

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEES ON FINANCE, GENERAL WELFARE AND  
WOMEN'S ISSUES

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May 26, 2009  
Start: 10:21am  
Recess: 5:50pm

HELD AT: Council Chambers  
City Hall

B E F O R E: DARLENE MEALY, BILL DE BLASIO  
and DAVID WEPRIN  
Chairpersons

COUNCIL MEMBERS:

- Council Member Gale A. Brewer
- Council Member Elizabeth Crowley
- Council Member Helen D. Foster
- Council Member Letitia James
- Council Member Simcha Felder
- Council Member Julissa Ferrera
- Council Member Lewis A. Fidler
- Council Member Vincent J. Gentile
- Council Member Alan J. Gerson
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- Council Member Jessica Lappin
- Council Member Melissa Mark-Viverito
- Council Member Diana Reyna
- Council Member Joel Rivera
- Council Member James Sanders, Jr.

## A P P E A R A N C E S

## COUNCIL MEMBERS:

Council Member Helen Sears  
Council Member Thomas White, Jr.  
Council Member David Yassky

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

Robert Doar  
Commissioner  
Human Resources Administration,  
Department of Social Services

Kathleen Tyler  
Deputy Commissioner  
Human Resources Administration's Budget Office  
Department of Social Services

Matthew Bruni  
Director  
HIV/AIDS Services Administration  
Human Resources Administration, Department of Social  
Services

Seth Diamond  
Executive Deputy Commissioner, Family Independence  
Administration  
Human Resources Administration, Department of Social  
Services

John Mattingly  
Commissioner  
New York City Administration for Children's Services

Susan Nuccio  
Deputy Commissioner for Financial Services  
New York City Administration for Children's Services

Melanie Hartzog  
Deputy Commissioner for Childcare and Head Start  
New York City Administration for Children's Services

Rob Hess  
Commissioner  
New York City Department of Homeless Services

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

Steve Pock  
Deputy Commissioner, Fiscal and Procurement Operations  
New York City Department of Homeless Services

Lula Urquhart  
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Kristin Goodwin  
Director of New York Policy and Organizing  
Housing Works, Inc.

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

Nicole Branca  
Policy Director  
Supportive Housing Network of New York

Angelina Malvisio  
Resident  
City family shelter

Piper Hoffman  
Director of Advocacy  
Partnership for the Homeless

Matthew Lesieur  
Member  
HIV Planning Council

Maricella Gilbert  
Clinical Director  
Center for Community Alternatives

Michael Lambert  
Program Director  
New York Children's Health Project

Gregory Brender  
Policy Analyst  
United Neighborhood Houses

Wanda Fossett  
Representative  
Community Voices Heard

Janet Rivera  
Board Member  
Community Voices Heard

Edith Holzer  
Director of Public Affairs  
Council of Family and Childcaring Agencies

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

Carol Corden  
Executive Director  
New Destiny Housing Corporation

Robert Cizma  
Vice President of Mental Health and Preventive  
Services Division  
Jewish Childcare Association

Triada Stampas  
Director of Government Relations and Public Education  
Food Bank for New York City

Jose Belizario  
Administrator  
Momentum Project, Inc.

Richard Graham  
Client  
Momentum Project, Inc.

2 [gavel]

3 SERGEANT-AT-ARMS: Quiet, please.

4 CHAIRPERSON DE BLASIO: Good

5 morning. This, a joint budget hearing of the  
6 Committee on General Welfare, and the Finance  
7 Committee, is now called to order. Chair Weprin  
8 of the Finance Committee will be joining us  
9 shortly. Like to acknowledge Council Member  
10 Julissa Ferreras, and Council Member Simcha  
11 Felder, and Council Member Tish James. Thank you  
12 all for being here. I want to thank the staff who  
13 helped put together this hearing, including Molly  
14 Murphy, Migna Taveris and Crystal Coston.

15 Crystal, I'm sorry, I said, I didn't get my "L" in  
16 there. Crystal. I wanted to say at the outset  
17 that this is a--Oh, I'm sorry, and we've also been  
18 joined by Gale Brewer from the General Welfare  
19 Committee. I want to say at the outset that this  
20 is a meaningful day for me personally. It's the  
21 last time I will be chairing a budget hearing of  
22 the General Welfare Committee, and I just want to  
23 say it has been an honor to serve as Chair of this  
24 Committee over the last eight years. And I want  
25 to say to so many of you in the room I've had the

2 opportunity to work with, thank you for having  
3 been such wonderful partners and such passionate  
4 advocates in the work you do. And today,  
5 obviously, we have this hearing at a moment that  
6 is of great concern to us all because of what's  
7 happening in our City and with our economy. And  
8 we're in the middle of the worst economic crisis  
9 our City has faced in decades. And as I've said  
10 repeatedly, we must ensure that the City is taking  
11 the right steps to feed the hungry and help people  
12 get out of poverty and back into the workforce,  
13 especially at this moment in history. But  
14 unfortunately these problems for now are only  
15 getting worse. The costs of food and other  
16 necessities have been rising for years, which  
17 means that New Yorkers are struggling to meet  
18 basic needs, especially New Yorkers at the lowest  
19 income levels. And unfortunately, even though  
20 these problems are evidently and obviously getting  
21 worse, this City's budget, this budget proposal,  
22 does less to address them than we have in the  
23 past. HRA is eliminating 424 City funded  
24 positions in the coming fiscal year. Now we  
25 under--we need to understand, this is part of what

2 we want to get at today: How this will affect the  
3 work of the agency overall, especially because HRA  
4 is still losing hundreds of provisional workers in  
5 the coming months. Despite our efforts and other  
6 efforts to try and avoid that, that still is the  
7 plan, and that combined impact could cause, I  
8 think, a huge diminution in the agency's capacity.  
9 In addition to the fact, as I have said and many  
10 of my colleagues have said, that whenever we're  
11 laying people off, it is exactly the reverse of  
12 what the federal stimulus means to achieve,  
13 because we're literally as a City helping to put  
14 families into a worse situation by ending people's  
15 jobs. And I think there's a huge contradiction in  
16 that. Now, as we discussed at the preliminary  
17 budget hearing in March, we need to know whether  
18 these losses of experienced workers could be  
19 avoided, and can be avoided, moving forward. Now,  
20 I'm happy to see on the, let me talk about jobs  
21 for a moment, I'm happy to see that HRA will begin  
22 a temporary subsidized jobs program in 2010,  
23 modeled after the successful transitional jobs  
24 programs in the Parks and Sanitation Departments.  
25 As we discussed at our hearing in February on

2 transitional jobs, and at the preliminary budget  
3 hearing, I applaud that commitment, but think we  
4 need to go much further. The City is spending  
5 \$150 million on the Back to Work program, which  
6 aims to place people into permanent jobs; and yet,  
7 as was clear at our hearing a few weeks ago,  
8 according to the Independent Budget Office,  
9 "Roughly two-thirds of clients who are placed in  
10 unsubsidized positions through Back to Work, and  
11 retain those jobs for 30 days, are no longer in  
12 the same jobs five months later." The IBO's  
13 report suggests that the City's approach is not  
14 working, and people are on something that may be a  
15 public assistance merry-go-round. As the number  
16 of jobs goes down during recession, which makes  
17 job placement harder, we need to take a look at  
18 serious changes and a bigger vision of change for  
19 our approach to getting people into work. Now, I  
20 recommend that 25 percent of the Back to Work  
21 contract funding be used to expand transitional  
22 jobs programs where people are paid for the work  
23 and receive support to ensure employment success.  
24 That's the kind of real commitment we need.  
25 Investment the City makes in employment training

2 programs needs to pay off now more than ever, so  
3 that people in the program aren't wasting their  
4 time and taxpayers aren't wasting their money. On  
5 the topic of food, which has been food, nutrition,  
6 hunger have been profound concerns of this  
7 committee for the last eight years. Once again,  
8 we see in the executive budget that funding for  
9 the Emergency Food Assistance Program is cut, in  
10 this case by \$2 million. Despite some increases  
11 from the federal stimulus package and the State,  
12 it's not enough to get us to the point where we  
13 can meet the need. According to the food bank for  
14 New York City, nearly half of all emergency food  
15 organizations have had to turn people away,  
16 because more people are coming to their doors and  
17 they don't have enough food, and private donations  
18 have been down as a result of the recession.  
19 According to recent HRA estimates, 15 percent more  
20 individuals were served at food pantries in  
21 January to March 2009, than at the same time lasts  
22 year, and eight percent more meals were served in  
23 soup kitchens. We need the City to support these  
24 programs, to hedge against the recession, and  
25 public money, public services to stabilize this

2 safety net. Now is not the time to be cutting it.  
3 On the topic of housing, I remain troubled about  
4 the cuts to HASA services for people living with  
5 HIV and AIDS. New York City cannot be complacent  
6 about HIV/AIDS. August 2008 figures from the  
7 City's Department of Health suggests that New  
8 Yorkers are contracting HIV at three times the  
9 national rate. In addition, we're seeing  
10 increased rates of homelessness among this  
11 population. According to HRA's own data, 22  
12 percent more people with HIV and AIDS are living  
13 in commercial SROs as of March 2009, than just  
14 about two years earlier in April 2007. Yet the  
15 City is cutting case management and supportive  
16 housing services to HASA clients, as we talked  
17 about at the preliminary budget hearing. In  
18 addition, the City recently instituted a policy  
19 requiring homeless families, again on the topic of  
20 housing, requiring homeless families who pay--  
21 excuse me, homeless families who work to pay for  
22 the costs of shelter. But the City then  
23 backtracked, because those families weren't  
24 appropriately informed. HRA is responsible for  
25 calculating the amount of the contribution, and

2 according to the New York Times, HRA was at least  
3 partially responsible for some of the notices not  
4 getting to families. This policy is backwards to  
5 begin with, but due to the errors, City agencies  
6 cause families undue stress and hardship, which is  
7 unacceptable, and today we'll ask why that  
8 happened and how that happened. So, in summation,  
9 in such a fragile economy, we should be supporting  
10 the most vulnerable New Yorkers, and not taking  
11 services away from them. And that's what we want  
12 to focus on in the budget hearing today. Before I  
13 turn to Commissioner Doar, I'd like to welcome--is  
14 that you, Mr. Jackson? Council Member Robert  
15 Jackson. And now, Commissioner, we welcome your  
16 testimony.

17 ROBERT DOAR: Good morning,  
18 Chairman De Blasio, and members of the General  
19 Welfare and Finance Committees. Joining me this  
20 morning is Kathleen Tyler, Deputy Commissioner for  
21 the Human Resources Administration's Budget  
22 Office. As I am sure you are well aware, the  
23 significant reductions in City revenue, and the  
24 even more troubling revenue picture at the State  
25 level, have required a series of spending

2 reduction actions that impact all agencies for the  
3 2010 fiscal year, as well as for at least the next  
4 two fiscal years. For HRA, this has meant  
5 identifying more than \$628 million in savings for  
6 the period from fiscal year 2008 through fiscal  
7 year 2012, including a reduction in our budgeted  
8 workforce by more than 760 positions. For the  
9 current fiscal year 2010 executive budget, we have  
10 identified an additional \$21.4 million in savings  
11 beyond previous savings exercises, bringing the  
12 total fiscal year 2010 savings to more than \$151  
13 million. Over the past year, I have told you that  
14 we were able to find the necessary savings by  
15 maximizing state and federal revenues, and  
16 implementing administrative and programmatic  
17 efficiencies, while at the same time protecting  
18 our core client services. This continues to be  
19 our approach. My primary focus during the  
20 development of this and earlier budgets has been  
21 to protect services to our most vulnerable  
22 citizens, such as those served by our Adult  
23 Protective Services Unit, as well as to make sure  
24 we continue to the goals of our core services,  
25 such as food stamps, cash assistance, child

2 support enforcement and medical assistance  
3 programs. While it is essential to make sure we  
4 can maintain our present level of commitment, it  
5 is equally important to be ready to meet any  
6 increased demand when it occurs. The Food  
7 Assistance Program caseload continues to grow  
8 significantly each month. Enrollment in the  
9 program grew by 28,000 in April and has increased  
10 by a total of 96,000 in the first quarter of 2009.  
11 With the April increase, those receiving food  
12 stamp benefits independent of cash assistance and  
13 supplemental security income, has increased by  
14 more than 50 percent in the last two years, and by  
15 265 percent since 2002. These increases have been  
16 made possible by our successful efforts to  
17 streamline the application process so that it is  
18 faster, simpler and more convenient for clients  
19 and workers, while maintaining our commitment  
20 countering waste and fraud through the use of  
21 finger imaging technology. At the same time that  
22 we have met increased demand for our services, we  
23 have also increased our timeliness rate,  
24 processing applications and determining  
25 eligibility for 89 percent of applicants within

2 the required timeframe of 30 days. This is a  
3 remarkable achievement. One of the most recent  
4 access improvements we have made is allowing  
5 people to recertify for food stamp benefits, using  
6 an integrated voice response system, IVRS. This  
7 option is available to certain households with  
8 elderly or disabled adults, and allows the  
9 recipient to recertify 24 hours a day, seven days  
10 a week, from any touchtone phone. Since IVRS was  
11 implemented citywide in March, over 1,300  
12 individuals have used it to complete their  
13 recertification requirement. Having praised our  
14 improvements in access, I also need to let you  
15 know that we have seen a small increase in food  
16 stamp error rates that I am conscious of and am  
17 closely monitoring. For cash assistance, the  
18 caseload appears to have stabilized. Prior to  
19 2009, there was a continual downward trend in cash  
20 assistance, while at the beginning of this year,  
21 there was a slight increase in caseloads for  
22 February and March. However, in April, there was  
23 a slight decline of approximately 1,000  
24 individuals. Conversely, the medical assistance  
25 public health insurance roles increased by

2 approximately 6,000 enrollees in April, and by a  
3 total of 44,000 enrollees during the first quarter  
4 of 2009. The story of public health insurance  
5 enrollment is one of stops and starts. From early  
6 2002, we saw an increase that lasted until the end  
7 of 2005. And then the rolls stabilized for almost  
8 a three year period, until August 2008, when the  
9 number of New Yorkers covered by public health  
10 insurance started up again. The budget also takes  
11 into consideration recent changes enacted as part  
12 of the State's 2009/2010 budget passed in April.  
13 Of particular concern was a decision proposed by  
14 the governor and agreed upon by the legislature,  
15 to eliminate the local administrative fund. This  
16 decision removes the State's financial support for  
17 the food stamp and safety net programs, and  
18 created a \$40 million deficit to the HRA programs.  
19 The State budge also provided a 30 percent  
20 increase to the cash assistance basic allowance  
21 that will be phased in over a three year period.  
22 For the first three years, the incremental costs  
23 will be covered with State and federal dollars, at  
24 no local cost--the federal shares available  
25 through the TANNIF contingency fund that the State

2 was able to qualify for as a result of the efforts  
3 of local districts in increasing the enrollment in  
4 the food stamp program. After the initial three  
5 year period, the three plan is for the local share  
6 to be picked up by local districts and will become  
7 part of the budget process for forecasting cash  
8 assistance costs going forward. Other notable  
9 expenditures in the State's budget include a new  
10 funding for transitional jobs, of which HRA  
11 anticipates receiving some funds, once the State  
12 Office of Temporary and Disability Assistance  
13 determines the distribution with the bulk of the  
14 funding to be directly administered by OTDA, using  
15 a contracting process. We look forward to using  
16 our allocation of these funds to build upon our  
17 present success with employment programs, that has  
18 resulted in the placement of more than 25,000 cash  
19 recipients into jobs already this year. Also, the  
20 second phase of the child support pass-through  
21 increases that began in last year's State budget  
22 will continue. This provides that in addition to  
23 passing through custodial parents on cash  
24 assistance the first \$100 in collections made on  
25 their behalf, parents with two or more children

2 will now receive an additional \$100 pass-through  
3 collections made, of collections made on their  
4 behalf. As I mentioned earlier, we were able to  
5 continue to maximize federal reimbursement,  
6 particularly in Medicaid and food stamp employment  
7 and training. Through our increased efforts and  
8 attention to Medicaid fraud deterrents and  
9 recovering, and through reorganizing workloads to  
10 focus solely on Medicaid, we are able to claim 100  
11 percent of the costs of an additional 19 staff  
12 towards Medicaid. We also adjusted our budget to  
13 correctly reflect the actual claiming process  
14 under the Federal Food Stamp Employment and  
15 Training program. However, in our We Care  
16 program, we have budgeted for a reduction in our  
17 vendor contract by 3.3 percent, but are confident  
18 that our vendors will be able to absorb the  
19 reduction with minimal adverse effect on our  
20 clients. In addition, I have asked our  
21 information technology staff to find \$1.2 million  
22 in savings in order to minimize cuts to our direct  
23 services. Approximately 30 percent of this  
24 reduction is in permanent discretionary spending,  
25 and will therefore result in some slowdowns in

2 purchasing, installations and maintenance  
3 requests. However, by reducing some of our  
4 inventory, scaling back on software and hardware  
5 purchases, leveraging in-house technology, and  
6 expanding our use of web-based applications to  
7 maximize the capacity of our servers and personal  
8 computers, we will be able to maintain our present  
9 service levels and manage anticipated new demands.

10 I want to assure you that I remain committed to  
11 utilizing and expanding the use of technology  
12 throughout our human service system, but I needed  
13 to turn towards our more administrative functions  
14 for savings. We also met our target through the  
15 elimination of 145 positions in head count  
16 vacancies, and are developing the allocation plan  
17 with the expectation of taking a majority of these  
18 vacancies against our administrative areas.

19 Although we are not laying off staff as part of  
20 this budget, we recognize that the citywide  
21 redeployment of staff cut from other agencies,  
22 will result in the displacement of HRA staff, as  
23 laid off employees from other agencies assert  
24 their civil service bumping rights. I also want  
25 to take a moment to address reductions we are

2 making within our HIV/AIDS services administration  
3 HASA program. I need to reiterate that we have  
4 thoroughly reviewed the potential impact of these  
5 changes, and are prepared to move forward with  
6 them. To review, we are allowing the Scatter Site  
7 II service contracts to expire on their natural  
8 termination dates, due to the loss of state  
9 funding. No one will lose their housing, and we  
10 have spent the last several months ensuring that  
11 every client will continue to receive an  
12 appropriate level of case management and services,  
13 in order to maintain their housing stability. We  
14 are also altering the structure of our contracted  
15 case management program, to make the client to  
16 case manager ratio more appropriate. No contracts  
17 are being eliminated, and the two layers of case  
18 management provided through HASA and contractor  
19 case management will continue. This morning, I  
20 have highlighted the different budget cuts that we  
21 have made due to the unprecedented fall in  
22 revenues to the City and State governments. But  
23 it is also well to point out what we have not cut,  
24 and what we have maintained and even enhanced in  
25 New York City's efforts to help low income

2 families. We have implemented an increase in food  
3 stamp benefits, bringing in more than \$20 million  
4 additional dollars to low income New Yorkers each  
5 month. We've increased the child support pass-  
6 through of collections made on behalf of families  
7 on cash assistance. We have continued our  
8 commitment to vulnerable and elderly residents  
9 through our expansive homecare program, that  
10 allows people to remain in the community. We have  
11 maintained our commitment to people living with  
12 HIV/AIDS through a HASA program. We have created  
13 and funded an innovative neighborhood improvement  
14 program, aimed at reducing the effects of the  
15 mortgage crisis in fragile neighborhoods, while  
16 providing valuable employment experience for hard-  
17 to-employee cash assistance recipients. We are  
18 also soon to launch a new employment program for  
19 non-custodial parents within our child support  
20 program. And along with our partners at the  
21 City's Department of Homeless Services, we support  
22 what is surely the most enriched housing  
23 assistance program in the country. So while I  
24 acknowledge that we have had to make some  
25 difficult reductions to our budget in response to

2 the dramatic and unprecedented fall off in State  
3 and City revenues, I believe HRA's 14,000  
4 employees can still be very proud of the array of  
5 services and supports we continue to provide to  
6 New York City's low income residents. And at this  
7 point I look forward to your questions.

8 CHAIRPERSON DE BLASIO: Thank you,  
9 Commissioner. Like to welcome Council Member  
10 Vincent Gentile. And Commissioner, I have  
11 questions on the areas that I laid out in my  
12 opening statement. I know my colleagues have a  
13 number of questions, as well. So I'm going to  
14 start and then we'll hear from some of my  
15 colleagues, and then I'm sure I'll have some  
16 follow-ups at the end. So, let me focus as I did  
17 in the statement first on the question of jobs,  
18 'cause I think this is what's on the mind of so  
19 many people in this City, and again this is to me  
20 the whole notion of the federal stimulus program  
21 was to stabilize state and local budgets, but it  
22 was also to get people to work and keep people at  
23 work, and keep the economy going. So, I want to  
24 raise, first of all, on the question of our  
25 approach to getting people into jobs. We, I'm not

2 going to rehash everything we went through in the  
3 previous discussions, 'cause obviously we have a  
4 difference on the question of whether Back to Work  
5 and, in a different, We Care, as you described in  
6 your testimony. We have differences on whether  
7 we're getting the impact for our dollar that we  
8 deserve. But I specifically want to ask you in  
9 the case of Back to Work, since you've now had  
10 time to reflect on the IBO's report, the IBO  
11 report, and the questions about how long people  
12 have stayed in their jobs, and about the question  
13 about how long we are able to sustain a policy  
14 that focuses on placement in the middle of an  
15 economy that's losing jobs, not adding jobs. I  
16 think you expressed a certain openness at our  
17 previous hearing to looking at the questions of  
18 transitional jobs, and considering whether it  
19 might be time for a policy shift. So, I know you  
20 have made a modest step in that direction, but I'd  
21 like to hear what you think of the notion of  
22 making an ore profound step in that direction,  
23 and, again fro the sake of discussion, I put  
24 forward the argument that we should take 25  
25 percent of our Back to Work dollars and apply them

2 to expanding transitional jobs programs, so we  
3 know we're actually getting people to work, and  
4 getting them on the route to long term self-  
5 sufficiency. What do you think of that proposal?

6 ROBERT DOAR: Well, in the context  
7 of the fact that the State of New York, using  
8 combination, I think mostly federal dollars, has,  
9 is about to make available to us. We anticipate  
10 an opportunity to do additional transitional job  
11 programs through allocations that were in the just  
12 recently passed State budget. I think that's what  
13 we really have to be ready to go with, as rapidly  
14 as possible, when that direction comes from the  
15 State. As you know, the State budget allocated  
16 several pots of money for transitional funds of  
17 different kinds. There's a green job allocation,  
18 there's a healthcare job allocation. I think then  
19 there's a sort of undefined, broad, broadly  
20 defined transitional jobs allocation. And the  
21 State has its own money to use in State funding  
22 contracts for transitional jobs. And all of that  
23 has not yet played out because the State agency  
24 needs to give us our allocation and tell us the  
25 direction that we need to have on how we can go

2 forward. And so, given that that still hasn't  
3 happened, and is anticipated very soon, I think  
4 that's where we really need to focus our energies  
5 going forward. That is a significant increase in  
6 the amount of dollars directly apportioned to  
7 transitional jobs. As you mention in your test--  
8 in your statement, HRA is also budgeted for  
9 expansion of the transitional jobs program within  
10 our own agency. So I think there's a lot of  
11 activity about to take place, and will be taking  
12 place, in the coming months already, and to, at  
13 the same, to them, so that's where I am on that.  
14 I, we've proposed a budget that continues to fund  
15 our Back to Work program at the rate that we have  
16 in the past, because that, those programs have  
17 been successful in helping people get into  
18 employment, and stay in employment. And we are  
19 not, we definitely don't think we should tie our  
20 arm behind our back in this particularly difficult  
21 time in helping people get into employment. So I  
22 think there's a lot of activity in transitional  
23 jobs, and there's going to be a lot of activity in  
24 transitional jobs, in the next six months.

25 CHAIRPERSON DE BLASIO: Okay, I'm

2 glad by the, I'm glad to hear the broad strokes of  
3 your answer, but I don't think it gets to the  
4 point I'm raising, so let me try again. In terms  
5 of what you've added to your approach, for the  
6 fiscal year 2010 budget, my understanding is  
7 you've taken the model, the successful model from  
8 Parts and Sanitation, and you're, you've budgeted  
9 for approximately 80 individuals to now  
10 participate in an expanded version of that.

11 ROBERT DOAR: In an additional,  
12 with HRA, that's correct.

13 CHAIRPERSON DE BLASIO: Within HRA,  
14 so 80 people, and that's good, and I commend you  
15 for doing that. But again, we're talking about  
16 our citywide employment crisis is huge, and the  
17 amount of money we're putting into the Back to  
18 Work program is very, very substantial. So, I  
19 came away from the previous hearings related,  
20 where we raised back to work, and remained  
21 unconvinced that we were getting enough bang for  
22 our buck, and remained unconvinced that a  
23 placement model works in a bad economy. And I  
24 think we had an honest debate on your facts and  
25 figures. I think you were the first to say

2 there's a certain amount of information we don't  
3 know, because we don't track folks in the programs  
4 past a certain point, or we don't have the, we  
5 don't hear from them past a certain point, so we  
6 don't know exactly whether they're still in jobs  
7 or not. We do know a substantial number come back  
8 to public assistance. I think you saw that as the  
9 glass half full, and I saw that as the glass half  
10 empty, but we know for a fact that a substantial  
11 number, at least 25 percent, come back to public  
12 assistance. So, again, I guess, I'm asking the  
13 question, if you're putting a substantial  
14 investment into Back to Work, and you're getting a  
15 limited return, and it's clear that jobs are not  
16 being created, why wouldn't we make--

17 ROBERT DOAR: Well, I--I would--

18 CHAIRPERSON DE BLASIO: --why  
19 wouldn't we change our policy.

20 ROBERT DOAR: I think the premises  
21 that you outline are not correct. We believe our  
22 substantial investment of Back to Work has been  
23 successful, we had 80,000 placements in employment  
24 during 2008, which was a national recessionary  
25 period. I think it was a remarkable achievement,

2 which the Back to Work program contributed to. We  
3 are on, that was more than we had in 2007. We are  
4 on course so far this quarter, our placement rate  
5 is about the same. So, we have not, as I think  
6 I've mentioned to you previously, Mr. Chairman,  
7 because of the fact that in the healthcare  
8 industry and in some industries that we have been  
9 able to make placements, we have not yet, although  
10 we're monitoring it very closely, had a situation  
11 where our placements have fallen off dramatically.  
12 And so I think that it would be a mistake to walk  
13 away from that, at this time, given the issues  
14 that we face. I think you received testimony from  
15 some of the vendors themselves. These are the  
16 City's leading employment contractors in the  
17 business of helping people get ready for and into  
18 work. It's difficult work, but I don't accept the  
19 notion that they are not successful.

20 CHAIRPERSON DE BLASIO: Okay. You  
21 said something telling in my opinion, you said  
22 that 2008 was a national recessionary, and I think  
23 it's broadly agreed that we were feeling the  
24 impact of that less than other jurisdictions. And  
25 that it's hitting us more now, and probably will

2 stay with us longer, unfortunately, after the  
3 fact, in part because that, there's some history  
4 of that being the case with New York City, and in  
5 part because of what's happened to Wall Street,  
6 which only took it's full shape in less than the  
7 last year. So, I guess I don't feel that the  
8 example of 2008 is the one to look at.

9 ROBERT DOAR: Well--

10 CHAIRPERSON DE BLASIO: As we  
11 discussed at the last hearing, you don't doubt  
12 that this is going to be several difficult years  
13 ahead. And that they're going to be typified by  
14 less employment being available in the private  
15 sector.

16 ROBERT DOAR: Well, I, first of  
17 all, today's, this mornings Crain's New York, has  
18 a very interesting lead article, on the  
19 differences in the economies of four major cities  
20 in the United States: Detroit, Los Angeles,  
21 Houston and New York. And New York, according to  
22 Crain's, comes out much stronger than those three  
23 other localities. So, I actually am not sure that  
24 I agree that we're going to be in it longer, or  
25 that it's going to be more severe in New York

2 City. And I think some of our experience within  
3 HRA, I believe that place people in employment, is  
4 indicated, and as I've talked to colleagues around  
5 the country, that we have a little stronger  
6 economy than we have during other previous  
7 recessionary periods. So, you know, I, my view  
8 is, is that Back to Work vendors are engaged,  
9 they're experienced, they're successful. We need  
10 to constantly monitor them and push them. We're  
11 going to get a very big, significant increase in  
12 transitional jobs allocations. And I'm hopeful  
13 that with that, and with our continued focus on  
14 performance, we will get through this difficult  
15 period. The president's stimulus package effects  
16 are still to be felt, as you know, these things  
17 don't happen overnight. And so I'm not ready to,  
18 given the performance to-date, make a radical  
19 change in our approach. I do want to, we are  
20 aggressive, and we're focused, and we're  
21 concerned, but to change the Back to Work approach  
22 that we've had these past three years, with  
23 existing vendors who are representative of the  
24 leading employment providers, I think you could  
25 find anywhere, I think would be a mistake.

2 CHAIRPERSON DE BLASIO: Well,  
3 Commissioner, I'm unconvinced by your citing of  
4 the Crain's Report today. We're over eight  
5 percent unemployment in the City and in the  
6 nation. I don't hear a lot of analysis saying  
7 that that's not going to go anywhere but up,  
8 unfortunately. But even if you want to split the  
9 difference and say we're going to hover around  
10 that for a period of time, I'm confused by the  
11 notion that you believe that means there will be a  
12 consistent supply of entry level jobs available,  
13 that you can apply the Back to Work program to  
14 successfully. Now, I agree that you, I'm thrilled  
15 that you have these additional resources coming  
16 in, we all are. It would be helpful if you could  
17 give us any shape to what you expect that to mean.  
18 And the problem I have in a lot of these budget  
19 hearings, with all due respect to the  
20 Administration is, we often get a lack of  
21 specifics, and we're in a position as an oversight  
22 committee trying to, in a productive way, critique  
23 and offer ideas and ask tough questions, and part  
24 of what I see the Administration frequently do is  
25 giving us such vague information that it's hard to

2 ask the right question. So, can you give us even  
3 a ballpark as to what number of jobs you expect  
4 those new funding streams to achieve?

5 ROBERT DOAR: I--Let me first of  
6 all say that the statutes for the three, the  
7 statutory language, the budgetary language in the  
8 State budget for the three pots of money are  
9 pretty short, and, but they're there. And we can  
10 provide those to you. That is the direct the  
11 State Legislature and the Governor has given to  
12 OTDA. They're going to be an allocation to the  
13 local Departments of Social Services. By far the  
14 largest allocation will come to the City of New  
15 York. I think it'll be in the range of \$2  
16 million, at least, probably--

17 CHAIRPERSON DE BLASIO: How--say  
18 again how much?

19 ROBERT DOAR: \$2 million, in each  
20 of the pots. And the key question, which is  
21 undetermined, and we're waiting for answers from  
22 the State, is the extent to which the localities  
23 are given great flexibility in fashioning those  
24 programs, and the extent that we can do them  
25 quickly. And a lot depends on what the State

2 gives us when they put out what's called an ADM or  
3 a direction, an administrative directive  
4 memorandum from the Commissioner of OTDA saying  
5 "We have now determined that the allocation to  
6 your county is X, please submit a plan" or "please  
7 go forward." Now, when you say the number of  
8 jobs, transitional jobs programs, because they  
9 contribute to a wage, are sometimes expensive.  
10 And they are--so, the number of jobs in all, if it  
11 totaled up to \$8 million additional spending on  
12 traditional jobs may not be, it's not going to be  
13 15,000, it's going to be something less than that.  
14 But it will be, and what we want to do is have  
15 those jobs, a) be rapidly available. That's the  
16 main thing, we want to get to it quickly. Second,  
17 we really wanted to be targeted and directed at  
18 those who are struggling the most. People that  
19 have been either, had the most difficulty getting  
20 in the workplace, perhaps reentry population,  
21 people coming back from prisons. And then to the  
22 extent that we have a proper balance between  
23 direct engagement in employment and earning money,  
24 and training and education, that makes it so  
25 there's both elements are available, that's what

2 we want, and that's what we intend to push  
3 aggressively to put in place.

4 CHAIRPERSON DE BLASIO: Well, I'm  
5 not going to belabor, but you're still, I think,  
6 missing one of the core points I'm making here,  
7 which I'm glad that there would be, for example,  
8 \$8 million, and I'm going to be conservative since  
9 you don't have a real estimate for me, and say  
10 "I'm glad that that would create several thousand  
11 jobs." And you can come back with whatever that  
12 number is, but I'll just, you can tell me it's  
13 5,000, whatever number you're comfortable with.

14 ROBERT DOAR: Transitional jobs are  
15 costly.

16 CHAIRPERSON DE BLASIO: Right, but  
17 again, with all due respect, and you've been,  
18 you've shown a lot of integrity in your dealings  
19 with this Committee, but it would be nice coming  
20 into a hearing like this, to have some kind of  
21 estimate for us of what you hope to achieve. So,  
22 I'm going to--

23 ROBERT DOAR: It would be nice if  
24 the State Office of Temporary and Disability  
25 Assistance would tell us what the allocation is

2 and what the rule'll be.

3 CHAIRPERSON DE BLASIO: So, give  
4 me--you said it's not 15,000, would you say it's  
5 5,000, 5,000 to 10,000? It's less than 10,000?  
6 Do you have any, any judgment at all on that?

7 ROBERT DOAR: Not very many.  
8 Transitional jobs are extremely expensive.

9 CHAIRPERSON DE BLASIO: Okay, so  
10 stay with that point. If it's in the thousands,  
11 I'm happy it's going to happen, it's important, it  
12 will help thousands of families. But the  
13 unemployment level we have in this City, and you  
14 know it better than anyone, because you're in  
15 effect--

16 ROBERT DOAR: Right.

17 CHAIRPERSON DE BLASIO: --the chief  
18 anti-poverty officer in this City, you know, that  
19 will help, but it won't help a lot. And so it  
20 comes back to the question, if you've got \$150  
21 million going into Back to Work, and the results  
22 in my opinion at least, are far from ideal. Why  
23 not apply more of that money to the creation of  
24 transitional jobs, because at least with  
25 transitional jobs, you get a guaranteed result,

2 and again the model we have of the last economic  
3 crisis that was anywhere near--

4 ROBERT DOAR: Well--

5 CHAIRPERSON DE BLASIO: --this  
6 level, was one of the government applying its  
7 resources to employing a large number of people to  
8 help get the economy back on its feet, and to help  
9 those families. And you and I would both agree  
10 the stimulus package to date has not had that  
11 effect across the board, it hasn't been structured  
12 towards employment, per se. Why would the City  
13 not take it's precious resources and try to have  
14 more of an employment impact with them?

15 ROBERT DOAR: Because we don't  
16 agree that the choice is the right one, and that  
17 the Back to Work vendors have been as unsuccessful  
18 as you say. We think they've been very  
19 successful. I should point out that in the  
20 immediate term, if we immediately, unilaterally  
21 across the board, say "Guess what? We're cutting  
22 Back to Work by as you say 25 percent or 30  
23 percent, whatever you wanted to cut it, that would  
24 lead to an immediate displacement of employees.  
25 People would lose their jobs right away. And they

2 would be in the business of helping people get  
3 jobs. And so, that would, I think in the short  
4 term, have a more negative effect on the economics  
5 in the City than anything I could that quickly  
6 turn around and restart somewhere else. So, we  
7 believe that this, that these provides have done a  
8 good job, and we're, we want to make them do an  
9 even better job, and we intend to keep, we think  
10 at this point, given the acknowledged  
11 precariousness of the economy, to shift course  
12 quite radically, would be a mistake.

13 CHAIRPERSON DE BLASIO: I'm amazed  
14 that you think because we agree on the  
15 precariousness of the economy that we shouldn't  
16 shift course. I think that's a very questionable  
17 policy, and you said last time, and I'll give you  
18 credit for it, that if it became clear that the  
19 unemployment problem was worsening, that you had  
20 to look at new solutions. And again, this \$8  
21 million from the outside funding sources is just  
22 not a fundamental solution. Let me ask you very  
23 quickly, I know my colleagues have questions.

24 ROBERT DOAR: I also should point  
25 out, we're not the only ones in the employment

2 game. Well, we are the ones who often work with  
3 people who are struggling the most, the small  
4 business services, there are other entities in the  
5 employment retraining and reengagement business in  
6 the City of New York. So it's not entirely in our  
7 realm to solve the entire employment picture.

8 CHAIRPERSON DE BLASIO: And no  
9 one's saying that, the question is are we using  
10 our money to the best possible outcomes. And  
11 again I remain unconvinced. Quickly, on Back to  
12 Work, you broadly said you account for 80,000  
13 placements. How many of those are Back to Work?

14 ROBERT DOAR: Back to Work  
15 placements are much, they get credit in terms of  
16 their payment, they get credit for about 20  
17 percent of those, approximately. Although it's,  
18 I, that's because we only pay for engagement that  
19 they had with a particular client leading to  
20 employment. And it's not clear to me, I think  
21 that they, I think it also needs to be pointed out  
22 that the existence of a very engaged, Back to Work  
23 vendor, who's going to get someone who was  
24 referred to them, engaged and ready to employ  
25 rapidly, sometimes leads to people just saying,

2 "I'm going to go out and get my own job." And  
3 when that happens, they can't get credit for that  
4 employment situation, but the existence of our  
5 infrastructure and of our entire approach, and the  
6 fact that the Back to Work vendors are integrated  
7 into the job centers, contributes to that, in  
8 very, very strong message, that we need to make  
9 steps towards employment. And then, take  
10 advantage of the work supports that we have made  
11 available, food stamps, public health insurance,  
12 child support collections, child care subsidies if  
13 they're available, earned income tax credit, and  
14 that is what has worked, I think, for the City.

15 CHAIRPERSON DE BLASIO: I'll come  
16 back to you with other questions, but I know my  
17 colleagues have some, so let me turn to them  
18 first. I'd like to welcome Council Member Jessica  
19 Lappin. And now let's turn to Council Member Gale  
20 Brewer, followed by Council Member Robert Jackson,  
21 and Council Member Tish James. Council Member  
22 Brewer.

23 COUNCIL MEMBER BREWER: Thank you.  
24 I have a question about the one shots, which are  
25 very helpful to people who are trying to stay in

2 their apartments. How much do you spend on that?  
3 How much do you propose in the future? And is it  
4 just for rental or also for mortgage?

5 ROBERT DOAR: Okay, we, I don't  
6 have the specific number on one shots, Kathleen  
7 will look at that. We do quite a large business  
8 in one shots, for rental assistance. And it's  
9 served as a very effective vehicle to help people  
10 stay in their homes.

11 COUNCIL MEMBER BREWER: I think we  
12 should have more, that's why I'm asking.

13 ROBERT DOAR: Yes.

14 COUNCIL MEMBER BREWER: Go ahead.

15 ROBERT DOAR: We do do it in the  
16 cases when there's particular circumstances fit on  
17 mortgages, although I do need to point out that,  
18 in that case especially, and also - - there's an  
19 element of, we're expecting some payback if the  
20 recipient of the one shot can find their way to  
21 get to an ability to pay us back. So, we, and we  
22 have provided guidance to the people in the  
23 business of mortgage counseling and crisis  
24 mortgage counseling, about the possible use of our  
25 services in those circumstances, and I don't know

2 that we've seen a pickup in that kind of business,  
3 but I can look into that.

4 COUNCIL MEMBER BREWER: Well, the  
5 reason, I met a woman over the weekend, who \$500  
6 was what she owed, apparently, on the mortgage,  
7 and she got evicted, and now she's in your system.  
8 And that seemed to me--

9 ROBERT DOAR: Unfortunate.

10 COUNCIL MEMBER BREWER: Pound  
11 crazy.

12 ROBERT DOAR: Yes.

13 COUNCIL MEMBER BREWER: Penny wise  
14 and pound foolish. So, my question is, so you do  
15 do mortgages. In other words--

16 ROBERT DOAR: Does, yes.

17 COUNCIL MEMBER BREWER: Okay.

18 ROBERT DOAR: Because it is  
19 something that we do do.

20 COUNCIL MEMBER BREWER: Okay. The  
21 other question I have is, regarding the  
22 commercials, I know you're trying to cut down on  
23 the numbers of persons in the HASA program who go  
24 to commercials. Again, thinking about the budget,  
25 how much, how is the commercial rent paid, is it

2 all city, state, federal? How is it paid? Has it  
3 gone up? Has it gone down? You know, we always  
4 complain, it's the street discussion, that we pay  
5 so much more than the rent in any building. And  
6 I'm just wondering what kind of money is it? Is  
7 there some way to cut it down, not to mention get  
8 rid of the commercials altogether, but while we're  
9 in the that business, how can we lower it, or is  
10 it all federal funding, etc.

11 ROBERT DOAR: I've asked Matt  
12 Bruni, the Director of the HASA program--

13 COUNCIL MEMBER BREWER: And he's  
14 been very helpful, thank you very much, he knows--

15 ROBERT DOAR: And to help me with  
16 that question. So--

17 COUNCIL MEMBER BREWER: He knows  
18 how helpful.

19 ROBERT DOAR: Your question was how  
20 is it paid and what are the amounts?

21 COUNCIL MEMBER BREWER: Exactly.  
22 And how can we reduce it?

23 ROBERT DOAR: Matthew.

24 MATTHEW BRUNI: Sure. Good morning  
25 to the Council, good morning Council Member

2 Brewer. In response to your question, actually we  
3 pay in the commercial escrows on the basis of a  
4 per diem rate, which is currently \$55 and for  
5 those--

6 COUNCIL MEMBER BREWER: \$55 per  
7 night?

8 MATTHEW BRUNI: That's correct, \$55  
9 per night. And for those of us who, for those of  
10 you who've been looking at the SRO system over the  
11 years, that rate has come down dramatically over  
12 the years, as a result of some of the reforms that  
13 HRA undertook in 2004. One of the things that we  
14 do for HASA clients going into the commercial  
15 SROs, is that we ensure that they have an open  
16 cash assistance case, if they appear to be  
17 eligible. And that allows us to essentially draw  
18 down the state share for that. So it's a  
19 city/state mix of funds that underwrite the cost  
20 of the commercial escrows.

21 COUNCIL MEMBER BREWER: Okay, so  
22 it's about \$1600 a month, something like that.

23 MATTHEW BRUNI: That's correct.

24 COUNCIL MEMBER BREWER: Right. Of  
25 course that makes people in buildings crazy,

2 'cause sometimes they're, you know, paying \$400 or  
3 \$500, and it does seem like a lot. But there's no  
4 way to bring that down.

5 MATTHEW BRUNI: Well, I would, I  
6 mean, we always want to bring it down, and we  
7 would like to reduce our reliance on the  
8 commercial SROs. Frankly, one advantage is  
9 through the MOU process, you can quickly bring up  
10 a building. Or as you and I know, you can quickly  
11 get out of a problematic building.

12 COUNCIL MEMBER BREWER: Thank you.

13 MATTHEW BRUNI: As, and thank you  
14 again for bringing that to our attention, and  
15 being patient with us, and allowing us to get out  
16 of that facility as quickly as we were able to.

17 COUNCIL MEMBER BREWER: Okay.

18 MATTHEW BRUNI: But in reducing our  
19 reliance on the SROs, the system is dynamic.  
20 There has been a modest increase in SRO usage, no  
21 question. In January 2009, it was 1,027; in  
22 April, we will report a figure of 955. And so  
23 those aren't huge numbers, but it's--

24 COUNCIL MEMBER BREWER: Those are  
25 total units that you're using per night.

2 MATTHEW BRUNI: It's based on  
3 utilization, so yes.

4 COUNCIL MEMBER BREWER: Okay,  
5 alright.

6 MATTHEW BRUNI: But we used, yes,  
7 955 in April.

8 COUNCIL MEMBER BREWER: Okay.

9 MATTHEW BRUNI: So, those aren't  
10 huge numbers, but it does show that the system is  
11 dynamic, and indeed over the last few months has  
12 actually gone down. And ideally, with bringing up  
13 more New York, New York III housing this year,  
14 that will further reduce HRA's reliance on  
15 commercial SROs.

16 COUNCIL MEMBER BREWER: Alright.  
17 Case workers. There's different kinds of case  
18 workers, and I know a lot of friends of mine who  
19 are running nonprofits, that work with people who  
20 are in the HASA program, are concerned because  
21 you're cutting case workers in the site, in the  
22 Scatter Site II. And the other issue is that  
23 there are, there's two kinds of case workers, as  
24 my friends, when you go to street fairs on the  
25 weekend, everybody comes by and tells you their

2 story. So, and I'm always at the street fairs,  
3 with my table and all my leaflets. So, my  
4 question is, can you explain to me the cuts to  
5 case management. I think there were two different  
6 kinds that are being cut, or one kind that's being  
7 cut that is not duplicating the other kind. Can  
8 you explain the case management cuts to me?

9 ROBERT DOAR: Sure. The first is  
10 the Scatter Site, the ending of the Scatter Site  
11 II program, which was a program in which we had  
12 two vendors providing services to clients. One  
13 put people in the housing and were the housing  
14 vendor, and the other was the services vendor.  
15 The State has determined that that splitting of  
16 the contract was, is they're not going to fund any  
17 longer. And so those, the services associated  
18 with the Scatter Site II contracts is being  
19 eliminated. And so that is ending at their  
20 natural termination date, which are, is happening  
21 I think in June and March, June 30<sup>th</sup>--

22 COUNCIL MEMBER BREWER: So what  
23 does that mean for real people at the other end?

24 ROBERT DOAR: Well, we believe that  
25 we are shoring up whatever case management

2 services that they were offered through those  
3 contracts, through our existing HASA case  
4 managers, and through COBRA case managers. And  
5 we've worked very hard to make sure that there  
6 isn't any loss of services. And we feel very  
7 strongly that we're going to accomplish--

8 COUNCIL MEMBER BREWER: How do the  
9 vendors feel? The people who actually providing  
10 the services. I don't think they feel that way.

11 ROBERT DOAR: My honest opinion on  
12 the Scatter Site II, is the vendors acknowledge  
13 that this is, that's my, that's the very informal  
14 feedback I've gotten, where that, they are  
15 acknowledging that that is something that can be  
16 accomplished. The second cut is the case  
17 management cut in the other contracts, which is  
18 both as, in situations where HASA clients are  
19 residing in either congregate housing or in  
20 Scatter Site housing, and have assigned case  
21 managers from providers. We are not eliminating  
22 that case management function, we are reducing it  
23 for, by about 60 people, so they've gone from I  
24 think 176 to it'll be about 106, or 110,  
25 contracted case managers. Because the case

2 management ratio of those case managers, when  
3 combined with the HASA agency case managers, gets  
4 very low, lower than we thought we could afford,  
5 in the fiscal situation that we're in. And so,  
6 while reducing the case managers that are  
7 contracted, we are maintaining our staff levels in  
8 HASA, and we are expecting them to continue in  
9 their role as case managers, providing the full  
10 array of services, of substance abuse issues, has  
11 shelter issues, as well as helping get benefits  
12 from the program.

13 COUNCIL MEMBER BREWER: How do the  
14 vendors feel about that?

15 ROBERT DOAR: That one is getting  
16 more--

17 COUNCIL MEMBER BREWER: They're not  
18 happy about that one.

19 ROBERT DOAR: That one's the one  
20 that's getting the more significant push back from  
21 our providers and partners. And we are, we  
22 understand their concerns, and we're listening,  
23 but the fiscal situation, the loss in revenue at  
24 the State and City level is very serious.

25 COUNCIL MEMBER BREWER: And there's

2 no federal stimulus money for person with AIDS,  
3 HIV/AIDS?

4 ROBERT DOAR: There's not  
5 specifically designed money to solve that problem,  
6 from the federal government. There may be federal  
7 dollars that could be used, but that's a bigger  
8 picture that the City as a whole is looking at.

9 COUNCIL MEMBER BREWER: And what  
10 are you doing to Momentum Project?

11 ROBERT DOAR: We are--

12 COUNCIL MEMBER BREWER: That is a  
13 great program.

14 ROBERT DOAR: Yes, it is. We don't  
15 deny that, but we are reducing its administrative  
16 support from HRA, because we are conscious that  
17 other sources of funding provide administrative  
18 funding, and we are not, we are not affecting at  
19 all funding for the purchases of food. So, it is  
20 a cut to the administrative functions of, of  
21 funding from HRA of about, I think, \$490,000.

22 COUNCIL MEMBER BREWER: But how are  
23 they going to do all that work without the  
24 administrative support?

25 ROBERT DOAR: Well, we believe that

2 they have other funding sources that provide them  
3 dollars, to provide that administrative support.

4 COUNCIL MEMBER BREWER: Have you  
5 asked Dawn if that's true?

6 ROBERT DOAR: We have. She's  
7 certainly had an opportunity to come talk to me  
8 and others, and we've looked at their funding  
9 sources from the state and from--and HAPWA  
10 [phonetic] and feel that they have adequate  
11 funding sources.

12 COUNCIL MEMBER BREWER: Okay.

13 ROBERT DOAR: Yes, and state,  
14 Kathleen has something to say.

15 KATHLEEN TYLER: I just want to add  
16 one comment to that.

17 COUNCIL MEMBER BREWER: I think you  
18 have to introduce yourself.

19 ROBERT DOAR: Oh, I'm sorry.

20 KATHLEEN TYLER: Can you hear me?

21 COUNCIL MEMBER BREWER: Yes.

22 KATHLEEN TYLER: I just wanted to  
23 add one comment.

24 COUNCIL MEMBER BREWER: We love  
25 Dawn. We love Dawn. Go ahead.

2 KATHLEEN TYLER: Momentum is  
3 another situation where we lost State  
4 reimbursement.

5 ROBERT DOAR: That's right.

6 KATHLEEN TYLER: For the service,  
7 so it had been 100 percent tax levy. In terms of  
8 other funding, the vendor has about \$900,000 from  
9 Department of Health, another couple hundred from  
10 New York State, and then we also provide  
11 additional administrative funding through our EFAB  
12 [phonetic] of about 143.

13 COUNCIL MEMBER BREWER: Okay. I  
14 mean, I just know that what she does, and I'll  
15 have to talk to her to find out. On the  
16 employment services, I know that the Chair asked  
17 you about this. How do you work with CUNY and  
18 Department, State, and Department of Social  
19 Services in terms of coordination? And how are  
20 you working, you mentioned the small business when  
21 you were answering his questions, and I ask this  
22 question every time, but how do you coordinate  
23 with Workforce One Centers, and do you track any  
24 of your public assistance individuals who are  
25 gaining employment through the Workforce One

2 Centers.

3 ROBERT DOAR: Well, we work--that's  
4 a lot in that question. We work a lot with CUNY  
5 on our various Begin and Ripe and Cope programs,  
6 that both provide additional services for people  
7 who have either literacy problems or other issues  
8 getting them back into employment. I think we  
9 work closely with them. With SBS we coordinate,  
10 we sometimes serve different populations. And  
11 when we serve the same populations, it is,  
12 obviously cash assistance recipients are  
13 perfectly, have every right to go and seek those  
14 services, and if they get a job, we find out about  
15 it through the budgeting process or through their  
16 reporting to us that they've been employed. But I  
17 would say that in taking, a cash assistance  
18 recipient taking advantage of what's available at  
19 SBS is similar to our message to all recipients,  
20 which is that they should be doing what ever they  
21 can to--

22 COUNCIL MEMBER BREWER: So you  
23 don't know if there's any better or worse  
24 recidivism through the one stop, versus through  
25 your HRA centers.

2 ROBERT DOAR: No, I don't know that  
3 we've looked at that. No.

4 COUNCIL MEMBER BREWER: My final  
5 question is, last time we had a discussion about  
6 the recreation workers. I think, oh, no, never  
7 mind, sorry. That's it for now. Thank you, Mr.  
8 Chairman.

9 ROBERT DOAR: Mr. Chairman, I need  
10 to correct the record on a matter that I testified  
11 before.

12 CHAIRPERSON DE BLASIO: Yes, sir.

13 ROBERT DOAR: I very badly  
14 overestimated the number of jobs that would be  
15 able to be created by, be able to be funded by the  
16 subsidized jobs programs coming from the State.  
17 It's going to be, even with the three pots of  
18 money, it's going to be something less than  
19 \$1,000, which actually points up to the fact of  
20 just how expensive transitional jobs programs are.  
21 But I did not, I didn't have that figure right,  
22 and I want to correct the record.

23 CHAIRPERSON DE BLASIO: I'm glad  
24 you're correcting it, but let me just dwell on  
25 that for a second. You said \$2 million in each of

2 several pots of money, so what's the grand total  
3 that you expect, roughly?

4 ROBERT DOAR: I think it's about, I  
5 don't think, I think it's--Oh, the total is \$19  
6 million statewide, and we'll get an allocation,  
7 let's say we get \$9.5 or \$10 million of that,  
8 approximately half, a little more than half. And  
9 there are--the way the State Legislature did it is  
10 they wanted them to be designed for particular  
11 industries. So there's a green jobs pot, and  
12 there's a healthcare jobs pot. And those'll have  
13 their own sub\*allocations of that \$9 million. And  
14 depending on the balance between training and  
15 employment, and the wages that are, if there's a  
16 mandated wage level, the numbers could vary. But  
17 transitional jobs are expensive. And I do not  
18 want to give the impression that those could fund  
19 anywhere near the number of jobs, actually.

20 CHAIRPERSON DE BLASIO: Well, what  
21 is your working figure on the cost of the  
22 transitional job, just so we understand?

23 ROBERT DOAR: It's \$10,000, \$10,700  
24 per job.

25 CHAIRPERSON DE BLASIO: \$10,700 to

2 create the job, you're saying?

3 ROBERT DOAR: To sustain the job.

4 CHAIRPERSON DE BLASIO: To sustain-  
5 -But over what, give us a timeframe or something.

6 ROBERT DOAR: Annual. Over a year.

7 CHAIRPERSON DE BLASIO: Ten, wait a  
8 minute, \$10,700 to pay for the employment--

9 ROBERT DOAR: Six months. For six  
10 months.

11 CHAIRPERSON DE BLASIO: Okay, let's  
12 get ourselves together here. [laughs]

13 ROBERT DOAR: For a slot, for a  
14 chief slot. It's expensive.

15 CHAIRPERSON DE BLASIO: Yeah, but  
16 wait, I believe you, but I want to get a stable  
17 figure here.

18 ROBERT DOAR: \$10,700 for a full-  
19 time slot.

20 CHAIRPERSON DE BLASIO: Okay.

21 ROBERT DOAR: For six months.

22 CHAIRPERSON DE BLASIO: \$10,700 for  
23 a full-time job--

24 ROBERT DOAR: For six months.

25 CHAIRPERSON DE BLASIO: For six

2 months.

3 ROBERT DOAR: The expectation with  
4 a subsidized jobs program is that we will get  
5 someone in employment, we will pay for their  
6 employment, but we will not pay for employment  
7 indefinitely, and that at some point they will  
8 transition into a permanent job that's  
9 unsubsidized, whether it's in the same business or  
10 same are or same agency, wherever, but we only pay  
11 for six months. So, that's, that's the cost.

12 CHAIRPERSON DE BLASIO: Okay, given  
13 that the Back to Work Program obviously deals in  
14 placements that can be as little as 30 days, can  
15 be six months, can be longer, but is also a  
16 variable dynamic, so if you're talking about  
17 \$10,700 for six months, and then let me compare  
18 that with what you have with the expansion you're  
19 doing already for the next fiscal year that will  
20 affect 80 people, correct?

21 ROBERT DOAR: Yeah, right.

22 CHAIRPERSON DE BLASIO: That your  
23 own internal expansion, if you will.

24 ROBERT DOAR: Yes.

25 CHAIRPERSON DE BLASIO: What's that

2 being budgeted at for that 80 people? Those 80  
3 people?

4 ROBERT DOAR: [pause] The, I'm,  
5 Kathleen is reviewing that.

6 CHAIRPERSON DE BLASIO: Okay, I'll  
7 come back to you, I'll--let me turn to my  
8 colleagues again. But I want to come back to  
9 this, now that you've given us that additional  
10 information, and see if our math makes sense. The  
11 next question was going to be from Council Member  
12 Robert Jackson, who's Blackberry is still in  
13 attendance, but he is not. I believe he will be  
14 back. So we'll turn to Council Member Tish James.  
15 And we want to welcome Council Member Helen Diane  
16 Foster.

17 COUNCIL MEMBER JAMES: Thank you.  
18 Good morning, Commissioner.

19 ROBERT DOAR: Morning.

20 COUNCIL MEMBER JAMES: You know,  
21 just following up on the Chairman's comments, you  
22 know, based upon any objective review or measure  
23 of effectiveness, it appears that the Back to Work  
24 program has not yielded any significant impact in  
25 unemployment. I know you disagree with that, but

2 based upon the hearings and conversations with my  
3 constituents, and participants all throughout the  
4 City [noise in background] that little mishap  
5 suggests that the BTW program has had its problems  
6 as well. So, my question, at the last hearing the  
7 Chairman and I held, there was a number of, there  
8 was concerns with regards to whether or not BTW  
9 participants could get proper education and  
10 training to upgrade their skill sets. And there  
11 was some pushback from the Administration. Does  
12 the Administration have a position on whether or  
13 not participants can get college courses, go back  
14 to college, get some additional training to  
15 upgrade their skill sets?

16 ROBERT DOAR: Well, my  
17 understanding is the State rules with regard to  
18 federal work participation rates, do not count  
19 college training, college education degrees,  
20 particularly four year, as being counted toward  
21 work participation measures. And that is part of  
22 the governing structure of the cash assistance  
23 program in the City of New York. So, to the  
24 extent that that's not permitted, we do not  
25 encourage that. Someone can do it, but they need

2 to still meet their work participation, work,  
3 number of work hours that are under the rules of  
4 the program. So--

5 COUNCIL MEMBER JAMES: And--

6 ROBERT DOAR: --so we have to fall,  
7 we have to stay within the confines of the  
8 existing program. It also, we believe that the,  
9 and we have found over many years that if the  
10 focus is entire--is very strongly on employment,  
11 we are more likely, as opposed to training and  
12 education, we are more likely to have success.

13 COUNCIL MEMBER JAMES: Based upon  
14 my experience, and just based upon my review of  
15 the recession, the national recession and the  
16 local recession, it appears that there has been a  
17 great increase in college enrollment. A number of  
18 individuals who want to take lemonade and turn it  
19 into--or take a lemon and turn it into lemonade.  
20 And do this, the enrollments that are at CUNY, at  
21 private colleges, have increased exponentially as  
22 a result of this recession. People are going back  
23 to school, to upgrade their skill sets. And so,  
24 I, my question is have, have we had a conversation  
25 with State elected officials, with regards to the

2 inclusion of going back to college as part of this  
3 requirement?

4 ROBERT DOAR: Yes, we have, and  
5 because it con--it goes against what we believe  
6 has been very successful focus on employment, we  
7 have opposed the, allowing college education to  
8 count as work participation hours. And while we  
9 don't say that someone isn't entitled, can do  
10 that, we just don't think they should do it and  
11 allow it to be counted as their work requirement.

12 COUNCIL MEMBER JAMES: But it's not  
13 a situation where the State is opposed, it's that  
14 this Administration is opposed.

15 ROBERT DOAR: Well, the State has  
16 been opposed for a long time. The State, State  
17 Legislature, has been the way it is since 1996.

18 COUNCIL MEMBER JAMES: No, I  
19 understand that.

20 ROBERT DOAR: So, there is a  
21 legislature, there is discussion of legislation,  
22 and under consideration, allowing college, four  
23 year college, and even graduate degree experience,  
24 to count as work participation hours, and so  
25 someone could be on welfare and also go to

2 college, and be receiving welfare, as if they were  
3 working. And, or meeting the work participation  
4 requirements. And we have reservation about that.  
5 In the previous period prior to welfare reform at  
6 the national level, extensive efforts and  
7 investments in training and education led to  
8 prolonged stays on welfare and not people getting  
9 jobs. So--

10 COUNCIL MEMBER JAMES: Well, you  
11 know, I'm familiar with that piece of legislation;  
12 in fact, support it and have a resolution in  
13 support of it. And it disappoints me that this  
14 Administration would not support that legislation.  
15 Recognizing the trend that we see across this  
16 nation, and that is more people who have lost  
17 their jobs, have taken upon themselves to go back  
18 to school to increase their learning, their skills  
19 sets, so that they are in a better position, once  
20 we rebound. And it's rather unfortunate that this  
21 administration would take that position. Moving  
22 on to HASA, no before I go to HASA, the job center  
23 reorganization and consolidation, I believe that  
24 you are centralizing job centers, and I wanted to  
25 know what job center would be closed in the City.

2 Do you have a location, where would they be  
3 closed?

4 ROBERT DOAR: I believe the only  
5 job center, I'm going to have Seth come and take  
6 that, but I think the one is the Hamilton Job  
7 Center, that's the one under discussion, which is  
8 up in Northern Manhattan, and is fairly close to  
9 another job center, that has been redesigned and  
10 opened, the Dyckman Job Center.

11 COUNCIL MEMBER JAMES: And if that  
12 is the only one that is closed, how many jobs do  
13 you anticipate--

14 ROBERT DOAR: We don't anticipate  
15 losing any jobs. Their administrative functions  
16 are being transferred. As you know, we're very,  
17 we've been able to avoid layoffs at HRA, we want  
18 to keep it that way. And we think we've been able  
19 to achieve certain efficiencies with the  
20 administration overhead. And any of the workers  
21 who were in one, will be transferred to another,  
22 or somewhere else in the system. And we're all,  
23 where, did you want to--

24 SETH DIAMOND: Yeah.

25 ROBERT DOAR: --say that.

2 SETH DIAMOND: Yeah, Seth Diamond  
3 from Human Resources Administration.

4 COUNCIL MEMBER JAMES: Hi, Mr.  
5 Diamond, Mhm.

6 SETH DIAMOND: The Hamilton Job  
7 Center we had closed last fall, and consolidated  
8 with the Dyckman site. We also have just recently  
9 announced that we'll be closing the Euclid Center  
10 as of August 1<sup>st</sup>, and consolidating services. Most  
11 of the recipients served at Euclid will be going  
12 to the Bushwick Center.

13 COUNCIL MEMBER JAMES: The Bushwick  
14 Center? Okay.

15 SETH DIAMOND: Yes.

16 COUNCIL MEMBER JAMES: Okay. Thank  
17 you. So there's, at this point in time, so  
18 there's none being closed in Brooklyn, they're  
19 being closed in--

20 SETH DIAMOND: Euclid is, is in  
21 Brooklyn, yeah.

22 COUNCIL MEMBER JAMES: Euclid's in  
23 Brooklyn, East New York.

24 SETH DIAMOND: 404 Pine Street is  
25 the exact.

2 COUNCIL MEMBER JAMES: Thank you.

3 I want to talk a little bit about CEO. It's my  
4 understanding that this CEO program, which was set  
5 up by the Mayor to, allegedly to reduce poverty in  
6 New York City, it's anticipated that there would  
7 be an increase in funding to evaluate its  
8 effectiveness. Is that a correct statement?

9 ROBERT DOAR: Kathleen?

10 KATHLEEN TYLER: Yes, that's  
11 correct, in the Executive Budget, there is a--

12 COUNCIL MEMBER JAMES: I'm sorry, I  
13 can't hear you.

14 KATHLEEN TYLER: In the, in the  
15 FY'10 Executive Plan, there was a small increase  
16 of \$42,000.

17 COUNCIL MEMBER JAMES: \$42,000?

18 KATHLEEN TYLER: Yes.

19 COUNCIL MEMBER JAMES: And that is  
20 for what purpose?

21 KATHLEEN TYLER: For evalu--it's  
22 for the evaluation effort.

23 COUNCIL MEMBER JAMES: And to what  
24 extent has CEO been effective? Do we have a  
25 general idea, notwithstanding the lack of a--

2 ROBERT DOAR: Well, I would like to  
3 address that. As the Chairman mentioned, HRA  
4 feels to some extent that we're really on the  
5 front lines of helping people who are struggling  
6 the most in the City of New York. The great  
7 advantage of the CEO effort was that by the  
8 Mayor's direction and Deputy Mayor's leadership,  
9 we have got a lot more allies, a lot more, other  
10 agencies involved in the business of helping  
11 people who are struggling, whether it's SBS, much  
12 more engaged in our issues, or DYCD, or many other  
13 agencies. And so, I feel that's been a tremendous  
14 assistance to HRA and to the work we do. I think  
15 some of the work that they have embarked on is too  
16 early to tell, on whether the results have paid  
17 off, but I think that I'm hopeful. And one of the  
18 things, areas, that we have not been as directly  
19 involved with specific projects, because we're  
20 already in that game. And so, but from our  
21 standpoint, the existence of the CEO has brought a  
22 lot more attention to the issue, which has been  
23 very helpful.

24 COUNCIL MEMBER JAMES: So the  
25 preliminary budget was \$2.6 million, I believe, it

2 was an anticipated increase. And now with the  
3 executive budget it's now down to \$42,000.

4 ROBERT DOAR: No, the increase.

5 KATHLEEN TYLER: No.

6 COUNCIL MEMBER JAMES: The  
7 increase.

8 KATHLEEN TYLER: The January plan  
9 and executive budget combined, is \$2.6.

10 COUNCIL MEMBER JAMES: The January  
11 plan plus it's two--

12 KATHLEEN TYLER: Yeah.

13 COUNCIL MEMBER JAMES: \$2.6.

14 KATHLEEN TYLER: It's \$2.6.

15 COUNCIL MEMBER JAMES: And it, and  
16 that money is primarily being used to evaluate the  
17 effectiveness of the program.

18 KATHLEEN TYLER: Yes, the citywide  
19 program.

20 COUNCIL MEMBER JAMES: And that's,  
21 and that would include the hiring of additional  
22 staff to do such that, or to do that, or are you,  
23 are you going to hire a private contractor?

24 KATHLEEN TYLER: We're contracting  
25 out for the evaluation. We have six staff that

2 are budgeted and they're on board. And I will  
3 just make one addition, during our earlier years  
4 with CEO we did implement various initiatives, and  
5 those were not abandoned, those have continued  
6 within HRA's self-funded, with our resources.

7 ROBERT DOAR: Right.

8 COUNCIL MEMBER JAMES: Just going  
9 now, changing subjects to the Scatter Site II,  
10 it's my understanding that this, you've, you're  
11 now closing off, not providing the programs, and  
12 you're engaging in a transition program, so that  
13 no client will be impacted by the fact that--

14 ROBERT DOAR: The law.

15 COUNCIL MEMBER JAMES: Yes. And  
16 so, how has that transition plan, how is it going,  
17 what is the status of it? What is the process, so  
18 that no one will be impacted by this decision?

19 ROBERT DOAR: Well, it's in  
20 process, because the, the termination dates for  
21 the Scatter Site II is not yet happening, is June  
22 30<sup>th</sup>. And then I think another batch of contracts  
23 expires somewhat later than that, in February.  
24 So, we have notified the providers, we've let them  
25 know that this is coming, we've evaluated the

2 clients' needs and issues, and are beginning to  
3 plan for the successful transition of the duties  
4 associated with the Scatter Site II contracts--  
5 over 18 contracts, citywide.

6 COUNCIL MEMBER JAMES: And is the  
7 thought that the number of individuals who are  
8 living with HIV and AIDS has stabilized and you  
9 feel confident that you will engage in a  
10 successful transition? Because it's my  
11 understanding that the number of people who are  
12 seeking services, who are living with HIV and  
13 AIDS, has in fact, there's been a slight increase.  
14 Is that not true? Or--

15 ROBERT DOAR: The HASA caseload,  
16 which is what we monitor--

17 COUNCIL MEMBER JAMES: Yes.

18 ROBERT DOAR: --is, remained  
19 largely flat. I don't think there's any judgment  
20 with regard to the overall trends of HIV/AIDS or  
21 stabilization. It's a question of the effective  
22 use of precious City dollars, and can we provide  
23 the same level of service, given the fact that the  
24 State walked away from its support for this  
25 program. Can we do that, provide those services

2 equally effectively, without the expenditure? And  
3 we believe that we can.

4 COUNCIL MEMBER JAMES: Now, earlier  
5 Commissioners, I believe it was Council Member  
6 Brewer had asked you a question and you said that  
7 the Administration is receiving a pot of money  
8 from the federal government, and I think overall,  
9 in general, and there have been no decisions with  
10 regards to this overall pot of money. Was that--?

11 ROBERT DOAR: No, no what I said  
12 was that stimulus funding came to the State, City  
13 of New York, in a variety of ways, largely outside  
14 of direct HRA, very little came to HRA directly.  
15 And that decision of how those dollars are being  
16 spent, is being made at the Deputy Mayor level,  
17 with an overall picture of the entire City. I  
18 think in one case we got a little support for the  
19 Neighborhood Improvement Project, which we're  
20 doing in Southeast Queens. But with regard, and  
21 in that discussion, there was not, no dollars were  
22 made available, for instance, for the Scatter Site  
23 II.

24 COUNCIL MEMBER JAMES: Well, I  
25 would hope that someone from the Administration is

2 listening to my voice. And what I have witnessed  
3 in Central Brooklyn is an increase in individuals  
4 living with HIV and AIDS. What I have witnessed  
5 is more people who are patronizing food pantries;  
6 what I have witnessed is more homelessness; what I  
7 have witnessed, unfortunately, is more individuals  
8 who are living below the poverty level. And so, I  
9 would hope that this Administration would provide  
10 you additional funds so that you could reduce  
11 poverty in the City of New York. The jury is  
12 still out on whether or not all of these programs  
13 have been effective. I've not seen any evidence  
14 of that. And last but not least, I do share my  
15 concerns with the Chair and the members who are in  
16 the audience, that the Back to Work program, we're  
17 not getting our bang for the buck, and that we  
18 really need to really look at how we're spending  
19 our money, our precious dollars, as you refer to  
20 it, and whether or not we are, it has yielded any  
21 significant results.

22 ROBERT DOAR: I take your concerns  
23 seriously.

24 COUNCIL MEMBER JAMES: And I thank  
25 you for all of that, and again hopefully we'll get

2 beyond this and we will rebound. Thank you.

3 ROBERT DOAR: Thank you.

4 CHAIRPERSON DE BLASIO: Thank you,  
5 Council Member. Okay. I'm going to do some  
6 follow ups. Commissioner, let's, in the interests  
7 of time, we're going to do a follow up letter to  
8 you right after this hearing on all of the Back to  
9 Work and transitional jobs issues, so we can get  
10 to a common set of numbers and then continue our  
11 debate on this.

12 ROBERT DOAR: Happy to do that.

13 CHAIRPERSON DE BLASIO: I reiterate  
14 that I hope you will be open minded, you sounded a  
15 little more open minded at the previous hearing,  
16 'cause I do think the economy is, unfortunately,  
17 going to be throwing you a curve ball, and I think  
18 you're going to need new approaches. But let's  
19 get our numbers all on the same page--

20 ROBERT DOAR: Yep.

21 CHAIRPERSON DE BLASIO: --and then  
22 we'll continue the debate.

23 ROBERT DOAR: Thank you for  
24 allowing me to correct the record.

25 CHAIRPERSON DE BLASIO: Let me take

2 you to the question of food stamps and hunger.

3 First of all, obviously, there is more pressure

4 being put on your agency. You have fewer

5 personnel, or at least you're not filling lines

6 that you would've filled. The demand is high, and

7 I think, as you say, you've--a good news story is

8 the fact you've gotten more people the benefits

9 they deserve, especially at a time when they need

10 them so desperately. But I'm concerned about what

11 this will mean in terms of all the work you do

12 with benefits. So let me start with hunger and

13 then go through the other areas. In terms of

14 continuing to keep up with the applications for

15 food stamps, given your current staffing

16 alignment, do you believe you can do that?

17 ROBERT DOAR: Yes. I do believe we

18 can do it, I think the record of the past year,

19 given the tremendous increase, has been pretty

20 encouraging in that we've been able to meet the

21 demand without falling behind on timeliness rates

22 or having a serious problem with error rates. But

23 it is something I watch very carefully. And as I

24 said in my testimony, to the extent that I can

25 apportion the headcount reductions or the savings

2 to other parts of the agency, as opposed to the  
3 eligibility specialists, I've tried very hard to  
4 do that. We also are using technology and new  
5 ways of processing applications, and getting  
6 people in and out more rapidly or allowing them to  
7 do telephone research, or telephone interactions  
8 with the agency, so that they don't have to come  
9 in at all. And we are engaging in some increased  
10 partnerships with community based organizations,  
11 so where applications can be taken and then  
12 delivered to us. So I am hopeful and conf--pretty  
13 feel good about the ability of our agency to  
14 respond to the increasing demand of food stamps.  
15 But it is, does concern me, and I'm watching it  
16 and I--I also should point out that the loss of  
17 State funding for food stamp administration is a  
18 significant problem.

19 CHAIRPERSON DE BLASIO: Okay. So,  
20 you have, in other words, you're not out of the  
21 woods by any stretch of the imagination.

22 ROBERT DOAR: No.

23 CHAIRPERSON DE BLASIO: And let me  
24 now take you specifically to this, this fits with  
25 the questions about HASA, as well. So, obviously

2 folks served by HASA also, in many cases, are  
3 eligible for food stamps. Let me ask you  
4 specifically about your HASA eligibility  
5 specialist level III. What, do you have, can you  
6 give us a sense of the caseload for those  
7 eligibility specialists?

8 ROBERT DOAR: Within HASA?

9 CHAIRPERSON DE BLASIO: Yes.

10 ROBERT DOAR: I--I cannot, off the  
11 top of my head. And I wouldn't venture to do  
12 that. I could give you it in writing.

13 CHAIRPERSON DE BLASIO: Okay, I  
14 mean that in terms of understanding what the--

15 ROBERT DOAR: Caseload.

16 CHAIRPERSON DE BLASIO: Right, in  
17 terms of understanding what is happening here with  
18 demand and with the impact of budget cuts and one  
19 thing or another, I would assume this would be a  
20 pretty basic statistic.

21 ROBERT DOAR: Matt?

22 MATTHEW BRUNI: Yes. Right now the  
23 current ES3 to client ratio is a little over 175,  
24 it's somewhere in the neighborhood of 180. And  
25 generally, we use 175 to one as the prevailing

2 ratio. So, on that basis, we're slightly over,  
3 but in the vital indicators of eligibility  
4 delivery, we actually continue to do quite well.  
5 For instance, as evidenced in our CBCFA  
6 determinations, which as you know, Mr. Chair, is  
7 the case-by-case financial assessment  
8 determination, in which HASA clients present  
9 requests, and if approved, we will deliver that  
10 benefit within 30 days, where we remain at 95  
11 percent delivery.

12 CHAIRPERSON DE BLASIO: Give me a  
13 sense of, you're saying 170 to 180 is the average  
14 now--

15 MATTHEW BRUNI: I'm sorry 175 to  
16 one is the typical--

17 CHAIRPERSON DE BLASIO: 175 is  
18 typical. First off, can you give us, this is a  
19 conversation we have with ACS all time, can you  
20 give us the lowest to highest range in terms of  
21 caseload?

22 MATTHEW BRUNI: I have it on my  
23 email, and I'm trying to produce it. There's  
24 definitely been a little variance, and we have it  
25 and we can produce it after the meeting. But it

2 has generally hovered around 175. It's gone as  
3 high as 190, I will say, and it's gone as low as  
4 165 over the last few years.

5 CHAIRPERSON DE BLASIO: Alright,  
6 we're going to be with you for a few minutes, so  
7 if you can get that information quickly, that  
8 would be ideal. And how does that compare, that  
9 175 or so. How does that compare to what you've  
10 had in the previous last few years.

11 MATTHEW BRUNI: It's stayed roughly  
12 the same, we've gotten hiring authority, we've  
13 been able to hire ES3s and supervisors as well.  
14 PA1s and PA2s. And so it's generally remained  
15 constant, as I said a moment ago, any, hovering  
16 anywhere to as high as 190 to as low as 165. But  
17 generally around 175.

18 CHAIRPERSON DE BLASIO: We've  
19 gotten reports of individual level III workers  
20 having as close, having close to 210 cases, so  
21 certainly over 200, which would be a troubling,  
22 troubling additional level past your goal of 175.  
23 And so, first of all, I'd like you to check your  
24 figures and see if you believe that's true,  
25 because that would be cause for alarm. And second

2 of all, do you have a contractual limit of 175?

3 MATTHEW BRUNI: No, we don't, we  
4 essentially parallel with our sister agency, FIA,  
5 on that basis, and historically--

6 CHAIRPERSON DE BLASIO: On which,  
7 I'm sorry, which sister agency?

8 MATTHEW BRUNI: Family Independence  
9 Administration, FIA. I'm looking here, and I do  
10 have the data in front of me, in 2004, the overall  
11 was 176, ranging as high as 197. 2005, it was up  
12 as high as 200, in some instances. 2006 was also--  
13 -it, as high as, I will say as high as over 200.  
14 And in 2007, generally in the 190 to 195 range.  
15 In 2008, it was in the 190s, and this year it's  
16 more in the 180 range. But I'll be happy to  
17 produce more concrete ES3 data.

18 CHAIRPERSON DE BLASIO: So, in the  
19 past you've been around 200 in your high--

20 MATTHEW BRUNI: As high as 200,  
21 yes.

22 CHAIRPERSON DE BLASIO: And this  
23 time you're saying you think you're not beyond  
24 190.

25 MATTHEW BRUNI: That's correct.

2 CHAIRPERSON DE BLASIO: But you're  
3 going to be able to confirm that.

4 MATTHEW BRUNI: Based on our most  
5 recent data, that's so, yes.

6 CHAIRPERSON DE BLASIO: Okay.  
7 Alright, now, we'd like that obviously as quickly  
8 as possible, in light of the budget process  
9 happening right now, over these next weeks.

10 MATTHEW BRUNI: Certainly.

11 CHAIRPERSON DE BLASIO: [pause]  
12 Just one second, please. [pause] Just want to  
13 make announcement, we know we have a number of  
14 people standing in the back, and we appreciate  
15 that you're here and you are about these issues.  
16 You can go into this room right next door, the  
17 Committee Room, and there is a live audio feed, so  
18 you'll be able to hear quite well what's  
19 happening, and be more comfortable. So just want  
20 to encourage folks to go right next door to the  
21 Committee Room. Okay. Oh, I'm sorry, I'm going  
22 to get, I have a few more questions, but I think  
23 Council Member Felder has a question in the  
24 meantime.

25 COUNCIL MEMBER FELDER: Good

2 morning. Just want to ask you about the housing.  
3 When you, when you send people, clients, for  
4 housing, do you do that temp--you know, for  
5 temporary housing--are you sure, I don't know  
6 whether it has anything to do with you, so this'll  
7 be an easy one, you'll say it has nothing to do  
8 with me.

9 ROBERT DOAR: Well, with HAS--yeah.

10 COUNCIL MEMBER FELDER: Alright,  
11 what I'm concerned about is that I've noticed some  
12 facilities that they turn, it could sometimes be a  
13 two-family, three-family house, into housing. I  
14 asked some of the people that go in, go out, they  
15 seem to be getting housing vouchers or whatever it  
16 is. I don't, the vouchers not the work. What I'm  
17 trying to find out is whether you know whether  
18 those providers actually have the proper zoning  
19 for their facilities to provide the housing that  
20 they're providing?

21 ROBERT DOAR: I would be happy to  
22 look into any specific situations--

23 COUNCIL MEMBER FELDER: Yeah.

24 ROBERT DOAR: --you would like me  
25 to. We have a very limited number of housing

2 programs in the HASA program, and in the domestic  
3 violence housing. By far and away, the larger  
4 housing provider is the Department of Homeless  
5 Services.

6 COUNCIL MEMBER FELDER: Okay, thank  
7 you. If you want to--

8 ROBERT DOAR: I would be happy to  
9 talk to you, go over what any--

10 COUNCIL MEMBER FELDER: No, I don't  
11 want the question to be too easy, you seem like  
12 you liked--

13 ROBERT DOAR: [laughs]

14 COUNCIL MEMBER FELDER: Thank you.

15 ROBERT DOAR: Thank you. - -

16 CHAIRPERSON DE BLASIO: Okay.

17 Commissioner, let me take you back here, now.  
18 Commissioner I want to take you back for a second  
19 on your previous answers on HASA with Council  
20 Member Brewer. So, you're not disagreeing that  
21 the Health Department's figures suggest a growing  
22 problem with HIV and AIDS in the City in general,  
23 I'm not talking about your response to it, I'm  
24 saying do you agree we have a growing challenge as  
25 a matter of public health?

2 ROBERT DOAR: The--I don't, what  
3 was the question, I wasn't, I didn't, Matt was  
4 whispering in my ear.

5 CHAIRPERSON DE BLASIO: Again--  
6 focus, Commissioner, focus.

7 ROBERT DOAR: Yes. [laughter]

8 SERGEANT-AT-ARMS: Quiet, please.

9 [background noise]

10 CHAIRPERSON DE BLASIO: That's  
11 right, you are disconcerting him. Last August,  
12 2008, figures from the New York City Department of  
13 Health, showed that New Yorkers are contracting  
14 HIV at three times the national rate. So I just  
15 want to start this really--

16 ROBERT DOAR: I don't, I don't  
17 contest those numbers, and in fact we went over  
18 immediately after that came out and spoke with  
19 Commissioner Frieden, and asked him what we needed  
20 to do within HASA to help contribute to preventive  
21 efforts, to reduce the number of new cases of  
22 HIV/AIDS. And we engaged in very good dialogue  
23 about that, including some additional training and  
24 outreach efforts that we've undertaken within  
25 HASA. And so we're absolutely engaged on that

2 issue, and we acknowledge that it exists. HAS  
3 eligibility, as you know, is not just based on  
4 HIV/AIDS, having HIV/AIDS. And so, there the  
5 issue is not, I don't think our caseload is  
6 growing within HASA. I think it's more flat. But  
7 the question of a higher incidence of HIV/AIDS or  
8 more new infections, troubles us, concerns us, and  
9 we are doing what we can in HASA to help the  
10 Department of Health, and other partners, address  
11 it.

12 CHAIRPERSON DE BLASIO: And all I'm  
13 saying, I just want a simple response here, based  
14 on the previous dialogue. The concern was raised  
15 that over the course of two years, 22 percent more  
16 people with HIV and AIDS are living in commercial  
17 SROs. And what I heard you say was you thought  
18 that trend was decreasing. But what I'm concerned  
19 about is the overall health trend is not--and the  
20 state of the economy is not getting better any  
21 time soon. So, in terms of your choices around  
22 reductions in case management and supportive  
23 housing services, I'm concerned that you're making  
24 your decisions based on overly rosy assumptions.  
25 So can you speak to that?

2 MATTHEW BRUNI: Absolutely. Yes,  
3 you're absolutely correct, that data reflects that  
4 the instance of HIV infection has gone up. It  
5 should be noted, though, that people who become  
6 infected at that point are HIV asymptomatic, and  
7 the medical eligibility criteria for HASA is based  
8 on HIV symptomatic clinical illness or AIDS. So,  
9 it will not necessarily follow that HASA, when we  
10 look back ten years, 20 years from now, actually  
11 had a spike in new clients based on the number of  
12 new HIV infections. Now, with respect to the  
13 SROs, there's not question, based on the publicly  
14 available data, the census has gone up, but as I  
15 stated a few minutes ago, it's dynamic, it's  
16 actually come down. January was a high number for  
17 us, it was 1,027. Now it's at 955 at the, as the  
18 April SRO census. It is dynamic, it could go up a  
19 little bit, it could go down a little bit. And  
20 ideally, it will continue to go down with the  
21 continuing introduction of New York, New York III  
22 housing. Many of our clients are, would, are  
23 presumptively eligible for New York, New York III  
24 housing, which as you know emphasizes chronic  
25 homelessness. And in the service of qualifying

2 clients as quickly as possible, most of our  
3 centers, through a partnership with HHC, we have  
4 licensed clinicians who work with HASA clients to  
5 develop housing applications, and indeed if they  
6 appear to be eligible for New York, New York III  
7 housing, developing the application and getting it  
8 qualified quickly, so we can start to make  
9 placements. So we would anticipate that the SRO  
10 usage will actually decrease over this year and  
11 the next.

12 CHAIRPERSON DE BLASIO: But on a  
13 pure budget level, if you're building in  
14 assumptions of less need, and therefore reducing  
15 your case management level and your housing  
16 services levels, do you have the ability to  
17 recover and add additional resources, if in fact  
18 the trends go the other way, rapidly?

19 ROBERT DOAR: Well, within HASA, we  
20 have the ability, because we're governed by a  
21 local law with regard to case management numbers.  
22 And so we would have to add staff to meet  
23 increased case load numbers.

24 CHAIRPERSON DE BLASIO: And you can  
25 do that on a timely basis?

2 ROBERT DOAR: Well, given the,  
3 yeah, given the fact that it's a specific Local  
4 Law 49 issue, we would have to move rapidly.

5 CHAIRPERSON DE BLASIO: Okay.  
6 Staying on the subject of staffing again for a  
7 moment, so you've, you talked about your overall  
8 plan to eliminate positions, which again I have a  
9 huge concern about, both in terms of service  
10 levels and in terms of the anti-stimulus effect.  
11 We've talked consistently about provisional  
12 workers, and trying to treat them more fairly, and  
13 also keep their expertise in our City employment.  
14 Could you tell us, with the last hearing, you  
15 agreed that you would talk to DCAS and you would  
16 take follow up steps to see if there was some way  
17 to provide for a system of testing the experience  
18 levels and the capacity levels of these workers  
19 and the different manner that would allow you to  
20 keep them in employment more consistently. And I  
21 think you said sincerely you were willing to  
22 explore those options, especially because you  
23 expected additional demands in terms of benefits  
24 applications, etc. So, have you made any progress  
25 on that front?

2 ROBERT DOAR: We did have success  
3 in slowing the process down, of complying with - -  
4 decision, especially for eligibility specialists.  
5 And we have provided some assistance to  
6 provisionals in taking civil service exams so that  
7 they could be successful in passing those exams,  
8 being cleared for permanent placement. We have  
9 not been successful in getting, in arriving at a  
10 way in which we can do, with DCAS, the experience  
11 and testing. And that is a work progress. We  
12 have more work to be done there. And in addition,  
13 I just need to be clear that complicating matters  
14 is that some of the people who may come to HRA as  
15 a result of layoffs in other agencies, will have  
16 the option, may have the opportunity to bump into  
17 provisional titles within our agency. So, for  
18 provisionals, the situation is not clear. And one  
19 in which, due to the fiscal situation, is  
20 problematic. We do have to continue talking to  
21 DCAS about the experience and education exam, but  
22 I have not successfully achieved that yet.

23 CHAIRPERSON DE BLASIO: When do you  
24 expect to have some outcomes on that?

25 ROBERT DOAR: Well, I need to, I

2 would, let's say in the next three weeks, I'd like  
3 to get that resolved. And maybe the answer is no.  
4 But I want to make sure I've done everything I can  
5 to explore it fully.

6 CHAIRPERSON DE BLASIO: And how  
7 many provisionals have been laid off to date?

8 ROBERT DOAR: Do I have that  
9 number? 127. 127.

10 CHAIRPERSON DE BLASIO: And can you  
11 break out now, or can you get to us shortly, the  
12 years of experience--

13 ROBERT DOAR: I can't do that now--

14 CHAIRPERSON DE BLASIO: --range?

15 ROBERT DOAR: --but I can get that  
16 to you shortly.

17 CHAIRPERSON DE BLASIO: Okay,  
18 'cause I think an area that you and I agree on is  
19 that the folks who have substantial number of  
20 years of experience, I'll say ten or more, just  
21 for the sake of discussion, are a particular  
22 asset, and that's why these conversations with  
23 DCAS are so important.

24 ROBERT DOAR: Yes. I also would  
25 say that for those agency employees and other

2 agencies that are coming to HRA, we need to be  
3 prepared to train them, welcome them into the  
4 agency in the most effective way, so they can get  
5 right into the work that we need done within our  
6 agency.

7 CHAIRPERSON DE BLASIO: Okay. I'm  
8 just going to do a few other quick questions, also  
9 referring to some of the topics I raised in my  
10 opening. So, again on the Emergency Food  
11 Assistance Program, this confuses me, because  
12 there's no one who doubts the need is greater.  
13 And this is one, I think one of the most basic  
14 functions government provides. So, is there  
15 anything you can do to stop this \$2 million cut to  
16 EFAP?

17 ROBERT DOAR: [pause] Okay. We  
18 came in with a baseline proposal consistent with  
19 the Administration's previous budget proposals, as  
20 I understand it. So we did not cut the  
21 Administration's proposal, but because in previous  
22 years the City Council has added dollars, and last  
23 year we made a special provision of I think  
24 \$800,000 to deal with additional demand, and to  
25 address the issue. We've not been able to come

2 back at that, both of those two changes and make  
3 them baseline. So we have come in with our usual  
4 \$9.5 million proposal for EFAP, of City Council  
5 funding. There is, I--so the answer is, no, at  
6 this point, we are sticking at \$9.5. We'll  
7 examine other funding sources, and see what the  
8 issue is. But that's where we are.

9 CHAIRPERSON DE BLASIO: Well, as  
10 you know, our own budget process here is going to  
11 be a big question mark this year, 'cause of the  
12 overall situation.

13 ROBERT DOAR: Yes.

14 CHAIRPERSON DE BLASIO: So, I'm  
15 just concerned that you're in effect saying that  
16 you're ready to see that level of reduction, when  
17 you agree that the need is greater than ever. So,  
18 in the context of priorities and the budget, which  
19 is what these hearings are all about, how could we  
20 not make a priority of food?

21 ROBERT DOAR: It's, first of all I  
22 want to correct you. Our proposal's \$8.4, not  
23 \$9.5; the City Council added to get it up to \$9.5.  
24 We have monitored, to the extent that we are able  
25 to monitor usage at food pantries and soup

2 kitchens. I will note that while you are correct,  
3 the self-reporting data indicates an increase from  
4 a year ago, it has, it did seem to go down between  
5 the first quarter of this year and the previous  
6 period. But it's an issue which we are monitoring  
7 very carefully--

8 CHAIRPERSON DE BLASIO: But food  
9 costs--you don't doubt food costs have continued  
10 to rise radically over the course of this decade.

11 ROBERT DOAR: I'm not--

12 CHAIRPERSON DE BLASIO: So, in  
13 other words, the same funding does not achieve--

14 ROBERT DOAR: I will say at the  
15 same time, that the 13 percent increase in food  
16 stamp benefits went into effect, we put that in  
17 effect in March, I believe. I mentioned in my  
18 testimony that's 25, \$20 million additional  
19 support for food purchases for low income New  
20 Yorkers. That'll happen every month going  
21 forward. We've also significantly increased the  
22 use of food stamps by working New Yorkers over the  
23 last six months. So, I don't concede that we  
24 haven't made a priority of trying to help people  
25 deal with food - -

2 CHAIRPERSON DE BLASIO: That's,  
3 Commissioner, I'll, I'm going to turn to, Council  
4 Member Foster has a comment, but I, no one's  
5 saying you haven't made it a priority; we're  
6 saying you're not making it enough of a priority  
7 if in fact you're cutting back emergency food  
8 programs when the need is greater. But we  
9 obviously have a disagreement there. Council  
10 Member Foster.

11 COUNCIL MEMBER FOSTER: Thank you  
12 very much. I would just be remiss if I didn't  
13 comment with the Back to Work issues and that  
14 education we're not sure is the key. Let me ask a  
15 question, just step by step. The majority of the  
16 people that are on the Back to Work program, are  
17 they black and Latino?

18 ROBERT DOAR: I think that is  
19 correct, I don't have that in front of me.

20 COUNCIL MEMBER FOSTER: So that's a  
21 fair statement?

22 ROBERT DOAR: I think so, I'm not  
23 sure about it, but I'm pretty sure, yes.

24 COUNCIL MEMBER FOSTER: Okay. And  
25 with the Administration's policy--Okay, let me

2 take it back. The, would you say, just given a  
3 educated guess that the majority of the workers on  
4 Wall Street are white men?

5 ROBERT DOAR: I, if I took a guess,  
6 I guess I'd say that's correct, but I don't--

7 COUNCIL MEMBER FOSTER: Okay.

8 ROBERT DOAR: Lot of women work on  
9 Wall Street, too.

10 COUNCIL MEMBER FOSTER: Okay, let's  
11 remove gender, and just say a lot of those that  
12 work on Wall Street are white men and women.

13 ROBERT DOAR: Okay.

14 COUNCIL MEMBER FOSTER: Okay, just  
15 follow me. We will reinvest to educate Wall  
16 Street, but we don't think as a policy that  
17 educating people on, to get back to work, and  
18 saying "If you're in college or going to get a  
19 masters, does not help one get off welfare," and  
20 we really think that these workforce, giving  
21 people skills in terms of cleaning up parks or  
22 working at minimum wage jobs, are going to give  
23 them [applause] the education they need--Wait,  
24 just a minute, wait a minute, wait a minute--is  
25 going to give them what they need to succeed.

2 ROBERT DOAR: I don't run programs  
3 that help people who have been displaced by work  
4 at, on Wall Street, that's not what I--

5 COUNCIL MEMBER FOSTER: I  
6 understand that.

7 ROBERT DOAR: I don't have anything  
8 to do with that. I work a program--

9 COUNCIL MEMBER FOSTER: So what you  
10 have to do with, answer that.

11 ROBERT DOAR: What we do in HRA is  
12 help people get to work. That's what we focus on,  
13 that is the direction from the federal government,  
14 it's the direction from the state government, that  
15 that should be our primary and core focus. And we  
16 have done I think a pretty good job at that.

17 COUNCIL MEMBER FOSTER: Would you  
18 say that to become Commissioner of HRA, it was not  
19 because of, you know, just your charm, but your  
20 education that got your to become Commissioner of  
21 HRA. Education, work experience.

22 ROBERT DOAR: All of that plays a  
23 role.

24 COUNCIL MEMBER FOSTER: That is my  
25 point.

2 ROBERT DOAR: And I don't object to  
3 education. I don't, now don't get me wrong, I  
4 think education is a good thing, and is a key to  
5 help getting people advance. The problem is we  
6 can't allow it to count for required work activity  
7 in the cash assistance program. And that's what  
8 I've said.

9 COUNCIL MEMBER FOSTER: And what  
10 I'm saying to you is that fundamentally that is  
11 flawed, because we would, it's assume, seems to me  
12 we would want to encourage people to get educated,  
13 'cause the best way to get off welfare and to get  
14 off needing assistance by the City or the State or  
15 the federal government, is actually through  
16 education, and not through a workforce where we're  
17 not sure if the numbers are correct in terms of  
18 tracking people after three months, or after six  
19 months, and giving incentives to the employers  
20 instead of incentives to the recipients, and like,  
21 "Here, go to school, get the, get a degree."

22 ROBERT DOAR: I all, from our  
23 perspective, programs that were heavily focused on  
24 training and education and graduate degrees or  
25 college degrees in the previous period, were not

2 successful in helping people get employment and  
3 raise their incomes. And that's really what we  
4 want to get. We want, we think there's an  
5 appropriate mix: work and education, combined  
6 with work supports like food stamps, child support  
7 collections, child care subsidies, the earned  
8 income tax credit. We think that's been more  
9 successful than a heavy emphasis on training and  
10 education. In our programs.

11 COUNCIL MEMBER FOSTER: In your  
12 program. I think it is again, Chair, and I will  
13 allow this Committee to continue to push this and  
14 follow up with it, I think it's a flaw, and that  
15 we, when we look at the color of the recipients,  
16 and we are saying that it's fine for you not to  
17 get educated, but to do this work where it's going  
18 to end nowhere. I think it's a fundamental flaw  
19 and it really is a reflection of this  
20 administration and how at the end, and remember  
21 this is an election year, everyone, so just don't  
22 hold up a flyer [applause]. It will, it is how we  
23 will be judged on what we did for those most  
24 vulnerable, especially in a time like this, when  
25 this country and this City and State is facing

2 economic crisis. Thank you.

3 CHAIRPERSON DE BLASIO: Thank you,  
4 Council Member Foster. [applause] The--I agree  
5 with you strongly, and I think what, the concerns  
6 I'm raising on changing the Back to Work program  
7 and focusing more on transitional jobs, and the  
8 concerns you're raising about giving more  
9 opportunity for education, they go together,  
10 because it's trying to acknowledge the economic  
11 reality and whether we are maximizing opportunity  
12 for people at a point when the private sector's  
13 going to have fewer and fewer immediate  
14 opportunities available. But I think we know  
15 [laughs, applause] we know that we have a  
16 fundamental disagreement with the Administration  
17 on this issue, and we will keep raising it. And I  
18 agree with you, this is a good year for the public  
19 to be discussing this issue, and having a vibrant  
20 debate on it. Commissioner, just a few more  
21 things, then we'll be done. You owe us something,  
22 and I think you say you're, I think you have it  
23 almost ready, from the February hearing, we asked  
24 you a series of questions, not just about moving  
25 towards transitional job programs, but about the

2 question of whether contracting out has proven to  
3 be effective or not.

4 ROBERT DOAR: Yes.

5 CHAIRPERSON DE BLASIO: Are you  
6 going to be able to give us a written response to  
7 that?

8 ROBERT DOAR: Today.

9 CHAIRPERSON DE BLASIO: Today  
10 you'll have it.

11 ROBERT DOAR: Yes.

12 CHAIRPERSON DE BLASIO: Do you have  
13 it know, or you're saying later today.

14 ROBERT DOAR: There's a--later  
15 today.

16 CHAIRPERSON DE BLASIO: Okay.

17 ROBERT DOAR: I told Molly earlier  
18 that I would have it for you later today.

19 CHAIRPERSON DE BLASIO: Very good.  
20 We look forward to that. Back on the previous  
21 question, quickly, about the job center  
22 consolidation, Euclid and Bushwick, Commissioner,  
23 you know, we're talking about radically different  
24 locations, one in east New York, one in Bushwick.  
25 I'm a little confused how you think that won't

2 fundamentally dislocate the folks served by these  
3 centers, if it's such a difference of geography.

4 ROBERT DOAR: Seth.

5 CHAIRPERSON DE BLASIO: And how,  
6 what have you done to analyze what this will  
7 actually mean for the folks being served?

8 SETH DIAMOND: The people served at  
9 Euclid don't necessarily live right near the  
10 Euclid Center, and we can share with you a  
11 transportation analysis that shows the travel  
12 distances and the travel times that will change.  
13 In most cases, it's a modest difference in time  
14 between the two locations. And most people also  
15 don't have to go regularly to their job centers  
16 for appointments. They may have to go once or  
17 twice a year, but their more frequent interaction  
18 is with an employment program or something like  
19 that, which is not, which may be closer to where  
20 they live.

21 CHAIRPERSON DE BLASIO: I'm just on  
22 a common sense level a little astounded that we're  
23 talking about two such different locations without  
24 great transportation between them, and you think  
25 it won't have an impact on folks served. But I'm

2 not surprised, we'll let that one go. Let's move  
3 to another issue. I want to take you back, 'cause  
4 we talked about in the beginning, in the opening,  
5 the--client contribution issue that has been in  
6 the news the last few days, there's been  
7 tremendous concern that it's an unfair, an  
8 unproductive policy to ask folks who are in  
9 shelter to pay toward the cost of shelter to begin  
10 with. And that it undermines their ability to  
11 save resources they could use to eventually get on  
12 their own two feet. And there's obviously been a  
13 bit of a comedy of errors of this policy being on  
14 again/off again. Now, as I understand it, HRA was  
15 responsible for calculating how much money  
16 homeless families would have to contribute towards  
17 a course, towards the cost of shelter. And that  
18 you were also involved in the noticing of  
19 families. Tell us what happened.

20 ROBERT DOAR: First of all, it's a  
21 State requirement that for folks receiving  
22 temporary housing assistance, who have income, be,  
23 make some contribution toward the cost of their  
24 care. It's been true across the State, it has not  
25 been perfected within DHS shelters in the City of

2 New York. The State brought some pressure on us  
3 to comply with that requirement, and fiscally  
4 penalized the State, the City, for not complying  
5 with it. The calculation of the amount owed is  
6 conducted by the State's Welfare Management  
7 System. In order to be done correctly, workers at  
8 HRA put information into the system, and the  
9 system produces a notice at the State level, and  
10 the State sends that notice describing the amount  
11 to be contributed by the client. That calculation  
12 and that programming to the State system was done  
13 by the State. And we found, soon after beginning  
14 the process, that those calculations were  
15 incorrect. And we brought that to the attention  
16 of the State, and the State acknowledged mistakes  
17 in the programming that led those calculations to  
18 be incorrect, and determined that they would  
19 notify us and the clients that this process would  
20 be stopped, until those calculations conducted by  
21 the Welfare Management System administered by the  
22 State of New York could be corrected. And that's  
23 where we are now. The, I do acknowledge that for  
24 some folks, due to the way in which the  
25 rebudgeting was done from HRA, some of those

2 cases, not the calculation, but the generation of  
3 the notice, was not triggered by an action by HRA  
4 workers. And we discovered that, and brought that  
5 to the attention of the State, and the State  
6 considered that in addition to the fact that the  
7 underlying calculation programmed by the WMS  
8 system was incorrect in determining that the  
9 process which they had mandated on the City needed  
10 to be stopped.

11 CHAIRPERSON DE BLASIO: Do you  
12 believe the State law should be changed? 'Cause  
13 there is a proposal in Albany now to end this  
14 practice.

15 ROBERT DOAR: The pra--My, first of  
16 all, they're, we're seeing there are a lot of  
17 proposals, and the City is looking at what's out  
18 there. The aspect of people with income making  
19 some contribution to the cost of their temporary  
20 housing, these are folks who have a job or other  
21 source of income, does not trouble me. It's an  
22 aspect of personal responsibility. If they're, a  
23 portion of that contribution could be devoted to  
24 savings, that would not be a bad thing. But given  
25 the fact of the matter, right now it's existing

2 requirement, and there are some potential fiscal  
3 risks for the City if we don't comply, that's  
4 really what we've been dealing with. But it's--  
5 the aspect of making a contribution all by itself,  
6 if done correctly, does not trouble me.

7 CHAIRPERSON DE BLASIO: Well,  
8 we'll, we're going to not dwell on this, because  
9 your colleague, Commissioner Hess of DHS is coming  
10 in shortly, and we're going to talk to him about  
11 this. I think this is a very different policy  
12 that what you describe in the sense of potentially  
13 asking quite a bit of shelter recipients and not  
14 setting them up for self-sufficiency thereafter.  
15 And I think it's also been badly mishandled in  
16 implementation. But I would hope the  
17 Administration would think about joining the  
18 effort in Albany now to change the State law so  
19 we're not having our hand forced in this manner.

20 ROBERT DOAR: Well, I can, yeah.

21 CHAIRPERSON DE BLASIO: Go ahead,  
22 I'm sorry.

23 ROBERT DOAR: I just, people who  
24 are in temporary housing facilities, the cost of  
25 care is significant. If they have income that

2 they can contribute, it gets them in the habit and  
3 practice of making contributions towards their  
4 housing, which is something that must be faced  
5 eventually, as they transition out of the shelter.

6 CHAIRPERSON DE BLASIO: I think  
7 there's a very big difference between a  
8 contribution that's held in escrow for their  
9 future use, to help them get on their, you know,  
10 get on their own, versus a contribution that just  
11 goes back into the City or State coffers. But we  
12 will debate that further with Commissioner Hess.  
13 To closer out, Commissioner, I know my colleague  
14 Tom White has a question, councilmember just if  
15 you'd be kind enough to keep it a little brief,  
16 'cause we are behind schedule, I'd appreciate it.  
17 Council Member White.

18 COUNCIL MEMBER WHITE: Thank you  
19 very much, Mr. Chairman. I see here that you are,  
20 you estimate, you have identified \$620 million in  
21 savings for the prior fiscal year '08 through '12.  
22 And that--

23 ROBERT DOAR: Yeah, so, yes.

24 COUNCIL MEMBER WHITE: And that  
25 the--how did you derive at that?

2 ROBERT DOAR: Well, this was over  
3 multiple savings exercise directed by the Director  
4 of the Division of Budget, or Office of Management  
5 and Budget, to address the remarkable shortfall in  
6 revenues at the City and State level. And so we,  
7 we went out to each of our program heads, down to  
8 fairly low levels, and said, "We need to achieve  
9 these targets of savings, could you give us some  
10 ideas?" And we gave each of them their own  
11 individual target, and we asked them to come up  
12 with ideas that would, and I said, we want them to  
13 be, not to affect our core services and our  
14 ability to serve people that are in need. And so  
15 they went through their books and their processes  
16 and came up with suggestions either in increasing  
17 revenues or in cutting costs that we could afford  
18 to cut, and still deliver our programs.

19 COUNCIL MEMBER WHITE: Well, I  
20 know, you know, I arrived here because I wanted to  
21 hear the President speak concerning his nominee  
22 for the Supreme Court. And I'm happy that it was  
23 a Latino, it was a woman. But I'm more impressed  
24 by what the President said, that I do not pick up  
25 from HRA right now. And what he said in making

2 his decision was he wanted a knowledgeable, a  
3 person that knew the law, her track record--I  
4 believe Princeton, and then Yale, and then working  
5 Morgenthau's office, so forth and so on. But one  
6 of the key things that he said, in her nomination,  
7 was he wanted somebody that had the empathy to  
8 take a look, and be able to put themselves in  
9 other people's shoes. So my [applause] And he  
10 described the kinds of analysis that was done, and  
11 how many pages was in that analysis. So here's my  
12 question, and I've been hearing it about, we  
13 understand that we're in an economic downturn.  
14 But I'm concerned about the people who make these  
15 decisions concerning people's lives, day in and  
16 day out. Do you have in that analysis and in  
17 those audits, people that look like me, that  
18 woman, that has had some union experience in  
19 representing the union? Have you taken a look at  
20 that as opposed to just taking a look at a bottom  
21 line and say, "Well, we can save X amount of  
22 dollars."? And it would appear to me that that  
23 was the only target, how much money we can save,  
24 and the impact that it would have too a backseat.  
25 And I have serious reservations about approving

2 such things, because having been in the City  
3 Council before, it's always the hard services that  
4 are, remain. The soft services like taking care  
5 of our children, taking care of the workers that  
6 take care of our children, people that work every  
7 day, is left last, and left for us to restore.  
8 And if we don't restore them, then nobody gets  
9 them. [applause]

10 ROBERT DOAR: Well, council member,  
11 I believe I do have that empathy, and I work hard  
12 to listen to all the members of our agency. I  
13 have a long experience in social services, I've  
14 worked in social services since 1995. My family's  
15 been involved in social services. You have to ask  
16 around, though, and see what folks say, but I  
17 think I've brought that, and that's why in trying  
18 to get to these savings, I work very hard to  
19 ensure that we not affect our direct service to  
20 the people of the City of New York.

21 COUNCIL MEMBER WHITE: Well, I'm  
22 not attacking you directly. What I'm saying is,  
23 have you asked the workers who are out there doing  
24 the work? Have they had input into this decision  
25 making?

2 ROBERT DOAR: Well, I--

3 COUNCIL MEMBER WHITE: You say you  
4 went around. What I'm saying is, when you go  
5 around and you really, and you really want--you  
6 want to do a good job, I'll give you that. But in  
7 order to get a good job, and a good analysis, you  
8 have to do a 360 degree assessment. So I'm  
9 saying, did you do 360 degrees by talking to the  
10 unions, by talking to the workers, by talking to  
11 the administrators, by talking to your  
12 accountants. Did you do that wholesome approach,  
13 or did you just do the economic approach?

14 ROBERT DOAR: No, I think I looked  
15 at the whole picture. If I could do more of it,  
16 and I will, and if you're urging me to, I will. I  
17 do, I did conduct many, many, many open forums  
18 across the City and all of our offices, or most of  
19 our offices. I listened to direct feedback from  
20 workers. I have an open email ability for anybody  
21 to contribute, to ask questions or to bring up  
22 issues. I think I have a pretty open door  
23 relationship with the union leaders, who I talk to  
24 quite frequently. So, I honestly believe that our  
25 agency has done what you're suggesting, but I will

2 work at it even harder in the coming year.

3 COUNCIL MEMBER WHITE: Well, I  
4 would appreciate it, because I'm really not  
5 satisfied with the end results today. So, let's  
6 work a little harder, and let's dig a little  
7 deeper, as my colleague said about Wall Street,  
8 alright. We did a lot in terms of, with the  
9 taxpayers' money, and some people that's going to  
10 get laid off or not have jobs, some of their tax  
11 money that they paid went towards bailing out  
12 other people that really don't look like us.

13 [applause] And the least that we can do in this  
14 City, because I hear it day in and day out, in my  
15 district, people losing their homes because they  
16 lost their jobs, and things of that nature, then  
17 they have to go on public assistance. But they  
18 can't go on public assistance because you don't  
19 process 'em right. You got a set budget, you're  
20 going to delay, delay, delay. And what I'm saying  
21 is, in this city, we have a opportunity, the same  
22 way the federal government bailed out Wall Street,  
23 we're right here on Main Street, and I think that  
24 the City should work for Main Street on up, and  
25 not give people jobs and rescue packages from the

2 Wall Street, with jobs and job opportunities,  
3 within our system.

4 ROBERT DOAR: That's the world that  
5 we work in, in HRA.

6 COUNCIL MEMBER WHITE: And guess  
7 what? There's one thing I know, if I don't know  
8 for sure: we created the world, and guess what?  
9 We can change it. [applause]

10 CHAIRPERSON DE BLASIO: Yes, sir.  
11 Okay. Thank you, Council Member. And  
12 Commissioner, thank you. Appreciate your  
13 testimony and that of your staff, and we look  
14 forward to your additional responses based on the  
15 questions today in writing and follow up. Thank  
16 you. Okay, we're now going to have--

17 [scattered applause]

18 SERGEANT-AT-ARMS: Quiet, please.

19 CHAIRPERSON DE BLASIO: We're now  
20 going to have Administration for Children's  
21 Services come up, so let's see if we can make a  
22 quick transition. Let's try and make a quick  
23 transition here.

24 [pause]

25 MALE VOICE: Please exit quietly

2 ladies and gentlemen. Find seats. This hearing  
3 is going to begin again fairly shortly. Thank you  
4 much. Take any conversations outside.

5 [pause]

6 [gavel, background noise]

7 CHAIRPERSON WEPRIN: The Finance  
8 Committee is back in joint session with the  
9 General Welfare Committee. I'm David Weprin, I  
10 chair--and I chair the Finance Committee. And  
11 we're also joined by the Committee on Women's  
12 Issues, chaired by Council Member Darlene Mealy,  
13 to my right. And we're about to hear from  
14 Commissioner Mattingly. But before we hear from  
15 Commissioner Mattingly, I believe Chair De Blasio  
16 and Chair Mealy have a statement. Chair De  
17 Blasio.

18 CHAIRPERSON DE BLASIO: I don't  
19 think she does. See if she does or not. I don't  
20 think she does. Thank you, Chair Weprin.  
21 Welcome, Commissioner and your team. First of  
22 all, I want to acknowledge the members who are  
23 present who were not in the previous part of this  
24 hearing, Council Member Melissa Mark-Viverito,  
25 Council Member Helen Sears, Council Member, let's

2 see, Council Member Mealy we mentioned before,  
3 Council Member Crowley. And want to thank the  
4 staff who helped put together this part of the  
5 hearing, including Molly Murphy, Migna Taveras,  
6 and Paki Sangupta [phonetic]. So just a few  
7 points up front, Commissioner, to you and your  
8 team. I think we would all agree, sort of a moral  
9 question, as a question of what government is  
10 supposed to do, that in tough economic times it's  
11 wrong and it's irresponsible to put the greatest  
12 burden on children and families who need help the  
13 most. That in fact, we need to make them our  
14 priority. And despite months of advocacy since  
15 the preliminary budget from members of the Council  
16 and from community leaders and social service  
17 advocates, the Administration has still been  
18 unwilling to scale back the drastic cuts which  
19 will jeopardize ACS's ability to keep children  
20 safe, and to provide childcare to those who need  
21 it most. So just a few specific points I want to  
22 make at the outset that we hope you'll address in  
23 your testimony and in the questions and answers.  
24 You still have, your agency with a extraordinary  
25 number of losses of staff positions, we were

2 concerned about this in March and the situation is  
3 just as bad now. ACS still faces the elimination  
4 of approximately 1,000 positions, more than any of  
5 the other social service agencies, more than any  
6 of the other large frontline agencies, such as  
7 Sanitation and Parks. It's an extraordinary  
8 number of positions for you to be losing, and  
9 obviously will have an effect. We know they're  
10 not all frontline workers, but with that many  
11 positions lost, it's impossible to see how the  
12 work of the agency will not be negatively  
13 affected. Commissioner, you testified at the  
14 preliminary budget hearing that the agency  
15 originally anticipated 608 layoffs, and the number  
16 had gone down to 557; but we do not see that  
17 clearly articulated in the executive budget, so we  
18 need you to explain that further today.

19 Specifically on the question of child welfare,  
20 over 600 of the headcount reductions, including  
21 through attrition, come from child welfare, which  
22 is a tremendous concern in and of itself. But  
23 we're also losing preventive money, the Council's  
24 Child Safety Initiative, which we have very  
25 proudly made happen for the last few years, which

2 keeps the caseload of preventive workers down, has  
3 not been restored in the executive budget. And  
4 that means providers cannot meet the nationally  
5 recommended caseload ratio of twelve to one.

6 They're going to go back up towards 15 to one, and  
7 as you know, that threatens their ability to keep  
8 children safe and families together. Also--thank

9 you. Also, in previous years, ACS found \$9

10 million in its budget from, for prevention, which  
11 again we are concerned will not happen this year.

12 On childcare, there have been some positive  
13 developments since the March hearing, but we still  
14 have major concerns. I am pleased that ACS will  
15 finally be paying the market rate to providers,  
16 which is long overdue. And it's vital for the  
17 continuation of the work, which is crucial for the  
18 working families of this City. And I'm pleased

19 ACS is committed to helping childcare centers that  
20 lose classrooms as a result of the kindergarten

21 transition, to age down with stimulus funding,  
22 which was a concern raised in the preliminary

23 budget hearing. But on both of these fronts,

24 there's still tremendous problems to address. As

25 a result of the changes on the market rate, the

2 Administration's made the decision to reduce over  
3 3,000 childcare vouchers. This includes 2,000  
4 priority seven vouchers for large families, and  
5 1,000 priority eight and nine vouchers, for  
6 families where parents are either ill or  
7 incapacitated or looking for work. Now we think  
8 this is going to have a horrible effect on the  
9 families involved, and we think we have to find  
10 the solution rather than putting these families in  
11 such a difficult situation, in the middle of  
12 economic tough times. I appreciate ACS will offer  
13 slots in centers for these families, but this  
14 raises the issue of whether, where the open slots  
15 will be, and whether the centers can adequately  
16 serve the families in need. ACS has also said  
17 that it will help 93 childcare centers of the 125  
18 slated to lose kindergartners, but as usual, the  
19 devil's in the details. What will happen to the  
20 other 32? How will ACS determine the 93 to assist  
21 and the 32 that will not be assisted. And let's  
22 not forget the seven childcare centers that have  
23 classroom reductions that threaten their ability  
24 to stay open. So the question this administration  
25 needs to answer is what will happen to the

2 thousands of low income children and families in  
3 New York City who desperately need these services?  
4 Commissioner, I say this to you and I say it with  
5 absolute respect. We have come a long way since  
6 the Nixzmary Brown tragedy, and everyone should be  
7 proud of the positive changes we have made, but we  
8 cannot afford to start slipping backwards. And  
9 these drastic cuts will undermine potentially  
10 thousands of children's safety, and it's simply  
11 too high a price to pay. So with that opening,  
12 Commissioner, we welcome your testimony.

13 JOHN MATTINGLY: Good morning, good  
14 afternoon, Chair De Blasio, Chair Weprin, Chair  
15 Mealy, and Chair Sears, members of the General  
16 Welfare, Budget and Women's Issues Committees.

17 I'm John Mattingly, Commissioner of the New York  
18 City Administration for Children's Services.

19 Joining me here today is Susan Nuccio, our Deputy  
20 Commissioner for Financial Services, and Melanie  
21 Hartzog, our Deputy Commissioner for Childcare and  
22 Head Start will join us at the question and answer  
23 point. I thank you for the opportunity to brief  
24 you on the Executive Budget, and to update you on  
25 the progress that we have made in our ongoing

2 efforts to strengthen our work. As you know,  
3 Children's Services' Mission is to ensure the  
4 safety and wellbeing of New York City's children.  
5 We work to do this by providing child protective  
6 investigations, foster care and preventive  
7 services, adoption, childcare and Head Start  
8 services to vulnerable families. The operating  
9 budget for Children's Services for Fiscal Year  
10 2010 is \$2.6 billion, \$702 million of which is  
11 City tax levy. As I think the Council is aware,  
12 all too aware, New York City is struggling with  
13 difficult economic times, along with the rest of  
14 the State and country. As a result, all child  
15 welfare, all City agencies, have had to make  
16 reductions in their budget, and we at ACS have  
17 been faced with many difficult decisions about how  
18 to produce savings and still carry out the  
19 important job we have to do. Like all City  
20 agencies, we were asked to identify an additional  
21 four percent in reductions from our budget as part  
22 of the Executive Plan; that is on top of the seven  
23 percent that was in the January plan. At the  
24 preliminary budget hearing in March, I walked  
25 through our approach to identifying savings in our

2 system, which consisted of a top to bottom, unit  
3 by unit functional analysis through which we  
4 looked at all parts of our agency to determine  
5 where we could find efficiencies and savings that  
6 would not undermine our most critical functions.  
7 We looked first to achieve savings wherever  
8 possible in administrative costs, including leases  
9 and outside consultants. We have made these  
10 proposed cuts in this budget. But because more  
11 than 80 percent of Children's Services budget is  
12 comprised of direct services to children and  
13 families, we were unable to find the reductions we  
14 needed without looking to make changes to our  
15 personnel and to some of our programs. We worked  
16 to make changes to our organization that were in  
17 line with the vision of the agency, and what we  
18 believe will lead us to providing the best  
19 services possible for children and families.  
20 These were tough decisions to make, and  
21 unfortunately as a result, there were 541  
22 positions identified to be eliminated, resulting  
23 in staff layoffs. Staff who are at risk of being  
24 affected by these reductions received notification  
25 earlier this month, and we are currently working

2 with the City's Office of Labor Relations, unions,  
3 and the Department of Citywide Administrative  
4 Services, to find every possible way to mitigate  
5 the impact of these actions on the people  
6 involved. Now, in order to produce savings for  
7 the Executive Plan, we identified an additional  
8 \$28.6 million in City tax levy reductions to our  
9 budget. While the fiscal challenges we face today  
10 are difficult, we believe that we have come a long  
11 way in the past several years to strengthening our  
12 core capacity, to protect children and strengthen  
13 families. Every piece of the Child Welfare System  
14 has seen major changes to improve the quality of  
15 services to children and families. From the child  
16 stat system operating every Thursday morning, to  
17 enhanced training--[background noise, gavel] to  
18 enhanced training, to the Leadership Academy for  
19 Child Safety, to community partnerships, we have  
20 put a structure in place that will continue to  
21 help us to meet our mission through these very  
22 challenging times. We do not intend to step back  
23 from our commitment to child safety. [pause] As  
24 I mentioned previously, we have done everything  
25 possible to maintain our ability to protect

2 children through child protective investigations,  
3 our primary responsibility as the child, as the  
4 City's child welfare agency. I know the City  
5 Council shares our commitment to ensuring that we  
6 maintain the strong foundation that we have built  
7 in child protective services in recent years.

8 Thanks to the commitment of the Mayor, we have a  
9 strong child protective workforce in place.

10 [background noise, gavel]

11 CHAIRPERSON DE BLASIO: Okay, hold  
12 on, hold on, Commissioner, I'm sorry. I  
13 appreciate that there's deep feelings, I share  
14 many of your feelings, and I appreciate that  
15 you've brought signs as a way of expressing them.  
16 We really do need to respect the fact that we  
17 don't interrupt the testimony. So, use your signs  
18 when you see fit, but please keep it to silent  
19 expression. Commissioner, continue.

20 JOHN MATTINGLY: Thank you, Chair  
21 De Blasio. Our caseloads in child protective  
22 investigations have dropped to historic lows for  
23 the City, for the State, and I believe, the  
24 country, at a citywide average of less than eleven  
25 cases per worker. Thanks to the hard work and

2 dedication of staff throughout Children's  
3 Services, we now have a structure in our borough  
4 offices that supports quality practice and quality  
5 supervision. We also have an accountability  
6 system through which we are working at all levels  
7 of the agency to identify and address practice  
8 issues in our investigations, so that we are  
9 continuously working together to problem solve and  
10 strengthen our work. I know that none of us at  
11 ACS and the community, and in all parts of City  
12 government, want to see Children's Services move  
13 away from the progress we have made to keep  
14 children safe. We are committed to sustaining the  
15 low caseloads that now have in child protection,  
16 and to continuing our efforts to monitor and  
17 strengthen our work in this area. This is why,  
18 when we have made the difficult decisions around  
19 reducing spending in our agency, we have largely  
20 stayed away from cuts that would affect our child  
21 protective staff. Child protection is of course  
22 not our only job. As I've testified on a number  
23 of occasions in the past, I am also able to report  
24 today that we are moving forward in our strategic  
25 efforts to fundamentally change the way that

2 foster care and preventive services are provided  
3 to children and families in New York City. In  
4 June, at the end of a long, two-and-a-half year  
5 process, we will finally, we will finalize our  
6 rollout of improved outcomes for children to all  
7 foster care and preventive agencies system wide.  
8 After more than two years, of a progressive  
9 rollout process, we now have full approval by the  
10 State Office of Children and Family Services to  
11 move from pilot to full implementation. Every  
12 preventive and foster care agency will now be  
13 involved. This means, we believe, better and more  
14 oversight of the agencies and implementation of  
15 family team conferencing for all children and  
16 families. As the final step of implementation, we  
17 are eliminating the last 159 case management  
18 positions within children's services. You may  
19 recall we started off with 650. This month, we  
20 are bringing on an 80 additional family conference  
21 facilitators, the large majority of whom, as  
22 promised, are from inside the agency. While  
23 family team conferencing, enhanced monitoring and  
24 technical assistance and tighter performance  
25 measurement, Children's Services is working with

2 our private agency providers to strengthen key  
3 outcomes around safety, permanency and wellbeing.

4 These outcomes include reducing the number of  
5 children who return to foster care after they are  
6 reunified with their families; minimizing the  
7 number of movements that a child makes from one  
8 home to the next while in care; reducing reliance  
9 on residential treatment care; and shortening the  
10 length of time it takes to reunify a child with  
11 his or her family, or for a child to be adopted.

12 As you know, IOC is cost neutral and unaffected by  
13 the PEG as part of the Executive Plan. I am also  
14 pleased to report that last week we issued an RFP  
15 for new child welfare contracts in family based  
16 foster care, residential care, preventive  
17 services, and community partnerships--all of which  
18 are scheduled to begin in Fiscal Year 2011. So  
19 that's July 1, 2010. Through the RFP, we are  
20 seeking the help of our provider agency partners,  
21 and the City's communities, to expand on progress  
22 that we have made in recent years to strengthen  
23 our system's ability to protect children and  
24 strengthen families. Now in this time of severe  
25 financial challenges, Children's Services is

2 committed, as always, to serving the City's most  
3 vulnerable children with quality childcare. I  
4 know that the Council Members here today share in  
5 our concerns about the continuing underfunding of  
6 childcare that the State has experienced on the  
7 part of the State and federal governments. The  
8 inescapable fact is that we need to make some  
9 changes now, so there can be an economically  
10 viable system into the future. Our top priorities  
11 are to sustain the center based system and  
12 continue serving the most vulnerable families.  
13 Thanks to the commitment of Mayor Bloomberg and  
14 the City's financial support, we have come to an  
15 agreement, as the Chair mentioned, with the State,  
16 that makes the most of the funds available to New  
17 York City at this time, to meet these goals. At  
18 the recent hearing about the 2007 childcare market  
19 rate, I talked about the enormous challenge of an  
20 unfunded mandate to pay an increase to providers  
21 in such difficult fiscal times, while being  
22 committed to supporting the great work of  
23 thousands of home based childcare providers.

24 After months of negotiations, the City and the  
25 State have developed a solution that enables us to

2 provide this increase while making City, State and  
3 federal funds available to strengthen the  
4 childcare system in New York City. Thanks to the  
5 tenacity of Mayor Bloomberg and Governor  
6 Patterson, as well as the availability of stimulus  
7 funds made possible by the federal and State  
8 governments, we are not able to pay for the  
9 increase to as many as 27,000 home based,  
10 childcare providers. The cost of the increase,  
11 however, annually, is \$45 million, which will be  
12 funded from City and federal funds. The  
13 retroactive payments estimated to cost \$80 million  
14 will come from the \$26 million provided by the  
15 State for this purpose last fiscal year, with the  
16 additional funds provided by the City as needed.  
17 The agreement will benefit providers who accept  
18 ACS vouchers, and those affiliated with  
19 contracted, family childcare networks. Those who  
20 qualify will be paid both retroactively to October  
21 2007 and prospectively. Providers can expect to  
22 receive the retroactive payments based on the 2007  
23 market rate over a six month period, beginning in  
24 July 2009. Under the market rate agreement, the  
25 City also sought to preserve capacity in the

2 childcare system. Children's Service will use  
3 additional funds made available by the federal  
4 stimulus, to reopen a majority of the seats in ACS  
5 funded childcare centers that had been previously  
6 filled by kindergarten aged children in order to  
7 serve three and four year olds in those  
8 classrooms. This arrangement will enable us to  
9 sustain 2,000 slots in 93 classrooms across the  
10 City. It will also increase capacity for the  
11 three and four year old children in ACS's center  
12 based childcare system, where it is most needed.  
13 As I have explained to Council, the cost of this  
14 increase is very large. And we were grateful to  
15 receive help from the City and State in order to  
16 pay for this. When I testified before the City  
17 Council several months ago, I expressed concern  
18 that we would need to cut 6,300 subsidies for  
19 children receiving childcare, and eliminate  
20 capacity in all forms of care to pay for the  
21 market rate. This agreement with the State helps  
22 us to avoid such a drastic cut; however, in order  
23 to help pay for the increase to providers, the  
24 City still, nonetheless, had to eliminate 1,000  
25 vouchers for the system from two of our lowest

2 priority eligibility categories. In addition, as  
3 part of the Fiscal Year '10 executive budget,  
4 Children's Services has proposed a reduction that  
5 will eliminate a third, lower priority category  
6 for eligibility from the subsidized system,  
7 resulting in an additional 2,000 vouchers being  
8 eliminated. Families who are affected by this  
9 reduction will have the option to fill a vacant  
10 seat in ACS's contracted childcare and Head Start  
11 centers, or at DYCD's OST programs. All existing  
12 children in these categories that move into a  
13 contracted seat, will be allowed to age out of  
14 contracted care and no family will lose  
15 eligibility upon recertification. Now while the  
16 City's budgetary realities have required a  
17 contraction of our subsidized system, ACS remains  
18 dedicated to sustaining a quality system for the  
19 children and families we serve. We know that  
20 there's a need in this city for quality childcare,  
21 and New York City I think is justly proud of the  
22 system that we have in place to meet this need for  
23 more than 100,000 children. We will continue to  
24 work with members of the Council to support  
25 childcare providers and strengthen the system in

2 the months to come. And we hope for your  
3 continued support in advocating to the state about  
4 the need for additional resources to support child  
5 care in New York City. So, I'll conclude in just  
6 a couple of minutes. I wanted to summarize what I  
7 believe we are dealing with here. In Fiscal Year  
8 '09, closing now, we have had to face \$102 million  
9 in cuts to our budget. Next year, in 2010, we  
10 will face an additional \$218 million cut to our  
11 budget. The following year, 2011, we will face a  
12 \$229 million cut to our budget. Those are hard  
13 facts that we have to deal with at ACS, in  
14 figuring out how to move forward with losing as  
15 little as we can of the gains that we have made.  
16 As you know, there are three jobs that we have in  
17 child welfare, for example: keeping children  
18 safe, providing preventive services to families so  
19 that families can keep, stay together safely for  
20 their children, and providing quality foster care  
21 reunification and adoptive services. We have,  
22 indeed, had to make these changes to our budget in  
23 line with our conviction that the best we can do  
24 in those front line areas is what we have to do  
25 the best to preserve. We made the decision, as

2 you all know from our last hearing, that the focus  
3 had to be on minimizing the harm to frontline  
4 services provided directly to families. That  
5 include child protection investigations; that  
6 includes foster care services, that includes the  
7 tens of thousands of children and families  
8 receiving preventive services. We have done  
9 whatever we could to maintain those services as  
10 best we can. However, the fact is that 83 percent  
11 of our budget is caught up in direct services. To  
12 the extent, then, that we are making cuts focused  
13 on preserving them, we have a much smaller base to  
14 work from in making those cuts, and I think that  
15 is the reason why we are here today, with these  
16 personnel changes. Just some examples, I think  
17 will give you a sense of what we are trying to do  
18 here. We have to lay off child safety officers,  
19 whom I was attempting to hire more and more of, so  
20 that we could do less and less of contracted  
21 security services. We cannot hold on to all of  
22 those that I had brought on. That's not good. We  
23 will be able to continue to provide priority  
24 safety services to the borough offices. We'll  
25 have to scale back some others. That's an example

2 of what I mean. Another example would be our  
3 investigative consultants, whom you may recall we  
4 brought on some three years ago, in order to help  
5 support the work of our child protective  
6 investigators. We have 60 of them, we're going to  
7 have to lose ten of them. In addition to that, we  
8 started, under our leadership, a visitation  
9 program that would help train provider agency  
10 staff in how to use family visiting as, in order  
11 to coach them into how they can use family  
12 visiting to strengthen the families, not just  
13 provide a visit. We've had to virtually eliminate  
14 that program. These are tough decisions. I don't  
15 like any of them, much less laying off hundreds of  
16 people. But the fact is, facing those numbers  
17 that you know about, that I just mentioned, we  
18 don't have too many other choices within the  
19 context of our prioritization. So, I'd like to  
20 thank City Council for your continued partnership  
21 in this important work, and your dedication to the  
22 children and families of this City. I know that  
23 you know that especially in these times, there are  
24 no quick fixes, no silver bullets, and no easy  
25 solutions. Your advice, and indeed your pressure,

2 has helped us to do better and is appreciated.

3 I'll now take your questions.

4 CHAIRPERSON WEPRIN: Thank you,  
5 Commissioner. The problem I have is, all we need  
6 is one incident of a potential lost life, and I'll  
7 say, "How can we not find the money to provide the  
8 [applause] child welfare workers?" You know, it  
9 seems to me that this Administration often reacts  
10 to situations. I recall when we had some tough  
11 budget times, and we had the Nixzmary Brown  
12 tragedy, all of the sudden the money was found to  
13 hire additional workers. [applause] Then we have  
14 about two years, you know, that go by, and you  
15 know, God forbid, you know, thank God there were  
16 no tragedies and, you know, now all of a sudden,  
17 you know, we're looking to lay off child workers.  
18 You know, these are probably some of the lowest  
19 paid individuals, some of the hardest working  
20 [applause] individuals. And I say, you know, now  
21 is not the time to take the chance on laying off  
22 500 or more child welfare workers, when you know,  
23 we, thank God, have not had a tragedy, but you  
24 know, we don't know what's down the road.  
25 [applause] It seems to me there's got to be

2 another way, you know, to find the money and I  
3 know Chair De Blasio and I are going to be doing  
4 everything in our power, through budget  
5 negotiations, but you know, what are you going to  
6 do, Commissioner, if these layoffs go through, and  
7 God forbid we have another Nixzmary Brown  
8 situation. What's going to happen then?

9 JOHN MATTINGLY: And important  
10 question. It was not only Nixzmary Brown, it was  
11 Korshon [phonetic] Brown, and about nine other  
12 children--

13 CHAIRPERSON WEPRIN: That just  
14 makes the case even stronger.

15 CHAIRPERSON DE BLASIO: Exactly.  
16 [applause]

17 JOHN MATTINGLY: That's why we are  
18 not cutting any child protective frontline  
19 investigative services positions. That's why we  
20 are holding on to that work that we've done, both  
21 in training, and in supervision and in management,  
22 that the, that we have built over the last four  
23 years. Now, there will be another tragedy. There  
24 always is. The question is whether we have  
25 strengthened child protection enough to believe

2 that that tragedy will have been investigated  
3 carefully if we were involved in it, in the first  
4 instance. That's what I can commit to. Would I  
5 like to have those 50 clerical workers whom we  
6 are, whose positions are being closed out in the  
7 field offices? Yes. I'd like to have them, they  
8 help our workers. But within the context of those  
9 hundreds of millions of dollars, I could not  
10 afford them and the workers.

11 CHAIRPERSON WEPRIN: Well, you  
12 know, I'm not convinced, Commissioner. Let me go  
13 through some of these specific positions. Staff  
14 reductions will be made in both Family Permanency  
15 and Family Support Services, as ACS intends to  
16 "streamline operations in the Office of contract  
17 agency, case management, technical assistance  
18 units, and directly operated prevention programs."  
19 What specific positions do you propose to  
20 eliminate?

21 JOHN MATTINGLY: Bear with me, got  
22 it right here. [pause] In Family Permanency  
23 Services, the staff reductions will take place in  
24 the Office of Youth Development, Parent Support  
25 and Recruitment, Adoption, Technical Assistance

2 and Case Management. The division will merge  
3 several offices, including the Office of Youth  
4 Development, Parent Support and Recruitment, and  
5 Adoption Technical Assistance. The merging of  
6 these units will allow us to streamline how we  
7 support the agency's focus on safety, wellbeing  
8 and permanency for children in foster care.

9 Through the development, we think of best practice  
10 manuals and other capacity building projects the  
11 division has prepared for the integration of these  
12 offices. Will it be easy? Will it cause  
13 disruption? Yes. Again, within the context of  
14 our choices, it's the choice we made. Family  
15 Support Services will be, this department, sorry,  
16 Preventive Case Management first. This department  
17 will be eliminated and replaced by a more robust  
18 and effective model of oversight of the contract  
19 preventive providers through the improved outcomes  
20 for children initiative that is already well in  
21 place. Teenage Services Act program TASA, we will  
22 continue to serve pregnant and parenting youth,  
23 but we will make more use of Medicaid funded  
24 provider agencies and a streamlined outreach and  
25 referral process. In the past several years, we

2 have also helped to start with the City's Health  
3 Department, a nurse family partnership program,  
4 nurse family partnership program, to support  
5 families having children of all ages. Family Home  
6 Care, we are redesigning the Family Home Care  
7 program to accomplish eligibility determinations  
8 more efficiently. Family Visiting, we have  
9 integrated technical assistance with, to the  
10 agencies themselves, and as I said before, we've  
11 had to move to close down these visiting training  
12 programs because we expect the agencies who are  
13 responsible for family visiting to have been  
14 trained. Parent education, we have eliminated a  
15 small, directly operated parent education program  
16 in one borough office. The Office of Family and  
17 Child Health, we have integrated the Office of  
18 Clinical Policy and Planning to continue to  
19 provide clinical support to child protective  
20 foster care and preventive operations. So we've  
21 integrated programs across the board.

22 CHAIRPERSON WEPRIN: Okay, it  
23 sounds very well and good, but I'm a little  
24 skeptical that these so-called consolidations will  
25 not cause a huge gap in the structure of providing

2 whole family services that would not result in a  
3 future tragedy. It seems to me that, how much,  
4 just tell us the positions you mentioned, the 315  
5 or so, this so-called streamlining. How much  
6 money are you talking about saving in that  
7 consolidation? The positions you just went into.  
8 How much money are you talking about saving  
9 overall?

10 JOHN MATTINGLY: Do you know  
11 offhand? Get that for you in one sec. So it's  
12 Family Permanency and Family Support? \$18 million  
13 dollars a year.

14 CHAIRPERSON WEPRIN: \$18 million.  
15 \$18 million in a \$60 billion budget. When--

16 JOHN MATTINGLY: \$2.6 billion,  
17 Chair Weprin.

18 CHAIRPERSON WEPRIN: \$2.6 billion  
19 budget, is your budget, yes, but it's our overall  
20 \$60--

21 JOHN MATTINGLY: Okay.

22 CHAIRPERSON WEPRIN: I'm dealing  
23 with the whole budget.

24 JOHN MATTINGLY: Alright.

25 CHAIRPERSON WEPRIN: \$2.6 billion

2 budget. And this \$18 million, it seems to me  
3 that, you have an outside contracting budget?

4 JOHN MATTINGLY: Not in itself, but  
5 we do outside contracting--

6 CHAIRPERSON WEPRIN: And how much  
7 of--

8 JOHN MATTINGLY: Something that we  
9 have cut quite dramatically.

10 CHAIRPERSON WEPRIN: How much is  
11 that outside contracting budget?

12 JOHN MATTINGLY: --I say it's not  
13 necessarily in one budget. I have it right here.  
14 [pause] Sorry, be right with you. Yeah, here it  
15 is. Contracted services, Fiscal Year '09 to '10,  
16 we are, we have had a \$13.2 million budget. We  
17 will bump it down to \$7.6 million, thus saving  
18 \$5.6 million. We have eliminated clerical temp  
19 contracts of \$4.2 million. We have cut back IT  
20 programmers from \$2.7 to \$1.5. We have eliminated  
21 car service. We have eliminated escorts,  
22 children's escorts, and we have bumped down  
23 architects and engineers from \$1.7 to \$1.5. Thank  
24 you.

25 CHAIRPERSON WEPRIN: Okay, well,

2 you know, I would sooner look to have more  
3 efficiency in some of these outside contracts, you  
4 know, maybe rebid them a little bit more  
5 competitively, before we start talking about  
6 laying off these welfare workers that you're  
7 talking about. [applause] Among your  
8 administrative personnel potential reductions, I  
9 think you were talking about 293 positions, the  
10 agency wide staff in both Childcare Administration  
11 and General Administration. What specific  
12 positions are we talking about there, among those  
13 293?

14 JOHN MATTINGLY: Is that the  
15 Administrative and the Childcare? Okay, alright.  
16 There, in Administrative Services, there are, have  
17 been and will be reductions in peace officers as I  
18 mentioned, transportation services, technical  
19 design staff, and personnel officers. Reductions  
20 will also take place in the desktop support  
21 network infrastructure, within the MIS Department,  
22 and within the Office of Agency Chief Contracting  
23 Officer. That's 102 positions, out of 623. In  
24 the Childcare Head Start arena, the reductions  
25 will take place in several areas, including

2 administrative services, executive office,  
3 technical assistance support compliance, childcare  
4 training, Head Start operations, and childcare  
5 resource areas.

6 CHAIRPERSON WEPRIN: And how much  
7 is that all supposed to save?

8 JOHN MATTINGLY: [pause] \$17  
9 million.

10 CHAIRPERSON WEPRIN: \$17 million.  
11 Okay, isn't it true, though, in addition to the  
12 outside contracting budget that you mentioned  
13 before, that you also have outside contracts for  
14 foster care and preventive services?

15 JOHN MATTINGLY: Absolutely, it's  
16 the largest single item in our budget, has been  
17 for many, many years. These agencies--

18 CHAIRPERSON WEPRIN: And how much  
19 is that?

20 JOHN MATTINGLY: --primarily  
21 predate the public childcare system, child welfare  
22 system.

23 CHAIRPERSON WEPRIN: And how much  
24 is that budget? Those budgets?

25 JOHN MATTINGLY: [off mic] How much

2 is the total preventive and foster care--[pause]  
3 This is for 2010. Foster care is \$597 million,  
4 almost \$598 million.

5 CHAIRPERSON WEPRIN: And Preventive  
6 Services?

7 JOHN MATTINGLY: Preventive is  
8 \$30,303,000.

9 CHAIRPERSON WEPRIN: Okay, you see-  
10 -

11 JOHN MATTINGLY: I'm sorry, that's  
12 - - , I meant, I'm sorry. It's much bigger than  
13 that: \$193,754,000.

14 CHAIRPERSON WEPRIN: But it seems  
15 to me that rather than lay off these hardworking  
16 workers that potentially could result in a family  
17 tragedy, overall tragedy, that there's a lot more  
18 room between the \$598 million outside contracting  
19 and the \$193 million preventive services outside  
20 contract, to save, you know, a total of \$25  
21 million. It seems to me that you should be  
22 looking there for some of the fat in those outside  
23 budgets, before we look to lay off these 500 plus  
24 workers.

25 JOHN MATTINGLY: I understand, but

2 you must, in my view, anyway, keep in mind, that  
3 these are the agencies who take care of the  
4 children, and who provide help to the families.  
5 Unlike CPS work, or like CPS workers, to cut into  
6 the, to increase dramatically the caseload sizes  
7 of foster care or preventive agencies, I think  
8 would immediately impact services to families;  
9 whereas, administrative staff at 150 William or  
10 thereabouts, will not have the immediate impact,  
11 although it is something we do not want to do.

12 CHAIRPERSON WEPRIN: Okay, I just  
13 did a little rough math, and it seems to me that  
14 if you cut those large outside contracting budgets  
15 by less than three percent, you'd be achieving  
16 this, these savings. But that's just a little bit  
17 raw math. But - -

18 JOHN MATTINGLY: Keep in mind,  
19 we've already cut foster care by five.

20 CHAIRPERSON WEPRIN: Alright, but  
21 you know, I still would hate to see another  
22 tragedy, and then all of a sudden we're going to  
23 be looking at how to play catch up, which  
24 sometimes can take years to do. And if we save  
25 one life, I think this is a very good use of money

2 to find, to prevent that type of tragedy in the  
3 future. I'm going to turn it over to Chair De  
4 Blasio who I know has a number of questions.

5 CHAIRPERSON DE BLASIO: Thank you,  
6 Chair Weprin. Commissioner, you said at the end  
7 of your testimony that our pressure from the  
8 Council has helped the agency to do a better job.  
9 I say this with no disrespect, you're going to  
10 feel a lot of pressure, the Administration's going  
11 to feel a lot of pressure in these coming weeks  
12 because we're just dissatisfied by what we're  
13 hearing here. And I think the bottom line is  
14 [scattered applause] the numbers are stunning.  
15 And I don't know what kind of internal discussion  
16 has occurred about how to divvy up the, you know,  
17 the difficult cuts among agencies. But I just  
18 don't hear an argument that this is sustainable,  
19 especially when you talk about the cuts you're  
20 taking now, and then the ones you'll have to take  
21 in the fiscal years ahead. When you talked about  
22 the areas that you are unfortunately having to  
23 make reductions in, it's obvious that's going to  
24 affect the performance of the agency overall. So,  
25 I just, I feel like, and I think David made the

2 point, "Well, that after Nixzmary Brown, there was  
3 a rush to invest," and thank God there was, it  
4 helped immensely. That was actually one of the  
5 better things that's happened this decade in New  
6 York City, was that there was a agreement to put  
7 the resources we needed in to protect kids, and  
8 the public responded in kind by reporting much  
9 more of what they saw, and has sustained that  
10 level of reporting, which means the burden on the  
11 agency remains high. To think about close to  
12 1,000 fewer jobless, it's just astounding to me  
13 how, there's no way you can provide the same  
14 service at that level. So my question is, when  
15 you had these internal discussions, with the  
16 Mayor's office, with OMB, what was the response to  
17 the notion that you literally could not the do the  
18 same work anymore now, and God forbid what you're  
19 going to be able to do when you get up ahead a  
20 year or two, with the additional layoffs on top of  
21 that. I just don't understand how this was  
22 something that the Administration could've agreed  
23 to comfortably.

24 JOHN MATTINGLY: Let's keep in mind  
25 a couple of things. First, we have to worry that

2 we're facing major cuts in the State budget, as  
3 they pass along more things for us to do with less  
4 money. After recent announcements, I'm quite  
5 concerned about what will happen to Preventive, to  
6 the foster care block grant, to childcare funding.  
7 That's still out there. But right now, the cuts  
8 we have, are making at this point, with a couple  
9 of additions that don't involve personnel, in  
10 2011, will be sufficient to carry us through, to  
11 cover those losses I talked to you about. So,  
12 that's still in place. Now, if City revenue  
13 continues to be in the tank, I don't know what  
14 will happen next November, next January. You're  
15 right, there is a point at which we have to be  
16 clear about what we can and cannot do within the  
17 Administration. I hope that I have been clear  
18 about that up to now. I have felt heard, but I  
19 also know that I have only one part of the burden  
20 here in the City, and that the Mayor and OMB have  
21 got to make decisions about which hurts the most  
22 where. So, I'm telling the Council as I have in  
23 the past, a couple of things, but one that I will  
24 go to the Mayor should I believe that we are in a  
25 position where we cannot meet our basic

2 expectations on the part of the City. I don't  
3 believe this budget takes us there. I believe we  
4 can still continue with the low case loads in  
5 Child Protection, I believe that the lower case  
6 loads in Preventive and foster care have helped us  
7 get better in those areas. And I believe we will,  
8 generally speaking, be able to support them.

9 CHAIRPERSON DE BLASIO: But,  
10 Commissioner, I guess you couldn't do your job if  
11 you didn't have a certain kind of optimism, but I  
12 think you've left the--What you're saying just  
13 doesn't make sense to me, and I'll tell you why.  
14 It's just, it does, the numbers do not add up.  
15 [applause] You couldn't have had a tragedy three-  
16 and-a-half years ago that led to this immense  
17 investment, and retooling of the agency, and I  
18 would daresay in a sense, what happened after  
19 Nixzmary Brown finally created the environment we  
20 should've had long ago, where we prioritize  
21 protecting children, we prioritize prevention, you  
22 had the additional personnel to bring down the  
23 caseload, you had the kind of support, like the  
24 law enforcement experts, that was long needed, you  
25 could do more training, you could do child stat.

2 It's almost like what you're saying here, and  
3 again I don't envy you, that you have to face OMB  
4 and the Mayoralty and whatever their priorities  
5 may be. But in terms of your logic, we made all  
6 those investments to get things right, which was  
7 the right thing to do, it was noble, it was  
8 proper, it worked. And the level of reporting was  
9 high and remains high, and so the world sort of,  
10 things proved to get to their natural place, we  
11 needed that kind of investment, to actually  
12 protect children the right way. You cannot take  
13 1,000 people out of the agency and end up with the  
14 same product, it's just not human possible. And  
15 so in a sense, what we're doing is, even if you  
16 think management has improved, or the strategies  
17 have improved, we're taking a huge step backwards  
18 materially, and trying to get the same result we  
19 got after a high level of investment and focus.  
20 So, I don't understand the logic, I don't  
21 understand how--I believe you, you're going to try  
22 and do the most you can with it, but that's not  
23 the same thing as it being a realistic goal. How  
24 on earth can you lose 1,000 people and still get  
25 the same outcome?

2 JOHN MATTINGLY: Chair De Blasio,  
3 first off, every investment we made, in terms of  
4 training and child stat and the Leadership  
5 Academy, and in terms of caseload sizes for both  
6 supervisors and workers, and for child protective  
7 managers, all of those investments are still in  
8 place with this budget. Yes, we will miss those  
9 541 people, they do good work for us, but the fact  
10 of the matter is, every investment you just listed  
11 is still in place, it hasn't been cut, I'm sorry,  
12 with the exception of those investigative  
13 consultants.

14 CHAIRPERSON DE BLASIO: But the,  
15 again, you didn't, respectfully, you didn't say at  
16 the time after the tragedy when you were trying to  
17 move forward, "Oh, you know what, give me these  
18 investments, or give me the right to make these  
19 investments, and I'll lay off all these people  
20 over here, 'cause I don't need 'em, if I can put  
21 my energy over here, that'll be fine." You wanted  
22 the level of staffing that you knew you could make  
23 the agency work with.

24 JOHN MATTINGLY: Don't--

25 CHAIRPERSON DE BLASIO: So--

2 JOHN MATTINGLY: Don't think for a  
3 moment that we don't need these 541 people, we do.  
4 You may recall that I shut down Direct Congregate  
5 Care because of our commitment to family care for  
6 troubled teenagers. We didn't lay those people  
7 off initially, we held them as long as we could.  
8 It's my job to hold on to as many jobs as I can,  
9 because we need them all. Do they meet with the  
10 priorities I've told you about, to focus on  
11 frontline child safety, foster care and preventive  
12 service? They may not. But are they needed and  
13 useful to us? Yes.

14 CHAIRPERSON DE BLASIO: And  
15 therefore, taking that point, we can therefore not  
16 guarantee that we're not going to see a very  
17 different impact on children because they are  
18 needed. These positions are needed. So I'm  
19 trying to understand the logic of the  
20 Administration.

21 JOHN MATTINGLY: It's two different  
22 statements there.

23 CHAIRPERSON DE BLASIO: Maybe you  
24 think it is, I really--and I'm going to say to  
25 you, I understand you have to respond to OMB, and

2 I understand you have to respond to the Mayor's  
3 office. So my argument here, as a City Council  
4 and as these three committees joined together, we  
5 are trying to make sense of the budget and trying  
6 to decide in our negotiation with the  
7 Administration, what has to change, and what we  
8 don't think is acceptable. And I can tell you  
9 several areas that there's a broad consensus in  
10 the Council, are very troubling about this budget.  
11 I think this is one of them. I think that we now  
12 see a level of cut that's not sustainable, and the  
13 results are clear. That we would, we couldn't  
14 help but ending up at some of the contradictions  
15 we ended up with, before 2006. And so, if you had  
16 come here today and said, you know, "No problem,  
17 we can make these cuts, no exposure," that's fine.  
18 You're not saying that. I think you're being  
19 straightforward in saying, "These positions  
20 matter."

21 JOHN MATTINGLY: Sure.

22 CHAIRPERSON DE BLASIO: And I don't  
23 think you're arguing that when given the choice in  
24 2006, you said, "Don't worry, I'll lay off these  
25 500 people so I can make these other reforms," it

2 was not an either/or. You needed both to make  
3 sure you could do the work properly. I don't  
4 understand why your agency is taking such an  
5 extraordinary hit, when other agencies that don't  
6 do as fundamental thing as protecting children,  
7 are taking a lesser hit. So that's the whole  
8 point. This is not personal, this is our job.  
9 Our job is to look at the whole budget and say,  
10 "Does it make sense or does it not make sense?"  
11 On this issue, it just doesn't make senses. It's  
12 too big a hit. [applause] And I guess I'm, you  
13 know, you have said repeatedly that in the  
14 instance that there was a need that grew larger,  
15 that you believed you could turn to OMB, turn to  
16 the Mayoralty, and ask for additional relief. But  
17 I think this level of impact is so high that the,  
18 by the time you went for that additional relief,  
19 or got that additional relief, we don't know what  
20 happens in the meantime. So, I just think it's  
21 extraordinary, and I think it's left us feeling  
22 like the logic just doesn't add up. And I want to  
23 turn your attention very quickly to the prevention  
24 piece of this, which you know has been a  
25 particular passion of all of us on the General

2 Welfare Committee, 'cause we think it's been one  
3 of the most fundamental changes that occurred  
4 since Nixzmary Brown, was to focus more and more  
5 attention, prevention and reducing the caseloads  
6 in particular. So, once again we have, we have  
7 the child safety initiative, which the Council has  
8 sponsored, which we don't know in this budget  
9 environment what we're going to be able to do.  
10 And you know it's not in the executive budget. So  
11 that's a huge hit right there. And then there's  
12 the question of the \$9 million that has  
13 historically been a challenge for you to find that  
14 you've had some success in the past finding, but I  
15 assume it's going to be harder than ever now.  
16 What is the status of that \$9 million?

17 JOHN MATTINGLY: [pause] Oh, these  
18 are the service enhancements. Right?

19 CHAIRPERSON DE BLASIO: Yes.

20 JOHN MATTINGLY: The \$9 million, we  
21 had to cut last year, to \$4.5. It is not in the  
22 budget, but as I have told you, I think each year  
23 that we've gone through this process, it is still  
24 out intention to fund that \$4.5 million for the  
25 service enhancements for the preventive programs.

2 CHAIRPERSON DE BLASIO: And do you  
3 believe realistically this, the level of cut  
4 you're taking now, that you're going to be able to  
5 do that?

6 JOHN MATTINGLY: Well, we're taking  
7 the cut. The question is, with preventive not  
8 being cut any further by the State, we believe we  
9 can find the funds to continue the service  
10 enhancement.

11 CHAIRPERSON DE BLASIO: So you're  
12 saying you are convinced it will not be cut  
13 further by the State, or that's still an open  
14 question.

15 JOHN MATTINGLY: Well, as you know,  
16 what's going to happen after November, I, none of  
17 us really know with the State.

18 CHAIRPERSON DE BLASIO: In terms of  
19 the State having to reevaluate its budget.

20 JOHN MATTINGLY: Yeah.

21 CHAIRPERSON DE BLASIO: So, let's  
22 be cautious, because we're talking about  
23 children's lives, and say, "What if that didn't  
24 cut the right way?" Do you then have the capacity  
25 to find additional resources, so we don't lose

2 that preventative, so they don't lose your  
3 preventative capacity?

4 JOHN MATTINGLY: As I said each  
5 time, we're committed to doing it, each year I've  
6 said this. And each year we managed. Now, we had  
7 to cut it in half last year. But we think, again,  
8 we can manage. The same thing with the thousand  
9 additional slots that we added, again we self-  
10 funded that, you will recall. And we have  
11 continued that. Now, it's true, that we aren't at  
12 a thousand now, we're somewhere under that, I'm  
13 not sure exactly what. What we've done is when  
14 poor performing agencies, or agencies that really  
15 were not functioning, closed, we took their slots  
16 and divided them out, not in toto, but to those  
17 communities that most needed additional preventive  
18 services. So that funding, we believe, will still  
19 be there in the coming years, so that we don't  
20 have to cut any more slots, any slots.

21 CHAIRPERSON DE BLASIO: At this  
22 moment, what is the ratio in prevention? And what  
23 is the timeframe for getting a family to  
24 preventative services, when they need it. What  
25 kind of time lag is being experienced?

2 JOHN MATTINGLY: The time lag has  
3 dropped dramatically. It depends on the  
4 particular borough office. But we ask that  
5 question every Thursday of the two borough offices  
6 who are presenting. And we've gotten to the point  
7 where no one is saying we cannot access preventive  
8 services in a timely way. We don't have any one  
9 of these borough offices telling us that they have  
10 to put kids on a waiting list. So we think we're  
11 barely managing, but barely managing is much  
12 better than where we used to be.

13 CHAIRPERSON DE BLASIO: And what  
14 about the question of ratio?

15 JOHN MATTINGLY: Say it again, I'm  
16 sorry.

17 CHAIRPERSON DE BLASIO: The ratio,  
18 the current ratio for the preventative case  
19 workers.

20 JOHN MATTINGLY: Well, it was  
21 bumped down to twelve with the Council's help. It  
22 is, it last year, it went, I'm not exactly sure  
23 what happened between twelve and 14, I just don't  
24 know yet, we don't have those--

25 CHAIRPERSON DE BLASIO: What is

2 that when you say you're not--

3 JOHN MATTINGLY: Well, you gave ten  
4 point--you gave less money last year.

5 CHAIRPERSON DE BLASIO: We gave  
6 less, although you still got matched by the State  
7 for a substantial amount.

8 JOHN MATTINGLY: Yeah, yeah.

9 CHAIRPERSON DE BLASIO: So--

10 JOHN MATTINGLY: So, I'm still  
11 presuming twelve, but I'd have to do a survey, to  
12 look at that carefully.

13 CHAIRPERSON DE BLASIO: Alright,  
14 now that's, Commissioner, respectfully, that, this  
15 is, you know this is one of our most central  
16 concerns. And we've raised it every budget  
17 hearing.

18 JOHN MATTINGLY: Yes.

19 CHAIRPERSON DE BLASIO: So, I'm  
20 confused by your answer. Usually, your answers  
21 are pretty precise. Someone here in your group of  
22 experts must know exactly what the ratio is at  
23 this point. I mean, granted, the Council was able  
24 to give somewhat less funding, and therefore the  
25 match went down, but you did receive Council

2 funding, you did receive match, you have your  
3 internal resources that you've been able to use  
4 creatively. So, you must have a working number  
5 here at the--

6 JOHN MATTINGLY: All my experts say  
7 to me the general preventive caseload ranges from  
8 12 to 14.

9 CHAIRPERSON DE BLASIO: Okay, I  
10 don't, again, let me dwell on-- [background noise]

11 JOHN MATTINGLY: Which is what I  
12 estimated.

13 CHAIRPERSON DE BLASIO: I know my  
14 colleagues have questions, so I'll finish really  
15 quickly. What does that mean? Where you said  
16 "any give point" I assume you have statistics that  
17 tell you what the caseload is. So what are you  
18 saying? That on a given day it could be 14, on a  
19 given day it could be 12? We're therefore  
20 assuming at any point it might be as high as 14?  
21 Is that what you're saying?

22 JOHN MATTINGLY: No, it depends  
23 dramatically on which agency we're talking about,  
24 at which point in time.

25 CHAIRPERSON DE BLASIO: But how do

2 you average it for the system.

3 JOHN MATTINGLY: I can give you--I  
4 can--we definitely have the ability to pull out  
5 those numbers, I just don't have them immediately--  
6 -

7 CHAIRPERSON DE BLASIO: Alright,  
8 so, let me state the common sense facts. So,  
9 obviously we've left twelve behind in the rear  
10 view mirror and that's a problem. Because the  
11 twelve to one ratio we all agreed was the way to  
12 do prevention correctly, and I think we saw real  
13 tangible results for families from it. And by  
14 saying 12 to 14, this is before the impact of  
15 everything we're talking about here, and the  
16 potential November state budget action, bluntly  
17 we're all looking at the option, unfortunately, of  
18 the ratios going to a place that you agree is much  
19 less effective for protecting kids.

20 JOHN MATTINGLY: I'm saying to the  
21 Council, as I have before, whatever help you can  
22 provide would be appreciated; however, it's our  
23 intention to struggle throughout this coming year  
24 to keep the caseloads below 14, as close to twelve  
25 as we can. And as we move through the year, we

2 expect to be able to put some additional funds  
3 into help with that. We will do that regardless  
4 of the Council's action, I just don't know how  
5 much, so I don't know what the implications will  
6 be. Now, I do want to say, Chair De Blasio, and  
7 you know this, I think, from our experience  
8 together, I mean, when I came here in Fiscal Year  
9 2004, we put about \$104 million into Preventive.  
10 With the Council's help in '09, we put \$150  
11 million into Preventive. We've committed to  
12 Preventive. We have had the highest number of  
13 families being served, I believe in history. We  
14 have changed the practice so that CPS  
15 investigative workers meet with Preventive  
16 workers, and the family, to start the practice  
17 together, so that there's not that split between  
18 the two. With improved outcomes for children, we  
19 expect to have agencies no longer have to call in  
20 a new report to get us to step in and help, when a  
21 family is not making the move toward better  
22 protection. All those things will continue. The  
23 \$150 million will continue. It's a constant  
24 balancing act, I understand that. I think you all  
25 do, too. I wish it weren't, but it is, and we've

2 delivered before, and I expect to deliver again.  
3 Preventive, after all, is essential to child  
4 safety. We don't want to be taking children into  
5 care, if their families can safely take care of  
6 them. If we don't have Preventive in the middle  
7 of this, more children will have to come in to  
8 care, and that's not what we want.

9 CHAIRPERSON DE BLASIO:

10 Commissioner, I believe you believe in Preventive  
11 services. I'm just really profoundly troubled at  
12 the direction we're going in, and I think it's  
13 obvious that, again, we're making a choice here,  
14 this is what it comes down to. We're making a  
15 choice as a City about what to prioritize. You're  
16 not the only guy in this, and, you know, for  
17 better or for worse, there are a bunch of decision  
18 makers in the Administration. And right now, we  
19 are taking a risk by right away our Preventive  
20 numbers are changing before our eyes, because  
21 you're saying 12 to 14, and I haven't heard that  
22 in a while. We know it could get worse. So we're  
23 making a choice to do less to intervene in  
24 families' lives and families in crisis, and it's  
25 obvious what the results of that would be. And I

2 think it, sometimes it's important to say, "Well,  
3 if the people in New York City were in the room  
4 and they could decide what they wanted," and you  
5 said, "Would you want to take a chance with  
6 children's lives?" You've got a proven way of  
7 saving children, so you're either going to invest  
8 in that or you're going to go invest in something  
9 else. I'm pretty certain people would say, "We  
10 want to protect children." I think the Nixzmary  
11 Brown crisis grabbed at people's hearts, like  
12 others have before and since; but that one in  
13 particular I think everyone felt like that was  
14 their daughter. And they couldn't have thought of  
15 a greater tragedy. And I don't think the people  
16 of this City would want us to move away from  
17 Prevention. So, the first time in years, I hear  
18 that that's effectively what's about to happen.

19 JOHN MATTINGLY: No, that's, that's  
20 not what's about to happen.

21 CHAIRPERSON DE BLASIO: Despite  
22 your desire otherwise.

23 JOHN MATTINGLY: That's not what is  
24 about to happen. We have worked hard to preserve  
25 the Preventive budget. I expect to spend every

2 bit as much on the Preventive budget in the coming  
3 year as I have in the past year. I expect to  
4 continue to bring these enhancements to the fore,  
5 I just have to work it as we go forward in the  
6 budget year. We are not walking away from  
7 preventive services any more than we're walking  
8 away from foster care or child protective  
9 investigations.

10 CHAIRPERSON DE BLASIO: Okay,  
11 Commissioner, I know there's many other questions.  
12 I'll come back to you later in the hearing with  
13 some more, but now let me turn to Chair Mealy.

14 CHAIRPERSON MEALY: Good afternoon.

15 JOHN MATTINGLY: Hi.

16 CHAIRPERSON MEALY: Well, I'll be  
17 very brief. I see that in your statement, our  
18 caseloads in child protective investigations have  
19 dropped to a historic low for the City, State,  
20 country and at city large, less than eleven cases  
21 per worker. Is that true?

22 JOHN MATTINGLY: Yes. And I can  
23 prove it.

24 CHAIRPERSON MEALY: Do you have the  
25 documentation? Do you--you're saying case, social

2 workers only have eleven cases.

3 JOHN MATTINGLY: Social workers in  
4 child protective services who are investigating  
5 cases, have between ten and twelve cases on  
6 average. We track it every Thursday morning.

7 CHAIRPERSON MEALY: Do y'all have  
8 the statistics of it?

9 JOHN MATTINGLY: Yeah.

10 CHAIRPERSON MEALY: You say you,  
11 you have it with you?

12 JOHN MATTINGLY: I have the April  
13 child statistics, sure.

14 CHAIRPERSON MEALY: Can we have  
15 that, Chair?

16 JOHN MATTINGLY: Sure.

17 CHAIRPERSON MEALY: That's  
18 important that we will know for sure, if you're  
19 saying that it's eleven cases. I believe a lot of  
20 the social workers would say a totally different  
21 numbers. 'Cause they sit there every day and see  
22 these cases come before their desk. So, please,  
23 let us see that.

24 JOHN MATTINGLY: [pause] Pardon me?  
25 [pause] I'm talking about this. I'm talking

2 about this, what's wrong with giving them this? I  
3 know. Okay. [pause]

4 CHAIRPERSON MEALY: Wow. [pause]

5 JOHN MATTINGLY: Oh, good, yeah.

6 [background noise]

7 CHAIRPERSON MEALY: Chair, have you  
8 seen this package? You have it?

9 JOHN MATTINGLY: Actually we give  
10 Council a quarterly report, but this is more up to  
11 date. Council has our caseloads each quarter.

12 CHAIRPERSON MEALY: And just for  
13 the record, I'm the new Chair of the Women's  
14 Issue.

15 JOHN MATTINGLY: Mhm.

16 CHAIRPERSON MEALY: Committee. I  
17 see it's on here, you said--

18 JOHN MATTINGLY: Oh, I'm sorry.

19 CHAIRPERSON MEALY: Council Member  
20 Sears. You say--and I'm going by Brooklyn, I'm  
21 from Brooklyn.

22 JOHN MATTINGLY: Good.

23 CHAIRPERSON MEALY: Unfounded,  
24 twelve number, 70 percent? I'm going by here.

25 JOHN MATTINGLY: Sure.

2 CHAIRPERSON MEALY: Right. [pause]

3 JOHN MATTINGLY: Look on page  
4 three, you can start there, right at the  
5 beginning.

6 CHAIRPERSON MEALY: You said it's  
7 in April, though.

8 JOHN MATTINGLY: Well, is this,  
9 what? May 7<sup>th</sup>.

10 CHAIRPERSON MEALY: This is--

11 JOHN MATTINGLY: Oh, it would be  
12 April 5<sup>th</sup> to May 7<sup>th</sup>, okay? See the top there on  
13 page three? Alright, that's the first thing. If  
14 you look at pending rate, that's how many new  
15 cases each worker gets a month. We have targeted  
16 five new cases a month, and twelve cases  
17 [background noise] what? What?

18 CHAIRPERSON MEALY: Go ahead,  
19 continue, I know it cannot be. But go ahead,  
20 finish please.

21 JOHN MATTINGLY: It is. You look  
22 here, you'll see "Pending Rate Average By  
23 Availability," and the bottom one is pending rate  
24 average. By availability means how many workers  
25 were available to take cases during this period of

2 time, and what that average looked like. So it  
3 wasn't just the number of workers on staff, it was  
4 the number of workers who were there that day.

5 And you could see that's well under five. Then if  
6 you look at the next page, it's the different  
7 kinds of units, which we can go into if you want.

8 Then if you turn to the average CPS caseload--  
9 yeah. If you look at the average CPS caseload--

10 CHAIRPERSON MEALY: It's at eight.

11 JOHN MATTINGLY: Across the entire  
12 city, including Brooklyn, and the zone we were--

13 CHAIRPERSON MEALY: 4.2?

14 JOHN MATTINGLY: --meeting with  
15 that morning. So you can see, those are the  
16 caseloads during that month in this City.

17 CHAIRPERSON MEALY: So May was  
18 4.42?

19 JOHN MATTINGLY: I'm looking at  
20 page six. There's a difference between new cases  
21 each month, versus caseload sizes at the end of a  
22 period, here on May 2<sup>nd</sup>.

23 CHAIRPERSON MEALY: Mhm.

24 JOHN MATTINGLY: We aim for five  
25 and twelve.

2 CHAIRPERSON MEALY: But I know we  
3 can invent, we can interview ten case workers, and  
4 they will give us totally different count.

5 JOHN MATTINGLY: Not in child  
6 protection. No, ma'am.

7 CHAIRPERSON MEALY: Okay, thank  
8 you. Okay, it's almost, I got to agree with my  
9 colleagues. Only when something happen, the City  
10 pop out with the money. That's almost cutting off  
11 our nose to smite our face. We have to stop doing  
12 this process over and over and over again. And I  
13 know from this day forward, I know the money will  
14 pop up somewhere. And laying off 500, you say we  
15 losing 541 jobs, right? And now, you said that as  
16 you promised, how many you said in your, in your  
17 statement? You said as the final step of imple--

18 JOHN MATTINGLY: This is not  
19 related to the PEG, but this is the final step in  
20 the implementation of improved outcomes for  
21 children. Which was the, which is the way in  
22 which we are more intensively monitoring the  
23 foster care agencies and seeing to it that they  
24 use family conferencing, which we will often be  
25 at, to make decisions in cases.

2 CHAIRPERSON MEALY: Family  
3 conferences is when you hire someone to meet with  
4 the family?

5 JOHN MATTINGLY: No. What we're  
6 speaking of is, we've started inside of ACS, so  
7 that before--

8 CHAIRPERSON MEALY: Okay, right, I  
9 meant--

10 JOHN MATTINGLY: --a child is  
11 removed, we have a child safety conference.

12 CHAIRPERSON MEALY: Yes, gotcha.

13 JOHN MATTINGLY: We also are  
14 requiring the foster care agencies to have a  
15 family conference before they make big decisions,  
16 like should a child move from one place to a next.  
17 The family needs to be invited, the foster family  
18 needs to be there, etc. So that's what IOC is  
19 about. We are down. We started with 650 case  
20 managers.

21 CHAIRPERSON MEALY: - -

22 JOHN MATTINGLY: We are now down--

23 CHAIRPERSON MEALY: And now you  
24 only have--

25 JOHN MATTINGLY: --to 159. And 80

2 new positions are being filled to finalize  
3 improved outcomes for children, of which 70--I'm  
4 sorry. 67 are internal hires. That's what we  
5 promised that we would work hard to hire  
6 internally.

7 CHAIRPERSON MEALY: That's what I  
8 see, 80.

9 JOHN MATTINGLY: The ones who  
10 weren't hired internally were hired because we  
11 needed Spanish speaking facilitators, and the  
12 applicants--[background noise] the applicants had  
13 not, we couldn't fill out the list without going  
14 outside. Those are the people we hired from  
15 outside.

16 [gavel]

17 CHAIRPERSON WEPRIN: We share your  
18 frustration, but you really have to abide by the  
19 rules of being silent. Believe me, you have a lot  
20 of support here, but you have to cooperate with  
21 the rules.

22 CHAIRPERSON MEALY: So, could you  
23 give a breakdown of how many Spanish speaking  
24 people who already was employed with you, have  
25 jobs now, that were on the list to be laid off?

2 JOHN MATTINGLY: No, I cannot.

3 CHAIRPERSON MEALY: So there's no  
4 real breakdown with that?

5 JOHN MATTINGLY: Well, there could  
6 well be, sure.

7 CHAIRPERSON MEALY: That we would  
8 know how many--'Cause you just gave, made a  
9 statement that you kept some of the people who  
10 were going to be laid off, just because they spoke  
11 Spanish. Did you not just say that?

12 JOHN MATTINGLY: And we had to hire  
13 people from outside the agency who spoke Spanish,  
14 because we didn't have enough in the final team.

15 CHAIRPERSON MEALY: Aren't we  
16 trying to save money right now? And we're still  
17 hiring from outside the agency? We cannot find no  
18 one inside the agency?

19 JOHN MATTINGLY: I'm sorry, but to  
20 hire twelve people from outside in order to meet  
21 this need, I think was reasonable.

22 CHAIRPERSON MEALY: I know I'm not  
23 a finan--I know you don't--the Chair of Finance,  
24 but we in a budget crunch right now. And I know,  
25 how many, we have how many union members here?

2 300? No, 30,000 members, and you cannot find  
3 twelve of 'em that speak Spanish? We have to  
4 start thinking those twelve people are mothers,  
5 fathers, trying to keep their families together,  
6 in this economic time, and we're still outsourcing  
7 our City jobs. That is a tragedy in this day and  
8 age right now. And especially with just, you're  
9 the Commissioner. We have to do better than this.  
10 So I just want to thank my colleagues, I know a  
11 lot more of my colleagues have a lot of questions,  
12 but we still cutting off our nose to smite our  
13 face. We will be right back in the same position  
14 if we do not just put the money where it really  
15 belong, in the future of our youth, and let it  
16 stay there. Thank you.

17 CHAIRPERSON WEPRIN: Thank you,  
18 Chair Mealy. I have to agree, and over \$800  
19 million outside contracting budget, that we should  
20 be looking to use our in-house unionized employees  
21 before we look to hire even twelve outside  
22 workers. But I have a feeling that it's probably  
23 going to be more than twelve if these layoffs do  
24 go through, I can't imagine how much more money  
25 we're going to end up spending in the end, to

2 provide the basic services without a tragedy. God  
3 forbid a tragedy should occur, you'll see how  
4 quickly the employees could come back. But  
5 obviously, that's not the way to go. Council  
6 Member Tom White.

7 COUNCIL MEMBER WHITE: Thank you  
8 very much, Mr. Chairman. I'm going to ask you the  
9 same question that I asked HRA Commissioner. How  
10 much money were you asked to save or to cut?

11 JOHN MATTINGLY: In 2009 fiscal  
12 year? About \$100 million. In 2010 about \$220  
13 million.

14 COUNCIL MEMBER WHITE: Okay. So,  
15 now, you spoke in terms of, we're talking about  
16 laying off or displacing, or redeploying 541 staff  
17 personnel?

18 JOHN MATTINGLY: Yes.

19 COUNCIL MEMBER WHITE: Now. And  
20 you talked about in your testimony about, and you  
21 just said it, about the child stat system. Every  
22 piece of the child welfare system has seen major  
23 changes to improve the quality of services to  
24 children and families, from the com stat system  
25 that meets weekly, to enhance training, to the

2 Leadership Academy for Children's Safety, to the  
3 Partnership. That is on a weekly basis?

4 JOHN MATTINGLY: Yes.

5 COUNCIL MEMBER WHITE: Okay. Now,  
6 you've done the best that you could do. And I  
7 have to ask you, who, in terms of dealing with  
8 this problem, of \$200 million, and having to  
9 reduce cuts, who do you consult with to make these  
10 cuts? And I'm going to give you the same way I  
11 posed it to the other Commissioner. This morning,  
12 a Latino was appointed to the Supreme Court, who  
13 happened to be a woman. [applause] Now, in  
14 listening to the President, he had certain  
15 criterias to make that decision. And then, I  
16 would think, if I heard correctly, he added one.  
17 And that criteria was--

18 JOHN MATTINGLY: Empathy.

19 COUNCIL MEMBER WHITE: I beg  
20 pardon?

21 JOHN MATTINGLY: If I recall,  
22 empathy.

23 COUNCIL MEMBER WHITE: Empathy.  
24 Right. Putting yourself in other people's shoes.  
25 And try to walk. I want to know how much empathy

2 has went into one, did you consult with the  
3 unions? Did you consult with workers that are out  
4 there on every day? Did you get input--and if you  
5 did, can you point to one piece of documentation  
6 that you had that you put into this reduction of  
7 staff and placement? Who did you talk to?

8 JOHN MATTINGLY: I won't--

9 COUNCIL MEMBER WHITE: Not by name,  
10 but--

11 JOHN MATTINGLY: I understand. I  
12 won't try to lead you anywhere with this question.  
13 As far as I'm concerned, we had a long process, we  
14 had a lot of people involved. But I want to be  
15 clear about this, there are people who are not in  
16 this room, who's concerns have to be my first  
17 concern. And those are the families whom we  
18 investigate, the children who are at risk of abuse  
19 and neglect, the young people and the children who  
20 are in foster care, and the families who are being  
21 served, more families than ever, by preventive  
22 services. They're not in this room, I try to  
23 empathize with the people in this room, and with  
24 them. They don't have the voice. I try to, in  
25 any way I can, speak with their voice, as well.

2 COUNCIL MEMBER WHITE: Do--do you  
3 hold forums for unionized workers to go to?

4 JOHN MATTINGLY: Do I? No. Do I  
5 ask for questions? Do I open myself up through my  
6 email and through our website? Yes. Do I go  
7 around to the field offices regularly? Yes. We  
8 do not now, but I don't want to mislead on terms  
9 of what basis I'm acting. I'm trying to represent  
10 everybody.

11 COUNCIL MEMBER WHITE: I understand  
12 that you're trying to help everybody. But one of  
13 my colleagues, she's no--she stepped out for a  
14 moment, asked a very important question, but it  
15 was a question that I'd asked you about six or  
16 seven months ago, and I never got the answer. And  
17 that is, how many people are black and Latino in  
18 that system?

19 JOHN MATTINGLY: The vast majority  
20 of children in foster care, families who are  
21 subjected to child protective services, families  
22 who are in preventive service, the vast majority  
23 of them, as with the vast majority of our staff,  
24 are people of color.

25 COUNCIL MEMBER WHITE: Alright.

2 And I had asked you how many people in foster care  
3 were white.

4 JOHN MATTINGLY: How many children  
5 in foster care?

6 COUNCIL MEMBER WHITE: Yes, yes.

7 JOHN MATTINGLY: Underrepresented  
8 population, I don't have it right in front of me,  
9 the same thing with Asian-Americans.

10 COUNCIL MEMBER WHITE: Because you  
11 said you were going to give me that information,  
12 because you could not answer that question. And I  
13 asked you that not from a racial standpoint of  
14 view, I asked you that because every child  
15 deserves to be protected and cared for and loved.

16 JOHN MATTINGLY: That's right,  
17 that's right.

18 COUNCIL MEMBER WHITE: That's not  
19 the issue. But sometimes our process, because I'd  
20 asked you about the team that you had put  
21 together, that was sitting in the front row. And  
22 I said, "How many of--" you pointed to the people  
23 that you brought aboard, in policy making  
24 positions. And none of them represented, at that  
25 time, any people of color.

2 JOHN MATTINGLY: That's not true.

3 COUNCIL MEMBER WHITE: At that  
4 time, I said.

5 JOHN MATTINGLY: No, even at that  
6 time.

7 COUNCIL MEMBER WHITE: Well, I can  
8 only see, and assume, there's just one or two now.

9 JOHN MATTINGLY: It's the wrong  
10 group of people.

11 COUNCIL MEMBER WHITE: Oh, okay.

12 JOHN MATTINGLY: I got a bunch of  
13 budget folks here. [laughs]

14 COUNCIL MEMBER WHITE: Oh, okay,  
15 alright. Well--

16 JOHN MATTINGLY: I think if you  
17 compare our deputies across the City, we do as  
18 well as anyone, if not better, in representing the  
19 people of color in this City.

20 COUNCIL MEMBER WHITE: [pause] The  
21 computer system used by the State to monitor the  
22 number of cases on caseloads, supervisory level  
23 ones, giving caseload as well--

24 JOHN MATTINGLY: I'm sorry, what's  
25 the question?

2 COUNCIL MEMBER WHITE: The question  
3 is, what's the connection with the computer system  
4 used by the State monitor number of cases on  
5 caseloads?

6 JOHN MATTINGLY: I have no idea  
7 which you're talking about, so let me try to walk  
8 through it. Connections is our system for keeping  
9 track of preventive cases, of investigative cases,  
10 and of foster cases. So, that's the system that  
11 we use to keep track of the number of cases, or of  
12 who has which case.

13 COUNCIL MEMBER WHITE: Okay, now  
14 you, you use some statistical data about outcomes.  
15 In--in terms of the assessment and the  
16 determination that you get when you're dealing  
17 with com stat, etc., when you're dealing with a  
18 case, a family, you deal with the outcomes, am I  
19 correct?

20 JOHN MATTINGLY: We deal with a lot  
21 of different things.

22 COUNCIL MEMBER WHITE: Okay.

23 JOHN MATTINGLY: Do we look at how  
24 many, the percentage of cases that were founded or  
25 indicated, versus those that were unfounded? Yes.

2 COUNCIL MEMBER WHITE: Okay.

3 JOHN MATTINGLY: Do we look at the  
4 number or percentage of children who are served  
5 through preventive as opposed to foster care?

6 Yes.

7 COUNCIL MEMBER WHITE: Okay.

8 JOHN MATTINGLY: You'll see all  
9 those data in the material I gave to Chair Mealy.

10 COUNCIL MEMBER WHITE: Alright, now  
11 what about, and I had a meeting with 17 daycare  
12 centers, aftercare centers, concerning the issue  
13 of transferring children to public school.

14 JOHN MATTINGLY: Kindergarten,  
15 mmhm.

16 COUNCIL MEMBER WHITE:  
17 Kindergarten. I have here a letter dated January  
18 20<sup>th</sup>, to the Chancellor Klein, to you, and Mr.  
19 Shirtumin, Schretzman. Okay, about--

20 JOHN MATTINGLY: Maryanne  
21 Schretzman.

22 COUNCIL MEMBER WHITE: Yes.

23 JOHN MATTINGLY: Yes, uh-huh.

24 COUNCIL MEMBER WHITE: Thank you  
25 for the correction. About finding space. Okay,

2 that was on January 30<sup>th</sup>. Coming up with a plan.  
3 And then I have something, another communiqué, on  
4 March the 24<sup>th</sup>. It says that Commissioner  
5 Mattingly and Deputy Commissioner Hertzog--

6 JOHN MATTINGLY: Hertzog. She's  
7 sitting right next to me.

8 COUNCIL MEMBER WHITE: Hertzog.  
9 Right. Forgive me. Testified, "This plan will  
10 result in a \$15 million savings" but they were  
11 unable to answer what cost DOE and DYCD would  
12 incur with this transaction, and whether City Hall  
13 would save money overall, as a result of this  
14 transaction. As I mentioned at the hearing  
15 yesterday, I'm writing to request that you provide  
16 answers to the following question. Will this  
17 transition cost, in an overall cost savings to New  
18 York City or only to ACS?

19 MELANIE HARTZOG: Good afternoon,  
20 I'm Melanie Hertzog, I'm the Deputy Commissioner  
21 for Childcare and Head Start. I believe you're  
22 referring to a letter that was sent to both DOE  
23 and ACS with several questions from the Council,  
24 which I believe we have.

25 JOHN MATTINGLY: There's three

2 letters, I only have two.

3 MELANIE HARTZOG: Okay. I'm  
4 referring to the most recent letter where you  
5 specifically asked a question about the savings.

6 COUNCIL MEMBER WHITE: Yes.

7 MELANIE HARTZOG: Associated with  
8 the kindergarten transition. The answers we have  
9 and will be getting to you shortly in writing.  
10 So, in answer to your question about the \$15  
11 million in savings, the City will save \$50 million  
12 as a result of the transition of five year olds  
13 from ACS contracted childcare, to public school.  
14 It is at no additional cost to the Department of  
15 Education, because they will absorb these children  
16 within their existing capacity.

17 COUNCIL MEMBER WHITE: Okay. I see  
18 here that you did an analysis only--your analysis  
19 only, concerning the voucher subsidy reduction.  
20 Your analysis only included zip codes with five or  
21 more priority seven children receiving vouchers.  
22 And I'm looking here and I see zip code 11--21911,  
23 18, 206--in other words, I see Ballpark, Green  
24 Point, Williamsburg, Borough Park, Bushwick, East  
25 Williamsburg, Crown Heights, Borough Park, and

2 Bedford-Stuy taking the biggest hits out of all of  
3 that. [pause] Okay, okay. [background noise]  
4 [pause] Could you explain this analysis to me,  
5 please?

6 MELANIE HARTZOG: I believe what  
7 you're looking at, I don't have it in front of me,  
8 which is a breakdown of all the children who are  
9 receiving vouchers, that are part of priority code  
10 seven. As part of, just for background purposes,  
11 as part of State and federal law, aside from the  
12 public assistance population in childcare, which  
13 is the mandated and child welfare cases,  
14 preventive, protective and foster care, the  
15 balance of children that we serve have to be  
16 identified by a reason for care. We have nine  
17 total categories outside of those that I've  
18 mentioned, and priority seven is children who's  
19 families have a non-ACS child welfare need or  
20 family need, who are in need of childcare. The  
21 analysis you're looking at shows those children  
22 that are receiving vouchers concentrated by zip  
23 code, and it should be all children, all children  
24 that are receiving vouchers, that are in the  
25 priority seven childcare reason for care.

2 COUNCIL MEMBER WHITE: Okay.

3 Commissioner Mattingly, my last question, 'cause  
4 other people want to ask questions, I really think  
5 that--you know, you have a difficult job, I  
6 understand that. However, have you consulted with  
7 the union and reached an agreement with the union,  
8 in terms of the jobs and the transfers? And the  
9 things that you mentioned? Have you met with  
10 them?

11 JOHN MATTINGLY: We are still  
12 discussing, especially the mitigation phase, of  
13 all of these changes, as we've gone along. Did I-  
14 -so, that's what we've done. We followed the  
15 contract and I think we've done the best we could.

16 COUNCIL MEMBER WHITE: So, if I  
17 hear you correctly, you're still in some kind of a  
18 deliberation with the union?

19 JOHN MATTINGLY: We have given the  
20 at-risk letters to the staff, and we now are  
21 entering into the mitigation phase, which is  
22 focused on what we can do to mitigate the impact  
23 of these layoffs.

24 COUNCIL MEMBER WHITE: Alright. So  
25 you're saying currently you're operating according

2 to the union contract.

3 JOHN MATTINGLY: That's right.

4 COUNCIL MEMBER WHITE: And when  
5 does that contract expire?

6 JOHN MATTINGLY: I don't have that  
7 right in front of me. We may know, but--[pause]  
8 Oh, I'm informed that this is the Civil Service  
9 Act of the State law, under which we are  
10 conducting these discussions.

11 COUNCIL MEMBER WHITE: Okay. Due  
12 respect to the Chair, I have many more questions,  
13 but I don't want to eat up all the time. Thank  
14 you very much.

15 CHAIRPERSON DE BLASIO: Thank you,  
16 Councilman, we are behind schedule, and we do have  
17 another four people that requested to ask  
18 questions, who I know will be brief, but concise,  
19 and get to the point, in their advocacy. Council  
20 Member Tish James.

21 COUNCIL MEMBER JAMES: We're  
22 objecting on this side, so we respectfully decline  
23 your request. And we say that in all fairness  
24 because Council Member Fidler and I have sat  
25 through this, and we have a number of serious

2 questions representing concerns of our  
3 constituents. Thank you.

4 COUNCIL MEMBER FIDLER: Thank you,  
5 Council Member James.

6 COUNCIL MEMBER JAMES: You're  
7 welcome, no problem. So, first I just, again, I  
8 ask these questions out of respect for you,  
9 Commissioner, and your staff, but I ask these  
10 questions in the spirit of Mr. Charles Brown, who  
11 was an employee of Local, Social Service Employees  
12 Union Local 371. And so in honor of his passing,  
13 and in salute, and in, as a tribute to him, the  
14 following questions will be asked. First, the  
15 operational strategies that you have in place and  
16 that you propose in this budget will leave  
17 countless number of families without preventive  
18 services. The policy initiatives will have a  
19 devastating impact on poor families, particularly  
20 families of color, all throughout the City of New  
21 York. These layoffs will affect a broad range of  
22 services and a broad range of communities, and  
23 these cuts will definitely hurt children. And I  
24 recognize that this budget is a priority of this  
25 Administration, it's a political document, and

2 this Administration is gutting Department of  
3 Homeless Service, ACS, and HRA, and I would hope  
4 that everyone would be mindful of that when they  
5 go to vote come this November. Don't you ever  
6 forget that. Some agencies are being held  
7 harmless, but the social services and the human  
8 services in the City of New York is being brought  
9 to its knees. And there should be a major outcry  
10 in the City of New York. And the fact that  
11 children and families, vulnerable children and  
12 families are being put in the forefront, I cannot  
13 sit by idly and limit my questions or limit my  
14 tongue. And I am just outraged. And Mr.  
15 Commissioner, some constituents who work for your  
16 administra--for your office, have come to my  
17 office. Because I want, because I'm concerned  
18 about retribution, I will not identify them, they  
19 will remain anonymous. I will not show to the  
20 public the pictures that they have provided to me,  
21 pictures where there are caseloads which exceed  
22 the numbers that I heard earlier. The numbers  
23 eleven and 14 are fictitious. The numbers exceed,  
24 because you were only counting incoming cases, you  
25 are not counting cases that are awaiting closure,

2 you are not counting transfer cases that need CPS  
3 intervention, you are not counting family services  
4 cases in the family services unit, and you are not  
5 counting cases in preventive services. These  
6 caseworkers who've come to my office, who have  
7 showed me pictures on top of open cases, on top of  
8 open cases, indicate to me, have proven to me,  
9 without any shadow of a doubt, that they are  
10 dealing with at least, on a minimum, 20 to 25  
11 cases on average. [applause] And that [gavel] is  
12 just an accident waiting to happen, another  
13 Nixzmary Brown. Let me also go on to say that I  
14 have read the Mayor's preliminary report, which  
15 also indicates that there's an increasing trend in  
16 reports of child abuse and neglect, during the  
17 first four months of Fiscal Year 2001. These--  
18 2009, excuse me. These are not my numbers, but  
19 the numbers of the Administration. The trend is  
20 increasing. And so, here we are, laying off--361  
21 child protective services, 315 child welfare  
22 services, 293 administrative personnel, and the  
23 number goes on and on and on. But yet, again, my  
24 constituents, who came to me in confidence, have  
25 indicated to me that you are hiring. You are

2 hiring. [applause] And you are hiring under this  
3 guise called "Improve Outcomes for Children,"  
4 otherwise known as IOC. And my question to you,  
5 Commissioner, is why are we hiring in the midst of  
6 all of these layoffs, why are we continuing to  
7 staff? And I understand the offices of OFC are  
8 beautiful, they're immaculate, they're clean,  
9 they're fabulous. Why are we hiring to fill this  
10 unit and laying off all of these people, again who  
11 cover the spectrum in every corner of the City of  
12 New York?

13 CHAIRPERSON DE BLASIO:

14 Commissioner, go ahead, I'd like to hear the  
15 answer to that?

16 JOHN MATTINGLY: The fact of the  
17 matter is that the 541 workers who are the subject  
18 of this PEG are separate from what is, amounts to  
19 the third year of the Improved Outcomes for  
20 Children effort that we have discussed with the  
21 Council over--

22 COUNCIL MEMBER JAMES:

23 Commissioner, do these people not improve the  
24 outcomes of children each and every day?

25 [background noise]

2 JOHN MATTINGLY: Sure, they do.

3 COUNCIL MEMBER JAMES: So then why  
4 are we, why do we feel it necessary to start  
5 another unit, and hire additional people at a time  
6 when we are laying off close to a thousand  
7 childcare workers?

8 JOHN MATTINGLY: Again, it's 541.

9 COUNCIL MEMBER JAMES: Yes.

10 JOHN MATTINGLY: Improved Outcomes  
11 for Children, again, this is the third year of the  
12 changes we have been making, which are cost  
13 neutral. We have moved to the point where we are  
14 hiring the last 80 staff, at the same time as 159  
15 childcare case managers positions are being done  
16 away with. That's the final step.

17 COUNCIL MEMBER JAMES: So why are  
18 we hiring additional 50?

19 JOHN MATTINGLY: Well, just bear  
20 with me. Only 12-13 of those 80 are actually  
21 coming from outside the agency; the others are all  
22 being hired from inside the agency.

23 COUNCIL MEMBER JAMES: So,  
24 Commissioner, either they're lying--

25 JOHN MATTINGLY: Don't go there, I

2 don't think you want to go there.

3 COUNCIL MEMBER JAMES: --or someone  
4 else in this room is lying.

5 JOHN MATTINGLY: I take exception  
6 to that.

7 COUNCIL MEMBER JAMES: Well, I  
8 didn't say it was you. I just--

9 JOHN MATTINGLY: I can show you the  
10 facts.

11 COUNCIL MEMBER JAMES: Okay.

12 JOHN MATTINGLY: I can sit down  
13 with you any time that you would like to, and walk  
14 through them, including the caseload sizes. And I  
15 stand behind them. And I take exception to your  
16 saying that I'm lying to the Council.

17 COUNCIL MEMBER JAMES: But  
18 Commissioner, let me ask you this question.

19 JOHN MATTINGLY: Never have and I  
20 never will.

21 COUNCIL MEMBER JAMES: And I  
22 appreciate that. So let me ask you this question.  
23 Are you, is it your testimony that you, these  
24 individuals, some of whom are being laid off, are  
25 being rehired as IOC workers? Or within the IOC

2 unit? Is that your position? [background noise]

3 JOHN MATTINGLY: That's right.

4 COUNCIL MEMBER JAMES: And if they  
5 are being hired in IOC, it's also my understanding  
6 that the qualifications for these, for the jobs in  
7 the IOC, are at a, you're requiring additional  
8 educational experience, or educational  
9 achievements.

10 JOHN MATTINGLY: As we discussed a  
11 couple years ago--

12 COUNCIL MEMBER JAMES: Yes.

13 JOHN MATTINGLY: --we have in fact  
14 changed the requirements for those people being  
15 hired to monitor the foster care agencies, and to  
16 lead the family conferences that have to be held  
17 as part of this effort.

18 COUNCIL MEMBER JAMES: Now, I  
19 appreciate, you know, having educational, having  
20 a, you know, educational requirements. I  
21 obviously am a proponent of education, and believe  
22 education is absolutely critical, and it's  
23 critical to success. But there's something to be  
24 said about life experience and work experience.  
25 And the fact is, is that though you have raised

2 the standards for this unit, the reality is that  
3 these workers who are being laid off, I believe  
4 are well suited to meet that criteria, because of  
5 their world experience, their general experience,  
6 their work experience, notwithstanding the fact  
7 that they may not have MSWs. And so my question  
8 is, you know, I know what you say, but again based  
9 on my communication with my constituents who came  
10 to my office, seeking anonymity, and I will  
11 protect them, have indicated to me that they are  
12 not being considered for these positions, and in  
13 fact you are hiring outside of the agency at a  
14 time when you are laying off close to 1,000  
15 people. So, if you, I would--

16 JOHN MATTINGLY: If I get the  
17 question--

18 COUNCIL MEMBER JAMES: I mean, if  
19 we could sit down, perhaps with the Chair, with  
20 the Finance Chair and the Chair of this agency,  
21 Council Member De Blasio, and if you can  
22 demonstrate to them, and show to them, how many  
23 people you have hired from within the agency,  
24 versus how many people you have hired outside of  
25 the agency, I would greatly appreciate that.

2 JOHN MATTINGLY: Be happy to.

3 COUNCIL MEMBER JAMES: And  
4 including in that meeting, I would like, if you  
5 don't mind, is a representative from the local  
6 union. Would you mind? Would you have a problem  
7 with that?

8 JOHN MATTINGLY: No.

9 COUNCIL MEMBER JAMES: Thank you.  
10 Okay. Next. Moving onto childcare. Now, moving  
11 onto childcare. Commissioner Hartzog testified  
12 that there was, be, it would be budget neutral, it  
13 would not cost the City any funds to transfer five  
14 year olds to kindergarten. But my, again, because  
15 I have a very, very, very, as Commissioner knows,  
16 very articulate and empowered and educated  
17 district, my principles have come to me, and  
18 indicated to me that their case, that their, the  
19 cap for kindergartens has now exploded. And at  
20 one point in time, we placed a cap on  
21 kindergarten, but because of this transfer, now  
22 the kindergarten classes will have to be  
23 increased. Is that a true statement?

24 JOHN MATTINGLY: If I could--

25 COUNCIL MEMBER JAMES: Sure.

2 JOHN MATTINGLY: It's Deputy  
3 Commissioner Melanie Hartzog.

4 COUNCIL MEMBER JAMES: Sorry. I  
5 could have my dream, can't I, not one day,  
6 hopefully, maybe, have Commissioner Hartzog be  
7 promoted. That would greatly increase diversity  
8 in the City of New York.

9 MELANIE HARTZOG: So the answer to  
10 your question is that in the majority of public  
11 schools, kindergarten classrooms are currently at  
12 an average of about 20 children. Maximum capacity  
13 for a kindergarten classroom is 25. Based on  
14 DOE's analysis of absorbing our five year olds, in  
15 some instances they would have to expand the  
16 capacity to 25, in some of the classrooms.

17 COUNCIL MEMBER JAMES: So--

18 JOHN MATTINGLY: Don't  
19 misunderstand me, I was suggesting that her name  
20 is Hartzog--

21 COUNCIL MEMBER JAMES: Hartzog.

22 JOHN MATTINGLY: Not Hertzog.

23 COUNCIL MEMBER JAMES: I'm sorry.

24 JOHN MATTINGLY: That's all I was  
25 talking about.

2 COUNCIL MEMBER JAMES: It's  
3 Hartzog, you're absolutely right. So, we have  
4 fought to limit classroom size in our  
5 kindergartens to 20, and now in some cases we will  
6 have to go to 25. Yes? Because of the transfer.

7 MELANIE HARTZOG: According to DOE,  
8 in some classrooms they may have to go to 25.

9 COUNCIL MEMBER JAMES: And the  
10 after school programs, some of these children will  
11 have to be absorbed in, I guess, some of the OST  
12 or after school programs, and some of these  
13 children will have to be escorted to those sites  
14 that are not in the school. Yes? Did we  
15 calculate that into our funding?

16 MELANIE HARTZOG: OST programs  
17 provide for safe passage, so that--

18 COUNCIL MEMBER JAMES: They--so, in  
19 existing, so what you're saying then is, all of  
20 this can be absorbed in existing budgets.

21 MELANIE HARTZOG: The school, OST  
22 has enough capacity to absorb these children. I'd  
23 like to add, though, that in addition to the  
24 transfer of school age programming over to DYCD,  
25 since that time, we have invested funding to

2 expand OST as well.

3 COUNCIL MEMBER JAMES: Okay.

4 MELANIE HARTZOG: To absorb these  
5 children.

6 COUNCIL MEMBER JAMES: Now, we  
7 were, we, at one point in time we were talking  
8 about eliminating classrooms, and now we're going  
9 to keep open some classrooms, as a result of  
10 federal stimulus dollars. Have we identified the  
11 classrooms that will no longer be eliminated?

12 MELANIE HARTZOG: We're in the  
13 process of identifying those classrooms. We hope  
14 to have that analysis done within the next week or  
15 two.

16 COUNCIL MEMBER JAMES: Okay, if you  
17 could provide that, and share that with my office,  
18 that would be greatly appreciated. My second  
19 question is, will there be any additional expenses  
20 in aging down to the Centers?

21 MELANIE HARTZOG: No, because for  
22 the stimulus funding that will be coming back to  
23 programs, it's to serve threes and four year olds,  
24 so the program, that classroom is already  
25 outfitted to serve preschoolers, so there should

2 be no additional costs.

3 COUNCIL MEMBER JAMES: And will  
4 some of these centers have to increase their  
5 staff? Because it's my understanding the three  
6 and four year olds, the ratio is, it's a little  
7 higher, they're, instead of one-to-one, it's like  
8 two teachers per three-to-four year old. Am I  
9 correct about that, or no?

10 MELANIE HARTZOG: No, they will not  
11 have to increase.

12 COUNCIL MEMBER JAMES: Okay. Will,  
13 they have to adhere to Department of Health  
14 regulations, which would require them for, to make  
15 some capital improvements to the Centers? Some of  
16 them.

17 MELANIE HARTZOG: They are already  
18 in compliance with Department of Health  
19 regulations, because they're licensed to serve  
20 pre-schoolers in that classroom.

21 COUNCIL MEMBER JAMES: Okay.

22 MELANIE HARTZOG: And the age range  
23 for pre-schoolers is three to five, and so there  
24 shouldn't be any capital costs, if in fact the  
25 classroom, which it is, already licensed for that

2 age group.

3 COUNCIL MEMBER JAMES: And do we  
4 have a transitional plan in place again for the  
5 five years olds transferring to kindergarten? And  
6 if we do have that plan, can it provided to the  
7 Chair of Finance and the Chair, Chair De Blasio?

8 MELANIE HARTZOG: As part of the  
9 questions that were asked, that Council Member  
10 White had asked, and there was a series of other  
11 questions about the transition, we can respond,  
12 and we plan to, in writing, to all of those  
13 questions, which some of which had to do with the  
14 transition, in terms of outreach to parents,  
15 letters, etc.

16 COUNCIL MEMBER JAMES: By no means  
17 I want anyone to take my questions as support for  
18 this proposal, this initiative. I believe it is  
19 foolish to transfer five year olds into  
20 kindergarten. I am adamantly opposed to it, and I  
21 believe that they are once again are putting young  
22 children in jeopardy, particularly young children  
23 of color. And I will continue to fight it. And I  
24 believe that the vast majority of progressive  
25 minded council members are opposed to it. There

2 are some who we are working on, but the vast  
3 majority of them are opposed to it, and we will  
4 draw a line in the sand against putting our babies  
5 in harm's way. Out of respect for Council Member  
6 Weprin and Council Member De Blasio, I've asked  
7 my, I've ended my, that'll be the extent of my  
8 questions. Thank you.

9 CHAIRPERSON DE BLASIO: Okay, thank  
10 you, Council Member. The Chairs of these two  
11 Committees are in the progressive category, as--

12 CHAIRPERSON MEALY: Three  
13 committees.

14 CHAIRPERSON DE BLASIO: Three  
15 committees, these three committees.

16 COUNCIL MEMBER JAMES: That's yet  
17 to be seen.

18 CHAIRPERSON DE BLASIO: 'Scuze me,  
19 sorry Chair Mealy. Council Member Felder.

20 COUNCIL MEMBER FELDER: Thank you.  
21 Council Member James is not leaving because I have  
22 a question, is that correct?

23 COUNCIL MEMBER JAMES: No, the  
24 Speaker called me.

25 COUNCIL MEMBER FELDER: Excellent.

2 Anyway. Before I ask you anything, I wanted to  
3 say that I don't want, in any way, that the  
4 questions that I have, should send the wrong  
5 message. I believe that for the most part, the  
6 agency and the employees of the agency, are  
7 committed to doing the best that they can, to help  
8 families and children throughout the City. That  
9 doesn't mean that we, we're not upset, as you are,  
10 I think, when they asked you earlier, Councilman  
11 De Blasio asked you, you said you would like the  
12 540 that you have to get rid of. Having said  
13 that, I am very concerned, but before I get upset,  
14 I want to make sure that I know what I'm talking  
15 about, which isn't usually the case. So, with the  
16 priorities, there's the set of what you termed the  
17 non-ACS priorities, one through nine or something  
18 like that. Can somebody explain to me how--what,  
19 in brief, what those priorities are, and whether  
20 they were established at different times? You  
21 know, forget about the [laughs] forget about the  
22 descriptions, the Council staff wants to make me  
23 look stupid, so they just gave me the explanation  
24 to my question, which is good. But can you tell  
25 me whether they were done at different times? In

2 other words, when were they established?

3 MELANIE HARTZOG: So, I was just  
4 asking my staff, because when the childcare block  
5 grant came into effect, which was in the 1990s,  
6 early 1990s, is when we established the various  
7 priority categories. Over time, those priority  
8 categories have changed, you know, to add  
9 additional reasons for care, based on families'  
10 needs.

11 COUNCIL MEMBER FELDER: No, but the  
12 question I have is a set up. So, you have to  
13 humor me. I need to know the time, the timeline  
14 about the, when these were created, these separate  
15 categories. Do you want me to just give you the  
16 question?

17 MELANIE HARTZOG: I don't--you're  
18 asking me for each of these categories--

19 COUNCIL MEMBER FELDER: Yes.

20 MELANIE HARTZOG: --when were they  
21 created?

22 COUNCIL MEMBER FELDER: Yes.

23 MELANIE HARTZOG: So, I've given  
24 you a broad answer, I can't give you more detail  
25 than that, but I can get you that answer.

2 COUNCIL MEMBER FELDER: Alright,  
3 alright. Well, you're, I think my colleagues, I  
4 can't speak for them, have tremendous respect for  
5 you, and for the work that you do, but I must  
6 still set you up on this question. But since  
7 you're not giving me the details, I'll have to do  
8 it without it. See--huh?

9 FEMALE VOICE: [off mic] We're  
10 promoting her.

11 COUNCIL MEMBER FELDER: Huh?

12 FEMALE VOICE: [off mic] We're  
13 promoting her.

14 COUNCIL MEMBER FELDER: Yes. And  
15 the Commissioner was in agreement with that.

16 FEMALE VOICE: I know!

17 COUNCIL MEMBER FELDER: He just  
18 corrected you about the name. [laughter] Am I  
19 right? So, let me just say, is that the order of  
20 the priorities in theory is supposed to represent  
21 importance, or is that true or not?

22 MELANIE HARTZOG: Yes.

23 COUNCIL MEMBER FELDER: But would  
24 it be fair to say that if they were established at  
25 different times, there's a possibility, for

2 example, that maybe priority eight could possibly  
3 be more important than priority five? Is that a  
4 possibility? I don't mean, I'm just using those  
5 two as an example, because they were created at  
6 different times.

7 MELANIE HARTZOG: I think it might  
8 be helpful to understand when we talk about  
9 priority in numbers--

10 COUNCIL MEMBER FELDER: Yeah.

11 MELANIE HARTZOG: --what's behind  
12 them.

13 COUNCIL MEMBER FELDER: Yeah.

14 MELANIE HARTZOG: I also think  
15 that, yes, we have to establish reasons for care,  
16 but I think from our perspective, every child in  
17 care needs care.

18 COUNCIL MEMBER FELDER: Good.

19 MELANIE HARTZOG: Regardless of  
20 whether they're a priority one or not.

21 COUNCIL MEMBER FELDER: So--

22 MELANIE HARTZOG: But just to, so  
23 we can understand, priorities one and two are  
24 protective, preventive and foster care. Priority  
25 three are public assistance families who may have

2 not been in compliance to maintain their  
3 childcare; we've moved them onto priority three.  
4 Priority four are homeless families. Priority  
5 five is our biggest population of employed  
6 families. Many of these families come from public  
7 assistance, meaning they have received childcare  
8 under public assistance as part of their case.  
9 They've transferred over to low income, and we're  
10 maintaining their childcare. Priority six is  
11 training and education. Priority seven is ACS,  
12 and this is, it's ACS non-social service, and what  
13 that really means is just that the family has a  
14 need for childcare, but it's not a protective,  
15 preventive or foster care case. It could be a  
16 family who, a parent is undergoing substance abuse  
17 treatment and needs childcare, for instance. So  
18 it's a social service need, but it's not  
19 affiliated with the preventive/protective.

20 COUNCIL MEMBER FELDER: But the--  
21 so, for example, the child five is preventive?

22 MELANIE HARTZOG: Priority five is  
23 employment.

24 COUNCIL MEMBER FELDER: So that's  
25 not preventive, right?

2 MELANIE HARTZOG: That's not  
3 preventive.

4 COUNCIL MEMBER FELDER: So I don't  
5 want to put you through this, 'cause it's been a  
6 long day, and I know you feel lonely without all  
7 the attention, especially, what's the woman  
8 sitting there, you, what's her, what's your name?

9 JOHN MATTINGLY: Susan.

10 COUNCIL MEMBER FELDER: What's your  
11 last name?

12 SUSAN NUCCIO: Nuccio.

13 COUNCIL MEMBER FELDER: You feel  
14 very lonely, 'cause no one has bothered you yet.  
15 I wish I had something to talk to you about. But  
16 the, what I'm getting at, really, without playing  
17 any more games, is that the under-the-budget, the  
18 priority seven vouchers are slated to be  
19 eliminated entirely. Is that true?

20 MELANIE HARTZOG: Correct.

21 COUNCIL MEMBER FELDER: And what  
22 I'm saying to you is that it seems to me that in a  
23 budget where you, you have to set some priorities,  
24 I understand with the preventive vouchers, there  
25 is some mechanism by where you decide something is

2 more important than the other, even if all of it  
3 is important. But to take one category, which is  
4 what you're doing, you're taking one category, and  
5 I don't mean you. When I say is that you've been  
6 given the ultimatum, or some would say the charge,  
7 to get, to save that money, and you have to do it  
8 somehow. If somebody said to me, "You take all  
9 those priorities, for example, that are non-  
10 preventive, and you have to slice a piece off of  
11 it to be able to save money," I'd still be upset.  
12 But you just took one category. You took one  
13 category, and then you did take a little bit, I'm  
14 sorry, you did take a little bit of the eight or  
15 nines, or maybe a substantial part of the eight or  
16 nines. I'm sorry, I apologize. Let me rephrase  
17 my question, 'cause it wouldn't get that punch  
18 that I needed. The, any categories above the  
19 seven, whether they were preventive or not, have  
20 been spared entirely; whereas anything seven and  
21 below, you just took the numbers. And if my  
22 theory is correct, that some of these categories  
23 were established later, right, they were mainly  
24 not established at the same time, I could argue,  
25 and I am arguing, that the, perhaps a seven is

2 more important than a five. Maybe. Or, as long  
3 as it's not preventive. And why are you taking  
4 these categories and just, it's almost like, you  
5 know, you take a piece of paper, and anything  
6 that's on the bottom, you just take and you tear  
7 off the bottom piece, whatever's off the bottom.  
8 That's not fair.

9 MELANIE HARTZOG: Okay, so the  
10 first thing is that priority seven was actually  
11 started in 1990, so it was established as a  
12 priority category when the childcare block grant  
13 was established. The second point is that we had  
14 to look at--and the State requires us to look at  
15 when we have to cut subsidies, unfortunately we  
16 have to go starting from the lowest priority up.  
17 Again, every child in care needs care, but we have  
18 to start from somewhere, as you just said. But  
19 the other criteria that I just want to point out,  
20 is that when you look at priorities nine, eight  
21 and seven, these are families who are not working.  
22 And so the balance of families in our system, from  
23 six up, are working, with the exception of we may  
24 have some child welfare cases that are not. But  
25 the bulk of our population, which is really in

2 priority five, that is the majority of our system,  
3 are all working families who've transitioned off  
4 of public assistance.

5 COUNCIL MEMBER FELDER: I don't  
6 want to argue with you. Unless you want to argue,  
7 do you want to argue?

8 MELANIE HARTZOG: No, I do not want  
9 to argue?

10 COUNCIL MEMBER FELDER: Alright,  
11 that was not the right answer. [laughter] But I  
12 don't want to, I don't want to extend--I just want  
13 to ask you if you're in favor of medicinal  
14 marijuana. [laughter]

15 JOHN MATTINGLY: No comment.

16 COUNCIL MEMBER FELDER: No, I'm  
17 asking Deputy Commissioner Hartzog that question.  
18 And if you don't know the answer, can you get it  
19 back to me in writing. [laughter]

20 MELANIE HARTZOG: I'll put my  
21 answer in writing, sir.

22 COUNCIL MEMBER FELDER: Thank you.

23 CHAIRPERSON DE BLASIO: Thank you,  
24 Council Member. Council Member Brewer.

25 COUNCIL MEMBER BREWER: Thank you

2 very much. I have a question. All of us tried to  
3 find a way of preventing the State getting back  
4 some of the pre-K money that could also--'cause it  
5 couldn't be used full day, it only could be for  
6 half day. Can you tell me the amount that went  
7 back? And is that going to happen again this  
8 year?

9 MELANIE HARTZOG: I don't have the  
10 answer to that question. Department of Education  
11 manages the Universal Pre-K program. I can ask  
12 them and get back to you on that.

13 COUNCIL MEMBER BREWER: Well, okay,  
14 but would that help us in any way, in terms of  
15 staving off some of these budget cuts, if you were  
16 to, you could, some of your nonprofits that you  
17 work with, also get some of that funding. If it  
18 was to be the way in which we feel it should be  
19 allocated, which is full day.

20 MELANIE HARTZOG: Correct. And  
21 yes.

22 COUNCIL MEMBER BREWER: So what are  
23 you doing to work with DOE and the State to try to  
24 make sure that this money does come to the City of  
25 New York 2010?

2 MELANIE HARTZOG: From the time  
3 that I've been in this position, which is now  
4 three years, we have lobbied very hard, along with  
5 Department of Education, and State legislative  
6 affairs, to provide flexibility in the universal  
7 pre-K funding. Whether it's for full day, to  
8 increase the State cap on universal pre-K,  
9 acknowledging what you just said, which is the  
10 entire early childhood education system benefits  
11 from it, including ACS programs.

12 COUNCIL MEMBER BREWER: Alright.  
13 It is very frustrating. On Head Start, I think  
14 you will achieve, if you get what you are  
15 suggesting, not that we agree, about \$11 million  
16 in cost savings. And I think in addition,  
17 providers, or as part of that, are asked to take a  
18 three percent cut in contracts. So we're worried  
19 about quality, we're worried about are there other  
20 ways that we can, to make the cut, that would not  
21 impact Head Start. And how will these agencies  
22 still manage with this cut? As we know, Head  
23 start is one of the most successful, oldest early  
24 childhood programs, gets rave reviews. Can you  
25 talk about Head Start for me?

2 MELANIE HARTZOG: For many, many  
3 years now, the, under the previous federal  
4 Administration, the Head Start grant has not kept  
5 pace with increased cost. For some time, we have  
6 been putting funding in where we can, to support  
7 our programs and basically to offset the need to  
8 have to make reductions. And we've come to a  
9 point in time where we can't do that any longer.  
10 The deficit that Head Start's facing is a \$11  
11 million. Meaning, the expenses are \$11 million  
12 greater than the grant. What we're doing, and  
13 what we hope to do, and it's still up for  
14 discussion--as you know, there's shared governance  
15 in Head Start, and involves a policy council,  
16 which are the parents, a critical player in our  
17 work--is to use some of the stimulus funding to  
18 really support core programming. So in other  
19 words, we don't want to have to make expense  
20 reductions or reduce programs, we'd like to use  
21 some of the stimulus money to support them. But  
22 the stimulus funding is not enough, and so we will  
23 have to implement a three percent cut.

24 COUNCIL MEMBER BREWER: Unless--  
25 alright, so that you're saying that the stimulus

2 funding, even with it, you still have to make an  
3 \$11 million cut?

4 MELANIE HARTZOG: No, it's not an  
5 \$11 million cut, it's actually \$4 million.

6 COUNCIL MEMBER BREWER: Okay. But  
7 then why would you have to cut the programs three  
8 percent? You're just making that decision as part  
9 of what you're looking at. In other words, that  
10 could be a different number if you, if we so  
11 decide. The lower number.

12 MELANIE HARTZOG: No, that's saying  
13 we've looked at all the stimulus funding we're  
14 going to get, and against that \$11 million, we're  
15 using all the stimulus money. We're proposing to  
16 use all of it to support the programs as I said,  
17 but that still leaves \$4 million that we can't  
18 cover of the \$11.

19 COUNCIL MEMBER BREWER: Alright.

20 MELANIE HARTZOG: Which we will  
21 have to reduce programs.

22 COUNCIL MEMBER BREWER: Alright,  
23 that's one scenario. Back to what Tish James was  
24 asking about, just so I understand. You're using  
25 stimulus for Head Start, you're also using it in

2 some of the childcare centers. Can you be  
3 specific as to where you're putting stimulus in  
4 general? We just talked about Head Start, can you  
5 be specific as to where else it's going and what  
6 the positive impact is?

7 MELANIE HARTZOG: So, the stimulus  
8 funding in childcare will go to two areas. The  
9 first is to pay for the market rate increase.

10 COUNCIL MEMBER BREWER: Right.

11 MELANIE HARTZOG: For providers.  
12 That includes our voucher providers, as well as  
13 family childcare network providers. The other  
14 part of the stimulus funding will be used to  
15 restore 93 classrooms that were formerly serving  
16 kindergarten children; they will now serve three  
17 and four year olds. And we're in the process of  
18 identifying which programs would receive  
19 restoration.

20 COUNCIL MEMBER BREWER: Okay.

21 Another issue of course, and need, is for infant  
22 childcare. How does any of this impact positively  
23 the need for infant childcare?

24 MELANIE HARTZOG: Unfortunately at  
25 this moment, with the kindergarten, the classrooms

2 that we're restoring, that were serving  
3 kindergarten children, the dollars must be spent  
4 quickly. And so, right now, we're just focused on  
5 serving threes and fours; down the road we  
6 anticipate, we hope that we can age those seats  
7 down, as well as other seats in our system, to  
8 serve infants and toddler. But that's--

9 COUNCIL MEMBER BREWER: And when  
10 you say, "in the future," what does that mean?

11 MELANIE HARTZOG: Within the next  
12 two to three years.

13 COUNCIL MEMBER BREWER: Alright.  
14 And then just finally, I know there was much  
15 discussion about the child welfare, child  
16 protection. How do you, if these layoffs go  
17 through, and we all hope that they do not, how do  
18 you overall feel that you really can maintain the  
19 kind of support for the families? Let me be  
20 specific. I know they were always nervous about,  
21 God forbid, somebody, some child would die, but in  
22 between there are so many other aspects to keeping  
23 that family in their home, child support, kinship  
24 care, etc. I think we all have families that come  
25 to us on a regular basis. And in that it is a

2 challenging economy in general, how have you as,  
3 thought about this, because it does seem with that  
4 kind of layoff, that there will be instances not,  
5 let's hope of death, but many, many family traumas  
6 as a result. How are you thinking about this,  
7 with this massive layoff? I don't think there's  
8 another agency that's taking quite the hit.

9 JOHN MATTINGLY: Briefly, we are  
10 holding on to the preventive programs that we've  
11 developed and that we've increased. We are making  
12 a cut, but not a major cut, or an overwhelming  
13 cut, to foster care agencies. We have, as you may  
14 recall, doubled the number of family services  
15 workers, between 2007 and now. They are un--they  
16 will not be affected by these cuts. And we have  
17 of course dramatically increased the number of  
18 child protective workers, and they will not be  
19 affected by these cuts.

20 COUNCIL MEMBER BREWER: But,  
21 alright, 'cause--[sigh] Finally, the issue of  
22 technology, which I know well. What are you doing  
23 to collaborate with Do It? I know you mentioned  
24 that you're cutting some of the consultants for  
25 technology that will be more of a timeframe in

2 terms of waiting on helpdesks and so on. But what  
3 are you doing to collaborate with Do It, so that  
4 you are decreasing your costs? Do It claims that  
5 they're working with all agencies on a much more  
6 collaborative basis.

7 JOHN MATTINGLY: Well, I and my  
8 team have been meeting with the Commissioner and  
9 his team regularly. We also, within the past six  
10 months, hired one of his best people, I'm proud to  
11 say, away from him to help us build our IT  
12 capacity. And her knowledge of everything that's  
13 going on in the City, especially at Do It, has  
14 been very helpful to us. However, I don't want to  
15 mislead people, the fact that we have had to cut  
16 back on IT support will make it harder to get, it  
17 will take longer to get the help that people need  
18 throughout the agency, and to do projects, and to  
19 respond to requests for helpdesk services. That's  
20 part of this overall PEG, not affecting staff,  
21 mostly, I don't think.

22 COUNCIL MEMBER BREWER: Well, I  
23 think it's hard on staff, because when people are  
24 in the field--

25 JOHN MATTINGLY: That's right.

2 COUNCIL MEMBER BREWER: --they are,  
3 it is really, really hard, and that's when you  
4 need your information the most. So I think  
5 actually, it will have an impact on staff.

6 JOHN MATTINGLY: Yes.

7 COUNCIL MEMBER BREWER: Thank you,  
8 Chairs.

9 CHAIRPERSON DE BLASIO: Yeah, we've  
10 been joined by Council Member Fidler and Council  
11 Member Foster, who I believe has a question.  
12 Council Member Foster? No? Okay. Council Member  
13 Fidler. Council Member Fidler.

14 COUNCIL MEMBER FIDLER: Thank you,  
15 Mr. Chairman, and good afternoon, Commissioner.  
16 I'm frequently puzzled after Council Member Felder  
17 finishes a Q&A, and I'm a little puzzled now. I  
18 just want to go back to the vouchers for a second.

19 COUNCIL MEMBER FELDER: Council  
20 Member Fidler, I am also puzzled after I ask a  
21 question. [laughter]

22 COUNCIL MEMBER FIDLER: I know,  
23 that's why I knew I could say it. So let's go  
24 back to the vouchers for a second, and I am  
25 particularly concerned, Commissioner, because

2 priority seven seems to particularly affect one  
3 community in the City, and almost, you know, is a  
4 cut, you know, right on their back. But I'm  
5 always concerned when I, and I'm sorry I wasn't  
6 here for your testimony, but I've had the  
7 opportunity to read it. When you say that DYCD's  
8 OST programs will absorb the 3,000 young people  
9 who are, or at least the 2,000 in priority seven  
10 who are losing their vouchers, how do you know  
11 that?

12 MELANIE HARTZOG: It's not 3,000  
13 children that DYCD will absorb, it's a portion of  
14 those children who are losing their voucher, are  
15 school age children. Some of them are infants and  
16 toddlers and pre-school children, who can be  
17 absorbed into our contracted childcare seats.

18 COUNCIL MEMBER FIDLER: Oh, so how  
19 many are going to be absorbed into OST?

20 MELANIE HARTZOG: [pause] For  
21 priority seven?

22 COUNCIL MEMBER FIDLER: Yes.

23 MELANIE HARTZOG: Of the priority  
24 seven population--1,300 are school aged children,  
25 that could go into DYCD's OST program.

2 COUNCIL MEMBER FIDLER: And--

3 MELANIE HARTZOG: That's of the  
4 2,000.

5 COUNCIL MEMBER FIDLER: Given the  
6 fact that the priority seven children are all kind  
7 of concentrated and given certain cultural  
8 sensitivities about where OST programs are, and  
9 who these priority seven kids are, have you  
10 matched the capacity of the OST sites, and are you  
11 aware of the fact that DYCD is seeking to cut OST  
12 slots in the executive budget?

13 MELANIE HARTZOG: I am aware of the  
14 fact that DYCD had a PEG related to OST. My  
15 understanding is that it's not for the school age  
16 children, elementary school age children. And--

17 COUNCIL MEMBER FIDLER: Well,  
18 that's not entirely true. I mean, that would be,  
19 you know, there is an OST cut for high school age  
20 children, but they're also seeking to eliminate  
21 option two OST, which affects children on all age  
22 levels.

23 MELANIE HARTZOG: So my staff is  
24 telling me that at the March 5<sup>th</sup> hearing, you asked  
25 this question. And DYCD testified to the fact

2 that the PEG that they did take was not related to  
3 the school age. I think the question you're  
4 asking me about the analysis--

5 COUNCIL MEMBER FIDLER: No,  
6 actually, at the March 5<sup>th</sup> hearing, I asked about  
7 the ability of DYCD to absorb the kids who were  
8 being affected by the kindergarten transfer. This  
9 is an additional burden, so let's be clear, I'm  
10 actually clever enough to remember March 5<sup>th</sup>.

11 [laughter]

12 MELANIE HARTZOG: We've done the  
13 analysis, looking at where OST capacity is, vis-à-  
14 vis where these children are.

15 COUNCIL MEMBER FIDLER: And you  
16 have that analysis, is it available to share with  
17 me?

18 MELANIE HARTZOG: Yes, we can share  
19 it with you.

20 COUNCIL MEMBER FIDLER: I would  
21 appreciate seeing that, and I certainly have got  
22 to ask Commissioner Mulgrave about this again,  
23 because, you know, it's clear that you're not  
24 aware of the fact that the OST cut is also to  
25 school age children, when you consider the option

2 two cut, which is a \$6.7 million cut to OST. So,  
3 I just want to be sure that we're not promising  
4 the same seats to two different sets of kids.

5 Now, as long as you raise the, as I raised the  
6 transfer, Commissioner, you're aware because you  
7 sat in this chair when I have been extraordinarily  
8 critical of the transfer of kindergarten age  
9 children to, out of day--out of childcare centers.

10 And I am, you know, just tickled pink to see that  
11 federal stimulus dollars are coming in to help  
12 absorb some of the impact of that, even though I  
13 still will insist that that transfer does not  
14 actually save dollars for the City of New York. I  
15 think that is pretty clear, when Director Page was  
16 sitting in this chair about a week-and-a-half ago,  
17 he still couldn't provide any numbers for the  
18 Council as to how that was saving a dime of  
19 taxpayer money. So, I still don't get it, and I  
20 don't expect you to answer that question, if the  
21 head of the Office of Management and Budget can't  
22 answer that question. But I just, I guess my  
23 question then for you is this, is while the impact  
24 on the health and vitality of 93 centers is to be  
25 somewhat mitigated by the infusion of federal

2 stimulus dollars, what's going to happen to those  
3 centers when the stimulus money runs out?

4 MELANIE HARTZOG: Some of those  
5 programs--by the way it's 93 classrooms, not  
6 centers.

7 COUNCIL MEMBER FIDLER: Oh.

8 MELANIE HARTZOG: Just so we're  
9 clear. Some of those programs have already  
10 approached us, or some programs have approached us  
11 talking about what their options are, which we've  
12 talked about for many programs where we've reduced  
13 capacity. To merge, collocate with another  
14 program, some programs have told me that they have  
15 three sites, that they're looking to consolidate  
16 into two sites. And operating a private paid  
17 classroom, which we've been providing technical  
18 assistance on.

19 COUNCIL MEMBER FIDLER: We love the  
20 word "consolidate" here because we all understand  
21 that as "close." So, I'm just--I just then, I  
22 want to, you know, just at least understand your  
23 statement of intent here. Is that you're going to  
24 work with every childcare center in the City of  
25 New York that is going to be losing out on this

2 transfer, to make sure that they are going to stay  
3 in existence and thrive and provide the services  
4 that we are counting on them for in the City of  
5 New York. Is that your promise?

6 MELANIE HARTZOG: Yes.

7 COUNCIL MEMBER FIDLER: And  
8 remember, we're on videotape, so just remember  
9 that, yes.

10 MELANIE HARTZOG: I'm clear, yes.

11 COUNCIL MEMBER FIDLER: Okay,  
12 alright. So, you know, and I will remember that  
13 promise, I'm sure everyone in this room will, as  
14 well, because I am extremely concerned, you know,  
15 that when the federal dollars disappear, some of  
16 these childcare centers will disappear with it,  
17 and I just want everyone here to remember the  
18 promise that has been made here by the Bloomberg  
19 Administration.

20 CHAIRPERSON WEPRIN: Thank you,  
21 Council Member. I want to remind everybody we're  
22 about an hour behind schedule, so if we could kind  
23 of, you know, summarize your questions. We've  
24 been joined by Council Member Alan Gerson from  
25 Manhattan. And the next questioner is Council

2 Member Mark-Viverito.

3 COUNCIL MEMBER MARK-VIVERITO:

4 Thank you, Mr. Chair, and I think I'll, you know,  
5 part of my question was exactly what my colleague  
6 Councilman Fidler just asked about the stimulus  
7 money running out in the Centers. Now, you're  
8 projecting also to utilize stimulus money for the  
9 market rate increase. So, what is ACS's plan, or  
10 what is, what do you foresee, that once the  
11 stimulus money runs out, how that's going to  
12 impact, again, providing of childcare services?  
13 What's the, what's looking forward? Is it that  
14 you're projecting that we're going to get an  
15 increase in revenue as a City, therefore you're  
16 going to be able to keep at that rate in the  
17 future? But what happens once the stimulus money  
18 runs out?

19 MELANIE HARTZOG: The stimulus  
20 money for both childcare and Head Start is for two  
21 years. It's our anticipation and hope that with  
22 this new administration that this will actually be  
23 baselined, at the federal level. So moving  
24 forward, it won't be for just two years, it will  
25 be in the federal budget ongoing, beyond that.

2 COUNCIL MEMBER MARK-VIVERITO: Are  
3 you getting any assurances that that's the case?

4 MELANIE HARTZOG: I think we're  
5 getting positive feedback that this is the case.

6 COUNCIL MEMBER MARK-VIVERITO: I  
7 don't know, I don't know where that's coming from,  
8 but that's of concern. But if that is not the  
9 case, what is the plan? How would that impact,  
10 not having those stimulus dollars, when you're  
11 taking into account the market rate increase that  
12 is being provided now, what, in two years down the  
13 line if we don't get it, if we don't get any of  
14 those additional dollars, if it's not baselined,  
15 what do you foresee happening?

16 MELANIE HARTZOG: I think at that  
17 time we'll have to assess where we are and what  
18 the capacity, what the funding is, and we'll have  
19 to make decisions at the City level, as to what to  
20 do.

21 COUNCIL MEMBER MARK-VIVERITO: I  
22 can't believe that you haven't really forecast any  
23 of those scenarios in your discussions at this  
24 point. Two years is not that far down the line.

25 MELANIE HARTZOG: And right now we

2 are trying to get that funding out to all the  
3 providers and get that funding restored in all  
4 those kindergarten classrooms.

5 COUNCIL MEMBER MARK-VIVERITO:

6 Well, that's not very, I'm not getting much  
7 assurance in that. I also, not to, you know, drag  
8 this out, 'cause I know we're behind, but I really  
9 do want to strongly, you know, add my voice to the  
10 comments that were made by my colleagues earlier,  
11 particularly Tish James, with regards to the jobs,  
12 and basically kind of hiring from outside. I  
13 think what we've seen, and the Civil Service and  
14 Labor Committee has also had hearings on a report  
15 that came out with DC37, not only on the  
16 outsourcing of contracts and money, but really  
17 what we're seeing is really an erosion of  
18 unionized jobs in this City. It's a very serious  
19 concern for me, because I believe that these jobs  
20 are critical for really stabilizing families and  
21 stabilizing neighborhoods, many of which are  
22 economically disadvantaged neighborhoods, like the  
23 one, in districts, like the one I represent.

24 These jobs are critical jobs. And we have seen  
25 over this Administration's tenure, that there's

2 been a serious whittling away at that, and that  
3 there might be attempts, also, you know, in a  
4 backroom way, of trying to deunionize some of our  
5 agencies. And so that's really of concern. I  
6 think it's something that we need to be very  
7 vigilant about. I know we are dealing with it,  
8 and we've had hearings, Civil Service and Labor,  
9 DC37 has done its report. But we need to go  
10 beyond that. And I think that as a City, and with  
11 the union movement, we need to also really be  
12 proactive and coming comprehensively together and  
13 figuring out how to battle this. Because it  
14 really does, again, destabilize our neighborhoods  
15 in a very critical economic downturn, in a  
16 critical time, and what we're going to see is more  
17 problems, I think, emerging in our neighborhoods,  
18 as a result of these jobs being lost. It's the  
19 base of the working class in this City, and we  
20 need to continue to provide for them, because in  
21 the end, it's protecting our children, it's  
22 protecting our families, it's protecting our  
23 neighborhoods. So, with that, you know, I just  
24 want to, I want to leave it there, 'cause I know  
25 there's a lot of work that still needs to be done.

2 But we're watching, we're aware of what's  
3 happening here, and we're going to continue  
4 question ACS and every other agency about this  
5 hiring from outside, as opposed to really trying  
6 to work, you know, from within the ranks. Thank  
7 you.

8 CHAIRPERSON WEPRIN: I'm going to  
9 turn it back to Chair De Blasio, has a couple of  
10 questions.

11 CHAIRPERSON DE BLASIO: Thank you,  
12 Chair Weprin. Commissioner, let me first talk to  
13 you about, a little more about the layoffs, and  
14 then just some questions on childcare, and we'll  
15 be done. On the layoffs, I'm still not hearing if  
16 there is a clear approach to trying to ensure that  
17 any workers who are displaced get another  
18 opportunity in ACS or in another City agency. Can  
19 you tell us exactly what's being done there, and  
20 how many workers you think will be accommodated in  
21 that fashion?

22 JOHN MATTINGLY: We have been  
23 working as closely as possible with DCAS on this  
24 one, and with OLR. I cannot tell you specifically  
25 how things are going to play out because we have

2 been waiting for DCAS's picture of not only our  
3 seniority list, but others within--I'm sorry,  
4 regardless of the seniority list, there's a  
5 question of what positions are comparable. And we  
6 have not heard back from DCAS on that, so we can't  
7 go any farther with the other agencies at this  
8 time.

9 CHAIRPERSON DE BLASIO: Alright,  
10 well I'm concerned about that answer. We had a  
11 situation that you're probably familiar with, with  
12 workers at the Housing Authority who were  
13 providing service at the community centers, that  
14 the Administration, I think mistakenly decided to  
15 lay off. But there was a coherent effort that the  
16 Council pushed for very hard to make sure that any  
17 of those workers that were laid off had an  
18 immediate, available opportunity at another  
19 agency, or elsewhere in the Housing Authority,  
20 whatever would be most readily available. And  
21 there was a meeting with the Office of Labor  
22 Relations that actually led to a specific plan.  
23 So, considering that the magnitude of your layoffs  
24 is greater, and I think it's fair to say there's  
25 been a certain amount of controversy throughout

2 the whole process, how can we get to a very  
3 specific plan so that the workers who are in  
4 danger of layoff, know if they have other  
5 opportunities in ACS, or in DHS, HRA, or any other  
6 agency, how--Can you give us some sense of  
7 timeline and the process for getting to that?

8 JOHN MATTINGLY: Well, we have to  
9 get this done within the next month. And once we  
10 hear from DCAS, we'll be able to start right away  
11 to work on that issue. Until we hear from them,  
12 we don't know about comparability, so there's not  
13 too much we can do. But I have spoken to other  
14 commissioners, they are aware of what is  
15 happening, and we will work as hard as we can once  
16 we have the basis to work with.

17 CHAIRPERSON DE BLASIO: Can you  
18 clarify the timing of the layoffs themselves?

19 JOHN MATTINGLY: The layoffs will  
20 occur June 26.

21 CHAIRPERSON DE BLASIO: Okay. So  
22 in terms of trying to keep people employed, and  
23 again I'm always amazed that we're taking federal  
24 stimulus money with one hand, to keep the economy  
25 going and keep people in jobs, and then we're

2 laying off people with the other hand. So, I'd  
3 really like to see us find a way to get people  
4 immediately into other employment. So if you're  
5 about a month away from the layoffs, and DCAS has  
6 not given you what you need to finalize a plan  
7 within the Administration, how can we speed that  
8 up so there's some prospect of actually people--

9 JOHN MATTINGLY: I expect, I expect  
10 a response from them very soon, if not today.  
11 They of course, as you can imagine, are very, very  
12 busy at this time. And we've have nothing but  
13 support from them in trying to get through these  
14 difficult times. And I expect it will continue.

15 CHAIRPERSON DE BLASIO: So, can  
16 you, is there a plan, in your agency or in the  
17 Administration, to have a final approach to  
18 dealing with layoffs by a date certain? Meaning a  
19 way to handle workers laid off and trying to  
20 accommodate? Is there some specific goal within  
21 the Administration to resolve that?

22 JOHN MATTINGLY: I can't speak for  
23 the entire Administration. I can say that it is  
24 our intention to be much, to have a clear sense of  
25 where things stand before we have to take this

2 action.

3 CHAIRPERSON DE BLASIO: And do you,  
4 have you identified inside your own agency any  
5 positions that can accommodate folks being laid  
6 off already?

7 JOHN MATTINGLY: Yes. And that is  
8 related primarily to the seniority list. But of  
9 course, any vacancies that we have available will,  
10 that are comparable to the jobs people are doing  
11 now, we would of course want to prioritize them  
12 for those jobs.

13 CHAIRPERSON DE BLASIO: So, can you  
14 give us a sense of how many jobs you might have  
15 available that could lessen the blow of the  
16 current layoffs?

17 JOHN MATTINGLY: I'm sorry, I  
18 can't.

19 CHAIRPERSON DE BLASIO: Alright,  
20 we're going to send you a follow up letter, and  
21 can we get an answer on that quickly?

22 JOHN MATTINGLY: Sure, sure.

23 CHAIRPERSON DE BLASIO: I mean, how  
24 soon? Give me a rough sense of when you would  
25 have that number?

2 JOHN MATTINGLY: Well, by the end  
3 of the week, I would imagine, to the extent we  
4 know it for sure.

5 CHAIRPERSON DE BLASIO: Okay. One  
6 other, I want to go back to childcare, but I have  
7 one other specific question off of our, I think  
8 important discussion on preventative issues, and  
9 the ability to intervene in families in crisis.  
10 Specific, you heard in my question a concern both  
11 about how quickly and to what number we could  
12 intervene in families and concern about ratios,  
13 but also concern about speed at which, with which  
14 we get to a situation. The family preservation  
15 program, as I understand it, was a key part of  
16 providing quick and 24 hour, you know,  
17 availability in the way of intervention in a  
18 family. And that's been radically reduced in  
19 number. Is that going to affect our ability to,  
20 again, provide timely service when we find a  
21 family in crisis?

22 JOHN MATTINGLY: It certainly means  
23 that over the course of the next year, we will  
24 have fewer family preservation specialists  
25 available to take on duties. On the other hand,

2 we do expect family services units, which as I  
3 mentioned earlier, the number of family service  
4 workers has virtually doubled since we began this  
5 work. We do expect them to take on some; we  
6 expect the preventive agencies to take on more.  
7 And we expect within the coming 18 months to have  
8 a new design for family preservation services so  
9 that it can be more effective as we develop  
10 sufficient resources to provide for it.

11 CHAIRPERSON DE BLASIO: Okay, what  
12 would be very helpful as we go through these  
13 coming weeks, I think is to stay in regular touch,  
14 'cause we really want to monitor closely the  
15 ability of the agency to respond on a timely  
16 basis. So as all these transitions occurring,  
17 it's important to us to get regular updates on  
18 whether you can actually reach families quickly,  
19 as needed. Let me take you to childcare, and this  
20 should close out the hearing. I want to very  
21 clearly join my colleagues, particularly in terms  
22 of the priority seven vouchers. I would say the  
23 same about priority eight and nine, but the,  
24 numerically the biggest hit is the priority seven.  
25 I mean, clearly it's disproportionately hurting

2 certain communities, but more importantly it's  
3 just less childcare. And you know, I think for  
4 years now, there's been tremendous consensus  
5 between the Council and the Administration to  
6 increase the amount of childcare, going back to  
7 the first budget that this Administration did with  
8 this Council. I feel like we've turned the  
9 corner, unfortunately, for the first time, really  
10 into a backward direction. And so the fact that  
11 we're taking this many vouchers out, you know, in  
12 one fell swoop is troubling to me. We are not  
13 really in a position to offer that much in the way  
14 of alternatives to these families, from what I can  
15 see, because it all depends on location and  
16 availability of slots. So, I would think that  
17 there would be a sense that this is a profound  
18 step backward, and we'd want to try and avoid this  
19 as we go through the final weeks of this budget  
20 process. I mean, do you think there's any way  
21 that we can find to preserve these slots?

22 JOHN MATTINGLY: Given the  
23 shortfall in funding, especially what's happened  
24 with the feds and particularly the State, in the  
25 last four years since I've been here, I don't

2 foresee any particular way that we can avoid this.  
3 It's tragic, I don't want to have to do this, but  
4 once again, we have gone from the State and  
5 federal government paying for about 67-68 percent  
6 of our costs, we've gone from that to them paying  
7 under 55 percent. And our costs, naturally, have  
8 gone up since 19--since 2000, about 36 percent.  
9 With that happening, and our support for  
10 childcare--keep it in mind, childcare costs us  
11 here in the City about \$750 million. The feds pay  
12 about \$400 million of that. We pay about \$267  
13 million of that, a lot of money, and increasing  
14 money. And at the same time, less than \$100  
15 million, as best we can tell, is coming from the  
16 State, to support us, that, within the context of  
17 their raising the market rate. So, within the  
18 situation we face now, I do not see a way out of  
19 it, of taking this action.

20 CHAIRPERSON DE BLASIO: You've--You  
21 say in your testimony, I just want to confirm this  
22 very clearly. I again assume unfortunately  
23 relatively few of these families in the seven,  
24 eight and nine categories will actually be able to  
25 find a space in an existing childcare center, ACS

2 funded childcare center. But in the event they  
3 do, you're saying very clearly that their support  
4 would be continued, and that that would be  
5 ongoing, it would not just be for the remainder of  
6 the year, but they would be renewed and continued.

7 JOHN MATTINGLY: That's correct.

8 CHAIRPERSON DE BLASIO: Throughout  
9 that child's time in needing childcare.

10 JOHN MATTINGLY: Yeah. In  
11 contracted childcare.

12 CHAIRPERSON DE BLASIO: Okay. Now,  
13 let me take you really quickly to some of the  
14 outstanding issues with childcare. There are  
15 seven centers that we've been discussing for a  
16 long time, from the original list of 21, from the  
17 original 21 that were going to receive a  
18 substantial reduction in capacity, and potentially  
19 be in danger of not being able to stay open, there  
20 are still seven that are slated for classroom  
21 closures that again could have a very big impact  
22 on their overall budget. Could we just get a  
23 quick update, is that number seven still accurate?  
24 Has there been any change for the better or for  
25 the worse in that number?

2 MELANIE HARTZOG: So at the March  
3 hearing, I believe you asked the same question,  
4 and of the seven, I explained to you that there's  
5 one program, Waverly Childcare Center, that was  
6 under-enrolled that's actually closing. So the  
7 entire site is closing, and that is effective at  
8 the end of the summer. We've begun meeting with  
9 parents, to plan for that transition, offering  
10 them seats in other contracted programs, and  
11 looking at what their needs are, should they need  
12 a voucher. In addition to that site, there was  
13 also, as part of the seven was Young Minds, we are  
14 not reducing capacity at this time, because of  
15 their proximity to Waverly. So we're looking to  
16 see if in fact parents would choose that site, and  
17 we're helping young minds get to full enrollment  
18 as well, if that's possible. We'll reassess the  
19 vacancies at young minds at a later date. Edwin  
20 Markham, which is operated by Seamen's Society on  
21 Staten Island, was slated for a classroom  
22 reduction. That program no longer wants to manage  
23 that site, they want to relinquish their contract  
24 for that site. And we are currently looking for  
25 replacement sponsors for that site.

2 CHAIRPERSON DE BLASIO: So the  
3 other four remain status quo.

4 MELANIE HARTZOG: Their classrooms  
5 have been reduced.

6 CHAIRPERSON DE BLASIO: Okay. And  
7 we don't know yet whether they are going to be  
8 able to continue long term or not.

9 MELANIE HARTZOG: They're operating  
10 right now. We continue to monitor them, and  
11 provide technical assistance by the resource area.

12 CHAIRPERSON DE BLASIO: Okay. On  
13 the 125 centers slated to loses kindergartners,  
14 93, tell me if I'm getting my numbers right, 93  
15 will get assistance in aging down; 32 will not.

16 MELANIE HARTZOG: 93 classrooms  
17 will be restored to serve three and four year  
18 olds.

19 CHAIRPERSON DE BLASIO: Okay.

20 MELANIE HARTZOG: Not aging down to  
21 serve infants and toddlers.

22 CHAIRPERSON DE BLASIO: Say it  
23 again, I'm sorry.

24 MELANIE HARTZOG: 93 classrooms  
25 will be restored to serve three and four year

2 olds, not infants and toddlers.

3 CHAIRPERSON DE BLASIO: Got it,  
4 thank you.

5 MELANIE HARTZOG: Mhm.

6 CHAIRPERSON DE BLASIO: Now the  
7 other 32, again you have paid--

8 MELANIE HARTZOG: Everybody will be  
9 getting a letter, both those programs that will  
10 receive the restoration, as well as those that do  
11 not. Fro those that do not, again, we will  
12 continue to, and the letter clearly states that  
13 they should contact us to provide technical  
14 assistance, and help them plan for this  
15 transition. We want to ensure their viability  
16 both before--I'm sorry, during this transition,  
17 and after.

18 CHAIRPERSON DE BLASIO: So you are  
19 committed to trying to find a specific way for  
20 each of them to stay open, whether that takes  
21 other creative forms of assistance, or help with  
22 enrollment, or--

23 MELANIE HARTZOG: Correct.

24 CHAIRPERSON DE BLASIO: --helping  
25 them in changing leadership or finding another

2 center to work with, whatever it may be.

3 MELANIE HARTZOG: Yes. Yes.

4 CHAIRPERSON DE BLASIO: Okay, when  
5 will you have the final list of the 93 getting  
6 assistance, and the 32 not getting assistance?

7 MELANIE HARTZOG: I anticipate by  
8 the end of this week.

9 CHAIRPERSON DE BLASIO: Alright, we  
10 would like to get that right away, with the--and  
11 just, in a word, what is the fundamental, what are  
12 the fundamental criteria making decision which  
13 ones get and which ones do not?

14 MELANIE HARTZOG: Enrollment.

15 CHAIRPERSON DE BLASIO: Meaning?

16 MELANIE HARTZOG: We're looking at  
17 high enrollment over the last twelve months, for  
18 three reasons. One is the demonstrated ability to  
19 maintain full enrollment. Two, is that they're  
20 likely to have waiting lists. We need to spend  
21 the stimulus money as quickly as possible,  
22 demonstrated high enrollment means you have a  
23 waiting list for those kids. And third is that  
24 they have a strong recruitment plan, demonstrated  
25 by their high enrollment.

2 CHAIRPERSON DE BLASIO: For the  
3 ones that you saw that from, would get the  
4 assistance.

5 MELANIE HARTZOG: I'm sorry, can  
6 you repeat the question?

7 CHAIRPERSON DE BLASIO: The ones  
8 that you see that, those kind of features in,  
9 would get the assistance, they would be among the  
10 93.

11 MELANIE HARTZOG: That's correct.

12 CHAIRPERSON DE BLASIO: The 32 you  
13 would have not seen that progress from, in your  
14 opinion, but you were going to try and find other  
15 ways to reinforce.

16 MELANIE HARTZOG: Yes.

17 CHAIRPERSON DE BLASIO: Okay. We  
18 obviously are happy that the 93 are getting  
19 support. You know, it would be, I don't need to  
20 say this to you, I know you know it, but I think  
21 it's important to say publicly. We would think  
22 that this would be a great step backward if we  
23 lost a substantial number of those 32. So we're  
24 going to keep monitoring, just as we have with the  
25 seven centers, or now five centers we discussed

2 earlier. We're going to keep monitoring to make  
3 sure that in each case we're trying to find a plan  
4 to help them forward. So, I would think to finish  
5 my questions, pass it back to Chair Weprin to say,  
6 it's not a surprise to you to know we are deeply  
7 concerned to see how this plays out. And  
8 understand what is happening to help each center,  
9 and how we can help in that process, which you  
10 know, I think Council Members have been a  
11 productive part of in the past. On the other  
12 fronts we discussed, we're deeply concerned to see  
13 in general where our ratios, our caseload ratios,  
14 particularly in the area of prevention, and we're  
15 going to follow up with you on that. And we're  
16 deeply concerned to make sure that there is as  
17 quickly as possible, a plan to accommodate the  
18 workers who are being laid off, and try to make  
19 sure that they get into some other City employment  
20 in real time, and with as little dislocation as  
21 possible. So those are all going to be follow up  
22 items we're going to pursue with you Commissioner,  
23 and with your team. Thank you for your appearance  
24 today, and now to Chair Weprin.

25 CHAIRPERSON WEPRIN: Okay, just

2 briefly, the IOC workers that you said you hired  
3 from the laid off workers, or from the agencies,  
4 were those hired at lower salaries?

5 JOHN MATTINGLY: No.

6 CHAIRPERSON WEPRIN: They were all  
7 hired at the same salary or higher salaries?

8 JOHN MATTINGLY: Well, they weren't  
9 hired at lower salaries. I believe they were all  
10 hired at higher salaries, but I don't exactly have  
11 the details.

12 CHAIRPERSON WEPRIN: Okay. Just to  
13 sum up, you obviously see there's very strong  
14 concern among all the Chairs and all the Council  
15 Members about these potential layoffs. And you  
16 know, we don't want to go back to a situation  
17 where, you know, we, thank God, the last three-  
18 and-a-half years, you know, have been much better,  
19 because of that unfortunate tragedy, where we  
20 actually, together, put money back in the budget,  
21 and we hate to see it going back. And all it does  
22 it take, you know, the loss of one life to make,  
23 you know, all of these cutbacks, you know, so  
24 tragic. And if you can somehow look back to the  
25 outside contracting budget, large, \$600 million

2 budget for foster care, and the \$200 million or  
3 so, approximately, preventive services, and see if  
4 there can be some more Administrative savings  
5 without these potential layoffs, because you know,  
6 the family support, as well as the actual  
7 preventative services for, you know, these  
8 children, are such an important priority and we'd  
9 hate to see another tragedy. So if you could  
10 please make that a major priority, and we're going  
11 to be meeting through budget negotiations; but I  
12 know I share Chair De Blasio and Chair Mealy's  
13 concern about these layoffs, and I don't think,  
14 you know, this situation is over yet.

15 JOHN MATTINGLY: We will do our  
16 best.

17 CHAIRPERSON WEPRIN: Thank you.  
18 We'll now hear from the Commissioner of Homeless  
19 Services, Commissioner Hess.

20 CHAIRPERSON DE BLASIO: Please help  
21 us with a quick transition here, so if you're not  
22 staying, please exit quickly so the new folks can  
23 come in.

24 [long pause, some background noise]

25 CHAIRPERSON DE BLASIO: Okay, we

2 will now go to the next phase of our joint hearing  
3 of the General Welfare Committee and the Finance  
4 Committee. Want to welcome Commissioner Hess and  
5 his team from DHS. A number of our colleagues  
6 have been here for parts of the hearing before,  
7 and are continuing with us. Some have been here  
8 since the very beginning, notably Council Member  
9 Brewer, thank you. Thank you to all the staff who  
10 helped put this hearing together. Thank you to  
11 Tish James [laughs] and now I'd like to say a few  
12 things up front before we turn to the  
13 Commissioner. When we were last here at the  
14 preliminary budget hearing, we discussed the  
15 unfortunate reality that this Administration's  
16 policies are failing to meet the goal the Mayor  
17 set to reduce homelessness by two-thirds by 2009.  
18 To the contrary, unfortunately we are seeing more  
19 people go into shelter, not less, and this is  
20 according to DHS's own reports. We saw the total  
21 number of new entrants to shelter increase by 13  
22 percent from December '07 to December '08, and 19  
23 percent from fiscal year '08 to fiscal year-to-  
24 date '09. The number of new families eligible for  
25 shelter increased by 28 percent from December '07

2 to December '08, and 48 percent from fiscal '08 to  
3 fiscal year-to-date '09. And according to the  
4 2009 preliminary Mayor's management report, DHS  
5 experienced "an across the board increase in the  
6 number of entrants into the shelter system,  
7 compared to the first four months of fiscal year  
8 '08." According to the latest DHS figures, at the  
9 end of April nearly 9,600 families lived in  
10 emergency housing in New York City. It's clear we  
11 need policies that work, but I don't see them in  
12 this budget as it's proposed. As more people  
13 going into shelter, we are seeing a pattern of  
14 adopting punitive policies that will leave  
15 homeless New Yorkers stuck in a cycle of poverty.  
16 There are an additional 105 headcount reductions  
17 in the executive budget, compared to preliminary  
18 for ACS, 88 of which are layoffs. We'll be asking  
19 who these people are today and how it will affect  
20 services. DHS recently adopted a program forcing  
21 homeless New Yorkers to pay for staying in  
22 shelter, which has generated quite a bit a  
23 controversy. DHS and the Mayor have claimed that  
24 their hands are tied because of this program,  
25 because this program is mandated by the State, yet

2 there's no evidence of an effort to lobby Albany  
3 to stop this program. We know well that when the  
4 Mayor and the Administration apply themselves  
5 fully to changing a law in Albany, or changing a  
6 budget item in Albany, they can have a huge  
7 impact. We have not seen it in the case of this  
8 State mandate that we force homeless New Yorkers  
9 to pay for shelter. It's clear that the Mayor and  
10 the Administration need to use their power in  
11 Albany to change this law. To the contrary, DHS  
12 attempted to adopt public relations tools to  
13 justify this unfortunate policy, and rushed to  
14 implement it, causing serious problems for shelter  
15 providers and residents. The program is ill-  
16 advised to begin with, because homeless families  
17 need to keep as much money in their pockets as  
18 possible, in order to move out of shelter to  
19 permanent housing, which should be the goal.  
20 Families face serious consequences if they don't  
21 pay into this system, most notably ejection from  
22 shelter. Despite the seriousness of the issue,  
23 families were not properly notified that they  
24 would have to start paying, or how they would have  
25 to pay. And now this policy has been suspended

2 because it was unworkable. Now, somehow, DHS has  
3 to collect dollars from families who already pay,  
4 causing further confusion and strife to those  
5 families, and perhaps most troubling, in an email  
6 to providers, DHS officials, and we have a copy of  
7 the pertinent section on the easel here, DHS  
8 officials said they needed help gathering "model  
9 families" to put a "positive spin on the policy."  
10 If DHS were only implementing the policy because  
11 the State made them do it, why is this necessary,  
12 why would they not be protesting the policy, as  
13 opposed to trying to put a positive spin on it,  
14 and trying to provide a separate image of homeless  
15 New Yorkers as opposed to "working poor" New  
16 Yorkers. It's clear that families have already  
17 lost out under this new policy, and we cannot  
18 afford to have the Mayor and the Administration  
19 sit on the sidelines, we need them to stand up and  
20 go to Albany and get this law changed. And there  
21 is legislation that's been introduced by  
22 Assemblyman Keith Wright and Senator Daniel  
23 Squadron that would change the law and eliminate  
24 the contribution program. We need the Mayor and  
25 his team to go to Albany and lobby for it. In

2 terms of single homeless New Yorkers, DHS has  
3 proposed a \$4 million savings by changing the  
4 payments to shelter providers. We need to ask  
5 today how cuts to providers budgets will somehow  
6 not affect service delivery to homeless singles  
7 And DHS's method of restructuring services for the  
8 street homeless remains a concern. While I  
9 appreciate that the agency will keep three drop in  
10 centers open 24 hours, there's still appears to be  
11 an overall loss of capacity. And we need to make  
12 sure that specific populations are appropriately  
13 serviced under this new model, particularly senior  
14 citizens and the mentally ill. Finally, we're  
15 pleased that DHS received \$74 million in stimulus  
16 funding. This is very important and very  
17 positive. But we need clarity about how it will  
18 be spent. DHS plans on allocating dollars  
19 specifically to DYCD for runaway and homeless  
20 youth, to DIFTA and DOHMH for anti-eviction  
21 services for the aging, and for people living with  
22 HIV and AIDS, which we appreciate. But it is not  
23 yet clear how the funding will be allocated, and  
24 how it'll be used, and we need to know more about  
25 that today. The recession has continued to result

2 in more and more New Yorkers falling into poverty,  
3 and this is moment when more than ever, we need to  
4 step up and support New Yorkers in need. The  
5 policies under this Administration have not  
6 worked, period. If we do not fix these problems  
7 now, we will be creating a new generation of  
8 impoverished New Yorkers. And that's why the  
9 current debate over the budget is so important.  
10 With that, we turn to you, Commissioner, we  
11 welcome your testimony.

12           ROB HESS: Good afternoon, Chairman  
13 De Blasio and members of the Finance and General  
14 Welfare Committees. My name is Rob Hess, and I am  
15 the Commissioner of the New York City Department  
16 of Homeless Services. Joining me at the table are  
17 Steve Pock, a DHS Deputy Commissioner for Fiscal  
18 and Procurement Operations; and Lula Urquhart,  
19 Assistant Commissioner for Budget and Audit.  
20 Thank you for inviting me here this afternoon to  
21 discuss the agency's executive budget for fiscal  
22 year 2010, and to share an update on both the long  
23 term systemic reforms we have undertaken, as well  
24 as the daily emergency shelter services we provide  
25 to the men, women and children of this City. At

2 no time in our City's history has it been more  
3 important, or as important, to do the work that  
4 DHS and our nonprofit providers do. To prevent  
5 homelessness, divert those from shelter who can be  
6 assisted by other means, shelter individuals and  
7 families during a short term crisis, and help them  
8 move back into the community where they can once  
9 again live independently. We're also focused on  
10 helping the men and women who routinely say no to  
11 the traditional shelter system, and live  
12 unsheltered on our streets and subways by  
13 providing them with other housing options that  
14 meet their needs, such as a bed at a faith-based  
15 shelter facility. Each of these men, women and  
16 children is a person, not a caseload, or an ID  
17 number. And as we make tough budgetary decisions,  
18 we think long and hard about the impact of every  
19 dollar on each of them. As a human service  
20 agency, we work to ensure that we can maintain the  
21 integrity of our system, and leave no one who is  
22 in need of our core services unserved. I am  
23 pleased to inform this Committee that just last  
24 week, DHS submitted New York City's plan for  
25 Homelessness Prevention and Rapid Rehousing

2 Program, or HPRP, to the U.S. Department of  
3 Housing and Urban Development. The City expects  
4 to receive \$73.9 million in federal economic  
5 stimulus dollars, to support strategies that will  
6 prevent New Yorkers from becoming homeless, and  
7 offer alternative housing options for shelter  
8 applicants, as well as help New Yorkers who become  
9 homeless move rapidly into permanent housing. We  
10 anticipate receiving final approval for our plan  
11 from HUD by July 2009. In developing our plan for  
12 these funds, DHS received valuable input from key  
13 stakeholders throughout the City. Our final  
14 submission to HUD ultimately included  
15 recommendations received throughout this process.  
16 As a result, we believe our submission is  
17 comprehensive and far reaching, yet targeted to  
18 those New Yorkers who but for this new funding  
19 would be homeless, due to the economic downturn.  
20 As this Committee is aware, DHS had to make tough  
21 budget decisions. Our focus was on maintaining  
22 core services, such as shelter programs, resulting  
23 in the reduction of discretionary spending in our  
24 budget. Particularly in non-shelter programs,  
25 such as prevention. We strongly believe in the

2 power and benefit of homelessness prevention, and  
3 thankfully our HPRP funds will do a number of  
4 things, including give us the ability to enhance  
5 and expand short and medium term financial  
6 assistance, housing relocation and stabilization  
7 services, benefits advocacy and case management  
8 services to households who are homeless or at risk  
9 of homelessness, including those sadly  
10 experiencing the risk of foreclosure. It will  
11 also help us support additional resources for  
12 programs that provide emergency rental arrears  
13 payments for families at risk of eviction. It  
14 will allow us to expand anti-eviction legal  
15 services to meet the growing demand by adding new  
16 service lots for single adults and childless  
17 couples, as well as making such services available  
18 to people living with HIV/AIDS and seniors through  
19 partnerships with the City's Department of Health  
20 and Mental Hygiene, and Department of Aging. And  
21 will allow our home based prevention program to  
22 reach other vulnerable individuals being  
23 imminently discharged into homelessness from the  
24 City's correction facilities, through a  
25 partnership with the single stop service center on

2 Riker's Island, to offer assistance with housing  
3 placements. In order to ensure that more people  
4 in need of our prevention services know how to  
5 access them, DHS will target a public education  
6 campaign to those most at risk of homelessness.  
7 DHS will also use the HPRP funds to implement a  
8 rigorous evaluation of our homelessness prevention  
9 programs, to measure program and cost  
10 effectiveness, and ensure continuous quality  
11 improvement. DHS will expand important after care  
12 services for families moving out of shelter  
13 through the Advantage New York Rental Subsidy  
14 Program. We will also provide funding to New York  
15 City Housing Authority, to expedite the processing  
16 of Section VIII applications for clients,  
17 including domestic violence survivors, who are in  
18 the process of moving to permanent housing. In  
19 addition to homelessness prevention efforts, these  
20 stimulus dollars will be invested in strategies  
21 that employ the rapid rehousing philosophy for  
22 both individuals and families who have become  
23 homeless, including our ability to fund short term  
24 housing assistance and case management services to  
25 allow street homeless individuals to work with

2 outreach teams in a safe environment as they move  
3 towards securing permanent housing; to allow us to  
4 work with the City's Department of Youth and  
5 Community Development to provide housing services  
6 that meet the specific needs of runaway and  
7 homeless youth; allow us to enhance our current  
8 relocation assistance program with critical case  
9 management services, to follow families in moving  
10 back to permanent housing more rapidly; will  
11 enable our existing family shelter providers to  
12 enhance engagement services that move families  
13 more quickly from shelter to permanent housing and  
14 creating a program, it will allow us to create a  
15 program to help families with significant barriers  
16 to securing permanent housing due to health,  
17 mental health or substantial service needs, and  
18 other disabling conditions in accessing permanent  
19 housing. I'm also pleased to report to this  
20 Committee that DHS has recently received \$5.7  
21 million of the City's community development block  
22 grant, federal economic stimulus funds, dedicated  
23 for homeless adult services. These additional  
24 funds will cover nonprofit shelter provider  
25 contracts for fiscal year 2010, which were

2 previously impacted by funding reductions made by  
3 New York State. This funding will allow DHS and  
4 the shelter provides to continue to meet the need  
5 for emergency shelter, as well as stabilize  
6 homeless adults and transition them into permanent  
7 housing. I'd like to take this opportunity to  
8 provide you with an update on the drop in centers  
9 and faith based shelter beds. We anticipate--We  
10 anticipate that contracts will be in place by July  
11 1<sup>st</sup> 2009, for the following sites: the Manhattan  
12 based drop in center run by Urban Pathways; a  
13 Brooklyn based site run by CAMBA; and a Staten  
14 Island based location run by Project Hospitality.  
15 These three sites will operate under the new 13  
16 hour-a-day model that was set forth in the RFP.  
17 In addition to these three sites, that were  
18 awarded contracts through the RFP, street homeless  
19 clients will be able to access services at three  
20 other drop in locations: Main Chance run by Grand  
21 Central Neighborhoods, and the Open Door run by  
22 Urban Pathways in Manhattan, and the Living Room  
23 in The Bronx, which is federally funded and run by  
24 the Citizens Advice Bureau, or CAB. These sites  
25 will continue to operate under the 24 hours, seven

2 day a week, as we transition to the new vision for  
3 drop-ins, to be service hubs that link street  
4 homeless clients to housing, rather than a place  
5 for them to sleep, night after night after night,  
6 in a metal chair. Currently, DHS does not have a  
7 drop-in center location in Queens. Our initial  
8 plan called for the creation of a drop-in center  
9 in Queens, but after much deliberation, we decided  
10 not to operate a site in Queens. The 2009 Hope  
11 Survey estimated 98 street homeless individuals in  
12 the borough, down more than 70 percent from the  
13 335 individuals counted in 2005. This reduction  
14 marks a clear victory in the effectiveness of our  
15 outreach strategies, and played a significant role  
16 in our decision. Although Queens will not have a  
17 drop-in, client will continue to access resources  
18 at drop-in centers throughout the City. Our new  
19 respite bed model will continue to link clients to  
20 faith based shelter beds through a drop-in center.  
21 While the drop-in center will be the referral  
22 source, respite bed coordinators will be  
23 responsible for the day-to-day operation and  
24 coordination of the program. We anticipate  
25 contracts will be in place by the beginning of the

2 fiscal year for CAMBA in Brooklyn, and Project  
3 Hospitality in Staten Island. To meet the needs  
4 in the other boroughs, where respite bed  
5 coordinator proposals were not received, DHS will  
6 utilize drop-in centers and/or street outreach  
7 providers to play dual roles. In Manhattan, Grand  
8 Central Neighborhood and Urban Pathways will serve  
9 as the respite bed coordinators; in The Bronx, CAB  
10 will function as the coordinator; and in Queens  
11 the responsibility will be shared by one of the  
12 Manhattan providers, which we are still working to  
13 finalize, and the Brooklyn provider CAMBA. To  
14 allow for a smooth transition and to strengthen  
15 the relationship between the faith based shelter  
16 beds, the new drop-in providers in DHS, I sent a  
17 letter on May 8, 2009 to more than 100 churches,  
18 synagogues and mosques throughout the City,  
19 inviting them to borough based meetings to address  
20 the operational details of the new program, and to  
21 solicit further input. All throughout the  
22 process, we have committed to working with the  
23 various congregations to address their concerns  
24 about the new program model. In fact, I am happy  
25 to report to the Committee that we have been

2 successful, that we have been able to successfully  
3 address the four major issues raised in the  
4 meetings with the faith based community in the  
5 following ways. DHS will maintain the current  
6 practice of screening clients at drop-in centers  
7 before they are sent to faith based shelters. DHS  
8 has funded the drop in centers to provide round  
9 trip vehicular transportation for clients to the  
10 respite beds each night, and back to the drop in  
11 centers each morning. In order to maximize the  
12 overnight bed capacity for clients, DHS will work  
13 to partner with any faith based organization that  
14 is interested in providing sheltering services.  
15 Our respite bed coordinators, through DHS funding,  
16 will provide transportation, linens, beds, laundry  
17 services, supplies, food and fuel reimbursement  
18 grants to the faith based shelters. I will  
19 continue to meet with key stakeholders as we move  
20 forward with the implementation of this program,  
21 and dedicate the resources needed to ensure its  
22 success. Recently, I watched a national news  
23 program that highlighted what it called "the new  
24 face of homelessness, the family." Naturally, I  
25 stayed tuned to the cover story of a working

2 mother and her son who were in shelter in another  
3 state. Her husband had lost his job and abandoned  
4 the family. She and her son became homeless and  
5 were happy to find refuge at a municipal shelter  
6 with modest accommodations: curfews and other  
7 rules that she and the other shelter clients had  
8 to follow, not unlike most of the family shelters  
9 here in New York City. However, that is where the  
10 similarity ends. The mother was grateful for  
11 getting the scarce spot in a shelter, where she  
12 and her son would need to leave at the end of six  
13 months. Unlike New York City, there was no  
14 homelessness prevention program in the community,  
15 or shelter diversion services, trying to keep the  
16 family housed after her husband left and she could  
17 no longer afford the rent on her own. Unlike New  
18 York City, spots in shelter were a scarce  
19 resource, a waiting list, and time limited stays.  
20 And unlike New York City, there was no rental  
21 assistance program or aftercare, to help the  
22 mother and son get another apartment, and move  
23 back into the community. When I look at the New  
24 York City shelter system, I can see how far the  
25 system has come. The transformation of family

2 intake, the creation of a world class prevention  
3 program, and municipal rental assistance program  
4 that not only helps thousands of families access  
5 shelter, but provides rent payments for one to two  
6 years, as well as a savings match. All of this is  
7 being done with record numbers of families with  
8 children seeking shelter. Fiscal Year 2009  
9 applicants to-date, July through April, are 28  
10 percent higher than in Fiscal Year 2008 for the  
11 same period. Despite the significant increase in  
12 demand, the census has been leveling off since  
13 November 2008. The average monthly census was  
14 8180 in November 2008, compared to 8087 in April  
15 2009. DHS has accomplished this through increased  
16 diversions, decreased lengths of stay, and  
17 increased access from shelter into permanent  
18 housing. This has been possible through the many  
19 reforms implemented by the Administration over the  
20 last few years. Gone are the days of old family  
21 intake and eligibility process, that often  
22 resulted in children sleeping overnight on the  
23 intake floor, where families in crisis languishing  
24 for more than 20 hours for their application to be  
25 processed. Instead, families now apply using a

2 streamlined system, and by 2010 will be  
3 accommodated at a newly built facility to better  
4 meet their needs. We have in place a system that  
5 will continue to withstand the test of time, and  
6 continue to support whatever the demand may be in  
7 the coming months. We truly believe that shelter  
8 is not the only option, and that whenever  
9 possible, families are best served by helping to  
10 stabilize them in the community, and to avoid  
11 shelter. To this end, DHS has developed a number  
12 of strategies in collaboration with nonprofit  
13 partners or other City agencies, like the Human  
14 Resources Administration, to help families before  
15 they cross the threshold of the shelter, including  
16 providing family mediation services between the  
17 shelter applicant and family members on how to  
18 coexist in the same housing unit; restoring  
19 previous housing options by offering post-eviction  
20 rental arrears payments, and reinstatement of  
21 tenancy for families through HRA; and offering  
22 services that would assist clients in relocating  
23 to a new apartment. In 2008, DHS and HRA  
24 performed a record number of diversions, more than  
25 the two previous years combined. From January 2,

2 2008 through December 31, 2008, 5,358 diversions  
3 were performed, an 80 percent increase over 2007.  
4 We've also been assisting record numbers of  
5 families with children and moving into permanent  
6 housing. In 2008, DHS helped a total of 7,065, or  
7 27 percent more than the 5,567 families in 2007,  
8 move into homes of their own through Advantage New  
9 York subsidy program. As of May 1, 2009, a total  
10 of 8,897 families with children have signed  
11 Advantage leases with weekly Advantage lease  
12 signing surpassing previous rental assistance  
13 programs. For instance, when URP Section VIII was  
14 the primary rental assistance strategy, 73  
15 families signed leases each week; under Housing  
16 Stability Plus, 86 families signed leases each  
17 week. In comparison, in Fiscal Year 2009, on  
18 average 116 families, 116 families, signed lease,  
19 Advantage Leases each week, 59 percent more than  
20 with URP Section VIII. In fact, during the  
21 Bloomberg Administration, more than 47,000  
22 families have been helped to move into permanent  
23 housing through a variety of rental strategies.  
24 That is the key: offering a variety of rental  
25 strategies. In addition to the Advantage program,

2 DHS continues to offer assistance through Section  
3 VIII. We use Section VIII vouchers in a targeted  
4 way, for those who need the long term subsidy.

5 Our allotted vouchers are used in the community  
6 through Home Base, as well as to help fixed income  
7 Advantage and children Advantage clients  
8 transition after their first year of the subsidy.

9 I'd now like to focus on the fiscal year '10  
10 executive budget. For the current year, fiscal  
11 year '09, the Department's expense budget is \$873  
12 million. For next year, fiscal year '10, the  
13 budget is \$774 million. Of the \$774 million, \$303  
14 million are City funds; \$216 million are State  
15 funds; \$136 million are federal funds; \$10 million  
16 are grant funding; and \$108 million are inner city  
17 funding. The \$774 million budget allocated \$268  
18 million to services for single adults; \$455  
19 million to services for families; and \$50 million  
20 to support services. The DHS capital plan. As of  
21 fiscal year '10 executive plan for the five year  
22 period fiscal year '09 to fiscal year '13, is  
23 currently \$167 million. Capital projects for  
24 homeless families totals \$76 million; projects for  
25 single adults total \$37 million; \$47 million has

2 been allocated for support services; and \$7  
3 million for City Council funded projects. I want  
4 to assure members of this Committee that our  
5 budget actions were strategic, in order to  
6 minimize the impact on programs, and ensure that  
7 clients continue to receive quality services  
8 during our economic crisis and beyond. We focused  
9 on protecting our core service, by providing  
10 emergency shelter and providing resources needed  
11 to move families back to the community as quickly  
12 as possible. For fiscal year '10, DHS' total  
13 budget reduction target was \$15 million in City  
14 funds in the November plan, \$20 million in City  
15 funds in the January plan, and \$11 million in City  
16 funds in the fiscal year '10 executive plan. At  
17 this time, I'd like to discuss with you several  
18 budget reductions included in the executive budget  
19 for fiscal year '10. Agency personnel reduction.  
20 As part of the fiscal year '10 executive plan, DHS  
21 will reduce its active workforce by 88 positions.  
22 In fiscal year '10, this will result in savings of  
23 \$4.8 million in City funds. Effective July 1,  
24 2009, DHS will eliminate 17 special officer  
25 positions through attrition. This will result in

2 a savings of \$816,000 in City funds for fiscal  
3 year '10. DHS will reduce City expense budget  
4 funds for capital eligible renovation costs, and  
5 will use DHS capital funding for this project.  
6 The savings will be \$2.6 million in the City,  
7 funds in fiscal year '10 only. DHS is currently  
8 reexamining shelter security and administrative  
9 functions, to find cost effective ways of  
10 providing the same level of service. DHS projects  
11 that these efficiencies will result in savings of  
12 \$2.4 million in the City funds in fiscal year '12  
13 and the out years. As I discussed earlier, due to  
14 the success of our street solution initiatives in  
15 Queens, DHS has decided not to operate a drop-in  
16 center in that borough. Therefore, funding  
17 previously set aside for this purpose will allow  
18 the agency to save \$1 million in City funds in  
19 fiscal year '10. Federal dollars will support  
20 important prevention programs, resulting in  
21 savings of \$1.8 million in City funds in fiscal  
22 year '10. Yesterday was a day to commemorate  
23 those men and women who gave their lives for our  
24 country. So I would like to conclude my testimony  
25 with an update on all the work we are doing in New

2 York City to honor those men and women who served  
3 this country proudly, but have fallen on hard  
4 times. As a veteran, I speak from personal  
5 experience when I say that we cannot allow men and  
6 women who served our country to live on our  
7 streets. I believe that this Administration is  
8 taking all necessary steps to ensure that our  
9 veterans will receive the housing they need, and  
10 be treated with the dignity and respect they  
11 deserve. It was exactly this commitment that led  
12 the Mayor and the U.S. Department of Veteran's  
13 Affairs to create Operation Home Taskforce in  
14 February 2007. Recently, DHS and the VA issued a  
15 progress report on the implementation of the five  
16 recommendations set forth by the taskforce. Three  
17 of the five recommendations are fully complete,  
18 including the creation of a multiservice center  
19 that serves as a central intake point for homeless  
20 veterans. The Center, which has been up and  
21 running since May 2008, integrates DHS intake  
22 services exclusively for homeless veterans with  
23 access to medical, mental health and substance  
24 abuse treatment, and access to housing and other  
25 supportive services. To-date, 1,066 homeless

2 veterans have been served by this program.

3 Shortly, we will open the first veteran specific  
4 safe haven. This site will accept referrals from

5 DHS street outreach teams, as well as VA outreach  
6 workers. Once veterans are placed in the safe

7 haven, they will be able to access on site social  
8 services and other supports offered through the

9 VA, and various nonprofit partners. More work is

10 needed, and we continue to implement programs and  
11 strategies focused on ending veterans'

12 homelessness in New York City, such as efforts to  
13 reintegrate veterans back into the community

14 through housing, employment and cash assistance.

15 In 2008, the City received \$9.4 million to

16 permanent house a thousand homeless veterans as

17 part of the U.S. Department of Housing and Urban

18 Development, Veteran Affairs Supportive Housing

19 Program, or HUDVASH. As of May 1, 2009, the City

20 has distributed 701 of those vouchers to veterans.

21 Thank you so much for your continued support. We

22 look forward to working with you on these and

23 other strategies to improve the lives of homeless

24 New Yorkers. Now I'm glad to answer any questions

25 you may have at this time.

2                   CHAIRPERSON DE BLASIO: Thank you,  
3 Commissioner, and I have a number of questions, my  
4 colleagues do, as well. Let me start where I  
5 ended some of the opening. On this question of  
6 requiring payments from homeless people to stay in  
7 shelter, which again I think has shocked many New  
8 Yorkers, it doesn't fit with the values of this  
9 City to subject folks who are poor and distressed  
10 and have lost their home to further hardship by  
11 taking away some of the few resources they have.  
12 And it doesn't make sense as a strategy for  
13 getting folks back to self-sufficiency, to take  
14 away their resources rather than preserve them for  
15 the future. So, I think there's just absolute  
16 confusion here about why this policy was  
17 implemented and why it was then suspended and what  
18 the State's role is in it. So I'm just going to  
19 start by asking you, why are we doing this? Why  
20 are we attempting to take resources away from  
21 homeless folks, as opposed to helping them save  
22 them for the future?

23                   ROB HESS: Mr. Chairman, I think it  
24 was 1996 or '97, the State passed a welfare reform  
25 law that stipulated in part that client

2 contribution for shelter needed to be paid. It  
3 was then over a number of years, apparently  
4 implemented in every other jurisdiction other than  
5 New York City, every other jurisdiction across the  
6 state, and continues to be implemented in every  
7 other jurisdiction as of today. New York City,  
8 we've resisted, we resisted implementing this  
9 State mandate. And in fact, just a couple of  
10 years ago, actually received an audit finding from  
11 the State saying that we were not in compliance  
12 with this particular State mandate, and therefore  
13 the State penalized us or fined us effectively  
14 \$2.4 million. Obviously, especially in this day  
15 of difficult budget times, we can't continue to  
16 rack up those kinds of penalties. And so about a  
17 year ago, we negotiated with the State a very  
18 small pilot, which we implemented at a couple of  
19 DHS directly run facilities. We bought ourselves  
20 another year that way. Finally, in negotiations  
21 and discussions with the State, the State was very  
22 clear that they were going to implement this  
23 program on May 1<sup>st</sup> of this year, above our  
24 objections. We then, when that was clear, spent a  
25 lot of time working with the State, and in State

2 discussions, to try to have a slow roll out, to  
3 have a controlled process, to better understand  
4 what the calculation would be that would lead to  
5 someone having to pay a fee for shelter. Got very  
6 little, made very little headway with the State on  
7 any of these issues, and ended up with being  
8 forced on May 1<sup>st</sup> to begin this process. And so  
9 that's the short answer as to how we got to this  
10 point.

11 CHAIRPERSON DE BLASIO: So,  
12 Commissioner, to put this into layman's terms, we  
13 basically spent a decade avoiding this law that  
14 obviously a number of people in this  
15 Administration and in previous Administration  
16 thought was unacceptable for New York City and  
17 counterproductive, or we would've been merrily  
18 agreeing to the law. So, it feels like from the  
19 very beginning of this discussion, it's obvious  
20 that the folks responsible for our homeless  
21 policies did not believe this was a good policy,  
22 or they would've been implementing it a long time  
23 ago.

24 ROB HESS: I think it's fair to say  
25 that we were very reluctant to move down this

2 path. We expressed those objections to the State  
3 repeatedly. May 1<sup>st</sup> became the date we had to  
4 implement, and at that point, we did.

5 CHAIRPERSON DE BLASIO: I assume  
6 that among the reasons there was that reluctance  
7 over the last decade or more was that this effort  
8 would take scarce resources away from homeless  
9 families, when in fact your goal, I think, has  
10 been to try and find a way to get people to self-  
11 sufficiency. So that doesn't fit. It would be  
12 punitive and would be felt as punitive to many  
13 families, and it would be administratively very  
14 difficult to handle day-to-day, and in fact put  
15 nonprofits in the positions of having to be bill  
16 collectors. So, I'm assuming all of those  
17 concerns added up to the City's reluctance.

18 ROB HESS: I think it's fair to say  
19 that there were a lot of concerns, to include, to  
20 this day, I don't understand the formula that's  
21 used. And so, until you understand all the  
22 mechanics of how something may work, you can't  
23 really render an opinion as to whether you think  
24 it's a good thing or not.

25 CHAIRPERSON DE BLASIO: So as it

2 became clear from the time of the audit that the  
3 State was more focused, why did the City not  
4 redouble its efforts to have the law changed,  
5 rather than deal with this at the level of  
6 implementation of an existing law. It would seem  
7 to me that a lot had happened in the course of the  
8 decade, that the environment was very different.  
9 Obviously, recently Albany is different in many  
10 ways. Wouldn't it have made sense for the State  
11 to use, I mean excuse me, for the City to use its  
12 extraordinary influence in Albany to try and  
13 change the law, if we thought it was this  
14 burdensome to the City?

15           ROB HESS: You know, we clearly had  
16 hoped that before we would've gotten to this  
17 point, we would've been able to have a discussion  
18 with our partners at the State, that would've led  
19 us to more of a common sense program approach.  
20 Unfortunately, that did not happen prior to May  
21 1<sup>st</sup>. The good news is, and I'll tell you this, I  
22 believe this is good news, that since May 1<sup>st</sup>, and  
23 the, just the terrible rollout of this thing, that  
24 the State, trying to follow the State's mandate,  
25 and file the State's notices and all the rest,

2 when it really did not go well at all. The State  
3 has suspended the program, and has since sat down  
4 with us and begun what I would call as productive  
5 discussions, that I am hopeful will lead us to a  
6 common sense point of a plan that perhaps we can  
7 support. We're not there yet, but I was very  
8 encouraged by discussions we had with the State  
9 last week. Unfortunately, again, it seemed to  
10 have taken the implementation of this policy to  
11 get to the State to the point to say, "A, this  
12 isn't working; B, we need to suspend it; C, let's  
13 sit down and have some real dialogue about what we  
14 might do that might lead to a common sense  
15 solution."

16 CHAIRPERSON DE BLASIO: Well, I'm  
17 happy to hear that. I have to say, after a decade  
18 of this brewing, it doesn't give me undue hope to  
19 see that they're recognizing some of the problems  
20 because I would've thought the State would've  
21 tried to find that productive solution a long time  
22 ago. But I'm glad those conversations are  
23 happening. Given that there're no guarantees,  
24 will the Administration now consider joining the  
25 effort to change the law to begin with. As I

2 mentioned, Assemblyman Wright and Senator Squadron  
3 have a bill that would eliminate this requirement.  
4 Wouldn't that be a productive direction for the  
5 Administration to explore?

6                   ROB HESS: I think it's a little  
7 early to tell. I mean, certainly we are looking  
8 closely at the bills the Assemblyman and the  
9 Senator have introduced. And so we'll have an  
10 opinion on that before long. But my hope is that  
11 now that we're engaged in thoughtful and  
12 productive discussions, is how I would describe  
13 it, with the State, that that process will lead us  
14 to a common sense solution here, that we can live  
15 with, and that that legislation will not be  
16 necessary. Time will tell, and as you, Mr.  
17 Chairman, have pointed out, I tend to be  
18 optimistic, so perhaps I'm wrong, but I really  
19 felt like we got to a point last week where for  
20 the first time, we could have thoughtful  
21 discussion and dialogue with our colleagues at the  
22 State. And if we can move that a point where we  
23 can all agree on a program that does make sense,  
24 then I don't think the legislation would be  
25 necessary.

2 CHAIRPERSON DE BLASIO:

3 Commissioner, just for clarification, this has  
4 never been a requirement that would produce a  
5 large amount of money for the State or the City in  
6 any way, isn't that right?

7 ROB HESS: I guess that depends how  
8 you define large. It was large to me when they  
9 penalized me \$2.4 million.

10 CHAIRPERSON DE BLASIO: No, I'm  
11 sorry, I mean to say that the actual collection of  
12 the rent payments or whatever you want to call  
13 them, the actual collection of money from homeless  
14 individuals who are in shelter, would not add up  
15 to a substantial revenue source, if you will, for  
16 the City.

17 ROB HESS: We can tell you the,  
18 what we project that the number would be. [pause]

19 CHAIRPERSON DE BLASIO: Exactly.

20 ROB HESS: While we're looking, we  
21 can get you that number in just a minute.

22 CHAIRPERSON DE BLASIO: Yeah.

23 While you keep looking, then I'm going to borrow  
24 from Council Member Sanders who raises a good  
25 point. There's also the cost and the effort that

2 it would take shelter providers to go to, to  
3 actually collect this. And as I mentioned at the  
4 outset, I think it changes the relationship  
5 between the shelter provider and the resident, if  
6 now the shelter provider is a bill collector, and  
7 oftentimes residents are obviously going to be  
8 very, very short of resources. So, have you  
9 factored into this consideration and into your  
10 discussions with the State, the fact that there  
11 are a lot of unintended consequences on the ground  
12 to this requirement?

13                   ROB HESS: Yes, we have. I mean,  
14 at the end of the day, you're quite right, I mean  
15 there's administrative costs related to  
16 collection, and administering the dollars, and  
17 offsetting payments from the State and all that,  
18 that have to be considered. The real question in  
19 my mind is, at the end of the day, are we able to  
20 craft a common sense program that's consistent  
21 with our policy objectives of helping families  
22 move quicker from shelter, back into their own  
23 homes? And if we can do that, then it makes  
24 sense. If we can't do that, then perhaps it  
25 doesn't make sense. We just have to see how that

2 plays out. In answer to your question, it's \$1.2  
3 million is the CTL amount, so I guess you could,  
4 it's probably about \$4 or \$5 million total in  
5 impact for the State.

6 CHAIRPERSON DE BLASIO: So, in  
7 other words, a very small amount in the scheme of  
8 - -

9 ROB HESS: In the overall scheme of  
10 things, it's relatively small.

11 CHAIRPERSON DE BLASIO: And one  
12 that I think we can say from the beginning is one  
13 of, not exactly likely to be realized in full.

14 ROB HESS: Yes.

15 CHAIRPERSON DE BLASIO: Given the  
16 dynamic. No, I'm, I think everyone here is  
17 profoundly concerned that we're changing the very  
18 nature of our efforts to help families in need, by  
19 implementing this requirement as effectively a  
20 rental payment. This just absolutely warps the  
21 whole notion of helping folks who's lives have  
22 become dislocated. And I think if you are not  
23 satisfied with the dialogue with the State in the  
24 coming days, you should immediately move to try  
25 and get this law passed before the end of the

2 session, to provide relief to the City. Now, let  
3 me turn you to your own house. You, I'm sure, are  
4 very familiar with the email in question, which  
5 has caused a lot of concern. I think it causes  
6 concern because we don't want to see folks who are  
7 supposed to be helping the homeless worried about  
8 public relations in this vein, and I think it  
9 causes concern because a lot of people think this  
10 is a misguided policy, and we don't want to see  
11 this City somehow shilling for a misguided policy,  
12 especially if it is being forced on you. Some  
13 people looked at that email and thought, in fact,  
14 it suggested the City embrace the policy fully.  
15 So I'd like to know your response to the fact that  
16 one of your employees attempted this strategy, and  
17 what it means for, and what it says to homeless  
18 folks in terms of our efforts to help them.

19           ROB HESS: Clearly, given our  
20 position on this, the email as it's written was  
21 quite a surprise. And frankly, was a mistake, was  
22 not endorsed by me, was not endorsed by the Deputy  
23 Commissioner, is a case of a grossly distorted  
24 directive. What in fact was occurring here, is  
25 very early on in the implementation of this State

2 mandated client contribution program, we were  
3 seeing rather large contributions being required  
4 by some families. And remember, we don't  
5 understand the formula, we didn't send out the  
6 notices, we didn't know what the contributions  
7 were going to be, but even in the discussion  
8 groups prior to implementation, we were led to  
9 believe it would be a few hundred dollars here and  
10 a few hundred dollars there. So, you can imagine  
11 our surprise when we saw some families that were  
12 paying upwards of \$2,000 a month by way of  
13 contribution. What in the world is this? And so,  
14 what the Deputy Commissioner was quite rightly  
15 doing, was trying to reach out to families in  
16 shelters that had these large contribution notices  
17 sent by the State, and try to understand what was  
18 going on. We thought maybe if we understood what  
19 the income was of those families, we could figure  
20 out what the formula was. That proved not to be  
21 true, but that was the motivation behind what she  
22 was trying to accomplish. In a large  
23 organization, you know, sometimes people just get  
24 it wrong and send out requests for the wrong  
25 information. This was just one of those

2 instances, it was frankly just a mistake, and a  
3 very unfortunate mistake, and I will tell you that  
4 I take responsibility for it because it happened  
5 within my Department. And I would, at this point,  
6 extend my apologies to anyone who received this,  
7 and felt like we were trying to spin anything. If  
8 any, the only thing we were trying to spin for  
9 years was our way away from this implementation.  
10 And at this point, we were unsuccessful just  
11 trying to understand it.

12 CHAIRPERSON DE BLASIO: Well, I  
13 appreciate that very much, Commissioner, and I'd  
14 like us to work closely with you in the coming  
15 days, again in hopes that either the City will  
16 find--the City will prevail upon the State to end  
17 this approach, or that we can work together to  
18 pass the law in Albany to fix it once and for all.  
19 Let me move you to one other topic, and then go to  
20 my colleagues, starting with Council Member  
21 Brewer. The, you know that we had a very pointed  
22 discussion with a representative of your agency,  
23 and with representatives of the Buildings and Fire  
24 Department a few weeks back on the question of  
25 boarding houses, many of them illegal, so called

2 "three-quarters houses." One of the interesting  
3 issues that came up at that hearing was the notion  
4 that some shelters were in fact offering a  
5 platform, offering an opportunity for owners of  
6 these boarding houses to come in and promote the  
7 availability of their units. So, in effect,  
8 without what appeared to be at least according to  
9 what your deputy stated, without any kind of  
10 coherent screening process, folks who were  
11 providing a substandard service were invited into  
12 shelters to make a presentation, which in effect  
13 inferred a certain legitimacy on them, unknowing  
14 shelter residents I'm sure believed that they were  
15 invited in to make a presentation, they must be  
16 offering a decent product. And then through  
17 whatever kind of process of referral, whatever  
18 kind of process of departure, some of your shelter  
19 residents ended up in these sites, which are  
20 typified by overcrowding and unsafe conditions.  
21 Have you had an opportunity to look into that  
22 issue, since it came up at the hearing?

23 ROB HESS: Not thoroughly. I am  
24 aware of the issue, I appreciate your letter of  
25 May 22<sup>nd</sup>, that in part, amongst other things,

2 raised this issue. I appreciated Deputy  
3 Commissioner Nashak's testimony that we would look  
4 at this very carefully, and we will. I think we  
5 promised to be back to the Committee on this  
6 within the next couple of weeks, and we will. But  
7 we want to take the time necessary to seriously  
8 consider each of the recommendations that you and  
9 other members of the Committee have made.

10 CHAIRPERSON DE BLASIO: Well, I  
11 appreciate that, and Commissioner I'll just say  
12 quickly on this issue, I believe you're trying to  
13 protect homeless people, and I want you to really  
14 go over that testimony carefully, especially the  
15 testimony from the Buildings Department, and more  
16 pointedly from the Fire Department, which point  
17 what a menace these homes can be. They were not  
18 meant for 20 and 30 people, but that's what  
19 they've been converted to; many of them don't have  
20 sprinklers, don't have adequate wiring, don't have  
21 adequate supervision. You, I'm sure, don't want  
22 to see a tragedy occur because of this problem,  
23 and we unfortunately have too much evidence that  
24 there's not a tight enough system at DHS to stop  
25 folks from being even inadvertently referred to

2 such homes. And again, this issue of who's  
3 allowed into shelters to make a presentation is a  
4 profoundly troubling one. You know I have  
5 legislation in which, in my opinion, would help to  
6 tighten up the procedures here and help to avoid  
7 any referrals to these inappropriate settings.  
8 And I think this is something that has to be acted  
9 on very, very quickly.

10 ROB HESS: I think this is one of  
11 those issues that DHS alone have trouble in  
12 adequately addressing. I think we really need our  
13 partners from other City agencies. I've been very  
14 pleased recently with the dialogue between  
15 agencies. I think there's an interagency solution  
16 here, we just need to find it.

17 CHAIRPERSON DE BLASIO: Well,  
18 please do keep us posted, we'll follow up with you  
19 as well. I'm going to turn to Council Member  
20 Brewer, and I want to thank her at the outset,  
21 because I think more than anyone in the City, she  
22 led the charge in terms of trying to make sure  
23 that the voices of religious communities were  
24 heard in terms of how we provide support for  
25 homeless folks. I think you would agree there

2 were some missteps along the way in this latest  
3 effort to alter those programs, and I just want to  
4 thank Council Member Brewer and turn it over to  
5 her now for questioning.

6 COUNCIL MEMBER BREWER: Thank you  
7 very much. I'll ask about a couple of other  
8 things, and then I'll bring that up, and I'll say  
9 something nice about DHS, and De Blasio doesn't  
10 believe me, so you're going to have to answer  
11 them.

12 ROB HESS: [laughs]

13 CHAIRPERSON DE BLASIO: First of  
14 all, on the federal stimulus, the number one issue  
15 that I have spent time on, as you know, is  
16 prevention. I can't understand how so many people  
17 who could be still in their homes end up in your  
18 system. So I wanted to go through some of the  
19 issues that you mention. But just like right now,  
20 I have a couple that lost their job; they owe  
21 \$10,362 in back rent from a residential hotel;  
22 there's no third party anywhere; and even if they  
23 go on public assistance, which we're working on,  
24 who's going to pay the back rent because they  
25 don't have a third party. Which of course, you

2 need, 'cause then somebody says, "Who's going to  
3 pay this in the future?" and the public assistance  
4 doesn't add up to the back rent. So, there are  
5 many situations like that. So my first question  
6 is, I know you talked about enhancing financial  
7 assistance, for rentals, for back rent. Two  
8 questions, one, how are you going to deal with  
9 this third party issue, 'cause it comes up a lot.  
10 Is there some innovation, innovative idea for  
11 that. And second, I met a woman this weekend who  
12 is in your system with her son, because she said  
13 she owed mortgage money. Now, I know we spend  
14 hours and hours on foreclosures, but I don't know  
15 that we actually give money. Counseling doesn't  
16 help, we need money. So my question is, does some  
17 of this rent arrears also include mortgage  
18 arrears, so that nobody ends up in your system for  
19 lack of payment for a mortgage.

20                   ROB HESS: On the rent arrears  
21 part, I think the stimulus dollars, which will go  
22 largely to fund prevention, will give us a level  
23 of flexibility that we haven't necessarily had  
24 before. And so I think we'll have an opportunity  
25 to look at the third party issue a little bit

2 differently. I don't know what the solution is  
3 off the top of my head, but we'll work very  
4 closely with our Deputy Commissioner Ellen Howard  
5 Cooper and her team--

6 COUNCIL MEMBER BREWER: She knows  
7 everything.

8 ROB HESS: --to better address  
9 that. I'm sure she does, she knows everything  
10 there is to know about Prevention, and then some,  
11 I think.

12 COUNCIL MEMBER BREWER: Yes, she  
13 does.

14 ROB HESS: So we'll figure that  
15 out. On the mortgage side, I'm less clear. I'm  
16 not sure that the federal stimulus dollars can be  
17 used to pay mortgage payments.

18 COUNCIL MEMBER BREWER: Okay. I  
19 mean, this woman said she owed \$500 in mortgage, I  
20 don't know. But I'm just saying there's every  
21 aspect of keeping people in their home has to be  
22 looked at, so they don't end up--

23 ROB HESS: Absolutely.

24 COUNCIL MEMBER BREWER: --every  
25 last aspect.

2 ROB HESS: Absolutely.

3 COUNCIL MEMBER BREWER: Alright,  
4 the other question is, do you have a breakdown yet  
5 on the one, two, three, four, you mentioned four  
6 different ways in which the non-shelter prevention  
7 issues are going to be dealt with. Obviously  
8 anti-eviction support, and so on. Are you still  
9 working out the dollars and where these dollars  
10 are going to be allocated?

11 ROB HESS: We have submitted our  
12 application to HUD. We've also put that  
13 application that was submitted to HUD up on our  
14 website for anyone to look at who would like to  
15 review the application we submitted. We now need  
16 to wait for HUD to approve it. Once HUD approves  
17 it, then the general categories of spending, we  
18 can be more specific about.

19 COUNCIL MEMBER BREWER: Okay, so in  
20 other words, once HUD, then you can decide which  
21 legal services, how much for rent, etc.

22 ROB HESS: That's right.

23 COUNCIL MEMBER BREWER: Okay. The,  
24 we talked last time about recreation staff. I  
25 know the question is, is the age mandated by the

2 State to provide recreation staff in its  
3 facilities? I'm really concerned because I think  
4 that you look at this as a savings. It is of  
5 tremendous concern to those nonprofits who have  
6 recreation staff in the family and adult shelters.  
7 They feel that they're absolutely necessary to  
8 their programs.

9           ROB HESS: Yes, thank you for that  
10 question. With respect to the recreation staff,  
11 it's faced with the very difficult budget and  
12 economic conditions, and our PEG requirements. We  
13 had initially recommended the elimination of  
14 recreation as a line item in the budget throughout  
15 the shelter system, and we had asked the State for  
16 a waiver of that requirement, because recreation  
17 is mandated activity by the State. We thought  
18 that, what we didn't want to do was give providers  
19 a cut without reducing the mandated services they  
20 had to provide.

21           COUNCIL MEMBER BREWER: Unfunded  
22 mandate you didn't want.

23           ROB HESS: Undated--that's right.  
24 We're trying to avoid an unfunded mandate. As  
25 much as we like recreation, we thought that it was

2 not necessarily a core service, a shelter, and so  
3 that's the recommendation we made. Once we made  
4 it, many of our providers came to us with the  
5 similar concerns that you've raised, and asked us  
6 to reconsider that. Because they asked us to  
7 reconsider that, I've withdrawn from the State our  
8 request for the recreation waiver. And we will  
9 continue to fund recreation in the budgets. Now,  
10 the other side of that is, you know, we weren't  
11 magically able to come up with more money. And  
12 so, what our provider said to me is they would  
13 prefer a 1.4 percent across the board cut and let  
14 them figure out what to cut, as opposed to cutting  
15 recreation, and so we've agreed to do that.

16 COUNCIL MEMBER BREWER: Okay.

17 Alright. Thank you, at least I understand it.

18 ROB HESS: Mhm.

19 COUNCIL MEMBER BREWER: How many  
20 city workers, current or former city workers, are  
21 in your system?

22 ROB HESS: In our shelter system?

23 COUNCIL MEMBER BREWER: Yes. - -

24 ROB HESS: I don't know that answer  
25 today. We'll get you, we can get you that answer.

2 The last time we ran that, which has been well  
3 over a year ago, I think the number was around--  
4 150? It was around 150. But we'll, we can do a  
5 run of that, and get you the specific number.

6 COUNCIL MEMBER BREWER: 'Cause I  
7 believe that I've seen a list that's larger and  
8 that's very recent. So we would like to see that.

9 ROB HESS: Really?

10 COUNCIL MEMBER BREWER: Yes.

11 ROB HESS: Okay. We'll run it.

12 COUNCIL MEMBER BREWER: I get lists  
13 from different places.

14 ROB HESS: We'll run it.

15 COUNCIL MEMBER BREWER: But my  
16 question is, that seems to be the kind of  
17 situation that we should be working harder on  
18 prevention.

19 ROB HESS: Yes.

20 COUNCIL MEMBER BREWER: So, how  
21 would we do prevention for City workers, some will  
22 be unfortunately laid off in this current budget  
23 season, so they don't end up. What kind of extra  
24 provisions can we take so they don't end up in  
25 your system?

2 ROB HESS: Interesting question.

3 Certainly they could avail themselves of all the  
4 benefits and program possibilities within  
5 HomeBase. We have, from time to time, had some I  
6 thought very constructive discussions with some of  
7 our, some of the union leadership over, around  
8 this issue, as to how to better support people.  
9 We're certainly open to continuing that dialogue  
10 and moving whatever direction that would take us.  
11 Certainly we don't want to see City employees need  
12 to be in the shelter system.

13 COUNCIL MEMBER BREWER: Okay, but  
14 I'm just saying, you need to redouble your  
15 efforts, working with the unions, I just don't  
16 think one more former, current or future City  
17 worker should be in your system.

18 ROB HESS: We agree.

19 COUNCIL MEMBER BREWER: Okay. You  
20 said that the veterans are going to get 701  
21 vouchers.

22 ROB HESS: Well they'll get a  
23 thousand. 701 have been issued already.

24 COUNCIL MEMBER BREWER: Okay, well,  
25 can they find housing with a voucher?

2 ROB HESS: Yes.

3 COUNCIL MEMBER BREWER: Where?

4 ROB HESS: As you know, it's a  
5 little bit of a slow process, slower than we would  
6 like, but there have been, but we have moved many,  
7 many people through Section VIII into housing  
8 across all five boroughs of the City. Not as much  
9 in Manhattan as other boroughs, certainly, but--

10 COUNCIL MEMBER BREWER: Yes, I  
11 would like more in Manhattan, but I guess that's  
12 not your problem. So you're saying that everybody  
13 who received a voucher, 701, and then there'll be  
14 a thousand more, or is it total of 1,700?

15 ROB HESS: It's a total of a  
16 thousand.

17 COUNCIL MEMBER BREWER: Total of a  
18 thousand.

19 ROB HESS: So 701 of the vouchers  
20 have already been issued--

21 COUNCIL MEMBER BREWER: When you  
22 say distributed, that means they got them, but it  
23 doesn't mean that they necessarily have housing.

24 ROB HESS: That's correct.

25 COUNCIL MEMBER BREWER: So, are you

2 keeping track of who actually gets housing?

3 ROB HESS: Yes, we are.

4 COUNCIL MEMBER BREWER: And you're  
5 doing that through federal money? Or you just do  
6 that normally?

7 ROB HESS: We're doing that through  
8 a special allocation of HUD VASH grant from HUD,  
9 to us, specifically providing a thousand Section  
10 VIII certificates, with VA case management, and  
11 supportive services, for each and every one of  
12 those thousand, so that the veterans will get  
13 whatever support they need in their housing  
14 through Section VIII. And so essentially, it's  
15 supportive housing for veterans.

16 COUNCIL MEMBER BREWER: Alright,  
17 and as Diana Reyes says, how long is the  
18 expiration? 'Cause with regular vouchers, we  
19 spend lots of time getting them extended. Are  
20 these vouchers that go on for a while? Are they  
21 going to run out?

22 ROB HESS: Well, it's the same  
23 problem. And they do need to be extended if  
24 someone doesn't find an apartment relatively  
25 quickly. The other piece, though, through

2 stimulus funding that we mentioned in the  
3 testimony is that we are going to be funding a  
4 unit at NYCHA to expedite our Section VIII  
5 request. And so we're hopeful that that will move  
6 the process along a little faster.

7 COUNCIL MEMBER BREWER: Alright, so  
8 in other words the Section VIII vouchers for  
9 veterans will come through NYCHA, the Section VIII  
10 program at NYCHA.

11 ROB HESS: That's correct.

12 COUNCIL MEMBER BREWER: Okay.

13 ROB HESS: Special allocation  
14 directly to us, for us, through NYCHA.

15 COUNCIL MEMBER BREWER: Alright,  
16 so, and that is, and so the case workers will be  
17 where? At the VA hospital? How will the veteran  
18 find the case worker?

19 ROB HESS: We coordinate all that  
20 through our Veterans Multipurpose Center, Project  
21 Torch. And so, you're right, the case workers are  
22 attached to the various VA hospitals in the area,  
23 and then assigned to the veteran as the veteran  
24 received the Section VIII.

25 COUNCIL MEMBER BREWER: Alright,

2 and do you think there are more than a thousand  
3 veterans in your programs? Or do you think  
4 that's, that'll take care of those that are  
5 homeless?

6                   ROB HESS: No, it's not enough. We  
7 support in the Senate, United States Senate is now  
8 taking up a new allotment of HUD VASH vouchers.  
9 We would have hoped it would've been in the  
10 federal administration's budget. I don't believe  
11 it was. But we're following up on that. We  
12 support another round of HUD VASH vouchers.

13                   COUNCIL MEMBER BREWER: Okay. Oh,  
14 and the faith based, I want to say thank you. I  
15 want people to know that you have been very  
16 responsive as an agency. I just, so people  
17 understand, originally there was a concern that  
18 the faith based community would not be able to  
19 continue to work with their guests. And I think  
20 thanks to your leadership and your staff, people  
21 are actually happy. The issue is that, it was  
22 just a meeting that I have updates here on my  
23 Blackberry with the providers from the faith based  
24 community and with your staff. And my  
25 understanding is the folks from Grand Central or

2 other day programs, so to speak, will be working  
3 with the linen issues, the transportation issues,  
4 and making sure that even people who are in the  
5 faith based community overnight, will be able to  
6 get up for work, for those who are going to work  
7 at a correct time. So I guess there are some  
8 linen issues to be worked out, which I think we  
9 can do. And I'm down to the details now, and we  
10 want to make sure that people are not walking.  
11 But I think most of them will be there by  
12 transportation. Again, we spent hundreds of hours  
13 on all these issues, I won't go into the  
14 specifics, but I wanted to say thank you. I do  
15 hope that this continues, because if there are  
16 changes or bumps along the road, I hope that in a  
17 year or so we don't find that we're moving  
18 backward, but we continue to move forward and  
19 hopefully all of the guests will end up with  
20 housing that's permanent as time goes on.

21 ROB HESS: Thank you, Councilwoman.

22 I appreciate your support and your leadership on  
23 this issue. You know, it's very important to us  
24 that we're able to expand the faith based network,  
25 because we truly believe that everyone should have

2 an opportunity to sleep in a bed and no one should  
3 need to sleep in a chair.

4 COUNCIL MEMBER BREWER: Alright, so  
5 we have some details to work out, but generally  
6 it's positive and I want to thank you, but I do  
7 think it means that we have to continue to keep  
8 Open Door and Grand Central and some of the urban,  
9 I call it Oliviere [phonetic], but anyway, centers  
10 open, and not close them without many, many  
11 discussions, 'cause that may not make sense in the  
12 future. Thank you, Mr. Chair.

13 ROB HESS: Thank you, council  
14 member. Before I turn to Council Member Fidler,  
15 first of all I'd like to welcome Council Member  
16 Reyna. And Commissioner, you saw that was a  
17 heartfelt instance of appreciation from  
18 Councilmember Brewer, and she has been the  
19 conscience on this issue, so I take that as a  
20 major statement. I want to emphasize to you that  
21 last part of what she said, that we believe that  
22 so many of these faith based efforts have been  
23 extremely effective, cost efficient, important to  
24 their communities, responsive to their  
25 communities. It's very important to us that they

2 continue in operation. And that we're thrilled  
3 there's been progress, but that's really the  
4 litmus test, honestly, going forward, that any  
5 organization that wants to and can provide the  
6 service effectively, continues to be able to. So  
7 please keep that in mind, and that's the spirit  
8 we'd like to see this approached with. And if  
9 there are problems along the way, we'd like to be  
10 a part of solving them.

11 ROB HESS: Appreciate that very  
12 much.

13 CHAIRPERSON DE BLASIO: Thank you.  
14 Council Member Fidler.

15 COUNCIL MEMBER FIDLER: Thank you,  
16 Mr. Chairman. Good afternoon, Commissioner. As  
17 you know, you and I had an offline discussion  
18 about the stimulus money. And you in fact  
19 referred to the stimulus money in your testimony,  
20 but I want to ask you a couple of questions first  
21 about process for the stimulus money, because I'm  
22 a little confused. You're anticipating \$73.9  
23 million of stimulus money. Is that correct?

24 ROB HESS: That's correct.

25 COUNCIL MEMBER FIDLER: And that

2 would be over what period of time?

3 ROB HESS: Over three years.

4 COUNCIL MEMBER FIDLER: In equal  
5 buckets or--

6 ROB HESS: No, Councilman, it's  
7 \$73.9 million total, that's a three allocation.  
8 So roughly \$24.5 million or so per year.

9 COUNCIL MEMBER FIDLER: So, in \$24  
10 million equal buckets, that's what I meant.

11 ROB HESS: Yeah, roughly.

12 COUNCIL MEMBER FIDLER: Okay. Yet,  
13 when we spoke on the phone, you indicated that  
14 that money would not be approved until some time  
15 in July. Is that, did I understand you--

16 ROB HESS: That's correct.

17 COUNCIL MEMBER FIDLER: And so, how  
18 is that you have a certainty as to the amount of  
19 money, but we don't have the approval? I'm not, I  
20 just want to clear that--

21 ROB HESS: No, I appreciate that.  
22 The way the legislation was written, it was  
23 written to be provided under a national ESG, or  
24 Emergency Shelter Grant, formula. And so it was  
25 \$1.6 billion is the national amount, and New York

2 City's allocation under the formula is five  
3 percent. So that gets you to about \$75 million,  
4 and then HUD takes off essentially a little  
5 operating piece, and has told us that our  
6 allocation is \$73.9.

7 COUNCIL MEMBER FIDLER: Okay, so  
8 then what is it that's being approved in July?

9 ROB HESS: The \$73.9 will be  
10 approved, as will our general spending categories  
11 that we provided in the application.

12 COUNCIL MEMBER FIDLER: So, what's  
13 essentially being approved is HUD is saying,  
14 "Yeah, the number we gave you is correct. And the  
15 spending categories that you're proposing to spend  
16 are within the law."

17 ROB HESS: That's correct.

18 COUNCIL MEMBER FIDLER: Okay.

19 ROB HESS: [sneeze in audience]  
20 Bless you.

21 COUNCIL MEMBER FIDLER: So, you're  
22 pretty certain we're going to be getting this  
23 money, am I correct?

24 ROB HESS: I never, I'm never ready  
25 to sleep, have anything but sleepless nights until

2 we actually get the letter.

3 COUNCIL MEMBER FIDLER: I can  
4 appreciate that, and I sympathize.

5 ROB HESS: But I'm optimistic.

6 COUNCIL MEMBER FIDLER: Alright.  
7 How--with, can you now then be a little bit more  
8 specific about how that \$24 million is going to be  
9 spent in the next fiscal year?

10 ROB HESS: Well, here's what I can  
11 tell you. I mean, we got to get HUD's approval.  
12 I don't want to suggest that we know that HUD is  
13 going to approve everything in our application. I  
14 hope they do. I hope they have the wisdom to do  
15 that. They may or may not. And so I think we  
16 need to wait until July. But with that disclaimer  
17 out there, you'll also remember that we had to  
18 give up most of our Prevention funding in earlier  
19 pays. And so the vast majority of the funding  
20 we'll receive from HUD, will go to make our  
21 Prevention programs whole. Beyond that, there is  
22 a wide range of initiatives that we want to  
23 support that we've included in the plan, including  
24 the dollars that you and I talked about for DYCD  
25 to support homeless and runaway youth. And so,

2 once it's approved we'll be able to sit down with  
3 certainty and kind of work through that. Until  
4 it's approved, I'd be leery to get into too much  
5 detail.

6 COUNCIL MEMBER FIDLER: So then,  
7 within the application that you've made--

8 ROB HESS: Right.

9 COUNCIL MEMBER FIDLER: --there is  
10 sufficient flexibility to be able to fund programs  
11 for runaway and homeless youth, that might not be  
12 DHS programs, specifically, but are perhaps  
13 augmenting DYCD programs.

14 ROB HESS: Yes.

15 COUNCIL MEMBER FIDLER: Okay,  
16 that's real good news. Now, I saw, I don't know  
17 if staff gave this, or you brought this here, a  
18 document that's called "Substantial Amendment to  
19 the Consolidated Plan, 2008 Action Plan for the  
20 homeless, homelessness prevention and rapid  
21 rehousing program." Now, is this your application  
22 or is this a change in your application? I mean,  
23 it's a confusing--

24 ROB HESS: I guess I'd have, I  
25 guess I'd have to look at it. But the application

2 that we filed with HUD went through that process  
3 and is actually on our website. So it's easy to  
4 download our application.

5 COUNCIL MEMBER FIDLER: Well, the  
6 only reason that I'm confused is because this form  
7 was submitted after the comment period, because it  
8 does note that the grantee received public  
9 comments, it did not accept any of them. And as  
10 much as Speaker Quinn and I and Chairman De Blasio  
11 all submitted some of those comments, and while  
12 the Speaker and Chairman De Blasio's comments  
13 ranged more broadly, we all did ask about the RHY  
14 money. You know, I'm obviously just a little  
15 concerned about this form.

16 ROB HESS: There was a number of  
17 recommendations that were made that we received as  
18 a result of the public comment that were included  
19 in the application. That I can assure you. And  
20 they were things like the support of homeless and  
21 runaway youth, they were things like the support  
22 of an expedited process at NYCHA. And I don't  
23 remember others, but there was a whole series of  
24 things, there were some domestic violence issues,  
25 some HIV issues.

2 COUNCIL MEMBER FIDLER: But this  
3 comment, this comment in the form that says you  
4 have not accepted any of the comments, will not  
5 preclude your funding, anything that people  
6 commented on.

7 ROB HESS: No. But I'm passed a  
8 note here that clarifies what I should've known,  
9 which is that that portion of the application, I  
10 believe you do have the application, indicates  
11 that we may not have accepted every comment we  
12 receive. And so we may not have included every  
13 comment we received as a change in the  
14 application. But that should not be an indication  
15 that we didn't consider and accept many of the  
16 comments because we did.

17 COUNCIL MEMBER FIDLER: Well,  
18 actually, it says you did not accept one or more  
19 of the comments, but I'm not going to--

20 ROB HESS: Like as one--

21 COUNCIL MEMBER FIDLER: I'm not  
22 going to quibble if you're telling me that there's  
23 nothing in this form that's going to preclude you  
24 from accepting those comments, and when you  
25 actually have the money, and there is nothing

2 within your application that would preclude those  
3 expenditures. So, I'm not--

4 ROB HESS: That's true.

5 COUNCIL MEMBER FIDLER: I'm not  
6 trying to play gotcha with you. I just--

7 ROB HESS: No.

8 COUNCIL MEMBER FIDLER: --want to  
9 be sure. So then I will just, I guess make my  
10 public pitch that I've made to you privately, and  
11 I told you I'm going to keep on making, and I just  
12 want to reiterate, there are 3,800 children who  
13 are homeless in the City of New York, on the  
14 streets, every night. And 1,600 of them will be  
15 sleeping on a subway grating in a transportation  
16 hug, or in a car, and 150 of them will have spent  
17 the night before in, in or working as or with a  
18 sex worker. And I'm not making those numbers up,  
19 as you know, Commissioner we had a count in the  
20 study last year that showed that. Breaking their  
21 cycle of homelessness at their tender age, is  
22 homelessness prevention. And I would also say  
23 that, you know, we've heard comments about HIV  
24 supported housing for the homeless. Every one of  
25 these young people is more likely to become HIV

2 positive. So I will then ask you once more, and  
3 my colleagues here all know I tend to be obsessive  
4 compulsive, and particularly about something that  
5 I care about as deeply as this. We need some of  
6 that money for the RHY kids. And I know and I  
7 appreciate the comment you made to me about one of  
8 our RHY providers receiving some assistance  
9 respectively from this money. We need at least a  
10 million more a year. And I implore you, I'm going  
11 to be an absolute nuisance about this, until,  
12 unless it happens. I'm a little unhappy, and I  
13 know the timing is not your fault, that we will  
14 not have this discussion before the budget passes,  
15 but assuming that my colleagues in the Council do  
16 the right thing and restore the \$4.6 million of  
17 Council funding for homeless shelters, for runaway  
18 and homeless youth, we will be allocating that  
19 money in July. So your timing will be perfect.  
20 And I am counting on you, Commissioner, I am  
21 counting on you to do the right thing. I am  
22 counting on you to not ignore those 3,800  
23 children. And I make that as a plea to you, which  
24 is why I've been so gentle in this questioning  
25 today. Thank you.

2 ROB HESS: Thank you, Councilman.

3 CHAIRPERSON DE BLASIO: Thank you,  
4 Council Member. And I think we all appreciate  
5 that you have been extremely focused on this  
6 constituency in deep need that by definition does  
7 not have enough advocates. So thank you for  
8 keeping us all focused on it. And Commissioner,  
9 we are glad that you've included that in this  
10 prevention approach. Council Member Sanders.

11 COUNCIL MEMBER SANDERS: Thank you,  
12 Chair De Blasio. Commissioner, there are three  
13 areas where I would like to take you into, but I  
14 will start with one that's near and dear to both  
15 of us veterans, seeing I am the Chair of Veterans  
16 Affairs, I want to tell you, to question you,  
17 rather, of what is the percentage of the homeless  
18 population that are veterans? [pause] Have we  
19 ever done a census?

20 ROB HESS: Yeah, we, we,  
21 Councilman, have looked at this as carefully as we  
22 can. We're limited by the fact that we are  
23 dependent on self-reporting, as opposed to access  
24 to the Veterans Administration database, which is  
25 what we'd really like to have.

2 COUNCIL MEMBER SANDERS: Mhm.

3 ROB HESS: That said, although I  
4 will say in defense of the VA, we've made a lot of  
5 progress with them since we began working with our  
6 Veterans Plan here in New York, and they're more  
7 receptive. I think we'll get to the day when  
8 we'll have a good answer to your question.

9 Nationally, the number that's often used is about  
10 30 percent of people experiencing homelessness.  
11 We have no found that to be true in New York. We  
12 have found the percentage on the streets to be  
13 about 20 percent, and in shelters to be about 15  
14 percent. But again, those are self-reporting  
15 numbers, so they could be a little low.

16 COUNCIL MEMBER SANDERS: It would  
17 seem to me that those numbers would be low,  
18 perhaps that veterans who served and put their  
19 lives on the line are a little ashamed to say that  
20 they may have fought in Iraq, but can't get a  
21 house in New York City, can't get a home in New  
22 York City. I can understand that. And I'm very  
23 interested to know what are we going to, what are  
24 we the City going to do about it. Let's imagine  
25 if that number was "only 20 percent," which is one

2 out of every five homeless people in New York  
3 City, a veteran. This is a--this is beyond a  
4 crisis, this is a national disgrace.

5 ROB HESS: It is. I would agree  
6 with that.

7 COUNCIL MEMBER SANDERS: And New  
8 York City should be the first to do something  
9 about this. And perhaps at another hearing, you  
10 and I can, in another--I don't want to take away  
11 or distract, to move us too far away from the  
12 general conversation that we are having. I look  
13 forward to sitting down with you perhaps after  
14 this budget, and trying to figure out through my  
15 committee, what we can do about this, what efforts  
16 that we can do.

17 ROB HESS: No, I appreciate that.  
18 We'd be happy to give you a full briefing on our  
19 work with veterans, and our initiatives around  
20 veterans in the City, maybe tour some facilities  
21 and give that opportunity to your committee. And  
22 provide testimony before your committee, if that  
23 would be appropriate, at the appropriate time.

24 COUNCIL MEMBER SANDERS: I look  
25 forward to that. Since I am also from Queens,

2 allow me to go into the, a couple of questions  
3 about the drop-in center locations.

4 ROB HESS: Yes.

5 COUNCIL MEMBER SANDERS: We have  
6 said that we are not going to open a drop-in  
7 center location in Queens. I think it was implied  
8 because there were, I think the figure was 98  
9 homeless people in Queens, maybe I'm hearing it  
10 wrong, because seems there's at least 98 homeless  
11 people in my district. And if maybe we only  
12 measured my district, then perhaps that is true.  
13 If we're talking about all of Queens, which has  
14 more than two million people to my knowledge, I  
15 will say that Queens has done an amazing job, or  
16 to only have 98 homeless people. And the rest of  
17 this City needs to quickly model themselves after  
18 Queens. Or else I have understood the figures  
19 wrong, and that's another possibility. Or else  
20 the figures are wrong.

21 ROB HESS: The figure 98 that was  
22 referred to, the number of people that we found  
23 living on the streets in Queens--

24 COUNCIL MEMBER SANDERS: Okay.

25 ROB HESS: --during the point in

2 time count, the last Monday in February of this  
3 year. And that is compared to the 355 individuals  
4 who were found during that point in time count a  
5 few years ago. And so there's been tremendous  
6 progress in Queens. That is not to suggest that  
7 there aren't thousands of men, women and children  
8 sadly still in Queens that are living in our  
9 shelter system, because they are. Not to suggest  
10 that there aren't more people becoming homeless  
11 from Queens, because there are. You and I share  
12 the fact that we both live in Queens. Initially,  
13 the drop-in center was slated to be in Long Island  
14 City, my neighborhood. We looked at it long and  
15 hard and tried to figure out who would utilize  
16 that drop-in center, versus who will go to  
17 stabilization beds or other shelters, or safe  
18 haven beds. And when we did that, what we found  
19 was there really was not enough people that are  
20 currently living on the streets in Queens that  
21 would go to a drop-in center, to make it  
22 worthwhile right now to open a drop-in center in  
23 Queens.

24 COUNCIL MEMBER SANDERS: Now does  
25 that, is that because the drop-in centers are not

2 seen as places that can help people?

3 ROB HESS: No.

4 COUNCIL MEMBER SANDERS: Or is it  
5 because the--you see, I'm a little slow, I can  
6 see. And I'm having trouble believing that we've  
7 had a two-thirds cut of our people on the streets  
8 in Queens. So we're doing some remarkable stuff,  
9 if this is true. But I'm also trying to, now Long  
10 Island City may be a very good place to put in a  
11 drop-in Center. I may suggest some place more  
12 toward the middle of Queens. I'm from Southeast  
13 Queens. I represent Laurelton, Springfield  
14 Gardens, Rosedale, the Rockaways, etc. And by the  
15 time, it's easier for us to get to Manhattan, than  
16 it is for us to get to Southeast, to Northern  
17 Queens.

18 ROB HESS: Well, that's party of  
19 what we've seen. In fact, there certainly are  
20 people in need of services in Queens that do come  
21 to Manhattan. And so, our Grand Central drop-in  
22 already receives and provides services to people  
23 from Queens. So, I think when you look, and so  
24 does Camden and Brooklyn by the way, there are  
25 certain areas where you live in Queens, it's

2 easier to go to Brooklyn. And so, I think it's a  
3 variety of things, and we'd be happy to fully  
4 brief you. I am very proud of the work we've done  
5 on the streets in Queens. I think we've made a  
6 tremendous amount of progress. We've moved many,  
7 many people off the streets in Queens into  
8 permanent housing. And yes, we still do have more  
9 work to do. But you know, when you look at the  
10 kinds of services that are needed, at the end of  
11 the day we had to conclude at this point in time,  
12 that we don't believe an additional drop-in would  
13 be utilized in Queens.

14 COUNCIL MEMBER SANDERS: On another  
15 day let us return to that, because I, I'm still  
16 having trouble believing that if our homeless will  
17 go to Manhattan, they won't go to a place in  
18 Queens.

19 ROB HESS: No, no but they've  
20 already gone to Manhattan in some cases.

21 COUNCIL MEMBER SANDERS: Okay.

22 ROB HESS: The people that are left  
23 in Queens, we don't believe there's enough--this  
24 is very good news by the way, I think, in many,  
25 many ways. I think we've had a level of success

2 in Queens that has put us in the position where we  
3 don't believe we need a drop in center there that  
4 would be operating on a regular basis. And so, if  
5 that situation changes, we'll look at it again.  
6 We're not opposed to having a drop-in center in  
7 Queens, but the, it just doesn't seem to make  
8 sense now, given what we see in terms of the  
9 numbers.

10 COUNCIL MEMBER SANDERS: I

11 certainly will respect our Committee chair and not  
12 pursue that matter, in terms of time. I do want  
13 to go to my third and last point, and that has to  
14 do with agency cuts, the amount of people we are  
15 cutting. My understanding is that the, the  
16 deficit that we are facing will be about \$4  
17 billion in New York City. How much are the total  
18 amount of cuts that your agency is proposing? How  
19 much will we "save"?

20 ROB HESS: I have to look back at

21 the testimony. I think the first PEG, November--

22 COUNCIL MEMBER SANDERS: A

23 guesstimate will do.

24 ROB HESS: November PEG I think was

25 about \$15 million in CTL, city dollars. The

2 January PEG was 20, I believe, \$20 million. And  
3 then the executive plan was \$11 million. So,  
4 what's that? \$36 million? \$40--\$46 million, I'm  
5 sorry, \$46 million.

6 COUNCIL MEMBER SANDERS: Now, I'm  
7 not very good at this zero business, but it  
8 doesn't sound like we're really having an impact  
9 on this \$4 billion deficit, and it seems to me  
10 that we may do more harm than good with this. I  
11 could easily become tongue-in-cheek and speak of  
12 will our homeless workers, will we at least be  
13 giving priority on the shelter system, if it were  
14 a thing that would lead to tongue-in-cheek. It is  
15 not. I think that we're going to do far more  
16 damage than good here. I think that the small  
17 amount of money that we're going to save, I  
18 understand that this is not totally yours, your  
19 decision to make, sir, so my comment is more to do  
20 with the other side of this great hall that we  
21 find ourselves in. I have seen where we can save  
22 more from cutting corporate welfare, than we will  
23 save out of what you just said, sir. As a former  
24 Chair of Economic Development for this City, I  
25 know where real money is being wasted in these

2 precious times. The amount of cuts that you're  
3 taking, you're talking about, turning into real  
4 people at the end of the day, I know it is not  
5 something that I just feel that this is not  
6 something that in your heart of hearts you would  
7 want or you would advocate. I know this had to be  
8 something that is being forced on you. So I'm  
9 just appealing to the Mayor and to others, that  
10 this amount of money can be made from some other  
11 place, without doing damage to our very thin  
12 social network. This small amount of money that  
13 we're getting from here, we can get out of the  
14 corporate welfare that the, the subsidies that  
15 we're giving, that are not earning New York City  
16 money, without doing damage here. So, I guess,  
17 Mr. Chair, I am not, that's not really a question,  
18 and I will yield to your smart and timely  
19 intervention.

20 CHAIRPERSON DE BLASIO: [laughs]

21 COUNCIL MEMBER SANDERS: Thank you  
22 very much, sir.

23 CHAIRPERSON DE BLASIO: Thank you,  
24 Council Member.

25 ROB HESS: Thank you, Councilman.

2 CHAIRPERSON DE BLASIO: And now  
3 Council Member Helen Sears.

4 COUNCIL MEMBER SEARS: Well, thank  
5 you, Mr. Chair, I really just have one question.  
6 And good afternoon.

7 ROB HESS: Good afternoon.

8 COUNCIL MEMBER SEARS: My question  
9 is, do you receive any money from the MTA towards  
10 your budget for the--

11 ROB HESS: From the MTA?

12 COUNCIL MEMBER SEARS: Yes. I know  
13 it may seem like a strange question, but the fact  
14 is homeowners get fines because of litter that  
15 they didn't put there, and since the MTA, and if  
16 you get into anyplace, like 74<sup>th</sup> Street and  
17 Roosevelt Avenue in Jackson Heights, the homeless  
18 there, are there all the time. Now, if the police  
19 move them, where do they go? Do they come into a  
20 City shelter? It seems to me it's the MTA's  
21 problem, just the way the Port Authority  
22 considered it their problem for the homeless that  
23 were there, did a study for a year and made  
24 certain that they took care of them. And why you  
25 don't see homeless in the Port Authority, and if

2 you do, they don't, they're moved by them and  
3 placed by them. So, it may seem like a foolish  
4 question, but since we're talking--

5 ROB HESS: No, I appreciate--

6 COUNCIL MEMBER SEARS: --about  
7 expense, it seems to me that they have an  
8 obligation that we are taking care of their  
9 responsibility.

10 ROB HESS: I very much appreciate  
11 the question. The, over the last couple years,  
12 with Lee Sanders heading of the MTA, I've felt  
13 like we made a lot of progress in coordinating our  
14 outreach efforts, and providing some housing to  
15 people that were living in subway areas. I guess  
16 we'll have to see how that plays out now, as we  
17 move to the future. We do not receive funding  
18 from the MTA; they have in the last two years,  
19 however, given us a fair amount of pro bono  
20 advertising space in subway cars. We've run some  
21 of our "Please call 911, or 311 campaigns."

22 COUNCIL MEMBER SEARS: Well, that's  
23 the least they could do, considering what you're  
24 doing for them.

25 ROB HESS: And they do fund some

2 outreach, they do fund some outreach services  
3 underground.

4 COUNCIL MEMBER SEARS: I think--I  
5 have to ask the Chair--

6 ROB HESS: So, but I appreciate the  
7 question.

8 COUNCIL MEMBER SEARS: Yeah, I  
9 really do, I think that the Committee will have to  
10 pursue that, because certainly we assume a lot of  
11 responsibilities for them.

12 ROB HESS: Yes.

13 COUNCIL MEMBER SEARS: And they're  
14 an authority, so they're semi-independent, and  
15 when it comes to things that they don't want to  
16 do, they don't do them, because they feel nobody  
17 has the authority over them. And they have a lot,  
18 the homelessness, you get 53<sup>rd</sup> and Lexington and  
19 you see them there, and they have their boxes, and  
20 wondered when they move they become mainly the  
21 City's problem. And it would seem that they  
22 should share that responsibility.

23 ROB HESS: No, I appreciate that.

24 COUNCIL MEMBER SEARS: Alright, I'm  
25 going to pursue that. Thank you.

2 ROB HESS: Mhm.

3 COUNCIL MEMBER JAMES:

4 Commissioner, according to the information that I  
5 have, you are eliminating 105 positions in the  
6 agency overall. Is that true?

7 ROB HESS: Yes.

8 COUNCIL MEMBER JAMES: Okay. Does  
9 that include the--does that include the 174  
10 community assistance?

11 ROB HESS: No. I've worked closely  
12 with the union on this, and we have submitted a  
13 replacement PEG, so we will not be laying off the  
14 174 community assistance.

15 COUNCIL MEMBER JAMES: And these  
16 were the 174 community assistance who are located  
17 in some of the shelters? Or--

18 ROB HESS: That's correct.

19 COUNCIL MEMBER JAMES: Okay. So  
20 they will not be laid off.

21 ROB HESS: They will not be laid  
22 off.

23 COUNCIL MEMBER JAMES: What about  
24 the 43 positions that are related to security? Is  
25 that--?

2 ROB HESS: The 43 number is a  
3 vacancy number.

4 COUNCIL MEMBER JAMES: Vacancies.

5 ROB HESS: We will be giving up  
6 those vacancies, yes.

7 COUNCIL MEMBER JAMES: Okay. Hotel  
8 staff, 20 positions eliminated, is that, too,  
9 vacancies?

10 ROB HESS: No.

11 COUNCIL MEMBER JAMES: No, what is  
12 that?

13 ROB HESS: Those are layoffs.

14 COUNCIL MEMBER JAMES: Those are  
15 layoffs. And where will, and where will those  
16 layoffs be at? Commercial hotels?

17 ROB HESS: Yes.

18 COUNCIL MEMBER JAMES: And those  
19 commercial hotels for the most part are located in  
20 Queens? That a fair statement, no?

21 ROB HESS: No.

22 COUNCIL MEMBER JAMES: No? They're  
23 all over the City?

24 ROB HESS: Yeah.

25 COUNCIL MEMBER JAMES: Okay. And

2 how many layoffs do you anticipate as a result of  
3 the closing of the Belleview intake center?

4 ROB HESS: Councilwoman, if we  
5 could go back for just a second to the hotel--

6 COUNCIL MEMBER JAMES: Sure.

7 ROB HESS: --layoffs. Those are  
8 suit ones [phonetic]. The way the system works,  
9 the folks, the layoffs would actually go down to  
10 caseworkers, and we're in discussions with HRA to  
11 help many of those caseworkers be able to be  
12 transferred to HRA.

13 COUNCIL MEMBER JAMES: Okay.

14 ROB HESS: So we're hoping we can  
15 actually minimize the number of layoffs.

16 COUNCIL MEMBER JAMES: So as a  
17 result of all of the layoffs that you anticipate,  
18 I mean, what is the actual number of layoffs that  
19 you, right now, that you envision?

20 ROB HESS: Still working through  
21 that.

22 COUNCIL MEMBER JAMES: Okay.

23 ROB HESS: Working very hard with  
24 our agencies across the City, to find spots for  
25 people to be able to move to. At the moment, I

2 think the number is something less than 88. But  
3 we hope that that number will go down further, as  
4 we continue our discussions with other City  
5 agencies.

6 COUNCIL MEMBER JAMES: And is that  
7 in one, in any particular area?

8 ROB HESS: I'm sorry?

9 COUNCIL MEMBER JAMES: Is that in  
10 any particular area or job title?

11 ROB HESS: No, it's kind of, it's  
12 across the board. The only areas that really are  
13 not impacted are our core shelter services.

14 COUNCIL MEMBER JAMES: And are you  
15 working with the local union to try to mitigate  
16 that?

17 ROB HESS: Yes.

18 COUNCIL MEMBER JAMES: Okay. You  
19 did not mention in your testimony Bedford  
20 Atlantic.

21 ROB HESS: That's true.

22 COUNCIL MEMBER JAMES: Why?

23 ROB HESS: We have a request  
24 pending before the State for a program  
25 modification at Bed-Atlantic, and we have not--

2 We're for the State to get back to us.

3 COUNCIL MEMBER JAMES: The last  
4 time you were here, you indicated in your  
5 statement that you will maintain intake at 30<sup>th</sup>  
6 Street for a period of time to be determined,  
7 while simultaneously exploring other options for  
8 another Manhattan site. Have you identified  
9 another site?

10 ROB HESS: No. We will continue to  
11 remain at 30<sup>th</sup> Street. We will continue to pursue  
12 other sites. We have not located another site at  
13 this time; however, we have committed to having an  
14 intake site in Manhattan. We will have an intake  
15 site in Manhattan. We have one today at 30<sup>th</sup>  
16 Street, and that will continue.

17 COUNCIL MEMBER JAMES: But  
18 Commissioner, in the November plan, the reduction  
19 of, I believe in the budget, it's a \$2.9 million  
20 reduction, reflecting the closure of the Belleview  
21 site.

22 ROB HESS: Yes.

23 COUNCIL MEMBER JAMES: So you  
24 anticipate identifying a site prior to the  
25 adoption of this budget.

2 ROB HESS: We do not.

3 COUNCIL MEMBER JAMES: So when do  
4 you anticipate identifying a site in Manhattan?

5 ROB HESS: We expect we're going to  
6 be at 30<sup>th</sup> Street for some time to come.

7 COUNCIL MEMBER JAMES: But--

8 ROB HESS: And so, we will have to  
9 deal with that PEG issue--

10 COUNCIL MEMBER JAMES: Yes.

11 ROB HESS: --that you correctly  
12 point out. But we have no plans to leave 30<sup>th</sup>  
13 Street at this time.

14 COUNCIL MEMBER JAMES: But I don't  
15 understand, the PEG is incorporated in the budget,  
16 you do not plan to leave Belleview, it seems to be  
17 an inconsistent statement.

18 ROB HESS: Well, it's a fair point.

19 COUNCIL MEMBER JAMES: Could you  
20 reconcile the two?

21 ROB HESS: Initially, when we  
22 submitted the PEG, we believe that we would be  
23 leaving 30<sup>th</sup> Street by the end of June of this  
24 year. That is no longer feasible, it won't  
25 happen, and so like we did with the 174 community

2 assistance, we will have to submit a replacement  
3 PEG to OMB to make up for that missed PEG  
4 opportunity. And we will be doing that.

5 COUNCIL MEMBER JAMES: What does  
6 that mean?

7 ROB HESS: That means we're going  
8 to have to find another way to cut the money that  
9 would've been saved if 30<sup>th</sup> Street had closed, but  
10 30<sup>th</sup> Street's not going to close.

11 COUNCIL MEMBER JAMES: So in the  
12 likelihood that you cannot find another site in  
13 Manhattan, in layman's term you're basically  
14 saying that Belleview will remain open and you  
15 will restore the funds in the budget?

16 ROB HESS: That's right.

17 COUNCIL MEMBER JAMES: Okay. And  
18 does, and that also means that the Bedford-  
19 Atlantic, that you will not be moving to Brooklyn  
20 at that point, correct?

21 ROB HESS: Well, we've said, we've  
22 said right along that we would maintain an intake  
23 site in Manhattan and simultaneously we will look  
24 to open a second intake site in Brooklyn at Bed-  
25 Atlantic. That is our proposal before the State,

2 and we're prepared to move in that direction once  
3 we receive State approval.

4 COUNCIL MEMBER JAMES: The last  
5 time you were here, you said "We will open our  
6 second intake site for homeless men at Bedford-  
7 Atlantic when program and facilities changes are  
8 in place." As of today, is any, is the program  
9 and/or facility in place?

10 ROB HESS: No.

11 COUNCIL MEMBER JAMES: Okay. Do  
12 you have any idea when the program and/or facility  
13 will be in place?

14 ROB HESS: We've answered multiple  
15 rounds of questions from the State. We would  
16 expect to have a response from the State shortly,  
17 but we don't have one as we sit here today.

18 COUNCIL MEMBER JAMES: The last  
19 communication that I received from the State, your  
20 submission was incomplete. Have you completed  
21 your submission to the State?

22 ROB HESS: Well, we have completed  
23 our submission to the State on about four separate  
24 occasions now. And we will continue to respond to  
25 whatever additional questions they ask us.

2 COUNCIL MEMBER JAMES: And do you  
3 have a number of questions that are before you  
4 from the State at this time?

5 ROB HESS: We do not.

6 COUNCIL MEMBER JAMES: Or have--

7 ROB HESS: We have answered every  
8 question. The State has answered on multiple  
9 occasions.

10 COUNCIL MEMBER JAMES: So you  
11 believe at this point in time that your submission  
12 is complete to the satisfaction of the State?

13 ROB HESS: I don't know that.

14 COUNCIL MEMBER JAMES: Okay.

15 ROB HESS: It's complete to the, to  
16 my satisfaction, given that we've answered every  
17 question that they've asked, now and multiple  
18 occasions.

19 COUNCIL MEMBER JAMES: So you just  
20 don't know whether or not they have been  
21 satisfied.

22 ROB HESS: That's correct.

23 COUNCIL MEMBER JAMES: Though it's  
24 possible they could not be satisfied.

25 ROB HESS: Anything's possible.

2 COUNCIL MEMBER JAMES: That's true.

3 The elected officials who represent Bedford-  
4 Atlantic, as well as the attorneys that we have  
5 retained, met with the State recently. In fact,  
6 they met with them within the last three weeks.  
7 And it's my understanding that your submission is  
8 not complete. Are you aware of that?

9 ROB HESS: I don't know how to  
10 respond to that.

11 COUNCIL MEMBER JAMES: It's a  
12 statement.

13 ROB HESS: We have responded to  
14 every request for information that the State has  
15 made.

16 COUNCIL MEMBER JAMES: Okay. It's  
17 a statement more than a question. I just wanted  
18 to let you know that there was a meeting with the  
19 elected officials. I coordinated the meeting with  
20 the attorney that we have retained, and it's my  
21 understanding that the Commissioner still has some  
22 outstanding questions. [pause] I want to ask you  
23 a little bit about CAMBA. Where is this drop-in  
24 center that CAMBA will be operating?

25 ROB HESS: [pause] It's the current

2 CAMBA-Atlantic site on Atlantic Avenue.

3 COUNCIL MEMBER JAMES: Atlantic.

4 What's the--

5 ROB HESS: Atlantic and what? East  
6 New York.

7 COUNCIL MEMBER JAMES: Oh, it's in  
8 East New York. Okay. And [pause] and they will  
9 be providing respite, respite bed coordinator,  
10 they were successful in the bid for respite bed  
11 coordinator?

12 ROB HESS: That's correct. They  
13 run a drop-in center in East New York. They've  
14 also now won the award to be our faith based  
15 respite bed coordinator in Brooklyn, and also in  
16 Queens.

17 COUNCIL MEMBER JAMES: Okay. Is  
18 the Chair, the Chair has returned. In the event  
19 that you identify a site in Manhattan, will you be  
20 notifying the local elected officials about that  
21 site?

22 ROB HESS: Yes, we will.

23 COUNCIL MEMBER JAMES: Okay. Will  
24 you be notifying it prior to any transfer of  
25 residents to Bedford and Atlantic?

2 CHAIRPERSON DE BLASIO: You're so  
3 good.

4 ROB HESS: Transfer. We, I'm not  
5 sure what you mean.

6 COUNCIL MEMBER JAMES: Will you be  
7 notifying my office before any transfer, any  
8 residents from Belleview to Brooklyn?

9 ROB HESS: Residents move from  
10 intake at 30<sup>th</sup> Street to assessment beds at Bed-  
11 Atlantic every day, and have for years.

12 COUNCIL MEMBER JAMES: But how  
13 about services to, when you move your intake  
14 center from Belleview to Brooklyn, you will notify  
15 our office?

16 ROB HESS: We have no intention of  
17 moving, as I've said many times before,  
18 Councilwoman. I have not intention of moving  
19 intake for adults from 30<sup>th</sup> Street to Bed-Atlantic.  
20 I have every intention of maintaining an intake  
21 site in Manhattan that will continue to be at 30<sup>th</sup>  
22 Street, until we locate a new intake center in  
23 Manhattan, at which point we will advise the  
24 appropriate elected officials and move to that  
25 site, in Manhattan, and simultaneous--or, at the

2 same time, once we have the State approval of our  
3 operating plan, we will operate a second intake  
4 site at Brooklyn, at Bed-Atlantic.

5 COUNCIL MEMBER JAMES: And when  
6 that site is approved, will you notify elected  
7 officials?

8 ROB HESS: Yes.

9 COUNCIL MEMBER JAMES: Okay. And  
10 will that, will Bedford and Atlantic require any  
11 capital renovations to accommodate this second  
12 site?

13 ROB HESS: It will.

14 COUNCIL MEMBER JAMES: And is, are  
15 those funds in this budget, in this proposed  
16 executive budget?

17 ROB HESS: No, those funds are in  
18 the current fiscal year budget.

19 COUNCIL MEMBER JAMES: And how much  
20 is that?

21 ROB HESS: I don't know. We can  
22 find out for you.

23 COUNCIL MEMBER JAMES: That would  
24 be--and is there, are there any funds as far as  
25 you know in this budget to renovate Bedford-

2 Atlantic to an athletic center?

3 ROB HESS: Not to my knowledge.

4 COUNCIL MEMBER JAMES: Thank you.

5 ROB HESS: You're welcome.

6 CHAIRPERSON DE BLASIO: Thank you,  
7 Council Member. Commissioner just a few quick  
8 questions, then we'll be finished, we'll go to  
9 public testimony. Let me just say in advance for  
10 anyone staying for public testimony, there will be  
11 two minutes per person. And we're going to be  
12 rigorous about this, 'cause this has been a very  
13 long day. Commissioner, I know Council Member  
14 James asked you about some of the layoff  
15 questions. Just want to hone in a little bit more  
16 on this. The family hotel program, so I'm trying  
17 to understand a little more clearly, the folks  
18 being laid off have social work background. The  
19 way you're going to handle this going forward, how  
20 are you going to provide oversight over efforts if  
21 you don't have the same kind of professionals that  
22 are under your domain doing the work?

23 ROB HESS: Well, in a combination  
24 of ways, Mr. Chairman. First, we have moved and  
25 continue to move many of the historic building

2 unit facilities to contract. And once they come  
3 under contract, of course, they provide social  
4 services through the contract. We have case  
5 management field teams that routinely move from  
6 one location to another, providing a variety of  
7 social service support. And so, there's a variety  
8 of ways that we'll use to provide the services  
9 that are necessary at these facilities.

10 CHAIRPERSON DE BLASIO: And, but  
11 what is your rate, what is your sort of consistent  
12 oversight methodology. Again, this is a, whenever  
13 something becomes a little more distant from your  
14 control, how are, I want to understand how you're  
15 going to keep regular oversight.

16 ROB HESS: Well, we do regular  
17 oversight in a variety of ways. First, from a  
18 physical plant perspective, we go in and do semi-  
19 annual detailed inspections, to the extent that  
20 there are issues that are noted during those  
21 inspections, we require corrective action plans,  
22 and dates that those corrective actions will be  
23 taken by. And then we monitor and spot check  
24 those corrective actions were done. With respect  
25 to programmatic activities, we routinely dispatch

2 program analysts and program administrators to  
3 visit sites, and monitor the program activity  
4 that's occurring at the sites. And so all of that  
5 will of course continue.

6 CHAIRPERSON DE BLASIO: Now,  
7 Commissioner, let me say, and I think you got  
8 complimented on this by Council Member James, as  
9 well, I do appreciate that you heard concerns from  
10 the Council and from a number of other folks about  
11 the community assistance program, and you managed  
12 to save those lines, which I think is very, very  
13 important. In terms of this, the family hotel  
14 program, let me make sure I understand. So, is  
15 this a complete elimination of the, of this line,  
16 or are there some of these professionals being  
17 applied to other work? Or how is this working?

18 ROB HESS: It's a complete  
19 reduction of the function in hotels. There are  
20 some additional, I think, positions within the  
21 Department. In this case, I think I might've  
22 mentioned this when you were out of the room, Mr.  
23 Chairman. We believe that when the bumping is  
24 done on this one, there'll be some case managers  
25 that we're hopeful many of which will be able to

2 move to HRA to fill the vacant positions there.

3 CHAIRPERSON DE BLASIO: Now, I did  
4 hear you say, and I appreciate, what is the  
5 timeline on that? What, we asked similar  
6 questions of your colleagues before, and it was a  
7 little bit grayer than we would've liked. So let  
8 me ask you, what is the timeline on coming up with  
9 a plan to see how many workers can actually have  
10 another opportunity here?

11 ROB HESS: That's a work that's  
12 very much in process, and our folks are working on  
13 it every day. I would say that between now and  
14 the end of June, in most cases.

15 CHAIRPERSON DE BLASIO: And given  
16 that that's the timeline for the layoffs, I mean  
17 are you committed to trying to make this seamless,  
18 so that a worker goes into a new position before  
19 the layoff takes effect?

20 ROB HESS: That's our intent, and  
21 in every case where that's possible, that's what  
22 will happen.

23 CHAIRPERSON DE BLASIO: Alright,  
24 and back on the community assistance, and again  
25 maybe this was covered, tell me if it was, but do

2 you believe that this, savings these lines, this  
3 174 lines, is effectively a permanent move, or do  
4 we expect this to come up again in the near future  
5 as an area of concern?

6 ROB HESS: Well, you know, in this  
7 current economic environment, it's difficult to  
8 say anything is forever, but certainly we felt it  
9 was important enough that we work with the union  
10 and others to provide a replacement PEG and  
11 reverse this action. And so it was important  
12 enough for us to do that. And so, we hope that it  
13 will be something we'll be able to continue long  
14 into the future.

15 CHAIRPERSON DE BLASIO: And that's  
16 with your overall reduction of 88 positions? In  
17 general, is there going to be an effort to find  
18 alternatives in the Administration for those  
19 folks, or are--?

20 ROB HESS: We're working hard to  
21 find alternatives for each and every person we can  
22 find an alternative for. We think that just makes  
23 sense. It's better for the City and better for  
24 the Department, and most importantly best for the  
25 employees.

2 CHAIRPERSON DE BLASIO: Okay. And  
3 lastly, and then I'll just say a quick wrap up,  
4 lastly, I mentioned in my opening, the \$4 million  
5 in savings by changing the way you provide  
6 payments to shelter providers. I hear constantly  
7 from providers about concerns, you know, in terms  
8 of their ability to keep providing the same level  
9 of service and the additional requirements and  
10 fewer resources. So it does feel like this, you  
11 know, vice is closing in on them. Can you  
12 describe how you expect folks to manage this \$4  
13 million cut?

14 ROB HESS: Yeah, this is in the  
15 adult provider side, and here we've been  
16 extraordinarily creative, frankly. We have said  
17 that we'll create a performance incentive program  
18 that will save the City the \$4 million; but do it  
19 in a way where providers that are performing at a  
20 high level will have an opportunity to either  
21 reduce or eliminate the hit on them. And so, this  
22 was very much a collaborative effort with the  
23 providers that we went through quite a process  
24 over, and my sense is that the vast majority of  
25 providers are very comfortable with where we ended

2 up. As opposed to a straight \$4 million across  
3 the board cut, we've created a system whereby if  
4 providers are doing well, they will be, take less  
5 of a cut, or not cut, based upon how it plays out.

6 CHAIRPERSON DE BLASIO: Well, I'm  
7 heartened by that, Commissioner, but I'd like to,  
8 by way of conclusion say, I, again, always like to  
9 give the benefit of the doubt, but I also note  
10 that the pattern in the last few months has been  
11 one of at least some communications challenges.  
12 We had that with the houses of worship; we  
13 certainly had that with the issue of requiring the  
14 rent payments from folks in shelter. I'm  
15 heartened that you're saying that there's been  
16 this dialogue with the adult shelter providers to  
17 try and make things more creative. I am concerned  
18 that they're being hit from many, many quarters  
19 here, and that if individual agencies are having  
20 trouble making ends meet, that there's going to be  
21 an open door to try and work with them, because I  
22 assure you, that you don't want to lose their  
23 capacity.

24 ROB HESS: No, I appreciate that.

25 CHAIRPERSON DE BLASIO: Okay, thank

2 you for all of your testimony, and your answers to  
3 our questions. I think in summation, obviously,  
4 we are thrilled by the good news of the stimulus  
5 funding, we'll monitor closely with you to make  
6 sure we maximize that. We're deeply concerned to  
7 protect workers who are laid off to find them  
8 other alternatives in real time. And we are  
9 particularly concerned to end once and for all  
10 this misguided policy of requiring rental payments  
11 for folks in shelter, and I really want to work  
12 with you to resolve that at the State level, if  
13 your own efforts do not succeed. And we look  
14 forward to your response on several other issues  
15 as quickly as possible on some of the other issues  
16 that we have outstanding. And thank you again for  
17 your testimony.

18 ROB HESS: Thank you, Mr. Chairman.

19 CHAIRPERSON DE BLASIO: Alright,  
20 we're going to move quickly to public testimony.  
21 Let me say at the outset that we have written  
22 testimony which will be submitted to the record by  
23 Georgia Lerner, of the Women's Prison Association,  
24 and Karen Friedman of the Lawyers for Children,  
25 Tamara Steckler of Legal Aid Society, and Robert

2 Rogan of Forestdale. All of those will be part of  
3 the formal record. And now to all up the first  
4 set, the first panel, thank you. Did I just say,  
5 Nicole? Didn't I just say--? [pause] Okay, I'm  
6 lost already. First panel, again this'll be two  
7 minutes each. So, we're going to bring up Nicole  
8 Laren, Ralph Palladino, and I think I've got this  
9 right, and Eddie Rodriguez. [pause, background  
10 noise] Hold on, we're having technical  
11 difficulties. Sergeant, come save me. [pause,  
12 background noise] Okay, who would like to go  
13 first?

14 EDDIE RODRIGUEZ: I'll go first.

15 CHAIRPERSON DE BLASIO: Very good,  
16 Mr. President, we welcome you.

17 EDDIE RODRIGUEZ: Okay. Good  
18 afternoon, Chairman Bill De Blasio, and the  
19 Committee members. I thank you for the  
20 opportunity to discuss the layoff that Local 1549  
21 is facing in Administration of Child Services, as  
22 the result of the Mayor budget for 2010 fiscal  
23 year. My name is Eddie Rodriguez, I am the  
24 President of Local 1549, representing 18,000  
25 clerical administration workers in New York City.

2 Local 1549 represent important support staff of  
3 the agency. The agency I'm talking about is ACS.  
4 There are, we represent clerical aids, clerical  
5 associate, even the eligibility specialists,  
6 paralegal and secretary. This agency is crucial  
7 to the City of New York. For the Commissioner to  
8 cut an agency which impact children and family is,  
9 that really needs help, is sinful. We're talking  
10 about children at risk. It will have a dramatic  
11 impact of their quality of life and maybe their  
12 safety. Brothers and sisters, the Mayor's always  
13 on TV doing this commercials. The Mayor of City  
14 of New York has engaged in a multimillion dollar  
15 public service campaign focused on green jobs  
16 throughout the five boroughs. And yet, at the  
17 same time, he is proposing - - layoffs. This  
18 layoff action target is, this layoff action has  
19 targeted the front line of support staff, my  
20 members that I represent in ACS. Local 1549 was  
21 notified last week, 67 out of 95 provisional  
22 clerical associate will be laid off. These worker  
23 perform important clerical administration duty,  
24 and other operation function. Didn't do that  
25 well. Local 1549 firm believe that these layoff

2 are not necessary. We strong believe that this  
3 Committee should take any steps necessary to avoid  
4 these layoff, given the fact ACS informed the  
5 union the agency will terminate or not, or not  
6 review approximately \$3 million of temporary  
7 contracting out workers. So I believe all that  
8 money they're saving is, we can save our members  
9 of Local 1549. Chairman, I want to thank you for  
10 talking about the - - test. This is something  
11 that Local 1549's pushing. I need the, your  
12 Committee really push it to DCAS. It's important.  
13 You're dealing with people who've been around for  
14 20-30 years. And it's also hurt not just Local  
15 154--but my brother and sister of 371, also is on  
16 the front line. We need to come together, because  
17 we make the City work, we protect these family and  
18 children, and I want to thank you for listening to  
19 me today.

20 CHAIRPERSON DE BLASIO: You're very  
21 welcome, Mr. President. We're going to pursue  
22 very vigorously in the budget negotiating process  
23 trying to stop the layoffs and really shine a  
24 light on the contracting out and using that money  
25 as an alternative. Thank you very much. Mr.

2 Paladino.

3 RALPH PALADINO: Ralph Paladino,  
4 Local 1549. First, I just want to bring your  
5 attention to a report. We represent the  
6 eligibility specialists in the City, working for  
7 HRA. And the recent report by Betsy Gotbaum, the  
8 Public Advocate, on the work that the eligibility  
9 specialists do both in food stamps and Medicaid.  
10 And looking to the future, with the crisis  
11 deepening, in terms of food stamps and Medicaid,  
12 certainly with the expansion, Medicaid is going to  
13 be important also in any kind of healthcare  
14 reform, whether it's state or federal. And we'd  
15 also like to thank you, Mr. Chairman, for your  
16 championing the working families for working New  
17 York childcare study and program. Childcare is an  
18 important issue for any working person. It just  
19 so happens that the example of the layoffs say in  
20 ACS, in ACS you have people, and I know someone  
21 very closely who's in 371, case worker, being laid  
22 off in the childcare area. These folks actually  
23 are responsible for making sure that the providers  
24 get paid. If the providers do not get paid, then  
25 what happens is people have to stop providing

2 childcare services, and people have to do without  
3 childcare. And this person, you know, so it has  
4 an effect on people who, you know, services of the  
5 City, but also it has an effect on this person.  
6 Layoffs affect working people who are doing very  
7 well in the City, comparatively speaking. This  
8 person just got off the civil service list, her  
9 husband is in construction, cannot get a job; she  
10 just had her third child, and she's facing layoff  
11 now. So I would like to know at what agency in  
12 the City, and what agencies in the City, are going  
13 to provide services for this middle class,  
14 Italian-American family in Staten Island, New  
15 York. I would like to know. They also got a call  
16 from a certain person running for candidate  
17 wanting their support, and the phone got hung up  
18 saying, "You're laying us off. You're laying my  
19 wife off, so I can't support you." I mean, this  
20 is the kind of ridiculousness going on in the  
21 City. Okay? And all that while rich people and  
22 bankers are getting all the money. Why doesn't  
23 the City Administration propose what Christine  
24 Quinn has proposed, is a wealth tax in the City,  
25 to generate the income needed to keep these people

2 working, and services provided. That's a question  
3 I'd like to ask. And I think it's an important  
4 question that's not being answered at this point.  
5 So asking for your support for that wealth tax, as  
6 well as ending wastefully contracting out  
7 civilianization, which is a way to save money, and  
8 of course the issue about wasteful contracts going  
9 to tax breaks for companies--

10 CHAIRPERSON DE BLASIO: Thank you.

11 RALPH PALADINO: --that are not  
12 providing jobs for the City, as well.

13 CHAIRPERSON DE BLASIO: You have my  
14 support on all that, for sure, and thank you for  
15 raising it. Please go ahead.

16 RALPH PALADINO: Sorry.

17 NICOLE LAVAN: Hi, good afternoon.  
18 Thank you all for staying. My name is Nicole  
19 Lavan, and I'm the Senior Policy Analyst for  
20 Child--can you hear? My name is Nicole Lavan, and  
21 I'm the Senior Policy Analyst for Child Welfare  
22 and Workforce Development at the Federation of  
23 Protestant Welfare Agencies. FPWA has been a  
24 leading policy advocate for individuals and  
25 families served by our almost 300 member human

2 service agencies, in churches in and around New  
3 York City. I want to discuss a few of our  
4 priorities in the areas of early childhood  
5 education, child welfare, income security and  
6 HIV/AIDS. As has been discussed quite often  
7 already today, we are very concerned about the  
8 transfer of kindergarten slots from childcare  
9 centers to public schools. We feel that this is  
10 going to seriously compromise the availability and  
11 quality of subsidized care. In addition, we're  
12 very concerned about the cuts to the child welfare  
13 services. In particular, we want to highlight the  
14 cut, the five percent cut to foster care  
15 administrative rates, and a trio of preventive  
16 service cuts, including \$4.2 million to reduce  
17 preventive caseloads from 15.1 to 12.1; \$3.1  
18 million in funds for preventive service  
19 enhancements; and \$2.4 million for additional  
20 preventive service slots. As the request for  
21 proposals has come out last week, and is going to  
22 be instituted soon, along with the system wide  
23 rollout of improved outcomes for children,  
24 whether--I think it's a big debate as to whether  
25 this is truly a cost neutral plan, as was stated

2 earlier today, but certainly I think that our  
3 agencies are going to have a difficult time  
4 implementing all of the requirements for IOC and  
5 this new RFP, if these cuts go through. In  
6 addition, we'd like to ask the Council to restore  
7 the \$2.1 million for the Emergency Food Assistance  
8 Program. And we're also concerned in HIV/AIDS  
9 about reducing the case management staff. The  
10 case management services provided by our member  
11 agencies are vital to prevent eviction and provide  
12 support to clients that are necessary for their  
13 medical treatment. Thank you.

14 COUNCIL MEMBER (UNIDENTIFIED):

15 Thank you. Madam Sears, do you have any  
16 questions?

17 COUNCIL MEMBER SEARS: I think just  
18 a comment, actually if I may. The fact is these  
19 cuts are really ludicrous, and I serve on the  
20 Health Committee as well as Finance and Budget  
21 Negotiating, and we hear HIV is on the rise with  
22 teenagers, and how we must give more attention to  
23 that. And at the same time, there are these cuts  
24 to something that we must really look at. So as I  
25 said early in the day, that we're penny wise and

2 pound foolish, and it's really going to be a  
3 negotiating tug. But I can tell you, they're  
4 wrong, I really think they're wrong, and we're  
5 going to have to correct them.

6 COUNCIL MEMBER (UNIDENTIFIED):

7 Thank you. I'm just stunned at the scope of all  
8 of these cuts, where we're talking of decades of  
9 social gain being seemingly challenged and erased  
10 overnight, if we don't do anything. It took  
11 decades to get here, I'm just hearing these HIV  
12 and the actual idea of getting rid of workers to  
13 work with those on foster care and things of this  
14 nature. We as a City, well this will certainly be  
15 a testament to where New York is going, and what  
16 are we about. I want to, if there are no further  
17 questions, I want to thank you very much for your  
18 testimony, and call the next panel forward.

19 RALPH PALADINO: Look, before I  
20 leave, can I say, 'cause you really pushed that  
21 education experience exam, 'cause people have been  
22 around for many years, and it's not fair. You  
23 know, you give your life to the City, you do a  
24 lot, especially in ACS. It's one of the agencies  
25 in the world that really provides children help,

2 and family, so to go down is a shame. So I'm  
3 asking everyone here to sit in that board of the,  
4 to please really push that, it's important to  
5 protect. Thank you.

6 COUNCIL MEMBER (UNIDENTIFIED):

7 Thank you. The next panel, ah, I'll let, just in  
8 time--

9 CHAIRPERSON DE BLASIO: Thank you,  
10 Mr. Acting Chairman. Faye Moore, Local 371, Neal  
11 Tepel [applause], Neal Tepel of 1707, and  
12 Stephanie Gendell of the Citizens Committee for  
13 Children. And while they're coming up, want to  
14 note that we have for the record, testimony from  
15 Hope Kelleher of Children's Aid Society. Madam  
16 President, would you like to begin?

17 FAYE MOORE: Sure, we're all in  
18 place? I guess it still qualifies for afternoon.

19 CHAIRPERSON DE BLASIO: [laughs]  
20 Vaguely.

21 FAYE MOORE: [laughs] Good  
22 afternoon. I'm, I am Faye Moore, I am the  
23 President of the Social Service Employees Union,  
24 Local 371, representing almost 18,000 social  
25 service professionals. I am here today because

2 over 600 of my members, social service  
3 professionals, are facing layoff. Over 500 of  
4 them work in the administration of children's, for  
5 children's services. 44 work in the Department of  
6 Homeless Services. These layoffs target the work  
7 that we do, and the people that we serve. On one  
8 hand, Mayor Bloomberg is blanketing New York with  
9 ads about creating and maintaining jobs for the  
10 middle class; on the other hand, he is laying off  
11 thousands of City workers. These layoffs are an  
12 attack--excuse me, these layoffs are an attack on  
13 good, unionized, public jobs. They are also an  
14 attack on--these layoffs will hurt us and put,  
15 hurt homeless families and put children at risk.  
16 They will eliminate or cut severely programs that  
17 provide daycare, preventive services, visitation  
18 for foster children and their families, sibling  
19 reunification, social services and homeless  
20 hotels, and help for teenage mothers. This is an  
21 organized, targeted assault on our communities.  
22 We are asking the City Council to oppose these  
23 layoffs and restore all of these programs and  
24 these jobs. Thank you.

25 CHAIRPERSON DE BLASIO: Thank you.

2 And we very much appreciate your advocacy on these  
3 issues, 'cause this is a time when Council Members  
4 need to understand exactly the ramifications of  
5 this budget. So thank you for having gotten that  
6 information out there front and center. Neil.

7 NEAL TEPEL: Good afternoon, my  
8 name is Neal Tepel, I'm Assistant to the Executive  
9 Director for District Council 1707. The Council  
10 represents 25,000 members in seven local unions,  
11 local 205, represents 6,000 workers in public  
12 childcare centers. ACS proposes to close the  
13 kindergarten classrooms and stop serving five year  
14 olds in all daycare programs. Displacing these  
15 young children from ACS centers will result in  
16 thousands of additional five year olds being  
17 forced to attend the already overcrowded public  
18 schools with no assurance that there will be any  
19 childcare available for their afterschool hours.  
20 It is hard to understand why ACS is persisting in  
21 pushing it's 3,300 five year olds into overcrowded  
22 public schools, when doing so would force the  
23 Department of Education to increase the class size  
24 of its kindergartners, default on its stated  
25 funded requirement to reduce class size, and spend

2 millions of dollars, millions, to renovate and bus  
3 young children to schools out of their  
4 neighborhoods. What New York City should be doing  
5 instead is utilizing the available space in  
6 childcare centers, for the expanding universal  
7 pre-kindergarten program. UPK classes could be  
8 moved out of overcrowded public schools into ACS  
9 childcare centers. By doing so, it is absolutely  
10 essential that DOE contract director with Centers.  
11 We don't need ACS involved anymore. It's just an  
12 extra layer of unneeded government. That is the  
13 only way to ensure they meet DOE UPK standards.  
14 Just a last note, I noticed that Head Start is  
15 facing three percent cuts, and I read a report  
16 when I was in Washington that stimulus money is  
17 being earmarked throughout the country directly  
18 for Head Start program, and I wasn't clear how  
19 they were using that designated funds to prevent  
20 layoffs in Head Start. Thank you.

21 CHAIRPERSON DE BLASIO: Thank you,  
22 Neal, and thank you very much for your activism.  
23 We appreciate it deeply. Go ahead, Stephanie.

24 STEPHANIE GENDELL: Hi, I'm  
25 Stephanie Gendell, the Associate Executive

2 Director at Citizens' Committee for Children.

3 While we're a multi-issue child advocacy

4 organization, and our testimony addresses all

5 three agencies today, I'm going to focus on ACS

6 because we feel that they're the emergency

7 responder for children in the City, and that this

8 budget did not treat them that way, and that this

9 budget is going to jeopardize child safety.

10 During this economic downturn, we worry that more

11 families and more children are going to need the

12 services of ACS, but that those services aren't

13 going to be available for families. At a time

14 when ACS has released their new RFP, and they're

15 in the process of implementing improved outcomes

16 for children, they're delegating more

17 responsibilities to the preventive and foster care

18 agencies, but they're about to pay them less.

19 They're going to increase caseloads at preventive

20 programs, they're going to take away the \$9

21 million enhancement, which already was down to

22 \$4.5 million this year. On the foster care side,

23 those children are in the custody of the

24 Commissioner, and we're taking away five percent

25 of the rate paid to care for them; money for

2 foster parent supports, as well as special  
3 payments for items for foster children. Part of  
4 their plan is to increase their monitoring of  
5 these children, and the agencies, and they're  
6 about to eliminate close to a thousand staff, so  
7 we're unsure how they're going to be able to  
8 monitor. Quickly on childcare, we're really  
9 concerned about the loss of capacity. We have a  
10 lot of concerns, but our largest concern is about  
11 the loss of capacity, which seems to be 32  
12 classrooms and 3,000 vouchers. On the 32  
13 classrooms that would only cost \$5 million to hold  
14 on to those 32 classrooms. And so, in this very  
15 big budget for the City, we hope we can find the  
16 resources to, for the \$5 million, for those 32  
17 classrooms.

18 CHAIRPERSON DE BLASIO: Thank you  
19 very much. Thank this panel for all of your help  
20 and all your activism. Next panel, Roxanna Henry,  
21 Nicole Branca, and Kristin Goodwin, please come  
22 up. [pause, background noise] Never dull around  
23 here. Okay. Please be seated. Who would like to  
24 begin? Someone claim it and begin. [laughs]  
25 Okay.

2 ROXANNA HENRY: Alright. Good  
3 afternoon. My name is Roxanna Henry, and I'm the  
4 Legal Advocate Organizer for Welfare Rights  
5 Initiative. I am also a Hunter College student  
6 receiving public assistance. On behalf of the  
7 staff and the student leaders at Welfare Rights  
8 Initiative, I am pleased to be here. My goal is  
9 to help the General Welfare Committee make real  
10 changes, to improve the lives of low income  
11 individuals and their families by allowing access  
12 to education, especially in four year colleges,  
13 and by allowing homework time to count. It is the  
14 most effective and efficient way to help families  
15 receiving welfare to permanently move off of  
16 welfare and out of poverty. A little out of  
17 breath, okay. Take a moment? [laughs] First let  
18 me introduce Welfare Rights Initiative, WRI. WRI  
19 is a grassroots student activist and community  
20 leadership training organization at Hunter  
21 College. WRI trains and supports students who  
22 have firsthand experience of poverty, to  
23 effectively promote access to higher education.  
24 Since its inception 14 years ago, WRI has assisted  
25 over 5,000 CUNY students like me, to continue to

2 pursue their education and graduate from college.  
3 As a student receiving public assistance, I know  
4 how important it is for me and my family to  
5 connect to the education, to an education, in  
6 order to obtain a livable wage job. I was  
7 employed for ten years, and like many New Yorkers  
8 working in mid-entry level jobs, my position  
9 didn't offer me health insurance, or a livable  
10 wage salary. I found myself in a health crisis  
11 and I applied for public assistance only when my  
12 situation became critical. I realized the only  
13 way to make sure that I would never find myself in  
14 that type of situation again, was to obtain the  
15 skills that I needed. I knew my only, the only  
16 sure way was to move myself and my family out of  
17 poverty--

18 CHAIRPERSON DE BLASIO: Okay,  
19 please summarize the rest. My apology.

20 ROXANNA HENRY: I will. Okay. So,  
21 again, I worked many years in sales, and it turns  
22 out that I needed health insurance 'cause 38 hours  
23 in sales doesn't offer you insurance when you're  
24 working in part time. And I applied for public  
25 assistance. I was told once I was stabilized,

2 that I could not go to school on public  
3 assistance. I found out luckily that same day,  
4 because the bus happened to stop in front of  
5 LaGuardia Community College, crying, I found out  
6 that I could go to school and be on public  
7 assistance. That was over five years ago, and I  
8 got to tell you, I work on the Welfare Rights  
9 Initiative, and I answer the phone lines, and not  
10 one day go by where I don't hear a student tell me  
11 they're almost the same, or exactly the same  
12 story. They're being told they can't access  
13 education, they're being discouraged from going to  
14 school, and this happens repeatedly, over and over  
15 again.

16 CHAIRPERSON DE BLASIO: Okay.

17 Thank you very, very much for your testimony. You  
18 can stay, you don't have to go. [laughs]

19 KRISTIN GOODMAN: Hi, I'm Kristin  
20 Goodwin from Housing Works, and I trust that you  
21 all read the written testimony that we submit.

22 CHAIRPERSON DE BLASIO: Yes, all  
23 written testimony goes into the formal record.

24 KRISTIN GOODMAN: So, I didn't want  
25 to read the whole thing, but I just wanted to

2 bring up a couple key points. We heard today  
3 Commissioner Doar's again say that HASA's prepared  
4 to take on the extra responsibility that will  
5 happen when they reduce community based case  
6 management services, and again I wanted to  
7 reiterate that the community and our clients, we  
8 have some serious questions about their  
9 capabilities, considering that right now, they, we  
10 have a lot of problems with people getting a hold  
11 of case managers and when their responsibilities  
12 increase I can only imagine that that's going to  
13 get more difficult, not easier. So, the second  
14 thing that I just wanted to say is that our  
15 original advocacy strategy was around the use of  
16 FMAP funding, the increase in federal medical  
17 assistance percentage. There's, the City's  
18 bringing in \$870 million, or saving \$870 million  
19 this year, on payments they won't have to make to  
20 Medicaid. And we were definitely advocating that  
21 that money be used towards Health and Human  
22 Services, which is what the State did with it;  
23 however, the Bloomberg Administration decided to  
24 just generally count that as income in the budget,  
25 and they cannot tell us how they've allocated it.

2 So, just to bring that to the further attention of  
3 City Council, it's something we're really  
4 concerned about, I think, considering that that  
5 money was supposed to be used towards healthcare,  
6 that was what we were hoping that it would be used  
7 towards, social services and health and that  
8 obviously has not been the case. So we would  
9 appreciate Council just continuing to push that  
10 with the Bloomberg Administration. Thanks.

11 CHAIRPERSON DE BLASIO: Thank you  
12 very much.

13 NICOLE BRANCA: Hi, my name's  
14 Nicole Branca, and I'm here today testifying for  
15 the Supportive Housing Network of New York. I  
16 testified here in March to the, to you [laughs].

17 CHAIRPERSON DE BLASIO: That's  
18 alright.

19 NICOLE BRANCA: So, I'll quickly go  
20 through my testimony. It's, much of it is the  
21 same, but I do have a few new critical points that  
22 I'd like to make. So, the restoration we're  
23 asking for is \$1.876 million for the case  
24 management services for formerly homeless New  
25 Yorkers living with HIV/AIDS. The cut that this

2 would, that this cut would create a caseload ratio  
3 of 30 to one, which would increase the current  
4 case ratio by 50 percent. Currently it's about 20  
5 to one. The budget implies that there are  
6 inefficiencies with HASA clients having both case  
7 managers at HASA, and case managers onsite in  
8 supportive housing. But there are six points I  
9 want to make about this, they're not duplicative.  
10 The first four I already made but are worth  
11 repeating. First, these crises that our tenants  
12 have do not just happen 9:00 to 5:00. And they,  
13 they can't be expected to have counselors across  
14 town only working 9:00 to 5:00 to be able to  
15 respond to their crises that happen at off hours.  
16 We recently, and this is new, the, we recently  
17 found this research that showed that 93 percent of  
18 supportive housing providers offered 24 hour  
19 assistance for tenants, and as far as I know,  
20 there isn't a single case worker at HASA that  
21 offers a minute of service after 5:00 o'clock.  
22 The second point, is that case managers can also  
23 prevent eviction. There's all this talk about  
24 prevention, which is great, we're getting all this  
25 money from the federal government for prevention.

2 But if we're not supporting the housing we have  
3 now, then we're going to create more homelessness.  
4 And this is the easiest way to prevent people,  
5 vulnerable people from going back into  
6 homelessness. The third point is that HASA case--  
7 and this is something that Housing Works  
8 mentioned, is that the caseworkers don't have the  
9 same background, they're not qualified to work  
10 with people who are often dually or triply  
11 diagnosed. Fourth, there's a huge increase,  
12 there's dozens of studies that show that if people  
13 don't get the services they need, they'll end up  
14 using much more expensive emergency services. And  
15 the two new points that I want to make, and this  
16 is one that one of our members made in written  
17 testimony in March. That if we slash their  
18 contracts, if the City slashes their HASA  
19 contracts, providers can serve a different  
20 population. And while we don't want to choose on  
21 vulnerable population after another, there's  
22 thousands of people living with HIV/AIDS that  
23 don't have permanent housing that need it. If  
24 these contracts are cut, our members can allow  
25 those contracts to run out, and then decide to

2 work with another agencies, that will continue to  
3 fund them at the level they need to. They're not  
4 going to put their tenants at harm. So if they  
5 can't give them the support that they need, then  
6 they'll have to get a contract with like DOHMH and  
7 that's not what we want to see happen.

8 CHAIRPERSON DE BLASIO: Okay.

9 NICOLE BRANCA: Sorry, really  
10 quick, the last point I want--

11 CHAIRPERSON DE BLASIO: Please.

12 NICOLE BRANCA: No, this is really  
13 important, the last point I want to make, and I  
14 thought it would come up earlier, is that there's  
15 a state match with these dollars, and so a  
16 question we want HRA to answer is, is this a  
17 \$1.876 million cut, or a \$3.8 million cut, because  
18 we think it's a 50 percent match from the State.

19 CHAIRPERSON DE BLASIO: And if  
20 you'll please follow up with our Counsel, Molly  
21 Murphy, we want to ask that in writing, too.  
22 That's an excellent point.

23 NICOLE BRANCA: Okay, thank you.

24 CHAIRPERSON DE BLASIO: Thank you  
25 very much. Our next panel, and please forgive me

2 if I'm having any trouble with the names.

3 Matthew, I can't see if it's Lasur or Laglur?

4 [off mic] Okay, I'm in the ballpark. Piper

5 Hoffman, and Angela Malvasio, Malvasio. [pause]

6 We welcome your testimony. Who would like to go  
7 first?

8 ANGELINA MALVISIO: I'll go first.

9 CHAIRPERSON DE BLASIO: Go ahead.

10 ANGELINA MALVISIO: Hi, good  
11 afternoon, my name is Angelina Malvasio, I'm a  
12 resident of City family shelter. I worked hard,  
13 got laid off, evicted soon after, then found out I  
14 was pregnant. I needed the help. I turned to a  
15 City shelter to get back on my feet. I was then  
16 told I would have to pay a percentage of my earned  
17 income to live in a shelter. On top of being six  
18 months, high risk pregnancy, I'm looking for a new  
19 job, and I have to pay for shelter and then still  
20 pay taxes. Paying to live in a shelter would  
21 stagnate everyone, especially those who are  
22 working hard to leave the shelter and gain  
23 independence once again. Many of us in this  
24 situation have families and children to feed and  
25 clothe. I for one have a new baby on the way I

2 must financially plan for ,and it's hard for all  
3 of us. I'm aware shelters don't bring money to  
4 the City, but maybe creating programs that would  
5 prove to be more effective, creating more low  
6 income housing, you could place us there, we'll  
7 pay for that. Another idea would be to create a  
8 savings program for shelter residents. We pay a  
9 percentage monthly have it put into an account,  
10 and when we're ready to move, we get all our money  
11 back, but maybe five percent, give or take; that  
12 five percent would be going towards the shelter  
13 stay. The whole point of a shelter would be for  
14 people in crisis to get help as well as help  
15 themselves, and you know, move on quickly. But  
16 paying for shelter is really defeating that  
17 purpose, making harder for people to continue  
18 towards their independence. We all want a safer,  
19 cleaner, and more family oriented New York City,  
20 but these strains are making it hard for people to  
21 nurture their families. Some people might turn to  
22 negativity as a desperate attempt to save  
23 themselves, increasing crime, the sales of drugs,  
24 and also increasing the usage of drugs. And also,  
25 pollution and disease from people that turn to the

2 streets and make it their home. I don't want to  
3 be in the shelter, I have to be here. But I'm  
4 working hard, and I'm taking advantage of the  
5 help, the little help that's being given to me.  
6 But I'm a taxpayer, and I would really like to  
7 know where our money is going, and our money needs  
8 to be used more wisely than it's being used now.

9 CHAIRPERSON DE BLASIO: Thank you  
10 very much for your testimony.

11 ANGELINA MALVISIO: Thank you,  
12 thank you.

13 CHAIRPERSON DE BLASIO: And we  
14 hope, we hope things work out for you, and  
15 appreciate you sharing your experience with us.

16 ANGELINA MALVISIO: They will,  
17 thank you.

18 CHAIRPERSON DE BLASIO: Thank you.  
19 Who'd like to go next? Anyone?

20 PIPER HOFFMAN: Hi, I'm Piper  
21 Hoffman, from the Partnership for the Homeless.  
22 Thank you for holding this hearing, and for  
23 staying around for public testimony. I've  
24 submitted my written testimony, so rather than  
25 read it, I'd like to respond to a few points that

2 were made in the testimony of the Commissioners of  
3 the HRA and of DHS. First of all, the priority of  
4 our homeless services should be prevention. It  
5 seems that everybody has agreed on that, including  
6 the Commissioners and all the Council Members.

7 However, if you look at what government is  
8 actually doing, it is not doing prevention. For  
9 example, Mr. Chairman, you mentioned that 25  
10 percent of participants in the Back to Work  
11 program wind up going back on cash assistance  
12 afterwards. I believe it's about 30 percent of  
13 people who leave shelters for permanent housing,  
14 wind up back in shelters again. Commissioner Hess  
15 talked about how he saw a documentary that took  
16 place in a city where they didn't have prevention,  
17 and they didn't have aftercare. We have those  
18 things, but they are entirely inadequate, they do  
19 not reach the entire population, and they've not  
20 very effective, because if they were, we wouldn't  
21 see people being recycled through the system over  
22 and over. Another example of this is HRA not  
23 counting education towards the work requirement,  
24 which was brought up by a Council Member. If we  
25 truly wanted to prevent homelessness, we would be

2 enabling people to improve their education and  
3 their job training. In Commissioner Hess's  
4 testimony, he said that DHS's core service is  
5 emergency shelter and moving families out of  
6 shelter as fast as possible. I submit that the  
7 core service should be prevention. And I, what  
8 I'm asking for is a shift in paradigm. What I'm  
9 asking for is that the City start to address  
10 housing as a human right. The rest of the world  
11 has already acknowledged that in the Universal  
12 Declaration of Human Rights. Every single New  
13 Yorker, simply by being a human being, has a right  
14 to housing. And I believe that's what government  
15 needs to do. Thank you.

16 CHAIRPERSON DE BLASIO: I  
17 appreciate your thought, and we've been trying to  
18 shift that paradigm quite a while, finally making  
19 a little progress. But I'm glad you are  
20 articulating it that way, 'cause I agree with you,  
21 it has to be a more basic way of looking at  
22 things. Please.

23 MATTHEW LESIEUR: Hi, my name is  
24 Matthew Lesieur, I'm a member of the HIV Planning  
25 Council; I'm here speaking on behalf of Soraya

2 Elcock, who's the community co-chair of the  
3 Council. So the HIV Planning Council is a 35  
4 member body, charged by the federal government  
5 with identifying gaps in services for people  
6 living with HIV/AIDS across the City, and then  
7 using limited federal resources to try and plug in  
8 gaps. So, we feel like it's our responsibility to  
9 identify when public policies are going to cause  
10 some serious problems for people living with HIV.  
11 So, every year, there are a little over 3,000  
12 people who are infected with HIV in this City. In  
13 2007, there were a little over 3,700 people.  
14 That's more people than many states or cities have  
15 in whole, and that's how many we have in one given  
16 year. So there are, in terms of the, there are  
17 three areas in the budget the Planning Council has  
18 some serious concerns about. One is the proposed  
19 elimination of Scatter Site II. Most of these  
20 clients wind up in the Scatter Site II because  
21 either they were homeless, or on the verge of  
22 becoming homeless, or at risk of, or becoming  
23 homeless. A lot of them had substance abuse or  
24 mental health problems, and so they needed the  
25 supportive services to really stabilize them and

2 keep them in their apartments. You remove those  
3 supportive services and you essentially put them  
4 at risk for the very reasons that may have put  
5 them in the program in the first place, whatever  
6 issues that may have caused them to become almost  
7 homeless. The other issue is obviously the  
8 elimination of case management staff at supportive  
9 housing programs. You essentially are eliminating  
10 the word "supportive" from supportive housing, if  
11 you get rid of the case management. And these  
12 programs essentially become landlords and nothing  
13 more. And then the third is the, basically the 50  
14 percent proposed reduction in HIV nutrition  
15 programs. And I have to say, I'm a little shocked  
16 by HRA's response this morning, which was that  
17 because the program has other funding sources,  
18 that that entitles the City to cut its funding in  
19 half. It's almost the equivalent of having say  
20 two part-time jobs and one job telling you, "We're  
21 going to cut your pay in half because you have  
22 another job." It seems unconscionable that's the  
23 excuse they're giving. So, with that, I talk  
24 fast, so I'll end it. Thank you.

25 CHAIRPERSON DE BLASIO: Very

2 impressive. Exactly on time, thank you very much.  
3 Thank you all for your testimony. Now, Maricella  
4 Gilbert, Georgia Lerner we have a card for, but I  
5 think we've got her written testimony, and I don't  
6 know if she's still here, but that written  
7 testimony will certainly be in the record. So,  
8 Maricella, and then Michael Lambert. And let me  
9 try Gregory Bredlin. I'm not sure if I'm getting  
10 that right. Brenden, I'm sorry. My apology.  
11 Come on, you're making me struggle with the  
12 handwriting here. [laughs, background noise]  
13 Alright, who would like to go first?

14 MARICELLA GILBERT: I'll go first.

15 CHAIRPERSON DE BLASIO: Welcome,  
16 thank you.

17 MARICELLA GILBERT: Thank you.

18 Thank you for the opportunity for me to address  
19 the Council at this time. I'm from the Center for  
20 Community Alternatives, an alternative to  
21 incarceration program for women. I'm the Clinical  
22 Director there. And today we would like to say  
23 thank you to the Council for allowing us to bring  
24 up these issues relating to women who have been in  
25 our program and have had a successful rate of

2 being avoiding going to prison, as well as being  
3 reentering into society. And I just would like to  
4 state some highlights, some of the statistics.

5 Last year, our ATA program, like many of the  
6 programs, saw a significant reduction in funding.

7 Our Council supported programs were cut by 38  
8 percent. We understand that the difficult

9 economic conditions last year continues to remain  
10 the same this year, and understand that difficult

11 choices that the Council is forced to make;

12 however, we are requesting that the renewal of  
13 funding that was provided last year, would be,

14 would continue, and that we are not asking for  
15 restoration, but that our program not have to

16 sustain further cuts. As far as some statistics,  
17 last year we served about 146 women, about 70

18 percent successfully completed their, this

19 program; and of those who did not complete, only

20 four percent were rearrested for a new crime. As

21 part of our federal funding, we are required to

22 conduct six post-program follow-up. Our results

23 show that six months after program completion, 81

24 percent of Crossroad graduates remain crime free,

25 and 90 percent have remained drug free. Other

2 important measures of success are community and  
3 family stability, and 70 percent of program  
4 participants were living in stable housing by the  
5 time they graduated from Crossroads. And 75  
6 percent of women with family reunification issues  
7 were reunited with their children, or were able to  
8 maintain custody for their children. On behalf of  
9 the City's ATI community, I would like to thank  
10 you again for your time today. We hope that you  
11 will be able to provide continued support for our  
12 work with women in this New York City area.

13 CHAIRPERSON DE BLASIO: Thank you.

14 Go ahead.

15 MICHAEL LAMBERT: Good afternoon,  
16 Chairman--good afternoon, Chairman De Blasio. I  
17 want to thank you for giving me the opportunity to  
18 testify in front of the Committee this afternoon.  
19 My name is Michael Lambert, I am the Program  
20 Director of the New York Children's Health  
21 Project, which is the flagship program of the  
22 Children's Health Fund. The Children's Health  
23 Fund was founded in 1987 by singer/songwriter Paul  
24 Simon and pediatrician child advocate Dr. Irwin  
25 Redlener, specifically to address the healthcare

2 needs of children living in City shelters. Today,  
3 the New York Children's Health Project has a fleet  
4 of mobile medical units that provide services in  
5 14 different locations, including a number of tier  
6 two shelters in the boroughs of Manhattan,  
7 Brooklyn, The Bronx and Queens. We service over  
8 3,500 unique individuals in the case, course of a  
9 year, two-thirds of which are children. It's our  
10 mission to provide a medical home to these  
11 children, helping the families stabilize their  
12 health, so they can have one less thing to worry  
13 about as they seek stable housing. Children  
14 living in shelter have gone through traumatic  
15 experience of losing their home, and their  
16 families struggle every day. Now these families  
17 must struggle against what we feel is another wave  
18 of misguided policies: the income contribution  
19 requirement that was implemented on May 1<sup>st</sup> of this  
20 year. [pause] Okay, reports from shelter  
21 providers vary, but CHF has received information  
22 of one resident who received a bill for over  
23 \$1,000 for one room shelter, that has a sink and a  
24 toilet, not kitchen, with bare essentials. The  
25 resident makes \$200 a week at her job, and clearly

2 this was just one of the miscalculations that HRA  
3 made in sending the bills out for the income  
4 contribution requirements. Another resident of a  
5 shelter receives medical services from our  
6 program, and complained of, were given a week's  
7 notice to come up with \$450 in income  
8 contribution, even though she had a low earning  
9 job. As you consider the budget going forward, we  
10 call on you to weigh heavily on the Department of  
11 Homeless Services, to really rescind the policy of  
12 the income contribution requirement, as we feel it  
13 really does a disservice to all New Yorkers,  
14 including in particular the homeless. Thank you.

15 CHAIRPERSON DE BLASIO: Thank you  
16 very much.

17 GREGORY BRENDER: Hi. Thanks for  
18 the opportunity to testify and for all your  
19 advocacy and work on behalf of childcare and human  
20 services. I'm here on behalf of United  
21 Neighborhood Houses, the federation of 36  
22 community centers and settlement houses. Our  
23 members provide early childhood education through  
24 City funded childcare, family childcare networks,  
25 Head Start, universal pre-kindergarten, and other

2 programs. I'll submit written testimony with more  
3 detail about each of the cuts, but the impacts  
4 that these cuts are having on providers are both  
5 very dramatic, and then there's a lot of cuts  
6 themselves. So, for example, we've got the 3.03  
7 percent cut to Head Start. This is something that  
8 was announced midyear, and to a large extent  
9 providers don't know how they're going to take  
10 this cut. We also have \$12 million cut from  
11 programs that offer UPK as part of a full day of  
12 education. This is going to require providers to  
13 do things such as cut the number of special needs  
14 students they have, remove art, music and really  
15 any enrichments that they have to the class, and  
16 cut teacher salaries. And we thank you for  
17 including that cut in the Council's budget  
18 response this year, as it was something that's,  
19 didn't get a lot of attention from the media or  
20 from other sources, when it initially happened.  
21 As you know well, there's the capacity  
22 eliminations which we're glad they, we're going to  
23 see 2,000 of those slots preserved through the  
24 stimulus funds, and obviously hope that the  
25 additional 1,300 to 1,400 slots that are still in

2 jeopardy can be saved. And then also, we have  
3 providers are impacted by the cuts to ACS  
4 themselves. One example of this is the  
5 elimination of a lot of the staff and resource  
6 areas. This is going to mean that all providers  
7 are going to now have to be doing community based  
8 enrollment. So, the work of determining  
9 eligibility for children, marketing, finding all  
10 these things will all need to be done by  
11 providers. And these are programs, these are  
12 services that aren't funded as part of the  
13 childcare budget. Sometimes you use Head Start  
14 family workers, but for smaller agencies, that  
15 kind of new responsibility will be difficult to  
16 take on.

17 CHAIRPERSON DE BLASIO: Please sum  
18 up, I'm sorry, we're really running out of time.

19 GREGORY BRENDER: And that's, okay,  
20 thank you.

21 CHAIRPERSON DE BLASIO: Okay, thank  
22 you very much, thank you to this panel, thank you  
23 for the good work you do.

24 GREGORY BRENDER: Thank you.

25 CHAIRPERSON DE BLASIO: And our

2 next panel, Wanda Fossett--again forgive me if I  
3 get any names wrong--Janet Rivera and Deb Howard.  
4 Tell me who's here from that group. I called your  
5 name, say "I'm here." Okay. Everyone's here,  
6 good. Okay. [laughter] Welcome.

7 WANDA FOSSETT: Thank you. You can  
8 go first.

9 CHAIRPERSON DE BLASIO: Wait, do I  
10 have one more? Okay, let me, Wanda, who's--Who's  
11 Wanda?

12 WANDA FOSSETT: Wanda.

13 CHAIRPERSON DE BLASIO: Wanda.  
14 Janet?

15 JANET RIVERA: Right here.

16 CHAIRPERSON DE BLASIO: Okay, Deb  
17 Howard is here or not? No Deb Howard. Thomas  
18 Cooks? Am I getting that right? SCO Family  
19 Services, Thomas? No? Edith Holzer? Come on up.  
20 Wanda why don't you go ahead and Edith will join  
21 in progress.

22 WANDA FOSSETT: Okay. Thank you  
23 for allowing us to give out testimony. Due to  
24 this timely manner, I'd like to cut to the chase,  
25 because even though I've been part of being in the

2 process of the problem, Community Voices Heard has  
3 an excellent solution to the problem. My name is  
4 Wanda Fossett, and I've been a member of Community  
5 Voices Heard for one year, for over one year, but  
6 I've also been in the public assistance since  
7 September 2007, almost two years. I came to  
8 public assistance because I was working for a  
9 nonprofit organization and I lost my job, they  
10 downsized. And I was denied unemployment for  
11 about four times. But Albany, the unemployment up  
12 in Albany told me to continue to apply. But due  
13 to the fact that I was in arrears, I could no  
14 longer wait. And so I came to public assistance  
15 for help, expecting them to help me, but the work,  
16 Back to Work program does not work. Trust me, it  
17 does not work. As soon as I became, applied for  
18 welfare, I was told to go back to the job search  
19 program. Applicants for welfare should not be  
20 made to go back to the program, because our  
21 benefits haven't kicked in. And it is unfair and  
22 doesn't help us to move into the workforce. And  
23 in fact, it just makes our life more miserable.  
24 Especially due to the meager benefits that we get.  
25 I didn't even have enough money to buy clothes, to

2 keep my cell phone on, or even soap, so that I  
3 could be presentable to go for job interviews.  
4 When I lost my job, my rent went into arrears, and  
5 I was later evicted because I complied with my  
6 part of HRA, but HRA did not comply with theirs,  
7 which was a restore order given to me by the  
8 courts.

9 CHAIRPERSON DE BLASIO: Forgive me,  
10 'cause the hour is late, why don't you sum up your  
11 core point, please.

12 WANDA FOSSETT: I would like to sum  
13 up this point.

14 CHAIRPERSON DE BLASIO: Yep.

15 WANDA FOSSETT: Very much. Number  
16 one, we're asking that you do not approve the  
17 budget for Back to Work program. \$53 million is  
18 being wasted on this program, and it does not  
19 allow us, this limited amount of money should not  
20 be wasted in this program. Two, if they can use  
21 the 25 percent Back to Work budget for the job  
22 training participant program, JTP, because the  
23 transitional jobs like JTP has been proven to work  
24 for people, instead of continually wasting money  
25 in Back to Work. Why not put this money to better

2 works.

3 CHAIRPERSON DE BLASIO: Okay, you  
4 need to sum up a little quicker, we're trying to--

5 WANDA FOSSETT: Finally, we  
6 encourage the New York City Comptroller deny the  
7 approval of Back to Work contracts, and instead  
8 use, issue and emergency extension of the program  
9 until a new and improved program is created and  
10 put into place. The deadline for the Commissioner  
11 Doar to submit the renewed contract to the  
12 Comptroller is this week. This means that the  
13 power to drastically change and improve Back to  
14 Work lies in the authority of the City  
15 Comptroller, Mr. William "Bill" Thompson.

16 CHAIRPERSON DE BLASIO: Okay, I'm  
17 sorry.

18 WANDA FOSSETT: Members of  
19 Community Voices Heard--

20 CHAIRPERSON DE BLASIO: I hate to  
21 do it to you, really, I'm trying to keep a little  
22 bit of a fair standard.

23 WANDA FOSSETT: Okay, we're just  
24 urging you to help us to not give any more money  
25 back to the Back to Work program because it does

2 not work.

3 CHAIRPERSON DE BLASIO: Well, I  
4 appreciate CVH's work on this.

5 WANDA FOSSETT: Thank you so much.

6 CHAIRPERSON DE BLASIO: And we I  
7 think pressed the Commissioner very hard today,  
8 because I think we share a lot of those concerns.  
9 So thank you, and thank you for your testimony.

10 WANDA FOSSETT: Yeah, so you have  
11 my testimony, so--

12 CHAIRPERSON DE BLASIO: Thank you.  
13 Go ahead, Janet.

14 JANET RIVERA: Yes. My name is  
15 Janet Rivera, I'm a mother of three, a Community  
16 Voices Heard Board Member and a public assistance  
17 recipient. I'm here to talk about Back to Work  
18 and job training, the job training program. I've  
19 also experienced working with, in WEP. For the  
20 past six years, I have been on and off welfare. I  
21 came to public assistance because I was separated  
22 and was struggling to raise my children on my own.  
23 The challenges of parenting, cycling in and out of  
24 employment and trying to pursue my education made  
25 it difficult for me to financially support me and

2 my kids. And I'm going to jump ahead, but for the  
3 past four years, I have worked with CVH members to  
4 expand the JTB program and WEP. Most recently, I  
5 have been active in our welfare campaign to  
6 dramatically improve the Back to Work program. I  
7 have experienced all of these programs, and I am  
8 telling you from firsthand experience that Back to  
9 Work is a failure, WEP is slave labor, and JTPs  
10 are better than any welfare job readiness program.  
11 As a former participant of these programs, I'm  
12 calling on New York City Council's General Welfare  
13 Committee to do the following. One, end the work  
14 experience program, it does not help any of us  
15 move into good jobs. If the purpose of WEP is to  
16 help prepare us for the workforce, it has failed  
17 miserably and should no longer exist. Two,  
18 replace WEP with JTPs. The Pops program gave me  
19 what WEP did not: the dignity of work and an  
20 opportunity to learn a skill that could lead to a  
21 good paying job. JTP is better than WEP because  
22 you can get paid and develop skills, get training  
23 and education and build your résumé with valuable  
24 work experience. And lastly, number three, use  
25 anticipated federal economic funds for expanding

2 the JTP program into all City agencies and across  
3 job types. Over \$100 million will be possibly  
4 come down from the federal government for  
5 subsidized employment. It would be a shame to  
6 waste this money. Use these funds to expand the  
7 JTP program. Thank you.

8 CHAIRPERSON DE BLASIO: Thank you  
9 very much, Janet. Edith.

10 EDITH HOLZER: [off mic] Thank you.  
11 My name is Edith--

12 CHAIRPERSON DE BLASIO: You need  
13 your microphone on. [laughs]

14 EDITH HOLZER: Oh, sure, thank you.  
15 My name is Edith Holzer, I'm Director of Public  
16 Affairs for the Council of Family and Childcaring  
17 Agencies, COFCA. COFCA is the primary statewide  
18 membership organization for not-for-profit child  
19 welfare provider organizations, representing over  
20 115 agencies that contract with ACS and the County  
21 Departments of Social Service to provide foster  
22 care, preventive services, adoption and after care  
23 services. We, on behalf of the very vulnerable  
24 children and families served by these agencies, we  
25 thank Chairman De Blasio for your leadership on

2 all issues affecting the safety and wellbeing of  
3 the children in the City, especially your  
4 championship of the Child Safety Initiative, which  
5 lowered case loads and preventive services to one-  
6 to-twelve. As we heard today, they're closer to  
7 one-to-fourteen, because of the tremendous  
8 pressure on preventive services and the half  
9 million dollar cut to Preventive Services last  
10 year. Restoring the Child Safety Initiative is of  
11 primary concern to us, because Preventive Services  
12 programs rely on the work of case workers to  
13 protect children and to keep their families  
14 together. The City, as you can see, is cutting  
15 back in many, many areas in child welfare and  
16 child safety, and that's going to put more  
17 pressure on the preventive programs to work with  
18 higher risk families, and to protect their  
19 children. I also want to clarify something else  
20 that's a cut in the City budget to child welfare,  
21 and that's the five percent cut to foster care  
22 administrative rate. I think that needs to be  
23 clarified. When we talk about the administrative  
24 rate, we're not talking about something that is,  
25 doesn't directly affect children. When agency,

2 foster care agencies are cut, they're very lean  
3 staff. They, that immediately means they're going  
4 to have to lay off case workers. And if you lay  
5 off caseworkers in foster care, you're going to  
6 slow down the permanency of children. They will  
7 take longer to get them adopted, it will take them  
8 longer to return home. And since agencies are now  
9 taking over case management because of IOC, it's  
10 going to threaten the very sensitive decisions  
11 they have to make. Thank you very much.

12 CHAIRPERSON DE BLASIO: Thank you  
13 very much, Edith, and thanks for all your help to  
14 this Committee. Okay, we're, we got one panel,  
15 maybe just a little more left. Hope Kelleher, I  
16 raised her name earlier, written testimony, I  
17 think that's covered, she's going to the record  
18 with the written testimony. Okay. Carol Corden.  
19 If you're here, Carol are you here? Okay.  
20 Robert, and I can't read the last name, from  
21 Jewish Childcare Associates. Robert? Come on up.  
22 There's Carol. Triada Stampas, Food Bank for New  
23 York City. Come on up. We've only got one more,  
24 so I'll call him up, Jose Belizario? Are you  
25 here? Come on up. Just get another chair and

2 we'll make it work. This will be the last panel?

3 Who would like to begin?

4 TRIADA STAMPAS: Yes? Okay.

5 CHAIRPERSON DE BLASIO: Go ahead.

6 CAROL CORDEN: Okay. Is the mic  
7 on?

8 TRIADA STAMPAS: Yes.

9 CAROL CORDEN: Okay. My name is  
10 Carol Corden, and I'm the Executive Director of  
11 New Destiny Housing Corporation, a citywide  
12 nonprofit that provides housing and services to  
13 low income survivors of domestic violence. I  
14 offer testimony today to request that the New York  
15 City Human Resources Administration's Office of  
16 Domestic Violence and Emergency Intervention  
17 Services be given additional resources to promote  
18 successful permanent housing placement for  
19 residents of the domestic violence shelter system.  
20 These additional resources are needed to address  
21 two issues. The first is the documented increase  
22 of demand for services by domestic violence  
23 survivors. The second is the large number of  
24 emergency domestic violence shelter residents, who  
25 leave at the end of their short New York State

2 mandated length of stay, without safe stable  
3 housing, still homeless, and often at risk of  
4 continued violence. The Mayor's preliminary  
5 management report for City fiscal year 2009  
6 documents the increase in demand for domestic  
7 violence services. The domestic violence  
8 nonresidential caseload increased by 42, 14.2  
9 percent during the first quarter of City Fiscal  
10 year 2009. And the percentage of families seeking  
11 shelter at Path, who enter HRA's DV shelters has  
12 gone up 27.2 percent, from 27.2 percent in 2008,  
13 to 43.1 percent in the first months of the year.  
14 Moreover, in calendar year 2008, only 14 percent  
15 of households exited the emergency domestic  
16 violence shelter system with permanent housing.  
17 HRA, and that's, and the Office of Domestic  
18 Violence and Emergency Intervention Services, is  
19 responsible for a shelter system which serves  
20 3,600 households a year, the NoVA, or No Violence  
21 Again program in the DHS system, and twelve  
22 nonresidential domestic violence programs among  
23 other functions. Recently, the five different  
24 Advantage New York programs--

25 CHAIRPERSON DE BLASIO: I hate to

2 do it to you, I really need people to summarize,  
3 please try and get to the heart of it and  
4 summarize, 'cause we're really out of time. Go  
5 ahead and finish up.

6 CAROL CORDEN: Yep. Okay. Yes.  
7 Okay, the proposed executive budget only includes  
8 a one percent increase in funding for this office  
9 over last year, and proposes an actual reduction  
10 in staff for this office. We know that HRA is  
11 willing to work with DV providers to really  
12 promote better housing outcomes, but they can't do  
13 it without staffing and funding. And therefore  
14 we're really asking that ODVEIS be given  
15 additional funding to successfully implement  
16 programs for domestic violence survivors. In the  
17 case of women and children who are leaving the  
18 domestic violence system, it's literally the  
19 difference between life and death. Thank you very  
20 much.

21 CHAIRPERSON DE BLASIO: Thank you,  
22 very much. Who'd like to go next?

23 ROBERT CIZMA: Good afternoon, my  
24 name is Robert Cizma, and I'm the Vice President  
25 of Mental Health and Preventive Service Division

2 at Jewish Child Care Association. JCCA is a large  
3 social service and mental health agency that  
4 services over 12,000 children and families a year.  
5 I'd first like to thank the City Council for  
6 taking the time to give individuals like myself  
7 the opportunity to share our concerns about  
8 increasing caseloads to 15 families for each  
9 Preventive service worker and how this will place  
10 the children of these families at risk. I would  
11 like to remind everyone, it was the City Council  
12 who voted to reduce caseloads to twelve families  
13 per preventive service worker in June 2006, for  
14 the following fiscal year. This action occurred  
15 after preventable death of Nixzmary Brown. The  
16 City Council understood, to avoid a tragedy of  
17 Nixzmary Brown from occurring again, they needed  
18 to keep caseloads at management levels. This is  
19 necessary, both for child protective workers in  
20 the field office, who investigate families, and  
21 for the preventive service programs who work to  
22 stabilize and prevent families from repeating the  
23 vicious cycle of child abuse and neglect. When  
24 you take into consideration that the average  
25 parent involved in preventive services has three

2 children per family, the preventive social worker  
3 with a caseload of twelve families, is responsible  
4 for at least 36 children. Typically, this  
5 includes acting out teenagers who require a great  
6 deal of outreach to locate and engage them, young  
7 children who are nonverbal and afraid to speak  
8 out. These children, like Nixzmary, needed to--  
9 constant monitoring and advocacy to ensure their  
10 safety. By increasing caseloads back to 15  
11 families, the preventive service social worker  
12 would be responsible for at least 9 additional  
13 children, providing quality service be  
14 compromised, and will ultimately place a higher  
15 risk to a child's safety. As a phase one IOC  
16 provider agency, we understand the value of the  
17 FTC, the Family Teen Conference, case management  
18 responsibilities, time stamp communications with  
19 ACS and OCFS, regular safety evaluations of each  
20 child and at each home visit, are just a few of  
21 the many responsibilities placed onto workers. By  
22 increasing the caseloads back to 15, the entire  
23 IOC concept would be in jeopardy, and we'll be  
24 back to where we were before the increase. I  
25 implore the City Council to provide additional

2 funds to keep caseloads at a manageable level and  
3 protect the most vulnerable children in New York  
4 City.

5 CHAIRPERSON DE BLASIO: Thank you,  
6 and we appreciate some of those statistics you  
7 gave, that was very helpful for the arguments  
8 we're going to have to make in the coming weeks of  
9 the budget process. So thank you.

10 ROBERT CIZMA: Thank you.

11 CHAIRPERSON DE BLASIO: Someone,  
12 Triada, go for it.

13 TRIADA STAMPAS: Hi, I'm Triada  
14 Stampas, Director of Government Relations and  
15 Public Education at the Food Bank for New York  
16 City, and I want to thank you for the opportunity  
17 to testify, and commend you on your diligence in  
18 your anti-hunger work, and also on your stamina  
19 today. It's been a long day. [laughs]

20 CHAIRPERSON DE BLASIO: Yes, it has

21 - -

22 TRIADA STAMPAS: Just to get  
23 straight to the point, you, I know that you well  
24 know the statistics on the need that New York City  
25 is facing, and I followed the discussion earlier

2 and the testimony of HRA earlier, with great  
3 interest, and I just want to remind this Committee  
4 that before anyone can eat, or I mean, before  
5 anyone can work or learn, they need to eat, and  
6 neither of those activities will happen if people  
7 aren't eating. And New York City is experiencing  
8 a level of need that's unprecedented in its modern  
9 history, as is evidenced by the high food stamp  
10 caseload, and also by the number of people being  
11 turned away by food pantries and soup kitchens.

12 And our of emergency food organizations was  
13 struggling even before this recession hit. In  
14 2007, the number of people accessing food pantries  
15 and soup kitchens had gone up 27 percent from  
16 three years before; half of food pantries and soup  
17 kitchens were turning people away, most often  
18 because of a lack of food, and that was before  
19 this recession hit. So, to cut straight to the  
20 chase, flat funding of government support for  
21 emergency food amounts to a cut when prices are  
22 going up, and need is increasing. The emergency  
23 food assistance program has been effectively flat  
24 funded for at least the last five years. So we  
25 urge this, the City Council and the Administration

2 in budget negotiations to reach a higher level of  
3 EFAP funding. It's not meeting needs. The level  
4 of increases in other sources of government  
5 funding for emergency food, both from the farm  
6 bill at the federal level, and the recent increase  
7 in HIPNAP [phonetic], are just, we're just making  
8 up for, we're just regaining lost ground,  
9 basically.

10 CHAIRPERSON DE BLASIO: Thank you.  
11 Thank you very much. And Jose, you have the honor  
12 of being the last witness of the day.

13 JOSE BELIZARIO: Yes, but I would  
14 like to somewhat alter that. I would like to  
15 submit my testimony as written--

16 CHAIRPERSON DE BLASIO: Yes.

17 JOSE BELIZARIO: --and yield my two  
18 minutes to Richard.

19 CHAIRPERSON DE BLASIO: Sure.

20 JOSE BELIZARIO: And he will give  
21 you a little more explanations.

22 CHAIRPERSON DE BLASIO: Just let  
23 him introduce himself and go ahead.

24 RICHARD GRAHAM: Good evening, my  
25 name is Richard Graham. I'm a client of Momentum.

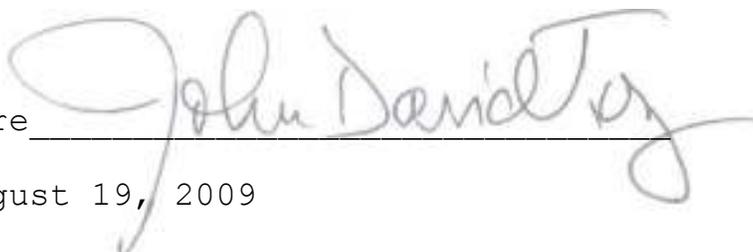
2 I'm here to drive home the fact that the imposed  
3 budget cuts would be a disaster. I go to Moment--  
4 Okay. I go to Momentum. I help feed the people  
5 that come in because when I didn't know where my  
6 next meal was coming from, they fed me, so it's  
7 now my turn to do the same for others. They come  
8 young, they come old, they come male, they come  
9 female. People are hungry, and with the downturn  
10 in the economy, there are more people every day.  
11 The budget cuts to Momentum, I just can't see it  
12 coming. I can't. If you could restore the money  
13 and maybe give more, 'cause there are more people  
14 hungry, and the infection rate is increasing. We  
15 need your help. That's all I have to say.

16 CHAIRPERSON DE BLASIO: Thank you.  
17 And thank you for sharing your story with us, and  
18 also thank you for what you're doing to help  
19 others. We appreciate it. Thank you to the whole  
20 panel. That concludes this hearing. The, we also  
21 have written testimony that'll go into the record  
22 for the New York City AIDS Housing Network. And  
23 with that, I'll say this hearing of the General  
24 Welfare Committee and the Finance Committee is  
25 adjourned. [gavel]

C E R T I F I C A T E

I, JOHN DAVID TONG certify that the foregoing transcript is a true and accurate record of the proceedings. I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.

Signature \_\_\_\_\_

A handwritten signature in cursive script, appearing to read "John David Tong", written over a horizontal line.

Date August 19, 2009