FINKELPEARL: [laugh]

16 [background laughter]

17 COUNCIL MEMBER KOO: My question to you
18 is; Flushing is a very small district and we only
19 have a few cultural institutional groups, like in my
20 area, Flushing Town Hall is actually the only place
21 that can provide stage shows, like concerts and
22 everything, so but in the year 2008 their budget was
23 \$762,000; this year, 2016, they're \$434,000 and but
24 next year, 2017, they will have a loss of \$60,000
25 from supplemental income; then they will only receive

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 127

\$375,000; it will be a big loss for a small
institution; they're already **[inaudible]**... [crosstalk]

COMMISSIONER FINKELPEARL: So the
[inaudible]...

COUNCIL MEMBER KOO: a lot of programs.
I understand you're gonna take... [crosstalk]

COMMISSIONER FINKELPEARL: Okay.

COUNCIL MEMBER KOO: the supplemental
income for diversity programs, but Flushing Town Hall
already provides a lot of diversity programs; they
have jazz one night and then Beijing Opera the other
night, so they really need the staff; if you take
away \$60,000 from them to one of the programs,
they're going to lose maybe two staffs, so who's
gonna run the programs; that's the important point?

COMMISSIONER FINKELPEARL: So the
supplemental... So we have been in discussions, believe
me, at some length with Flushing Town Hall on this
particular issue and I think it depends on how they...
first of all, supplemental money is money that is
awarded on a year to year basis that comes and goes,
it's not something where it's there every year; some
organizations have applied; some years gotten it;
some years they don't get it and the... so it's not

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 128

1 something that is there every year. The money is..
2
3 that \$1 million supplemental money for the Cultural
4 Institutions Group is aimed towards diversity and we
5 are quite aware of the idea that organizations that
6 are already quite diverse and doing diverse
7 programming can put the money towards those diversity
8 programs and including paying for the staff. So it's
9 not necessarily the case that they're going to have
10 to -- I know the issue you're talking about, but I
11 think that the interpretation of that issue can be
12 more creative. So I think that their particular
13 application and the application for all the Cultural
14 Institutions Groups in relation to diversity should
15 be something that really helps the institution, but
16 it's also aimed towards staff diversity so it can be
17 supporting staff positions.

18 We could also talk at some further
19 length... [interpose]

20 COUNCIL MEMBER KOO: Okay.

21 COMMISSIONER FINKELPEARL: but this is a
22 particular issue I'm quite aware of and that we have
23 been talking to Flushing Town Hall about.

24 COUNCIL MEMBER KOO: Yeah, so I am hoping
25 you will take care of my district, because my

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 129

district produces a lot of tax revenues for the City
of New York, you know all this commercial...

[interpose]

COMMISSIONER FINKELPEARL: Yes.

COUNCIL MEMBER KOO: property tax, all
these people working downtown, so we are one of the
major tax producers in the city.

So the second thing I wanna mention is
the Queens Botanical Garden, it has been a leader in
science and education for a long time, but their
building, their building is very old; it was like
built in the World's Fair, so 19... [crosstalk]

COMMISSIONER FINKELPEARL: Yes.

COUNCIL MEMBER KOO: a long, long time
ago...

COMMISSIONER FINKELPEARL: '64. Yes.

COUNCIL MEMBER KOO: 1960s, yeah, so they
need a tremendous infrastructure update; like they
need about like \$60 million. So we have some
commitments from the City, like me myself and the
borough president; I'm hoping you will commit some
money to... [crosstalk]

COMMISSIONER FINKELPEARL: Yeah, so
we've... we've... I'm very well...

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 130

COUNCIL MEMBER KOO: to renovate this
place, which is important for the school children
around Flushing to go to the botanical garden to know
how the trees grow or the science behind them.

COMMISSIONER FINKELPEARL: Yes. And
again, I'm quite well aware of their capital requests
and I understand the new building that you're talking
about, which we met with them recent and are fully
versed on that project and you know it's quite an
interesting project; obviously we haven't committed
the capital dollars yet, but that's obviously... I
understand that that's a major priority for them.

COUNCIL MEMBER KOO: Alright. Thank you
for your leadership.

COMMISSIONER FINKELPEARL: Thank you very
much.

CHAIRPERSON FERRERAS-COPELAND: Thank
you, Council Member; Council Member King; followed by
Council Member Cornegy.

COUNCIL MEMBER KING: Thank you, Madame
Chair and Mr. Chair and Commissioner, thank you.

I just wanna chime in a little bit of
what my colleagues have been talking about, [bell]...
I'm done already, thank you. [laughter, background

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 131

2 comments] I was a little concerned as I'm listening
3 to the conversations about commitment and priorities
4 and value systems; due to the fact that our friends
5 and neighbors who put the work in every day and even
6 though you're working in an administration and you
7 are here to give us the position of the
8 administration, they're in the neighborhoods doing
9 the work, so for them to sit in here and not get your
10 concrete answers on some things and oh I can't say
11 this, you know it was behind closed doors
12 conversation is just not fair to the process of why
13 we're here and when we talk about transparency. As a
14 commissioner **[inaudible]** I'd really like to hear you
15 give the position of the administration so we have
16 something; we are partners in all of this, so to get
17 into a mums kinda conversation or priorities that you
18 know are priorities that we don't know about that
19 we're strapped and trying to make sure that we fill
20 the gap; how fair is it to the partnership that the
21 Mayor's committed to having to the City Council?
22 When you stand before us, you're supposed to be that
23 voice of the partnership that's real. So I really,
24 really hope to hear more dedicated answers as opposed
25 that what you can't answer, 'cause we wanna hear

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 132

1 something; that's why we're hear today; we wanna hear
2 the truth, we wanna hear how do we work it, how do we
3 build on what we have and the cry and the call and
4 the conversation is how do we restore the Cultural
5 Committee back to where it was; \$40 million, as you
6 heard from Minority Leader Matteo, you know is a drop
7 in the bucket to our budget, so how do we get to that
8 \$40 million; how do you make a commitment; how do you
9 tell the folks out here who are doing the work each
10 and every day that we're listening, we're hearing;
11 we've got a plan; this is the plan, this is what I
12 can share with you, this is what I can't share with
13 you, but say something other than...

15 COMMISSIONER FINKELPEARL: Yes.

16 COUNCIL MEMBER KING: So I'm a little
17 concerned on that, because when I look at, you know,
18 the budget of \$144.8 million and an executive plan
19 that includes \$480,000 in new funding to implement a
20 citywide culture plan, I don't know what that means;
21 if you can explain to me what is a new cultural plan
22 when we have culture already here and you say you're
23 spending new money, but you haven't made a commitment
24 to put back some of the old money, so I'm a little
25 off balanced on that, as well as if you're saying in

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 133

1 2017 your plan also says it includes a decrease of
2 \$7.1 million in the Fiscal 2016 and \$2.3 million in
3 the Fiscal 2017 plan in heating, lighting and power
4 costs. I'd like to get an idea how this decrease was
5 achieved, but more importantly, if we're decreasing
6 and we're saving monies on some end, why can't we
7 just figure out how to get back to our \$40 million
8 and restore that if we've got savings on one end and
9 if we're gonna start new stuff, don't you think it
10 makes a little more sense of us being on the same
11 page of filling what we already have established
12 before we start adding new? So those are the couple
13 questions, so.

14
15 COMMISSIONER FINKELPEARL: Okay. So let
16 me... I'll answer two of them and then if I haven't
17 answered something, you can re...

18 So the energy -- look, for the Cultural
19 Institutions Group there's an energy supplement, you
20 know so we are paying the electric bill of whatever,
21 you know Jamaica Center for Arts & Learning or the
22 Queens Museum or the Met. [interpose, background
23 comment] In years... I'm saying we're paying the
24 energy bills for the Cultural Institutions Group,
25 whether it be the Bronx Museum or the Metropolitan

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 134

2 Museum or whatever; that's part of what we do and on
3 years where there's a very mild winter obviously
4 there's less money spent; there has been a lot of
5 discussion over the years about whether if there's
6 money saved in energy, whether it could be somehow
7 put back into the budget for those groups; the
8 problem is, what happens if there's, you know, a very
9 hot summer or very cold winter and there never has
10 been a formula -- believe me, I was working on this
11 quite a bit when I was on the other side of the table
12 -- to try to figure out how to do that. So the
13 energy... there is no decrease in the energy, we're
14 paying the energy bills; it just looks different
15 because of a particularly mild winter. So there's
16 that and that's a long conversation we've been
17 having; if anybody can come up with a great formula.
18 We have been talking to DCAS about creating formulas;
19 we had a special group of students working on how to
20 create energy efficiency at the cultural
21 institutions; it's a very complicated question, but
22 we're not in any way cutting the energy budget. I
23 know it looks that way; we're not cutting the budget.

24 The cultural plan for which you were just
25 talking about is something that -- we had Council...

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 135

1 there were Council hearings; the Council was quite
2 interested in this; we have embraced the idea of
3 doing a cultural plan and that has to do with just
4 really getting out and understanding what New Yorkers
5 want and need and can be productive and you know,
6 profitable for the City and it's an expenditure that
7 we've never... we've never done a cultural plan in New
8 York City; many other places have done it; it's
9 happening in cities all over the country, and it's a
10 way to understand the needs, the cultural needs of
11 the entire city and I think it's a really great
12 opportunity; it was added, you know, it's not... there
13 were worries early on are we gonna cut the budget; is
14 it gonna come out of the funding for [bell] cultural
15 institutions; it's not. So if you wanna meet, I
16 could tell you all about what's going on with the
17 cultural plan; I'm happy to do that; that's been a
18 big priority for the Council as well as for us.
19 That... and those are two of the points that you had
20 made or that you had asked. The cultural plan and
21 the energy are two of the things that you were asking
22 about that I wanted to address.

24 COUNCIL MEMBER KING: I'm gonna end with
25 this -- there was a rally out in the front, you know

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 136

1 we talk about culture, how it has impact on NYC and
2 the Mayor has made a commitment to improving all of
3 New York, whether it's progressive values,
4 progressive ideas; this is one way. You know, we say
5 culture is who we are in New York City and the Mayor
6 has to, has to make sure that his money is where his
7 mouth is; he has to make sure that this \$40 million
8 that we asked him for, that is maintained, you know
9 there's no way we can get around the culture of New
10 York City; when we are all long gone, it's the
11 culture that's gonna maintain and define who we are
12 as a society, so you've gotta have a greater
13 conversation with us when it comes to where we've
14 gotta place this money and the ask that we're asking
15 should be like yeah, how do we get on the same page;
16 not, I can't answer that question. So I'm asking
17 you, when you go back in your behind the doors
18 meeting, these are the conversations you've gotta
19 bring back to us; anything is unacceptable, but thank
20 you for your time today.. [crosstalk]

22 COMMISSIONER FINKELPEARL: Thank you.

23 Thank you.

24 COUNCIL MEMBER KING: Thank you.

25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 137

COMMISSIONER FINKELPEARL: And what you
said about the culture defining the values of the
city, etc.; absolutely, yeah, I'm with you 100
percent.

CHAIRPERSON FERRERAS-COPELAND: Thank
you, Commissioner; thank you, Council Member.
Council Member Cumbo.

[background comments]

COUNCIL MEMBER CUMBO: Council Member
Corney and then Council Member Cumbo.

COUNCIL MEMBER CUMBO: That's fine.

COUNCIL MEMBER CORNEGY: I know she's the
voice of arts and culture in the Council, but...

[interpose]

CHAIRPERSON FERRERAS-COPELAND: It's been
a nice day; I'm sorry, nice day.

COUNCIL MEMBER CORNEGY: Thank you Chairs
for this very important hearing; Commissioner, good
to see you.

I just wanted to kind of expound on what
some of my colleagues have already talked about in
regards to the fact that I've noticed a somewhat
disturbing trend in programming and that some of the
larger cultural institutions are focusing on very

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 138

2 ethnic-specific exhibits and I just wanna make sure
3 that there's not a trend away from allowing the
4 smaller culturals that on the ground in the districts
5 to be removed from the work that they do which are an
6 integral part of their connection not only to our
7 communities, but articulating a narrative through the
8 city. So while I understand that there's space
9 [interpose, background comment] that is provided in
10 larger spaces, I just don't want the.. I wanna be
11 specific with how our monetary asks go, because while
12 we ask for an increase in funding and we demand, I
13 just don't want it to then, the lion's share, be in
14 the larger culturals and the larger culturals are
15 responsible for exhibits that are representative of
16 particular communities as opposed to having the money
17 spent in smaller culturals that on a daily basis
18 spend and focus the amount, you know, their entire
19 being on particular ethnicities throughout the city,
20 which is really the fabric of the city. So I just
21 wanna make sure that this disturbing trend that I've
22 noticed; maybe even you've noticed it or haven't
23 noticed and I can just bring it to your attention.

24 COMMISSIONER FINKELPEARL: Yeah, no; I
25 hear what you're saying and actually, one of the

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 139

2 things we've been talking about in relation to.. you
3 know we did a study of the diversity of the staffs of
4 cultural institutions across New York City and the
5 results, you know were not great, you know the staffs
6 of cultural institutions overall are not as diverse
7 as the city; we all know that. So one of the worries
8 is that as organizations -- let's say that a small
9 organization has trained somebody, has worked there
10 for a number of years and they've taken -- hired by
11 another cultural institution that's doing a diversity
12 initiative; that might hurt the smaller organization
13 where they came from. So I think one of the ways
14 that we have been recognizing that is this building
15 community capacity initiative, so that is the idea of
16 going into neighborhoods and working collaboratively
17 with those neighborhoods and finding leaders in the
18 neighborhoods that wanna build the capacity of the
19 smaller organizations so that they you know have the
20 capacity to grow. So that's been an important
21 initiative that we felt strongly about. But I think
22 that the idea that you see, you know, a large
23 exhibition let's say at the Whitney Museum or the
24 Museum of Modern Art of more diverse artists I think

25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 140

2 is a good thing as long as it's done without hurting
3 the smaller institutions **[inaudible]**... [crosstalk]

4 COUNCIL MEMBER KING: And that's all I
5 wanna illustrate... [crosstalk]

6 COMMISSIONER FINKELPEARL: yeah.

7 COUNCIL MEMBER KING: Sometimes we've
8 been accused as a city of not being able to walk and
9 chew gum at the same time and I believe that we can;
10 I believe... [interpose]

11 COMMISSIONER FINKELPEARL: Yeah.

12 COUNCIL MEMBER KING: that we can ask
13 for, you know cultural inclusion in everything from
14 hiring to exhibits without doing away simultaneously
15 with the smaller culturals who've done the bulk and
16 the body of the work, so I don't wanna be guilty of
17 making demands that ultimately, you know as a
18 byproduct, costs the demise of the smaller
19 institutions, so I wanna be clear; I'm with my
20 colleagues and I'm demanding, you know, greater
21 accountability and all those kinds of things, but I
22 don't wanna leave the smaller culturals who myself
23 and my family have relied on since we've been here to
24 provide arts and culture for us throughout the city.
25 Thank you.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 141

COMMISSIONER FINKELPEARL: Thank you.

CHAIRPERSON FERRERAS-COPELAND: Thank
you, Council Member Cornegy; we'll now hear from
Council Member Cumbo.

COUNCIL MEMBER CUMBO: Thank you, Chair
Ferrerias-Copeland and thank you Majority Leader Jimmy
Van Bramer, and thank you so much for that wonderful
press conference this morning, it was exciting, it
was fantastic, it was important and it was so great
to see the cultural energy on the steps of City Hall
and I look forward to much more of it when we have
our celebration press conference.

Wanted to talk to you about the economic
health of our cultural institutions. So in my
district, many institutions are doing buyouts,
layoffs, furloughs and just a plain firing of certain
staff in order to keep pace; have you done a citywide
understanding or gain the information of finding out
how healthy are our cultural institutions, because I
know that several in my district are undergoing that
process right now?

COMMISSIONER FINKELPEARL: Yeah and I
mean obviously there was a press report about the
Brooklyn Museum buyouts; it's happening at the

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 142

2 Metropolitan Museum, Museum of Modern Art. So this
3 is -- look, I serve; meaning, me and my board; I'm on
4 38 boards, so I go to lots of board meetings of
5 cultural organizations; the entire CIG plus a handful
6 of others, and I would say it's kind of a mixed bag
7 right now; that there are organizations that are
8 thriving; there are lots that are growing, but this
9 what's just happened and the specific answer is no;
10 we haven't done a survey that's compared all of the
11 cultural institutions and how they're doing; I'm not
12 sure exactly... that kind of study hasn't exactly been
13 done, but it is disturbing what's just happened in
14 the last two or three weeks; right, with these
15 announcements; we're certainly aware of that; I've
16 been at board meetings where these things have been
17 discussed.

18 COUNCIL MEMBER CUMBO: I would say, as
19 you've brought up, if an institution of the size and
20 scale of a Brooklyn Museum is undergoing buyouts and
21 furloughs, an institution of that size and magnitude;
22 we can only imagine what's happening on the ground
23 for much smaller grassroots institutions, because
24 many smaller institutions also don't own their own
25 space..

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 143

2 COMMISSIONER FINKELPEARL: Right.

3 COUNCIL MEMBER CUMBO: so if we haven't
4 had an increase to the budget, the opportunity to
5 have resources to DOE in terms of the opportunity to
6 have more art teachers; doesn't reflect the bottom
7 line of many of our cultural institutions. So we...
8 [interpose]

9 COMMISSIONER FINKELPEARL: Yeah, but I
10 could say it's also.. I think it's a mixed bag; it's
11 not the case, just being on all these boards and
12 having groups coming in, that everybody
13 simultaneously in the city is in that kind of
14 distress; it is.. you know, it is the case in a number
15 of institutions.

16 COUNCIL MEMBER CUMBO: I would say in all
17 the large institutions in my district are having
18 challenges with that, so maybe it's different in
19 other boroughs; I'm not aware of that, but I would
20 say that if we have no understanding of the health
21 and the wellbeing of our cultural institutions and
22 we're not making any movements towards having an
23 increase to their budgets while at the same time in a
24 community such as Brooklyn, New York, particularly in
25 the 35th District and many others where many

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 144

1 institutions are situated, rent prices are escalating
2
3 at an astronomical rate, utilities, all of these
4 things are growing very rapidly, so if we don't
5 provide that level of resources for these
6 institutions and we have no idea what impact it's
7 having, we don't know -- and I'm just going to assume
8 because we don't have the survey -- what institutions
9 have actually closed or gone off the grid or on the
10 brink of closure; I don't know if we have a list such
11 as that -- do we have a list of the understanding
12 since... over the last eight years where we haven't had
13 an increase; do we have an understanding of the
14 attrition or the loss of cultural institutions to the
15 City of New York?

16 COMMISSIONER FINKELPEARL: No, we don't
17 have... that survey hasn't been done; I think a
18 theater... there have been little parts of that survey
19 that have been done, you know, how many small
20 nonprofit theaters have closed, etc. But no, we
21 don't have an overall survey of closures. No, we
22 don't have it.

23 COUNCIL MEMBER CUMBO: You brought up
24 also the point of utilities and you know in my
25 district there has been a strong movement around

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 145

utility relief for institutions that are on City-
owned property...

COMMISSIONER FINKELPEARL: Yeah.

COUNCIL MEMBER CUMBO: have you come to
any further understanding of where we stand with
that?

COMMISSIONER FINKELPEARL: Certainly
further understanding; not a further decision. So we
have... there's a group that got together and said..
[crosstalk]

COUNCIL MEMBER CUMBO: Very aware.

COMMISSIONER FINKELPEARL: we're on City
property and we'd like the City to assume the energy
costs; there were other groups that are on... So we
said well it's a limited group; let's get a bigger
picture of all of the other groups that are on City
property that aren't included in that group. So we
did that; we've talked back and forth to those
groups, 'cause then they hadn't actually collected
the information about the energy costs for those
other groups that hadn't been included. So I think
we now have a comprehensive sense of what the groups
on City property are and what the energy costs are.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 146

2 COUNCIL MEMBER CUMBO: My time is up,
3 [bell] but I just wanna conclude by saying; from the
4 questions I've asked, we really have no idea about
5 the financial health of our institutions; we don't
6 know how many are closing; we don't know how many are
7 on the brink of closing; we also don't know at the
8 same time how many have to do furloughs, layoffs,
9 buyouts and have so many other critical issues. But
10 what we do know, while we don't know that, is that
11 the cost of living in New York has continued to rise;
12 rent prices have continued to double, triple and
13 quadruple in the last eight years. So for us not to
14 provide a critical increased for these institutions;
15 the biggest one in the borough, if it's on the brink
16 of having layoffs, we understand that we are in a
17 very unhealthy financial place, so I would urge you
18 to continue to fight for these institutions because
19 they are the backbone of New York City, they are what
20 brings New York City the vitality, the economic
21 resources, the social resources, but as I said in the
22 press conference, it also saves the lives of so many
23 of our youth. Thank you.

24 CHAIRPERSON FERRERAS-COPELAND: Thank
25 you, Council Member. I wanted to acknowledge that

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 147

we've been joined by the Urban Assembly for Music and
Art in Council Member Williams' district from
Brooklyn. Hello; they're up in the balcony. Welcome
to your house. [clapping] We are doing budget
hearings on cultural institutions with the
Commissioner, so this is an important budget for you
guys also, so thank you for coming.

Commissioner, we're wrapping up.

[laughter] I don't think I've seen you this excited
this entire... [laughter] We have questions that we
are going to be sending to you...

COMMISSIONER FINKELPEARL: 'Kay.

CHAIRPERSON FERRERAS-COPELAND: we need
you to get them back to us very, very quickly so that
we can use them to negotiate on our budget.

COMMISSIONER FINKELPEARL: Yep.

CHAIRPERSON FERRERAS-COPELAND: Thank you
very much for coming to testify today; we will
continue to engage with you throughout this process.
Thank you, Chair.

We will now take a 15-minute break before
we begin with our library systems.

[gavel]

[pause]

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 148

SERGEANT AT ARMS: Alright, ladies and
gentlemen, we are about to start. Make sure all the
cell phones are put on silent; if you have a
ringtone, make sure they're turned off; if you're
gonna take a conversation, go outside in the rotunda;
you can make your phone calls outside. Do not
approach the dais up here; if you have any questions,
you come up to my desk. Thank you.

CHAIRPERSON FERRERAS-COPELAND: Hello
everyone; welcome. We will now resume the City
Council's hearing on the Mayor's Executive Budget for
Fiscal 2017. The Finance Committee is joined by the
Committee on Cultural Affairs, Libraries and
International Intergroup Relations, chaired by
Majority Leader Van Bramer and the Subcommittee on
Libraries, chaired by Council Member King. We just
heard from the Department of Cultural Affairs and now
we will hear from Tony Marx, President and CEO of the
New York Public Library, Dennis Walcott, President
and CEO of the Queens Public Library and Linda
Johnson, President and CEO of the Brooklyn Public
Library.

In the interest of time, I will forego
making an opening statement, but before we hear

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 149

testimony I will open the mic to our Co-Chair,
Majority Leader Van Bramer and Council Member King.

CO-CHAIR VAN BRAMER: Thank you very
much, Madame Chair and it is great to have a trio of
hosts for this hearing. I'll be very brief;
obviously we all care deeply about our libraries and
it's been a privilege to fight on behalf of the
libraries for the last 17.5 years in one capacity or
another. And we had an enormous victory last year
that I firmly believe that this Council led the
charge on, making sure that we received the \$43
million that we so desperately needed and that we
have six-day service in every library in the City of
New York is a testament to this Council working
closely and in fact prodding and pushing the
administration, and the fact that half of that
funding was baselined by the Mayor is a good sign,
but we still have a long way to go to make sure that
libraries are fully funded in every way and that that
funding is not in jeopardy every single year.

So I wanna thank all the folks who are
here from libraries; whether you are a staff person,
a friend, a supporter, a volunteer, all of you do
such amazing work and libraries are such core

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 150

1 critical services of the City of New York and
2
3 obviously you have our support making sure that
4 libraries remain strong. So I wanna thank Chair
5 Ferreras-Copeland for her love of libraries and
6 obviously Chair Andy King, who is dressed
7 appropriately in orange, I believe that is... yes.
8 Chair Ferreras-Copeland and I did not get the memo,
9 but we... [background comments] yes [laughter] the
10 three of you would rather \$43 million than the two of
11 us dressed in orange; right? Yeah.

12 DENNIS WALCOTT: We can end the testimony
13 right there.

14 CO-CHAIR VAN BRAMER: There you go; fair
15 enough. So I will pass it along to our third chair
16 for this hearing, Chair Andy King.

17 CO-CHAIR KING: Well good afternoon,
18 Mr. Chair, and I thank you again; Finance Chair,
19 Madame Julissa, I wanna thank you all; this is my
20 first executive chair presiding over as the Select
21 Committee Council of the Subcommittee on Libraries.
22 I wanna say to all my orange squeeze out there, thank
23 you, thank you, thank you, thank you. But again, to
24 our tireless leader; as I always say, my cousin on
25 the Met fans, makes sure that our Mets do as well as

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 151

our libraries do; that we're gonna continue to stay
strong, making sure that we find whatever monies that
we need to find to make sure that our library system
stays strong.

Fiscal Year 2016 was a big year for our
libraries; the Council and the administration
provided historic increase in funding for our city
libraries; this increase means that for the first
time in a decade every single public library across
the five boroughs will be open at least six days a
week; some libraries even are open seven days a week;
all libraries have expanded their hours as well. As
a vital system in our city, public libraries provide
a broad range of services to New Yorkers; this goes
beyond access to books. New York City's libraries
are more accessible for patrons where they need them
the most; working parents bring their children to
libraries on weekends and busy professionals and
students are able to access resources in the evening.

Recognizing their importance to New York,
I was glad that the Council was able to negotiate
with the administration on the increase, allowing us
to focus our efforts on how we maximize our ability
to serve the most in need. In the preliminary budget

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 152

response, the Council urged the administration to
increase their newly [sic] baselined funding from \$22
million that was proposed in the preliminary budget
to \$65 million. At this funding level, which is so
critical, it will ensure the continuous six-day
service of all libraries in every community. I've
gotta say I'm deeply disappointed that this wasn't
reflected in the Executive Budget, you know we've
come to a stage that we dance here, we dance there;
some of our shoes are worn out right now, but at the
end of the day we need to stop this dance and that we
all understand that we have a commitment to our
library system, all of us [inaudible] show up at the
plate and do our jobs effectively.

Many New Yorkers rely on libraries'
internet access; it's available for our immigrant
population to learn English and underemployed receive
job assistance. Our library systems provide a range
of programs to the community and participate in
various initiatives, such as adult basic education,
early childhood literacy initiatives and broadband
technology opportunity programs; it is therefore
essential that the library systems are fully funded.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 153

2 Finally, the Fiscal 2017 Executive
3 Capital Commitment Plan includes \$845 million in the
4 Fiscal 2016-2020 for libraries; however, the three
5 library systems together have more than \$250 million
6 in additional critical and capital maintenance needs.
7 The Council urged the Mayor in the preliminary budget
8 response to add \$100 million to help the libraries
9 address those capital challenges as well as establish
10 an annual funding stream that will resolve these
11 pressing problems, and if this can be accomplished,
12 then we can finally move away from the current
13 process of drafting piecemeal solutions to
14 infrastructure deficiencies to creating a well-
15 functioning library system for the 21st century.
16 Sufficient funding will allow the library system to
17 be compliant with America's Disability Act as well,
18 increase the amount of healthy and life safety
19 projects offered, updating heating and cooling
20 systems, upgrade roofs, conduct full branch
21 renovations **[inaudible]** and provide technical
22 upgrades.

23 In closing, I wanna thank the committee
24 for sitting with me on my first one and helping me
25 understand process and putting the conversation

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 154

together and looking forward to questions that make
sense to improve our library systems.

Again, I wanna say thank you to all the
librarians, everyone who has spent time to making
sure that a young person understands the process in
the library **[inaudible]** does research and has helped
our young people understand that reading is cool. So
with that all being said, I'm looking forward to
hearing testimony from presidents' row so we can
figure out how we continue to help the library system
of the City of New York. Thank you again.

CHAIRPERSON FERRERAS-COPELAND: Thank
you, Chair King and thank you, Majority Leader Van
Bramer. I just wanna reiterate and clarify; we don't
dance here anymore, we negotiate, so no more budget
dance.

If you can begin your testimony,
whichever order you think appropriate and should we
be following with a PowerPoint, so you'll

[inaudible]... [crosstalk]

DENNIS WALCOTT: Yes, ma'am.

CHAIRPERSON FERRERAS-COPELAND: Thank
you.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 155

2 DENNIS WALCOTT: Thank you very much.

3 And good afternoon to all of you; it's a pleasure to
4 be here once again. My name is Dennis Walcott; I am
5 President and CEO of the Queens Library and it's a
6 distinct pleasure -- thank you, Tony -- it's a
7 distinct pleasure to provide testimony to the City
8 Council today on the Mayor's Fiscal Year 2017
9 Executive Budget.

10 Before I begin I would like to express my
11 really deep gratitude to The Speaker, Melissa Mark-
12 Viverito, to the Mayor, to our Finance Chair, Julissa
13 Ferreras-Copeland, to our Majority Leader, Jimmy Van
14 Bramer, to our Library Subcommittee Chair, Andy King,
15 and the entire City Council for restoring the \$43
16 million to the operating budget of the three library
17 systems represented by our great, great presidents
18 who are sitting to my left and really make a major
19 difference in the lives of the citizens of New York
20 City for the current fiscal year.

21 As you know, this investment has ensured
22 universal six-day library service and for some seven-
23 day service and enhanced programming for all of the
24 New York City residents. Your investment in the
25 libraries have paid enormous dividends for the people

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 156

2 of New York City; they have used expanded library
3 services to enrich their lives in so many ways, but
4 neither my colleagues nor I can express it as
5 eloquently as your constituents can, so we will let
6 them speak for themselves.

7 [pause]

8 [video presentation]

9 CHAIRPERSON FERRERAS-COPELAND: I think
10 you should not testify; you're good.

11 [laughter]

12 DENNIS WALCOTT: I... I...

13 MALE VOICE: We're done.

14 CHAIRPERSON FERRERAS-COPELAND: We're
15 done. Done. You may continue.

16 TONY MARX: Okay, luck me; I get the ball
17 back. Thank you to... thank you, Dennis; thank you,
18 Speaker and Council Members and Chairs Ferreras-
19 Copeland, Van Bramer and King and of course to the
20 entire committee and the City Council and to the
21 Mayor and his colleagues. It's great to be here
22 together with my fantastic colleagues from Brooklyn
23 and our great new colleague from Queens. Dennis,
24 it's great to have you...

25 DENNIS WALCOTT: Thank you, sir.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 157

2 TONY MARX: here at the table. So we've
3 come many times before to tell you that the demand
4 for what the library offers, as you have just seen,
5 is soaring. For instance, since 2008 our program
6 attendance, just program; not the sort of day to day
7 use of the library, has increased 150 percent to two
8 million visits this year, but those kinds of numbers
9 -- numbers in general are abstract, which is why we
10 wanted you to see and hear from our neighbors and our
11 fellow New Yorkers directly. Libraries are changing
12 and improving people's lives and people are asking
13 for more of what we can offer. Libraries are the
14 cornerstone, the foundation for success in this city
15 that still attracts immigrants by the millions
16 because it is the City that promises that kind of
17 opportunity and that's what the library is here to
18 serve and does more to serve than any other
19 institution, from young children in high-need
20 communities to those kids who we know have a 30
21 million word gap compared to more privileged kids and
22 that that makes a life determination that we cannot
23 let stand. From new immigrants to homeless families
24 to disconnected youth to the incarcerated or the
25 recently released, we are the lifeline for

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 158

opportunity and advancement in a city that has always
been committed to that ideal and has sometimes fallen
short.

So you heard from New Yorkers last year
and together with the Mayor you did, and we are so
grateful for the major increase in funding, it's a
testament to the leadership of those of you who are
here and a testament to the dedication and commitment
of all those you've heard from, many of whom are here
in the audience today.

We were able at the New York Public
Library to hire 141 more staff, add 293 more hours,
open four more sites on Sunday, we increased our
visits to schools by 120 percent; we expanded our
early literacy program attendance by 30 percent.

Whenever the City Council, whenever you
have said these are our priorities, I think you have
found and we are proud of the fact that the library
is there, not just to partner, not just to help, but
to deliver, because we reach more New Yorkers and we
can deliver. When you asked and had the inspiration
to start IDNYC, the largest place where people
naturally feel welcome and calm has produced 177,000
of those IDs just from our libraries. When you said

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 159

we need more books going into the schools, we
created, and this was a partnership when Dennis was
chancellor, My Library NYC; in the last year 140
percent increase in the delivery of books; that
program has taken off. We're bringing our literacy
expertise to UPK classrooms that you expanded and to
the city's homeless shelters; we are partnering with
nearly every City agency because those agencies have
also come to understand that we are in every
neighborhood, we are committed to delivering and we
are able to move and deliver and yet we remain under
resourced, our gains, the gains of this city,
dependant upon its libraries, remain in jeopardy and
will if the budget increases are not baselined;
that's why our communities are asking you, we're
asking you to restore our expense funding to where it
has been so that we can meet soaring public demand
and need, especially amongst the neediest of our
neighbors and friends and family members. Baseline
that funding and allocate \$100 million to begin to
address our infrastructure crisis.

The New York Public Library is already
having a dramatic impact, but there is so much more
that we can do. In New York City the vast majority,

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 160

2 70 percent of 3rd graders do not read at grade level.

3 I'm sorry; I'm gonna stop and repeat that, because as
4 an educator, as a parent, as a proud New Yorker, that
5 simple fact is beyond my comprehension; 70 percent of
6 New Yorkers in 3rd grade cannot read at grade level.

7 The librarians, the libraries are the frontline in
8 this struggle and we are ready and eager to do more.

9 Members of the City Council, you will walk by the New
10 Amsterdam branch at 9 a.m. and you will see people

11 lining up around the block for story time; at the
12 great Morrisania Branch in the Bronx -- we have

13 colleagues here today from Morrisania; Colbert is
14 here joining us today with his great team -- working
15 with DHS, delivering story times for 89 families at

16 the Crotona Inn Family Shelter and library card

17 drives for a dozen shelters in the area, or go to

18 Rikers Island where our Daddy and Me program is

19 putting fathers together to record their book

20 readings for their children who they cannot see and

21 those same folks, when they are released from Rikers,

22 a bus drops them first stop at 125th Street where you

23 saw one of our users testify to how important the

24 library is to them.

25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 161

2 We are working with hundreds of pre-K
3 classrooms, but with an additional \$22 million to the
4 three systems, the New York Public Library will
5 expand family literacy programs to every neighborhood
6 in our boroughs; we will create space for 280,000
7 more attendees in our family literacy programs; we
8 will extend our outreach to schools by another 75
9 percent; we will go into the shelters and make sure
10 that those families and those kids, because again,
11 shocking statistic, there are 20,000 kids, innocent
12 kids who are homeless in New York and we have to make
13 sure that they get every opportunity to prosper and
14 enjoy all that New York has and we're ready to start
15 with literacy programs; libraries can do so much more
16 on the literacy front, but also, in terms of digital
17 equity. Just last week a man came to my office; had
18 to come up to the second floor, [laughter] from the
19 Tremont section of the Bronx; he'd just been released
20 from Rikers and he'd heard that the library was now
21 offering free instruction in coding; this is to get
22 jobs in the fastest growing industry in New York, an
23 industry that cannot find skilled workers and has,
24 shall we say, not the diversity of those workers that
25 it should have and I'm including women as well as

folks of color, and he was turned away because we
have 5,000 people on our wait list for free coding
instruction; that is crazy in New York in the 21st
century. So with additional resources we're ready to
expand our coding classes by 150 percent. We've
already increased our basic tech training 300 percent
in the last four years. Because we saw and you saw
and the Mayor saw that 27 percent of New Yorkers
still lack internet access at home, we've been
lending 10,000 households together hotspots, Wi-Fi at
home and we're ready to extend that for the next two
years. We're eager to work with NYCHA where they're
providing more digital access; we're ready because
we're the only institution that can help people be
trained to know how to use those great tools.

But of course none of this works if we do
not have branch libraries that are robust, that are
in great shape, they should be inspiring; they should
not be disrespectful of New Yorkers who depend upon
them.

Last year, again with huge thanks, the
City allocated \$300 million and put us for the first
time in the 10-year capital plan; again, I have to
repeat that. The idea that 4 million square feet of

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 163

public library space for, I don't know, a century,
was only provided with capital funding year by year,
member by member and we are grateful for all of that
support, meant that we could not plan, we could not
spend money rationally, we could not anticipate
problems and we ended up with staff having to move
buckets around to catch leaks from the roof; that is
not what our great library staff should be doing. So
we know that there is so much to do; independent
studies showed \$1.4 billion in deferred capital needs
and your investment last year means that each of us
are totally renovating five branches in the highest
need neighborhoods in New York; that is a great,
crucial first step, but we have critical maintenance
problems throughout the system; we therefore have our
staff dealing with those rather than meeting the real
needs of New Yorkers. We estimate \$250 million of
critical maintenance needs, as the chairman cited in
his opening remarks -- boilers and roofs and HVACs --
these are unsexy projects, but they are essential.

The Board of Trustees of the library met
last week at 115th Street in Harlem, great branch,
surrounded by schools, literally three high schools
across the street; the entire basement of that

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 164

2 branch, which was once a vibrant community room and
3 could be a teen center, is out of commission because
4 100-year-old pipe burst; those kids are being robbed
5 of the programs and the opportunities that New
6 Yorkers all deserve and that they deserve. We've
7 asked for \$100 million, a lump sum allocation to get
8 at those problems across three systems; it is not
9 much compared to \$67 billion of the capital budget,
10 but it is a life changer in those neighborhoods and
11 it means that we can do what you want us to do, which
12 is to get at the physical problems faster, better,
13 cheaper and more rationally and planfully; we can fix
14 this broken system together and the reforms of this
15 City Council and this Mayor to make New York City's
16 governance work better in these ways can be built
17 upon, it's been a great foundation; let's keep going.
18 Libraries, we have held up our end of the bargain;
19 you in the City Council and the Mayor have held up
20 your end of the bargain; libraries are now uniquely
21 positioned and have proved their ability to address
22 key challenges at the scale that our large, diverse
23 and great city deserves; we are eager, ready to do
24 more of what we all agree this city needs more of.
25 Thank you.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 165

2 DENNIS WALCOTT: So it's a pleasure again
3 to be here and what I will do is give you the cliff
4 notes of my remarks, so I see the heads nodding very
5 eagerly [sic] [laughter] about that, so let me just
6 touch on a couple of things... [crosstalk]

7 TONY MARX: Sorry.

8 DENNIS WALCOTT: and then we'll rapidly
9 go to Linda.

10 And as Tony indicated, I think the
11 uncertainty of the continued funding has been
12 detrimental across the board, both from a staffing
13 point of view, and one of the things that I think the
14 three of us have been able to do as a result of your
15 funding has been able to put in place new staff in
16 addition to our existing staff and have the
17 continuity of being able to plan appropriately.

18 And just a couple of factoids in my cliff
19 notes -- one, in the six months since the Queens
20 Library implemented six-day service across the
21 borough, more than 765,000 New Yorkers have visited
22 the library on Saturdays, solely on Saturdays an
23 additional 765,000 New Yorkers in only a six-month
24 period of time.

25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 166

2 As you saw in the video, Emily Chin and
3 Victoria Love are two shining examples of how we at
4 the Queens Library have positively impacted the lives
5 of our customers through our valuable Adult Learners
6 Program and our Job Business Academy. Last week you
7 may have seen in the *New York Times* mention of our
8 graduation and the valuable service that has provided
9 to our immigrant population and those who are looking
10 for their degrees.

11 Last year we implemented a curriculum-
12 based after-school program called our STACKS program,
13 which we currently operate in 18 of our community
14 libraries, but there's a long waiting list for more
15 STACK programs throughout our entire system and our
16 program is aligned with the City's Equity and
17 Excellence Universal Literacy Initiative as well.

18 Queens Library Adult Learner Program is
19 one of the largest library-run literacy programs in
20 the United States; in our ESOL program alone we
21 provided instruction to over 6,500 students, but
22 again, we can increase that to even more with
23 additional funding.

24 As Tony indicated, we've expanded our
25 digital access points to families in homeless

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 167

2 shelters and hospitals, but we are currently in the
3 process of implementing a new initiative that we'll
4 be announcing soon that will be another innovative
5 way to reach the individuals in our homeless shelters
6 and our hospitals and additional support will allow
7 us to achieve that goal as well.

8 In addition to that, we've been able to
9 expand our digital footprint throughout the Borough
10 of Queens and as Tony indicated, the deficit is still
11 existing as far as the digital world and especially
12 in communities of color and districts that we'll
13 target with additional funding as well, and beyond
14 that, our goal is to make sure collectively with our
15 fellow systems to make sure we do what's necessary
16 around the capital and infrastructure of our
17 libraries. We continue to have serious needs as far
18 as the capital work and we will expand our capital
19 program along with the money that is provided to us.

20 I'll stop there because you have the
21 material before you, but you know as a result of your
22 hard work you've been able to provide us with the
23 funds to give us the ability to hire more staff,
24 provide more services and reach more people. And
25 with that being said, that's my cliff note and we'll

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 168

more from there. You like that; was that... okay,
okay, thank you very much.

[laughter]

LINDA JOHNSON: I think I've been
challenged. [laughter] I will refrain from thanking
each of you by name... [interpose]

TONY MARX: [laughter] No, they like that
part.

LINDA JOHNSON: You like it? I will
refrain from thanking each of you by name, regardless
if you like it, but please do know how deeply
grateful we are for all the hard work last year. I
will also refrain from telling you, because my
colleagues have done it so eloquently, about all the
great work that we actually did with those funds,
including hiring 95 new staff members.

But there are a few things I do wanna
talk about today. First, I would be remiss if I
didn't thank the terrific librarians and staff and
senior team at Brooklyn Public Library, because on
June 1st we will be going to the White House to
receive the National Medal for Museum and Library
Service, which is the nation's highest honor for

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 169

libraries, so thank you to everybody who's been
working with me on that.

Obviously the expanded hours and programs
need to be maintained and we need to retain the
fabulous staff that we were able to hire last year
and we're counting on you to baseline that funding
that we received in last year's budget. But
preservation of that alone is not enough; we would
very much like to take the next step together,
because with your help we could be doing so much more
for the New Yorkers who rely on us.

We have specific plans for how we would
spend the \$6 million of the \$22 million that we're
seeking, which would include expanding our literacy
and technology programs, reaching more underserved
patrons, increasing our hours of operation and
purchasing more materials for our collection.

One of our highest priorities is the
expansion of literacy services and with your support
we would offer the Ready Set Kindergarten program,
currently serving 30 locations, at all 60 of our
branches. Every branch will host STEM programming
for children ages 6-12 on weekends and after school,
while successful young adult programming, such as

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 170

2 Teen Tech Time will be made available to youth in
3 every Brooklyn neighborhood. We will create new teen
4 areas in five of our branches, while improving 10 of
5 our most heavily used children spaces.

6 As we reach more young people and
7 families, we will also ensure that more Brooklynites
8 are able to access our free digital resources and
9 technology, and with your increased support, the In-
10 Branch Laptop Loan Program that currently operates in
11 10 locations will expand to serve 40 libraries. We
12 will host more tech programming with 46 new classes
13 ranging from computer and internet basics to advanced
14 coding and we will offer wired tables in all of our
15 facilities, which seems so basic, but yet are not
16 available, and we'll install more electrical outlets
17 to better accommodate our patrons' digital devices.

18 Outside of our branches, Brooklyn Public
19 Library will serve more residents of homeless
20 shelters, senior centers and Department of Correction
21 facilities. We currently host library collections in
22 nearly 200 locations and provide services in 552, 552
23 outreach sites throughout the borough; with your help
24 we can do more. And as you see, we have an ambitious
25 vision for the next 12-18 months and our staff and

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 171

volunteers are up to the task, but they do need your
support.

However, in our case, the most dire
situation really centers around the capital
challenges that we face. With \$100 million in
additional capital funding this year for the three
library systems, we can begin to address the years of
underfunding and neglect. We alone face nearly \$300
million in unfunded capital needs, including \$80
million in emergency repairs; our laundry list of
needs is or should be an embarrassment to the City;
Brooklyn's 60 public libraries, institutions to which
hundreds of thousands of people turn every year, need
28 new boilers, 20 new HVAC systems and 18 new roofs;
14 branches require ADA and accessibility
improvements, 29 need fire and other safety upgrades.
Brooklyn Public Library patrons lost nearly 1500
hours of service last year from unplanned branch
closures, many of which were caused by emergency
building maintenance issues.

Our challenges are dire in libraries like
McKinley Park; it is among the smallest of our
libraries but the most heavily used in our entire
system. Indeed, it would be easier to tell you what

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 172

1 isn't wrong at McKinley Park than it would be to go
2 through the litany of what needs to be repaired; of
3 course, as you might imagine, those repair needs
4 include roofs and HVAC and boiler systems, among
5 others. Meanwhile, Pacific Library, Brooklyn's first
6 Carnegie branch, is almost totally inaccessible to
7 patrons with disabilities. McKinley Park and Pacific
8 illustrate the stark contrast between the high demand
9 for our services and the unwelcoming environment in
10 which we provide them.

11
12 The City's inclusion of \$300 million for
13 libraries in last year's 10-Year Capital Plan was an
14 encouraging start, but this investment amounted to
15 less than one-quarter of what we needed, enough only
16 for each system to complete five full branch
17 overhauls. Our critical infrastructure needs are
18 staggering, yet the plan included no additional
19 funding to Brooklyn Public Library in the Fiscal 2016
20 budget. There is a better way forward and it begins
21 with our request for more funding in this year's
22 capital budget.

23 We're grateful of course for this
24 opportunity to testify and we're proud to join our
25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 173

great sister systems, New York Public Library and
Queens, in asking the City for very specific things.

First, to preserve the increased
operating support we received last year and to
provide an additional \$22 million in discretionary
operating support in Fiscal 2017. And next, to
allocate sufficient capital funding for libraries to
finally address the emergency needs that threaten our
ability to serve the public. We ask for your support
of this request and we look forward to working with
you to extend the reach of the library with more
programs, longer hours, more outreach outside of our
walls to New York City's most vulnerable populations,
the people and communities that need us most.

I'll close by noting that millions of
patrons visit New York City's 217 libraries every
year, some are compelled only by their intellectual
curiosity, the inspiration they draw from our vast
collections to contribute something of lasting value
to the world; others come to us determined to change
the course of their lives by finding new jobs,
starting businesses or mastering new skills; children
begin their journeys here, discovering the wonders of
reading, while older adults depend on our branches to

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 174

1 remain engaged in their community. I'm sure that
2 each of you have your own reasons for supporting the
3 library; whatever they are, we hope that you will
4 remember our patrons as you enter into the budget
5 negotiations with the administration and that you
6 will do everything you can to pass a budget that
7 reflects how New Yorkers feel about their libraries.
8 Thank you very much.

10 CHAIRPERSON FERRERAS-COPELAND: Thank
11 you; thank you for testifying. We've been joined by
12 Council Members Koo, Gibson, Constantinides,
13 Rodriguez, Johnson, Cumbo, and Miller.

14 We've said this before and we have to say
15 it again; this is always a tough hearing for us,
16 because usually we have the administration that we
17 can challenge on that side and that we'd go through
18 this process; in this case, in a very few cases,
19 we're on the same page; we're asking for exactly what
20 you want and we understand the importance of why you
21 want it; we've been your partner for years and we are
22 as frustrated and as disappointed that our portion of
23 last year's appropriation was not baselined.

24 So basically we're gonna go through some
25 questions, but it really is to get it on the record.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 175

2 So you know, pardon us being repetitive, but I think
3 it's an opportunity for you to express very clearly
4 what this impact will be. So in no way is it
5 questioning your programming or questioning your
6 capital investment; it really is just an exercise for
7 us to be able to document this in the appropriate
8 manner.

9 So with that being said, for Fiscal 2017
10 the library system has identified an additional \$22
11 million in need to meet the increased demand for
12 services and programs in your preliminary budget
13 response; the Council urged the administration to
14 increase baseline expense funding by \$43 million, but
15 it did not do so, as we all know.

16 What additional programming staff hours
17 can libraries achieve if the full \$65 million were
18 baselined? I know that Brooklyn just mentioned that
19 specifically in your opening testimony, but perhaps
20 the other two branches can speak to what you will be
21 able to get with the addition.

22 TONY MARX: Thank you, Madame Chair. So
23 we are ready and eager to add additional hours,
24 including three additional Sunday sites; we have
25 found that of course when the libraries are open more

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 176

1 people can enjoy them more. But we're also eager to
2 add additional staff who can provide more of the
3 educational programs that we've seen exploding in
4 terms of use, whether that is the early literacy
5 programs as well as the digital access programs,
6 reaching out to homeless shelters, particularly to
7 kids there, as well as to classrooms, pre-K as well
8 as in-school and additional literacy programs. All
9 of that is only possible if we can continue to build
10 on the investment that you all made last year.

12 DENNIS WALCOTT: So based on our current
13 level of service and support, we have seven-day
14 service at two of our libraries; with the additional
15 support and the baselining we will have that go to
16 seven-day service at 14 of our libraries; one per
17 councilmanic district in the Borough of Queens, which
18 means roughly a gain of 350,000 additional customers
19 served per year; operating hours jumping from 45.6
20 hours per week to an average of 49 hours; in addition
21 to that, **[inaudible]** create 60 roughly new employees
22 to our services; in addition to that, as I indicated
23 in my testimony, with our STACKS after-school program
24 currently we're in 18 of our libraries now; that will
25 go to all of our libraries in each library throughout

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 177

2 the Borough of Queens. Of a material point of view,
3 we will jump from now 6.3 million to roughly 7.3
4 million, a 16 percent increase in our materials and
5 our circulation will go from 13.59 to 16.5 million,
6 which will roughly equal a 21 percent increase in
7 technology. Our computer service right now, we're
8 serving 3 million per year and that will jump to 3.5
9 million for a 17 percent.

10 CHAIRPERSON FERRERAS-COPELAND: Thank
11 you. I wanted to talk about the \$250 million in
12 critical maintenance needs. The preliminary budget
13 response, the Council urged the administration to add
14 \$100 million in additional funding to the library's
15 capital budget to address the capital challenges, as
16 was mentioned throughout your testimony. Can each of
17 you describe what could have been achieved in your
18 library system with \$100 million additional capital
19 funding in Fiscal 17? So I guess the difference is
20 we advocated for the 10-year, so someone can say,
21 well we did the 10-year, so can you just speak, in
22 FY17 what could you accomplish with this \$100
23 million?

24 [background comments]

25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 178

2 TONY MARX: So at the NYPL alone, we have
3 a \$128 million of very clearly enumerated critical
4 capital needs; everything from ADA upgrades and
5 mechanical systems to facility preservations; HVAC.
6 So we have... if you take \$100 million across three
7 systems, we're not going to be able to meet even the
8 critical maintenance needs and we know that's a
9 problem because they only get worse if you don't
10 address them; anyone who has a home knows that. But
11 we understand that if we can get moving with this
12 pool across the three systems, then we can really
13 address what is critically needed at 56 of our
14 locations, so more than half and we can really make
15 sure that we can deliver programs rather than closing
16 branches for those renovations or having staff
17 working on leaks and other problems.

18 [background comments]

19 LINDA JOHNSON: As I mentioned, Brooklyn
20 Public Library has approximately \$300 million of
21 deferred maintenance issues; we've taken some steps
22 on our own to raise funds to address them, but of
23 that \$300 million, \$80 million are what we are
24 calling emergency repairs, the kinds of repairs of
25 course that are dire and need to be addressed

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 179

2 immediately; they are the most expensive types of
3 things to fix, because we've let them go too long.
4 There are, as I said in my testimony, a need
5 systemwide for 28 new boilers, 20 new HVAC systems,
6 18 new roofs and 14 branches require ADA
7 accessibility improvements. So with additional
8 capital funding this year, we would do everything we
9 could to chip away at that list, with the ultimate
10 goal of minimizing the number of hours that we lost
11 to emergency closings based upon leaking roofs or
12 buildings that are not warm enough in the winter or
13 cool enough in the summer to meet the work rules for
14 our staff.

15 DENNIS WALCOTT: So let me pick up on a
16 word that Linda used, chip away. So for example, in
17 our Langston Hughes Library masonry, we don't have
18 the funding for that and that would be extremely
19 helpful because it then chips away if we don't fix
20 that right away -- [laughter] you like that, huh --
21 it fits right away into that HVAC and all the other
22 specific pieces that we laid out before around the
23 critical needs that are not funded and how that will
24 help us along that line, so it's dealing with roofs,
25 it's dealing with masonry, it's dealing with

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 180

1 exterior/interior renovation replacements and so
2
3 those to me are the critical issues that we have to
4 tackle and that will allow us to have, as Linda I
5 think so well put out there as well, making sure our
6 libraries are respectful for our customers.

7 LINDA JOHNSON: If you don't mind, I'd
8 like to add one thing. In listening to the three of
9 us sort of, you know, cry about the condition of our
10 libraries and talking about what we would do with the
11 money if we were to get more capital funding this
12 year, not one of us spoke about what we should be
13 talking about, which is making our libraries more
14 inspiring and more attractive and places where our
15 communities actually look forward to going.

16 CHAIRPERSON FERRERAS-COPELAND: Right,
17 which is the direction we should be going in. So I'm
18 gonna ask one final question; we are actually running
19 a little behind, so we need to.. we have one more
20 committee after this one, so I wanna give my
21 colleagues an opportunity to ask their questions.
22 And we've been joined by Minority Leader Matteo.

23 So when we've talked about capital
24 investments, and I'm sure you'll hear this throughout
25 today, there's nothing more frustrating than for a

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 181

2 member to allocate capital dollars; some will leave
3 their term and the project still hasn't been built;
4 in my case, it's the forever growing cost of a
5 project, so with your experience, we do this \$100
6 million; how can you assure us or what tools would
7 you need to make sure that when we give you this
8 money you're able to use it within a fiscal year or
9 efficiently, or is there a more efficient way for you
10 to be able to invest capital dollars in our community
11 where we don't have to wait a decade?

12 DENNIS WALCOTT: So as the new kid on the
13 block, one of the things that's been extremely
14 frustrating is just that and I was shocked, and
15 obviously I'm spoiled by my former experience at the
16 School Construction Authority and the building of
17 schools and the length of time it takes to either
18 repair or build a library and to me, we would look
19 forward to working with you and the administration on
20 how we expedite the process, how we develop the path-
21 throughs that allow us to get the money to the
22 communities a lot quicker to repair the necessary
23 things that have to be done. I'm horrified that it
24 can take up to eight years to do work; that's
25 ridiculous and that's not fair to our customers, it's

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 182

1 not fair to our staff and to me, if we can get
2 together and reform that process, and you see all of
3 our heads nodding, this is new to me and so to see
4 that and to work with our hardworking staff to face
5 the frustrations and then as elected officials, I
6 don't know how you tolerate it because as you
7 indicated, you allocate the money; by the time the
8 money hits the libraries, the money price jumps up
9 and then you're out of office and you can't see the
10 results while you're in office and to me as an
11 elected official, as I was once, that would be
12 extremely frustrating, so I think, and I speak for
13 all of us, that collectively we look forward to
14 trying to streamline the process and to make it more
15 efficient so we can serve our customers and our staff
16 better and our elected officials.

18 LINDA JOHNSON: You know the only thing I
19 would add is obvious and that is that the longer a
20 project takes, the more it costs and so the delays
21 actually mean that we get less for the money that is
22 allocated than we should be getting and that is a
23 sin.

24 CHAIRPERSON FERRERAS-COPELAND: Right.

25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 183

2 TONY MARX: So I completely agree of
3 course with our colleagues and welcome to the library
4 world. Look, it's very... we have shown... our track
5 record is clear; when we can move we can self-manage
6 projects, we can deliver them at much faster rate,
7 much lower cost, which is in everyone's interest; our
8 interest, your interest and most importantly, the
9 citizens' interest. So we're ready to discuss the
10 way to do that and to meet whatever principals need
11 to be met to assure whatever needs to be assured of
12 the citizenry of the City Council along the way; in
13 the meantime, an important step is to say okay,
14 here's a lump sum investment added into the 10-year
15 capital plan; being in the 10-year capital plan is
16 great, but we need enough funding in it. By putting
17 that lump sum in, we can move fully-funded projects;
18 we don't have to keep trying to put Band-Aids
19 together [background comments] and adding after the
20 fact; we can move in a more planful way; we can do
21 all HVAC together; we can get a cheaper price, and
22 then we can deliver to you in a timely way, and most
23 importantly, we could deliver to the citizens in a
24 timely way. It's simply a more rational way to do
25 business and we all wanna see the effects of that.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 184

CHAIRPERSON FERRERAS-COPELAND: So I
just... You know, I thank you for testifying to this,
and again, we've had conversations; we needed it
clearly for the record, but it is a challenge for us
as members to advocate for an additional \$100 million
if there isn't another mechanism other than DDC to be
able to do this. So you know, we must not rely on
the current system.

DENNIS WALCOTT: I think we have some
ideas, both individually and collectively to help the
process along... [crosstalk]

CHAIRPERSON FERRERAS-COPELAND:
Excellent.

DENNIS WALCOTT: and we look forward to
[inaudible]...

CHAIRPERSON FERRERAS-COPELAND: Well
we'll follow up and we'll make it part of our
negotiations. Majority Leader Van Bramer.

CO-CHAIR VAN BRAMER: Thank you very
much, Madame Chair and given the time constraints and
given the general agreement between us and those who
are testifying, I'll be relatively brief. I just
wanna say that this is the 18th City Council
Executive Budget Hearing that I've been at in a row

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 185

2 in one way or another and it is time to end these
3 hearings where we're talking about restoring the
4 funding that we added last year and I think, as we've
5 said earlier, this Speaker, this Finance Chair, this
6 Council have done a great at ending the budget dance,
7 but the administration, the other side of this
8 building has got to baseline all of your funding once
9 and for all and make sure that every single person
10 who works at a library, visits a library; cares about
11 a library knows that that service is going to be
12 there; it is a core critical service of the City of
13 New York, as critical as just about any other and we
14 need it to be there in perpetuity; libraries are that
15 important. And your capital needs are great; I just
16 wanna say again, I'm very proud to be the Chair of
17 the Cultural Affairs and Libraries Committee and
18 working with this Council; we led the charge for the
19 restoration of the funding, led the charge for the
20 10-year capital plan inclusion; are leading the
21 charge, because it was in our response to the Mayor's
22 budget, both for every expense and capital dollar
23 that you're asking for; this City Council is 100
24 percent behind our public libraries and I know that
25 all of you, in your testimony and talking to us, talk

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 186

2 about the City needs to do more; the City needs to
3 step up and sometimes that's a euphemism for the
4 administration, but I just wanna say and put it on
5 the record that this Council and its commitment to
6 libraries is a above reproach and question.

7 And I was very, very happy to see the
8 Queens Library's number on Saturdays; 765,000 people
9 have visited their Queens Library branch on Saturdays
10 in the last six months; that is a staggering number
11 and so impressive and I'm so happy that so many
12 people in Queens have shown that if we open the doors
13 they will come and I'm sure those numbers in Brooklyn
14 and New York Public are equally fantastic.

15 The staffing levels, 141 staff hired at
16 NYPL, 95 at BPL; I didn't hear Queens' number, but
17 I'm sure you have... Could all of you talk about the
18 breakdown in terms of union and non-union and then if
19 you were to get the funding that you so rightly
20 deserve that you're requesting, how many additional
21 staff and is there a breakout of union and non-union
22 there as well?

23 DENNIS WALCOTT: So with Queens, as was
24 in my cliff notes, so that's why you didn't hear it,
25 but 129 in total, 114 union and 15 non-union.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 187

1
2 TONY MARX: So at NYPL, 85 percent were
3 union and we're proud to be partnering with our union
4 colleagues and we'll continue to partner with them
5 and for instance, we invested so heavily in
6 librarian, frontline staff; this time we're gonna go
7 back to some additional investments in addition to
8 those, but also security and facilities folks; again,
9 working with our unions in doing so.

10 LINDA JOHNSON: In the case of Brooklyn,
11 we hired 95 new people in last fiscal, 100 percent of
12 which were union and plan to hire an additional 40
13 people should we get the additional funding that
14 we're looking for in the next fiscal year.

15 CO-CHAIR VAN BRAMER: A 100 percent of
16 yours were union?

17 LINDA JOHNSON: Yes.

18 CO-CHAIR VAN BRAMER: Frontline staff?

19 LINDA JOHNSON: Yeah.

20 CO-CHAIR VAN BRAMER: Okay. And of the
21 folks that you would hire, you gave a number of how
22 many you would, right, hire going forward?

23 LINDA JOHNSON: The number that we would
24 hire going forward is 40.

25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 188

CO-CHAIR VAN BRAMER: Forty. And that
would be a similar ratio.. [interpose]

LINDA JOHNSON: Yes.

CO-CHAIR VAN BRAMER: union to non-union.

LINDA JOHNSON: Yeah.

DENNIS WALCOTT: Mine; 50 union and 10
roughly non-union.

CO-CHAIR VAN BRAMER: In the future
phase?

DENNIS WALCOTT: In future, yeah.

CO-CHAIR VAN BRAMER: Phase two of this
[inaudible].

DENNIS WALCOTT: Next phase.

TONY MARX: Also 50 for us; roughly the
same.

CO-CHAIR VAN BRAMER: Great. So I just
wanna also make the case in terms of what we have
already accomplished is it's unfathomable that we
would not continue six-day service in the City of New
York, I would like to say, and that we wouldn't roll
back the gains that we so rightly celebrated last
year; opening these libraries, hiring these staff,
and if it's unfathomable to all of us that we would
one year later pull all of that back, then we should

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 189

2 just baseline it, because if we understand this is
3 absolutely essential, we need it; it's critical; we
4 can't turn back, then it should be baselined. I'm
5 disappointed the administration didn't do that in the
6 executive, but obviously there are negotiations
7 taking place. You know where my heart is; it has and
8 always will be with libraries and I will continue to
9 fight along with our co-chairs and all of our
10 colleagues for libraries, because you three and this
11 room represent millions of people whose lives are
12 changed every single day by libraries, and I know
13 mine has and everybody else has a story as well. So
14 in the interest of time, I will leave it there and
15 pass it to our third co-chair, Any King.

16 CO-CHAIR KING: Thank you, Mr. and
17 Mrs. Chair; Presidents. [laughter] I yearn for the
18 day and I'm looking forward to the day that the City
19 of New York realizes there are three things that we
20 shouldn't touch definitely when it comes to budget --
21 our children and youth services, our senior services
22 and our cultures and our libraries. Our seniors are
23 the ones who have laid out the history of the City of
24 New York, while our children learn what the history
25 and cultures of New York is and the library system

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 190

2 and the culture system harness all of this so people
3 can always be reminded of yesterday and so we can
4 improve on our tomorrows. So I'm really hoping one
5 day that we don't ever have to continue to go and
6 this administration gets it, that there are just some
7 things in the City of New York just need to take care
8 of and then as Julissa says, the Chair says, we're
9 not dancing; we're negotiating; this shouldn't even
10 have to be a negotiating, it should be just like here
11 you go because you are a vital instrument of the City
12 of New York and once we can finally get there, then
13 we can probably figure how do we add new money to
14 continue to improve new and greater things to improve
15 our systems here. So I'm gonna be praying; I'm
16 praying for the other side and I'm thanking all of
17 you for continue to doing the great work, what you've
18 been able do to, 'cause you've been able to make an
19 omelet without the cheese and without the peppers and
20 still getting the meal together, so thank you for
21 that.

22 I'm gonna shrink down my questions
23 because in the essence of time, so I'm just gonna
24 jump in to research libraries, and I wanna talk about
25 the Schomburg, because I know there was about \$22.6

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 191

million, including City and non-City capital funds
for FY 2016-2020; the executive capital plan for
research libraries, the majority of the capital
funding, \$13.3 million, was earmarked for renovations
at the Schomburg, so I would like to know what was
the initial estimate of the project and has anything
altered that as time has gone on; have there been any
bumps in the road with the process of taking care of
the Schomburg; is this \$13.3 million still on, and is
the project on schedule, because I've driven past it
a few times; I've seen how, you know, scaffolding,
how things are coming along, so I just wanna get an
idea; where are we with the Schomburg?

[background comments]

TONY MARX: So Mr. Chairman, I'm proud to
say that the Schomburg phase two renovation, total
\$22.4 million project, which you all have been so
generous as well as the tax credit that we were able
to negotiate for the first time for our system, is on
budget and on time; it is currently, as you see when
you drive by, in construction and we look forward to
hosting a ceremonial groundbreaking that we have
scheduled for... that we hosted a ceremonial
groundbreaking that many of you were at on December

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 192

1 18th, 2015 and we are on schedule and on budget and
2 we are super excited about this; the demands in use
3 of the Schomburg as a crown jewel of the Harlem
4 community, as the greatest depository and collection
5 of expertise of the study of the African experience,
6 the African-American experience; the diaspora
7 experience is doing great; we're busily in process to
8 find the next great director of the Schomburg who
9 will lead us to the next great levels of that
10 engagement. We share your total excitement for this.

11
12 CO-CHAIR KING: Thank you. So the
13 completion date; what is the completion date again?

14 [background comments]

15 TONY MARX: Early 2017.

16 CO-CHAIR KING: Alright. I'm just gonna
17 speed through my questions quickly. So just in a
18 wrap-up, I know we're asking for restoration of \$23
19 million; something I would like to know; how do we
20 get to the certain numbers that we've asked... you've
21 been able to break down some of the stuff, but when
22 we ask for restoration of funding, you know how do we
23 totally come up with some of the numbers that we
24 asked, so I know the \$250 million you've kind of put
25 together how you would spend it with the additional

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 193

2 \$100 million that we're giving you now to try to make
3 up, or what's been put in the budget \$100 million,
4 but if we're talking about anything that you have to
5 do, this \$40 million additional that's needed; how do
6 we come up with those numbers, you know 'cause some
7 cases we can say the DOE could tell us, well we spend
8 \$700,000 for an auditorium, we spend \$12 for a
9 toilet, you know, however that... so how do we come up
10 with... to get to certain numbers?

11 DENNIS WALCOTT: So if you were focusing
12 on the capital side; I mean we do an internal
13 analysis as far as needs, we take a look at the age
14 of the building, we take a look at some of the
15 priority issues that are facing us from a capital
16 point of view and then we do our assessment of the
17 cost that's associated with that and then we factor
18 that in to our planning and then as we approach you,
19 especially in the delegation, how we get support to
20 fund that. But we do a very comprehensive analysis
21 of age, need, type of infrastructure challenges that
22 we have, emergency issues; we factor that in as well,
23 and then that's how we come up with a cost.

24

25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 194

2 CO-CHAIR KING: Okay. So when you're at
3 a shortfall of capital funding, how do you prioritize
4 what projects need to get done first as opposed to..

5 [background comments]

6 DENNIS WALCOTT: Go ahead, Linda.

7 LINDA JOHNSON: No, it's a great
8 question; I mean what happens is, we come up with a..
9 we develop a plan for every year and then as the
10 emergencies arrive we pivot away from the projects
11 that are in the pipeline and we do what needs to be
12 done to shore up buildings as best as they can be, at
13 least temporarily, until we can get to the larger,
14 more expensive fixes.

15 TONY MARX: So on the capital, as you've
16 heard, we expect and we hope, with your support and
17 the Mayor's support, to be in the second year of
18 really an important transformation of how capital is
19 invested; because we're not a City agency; because we
20 have the particular relationship historically with
21 the City that we've had, we have not been able to
22 have the investment fund so that we can be planful
23 and get you better results faster and cheaper; that's
24 what we wanna be able to do. The \$100 million across
25 three systems won't do everything that we know is

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 195

2 critical, but it will do a lot and it will do twice
3 as much because we'll be able to plan in the first
4 way. On the operating side, the way we come to our
5 requests is we say, what is it that we hear from the
6 citizens and from our great staff and trustees is
7 needed and what will it cost? So if we wanna get to
8 half-a-million early literacy attendees in those
9 programs, which will be a doubling over two years; if
10 we wanna get our library to continue the hotspot
11 Wi-Fi lending at the level we've been doing; if we
12 wanna get at that 5,000 person waiting list for
13 coding instruction; we wanna add three additional
14 Sundays to get to seven-day service in Mott Haven,
15 Aguilar and St. George; add 50 more staff; do more
16 for homeless kids in particular and literacy, we can
17 cost that out and that's how we get to that request
18 number; it's to meet the needs that you and the City
19 have set and that the citizens have asked us to meet.

20 CO-CHAIR KING: Okay. Then my final
21 question is this; is there a plan to renovate or just
22 make sure that you historic library buildings are
23 kept intact so we don't lose that historic portion of
24 the library system as we continue to upgrade or build
25 new libraries so we don't lose that building that has

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 196

2 artwork that we'll never get again or you know,
3 represents a certain era of history?

4 DENNIS WALCOTT: Well that goes to the
5 heart of our ask, quite frankly, to make sure we have
6 the capital available to us to allow us to both
7 maintain and improve on our historic buildings, as
8 well as those buildings that were built along the
9 line beyond the original Carnegie buildings and we
10 have the Lindsay block buildings and everything else
11 that goes along with the original designs that were
12 put in place, but how we maintain that and improve on
13 it. So yes, we do analyze that, but at the same
14 time, without the money, then we go further and
15 further down the hole as far as our infrastructure
16 needs, which then costs more and more money.

17 LINDA JOHNSON: I'd just add; you know we
18 take very seriously our responsibility to preserve
19 and take care of the Carnegie branches that we have;
20 they are more expensive to fix because they are older
21 buildings and they have emergencies like any of them
22 and they're in a pool of -- we have 18 out of 60, but
23 they're being cared for as best we can under the
24 circumstances, just like all of our other buildings.

25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 197

2 CO-CHAIR KING: Well I wanna say thank
3 you for all your work; thank you for all the
4 programming; thank you for doing all that you do and
5 we'll continue to find the eggs, we'll find the
6 cheese and we'll find the peppers so you can continue
7 to make omelets [laughter] and make the City great
8 again. So thank you all... [interpose]

9 CHAIRPERSON FERRERAS-COPELAND: Okay, I
10 just [background comments] stepped away for like 10
11 minutes and you're talking about an omelet

12 **[inaudible]**... [crosstalk]

13 [background comments, laughter]

14 CO-CHAIR KING: Oh yeah.

15 CHAIRPERSON FERRERAS-COPELAND: we have
16 to stay focused on money. So we're gonna hear from
17 Council Member Koo... thank you, Chairs. We'll hear
18 from Council Member Koo; followed by Council Member
19 Gibson; followed by Council Member Rodriguez.

20 COUNCIL MEMBER KOO: Thank you, the three
21 distinguished leaders of our three library systems.
22 I am City Councilman Peter Koo, your humble public
23 servant from Flushing, Queens.

24 In my district we have one of the most
25 busy libraries in the whole country; any time you go

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 198

1 in you see people... all the seats are taken, people
2 sitting on the floor and it's all the time, you know,
3 just not certain time of the hours. So first I want
4 to compliment you on the many programs you have all
5 done in addition to basic library service, like
6 Wi-Fi, after-school programs, GEP, GS... ESL
7 **[inaudible]** a really good job; you do such a good
8 job; maybe if we can ask other agencies to divert the
9 funds to you, you know, to the library service, you
10 know.
11

12 DENNIS WALCOTT: Thank you.

13 COUNCIL MEMBER KOO: After saying that...
14 [laugh] my first question is like to Dennis; since
15 Flushing Library is so busy, right; have you got any
16 plans to expand the library, maybe building an annex
17 or building an extra floor on the top; something like
18 that?

19 DENNIS WALCOTT: So we're always looking
20 to both expand and improve and so as you know,
21 Councilman, with our children's room construction;
22 that'll be completed in June of 2016 and the
23 outfitting will be completed in October 2016 and
24 we'll have a soft opening in the fall, so we're
25 looking forward to that and that was \$1.6 million,

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 199

and then we're adding in a second elevator as well
because of the volume that you refer to and it's
every day, the volume is significant, and so that
will be complete by 2020, in July and then we're
gonna improve our HVAC system and our window shade
replacement and some final design and that's gonna
cost \$600,000. And then, as you know, and we talk
about it on a regular basis, our bathrooms; we are
working on that as well and we have been deep
cleaning and we've SaniGLAZED them as well and so we
are very clear on what we're doing at the existing
library. And then we wanna work with you and your
colleagues around Flushing West and rezoning project,
as far as how we take a look for a new alternative as
well, so that way we can expand. So we have some
ideas that we wanna share with you and our team, as
you may know, I announced my permanent team this past
week and so our VP, the capital facilities is here,
along with all of our other team members, including
our formally named chief librarian, Nick Yorn [sp?]
as well, so we are here to work with you to deal with
the expansion of the library.

COUNCIL MEMBER KOO: So on the library
service, can you make sure [inaudible] library

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 200

2 service like seven days a week, because it's critical
3 because Saturday and Sunday, when people get off, is
4 the best time to go to the library, family time,
5 things like..

6 DENNIS WALCOTT: So I'm about to say
7 something that's going to make my colleagues upset
8 with me, but it's not the original thing they thought
9 I would include in my testimony, but two Sundays ago
10 I went to Flushing, along with Central and Kew
11 Gardens Hills to wish all the mothers a Happy
12 Mother's Day and when I got to Flushing, the volume
13 at Flushing, even though on Mother's Day, was
14 tremendous; I mean Flushing is really a high-demand
15 library and we need to take a look at how we both
16 improve the existing structure but also expand it as
17 well.

18 COUNCIL MEMBER KOO: So my final question
19 is about maintenance of the library system. I mean
20 you guys in charge of the libraries, it's like own...
21 if we own a home, you know, we should schedule
22 regular maintenance; we don't wanna wait until the
23 last minute; everything fall down and you fix it..
24 [interpose]

25 DENNIS WALCOTT: Right.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 201

2 COUNCIL MEMBER KOO: so it gets really
3 expensive. So but during the... every year we allocate
4 money for capital projects, either from us or from
5 the borough presidents, so I was wondering; how come
6 you need so much money to fix critical maintenance
7 and why you wait so long to fix those things?

8 DENNIS WALCOTT: Well I think there are
9 two parts, and I see Linda leaning forward, so I'll
10 defer, but I think one of the key things is with
11 capital, as we indicated earlier, it's between design
12 and construction and completion, it's a long period
13 of time; we need to improve on that, and so while
14 you're going through that process, deferred
15 maintenance around certain critical pieces
16 unfortunately may fall down, but with the basic
17 maintenance, I know in Queens [bell] we work very
18 hard to keep up with the basic maintenance and making
19 sure that we're on top of things and then applying
20 the appropriate funds to meet those particular needs.

21 LINDA JOHNSON: I would just add that
22 while it does sound like a lot of money; if you think
23 about the number of square feet that we're each
24 responsible for taking care of...

25 DENNIS WALCOTT: Right.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 202

LINDA JOHNSON: and in your case, 2; in
my case, 1.1...

DENNIS WALCOTT: I don't know; it's
probably over that [inaudible] million... [crosstalk]

LINDA JOHNSON: we're talking about
millions of square feet.

DENNIS WALCOTT: Yeah, [inaudible]
million.

LINDA JOHNSON: we're really receiving a
very small amount, if you look at the number of
dollars; in our case, \$15-17 million to take care of
1.1 million square feet of real estate; even under
great circumstances, with the most efficient
construction, it wouldn't be enough.

DENNIS WALCOTT: Especially with the
average age of our buildings as well.

LINDA JOHNSON: Yeah. Yeah. At the
Carnegie libraries alone, you know are a 100 years
old and you never know how much you're gonna spend in
those buildings until you're actually in the wall.

COUNCIL MEMBER KOO: Okay, so my final
ask is like, we wanna make sure that a library has
good functional bathrooms...

DENNIS WALCOTT: Uhm-hm.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 203

2 COUNCIL MEMBER KOO: because we want to..
3 if we subject some libraries to like proper health
4 standards, you probably cannot pass inspection from
5 the Health Department... [interpose]

6 DENNIS WALCOTT: Well you know, it's an
7 interesting discussion, because as a result of your
8 advocacy around bathrooms and also what I hear back
9 from our customers on a regular basis, we've worked
10 very hard to make sure we continue to focus our
11 energies on bathrooms, but as a result of the
12 increased volume as well, the bathrooms get increased
13 usage and so it's a constant maintenance of making
14 sure the bathrooms are clean and we do it on a
15 regular basis and we have accountability systems and
16 monitoring that as well and we fight a number of
17 challenges in making sure that our bathrooms are used
18 for their intended purposes and so we try to make
19 sure that we have staff monitoring on a regular
20 basis. So we're very conscious of the importance of
21 bathrooms and what it means to our customers and our
22 staff as well as far as regular service is
23 **[inaudible]**.

24 CHAIRPERSON FERRERAS-COPELAND: Thank
25 you; thank you... [crosstalk]

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 204

2 COUNCIL MEMBER KOO: Thank you; thank you
3 for your attention and leadership.

4 CHAIRPERSON FERRERAS-COPELAND: Thank
5 you, Council Member. And before we go over to
6 Council Member Gibson, I just wanted to follow up;
7 this Council is leading a big effort in making sure
8 that all of our bathrooms have access to feminine
9 hygiene and our focus has been schools, shelters and
10 prisons. I would think that the next stage we wanna
11 focus on, once you get all the money that you need
12 for programming, is figuring out a way where the City
13 can also provide free feminine hygiene products at
14 the library systems. So I'd just like to plant that
15 seed so that we can start engaging on what the cost
16 would like and what a great opportunity would it be
17 to have... you know, young girls have everything that
18 they need like young men have everything that they
19 need in the bathrooms, so just wanted to put that
20 plug in there. Council Member Gibson; followed by
21 Council Member Rodriguez; followed by Council Member
22 Johnson.

23 COUNCIL MEMBER GIBSON: Thank you very
24 much to all of our chairs. We're having a log of
25 conversations around food, so I would just say that

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 205

1 our library systems, you guys are a cake; you keep
2 everything together; right? [laughter] So that's
3 the dessert part of it all; right? We had the entrée
4 and now we have the dessert, which we cap it with,
5 right. But thank you to all of our chairs and thank
6 you to all of you for being here and certainly I too,
7 you know want to echo the sentiments of all of my
8 colleagues in just expressing our appreciation and
9 gratitude to the entire NYPL and Queens and Brooklyn
10 system that keep our libraries operable to all of the
11 staff and branch managers; I certainly want to
12 recognize my own branches in the Borough of the
13 Bronx; Colbert Nembhard is my branch manager at
14 Morrisania and Margaret Fleesak is at High Bridge and
15 they are doing phenomenal work. I've partnered with
16 them on reading programs, literacy programs; we've
17 had career fairs and college fairs and I wanna make
18 sure that you know my voice is added to the record in
19 making sure that we fight to make sure you get the
20 necessary funding, because our libraries are an
21 investment, they're an educational tool, an
22 educational gem for our families; our children; when
23 you invest in libraries you invest in our children
24 and our families across the city, so I certainly want
25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 206

2 to join my colleagues in making sure that you know
3 how appreciated that you are.

4 I just had just a couple of very quick
5 questions and I also want to acknowledge the work
6 you're doing with NYCHA around the library hotspots
7 and DHS with the family shelter library project,
8 which is incredible, it's fantastic; I wanted to ask
9 about the adult learning centers. We at the Council
10 are very ambitious and prioritizing adult literacy;
11 very important for many of our immigrant families who
12 are learning a second language and really adapting to
13 New York City life. So I wanted to ask about the
14 adult learning centers and where we are and in this
15 budget, do you see an expansion of services for our
16 adults as it relates to literacy?

17 TONY MARX: Well first; thank you Council
18 Member for your leadership and for your personal
19 engagement with your libraries and we're proud that
20 libraries in your district have added eight hours and
21 three additional librarians, thanks to the work of
22 this City Council and the Mayor on his side in last
23 year's budget, so that's all fantastic and we've
24 already talked about, for instance, the great
25 programs that are happening at Morrisania..

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 207

2 COUNCIL MEMBER GIBSON: Right.

3 TONY MARX: in terms of ESOL, so we're
4 going to add another 1000 spots.. sorry; we're gonna
5 add another 1200 spots from this year of our most
6 formal intensive and another 5000 of conversation
7 classes, citizenship, but... [crosstalk]

8 COUNCIL MEMBER GIBSON: Oh great, great.

9 TONY MARX: because Dennis has already
10 invoked Mother's Day, I have to say that my mother at
11 87 continues to provide literacy work in Aguilar in
12 East Harlem three days a week, so...

13 COUNCIL MEMBER GIBSON: Okay.

14 TONY MARX: mothers are all part of this;
15 I was with her on Mother's Day; not at the branches,
16 sorry.

17 The... [laughter] But the ESL programs, I
18 think we have more than tripled; perhaps four times
19 increased our ESL spots in the last two-and-a-half
20 years at the New York Public Library..

21 COUNCIL MEMBER GIBSON: Okay.

22 TONY MARX: and working in partnership
23 with Neesha [sp?] and the folks in her agency..
24 [crosstalk]

25 COUNCIL MEMBER GIBSON: Right.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 208

2 TONY MARX: that we've put... all of us
3 have put citizenship corners in every branch to
4 provide information; we now have legal advisors in
5 the branches across the three systems. We know that
6 the immigrant community, which is after all where we,
7 all New Yorkers come from originally, is the life
8 blood of this city and that they depend on the
9 libraries more than any place else and they feel more
10 welcome at the libraries; that's why IDNYC has
11 exploded at the libraries in terms of demand and it's
12 why we're eager to provide more of those services..

13 COUNCIL MEMBER GIBSON: Great.

14 TONY MARX: to the immigrant community,
15 as we do to kids, as we do to homeless, every New
16 Yorker deserves those services... [interpose]

17 COUNCIL MEMBER GIBSON: Great. My last
18 two questions; I wanted to ask if you could give us a
19 little bit of detail on the partnership with Small
20 Business Services as it relates to immigrant
21 businesses and entrepreneurial opportunities. And my
22 second question is; every year what I like to do for
23 families that simply cannot afford to put their
24 children in day camp and summer camp; I give them a
25 brochure of all of the events going on at all of our

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 209

2 libraries and so I know during the summer months we
3 have a little bit more and there are more
4 partnerships, so could you talk about any specifics
5 that you have planned for this summer?

6 [bell]

7 TONY MARX: So very quickly, to Small
8 Business Services, we are providing the Business
9 Solution Centers at seven branches; again, all New
10 Yorkers are welcome, but we're delighted that the
11 immigrant community takes advantage of those.
12 Through SBS we're providing training to all library
13 staff to offer small immigrant, small business owners
14 and entrepreneurs; a lot of that is programming that
15 also comes out of our Science, Industry and Business
16 Library and our plans in Midtown, including building
17 a brand new, the largest business startup center in
18 New York for free at 40th and 5th and we know that
19 those communities will be using that fully..

20 [crosstalk]

21 COUNCIL MEMBER GIBSON: When is that
22 starting?

23 TONY MARX: So we hope to begin that
24 construction roughly a year-and-a-half from now or a
25 year; we're just finishing the schematic designs for

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 210

what will be an extraordinary center. And in terms
of summer, we have all the summer reading programs
and the summer literacy programs; adding the staff to
the libraries, particularly young adults and
children's librarians means that we can meet those
needs during the summer; we don't need... we have to
make sure... the former chancellor would be the first
to say; we have to make sure that the kids who are
making progress against that terrible statistic of
reading below grade level; when they make that
progress they cannot slip back in the summer and the
library is there to help them make sure that they do
not slip back and we're proud of that.

COUNCIL MEMBER GIBSON: Thank you; keep
up the good work. Thank you, Chairs.

CHAIRPERSON FERRERAS-COPELAND: Thank
you. Council Member Rodriguez; followed by Council
Member Miller.

COUNCIL MEMBER RODRIGUEZ: Thank you.
The most important thing that I will take from this
hearing today, from this hearing is that to see our
great Deputy Mayor using the Occupy Wall Street
symbol **[inaudible]** today, so keep using it, because

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 211

you are in the right direction, okay; it's a great
thing to do.

Second, a serious note; thank you for the
years of serving our city and in your role as leading
the Queens Library, I know that we are in the good
hands of someone that really will take care of the
finance of the institution, so I know that you have a
great proven record and you will contribute a lot, so
thank you.

I can go back to my district and tell
Tony Marx's mother, who is one of my constituents,
that her son is really like doing a great job, your
presentation...

TONY MARX: Please do, sir.

COUNCIL MEMBER RODRIGUEZ: Okay, I will,
and I... [laughter] and in Inwood we can say like look,
your presentation was amazing; the only thing that I
[inaudible] you, and I will be quoting one of the
great council members who is not here, because he's
in recuperation, Jumaane Williams, is the system is
not broken; we have built this system; we have built
a system where 86 percent of children going to New
York City public school, in a disadvantaged community
from 3rd grade to 8th grade; they are only level 1

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 212

2 and level 2; we have built a system where more than
3 90 percent of the 14,000 inmates in Rikers Island,
4 they are the black and Latino youngsters in there;
5 most of them coming back, recycling in the same
6 process. So you know, there's a lot that we need to
7 do and yes, we rely on the public libraries as an
8 important resource in the learning process of our
9 city. So that's... you know we have to take our hat
10 and say thank you to all those directors of those
11 branches, all the staff, all the librarians; you
12 know, I believe that it's like... being a librarian is
13 like being a teacher; you have to really love it; you
14 have to believe that you will make a difference; you
15 have to believe that by engaging your students
16 basically, and although they are navigating through
17 thousand of years of history and you will make a
18 difference and yes, as Martin Luther King said, we
19 need to build a mountain, the mountain where every
20 should have the same level of opportunity and I... you
21 know, listening to your presentation, your concern
22 about how those students going to the library, you
23 know they are not the level 4 students; many of them
24 they are the level 1 and 2; we have a lot of gaps

25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 213

when it comes to reading and writing, so thank you
for all the programs that you do there.

One area that I would like to emphasize
in my time is about coding. I have two daughters and
as someone that when we take my daughter to a robotic
program, what we have seen is the absence of black
and Latino and female and the majority of children
enrolled in robotic programs in our city, they're
boys and they're white. So I believe that the 150
percent increase of coding classes that you have in
the library is very important; for me, I would like
to take you to the quality of those programs. How
can we... What do we have today in those coding classes
that as we will go to the robot forum [sic] and in a
week in robot forum [sic] in the summer is \$450;
there's value there, like are we running those coding
classes you know with the same high-quality
expectation [sic] that a wealthy family is able to
get when they enroll their children in a two-month
session and then they come back and their parents and
their grandmother, they're able to see a lot of
innovation that these children are able to
[inaudible] in those few sessions that they were able

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 214

to attend? So what is the quality of the coding
classes that we have?

TONY MARX: Well first, thank you,
Councilman. Let me just say again it's great to
partner with you back in the hood and we're so proud
that the effort from last year provided 22 additional
hours in your district, as well as 7 additional
librarians; Fort Washington is one of the five
Carnegies we're gonna spend \$20 million to totally
redo and that's just fabulous; you know we've been
talking about our beloved Inwood branch; I was there
last week, thinking about what more we can do there.

[bell]

In the Washington Heights branch we have
a third floor that has been left empty for decades;
we're about to renovate it; we're gonna create a new
tech center there that will include a space for after
school that can include coding work, as well as
coding classes. With the additional funding that
we've requested this year, we'll be able to have 1000
seats in coding and I heard you on the quality
question.

When we started coding, for all the
reasons that you so eloquently described, we found

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 215

2 that we had five times as many applicants as we had
3 spaces in that first round; we found that 97 percent
4 of the people who started those 10-week courses
5 completed those 10-week courses, intensive courses,
6 so they believed in the quality. We are now talking
7 with the industry, which needs more skills and needs
8 more diversity; it needs more engagement; we're
9 talking with that industry to make sure that we will
10 ensure the quality of these programs, partnering with
11 the best coding programs in the city for those who
12 can afford the best, but offering them for free in
13 the library and then finding a way to create a
14 pipeline from our coding programs into those with
15 financial aid with the real prospects of job
16 placement thereafter. We need that to work for all
17 New Yorkers or we will be leaving talent on the table
18 and New York cannot afford to do that.

19 CHAIRPERSON FERRERAS-COPELAND: Thank
20 you, Council Member; Council Member Miller; you are
21 last.

22 COUNCIL MEMBER MILLER: Thank you, Madame
23 Chair; Chairs and our Presidents.

24 So in all seriousness, because my
25 colleagues have been so thoughtful and insightful in

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 216

2 the questions that they've asked and because I've
3 been listening so attentively and because I've spent
4 such significant time with my new president over the
5 last few weeks and going over the vision and really
6 getting to understand the system, I am going to take
7 my time and just merely reaffirm my commitment to the
8 work that is being done; reaffirm my commitment to
9 the vision of my chairs here and say that we will
10 continue to work diligently to support all that the
11 libraries are doing, and also just say that I'm
12 really excited, I'm excited about the work that's
13 being done; in Southeast Queens we're doing great
14 things, as is being done throughout the city and I'm
15 really happy to be a part of this team and look
16 forward to it. Thank you, Madame Chair [inaudible]...
17 [crosstalk]

18 DENNIS WALCOTT: Madam Chair, I would be
19 remiss... Oh...

20 COUNCIL MEMBER MILLER: my four minutes
21 for the next round.

22 [laughter]

23 DENNIS WALCOTT: Madame Chair, I would be
24 remiss if I didn't thank the Councilman for his
25 leadership; it has been a pleasure in my last seven-

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 217

2 and-a-half weeks or so in working with all of our
3 representatives from Queens and all of you have been
4 just outstanding partners and I wanna say thank you
5 as a person who is learning the ropes, but more
6 importantly, having the insight from all of our
7 elected officials and especially our Council Members
8 around the table and this has been a pleasure.

9 CO-CHAIR VAN BRAMER: So in wrapping up,
10 and we almost got there, but we've had lots of
11 moments in this hearing where like three people did
12 this and then like 12 people did this, but we never
13 had that moment where every single one of you did
14 this together, so let's do it to close out this
15 hearing [waving hands] if you believe in libraries;
16 then... there you go. So with that thunderous
17 applause, I... [laughter] Did Bill **[inaudible]** say do
18 it as well? Nice. [background comments] Were you
19 doing that? [laugh] So... there you go. Thank you.
20 [background comments] That's calla photo op, my
21 friends. [laughter, background comments] So thank
22 you so much; this Council is and always has been and
23 always will be committed to public libraries.

24 CHAIRPERSON FERRERAS-COPELAND: Thank
25 you. Before you... [background comments] we have

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 218

additional questions that we're gonna get to you; if
you can get us the responses [background comments] as
soon as possible, 'cause we'll be using them to
negotiate on the budget, and one of those questions
is gonna include an update on the Queens Library
addition at the Queens Museum.

DENNIS WALCOTT: Oh, perfect. [sic]

CHAIRPERSON FERRERAS-COPELAND: Okay,
great. Thank you very much for coming to testify
today. We will take a two-minute [sic] break before
we resume [background comments] with NYCHA.

[pause]

[background comments]

SERGEANT AT ARMS: Ladies and gentlemen,
we ask everyone to please exit the building if you
are not staying for the next portion of the Executive
Budget Hearing, which is Public Housing. We ask you
to please exit the chambers and if you can please
keep it down, we're gonna resume momentarily. Thank
you.

[pause]

[background comments]

SERGEANT AT ARMS: Ladies and gentlemen,
we ask everyone to please find a seat. Once again,

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 219

please find a seat. Just a reminder; no food or
beverages allowed in the chambers; if you have that,
please remove those now. Can we have your attention,
please; please quiet down. [background comments]
Once again we ask everyone to please find a seat; any
coffee cups, please remove from the chambers; any
food, please remove. Also, please silence all
electronic devices at this time. Thank you.

[pause]

[background comments]

[pause]

[gavel]

CHAIRPERSON FERRERAS-COPELAND: We will
now resume the City Council's hearing on the Mayor's
Executive Budget for Fiscal 2017. The Finance
Committee is joined by the Committee on Public
Housing, chaired by my colleague, Council Member
Torres. We just heard from the three library systems
and now we will hear from Shola Olatoye... [background
comment] Olatoye; it's a long day, Chair and Chief
Executive Officer of the New York Housing Authority.

In the interest of time, I will forego
making an opening statement, but before we hear

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 220

testimony, I will open the mic to my co-chair, Chair
Torres.

CO-CHAIR TORRES: No, in the interest of
time, I too will forego an opening statement.

COMMITTEE COUNSEL: Do you affirm that
your testimony will be truthful to the best of your
knowledge, information and belief?

SHOLA OLATOYE: I do.

Chair Ritchie Torres, Chair Julissa
Ferrerias-Copeland, and members of the Committees on
Public Housing and Finance and other distinguished
members of the City Council, good afternoon.

I am Shola Olatoye, Chair and Chief
Executive Officer of the New York City Housing
Authority. Joining me today are Karen Caldwell,
Executive Vice President and Chief Financial Officer,
Nicole Ferreira, Vice President for Development and
other members of NYCHA's executive team. Thank you
for this opportunity to update you on the Authority's
first quarter, our reforecasted estimate for 2016 and
NextGeneration NYCHA.

Before I get into the budget, I wanna
recognize that today is an important milestone for
NYCHA; a year ago today Speaker Melissa Mark-

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 221

Viverito, Chairman Torres, myself and many other
distinguished elected officials, residents and
advocates joined Mayor de Blasio in a packed
community center in East Harlem Johnson Houses for
the unveiling of NextGeneration (NextGen) NYCHA.

It was a monumental day, not only because
the de Blasio Administration offered a long-term
solution to stabilize the financial crisis facing New
York City's public housing, but because it was a
promise, a promise by this administration to change
the way NYCHA is funded, managed and how it serves
its residents. We made a serious commitment to
improve the quality of life for more than 400,000
people who call NYCHA home and to preserve public
housing for today and the next generation.

NextGen was then, and continues to be, a
massive turnaround effort to pull NYCHA back from the
brink. As we've mapped out in this strategic plan,
righting the wrongs that have accumulated over
decades will not occur overnight, and even though
NYCHA's turnaround is a marathon, not a sprint, we've
caught a commanding stride in NextGen's first year.

When I testified in March, I outlined the
challenges NYCHA faces, and specifically the external

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 222

2 factors that most directly impact our cash flow.

3 Among these factors are the President's budget,
4 proration rate, Congressional appropriations, the
5 volatility of utility expenses, and the growing cost
6 of employee fringe benefits.

7 I believe this committee understands the
8 uphill battle NYCHA must climb each year, so while I
9 won't be reviewing those specific points in my
10 testimony today, I would like to take a moment to
11 recognize and thank you, Chair Torres. Since our
12 preliminary budget hearing, you've championed NYCHA's
13 funding cause and elevated the national conversation
14 on public housing. You've helped put public housing
15 front and center as a priority, making it clear that
16 it is more than a New York issue, but it is a
17 national issue and it should not be overlooked. I,
18 along with the people who live and work in public
19 housing, thank you for your voice and leadership.

20 Let me provide you with a budget summary.
21 We originally projected \$3.32 billion in revenue from
22 the Public and Leased Housing Program; we now project
23 that to be down slightly to \$3.3 billion; however, we
24 originally projected \$3.38 billion in expenses, but

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 223

now expect to close the deficit with lower expenses
of \$3.28 billion.

While NYCHA will continue to pursue every
dollar, especially from the federal and state
governments, the Authority has a promising budget
update followed by a strong first quarter. We
originally projected a \$60 million operating deficit
for 2016, which included a \$38 million shortfall in
the Section 8 program and a \$22 million deficit for
the Public Housing Program. With an encourage first
quarter, I am pleased to report NYCHA now anticipates
a more positive 2016 outlook from NextGen NYCHA
initiative and from a higher than expected Section 8
proration. Let me provide you with some specifics.

Our strong first quarter in public
housing can be attributed in part to higher rent
collection, lower personnel costs from the general
wage increase and central office attrition savings.
This year NYCHA anticipates \$24 million from central
office employee attrition and other staff
integration, which began in 2015.

Separately, we will close the original
projected Section 8 deficit, as we received a higher
proration than budgeted; higher funding levels and

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 224

lower expenses enable us to grow our Section 8
program.

Additionally, we are on track to convert
more unfunded City and State units this year; we have
already converted 202 units this year, compared to
264 for all of 2015.

NextGen isn't a plan frozen in time; it's
a living document guiding NYCHA to financial
solvency; only through experience, implementation,
evaluation and adjustment can we achieve the end
goal; identifying the savings and new streams of
revenue, new streams of funding that stabilize
operations so as to preserve public housing.

Each year we will reforecast NGN
projections based on how initiatives perform; some
may outperform our expectations while other
initiatives may not and will have to be revised.
Projections are a tool we use to help inform
decision-making and guide our program execution.
It's only by putting NextGen strategies into practice
that we can learn, improve and move forward. As FDR
once said, there are many ways of going forward, but
only one way of standing still; NYCHA cannot afford
to stand still.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 225

It's appropriate that this year's budget hearing lands on NextGen's one-year anniversary. The plan sets forth four principal goals: change the way NYCHA is funded; operate like a more modern, efficient landlord; rebuild existing public housing and new affordable housing, and engage residents in meaningful ways. In just one year we're seeing some very promising results.

NextGen's funding goals to achieve financial solvency center on two challenging, yet basic ideas: NYCHA will manage its expenses and collect more revenue.

To start, the Authority would be in a very different place today without the Mayor's major support and forgiveness from long-standing, untenable City payments, including NYCHA's Payment in Lieu of Taxes and NYPD payments. By erasing these debts, NYCHA can keep more than \$100 million annually in our operating budget.

Our budget also benefits from greater than expected central office attrition and employee integration in the last year. By the end of 2016, NYCHA will reduce central office costs by \$24 million

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 226

2 -- 30 percent more than originally anticipated in the
3 plan.

4 To meet our funding goals, NYCHA must
5 also be thoughtful about our ground floor vacancies.

6 In the last 12 months, NYCHA has leased more than
7 20,000 square feet of ground-floor space to new
8 commercial and community space tenants, which bring
9 in new streams of revenue and benefit the community.

10 Some new tenants include: a new child care center at
11 Washington Heights Rehab, which will provide early
12 education learning and university pre-K; a new
13 discount store moved into Queensbridge Houses in a
14 space that had been vacant for over a decade; and an
15 optometrist, Dr. James Kim, who recently opened his
16 practice on the ground floor of the Williamsburg
17 Houses -- a space that had been vacant for three
18 years, and will offer public housing residents and
19 the entire community greater access to comprehensive
20 vision care.

21 Solving our financial situation is one
22 piece of the puzzle, which goes hand in hand with
23 becoming a more modern and efficient landlord. To
24 meet this goal, we are putting technology on the
25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 227

2 forefront and embedding quality assurance into
3 everything we do.

4 New Yorkers are mobile and so is NYCHA.

5 The Authority has gone digital with the launch of the
6 MyNYCHA app, which has already been downloaded nearly
7 23,000 times. Residents can create work orders,
8 change appointments and receive alerts and much more
9 from the convenience of their phone. Over 97,000
10 non-emergency work orders have been created through
11 the app, with an average response time of with 7
12 days. Since my preliminary budget testimony, not
13 only have we launched the MyNYCHA app in Spanish, but
14 it and other NYCHA tech initiatives were recently
15 recognized with an innovation award from regional
16 housing professionals.

17 At its core, the operational goals in
18 NextGen are about responsiveness. With OPMOM, our
19 initiative to increase accountability and to empower
20 property managers, we're seeing trends in a positive
21 direction. Since the end of 2015, OPMOM sites on
22 average had a 17 percent improvement in response
23 times for routine repairs.

24 Another way we will change the way we
25 operate is with Flexible Operations: Expanded

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 228

Services Hours (FlexOps), a joint initiative with our
colleagues at Local 237, which will launch at 12
developments this summer. During a four-month trial
period, NYCHA property staff will start regularly
serving residents at those developments before 8 a.m.
and after 4:30 p.m. Property management offices will
stay open until 8 p.m. one day a week for
appointments. We will have multiple shifts to better
tackle property upkeep, repairs and other critical
issues, while supporting greater flexibility for our
staff to work at different times. Working families
will be able to schedule an appointment for a routine
repair in the evening after work. FlexOps will
improve our residents' quality of life and the
overall safety of these NYCHA communities.

Being a better landlord also means moving
our capital projects forward, putting our money to
work more efficiently to create healthier, safer and
more connected communities.

I'm pleased to announce that, thanks to
our FEMA funding, over the past year we've begun
construction at 21 developments that were severely
damaged by Superstorm Sandy. These funds have
allowed us to make critical repairs to our Sandy-

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 229

1 impacted developments and are putting us on a path
2
3 towards a more resilient NYCHA.

4 Thanks to Mayor de Blasio's \$100 million
5 investment for roof replacements, we've been able to
6 perform repairs on some of the most damaged roofs.

7 We've completed 19 of the 67 roof replacements and
8 are on track to finish all of the roof repairs

9 scheduled for the first \$100 million by spring of

10 2018. With an additional \$121 million from the

11 Mayor, 30 of our developments are also receiving much

12 needed façade work. By incorporating industry best

13 practices into our procedures and policies, our

14 Capital Department obligates its funds in eight

15 months, which is much quicker than HUD's required 24

16 months.

17 To make our developments safer and more

18 secure, we've installed over 12,000 CCTV cameras

19 across 181 of our developments. As part of the

20 Mayor's Action Plan, we completed a \$4.8 million

21 lighting project at the Polo Grounds, installing 341

22 new energy-efficient exterior lights at that

23 development. Similar exterior lighting projects are

24 currently underway at 9 of the 15 MAP developments.

25 The remaining sites are scheduled to break ground on

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 230

1 construction this summer. In addition, CCTV is
2 currently being installed at 7 MAP developments. We
3 expect all of our exterior lighting projects to be
4 complete by next summer and all of the CCTV and
5 layered access installation to be complete by the
6 following summer.
7

8 Additionally, with \$15.7 million in
9 funding from the City Council and the State, we are
10 installing CCTV cameras, along with layered access
11 security measures, at 23 developments this year --
12 that should be completed on time by the end of the
13 year.

14 NYCHA's development program is a lifeline
15 to achieving financial solvency, preserving public
16 housing and creating more affordable housing across
17 the city.

18 The reality is NYCHA will only survive if
19 we identify new, uncommitted streams of funding. We
20 cannot bet NYCHA's future on hypotheticals and other
21 funds outside of NYCHA's purview. Development on
22 NYCHA land for both revenue and affording housing is
23 a balanced approach to solving many of the problems
24 facing the Authority and the affordable housing
25 crisis in New York City.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 231

We are facing the burden of an unmet
capital need of \$17 billion for our aging
developments. We must bring in new sources of
revenue, upgrade buildings and improve the quality of
life for our residents.

One solution to address the major
rehabilitation needs of our aging buildings is
through RAD or the Rental Assistance Demonstration
program, which continues to garner growing support.
We are completing our review of proposals from
potential developers and we hope to announce a
selection by the end of June. Through this program
we plan to upgrade 1400 apartments at Ocean Bay
Apartments (Bayside) in the Far Rockaways, an
investment that will likely total more than \$150
million in capital improvements.

The RAD announcement follows another
important announcement we made earlier this month:
NYCHA and HPD selected the developer teams to build
100 percent affordable housing and community centers
at Ingersoll and Van Dyke Houses in Brooklyn and at
the Mill Brook Houses in the Bronx. NYCHA
incorporated the input of residents and as a result,
the applications include community center

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 232

programming, innovative design and affordable housing
for seniors and families.

A key component of NextGen is engaging
with residents in new ways. We are taking this
approach with the NextGen Neighborhood program at
Wyckoff Gardens and Holmes Towers. Residents have
been at the table as never before. Between the two
developments, more than 600 residents at over 36
meetings have spoken up, contributed and provided
critical feedback to what should be included in the
Request for Proposals (RFP). The RFP, which we hope
to release in the coming weeks, really is a testament
to the good work and conversations that have occurred
at these two developments.

As we continue to bring residents to the
table we will continue to incorporate their input to
help guide our work. NextGen is about doing things
differently to better serve our residents. Through
resident leadership and strategic partnerships, NYCHA
is committed to creating opportunities for meaningful
resident and community input.

NYCHA has learned a lot through NextGen's
first year of implementation. This is a major

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 233

turnaround effort with significant budget

implications. I am committed to getting it right.

As always, we appreciate your partnership
in strengthening New York City's public housing.

Thank you.

CHAIRPERSON FERRERAS-COPELAND: Thank you
very much Commissioner; thank you for your testimony.
We've been joined by The Speaker of the New York City
Council, Melissa Mark-Viverito, Council Members
Rodriguez, Gibson, Matteo, Miller, Van Bramer, King,
Salamanca, and Richards.

I'm gonna ask a few questions and then
give it over to The Speaker and then the Chair will
follow up and then we'll open it up to our
colleagues.

I want to talk about the operating budget
deficit and closure; I know you made some mention to
this in your opening testimony, but NYCHA was able to
close a 2016 adopted operating budget deficit of \$98
million at the end of the year and achieved a one-
time surplus of \$61 million. A reforecasted 2016
operating budget for NYCHA projects an overall
surplus for the first quarter in 2016 for all three
component funding sources, all funds, public housing

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 234

funds and Section 8 program funds. What actions are
measures account for these increases and do you
anticipate that the \$60 million deficit originally
projected in 2016 can be closed by the end of the
year?

SHOLA OLATOYE: Thank you for your
question. So as part of our budgeting process, which
we adopt at the end of the calendar year or fiscal,
is really based on projections of a couple of things.
One is the proration rate that we receive from
Congress and other historical projections -- utility
expenses, staffing levels, etc. There are a couple
of important distinctions for 2016. First, we were
projecting a \$61 million deficit for 2016; \$38
million of that was in the Section 8 program and \$22
million of that was in the public housing program.
Within the Section 8 program, we received a higher
than expected proration from Congress, at a full 99.5
percent, as opposed to the 98 percent that was
budgeted, because that's what we had received in
2015, so that resulted in an \$18 million increase.

We also saw lower expenses from the
Section 8 program as it related to contracts and
other personnel costs. So that is allowing us to

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 235

address the \$38 million projected deficit in the
Section 8 program.

On the public housing program we
projected a \$22 million deficit and there are some
specific changes that can be explained. One; we saw
lower utilities, meaning; our utility bill that we...
the utilities from 2015 versus first quarter 2016
utilities were trending lower than projected. We
also saw lower personnel costs; we had estimated a
higher head count and actually were able... through
some very deliberate management decisions within the
central office, were able to keep that number low,
towards our effort of really holding our central
office costs down. And then there was, in 2015, with
the signing of all of our labor agreements, there was
a general wage increase that was included in the
budget based on a higher head count number. Because
of those deliberate management decisions to keep the
central office head count number lower, that general
wage increase estimate was also lower. I'll turn it
over to Karen Caldwell, if there's anything else to
add there.

KAREN CALDWELL: Just... Just to reiterate
again... I'm sorry. First of all, good afternoon; I'm

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 236

1 Karen Caldwell. Just to reiterate, I think the Chair
2 explained the \$38 million from Section 8, you know,
3 due to proration and lower payments on that side,
4 really creating a break even scenario for them in
5 2016. As far as public housing goes and the \$22
6 million deficit that was originally proposed, we are
7 expecting a lower operating subsidy amount coming in
8 from HUD, based off of lower utility expenses; those
9 two go hand in hand because the utility expense is
10 part of the formula for what we receive in operating
11 subsidy. In addition to that, it is these lower
12 personnel costs, again, from the general wage
13 increase and the lower head count, and so those are
14 really the factors that make up the difference and
15 take us to what we believe will be slightly positive
16 in our public housing program for 2016.

18 CHAIRPERSON FERRERAS-COPELAND: So is
19 your lower head count by attrition or is it delayed
20 hiring?

21 KAREN CALDWELL: It is attrition, and
22 last year we had 56 employees move over with our
23 community centers that did transition over to other
24 City agencies last year; that was 56 people, and then
25 the other 145 people were people that moved on from

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 237

2 NYCHA through attrition that we do not plan to
3 replace.

4 CHAIRPERSON FERRERAS-COPELAND: Okay.

5 I'm gonna pass the mic over to our Speaker and then
6 I'm gonna come back on rent collection and lead
7 paint.

8 SPEAKER MARK-VIVERITO: Thank you,

9 Chairs, our Finance Chair Julissa Ferreras and to our
10 Chair Ritchie Torres and thank you, Shola for being
11 here. So very brief remarks I'll make; I just have a
12 couple of questions as well.

13 So as Speaker of the New York City
14 Council; I know I've said this many, many times to
15 anyone that will listen, obviously I represent
16 proudly East Harlem and the South Bronx; that's the
17 8th Councilmanic District, home to more public
18 housing residents than any other district, not only
19 in New York City, but clearly in this country. As
20 any council member who spends time meeting with NYCHA
21 residents in his or her district can tell you, we
22 take the decisions we make about public housing very
23 seriously and for good reason; with a trend of
24 federal disinvestment from public housing, the City
25 Council and the administration are increasingly

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 238

responsible for ensuring that public housing
residents have a public housing system that works for
them.

The New Yorkers in my district and all
across the five boroughs who live in public housing
are directly impacted by our work and the decisions
that are made in part based on hearings such as this.
So NYCHA has operated the largest public housing
program in the nation for over 75 years and providing
housing to many, many residents in our city -- low-
and moderate-income.

Despite budgetary challenges and funding
shortfalls across all levels of government, NYCHA
continues to address the varied physical needs across
its aging buildings, offer community and senior
programming at 255 community centers and pursue
strategies to address structural deficits.

Central to NYCHA's goal of achieving
financial solvency in NextGeneration NYCHA, the plan
outlined 15 targeted strategies to get NYCHA on solid
financial ground and reduce NYCHA's deficit by more
than \$1 billion over the next five years.

You are indicating or it had been
indicated that NextGen strategies are projected to

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 239

1 generate \$74 million in revenue; today the Council
2 hopes to gather more details, and I know that has
3 begun, about the long-term sustainability of these
4 funds and the impact of NextGen strategies on our
5 residents within NYCHA. So the Council hopes that
6 NYCHA will share greater detail about how it intends
7 to address annual operating deficits in the current
8 and future years, as well as its plans to obtain
9 community and Council input, while pursuing revenue-
10 generating strategies.
11

12 I wanna thank both Chairs for their
13 leadership and work to assemble this hearing. I also
14 wanna thank you, CEO and Chair, Shola Olatoye and her
15 staff for joining us today. As I indicated to you in
16 passing, I was in D.C. recently and I did get to meet
17 with some representatives of HUD, and speaking about
18 some of the general concerns we have, not only with
19 NYCHA, but with other matters that HUD oversees, and
20 I'll say, just because I think for the public record
21 it should be said, that the representatives at HUD
22 spoke well about your leadership and said that they
23 had a great working relationship and cooperative and
24 understand the challenges that we have here in the
25 City; that they had confidence in your leadership;

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 240

just sharing that; I know we have our oversight
hearing, but I think it's important that that be at
least shared.. [crosstalk]

SHOLA OLATOYE: Thank you.

SPEAKER MARK-VIVERITO: So I do wanna ask
just a couple of quick.. [crosstalk]

SHOLA OLATOYE: Sure.

SPEAKER MARK-VIVERITO: questions.
Considering the 100 percent affordable housing
development program, which is in place right now; one
of the.. obviously one of the developments identified
is in my district, the Mill Brook Houses in the
Bronx, and that I think between the three
developments that have been identified, looking to
develop about 489 units of affordable housing. So
what are the next steps in the development process at
these sites? I know that the developers have been
selected; to be honest, at Mill Brook, there were
concerns about ongoing conversations with the
residents as that plan develops, so just to
understand a little bit; now that the selection has
been made.. [interpose]

SHOLA OLATOYE: Sure.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 241

2 SPEAKER MARK-VIVERITO: in each of these
3 developments, what are the next steps in particular
4 with regards to resident engagement, which I think is
5 something to be looked at, and the time frame, if you
6 could speak to?

7 SHOLA OLATOYE: Sure. Sure. Thank you
8 for your comments, Madame Speaker; appreciate that
9 support.

10 We are pleased that this first set of
11 developments in our 100 percent affordable program I
12 think really reflect the more than year-long
13 conversations that we had with our residents at the
14 respective developments. Specifically at Mill Brook,
15 one of the things that was central to all of the
16 conversations about any kind of development was the
17 increasing concern for senior residents in the
18 community. It was clear from day one that residents
19 wanted to see senior housing as something that would
20 happen, but there would also be services provided for
21 those seniors as well as the greater community. We
22 believe that the team that was selected, led by
23 WSFSSH, the West Side senior housing organization, a
24 30-plus-year nonprofit organization with whom we
25 partner with in other parts of our portfolio, really

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 242

2 met the criteria, not only in the development
3 capacity, the design, the sustainability, the
4 program, but really I think putting forth a proposal
5 that reflected what residents wanted to see.

6 In terms of the next steps, and I've
7 shared this with Ms. Jamison, the resident
8 association who I spoke to right before we made the
9 announcement, one of the first important things will
10 be for the developer team and NYCHA to go and sit
11 with those residents in the next -- imminently --
12 [background comment] I believe we're actually sched..
13 Wednesday and actually introduce the resident
14 leadership and the broader community to the developer
15 partner; really have them walk them through the
16 specific components of the program that they put
17 forward, both the design, how the building would
18 work, what the construction process would look like,
19 and really I think, begin what is going to be a long-
20 term relationship with the development partner. So
21 that's happening on Wednesday and I think at that
22 conversation things like how the residents, how often
23 those sessions will happen, who the on-site contact
24 will be, what the sort of key milestones will be in
25 terms of the developers are all still putting

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 243

together their financing from various public forces.

So I think those are sort of the key pieces of this
process as we go. Our expectation is that we close
the financial part of the transaction by the end of
this year so that we can then actually begin the
actual work on the development.

SPEAKER MARK-VIVERITO: So understanding
that those three developments are a 100 percent
affordable... [interpose]

SHOLA OLATOYE: Correct.

SPEAKER MARK-VIVERITO: I'm assuming
there's a projected revenue that you're expecting as
an authority; could you speak to that a little bit,
and is there at least a commitment internally that a
percentage of that would be invested back in those
developments; could you speak to that as well?

NICOLE FERREIRA: Good afternoon, Nicole
Ferreira, Vice President for Development.

So yes, we are right now finalizing the
financials; we will apply for Section 8 vouchers for
the senior housing to get to lower AMI levels; that
all will happen over the next month, and as we
adjust... [interpose]

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 244

2 SPEAKER MARK-VIVERITO: So just to be
3 clear; the three developments are all a 100 percent
4 senior housing...? [crosstalk]

5 NICOLE FERREIRA: Yes.

6 SPEAKER MARK-VIVERITO: No?

7 NICOLE FERREIRA: Two of the three...

8 [crosstalk]

9 SPEAKER MARK-VIVERITO: Two of them are.

10 NICOLE FERREIRA: Two of the three are
11 senior housing.

12 SPEAKER MARK-VIVERITO: But all of them,
13 the idea is to do project-based Section 8, so at
14 least identify Section 8 to be placed at each of
15 these developments?

16 NICOLE FERREIRA: For the senior housing
17 developments... [interpose]

18 SPEAKER MARK-VIVERITO: For the senior
19 housing...

20 NICOLE FERREIRA: Yes. And as those
21 financial models get tightened up over the coming
22 months, then we'll have better projections of the
23 return. Right now for those three sites the initial
24 proposals came back between \$5-7 million return to
25 NYCHA over those three sites.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 245

2 SPEAKER MARK-VIVERITO: Combined?

3 NICOLE FERREIRA: Combined.

4 SPEAKER MARK-VIVERITO: Starting.. what's
5 the projection, as of when?

6 NICOLE FERREIRA: So we are projected, if
7 we close by the end of this year on all three, to get
8 \$500,000 up front and then after construction
9 closing, the rest of the monies would come to NYCHA,
10 so that would probably in two years. If we close
11 December '16, two years for construction and at
12 permanent conversion, NYCHA would receive the rest of
13 the financing.

14 SPEAKER MARK-VIVERITO: And then you're
15 saying the \$5-7 million per year or kept over the
16 period of time...? [crosstalk]

17 NICOLE FERREIRA: **[inaudible]** It's an
18 upfront...

19 SPEAKER MARK-VIVERITO: It's an upfront?

20 NICOLE FERREIRA: Yes. So after
21 construction closing, that would be an upfront lump
22 sum payment.

23 SHOLA OLATOYE: And I think it's
24 important to note; I think we've spoken about this;
25 the affordable, 100 percent affordable program's

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 246

2 really focused on providing affordable housing and
3 trying to get at affordability levels. The revenue
4 associated with that is deliberately.. we presumed we
5 would not see a ton of revenue here because of our
6 desire and commitment to get to lower AMI levels
7 within the three communities. So you know, the
8 conversation with residents has been more about what
9 are the housing needs of your community; as in all of
10 our development, there is a 25 percent set-aside for
11 NYCHA residents who choose to leave the public
12 housing program and move into these developments, but
13 it's really been about affordable housing in the
14 neighborhoods as opposed to a strictly revenue-
15 generating strategy.

16 SPEAKER MARK-VIVERITO: So now although
17 that amount, understood, is kind of a one-time
18 amount; is there any commitment as to where that
19 money would be invested or is there a commitment to
20 these particular developments to apply any directly
21 to it; what's your vision on that? I know that
22 you've been adverse to dedicating a 100 percent of
23 the revenue back into those developments, 'cause
24 there's an overall need that the Authority has, but

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 247

2 could you talk a little bit about how you've
3 envisioned that?

4 SHOLA OLATOYE: Sure. I mean again,
5 within the 100 percent affordable program, at this
6 point, because we are still sort of working through
7 the finances, I don't think we've made any
8 commitments on the very minimal amount of revenue
9 that's coming from these projects; we've assumed that
10 that would actually go back into the Authority to
11 help with our overall budget stabilization efforts,
12 you know broadly. Clearly I think some of
13 conversations, there will need to be some
14 conversations with residents; I think there's a
15 really great... there are several examples of us doing
16 affordable housing projects in the past where we have
17 identified sort of minor things that are not as sort
18 of capitally intense, like roofs or elevators, but
19 with resident input have identified, whether it be
20 lighting or playgrounds or sort of things that are of
21 lower cost that could be part of the development as
22 well. So those are conversations that we very much
23 expect the selected developers and residents to have,
24 and at Mill Brook, that begins on Wednesday.

25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 248

2 SPEAKER MARK-VIVERITO: And then I'm
3 gonna pass it back, but on this issue of identifying
4 developments for development, what... I know there's
5 been this question about the next round and other
6 areas; the first set has been 100 percent affordable,
7 great; there's been discussion obviously about Isaac
8 Homes and others, but when will communities get a
9 greater sense of the long-term vision here for other
10 developments that are being identified?

11 SHOLA OLATOYE: So we have made
12 commitments, and I think the Mayor; not I think; I
13 know the Mayor has charged me with really doing this
14 in a different way. So starting so residents don't
15 read that they're subject for development; we go and
16 we have conversations with them. So it is our
17 expectation that this summer we'll begin the next
18 round of conversations in affordable housing, and for
19 the 100 percent affordable program we've not yet had
20 those conversations with residents and resident
21 leaders and elected officials, etc., so that is... we
22 really wanted to get through the selection of this
23 first three, get the RFP out for our two 50/50 and
24 then begin the next round. So we will have more to
25 say about that imminently.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 249

2 SPEAKER MARK-VIVERITO: And then I know
3 there's a lot of questions; I'll pass it back;

4 **[inaudible]** I can ask in the next round, but in terms
5 of a lot of stuff that we were starting to delve into
6 on the NextGeneration NYCHA and the projected savings
7 that you would generate there. I'll pass it back to
8 the Chair, to both Chairs and then come back.

9 SHOLA OLATOYE: Thank you.

10 CHAIRPERSON FERRERAS-COPELAND: Thank
11 you, Madame Speaker. We will hear now from Chair
12 Torres.

13 CO-CHAIR TORRES: How are you, Madame
14 Chairwoman?

15 SHOLA OLATOYE: Well; thank you.

16 CO-CHAIR TORRES: Thank you for the kind
17 words earlier and the feeling is mutual; I enjoy the
18 partnership, the complicated marriage that I have
19 with the Housing Authority, but... and I can be an
20 especially demanding person, but I think your staff
21 is as cooperative as I could hope for, you know
22 particularly Brian and Jennifer and I enjoy my
23 dealings with David Farber and Nicole, and I just
24 wanna say I lament the loss of Michael Rosen; he was
25 a first-rate public servant...

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 250

SHOLA OLATOYE: Absolutely.

CO-CHAIR TORRES: not only did he have
technical expertise on capital projects, but he just
had a real talent for and a real commitment to
community engagement and it' people like Michael
Rosen who make NYCHA what it is, so I just wanted..
and the general manager and our monthly check-in, so
I appreciate your commitment to transparency.

I wanna speak about Section 8. As you
know, HUD is proposing a rule, I suppose a well-
intentioned, but what I would say dangerously
misguided rule that would radically reshape the
administration of Section 8. So currently under
Section 8, the government makes your rent 30 percent
of your income up to a certain point, up to a certain
percentage of fair market value, known as the Payment
Standard, and under the existing Section 8 program
there is one payment standard for everyone, 105
percent of fair market value. If the proposed HUD
rule were to go into effect, the Section 8 program
would go from one payment standard to 146 payment
standards; one for each ZIP code, and so most Section
vouchers who tend to cluster in lower-income
neighborhoods would likely see a decrease in their

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 251

1 payment standard and therefore an increase in their
2 rent. And so not only is the new rule effectively
3 attacks on poverty; not only will it punish most
4 Section 8 voucher holders simply for living in lower-
5 income neighborhoods, but the new rule, I believe,
6 would undermine the stability of the whole program;
7 it would create confusion for landlords, tenants,
8 agencies; everyone loses. I'm genuinely concerned
9 about this rule and so I wanna know what is NYCHA's
10 position on it...

12 SHOLA OLATOYE: Sure.

13 CO-CHAIR TORRES: and what do you see is
14 the impact that it will have on our constituents...

15 SHOLA OLATOYE: Sure.

16 CO-CHAIR TORRES: and many of us have
17 huge concentrations...

18 SHOLA OLATOYE: Sure.

19 CO-CHAIR TORRES: of Section 8 voucher...
20 I actually have the largest concentration of voucher
21 holders in the city, my district, so this concerns me
22 just as a local council member.

23 SHOLA OLATOYE: Sure. Well first of all,
24 thank you for your comments as well, Chair Torres. I
25 think that you are absolutely right in terms of the

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 252

2 potential devastating impact that this rule change
3 could have on New York and particularly on the
4 communities with whom we care about here at the New
5 York City Housing Authority. So we were so concerned
6 about this proposed rule that we, in concert with our
7 colleagues at HPD, drafted a letter that Deputy Mayor
8 Alicia Glen ultimately sent to the division of HUD
9 that deals with these types of rule changes, and we
10 outlined a couple of major concerns; I think you
11 touched on a few of them; one was the overall impact
12 on budget and the number of vouchers available. So
13 if one -- just for the knowledge -- if the payment
14 standard of a 105 percent of the fair market value
15 allows the government, via NYCHA, to pay that amount
16 and then the resident pays up to the 30 percent of
17 their income for whatever the balance is; if that
18 changes -- first of all, from an administrative
19 perspective it would quite challenging just for our
20 sort of program administration, but then it does mean
21 that families will have a significant impact; can see
22 a decrease in the amount of their voucher; meaning
23 that their tenant portion would increase; thus really
24 making homes that were once affordable for them
25 unaffordable. So we share this concern, HPD shares

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 253

1 this concern; we run the largest Section 8 program in
2 the country; combined, you know, more than a 120,000
3 families, you know, households rely on this
4 incredibly important asset. So that's the number one
5 impact. The second impact is on frankly those folks
6 who are seeking apartments, and there's been a lot of
7 discussion about this as well; Section 8 has for many
8 landlords and for many years been a gold standard in
9 terms of the consistency of its payment to landlords;
10 if that were to be undermined, I think it would have
11 significant impact on not only families who are
12 trying to find apartments in the market right now,
13 but certainly the many families who are leaving
14 shelter who have this voucher and are already
15 experiencing challenges in getting landlords to take
16 a voucher.

18 I think the other issue, and I think this
19 goes to the broader affordable housing ecosystem that
20 is New York City, there is a... it really operates,
21 'cause as you said, you have a significant... you have
22 the largest percentage of Section 8 voucher holders
23 in the city; what the decrease would mean for the
24 owners of these properties in their ability to
25 maintain their properties in terms of high-quality

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 254

2 standards, etc., we would certainly see a decrease in
3 that. Again, a consistent cash flow is what
4 landlords and property managers seek, whether you run
5 luxury housing or affordable housing; the loss of
6 that consistency would have a significant impact on
7 the quality of housing.

8 And I think the other concern for us was
9 our ability -- NYCHA has used project-based vouchers
10 very successfully to support the City's affordable
11 housing program; with the loss of that consistency as
12 well, our ability to have set-asides for homeless
13 families, disabled supportive housing.. I mean this is
14 very serious and I think we have -- as you can tell
15 by the letter that is public that the Deputy Mayor
16 sent and our regular conversations with our
17 colleagues at HUD, we continue to raise and sound the
18 alarm and look forward to partnering with you in
19 other ways that you might see fit to continue to keep
20 this issue on the front burner.

21 CO-CHAIR TORRES: Yeah, I believe it
22 would have catastrophic consequences and you could
23 have an exodus of landlords from the Section 8
24 program.. [interpose]

25 SHOLA OLATOYE: Absolutely.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 255

2 CO-CHAIR TORRES: I think we all share
3 the goal of mobility, of giving low-income people
4 greater access to higher-income neighborhoods, but
5 there's a right way to do it and there's a wrong way
6 to do it and the notion of using the threat of a rent
7 increase to coerce people out of lower-income
8 neighborhoods and have them abandon their community
9 ties and then have tens of thousands of people
10 abandon their neighborhoods en masse and go to
11 higher-income neighborhoods where you have probably
12 more source of income discrimination, fewer
13 vacancies; I can't say enough bad things about the
14 rule, but... [crosstalk]

15 SHOLA OLATOYE: Well and I think the
16 other thing here, and there is a workgroup that
17 several high-cost cities, large PHAs have been sort
18 of focused on this issue, because I think for certain
19 parts of the country this has a different impact. In
20 places like in high, sort of dense areas, this will
21 prove to be, as we said, I think quite detrimental to
22 families and to neighborhoods.

23 CO-CHAIR TORRES: And all I would say is,
24 if there is a rule that HUD is proposing that would
25 have a substantial effect on NYCHA residents, our

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 256

constituents, please let us know. You know when The
Speaker is going to HUD or when I'm meeting with HUD
in Washington, I think we should communicate very
clearly that this would be destructive to our
constituents and we're strongly opposed to it.

I wanna just ask a few questions about
revenue projections.

SHOLA OLATOYE: Sure.

CO-CHAIR TORRES: I've been particularly
critical of NYCHA on the integration initiative, but
I wanna leave that aside for a moment and just start
with the construction of the 17,000 new units; you
originally projected \$151 million in revenue over the
next five years; it's now 173; what's driving that
increase or that revision?

SHOLA OLATOYE: So this year we are... and
we've spoken to you a lot about this, Chair Torres,
we are pleased that our work with HCR is moving
forward and so we expect to close on our RAD
transaction at the end of this year, which is an
additional \$22 million in the budget. So we have
sort of pulled that estimate forward for 2016 and as
we also noted, the first three 100 percent affordable
deals are also expected to close at the end of this

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 257

year. Are there any [background comments]... okay. So
that explains the increase in projected development
revenues that we are... [crosstalk]

CO-CHAIR TORRES: I thought the... 'cause I
have... one category is leverage HUD programs; I know..
[interpose]

SHOLA OLATOYE: Yes.

CO-CHAIR TORRES: RAD is part of the
leverage HUD programs... [crosstalk]

SHOLA OLATOYE: That is correct. That is
correct. And so we did not anticipate initially that
we were going to close that this year, close our
first RAD transaction this year, but we will and we
are on pace to do that, so we actually are bringing
forward the estimated \$22 million in our revised
projections. But let me just state, the first... the
original projections in leverage HUD programs was \$8
million; we're now projecting that to be 29.

CO-CHAIR TORRES: So the increase from
\$174 million to the new revised projection of \$250
million; is that solely explained by RAD?
[background comments] And I'm adding up the totals
[inaudible]... [crosstalk]

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 258

1 SHOLA OLATOYE: Yeah, you're adding them,
2 okay. So you're adding up our new construction,
3 which originally was at 27 and we've actually
4 downgraded that a bit, given some of the timing
5 issues, our leverage HUD program, we've now increased
6 that, and our continued... this year we will get the
7 last of the three-year payments in our Section 8
8 Recapitalization Project as well, which is this year,
9 which explains that number.

11 CO-CHAIR TORRES: From 174 to 250...

12 [interpose]

13 SHOLA OLATOYE: That's correct.

14 CO-CHAIR TORRES: pretty huge increase
15 [sic]. And then the central office. So it seems to
16 me, when I was first reading NextGen NYCHA, the
17 central office was supposed to be, as far as I can
18 tell, the single largest ongoing source of revenue
19 for the Housing Authority. You originally projected
20 about \$90 million from cost savings from integrating
21 the central office with the agencies, and from
22 FY 2016 to FY 2020, NYCHA originally projected \$320
23 million in revenues from integration; that projection
24 has been revised radically from \$320 million to \$111
25 million; 169 percent reduction. So specifically on

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 259

the subject of integration; what accounts for the
dramatic revision **[inaudible]**... [crosstalk]

SHOLA OLATOYE: Sure, I'll provide some
high level and then I'll ask Karen Caldwell to
provide you with some more specifics.

So actually, per our first year
projections with regard to integration, and
integration for us really is sort of twofold; one was
a deep dive into our central office functions to see
where there were opportunities to integrate
potentially duplicative functions with other City
agencies; that's one. The second piece was to manage
our head count at the central office, so as
[inaudible] earlier, 145 people who in another era we
may have replaced, we chose, through some very
disciplined management practices, to not replace
those positions and therefore saw some additional
savings from that lower head count. So in our
original projections around the central office
integration effort, we only projected a savings of
about \$11 million in this first year of 2016; we are
actually ahead and now project that \$24 million in
savings.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 260

2 So what we have been engaged in is a very
3 intensive set of conversations, both across our
4 business lines, but also with other City agencies
5 about where we can seek to be more efficient and seek
6 to integrate our functions with other parts of the
7 City; we have done that, we did it last year; we're
8 continuing it this year, and we are still in serious
9 conversations about other parts of our business.

10 So according to my numbers and according
11 to the plan as released last year, we're actually
12 ahead and we are working towards, I believe, you know
13 a real understanding of what that will look like each
14 year.

15 CO-CHAIR TORRES: We're both correct. So
16 yes, it is true this year, you are ahead of your
17 projections, but over the next five years there's
18 been a collapse of your revenue projections
19 specifically on the subject of integration, and so I
20 wanna know what is the reason behind that collapse?

21 KAREN CALDWELL: Okay, so two things; our
22 integration number really was comprised of two
23 things, both attrition and not backfilling, as well
24 as the integration that you talk about, so I'll start
25 with the attrition.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 261

2 Because of the amount of people that we
3 are down in head count from last year, it was way
4 ahead of schedule, in fact, from what we had
5 projected; that means that going forward, as we
6 assessed our business, we are not going to be able to
7 not backfill many of those positions if we lose
8 people; that 145 people really did tax us as an
9 agency in terms of running our central office. So do
10 we still expect to have some attrition that's not
11 replaced? Yes we do, but at the level that was in
12 the budget, no; I don't believe that that's the case,
13 and that's really just through the experience that
14 we've had.

15 The second thing on the integration; one
16 of the things that this budget does; it really
17 reflects what we can tangibly see today, where we
18 know we are able to find positions for some of our
19 people, and one of the tenets that we were given was,
20 you know not to interrupt service to our residents;
21 make sure that we were able to perform and serve our
22 residents at the same levels that we had in the past.
23 And so with that we have to be able to identify
24 positions in other City agencies where we can
25 continue to receive that same level of service and

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 262

2 there also have to be openings there for us to be
3 able to do that. And so those conversations continue
4 and we do hope, you know, it is our hope to obviously
5 do better than the numbers that are presented on this
6 page, but what this page reflects is what we know
7 today and you know, in an effort to be transparent,
8 in an effort to put down the things that we really
9 know that we can achieve today, that's what this
10 represents. To the extent that we continue with our
11 efforts and we are able to find those synergies and
12 we are able to make those transitions and keep the
13 level of service that we have, we will continue to do
14 so, and then this budget will be revised as we are
15 able to achieve that and can show that.

16 CO-CHAIR TORRES: But which category of
17 employees did you think that you could integrate into
18 the rest of City government that it turned out you
19 couldn't?

20 SHOLA OLATOYE: So I think that we are
21 still I think doing our analysis; there are large
22 parts of our capital program that we are in-depth
23 conversations with our colleagues at CCC about
24 whether or not that's something that could happen.
25 There are large swaths of our customers contact

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 263

1 center that we're in conversations with the Mayor's
2 Office of Operations who oversees 311. Now I think
3 that there are... this is not a question of can these
4 things be done; there is a cost benefit and we are
5 still in the process of them now, 'cause we've been
6 working very closely with both of those agencies to
7 understand what integration would actually look like;
8 what are the workflows that would need to happen;
9 there are also, and as the CFO mentioned, we also
10 have to take into account that agency's ability to
11 receive people and work. So I think what we have
12 here is what I know we can get done right today; we
13 are still in the midst of those conversations, and
14 look, I also think that there's the ability for us to
15 do things in phases; one of the things that came out
16 of our conversations with the Mayor's Office of
17 Operations was their recommendation to improve or IVR
18 system; a little too detailed, but it's our ability
19 to appropriately route residents who call the
20 Customer Contact Center electronically and really
21 update that; that was not something that we had
22 envisioned at the beginning of NextGen; through these
23 conversations we've realized that's something that we
24 can do and we have the capacity to do. So I think
25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 264

that we are learning as we seek to try and make
pieces of this work and we will reflect what we are
able to do in our budget going forward.

CO-CHAIR TORRES: Did you assume that you
could integrate CCC into DoITT or with some of the
City agencies, the CCC employees?

SHOLA OLATOYE: So that is one of the
functions that we are looking at and it's actually
the Mayor's Office of Operations that runs 311 and we
are... Ms. Tarlow and I are in very close
conversations. DoITT actually runs the contract for
what is 311 and they are actually in the midst of a
comprehensive plan to redo 311 as we speak; you
probably talked about that in earlier hearings, and
so one of our sort of... one of the things that we have
sort of come to a point of how do we sort of move
forward is; that scoping, that process, it's out
there; how do we add, if we add a NYCHA component to
that; how does that change their costs, their time,
etc.? So we've not said no; we are truly trying to
see if this is something that is compatible...

[interpose]

CO-CHAIR TORRES: Well I get none of
these numbers are carved in stone; right and there

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 265

2 could be an upward revision in the future; right?

3 But I'm wondering; what was the assumption built into
4 the original revision and what led to the dramatic
5 revision downward? Did you originally assume that
6 you could integrate CCC into 311 and then came to
7 realize it was more complicated than originally
8 thought; like what was the assumption that was wrong?

9 SHOLA OLATOYE: I think that we... So one,
10 I think we made some estimates around our capital
11 program, which is actually bigger than CCC and
12 actually has ability for projected savings that are
13 greater than the CCC in integration. I think that
14 that has proven to be I think more challenging than
15 we initially knew and those are... that's conversations
16 that we are having and an analysis that's being done
17 about workflows and contracting procurement issues
18 that NYCHA is required to do that the City isn't; the
19 Customer Contact Centers, the 150 or so employees
20 that are there, you know that was also something that
21 we looked at; again, something that we are still
22 analyzing and still working with our colleagues at
23 the Mayor's Office of Operations. We are not at the
24 point today to say that that is something that we can
25 do tomorrow; it is a question of, you know I think

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 266

2 the broader City's ability to absorb what is a
3 significant operation at the New York City Housing
4 Authority and our ability to do the back office work
5 that would need to happen, like changing our workflow
6 system to be consistent with the City. It is not a
7 simple task; there are smart people in the world;
8 there are engineers who can do this, so it is not a
9 question about it can't be done; it is a question of
10 cost benefit analysis and our ability to actually
11 ultimately improve the services and save money for
12 the Housing Authority.

13 CO-CHAIR TORRES: But it seems to me
14 NYCHA was more optimistic that it could be done in
15 the beginning than it is now, so what... what...
16 [crosstalk]

17 SHOLA OLATOYE: I think that we have more
18 information. I think that we have more information,
19 Chair.

20 CO-CHAIR TORRES: I'm curious to know
21 what that information is; what are the stumbling
22 blocks to integration of CCC into 311 that you came
23 to discover...? [crosstalk]

24 SHOLA OLATOYE: Well so I just... As I
25 mentioned, I think the Mayor's Office of Operations

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 267

2 is currently working to do a complete overhaul of 311
3 broadly and so there's a question of whether or not
4 that process can stop or be augmented to include the
5 Housing Authority. So that's an important piece in
6 sort of what are the workflows that kind of.. that
7 flow from that; that is information, as we've begun
8 to dig further and do additional analysis about call
9 volume, about response time; that is something that
10 we are continuing to learn more.

11 CO-CHAIR TORRES: Yeah. I think my
12 colleagues wanna ask questions, so I will end my
13 questioning for now.

14 CHAIRPERSON FERRERAS-COPELAND: Thank
15 you, Chair. And I'm gonna leave some of my questions
16 for the second round. But we've been joined by
17 Council Members Mendez and Cumbo. We will hear from
18 Council Member Rodriguez; followed by Council Member
19 Miller; followed by Council Member Gibson.

20 COUNCIL MEMBER RODRIGUEZ: Thank you,
21 Chair.

22 Great job and you know the City is so
23 lucky to have you leading an agency that we know you
24 inherited a lot of trouble, an agency that
25 unfortunately, when it comes to federal funding, the

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 268

1 money has not continued coming to NYCHA; hopefully
2 the next leaders in the White House, they should be
3 more responsible. You know, like my parents, they've
4 been living in NYCHA since the 1990s and still my
5 mother, she lives in one of those NYCHA, the Diamond
6 Houses, and one of the issues that I have seen,
7 experienced it directly, is the issue of elevators,
8 and sometimes you try to fix, but you're dealing with
9 reality, because the question is; how much money does
10 NYCHA have to fix, to upgrade the electricity
11 capacity for those **[inaudible]** [background cough] and
12 how can you describe, you know the condition of
13 elevators and how can you describe, you know, the
14 condition of elevators and if you grade those
15 elevators; can you say that some of them are
16 completely safe; do we have some challenges on
17 keeping all elevators safe?

19 SHOLA OLATOYE: Thank you for your
20 question, Council Member. So first, you know, our
21 elevators perform about a billion trips a year, so we
22 have, by virtue of scale, the largest elevator, sort
23 of residential elevator program in the city. We take
24 the safety of our residents incredibly seriously and
25 I think because of some unfortunate events that

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 269

happened at the end of last year, it has required a
fresh take and look at how we run our elevator
division. I think it's also important to note that
our annual budget for our elevator program is about
\$100 million and that's a significant increase from
decades past, so there has been a very targeted
investment in elevators. We have done a couple of
things in the last several months; one, we took some
pretty very strong disciplinary actions against staff
at the time; we've appointed an interim elevator
director; we revised our policies and procedures
around escalation issues; we now call the FDNY for
hazardous conditions at all times of the day; not
just after hours; we've improved our escalation
policies; we also, starting next week, have a
specialized group of staff within our Customer
Contact Center who specifically focus on elevators.
So I think from a capital perspective there's no
question that we have elevators that are dated; when
we utilize our capital dollars and do major
modernization efforts, elevators are sometimes the
things that we certainly include in that scope.

COUNCIL MEMBER RODRIGUEZ: And for me, I
think it is important to see how... what is the quality

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 270

2 of those repairs for those... whoever it is like does
3 the maintenance, and because of the time, you know
4 that... I'm sorry; I have to move... I'm gonna put it
5 more as a suggestion, because I... [interpose]

6 SHOLA OLATOYE: Sure.

7 COUNCIL MEMBER RODRIGUEZ: I would like
8 to ask another question. I think it is important to
9 look on the quality of those repairs, because I can
10 say, you know what, I have lived through; I'm pretty
11 sure that that... or my parents did the same thing that
12 everything that happened in many buildings; it's not
13 just about the use of those elevators; it's that
14 elevator that is repaired today and two weeks after
15 are out of service, so no doubt that that doesn't
16 respond only because of the higher demand of people
17 using those elevators is the **[inaudible]** issue has to
18 be there about the electrical power; it has to be
19 about are the repairs done properly; **[inaudible]** have
20 all the tools to do the repair? So what I hope is
21 you know that that's something that we should look
22 at.

23 SHOLA OLATOYE: Okay.

24 COUNCIL MEMBER RODRIGUEZ: My second
25 concern is, you know when you look about the

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 271

2 population, or based on your information, 40,000
3 people living in NYCHA, 46 percent black; 44 percent
4 Latino, 4 percent white, you know that society has
5 put... it's like putting... poor people live in one place
6 and I think that under your leadership I hope to see
7 more investment, trying to take as many people who
8 live in poor conditions in those public housing
9 projects move into a high level. So how are we doing
10 the job training [bell] for **[inaudible]**?

11 SHOLA OLATOYE: Okay; that's for you; not
12 me. Okay. So it's a great question and it's
13 something that this administration's been very
14 focused on, which is how to better integrate; how to
15 better connect NYCHA residents to opportunity. So
16 first, one, we are led by Maya Wiley, the Mayor's
17 counsel; we're actually working to really take an
18 agency-wide look at all of the capital workforce
19 opportunities to make sure that NYCHA residents have
20 in-roads into them. Pleased to say; a lot of that is
21 happening, but how do we scale it; how do we really
22 get to significant numbers? So that's the first
23 thing, so there's an agency-wide effort to look at
24 all of the different jobs and workforce development

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 272

opportunities and better connect NYCHA residents to
them.

The second thing is, through our own
efforts, last year we placed over 3,000 people in
permanent full-time jobs; we did this through a
variety of ways, through our Resident Training
Academy, and those are folks who actually come and
work for NYCHA, with our REES program, actually
connecting them to either work that's happening
throughout our development or in other opportunities;
in an emerging effort, which we're very excited
about, which is our Food Entrepreneurs program, we're
graduating 36 NYCHA residents every 12 weeks who
already have businesses and we're connecting them
with business planning training and actually
connecting them to jobs, and actually last week, one
of our residents has opened up his first restaurant
in Crown Heights.

So I think that this is a really
important issue; it's one that's central to the
de Blasio Administration; it's something that he has
tasked Maya and myself to focus on across the
agencies. And then through our own efforts, we are
placing on average about 3,000 people into job

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 273

2 opportunities. Look, I think underlying your
3 question is; how do we get people to have greater
4 economic opportunity. I think for many people,
5 having greater economic opportunity starts with
6 having a stable home and that's what the New York
7 City Housing Authority provides, which is an
8 affordable place for people to live so that they can
9 then go and deal with the other important parts of
10 their life. So our primary focus has to be on how do
11 we make sure that these homes are safe and decent for
12 the 400,000 people who call it home.

13 COUNCIL MEMBER RODRIGUEZ: Thank you.

14 CHAIRPERSON FERRERAS-COPELAND: Thank
15 you, Council Member. We will now hear from Council
16 Member Miller; followed by Council Member Gibson;
17 followed by Council Member Richards.

18 COUNCIL MEMBER MILLER: Thank you, Madame
19 Chair; Mr. Chair, thank you. Good afternoon, Madame
20 Chair... [crosstalk]

21 SHOLA OLATOYE: Good afternoon.

22 COUNCIL MEMBER MILLER: So I do wanna
23 kinda stay on the human capital side just a little
24 bit and that 3,000 is an impressive number; was it
25 keeping up with attrition; is there a reason why...

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 274

first of all, the 3,000 folks that were hired you
said last year, and...

SHOLA OLATOYE: That we found jobs for in
other... not for NYCHA... [crosstalk]

COUNCIL MEMBER MILLER: in uhm out... not
in NYCHA?

SHOLA OLATOYE: No, not in NYCHA, just uh
in... [crosstalk]

COUNCIL MEMBER MILLER: How many... well
did the workforce increase at all in NYCHA last year?

SHOLA OLATOYE: No.

COUNCIL MEMBER MILLER: Okay. So I think
this is a question that we talked... we talked about it
last year and we need to just figure out how we can
deal with it **[inaudible]**; maintenance is... you know,
it has its ebbs and flows and I talked to you; when I
go by and the grass is two-feet-high and I find that
really disturbing and I'm beginning to see it again;
not in that location, but just throughout the city
and so do we have a workforce that can keep up with
the demand of maintenance, interior and exterior?

The second part of that was certainly to
talk about the Flex maintenance program, if in fact
that is up and running; if not, what are the

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 275

2 impediments; where are the savings and so forth in
3 there, but I do certainly wanna talk about... you know,
4 stay on the human capital, if it is sufficient to
5 serve the NYCHA residents throughout the city.

6 SHOLA OLATOYE: Sure. So you know, thank
7 you for your question, Council Member. I think
8 embedded in your question is what's happening at our
9 developments; what's the quality of maintenance;
10 what's the state of our grounds; what's happening in
11 and outside of our buildings? I do unannounced
12 visits every Friday and I'm pleasantly surprised at
13 some developments and I'm distressed at others. I
14 think there are a couple things that we have made,
15 that I've made a priority, which is, while we are
16 lowering the number of people who are at the central
17 office, so your question of did your workforce grow,
18 the answer is no; we have kept our central office
19 costs lower and we expect that to go even lower, but
20 we are redirecting those resources to the frontline;
21 meaning, so we are looking at our borough offices and
22 really looking at how those offices are structured;
23 how can we push good people back to the developments
24 to provide support to what's happening there; how do
25 we ensure that our developments are properly staffed;

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 276

1 this is something that Council Member Gibson and I
2
3 have talked a lot about as well, something that I see
4 for ourselves. So it is a question of money, but
5 it's also a question of priorities; how do we
6 redirect resources better to support what's happening
7 at the developments. Your question about FlexOps,
8 our joint initiative with our colleagues at 237; it
9 is expected to get underway this summer; we have had
10 very positive conversations with our new Labor
11 Management Committee that meets every two weeks and
12 is really married to the commitment of providing a
13 longer term of service at the developments so that we
14 can deal with grounds, trash, cleaning floors; these
15 are the basic functions of being a property manager
16 and that is ultimately what the goal of FlexOps seeks
17 to do to improve that... [crosstalk]

18 COUNCIL MEMBER MILLER: Okay, so I have
19 confidence that you'll work it out and it'll get up
20 and running and I'm looking forward to that...

21 [crosstalk]

22 SHOLA OLATOYE: Absolutely.

23 COUNCIL MEMBER MILLER: In my district we
24 have two senior buildings; I do wanna talk about. We
25 wanted to do some capital improvements over there and

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 277

2 I was really disturbed too see some of the markups on
3 the costs of installing cameras and some other small
4 things that we wanted to do, so I'd love to offline
5 talk about that, 'cause we're short on time.

6 Also, we have a number of single-family
7 homes that NYCHA still has and some of them are in
8 real disrepair and we kind of wanna figure out what
9 we'll do with that, as well as those that have been
10 sold as affordable housing opportunities; how many
11 are still available; how many have been sold and
12 where we are on that project there?

13 Also, on the NextGeneration development
14 and the RFPs that have gone out; what are the MWBE
15 opportunities and if you wanna talk about not just
16 the MWBE opportunities there, but others that exist
17 within the Authority?

18 [background comments]

19 SHOLA OLATOYE: Okay. So a couple
20 pieces; let me start where you ended, which is our
21 commitment to minority-owned, women-owned small
22 businesses. We just three weeks ago held [bell] our
23 annual MBE/WBE fair; we had over 30 companies; more
24 than 600 people come out to learn not only how to do
25 business with NYCHA, but what are the requirements;

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 278

2 what are the bonding and insurance requirements; we
3 had specific breakout groups talking about these
4 issues. So I think the first thing for us is making
5 sure that people know how to access and do business
6 with us; we've improved how people can do that online
7 in terms of registering through our business portal
8 and then having this event. So I think that's the
9 first piece.

10 In terms of our overall capital program;
11 happy to talk to you more offline about our CCTV and
12 layered access program with Chief Nelson, who I know
13 you know and we'd be happy to talk to you more about
14 our ability to do that.

15 In terms of developments, you know we
16 have, and I think the first three sites that we just
17 selected, there were many things that we looked at in
18 terms of criteria and something that we've heard from
19 communities and something that I take very seriously
20 is; how do we make sure, going forward, that we are
21 able to include local knowledge MBE/WBE as an
22 important component. So one thing that we're going
23 to be doing later this year is actually an RFQ like
24 exercise that will allow us to have a broader pool of
25 developers, nonprofit developers, etc., minority-

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 279

1 owned developers to select from. Now again, there
2
3 will be some minimum thresholds, but we think it will
4 be one way in which people can self-select what types
5 of projects they want to be a part of -- larger
6 projects, rehabs, new construction, etc. So that's
7 some of the things that we're doing to make sure that
8 we are focused on making sure that we're attracting
9 MBE/WBE businesses not only in our business, but in
10 the development. I'll ask Nicole to speak
11 specifically about our single-family portfolio.

12 NICOLE FERREIRA: So on the single-family
13 home portfolio, so we are working with the NYCHA
14 residents that are in those single-family homes on a
15 homeownership program; we've closed about 15 of those
16 homes where we've sold them to the NYCHA resident
17 that's living in the home and this year we continue
18 to close more and more of those homes.

19 On the vacant homes, we're happy to
20 report that by the end of this year we'll have closed
21 with two nonprofit organizations on 30 homes,
22 approximately 30 homes, and they will be
23 rehabilitating those homes and offering those
24 homeownership opportunities to low-income residents
25 in those communities, and we'll release an RFP later

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 280

2 this year for an additional 20 single-family homes
3 that have become vacant. As NYCHA receives
4 vacancies, we're pulling them together and then
5 selling them off to nonprofits so that they can do
6 the capital repairs and do homeownership programs for
7 low-income residents.

8 SHOLA OLATOYE: And I would just add that
9 we would love to work with your office in particular,
10 since some of these are in your district, to not only
11 identify potential developers, but also to ensure
12 that when the homes are ready for sale that residents
13 in the community can actually participate; that they
14 are mortgage-ready, that they have the information
15 that they need in order to purchase the home, so we'd
16 love to work with you more closely on that.

17 [background comment]

18 CHAIRPERSON FERRERAS-COPELAND: Thank
19 you, Council Member; we will now hear from Council
20 Member Gibson; followed by Council Member Salamanca;
21 followed by Council Member Cumbo.

22 COUNCIL MEMBER GIBSON: Thank you very
23 much, Madame Chair and Mr. Chair, thank you so much
24 and good afternoon; it's good to see you and the
25 team, and first and foremost, I certainly wanna thank

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 281

1 you and your executive team for joining us at the
2 town hall we had two weeks ago in the Bronx; for me
3 it was a great opportunity for many residents of
4 Butler, Morris and Webster Houses to really hear
5 directly from you and a lot of the information on
6 future capital investment, staff changing and other
7 things that are happening they were very glad to
8 hear, so I'm thankful for that and also, working with
9 all of you; we had a horrific fire in Butler Houses
10 with two children that were left unattended and so
11 we're dealing with that; we're working with the Fire
12 Department as well as NYCHA to focus on fire
13 education; fire safety, so I wanna thank you for that
14 too. We have a lot of work that we've done and I
15 really appreciate that whenever I call you answer;
16 whenever I text you answer, which is good, because we
17 do have a lot of work to do just on behalf of both of
18 our constituencies.
19

20 I wanted to ask very quickly about the
21 NYCHA senior centers; there are 15 senior centers
22 that remain under NYCHA's authority; I represent two
23 of them, High Bridge Gardens and Sedgwick Houses;
24 this year's budget we have \$3 million to carry us for
25 another year; wanted to find out what we're planning

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 282

to do during the year; are we engaging DFTA or other
agencies; are we going to do an RFP, because my two
centers are very, very much underutilized and they
don't have a lot of services other than what I
provide through local funding and what we're able to
get, so I wanted to find out what the plan is that we
have for these 15 senior centers.

SHOLA OLATOYE: Thank you for your
comments and for your questions. Council Member, I
enjoyed being with you at the Claremont Neighborhood
Center and we've since I think set up a meeting with
the director there, just so you know...

COUNCIL MEMBER GIBSON: Yes, absolutely.

SHOLA OLATOYE: to talk a little bit more
about his basketball court and floor.

So it was really important that we do a
couple things when it came to our senior centers,
that there be no interruption of service for the
residents who do use them, so for the two people who
do go, they should still be able to go or they should
not see an interruption in service and that the
employees, the NYCHA employees that staff these
centers also would not see an interruption in
employment. We work very closely with our colleagues

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 283

2 at the Department for the Aging to determine kind of
3 what makes a sort of I think good senior center --
4 space, kitchen or cooking facilities, access the
5 ability to do diverse programming, and these 15
6 centers I think remain some of our most challenged..

7 [crosstalk]

8 COUNCIL MEMBER GIBSON: Okay.

9 SHOLA OLATOYE: 'cause some of them don't
10 have.. I think most of them don't have.. [crosstalk]

11 COUNCIL MEMBER GIBSON: Right. Right.

12 SHOLA OLATOYE: cooking facilities. So
13 we will keep them for another year; we are working
14 with DFTA and a number of neighborhood-based partners
15 to actually bring in services to them.

16 COUNCIL MEMBER GIBSON: Right.

17 SHOLA OLATOYE: We ultimately believe
18 that the residents in these centers will be best
19 served by professionals who deal with issues that are
20 characterized by folks who are aging in place and
21 folks who do this type of programming, but until we
22 can ensure that there's no interruption in service
23 and people aren't losing their jobs, we will continue
24 to operate them.. [crosstalk]

25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 284

1
2 COUNCIL MEMBER GIBSON: Okay, great. And
3 I'm happy to work with you; I work with both
4 directors; I know every senior that comes to both, so
5 I'm happy to work with you, 'cause I have really good
6 providers at some of my other senior centers..

7 [interpose]

8 SHOLA OLATOYE: Great.

9 COUNCIL MEMBER GIBSON: and what I can
10 do, I will make sure that there are programs there,
11 so.. [crosstalk]

12 SHOLA OLATOYE: That would be great
13 **[inaudible]**.

14 COUNCIL MEMBER GIBSON: I'm glad to work
15 with you.

16 FlexOps, I know one of the Council
17 Members talked about it, but it's rolling out in
18 June; I represent one of the developments, McKinley
19 Houses, and I wanted to find out; are we using
20 existing staff for this four-month pilot that we're
21 launching, and then moving forward, are we going to
22 talk about hiring more staff? I think I can say with
23 confidence from all of my TA leaders that we do not
24 have enough caretakers; if I don't hear that every
25 day, then I hear it no times [sic], because we just

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 285

1 simply don't have enough staff. Most of my
2
3 developments, I'm lucky if I have between two and
4 three caretakers full-time and that's really not a
5 lot when you think about some of my developments,
6 like Forest Houses, where I have 15 buildings. So I
7 wanted to find out with FlexOps, are we using
8 existing staff and overtime and if we're going to
9 expand beyond the several months, are we going to
10 talk about hiring more staff?

11 SHOLA OLATOYE: So again, thank you for
12 your question. So you are absolutely right and this
13 is something that I also hear when I visit
14 developments about sort of the lack of staff and it
15 is both a function of resources, meaning, you know
16 people cost money and as we are reporting a more
17 positive outlook, we are looking to see how we can
18 redirect resources to the frontline, so we're holding
19 central office steady and making it go lower and
20 redirecting those resources to the frontline.

21 One of the tenets of our FlexOps
22 Initiative is to make sure that those developments
23 are fully staffed; that's the commitment that I've
24 personally made; that's the commitment that we have
25 made to the leadership of those developments; they're

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 286

not gonna start this initiative without being fully
staffed, so that's the first thing.

And then I think one of the key things is
going to be, in this four months, is evaluating our
successes and that is what we've committed to do at
the end of the four months with our colleagues [bell]
at 237.

The other piece is, as we are continuing
to drive resources to the frontline, we hope that we
plan for that to result in more resources at the
development. I can't say that I'm hiring new bodies,
but can I redirect existing resources to support more
staff at the development; that is something that we
are investigating.

COUNCIL MEMBER GIBSON: Okay, and as I
close; my time is up, I hope that you're engaging
with the RA leaders at the developments and if you
have not already, I would love to work with you on
McKinley Houses...

SHOLA OLATOYE: Okay.

COUNCIL MEMBER GIBSON: and our TA
leader, Mr. Diamond [sic]... [crosstalk]

SHOLA OLATOYE: Absolutely.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 287

2 COUNCIL MEMBER GIBSON: to make sure that
3 residents understand what's coming to them and they
4 can provide some input on the performance, the
5 evaluation so that you can use McKinley as a model of
6 input on whether it's successful or not.

7 SHOLA OLATOYE: That's great. Actually,
8 one of the metrics for this program is gonna be
9 resident satisfaction, so we'd love to do that with
10 you **[inaudible]**... [crosstalk]

11 COUNCIL MEMBER GIBSON: Okay, great.
12 Thank you. Thank you, Madame Chair... [crosstalk]

13 CHAIRPERSON FERRERAS-COPELAND: Thank...
14 Thank you, Council Member; Council Member Salamanca;
15 followed by Council Member Cumbo.

16 COUNCIL MEMBER SALAMANCA: Thank you,
17 Madame Chair. How are you, Madame Chair?

18 SHOLA OLATOYE: Good afternoon.

19 COUNCIL MEMBER SALAMANCA: So first I
20 wanna thank you for taking my call a few weeks ago in
21 terms of listening to some of my concerns in terms of
22 the Morrisania Air Rights walkthrough. As you know,
23 Council District 17 has the third largest NYCHA
24 development in the City of New York and when I
25 performed my walkthrough with Miss Allen, the Bronx

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 288

2 Borough Director, about two-and-a-half, three weeks
3 ago, I was horrified by what I saw in terms of the
4 lack of basic maintenance not being performed in this
5 development. We went floor by floor, started on the
6 19th floor, and to see that light bulbs were out;
7 they were being replaced on the spot because a
8 council member was there, was unacceptable to me; to
9 see that the hallways were dirty, the stairwells were
10 dark; they were spot mopping on the spot because a
11 council member was there; that too was unacceptable,
12 and to see that on an emergency exit there was a hole
13 on the wall and they covered it up with a cardboard
14 box and drilled it; that too was totally
15 unacceptable, and I know that we shared those
16 concerns when we spoke.

17 I've also been doing my own walkthroughs
18 and meeting with tenant associations and speaking to
19 the caretakers and just to, you know, express the
20 same sentiments as Council Member Miller and Council
21 Member Gibson, the caretakers feel that they are
22 overwhelmed. In Adam Houses, for example, two days
23 ago, they only have three caretakers at that entire
24 development and you know their outcry is that they
25 have to choose whether they have to spot mop; not

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 289

1 even mop an entire floor, but just mop where they see
2 that there's spots, take out the garbage, clean the
3 grounds or change any light bulbs that are not
4 working. So my question, Madame Chair is; what
5 exactly is the ratio in terms of caretakers per
6 building in NYCHA?
7

8 SHOLA OLATOYE: So we have a caretaker
9 ratio of one... I believe it's one to [background
10 comments]... I believe it's one to 87 units, one
11 caretaker to 87 units; that is actually, in terms of
12 industry best practices, actually very low; it's
13 actually very high, I'm sorry, because our caretakers
14 do very specific duties. I think outside of NYCHA,
15 where you have employees who do a more range of
16 responsibilities you are able to do more, but because
17 of the way that we're structured, our collective
18 bargaining agreements, we have, you know folks who
19 can do very specific things. So I am not disputing
20 your statements about the lack of staffing, and as I
21 shared with you when we spoke, very concerned about
22 just accountability and that has been something that
23 through our efforts, our OPMOM efforts and certainly
24 now FlexOps, we are very focused on trying to ensure
25 that leaders at the development are not only being

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 290

held accountable, but given resources to actually
support what's happening there. Morrisania
certainly, one of the things that I was very
concerned about since I met with the Bronx leadership
to understand what types of support do those people
need in order to be more successful, to understand
how to do this work; it's really important in terms
of training and this is something that we see in our
FlexOps work; that we have to change the way we do
work so we are not just doing things the way that
we've done them for 50 years, and that is something
that we hope to see more of in our FlexOps work.

COUNCIL MEMBER SALAMANCA: Well what
disturbs me the most is the lack of supervision that
I saw at Morrisania Air Rights. Now my question is;
local management that is there, how often do they
have to do walkthroughs of the building?

SHOLA OLATOYE: They're supposed to do
walkthroughs every day, sir. So you know one of the...
and again, you and I are not disagreeing, which is
accountability, local accountability is critical, our
ability to see what's happening at the development.
So there are a number of things that we're doing to
increase that; happy to share that with you.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 291

1
2 COUNCIL MEMBER SALAMANCA: Okay. My
3 other question is; when a caretaker is out on leave
4 or calls out, is there coverage to assist that
5 development?

6 SHOLA OLATOYE: Not typically.

7 COUNCIL MEMBER SALAMANCA: Okay.
8 Alright. I have a little bit more time; I just have
9 to ask another question in terms of layered access.
10 You mentioned in your statement that there's 21
11 developments that are on the list for layered access,
12 so in [sic]... [crosstalk]

13 SHOLA OLATOYE: That are currently in
14 construction for...

15 COUNCIL MEMBER SALAMANCA: Oh are current
16 in construction.

17 SHOLA OLATOYE: Yeah, we have layered
18 access at a number of our developments; I can get you
19 the specific number if you'd like.

20 COUNCIL MEMBER SALAMANCA: That would be
21 great.

22 SHOLA OLATOYE: Okay.

23 COUNCIL MEMBER SALAMANCA: And my other
24 question is; recently [bell] there's been gang-
25 related arrests in our NYCHA developments; does NYCHA

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 292

1 have any anti-gang programs put in place or are there
2 any plans to assist in terms of anti-gang programs in
3 our NYCHA developments?
4

5 SHOLA OLATOYE: So the... thank you for
6 your question. I think it's really important that
7 our work be done in collaboration with our colleagues
8 at NYCD, the District Attorney's office, with service
9 providers in the affected communities; we are not a
10 law enforcement agency and in terms of our ability to
11 provide direct service programming, that has also
12 really decreased in years past because of the lack of
13 funding.

14 What we can do, and this is something
15 that is currently underway, is actually redeploy our
16 staff to better make connections for our residents.
17 So making sure, in particular, your neighborhood, who
18 are the local community providers and NYCHA should
19 serve and can serve as a convener and as a broker to
20 make sure that those people are talking to each other
21 and ultimately providing services to NYCHA.

22 We are working very closely with the
23 Manhattan District Attorney's Office on things like
24 lights and cameras and better doors and really
25 supporting the efforts that his office is working

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 293

towards and we look forward to partnering with you if
there are other programs that we should be
identifying and bringing into our purview.

COUNCIL MEMBER SALAMANCA: Alright.

Thank you, Madame Chair. Will there be a second
round? I'll **[inaudible]**.

COUNCIL MEMBER CUMBO: Thank you, Chair
Ferrerias-Copeland; thank you Commissioner for being
here.

Wanted to talk specifically about the
NextGen process. So I understand that in my
district, where I represent Ingersoll and throughout
there have been awards made in that process to local
development teams. Can you talk to me about what the
RFP process actually looked like and who were on the
selection panel or committee and how was that
decided?

SHOLA OLATOYE: Thank you for your
question. First of all, it's important to know that
we issued this RFP with our colleagues at HPD..
[interpose]

COUNCIL MEMBER CUMBO: I'm sorry; with
whom?

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 294

SHOLA OLATOYE: at HPD, so this is a
joint-issued RFP and it's a relationship that we've
long worked with; also, the criteria for selection
really centers on four things. One is the financial
capacity of the team; do they have the appropriate
bonding, insurance, financial wherewithal to take on
a project of the size and scale; that's the first
thing. The second criteria was the program; did the
program reflect not only what we heard from our
residents, but the other policy objectives that we
are seeking to meet. The third was development
expertise; what was this team's ability to do new
construction, work with other issues as related to
affordable housing development in New York City. And
then the fourth was urban design and sustainability,
so what was the proposed program; how did it meet the
City's design guidelines; how did it meet the
sustainability objective of the program; did it meet
Enterprise Green Communities criteria, etc. So those
really are the four criteria and there's a waiting
process that looks at the teams to see who is the
highest score [sic] based on those four criteria...

[crosstalk]

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 295

2 COUNCIL MEMBER CUMBO: Let me just ask,
3 just because I know I have limited time. So that's
4 decided amongst NYCHA and HPD is setting the
5 criteria?

6 SHOLA OLATOYE: We are required to act
7 according to federal HUD guidelines; we have
8 procurement rules that we operate under. Those four
9 criteria is how we actually go about choosing a
10 developer partner.

11 COUNCIL MEMBER CUMBO: So there's no
12 preference in there for a local development team; do
13 you have any preference to say experience working
14 with this particular community or experience in
15 having a relationship with the individuals in that
16 area? Is there anything that would allow a local
17 development corporation that has extensive roots,
18 fits this criteria to give any sort of weight in
19 their application in that way, because... [interpose]

20 SHOLA OLATOYE: There's... Yeah, I
21 understand your question. There's no specif... I'm
22 sorry I cut you off...

23 COUNCIL MEMBER CUMBO: Uhm-hm. No, it
24 just seems that there are certain developers that
25 have continuously won the process and in my district

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 296

2 there were local development teams that did respond;
3 were there local development teams in the other
4 districts where there is going to be a NextGen; did
5 any local developers win or is it still the same
6 larger development firms that have won?

7 NICOLE FERREIRA: Well in the South
8 Bronx, WSFSSH is a local service provider of senior
9 services in Mott Haven; they have a long history in
10 that community, and they were one of the developers
11 selected through the process, yes.

12 COUNCIL MEMBER CUMBO: Were there any
13 development teams of color that won?

14 SHOLA OLATOYE: So there certainly are
15 people on the teams who are of color; we'd have to go
16 back and look at the actual development teams to see
17 if that was..

18 COUNCIL MEMBER CUMBO: Because the way
19 that I look at this; this is NYCHA, so it's
20 predominantly serving people of color, so I feel that
21 this would be a great opportunity.. [interpose]

22 SHOLA OLATOYE: Yeah.

23 COUNCIL MEMBER CUMBO: for development
24 teams of color to be able to have an opportunity to
25 win the RFP, to work in the communities that they've

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 297

2 help build and development, and as best as I can see,
3 there were organizations that did apply that would
4 have fit the criteria in many ways, but weren't even
5 given an opportunity for an interview or to move
6 forward in that way, so... [interpose]

7 SHOLA OLATOYE: Well so I think it's
8 important to note, and I know you would agree with
9 us, that... Our goal is to make sure that we get the
10 best development team to do and execute on this
11 program. There are federal laws that prohibit us
12 from being, I think as **[inaudible]** as you are
13 suggesting, and we'd be happy to share with you
14 offline the City law, as well as the Federal law that
15 prohibits us from actually making very specific
16 [bell] requirements within our solicitations.

17 And then I think the second thing is;
18 yes, there were a number of... we were very pleased by
19 the response that we saw to this development
20 proposal; we had 25 very strong proposals, but I
21 think it's really important to note that in order to
22 be considered, you have to at least meet minimum
23 thresholds and if you don't meet a minimum threshold
24 like being able to demonstration financial capacity,
25 experience, innovative sustainability design, and the

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 298

1 program; those are the sort of minimum thresholds
2 that we need to start with. So I think going
3 forward, and we've sat down I think specifically with
4 some of the groups that you in particular know and
5 work with; we've talked through with them about what
6 were some of the gaps in their application; we are
7 very committed to doing that; we, as I mentioned
8 earlier, that we will be working on an RFQ, or
9 Request for Proposals, later this year to really
10 encourage a diversity of applicants, so that maybe
11 people can also self-select, people who have more
12 experience with rehab, new construction, maybe
13 borough-specific. So while we understand I think
14 your overall concern, and certainly share it, we know
15 we need to make sure that we get the best developers
16 and we hope that that also includes local knowledge
17 and preference and we will continue to work at that.

18
19 COUNCIL MEMBER CUMBO: Just wanna
20 conclude by saying I am very disappointed that in
21 this process we did not have more individuals that
22 are reflective of the very communities that the work
23 is going to be completed in; I also wanna say that I
24 would also hope, which I've seen this is not
25 necessarily the case, that those numerous meetings

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 299

2 that the constituents come out for as part of NextGen
3 would greatly inform the developers in terms of what
4 process or application that they put forward so that
5 what all the residents have been saying is reflective
6 in the end product, and from what I understand,
7 there's a disconnect from the information that the
8 residents put forward and what actually comes out on
9 the end, and it's very important that they match up
10 so that people recognize that their time is valuable.
11 I do hope that in the process moving forward, and I
12 don't know why at 2016 we're still trying to get
13 groups together in that way; that you do assist them
14 with their application so that in the next round we
15 start to see some new faces as part of the
16 development process and that some new people are
17 empowered to work within the communities. So those
18 are my main and also recognizing that we have to make
19 sure that security and upgrades are happening in all
20 of the buildings and developments where NextGen is
21 going to be located, so that way everyone in a
22 community feels safe, recognizes that there is safety
23 and equality throughout the entire development, not
24 just for the new development or the building that
25 will be existing, that there are security

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 300

2 enhancements all across the board so that everybody
3 in the development feels safe.

4 CO-CHAIR TORRES: Thank you, Council
5 Member Cumbo. I have a few more questions. As you
6 know, I've been an enthusiastic supporter of the use
7 of public-private partnerships, because I think
8 Triborough is an example of how leveraging public-
9 private partnerships can fundamentally transform the
10 living conditions of tenants, and by all accounts,
11 the tenants are fundamentally happier with their
12 developments now, compared to a few years ago, even
13 though there was originally some anxiety, and my
14 understanding is that Triborough was recapitalized,
15 about 1,000 units, and so I have a few questions
16 about... I guess first; how is Triborough going and
17 then I wanna ask how these public-private
18 partnerships fit into the Mayor's Housing Plan, but...
19 [interpose]

20 SHOLA OLATOYE: Sure.

21 CO-CHAIR TORRES: if you wanna make a few
22 remarks about Triborough.

23 SHOLA OLATOYE: Sure. So thank you for
24 your query; I think you were on the tour where we got
25 to see some of the... [interpose]

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 301

CO-CHAIR TORRES: I was not, no.

SHOLA OLATOYE: Oh, well some folks from
your office, where we took folks to see one of the 10
buildings that were recapitalized. So as a recap,
these were 10 buildings that were Section 8
properties, meaning that there was no other federal
dollars coming to them except the Section 8 contract
in rent and they were in terrible condition and there
were huge numbers of vacancies because we literally
could not house people in the units because of the
significant deteriorating roof repairs and other
things. Through this public-private partnership we
were able to recapitalize those buildings, deliver
more than \$80 million in capital improvements to
those buildings and I think, as you said, you know
there was a fair amount of anxiety about what this
meant; I think a couple of things; one, we have made
a commitment to doing things differently in New York
and protecting the rights of tenants; making sure
that people's rent does not go up, doesn't go above
the 30 percent of household income threshold; making
sure that people can live in their homes as
construction is happening; choosing high-quality
developers who can effectuate that, and so just

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 302

1 anecdotally, I will tell you; I can see one of the
2 buildings from my window and it has totally
3 transformed not only the street character, because
4 they've begun the commercial work; they've repointed
5 these buildings; residents have new kitchens and
6 bathrooms; one resident said for the first time in 20
7 years she's not embarrassed to invite her family over
8 to her home. So again, just fundamentally changing
9 what's happening in those people's lives, while also
10 protecting affordable housing.
11

12 Going forward, we expect... our development
13 work will be through public-private partnerships,
14 whether that's through the Rental Assistance
15 Demonstrations program; whether that's through
16 conventional Low-Income Housing Tax Credit financed
17 projects; whether that's through tenant protection
18 vouchers, etc.; we know that we have to work with
19 developer partners of all levels and persuasions and
20 we are committed to doing that going forward.

21 CO-CHAIR TORRES: Yeah. There are
22 developments that have not seen investments in
23 decades and you know typically when we speak of
24 preservation in a public housing context, it means
25 piecemeal improvements, you know maybe a few bricks,

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 303

2 boilers. You know under these public-private
3 partnerships, not only do you have real renovations
4 in the exterior, but you have extensive rehab..

5 SHOLA OLATOYE: Right.

6 CO-CHAIR TORRES: within the apartments
7 themselves, so it's a level of investment that these
8 developments would not have seen before.

9 SHOLA OLATOYE: That's right.

10 CO-CHAIR TORRES: As we had with.. Now the
11 1,000 units in Triborough; did that count toward the
12 Mayor's plan to preserve 120,000 units over the next
13 10 years?

14 NICOLE FERREIRA: Yeah. So the
15 Triborough transaction did.. those were Section 8
16 properties that NYCHA had owned already, so the
17 recapitalization was counted towards the housing
18 plan, yes.

19 CO-CHAIR TORRES: And it counts toward
20 the Mayor's plan because it's preservation in the
21 full **[inaudible]**..

22 NICOLE FERREIRA: That's right.

23 CO-CHAIR TORRES: and you're accessing
24 the same financing tools, tax credits, it gets tax
25 exempt bond financing..

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 304

2 NICOLE FERREIRA: Right.

3 CO-CHAIR TORRES: and you're gonna use
4 those same tools with respect to RAD conversions;
5 right? Will the units that you convert through RAD
6 count toward the Mayor's preservation efforts?

7 NICOLE FERREIRA: So the RAD program is a
8 little bit different because they are public housing
9 converting to Section 8, so it's a separate
10 preservation program.

11 CO-CHAIR TORRES: So is that a no?

12 SHOLA OLATOYE: They will not count...

13 NICOLE FERREIRA: Right.

14 SHOLA OLATOYE: towards the Mayor's
15 120,000 units.

16 CO-CHAIR TORRES: But that sounds
17 ridiculous, because you're using the same exact tools
18 as you did with Triborough and then when you
19 recapitalize these properties 15 years, it's gonna be
20 project-based Section 8...

21 SHOLA OLATOYE: Correct.

22 CO-CHAIR TORRES: so I'm not clear... I
23 mean I guess you don't make that decision, but I
24 think it's ridiculous that the Mayor's Office, that
25 the Mayor's Office is not counting these units

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 305

towards the 120,000 goal; I think it sends a message
that NYCHA receives second-class treatment.

Triborough, how much did Triborough
receive in terms of bond financing?

NICOLE FERREIRA: It was... I don't know
the exact number off the top of my head, but a couple
\$100 million in bond financing **[inaudible]**...

[crosstalk]

CO-CHAIR TORRES: And bond financing was
critical to make the transaction work; could it have
worked without the bond financing?

NICOLE FERREIRA: No.

CO-CHAIR TORRES: So for these public-
private partnerships to work effectively, you need
the buy-in and the cooperation of the City,
particularly HDC?

NICOLE FERREIRA: Correct.

CO-CHAIR TORRES: Do you have a
commitment of bond financing from HDC for these RAD
conversions?

SHOLA OLATOYE: So I would just add; it's
either the City or the State and we're working with
the State on our first RAD project right now. What
we do have is a commitment by the City to help do our

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 306

new construction deals; we are working through the
broader issues -- this bond cap is a limited resource
and I know that this is something that the Deputy
Mayor and my fellow commissioners were all focused
on, particularly given the current context, so while
we don't have a specific commitment around our RAD
portfolio, we are confident that we will be able to
work with our city and our state colleagues to help
execute on this. RAD was featured prominently in the
Governor's budget; we know that this is something
that is very important to that policy agenda as well,
so we look forward to really working with our city
and state colleagues to make it a reality.

CO-CHAIR TORRES: But my understanding is
that NextGen NYCHA and these RAD conversions are part
of the Mayor's Housing Plan, right; that NYCHA is
every bit as part of the Mayor's Housing Plan as HPD...
[interpose]

SHOLA OLATOYE: Yes.

CO-CHAIR TORRES: is that... that was my
understanding; you were... he announced his housing
team all at the same time.

SHOLA OLATOYE: That's right; I was
there.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 307

2 CO-CHAIR TORRES: So it just puzzles.. So
3 if the State does not provide you with the bond
4 financing that you need; do you have a commitment
5 from the City that it will fill that gap with its own
6 bond financing?

7 SHOLA OLATOYE: We have a commitment that
8 the City is going to work with us to get this
9 pipeline done. I think that there a lot of pieces
10 that are still in play; depending on what happens in
11 Washington, right; that's why we have been so I think
12 aggressive trying to get some real commitments from
13 HUD, because you know we need Section 8 vouchers, we
14 need tenant protection vouchers.. [interpose]

15 CO-CHAIR TORRES: But assuming you have
16 everything, all the approvals, all the voucher, but
17 the one thing you need is bond financing and the
18 State is not willing to provide it to you; is the
19 Mayor's Office; is HDC willing to provide you with
20 the bond financing that you need to make these
21 public-private partnerships work?

22 SHOLA OLATOYE: I'm confident that the
23 City is gonna work with us so that we can meet our
24 commitments and the Mayor's commitment.
25

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 308

2 CO-CHAIR TORRES: Right. And I just
3 wanna say; I think it's insulting that the extensive
4 rehab and preservation of RAD units does not count
5 toward the Mayor's plan, so I think it's outrageous
6 and I hope the administration rethinks its position
7 on it. Yes, Council Member Salamanca.

8 COUNCIL MEMBER SALAMANCA: Thank you,
9 Mr. Chair.

10 Madame Chair, I have questions in terms
11 of the Summer Meals, the Summer Meals... [crosstalk]

12 SHOLA OLATOYE: Summer Meals.

13 COUNCIL MEMBER SALAMANCA: Yes. It's my
14 understanding that as of late, NYCHA has agreed to
15 host Summer Meals this year... [crosstalk]

16 SHOLA OLATOYE: That is correct.

17 COUNCIL MEMBER SALAMANCA: So my question
18 is; where in the City budget does the funding to host
19 the NYCHA Summer Meals come from?

20 SHOLA OLATOYE: It will be something that
21 is funded by NYCHA; it is not in the City budget.

22 COUNCIL MEMBER SALAMANCA: Alright. So
23 how do we ensure that these Summer Meals are not at
24 risk every year in terms of being cut; how can we
25 keep these programs on every year?

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 309

SHOLA OLATOYE: So one of the things that
we had been working towards actually, is working with
our colleagues at the Department of Youth and
Community Development, because they are actually
equipped to run and they run the City's Summer Meals
Program. We were working very closely; they actually
asked us to continue to run these, 'cause they
weren't quite... their ability for their contracting
process had not begun. We are working very closely
with them so that there isn't an interruption in
services, that there isn't an interruption in the
provision of meals to young people, etc. We will
operate these programs for another year; in the
interim, DYCD is going to move forward its
contracting process to make sure that it can augment
it to receive the current NYCHA program and we expect
that next year DYCD will probably be running this
program.

COUNCIL MEMBER SALAMANCA: Okay.
Alright. My other question is; I wanna go back to
the gang rates. So the DA's office, when they
arrested these individuals, charged them; what
happens post pleas; are they allowed to come back to
these NYCHA developments?

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 310

2 SHOLA OLATOYE: So the NYPD arrests them,
3 they are charged with whatever, you know, and we
4 should just... I mean, we are not privy to all of the
5 inner workings of these law enforcement agencies, and
6 as I understand it, the number of people who were
7 arrested who actually reside in NYCHA was very small,
8 so a couple of things; and I think you're referring,
9 really, underlying your question is the issue of
10 permanent exclusion. So we've been working really
11 closely with advocates and others around a review of
12 our permanent exclusion policy; the first thing is,
13 it's important to note that we've completely revamped
14 the process of actually getting information from
15 NYPD; do we know who those people are, so now we know
16 within a week, we are prioritizing that we know the
17 most serious alleged offender, so we're talking about
18 gun violence, sex crimes, murders, etc., and then our
19 process is now very concise in our ability to
20 approach the tenant or record to gather the amount of
21 evidence that we need to demonstrate that there may
22 be an issue with regard to tenancy; that's full stop.
23 So we now have improved that process over the last
24 six months. And then we work with the family to
25 determine; is this someone who we want to be in this

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 311

2 apartment versus... [bell] and if we have information
3 and evidence to suggest that they shouldn't, we are
4 able to move much more quickly through our process to
5 determine... to protect the tenancy of the family and
6 keep the potential offender out of the home.

7 COUNCIL MEMBER SALAMANCA: Alright. Can
8 I ask one more question? My last question has to do
9 with dog, Pit Bulls. Speaking to my constituents,
10 there's concerns about NYCHA residents, they have Pit
11 Bulls in their apartments, which it's my
12 understanding it's illegal... it's against NYCHA
13 guidelines to have Pit Bulls in these apartments.
14 How does NYCHA enforce this?

15 SHOLA OLATOYE: This is a really hard
16 issue; I'm just gonna be totally candid. We cannot
17 seize people's personal property even though they may
18 be a banned breed and then NYPD is not responsible
19 for enforcing NYCHA house rule and there is an Animal
20 Control Center that has no enforcement capacity. I
21 was on the phone this morning in fact with the
22 Director of the Animal Control Center to talk about
23 this very issue, because it is one not only because
24 of the horrible attack that two of my employees
25 suffered recently, but it's something that in

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 312

addition to caretaker vacancies that I hear
constantly when I'm visiting developments.

So the process is that residents are
required to register their animal under 25 pounds;
that is permissible; there is a small fee I believe
of \$25, and there are some developments where they
have high registration numbers and they have people
who pay fees and it works. If by visual inspection
our staff find that someone has a dog that is over
that weight limit -- which visually you already can
tell this gets a little complicated; how can you tell
if someone is 25 pounds versus 30 -- if there is a
visual inspection that there is a dog that is over
the weight limit or that there is a banned breed in
the home, the resident is called into the management
office and told that they have to remove the dog;
they're in violation of their tenancy; they're given
a period of time to cure that, remove the dog in some
form or fashion, or we then begin tenancy action and
in our parlance, tenancy action actually means
beginning the process towards eviction; the lease is
the only tool that we have to enforce the rules that
we set forth.

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 313

I will tell you, we have not been
terribly successful in evicting people because of a
dog; it is horrible that this is oftentimes a post
issue, when something terrible has happened. So it
is something that we are working with and really
seeking to find a better solution, both with other
agencies, NYPD, as well as our residents and I think
part of our effort is going to be around broad public
education, around what the rules are, around safety;
we're looking at in some of our developments actually
having more sort of segregated sort of areas where
animals can be. So this is a very fluid issue; we
enforce them when we are able to visually see that
someone is in violation and then ultimately that is
then left up to the discretion of the administrative
hearing judge as to whether or not a tenancy action
is **[inaudible]**.

COUNCIL MEMBER SALAMANCA: Alright, thank
you.

CHAIRPERSON FERRERAS-COPELAND: Thank
you, Council Member. And I just want to acknowledge
that we've been joined by the Girl Scouts of Greater
New York City, Troop 3484. Hello. [background

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 314

1 comments] Welcome to City Hall. [clapping] Welcome
2
3 to City Hall, ladies. [background comments]

4 [clapping, background comments]

5 So we thank you for doing all that you do
6 for New York City and we are doing an oversight
7 hearing now of our City's budget, which is \$82
8 billion. So thank you for coming today.

9 We will now pass it over to the co-chair
10 before we end the hearing.

11 CO-CHAIR TORRES: I have no questions,
12 but I do wanna just reiterate my frustration...

13 SHOLA OLATOYE: Okay.

14 CO-CHAIR TORRES: which is; I resent what
15 I see as the marginalization of NYCHA within the
16 Mayor's Housing Plan, the treatment of NYCHA as a
17 second-class partner, right; the City is coming to
18 you and saying we will use your land for our units,
19 but we will guarantee you no bond financing for your
20 units, right; you know we're not gonna count your
21 units toward our preservation effort; I think that's
22 nonsense and the relationship between NYCHA and the
23 City should be a mutually beneficial relationship;
24 not a parasitic relationship and so I just wanted to
25 make my opinions known on that subject. With that

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 315

2 said, this hearing is adjourned -- [background
3 comments] oh wait...

4 CHAIRPERSON FERRERAS-COPELAND: Wait,
5 wait... [laugh] Thank you, Chair. This concludes our
6 hearing for today; we are going to be getting
7 additional questions to you from both of our
8 committees...

9 SHOLA OLATOYE: Okay.

10 CHAIRPERSON FERRERAS-COPELAND: we need
11 you to get them back to us, the responses back as
12 soon as possible, 'cause we're... [interpose]

13 SHOLA OLATOYE: You'll get those to us
14 when?

15 CHAIRPERSON FERRERAS-COPELAND: We're
16 gonna get it to you within the next two days...

17 SHOLA OLATOYE: Okay.

18 CHAIRPERSON FERRERAS-COPELAND: and if
19 you can get 'em back to us within that time, we'll be
20 using it for negotiating purposes for the budget...

21 SHOLA OLATOYE: Okay.

22 CHAIRPERSON FERRERAS-COPELAND: okay?

23 SHOLA OLATOYE: Thank you.

24 CHAIRPERSON FERRERAS-COPELAND: Alright.

25 This concludes our hearing for today; the Finance

COMMITTEE ON FINANCE, JOINTLY WITH THE COMMITTEE ON
LAND USE, COMMITTEE ON TECHNOLOGY, COMMITTEE ON
CULTURAL AFFAIRS, LIBRARIES & INTERNATIONAL
1 INTERGROUP RELATIONS, THE SUBCOMMITTEE ON LIBRARIES,
AND THE COMMITTEE ON PUBLIC HOUSING 316

2 Committee will resume Executive Budget Hearings for
3 Fiscal 2017 tomorrow, May 20th at 10 a.m. in this
4 room. Tomorrow the Finance Committee will hear from
5 the Department of Parks and Recreation, City
6 University of New York and the Department of Veteran
7 Affairs. As a reminder, the public will be invited
8 to testify on Tuesday, May 24th, the last day of
9 budget hearings, at approximately 3 p.m. in this
10 room. For any member of the public who wishes to
11 testify but cannot make it to the hearing, you can
12 e-mail your testimony to the Finance Division at
13 financetestimony@council.nyc.gov and the staff will
14 make it a part of the official record.

15 Thank you and this hearing is now
16 adjourned.

17 [gavel]

18

19

20

21

22

23

24

25

C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date June 19, 2016