

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

1

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

CITY COUNCIL  
CITY OF NEW YORK

----- X

TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE  
JOINTLY WITH THE COMMITTEE ON SMALL BUSINESS,  
THE COMMITTEE ON PUBLIC HOUSING,  
AND THE COMMITTEE ON CRIMINAL JUSTICE

----- X

May 23, 2022  
Start: 10:06 a.m.  
Recess: 4:47 p.m.

HELD AT: REMOTE HEARING (VIRTUAL ROOM 1)

B E F O R E: Justin L. Brannan,  
Chairperson of the Committee on  
Finance

Julie Menin,  
Chairperson of the Committee on  
Small Business

Alexa Avilés,  
Chairperson of the Committee on  
Public Housing

Carlina Rivera,  
Chairperson of the Committee on  
Criminal Justice

COUNCIL MEMBERS:

Diana Ayala  
Charles Barron  
Carmen N. De La Rosa  
Darlene Mealy  
Chi A. Ossé

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

2

COUNCIL MEMBERS: (CONT.)

Lincoln Restler  
Rafael Salamanca, Jr.  
Pierina Ana Sanchez  
Julie Won  
Justin L. Brannan  
Sandra Ung  
David M. Carr  
Gale A. Brewer  
Amanda Farias  
Crystal Hudson  
Farah N. Louis  
Vickie Paladino  
Marjorie Velázquez  
Ari Kagan  
Althea V. Stevens  
Mercedes Narcisse

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

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

3

A P P E A R A N C E S

Kevin D. Kim,  
Commissioner of New York City Department of Small  
Business

Jackie Mallon  
First Deputy Commissioner of New York City  
Department of Small Business

Dynishal Gross  
Deputy Commissioner of New York City Department  
of Small Business

Lucinda Glover  
Deputy Commissioner of New York City Department  
of Small Business

Kitty Chan  
Deputy Commissioner of New York City Department  
of Small Business

Calvin Brown  
Assistant Commissioner of New York City  
Department of Small Business

Andrew Schwartz  
Deputy Commissioner and General Counsel

Gregory Russ  
Chair and CEO of the New York City Housing  
Authority

Annika Lescott  
Executive Vice President and Chief Financial  
Officer of the New York City Housing Authority

Daniel Sherrod  
Chief Operating Officer of the New York City  
Housing Authority

Shaan Mavani

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

4

Chief Asset and Capital Management Officer of the  
New York City Housing Authority

Joey Koch  
Chief of Staff of the New York City Housing  
Authority

A P P E A R A N C E S (CONT.)

Louis Molina  
Commissioner of the Department of Corrections

Kat Thomson  
Chief of Staff of the Department of Corrections

Lynelle Maginley-Liddie  
First Deputy Commissioner and Chief Diversity  
Officer of the Department of Corrections

Patricia Lyons  
Deputy Commissioner for Financial Facility and  
Fleet Administration of the Department of  
Corrections

Francis Torres  
Deputy Commissioner for Programs and Community  
Partnerships of the Department of Corrections

Melissa Guillaume  
Acting Deputy Commissioner for Legal Matters of  
the Department of Corrections

Chelsea Chard  
Senior Policy Advisor of the Department of  
Corrections

Amanda Masters  
Executive Director of the New York City Board of  
Correction

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

5

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

SERGEANT KOTOWSKI: Computer recording started.

SERGEANT SADOWSKY: Cloud recording all set.

SERGEANT HOPE: Thank you. Good morning and welcome to the New York City Council Fiscal 2023 Executive Budget on the Hearing on Committee on Finance jointly with the Committee on Small Business and later to be followed by Public Housing and Criminal Justice.

At this time, would all members and staff please turn on your videos. Thank you. For verification purposes, thank you.

To minimize disruptions, please place all electronic devices to vibrate or silent mode. Thank you. As a reminder to the viewing public on Wednesday, May 25<sup>th</sup>, the public portion of this hearing will be held. Again, that's Wednesday, May 25<sup>th</sup>. Thank you for your kind cooperation. Chair, we are ready to begin.

CHAIRPERSON BRANNAN: Thank you Sergeant.

[GAVEL] Good morning everyone. Happy Monday and welcome to the first portion of day number nine of

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

6

1  
2 our Executive Budget hearings. My name is Justin  
3 Brannan and I am the Chair of the Finance Committee  
4 of the City Council. I'm joined this morning by  
5 Council Member Julie Menin, Chair of the Committee  
6 on Small Business. I want to thank Commissioner Kim  
7 of Department of Small Business Services for joining  
8 us. Good morning and welcome to your entire team  
9 Commissioner Kim. Thanks for being here.

10 Department of Small Business Services projected  
11 FY23 Budget of \$253.9 million. Represents less than  
12 one percent of the city's proposed Fiscal '23 budget  
13 in the Executive Plan. SBS's FY23 Budget increased  
14 by 42.2 percent from the Preliminary Plan. The  
15 increase was the result of a number of actions taken,  
16 most significant of which are the \$10 million for New  
17 York & Co. Sorry, the New York & Co. Recovery  
18 Blueprint, \$8.3 million for a Small Business portal,  
19 \$5.7 million for BID support and BID formation, \$4.8  
20 million for the development of a cannabis sector,  
21 \$6.5 million to expand the city's investment in  
22 bridge training programs and \$3.6 million for  
23 relocation grants and workforce training programs  
24 under the Gowanus Rezoning Initiative.

25

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

7

1  
2 Small businesses are the backbone of our city and  
3 over the last two years, they've been battered and  
4 bruised and have struggled to survive. It feels good  
5 for politicians like us to say that small businesses  
6 are the backbone of our city but it's important that  
7 we follow that up with tangible action and support.

8 The work of the small business services  
9 department as we emerge into a new normal following  
10 of the COVID pandemic is truly more important than  
11 ever. Recovery and resiliency are two key factors to  
12 this industries long term health. My questions today  
13 will focus on federal funding, the cannabis industry,  
14 the small business portal and commercial lease  
15 assistance.

16 I want to thank the Finance team, especially  
17 Aliya Ali for her work on today's hearing. My  
18 special advisor John Yedin and now, I'll turn it to  
19 my colleague Chair of the Committee on Small Business  
20 Julie Menin for her opening remarks.

21 CHAIRPERSON MENIN: Thank you so much Chair  
22 Brannan for your leadership and for holding this  
23 important hearing today. Good morning everyone and  
24 welcome to today's remote hearing. I'm thrilled to  
25

1 COMMITTEE ON PUBLIC HOUSING JOINTLY  
2 WITH THE COMMITTEE ON FINANCE 8

3 be here. I'm Julie Menin and I am the Chair of the  
4 Council's Committee on Small Business.

5 So, today as Chair Brannan said, we're going to  
6 be hearing from the Department of Small Business  
7 Services on their Fiscal 2023 Executive Budget. The  
8 Fiscal 2023 Executive Budget for SBS totals \$253.9  
9 million with \$32.5 million or 12.8 percent to be  
10 exact, proposed for Personal Services, PS to support  
11 334 full time employees. The \$441 million increase  
12 in SBS's Fiscal 2022 and \$75.3 million increase in  
13 its Fiscal 2023 Budget between the Preliminary Budget  
14 and Executive Plan is primarily the result of  
15 modifications to city and federal funds.

16 SBS's Executive Budget includes zero in new needs  
17 in Fiscal 2022 and \$68.7 million in Fiscal 2023.  
18 SBS's Executive Budget includes \$46.1 million in  
19 other adjustments in Fiscal 2022 and \$6.6 million in  
20 Fiscal 2023. Despite the increased funding added for  
21 certain programs are still some essential programs  
22 that did not receive additional support in the  
23 Executive Plan.

24 The COVID-19 pandemic, as Chair Brannan said, had  
25 a devastating impact on New York City small  
businesses with thousands shutting down permanently.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

9

1  
2 The once prosperous small business community  
3 experienced sharp decline in revenue. Hence, the  
4 City Council called upon the Administration and its  
5 budget response to provide additional support to our  
6 small businesses through a number of different  
7 proposals. This included investing \$1.5 million to  
8 help businesses launch online storefronts and to  
9 innovate and adapt to meeting the changing needs of  
10 the current and future economy.

11 Many small businesses do not have the bandwidth,  
12 the resources or tools for selling goods and services  
13 over the internet and quite frankly, they need the  
14 city's support. The Council also called upon the  
15 Administration to establish a grant program for  
16 M/WBE's. Minority and women-owned business  
17 enterprises M/WBE's, continue to face unprecedented  
18 challenges as they navigate the COVID-19 pandemic.  
19 The Council urged the Administration to restore the  
20 \$1.5 million for the Apprentice NYC program, which  
21 provides participants with limited or no prior  
22 experience with paid full-time apprenticeships to  
23 learn vital skills that they need to meet employer  
24 demands. I am quite frankly disappointed to see that  
25 none of these programs were funded in the executive

1 budget. The Administration added \$1.7 million  
2 additional funding for workforce career centers as  
3 urged in the budget response but I'm not clear at all  
4 why it was added to the Department of Consumer  
5 Affairs and Worker Protection Budget as opposed to  
6 SBS's budget. The agency that clearly is dedicated  
7 to workforce development, so I hope we're going to  
8 get the answer to that question today.  
9

10 However, I want to say I'm very happy to see that  
11 the Fiscal 2023 Executive Plan includes \$5.7 million  
12 in Fiscal 2023 and \$400,000 in outyears to  
13 incentivize the creation of BIDs in new neighborhoods  
14 and to provide matching funds to small BIDs and  
15 merchant associations in low to moderate income  
16 communities, which will foster obviously help for our  
17 small businesses. I advocated very strongly for  
18 this, so I'm very pleased to see this in the plan.

19 I'd also like to see this funding however  
20 baselined. The Executive Plan also includes \$5.2  
21 million in the outyears for the agencies commercial  
22 lease program, which provides free local services to  
23 help eligible businesses with signing a new  
24 commercial lease. Amending, reviewing or terminating  
25

1  
2 an existing commercial lease as well as addressing  
3 commercial lease related issues.

4 This is a crucial service that is needed by our  
5 small businesses. The Executive Plan includes \$6.5  
6 million in Fiscal 2023 and \$1.3 million in the  
7 outyears to expand the city's investments in bridge  
8 training programs to help more New Yorkers built  
9 foundational job skills.

10 As far as SBS's Executive Budget, I want to know  
11 what the agencies long-term plan is for helping small  
12 businesses recover from the economic devastation  
13 caused by the pandemic. The lack of federal funding  
14 in Fiscal 2023 is very concerning to the small  
15 business community as clearly, they still have a dire  
16 need for relief funds.

17 Has all the Fiscal 2022 COVID-19 federal funding  
18 been spent yet or will anything roll over to Fiscal  
19 Year 2023? It's the Council's responsibility to  
20 ensure that the city's budget is fair, transparent  
21 and accountable to all New Yorkers. This includes  
22 equity in funding and assistance. As Chair of the  
23 Committee of Small Business, I will continue to push  
24 for accountability and accuracy and ensure that the  
25 budget reflects the needs and interests of the city.

1 COMMITTEE ON PUBLIC HOUSING JOINTLY  
2 WITH THE COMMITTEE ON FINANCE 12

3 This hearing is a vital part of the process and I  
4 expect that SBS will be responsive to the questions  
5 and concerns of Council Members today.

6 I look forward to an active engagement with the  
7 Administration over the next month to ensure the  
8 Fiscal 2023 Adopted Budget meets the goals that the  
9 Council has set out. I first of all want to thank  
10 again Chair Brannan and I want to thank Commissioner  
11 Kim for testifying today. I want to thank SBS's  
12 staff who have consistently been responsive to our  
13 many requests. We would not be able to analyze the  
14 city's budget at such a detailed level without their  
15 cooperation, so thank you. And I also want to thank  
16 my staff and the staff of the Finance and Legislative  
17 divisions for their help in preparing for this remote  
18 hearing. Thank you.

19 COMMITTEE COUNSEL: Thank you Chairs Brannan and  
20 Menin. Good morning and welcome to the first portion  
21 of the Executive Budget hearing for May 23<sup>rd</sup>, the  
22 Department of Small Business Services.

23 My name is Malcom Butehorn and I am Counsel to  
24 the Finance Committee. I would first like to  
25 acknowledge Council Members present for the record.  
We are joined today by Council Members Brannan,

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

13

1  
2 Menin, Paladino, Ung, Moya, Louis, Ossé, Carr, Cabán,  
3 Brooks-Powers, Sanchez and Powers.

4 Unlike in past, Council Members and members of  
5 the Mayoral Administration will have the ability to  
6 mute and unmute themselves. We just ask that when  
7 not speaking, that you please remember to mute  
8 yourself to avoid background noise. Council Members  
9 who have questions should use the raise hand function  
10 in Zoom. You will be called on in the order with  
11 which you raised your hand. Council Member questions  
12 will be limited to five minutes. The following  
13 members of the Administration are here to testify  
14 and/or answer questions Kevin D. Kim, Commissioner;  
15 Jackie Mallon, First Deputy Commissioner; Dynishal  
16 Gross, Deputy Commissioner; Lucinda Glover, Deputy  
17 Commissioner; Kitty Chan, Deputy Commissioner; Calvin  
18 Brown, Assistant Commissioner and Andrew Schwartz,  
19 Deputy Commissioner and General Counsel.

20 I will first read the oath and after, I will call  
21 on each of you individually to response. Do you  
22 affirm to tell the truth, the whole truth and nothing  
23 but the truth before these Committees and to respond  
24 honestly to Council Member questions? Commissioner  
25 Kim?

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

14

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

KEVIN KIM: I do.

COMMITTEE COUNSEL: First DC Mallon?

JACKIE MALLON: I do.

COMMITTEE COUNSEL: DC Gross?

DYNISHAL GROSS: I do.

COMMITTEE COUNSEL: DC Glover?

LUCINDA GLOVER: I do.

COMMITTEE COUNSEL: Thank you. DC Chan?

KITTY CHAN: I do.

COMMITTEE COUNSEL: Assistant Commissioner Brown?

CALVIN BROWN: I do.

COMMITTEE COUNSEL: And Deputy Commissioner and  
GC Schwartz?

ANDREW SCHWARTZ: I do.

COMMITTEE COUNSEL: Thank you. Commissioner Kim,  
you may begin when ready.

KEVIN D. KIM: Thank you. Good morning Chair  
Brannan, Chair Menin and members of the Committees on  
Finance and Small Business. My name is Kevin D. Kim  
and I am the Commissioner of the New York City  
Department of Small Business Services, SBS. I am  
joined by SBS First Deputy Commissioner Jackie Mallon  
and members of my senior leadership team. I am

1  
2 pleased to testify today on SBS's Fiscal Year 2023  
3 Executive Budget.

4 At SBS, through the work of our four divisions,  
5 we aim to unlock economic potential and create  
6 economic security for all New Yorkers by connecting  
7 them to good jobs, creating stronger businesses, and  
8 building vibrant neighborhoods across the five  
9 boroughs. Our Division of Economic and Financial  
10 Opportunity, DEFO is focused on helping the City's  
11 M/WBEs connect to more government contracting  
12 opportunities. Our Division of Business Services, DBS  
13 helps businesses of every size and sector start,  
14 operate, and grow in New York City, including by  
15 helping businesses navigate City government.

16 Our Neighborhood Development Division NDD equips  
17 community-based partners, including Business  
18 Improvement Districts, BIDs, with the resources  
19 needed to help our commercial corridors thrive. And  
20 our Workforce Development Division, WDD works to  
21 increase access to quality training and jobs for all  
22 New Yorkers. SBS's Fiscal Year 2023 Executive Budget  
23 is \$253.88 million, with a headcount of 334  
24 employees. Our budget includes \$118.34 million in  
25 pass-through funding to other city entities,

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

16

1 including \$67.9 million to the New York City  
2 Economic Development Corporation, EDC, \$31.2 million  
3 to New York City & Company, and \$19.2 million to  
4 Governors Island.  
5

6 We serve as a conduit for funding to these other  
7 city entities, and thus, do not spend or manage any  
8 of those funds. The remaining \$135.54 million, or 53  
9 percent of the FY23 Executive Budget, is allocated  
10 for SBS's own programs and services. The allocation  
11 represents an increase over the Preliminary Budget by  
12 \$42.9 million and the headcount of 334 is an increase  
13 of 40 compared to the Preliminary Budget.

14 In my first four months as Commissioner, I have  
15 visited commercial corridors in every borough. Small  
16 business owners openly share stories of despair and  
17 delayed dreams. On these same tours, however, many  
18 small business owners also share stories of their  
19 passion, grit, and sheer will to not only survive,  
20 but to succeed, even during a pandemic. It is this  
21 relentless energy, spirit, and drive that inspires us  
22 at SBS to continue to focus on bringing this city's  
23 economy back stronger, and in a more equitable manner  
24 than ever before.  
25

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

17

1  
2 Just three weeks ago, SBS launched its first-ever  
3 Five-Boroughs in Five Days campaign to celebrate  
4 National Small Business Week. Over five days, the  
5 incredible SBS team connected more than 60 city  
6 agencies and community partners to more than 3,000  
7 New Yorkers across the five boroughs, while also  
8 visiting nearly 500 businesses through door-to-door  
9 outreach. We also launched a new version of our Shop  
10 Your City website and began running advertisements,  
11 both traditional and via social media, including use  
12 of community and ethnic media. As of yesterday, more  
13 than 14,700 visitors to the site looked for small  
14 businesses to support. Each one of these small  
15 businesses has the power to lift-up a family and a  
16 community in just one generation. And that's why  
17 small businesses need to be at the heart of New York  
18 City's economic recovery.

19 To help these businesses succeed, we need to cut  
20 red tape, eliminate barriers to growth, and help  
21 fulfill their full potential. And that's why just  
22 last week, Mayor Eric Adams, Deputy Mayor Maria  
23 Torres-Springer, Chief Efficiency Officer Melanie La  
24 Rocca and SBS released the results from the Mayor's  
25 Executive Order 2, Small Business Forward reforming

1  
2 118 violations for small businesses, an historic  
3 overhaul of regulations that builds on the Council's  
4 Local Law 80 passed last year. We expect these  
5 reforms to save New York City small businesses an  
6 estimated \$8.9 million every year. Of those 118  
7 reforms, 30 violations will be eliminated altogether,  
8 fines will be reduced for 49 violations, and cure  
9 periods and first-time warnings will be introduced  
10 for 39 violations.

11 We applaud the efforts of our sister agencies  
12 whose partnership was essential to the EO2's success.  
13 Of these reforms, the vast majority, 88 of the 118,  
14 will be implemented through internal policy changes  
15 and amendments to the Rules of the City of New York.  
16 Five require a change in state law, and the remaining  
17 twenty-five require the support of the Council and we  
18 are eager to work with you as partners to ensure  
19 these reforms are completed by the end of this  
20 calendar year.

21 Executing on Small Business Forward was a  
22 critical first step but only a first step to  
23 fundamentally overhaul how the city engages with  
24 small businesses to ensure a more seamless and  
25 supportive interaction on every front. One of the

1  
2 core proposals of the Blueprint was to establish a  
3 Small Business Advisory Commission and Executive  
4 Order 15 signed earlier this month does just that.  
5 The 30-plus member Commission, with me serving as  
6 Chair, will include representation from small  
7 business leaders across the five boroughs. The  
8 Commission will propose recommendations on new and  
9 existing policies, local laws, and rules of the city  
10 that impact small businesses, including enforcement  
11 protocols.

12       The interagency working group that carried out  
13 EO2, meanwhile, will begin its work of streamlining  
14 and accelerating business processes by launching the  
15 city's one-stop-shop online business portal. The  
16 Executive Budget contains \$8.3 million to develop  
17 this portal with the goal of allowing every business  
18 in New York City to execute and track all  
19 interactions with the city in real time. Through the  
20 portal, we will provide small businesses with  
21 seamless and sequenced access, guiding the user  
22 across multiple agencies. The portal will also  
23 enable businesses to track their transactions with  
24 the city, including filings, permits, and inspections  
25 to allow greater accessibility and transparency.

1  
2 The pandemic hit historically disadvantaged  
3 communities relatively harder and a strong recovery  
4 for all is vital to our city's success. The  
5 Executive Budget focuses on providing funding for a  
6 more equitable recovery with several key programs.  
7 In partnership with local financial institutions, the  
8 city will launch the \$75 million Small Business  
9 Opportunity Fund to help entrepreneurs gain much  
10 needed access to capital. The Fund will offer loans  
11 to both early-stage and long-standing businesses,  
12 including the many BIPOC and immigrant entrepreneurs  
13 who did not receive federal financing assistance and  
14 those from communities that have been historically  
15 underserved.

16 Economic barriers in these same communities run  
17 very deep and the Budget offers a way to combat this  
18 inequity. The Administration is committed to  
19 ensuring that the communities that have been most  
20 impacted by the war on drugs benefit most from the  
21 newly-created Regulated Adult-use Cannabis industry.  
22 The Executive Budget provides \$4.76 million for SBS  
23 to invest early and meaningfully in developing the  
24 sector equitably, learning from the experiences of  
25 other cities and states. We will launch broad-based

1  
2 outreach and community engagement to not only make  
3 New Yorkers aware of opportunities to participate in  
4 the industry, but also to help them navigate the  
5 licensing process and the ancillary business services  
6 cannabis entrepreneurs will need to succeed.

7       The pandemic also hit commercial corridors in  
8 immigrant and minority communities particularly hard.  
9 The Budget allocates \$5.7 million to provide direct  
10 subsidy to the smallest BIDs, prioritizing those with  
11 budgets of around \$500,000 or less, to strengthen  
12 business supports in those underserved commercial  
13 corridors. With these funds, SBS will also introduce  
14 a suite of back-office, professional services, as  
15 well as startup tools to expand the capacity of small  
16 and new BIDs. The Budget also provides new tools to  
17 help jobseekers get back on track. \$7.5 million was  
18 added to SBS's budget to expand our investment in  
19 industry-informed trainings in tech, healthcare,  
20 industrial, food service. This includes \$1 million  
21 in bridge programs to help more New Yorkers build  
22 foundational job skills and receive interventions  
23 like English for Speakers of Other Languages, high  
24 school equivalency, and pre-apprenticeship programs,

1  
2 as well as entry-level skill, certification, and job  
3 readiness training.

4 To magnify our impact, we will leverage  
5 relationships with community-based organization  
6 partners, especially those who serve BIPOC, LGBTQ+  
7 New Yorkers, and people with disabilities. Building  
8 on a successful pilot initiative, the Executive  
9 Budget provides \$6.3 million to expand stipends to  
10 low-income and traditionally underserved participants  
11 in occupational training. All of these new or  
12 expanded programs, though, will fall short without  
13 adequate outreach to get the information to the  
14 communities that need to hear it most. To reach  
15 people where they are, the Budget adds \$1.5 million  
16 to strengthen SBS's Mobile Outreach team, which has  
17 already been active across the five boroughs,  
18 bringing deep into the neighborhoods our suite of  
19 services, as well as the services of our sister  
20 agencies, directly to jobseekers and business owners  
21 alike.

22 The Budget also adds \$160,000 to invest in  
23 additional resources in translating materials into  
24 more languages at the time of program launch. We'll  
25 also expand our work with local consulates, and work

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

23

1  
2 closely with community-based organizations that  
3 support immigrant entrepreneurs to align their  
4 services with community needs. I am excited to work  
5 with the new and expanded tools we have for Fiscal  
6 Year 23. The SBS team and I are committed to  
7 fulfilling Mayor Adams's clear and bold agenda to  
8 ensure the future of the city's economy is built on  
9 equity and inclusivity. We know that working closely  
10 with the City Council is critical to achieving this  
11 shared goal, and I look forward to our continued  
12 partnership. Thank you for your time today. I  
13 welcome any questions you may have for me or my team.

14 CHAIRPERSON BRANNAN: Thank you Commissioner.  
15 Before we begin, the Committee may not get to all our  
16 questions or you might not have adequate responses.  
17 We certainly don't anticipate that but we will send a  
18 follow-up letter for any of the unanswered questions.  
19 It just will help us in the important budget  
20 negotiations.

21 So, I want to jump right into the federal  
22 funding. In the current financial plan, SBS primary  
23 funding source is city funds for FY23 and federal  
24 funds for the current fiscal year. Federal funds  
25 comprises about 69 percent of SBS's total funding in

1  
2 the current year but only 24 percent in the Executive  
3 Plan for FY23. So, can you give us an idea of how  
4 this reduction will impact agency programs and  
5 initiatives?

6 KEVIN D. KIM: Chair Brannan, thank you for the  
7 question. We know that during the pandemic there was  
8 a real need for emergency funding for all our small  
9 businesses and the federal government stepped up and  
10 provided some of that funding. We know that as we  
11 come out of the pandemic and as we look to the  
12 future, we are well equipped with the Executive  
13 Budget needs that were met here to be able to provide  
14 the services that we think small businesses need as  
15 they recover.

16 So, while the emergency funding money and a lot  
17 of it came in the form of emergency grant money, \$100  
18 million for the Resiliency Grant that was announced  
19 back in December. We believe that the funding is  
20 adequate for us to be able to address the needs going  
21 forward. Okay, so but does the agency have a plan  
22 then to use city funds to replace the dwindling  
23 federal funds?

24 KEVIN D. KIM: I wouldn't really look at it as  
25 dwindling federal funds in the sense like the federal

1  
2 funds that are being shown to be decreasing on paper,  
3 are the one's that came in the form of emergency  
4 grant money that came in at the time. We had a  
5 couple of those programs that came in and the money  
6 has been distributed and allocated to the businesses,  
7 small businesses at the time. For example, the \$100  
8 million grant in December was 10,000 businesses  
9 received \$10,000 and those were emergency one time  
10 grants.

11 CHAIRPERSON BRANNAN: Okay, so you don't see any  
12 - then you're not concerned with the lack of federal  
13 funding going forward?

14 KEVIN D. KIM: I think the way to look at it is  
15 that the emergency money came in during the height of  
16 the pandemic and then as we were trying to dig  
17 ourselves out of this, the programs themselves that  
18 we run now won't see a loss of funding. So, those  
19 emergency grant money, that won't be there and that's  
20 why you see the decrease on the paper but the main  
21 programs that we're working on won't be seeing a loss  
22 of funding and we're hyper focused on the road to  
23 recovery, which is what's in the economic blueprint  
24 that was released and the Executive Budget reflects  
25 and meets those needs.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

26

1  
2 CHAIRPERSON BRANNAN: Okay. I want to talk about  
3 the cannabis industry. Uhm, the FY23 Executive Plan  
4 includes \$4.8 million in FY23 and then about \$760,000  
5 in the outyears for the development of the cannabis  
6 sector. Could you tell us and expand on what this  
7 will entail and what services SBS will provide on  
8 this emerging industry?

9 KEVIN D. KIM: Absolutely, so we are very excited  
10 to be working very closely with our sister agencies  
11 at DDC, as well as other agencies to partner then up  
12 with the New York State Office of Cannabis Management  
13 in making sure that when the licenses get distributed  
14 out or get available in New York City. That we have  
15 the education and we have all of the outreach that's  
16 necessary to make that the communities that were most  
17 impacted negatively by the war on drugs, are in line  
18 and in position to understand exactly what it would  
19 take for them to participate in this industry. There  
20 are nine different types of licenses. Anything from  
21 manufacturing to also the retail side of it. I think  
22 that the education component will be critical. The  
23 first \$200 million that the state has allocated is  
24 for a particular set of individuals who have been  
25 most impacted by the war on drugs.

1  
2       Somebody who has had a marijuana conviction for  
3 themselves or a member of their family, spouse or  
4 parents or children and also they also would have had  
5 to had two years of business experience and then, of  
6 a profitable – running a profitable business, as well  
7 as being in a community that's AMI – I'm sorry, the  
8 80 percent below in the lowest 20 percent of income,  
9 average income, median income neighborhood. Those  
10 folks will be in the initial truant of licenses that  
11 are going to be available and so, we are out trying  
12 to get everybody who would be in that category,  
13 knowledgeable about how to take advantage of this  
14 opportunity. At the same time, once that initial  
15 truant passes, then every New Yorker will have access  
16 to buy and we want to make sure that the communities  
17 that historically don't get as much information from  
18 government are also well positioned to be able to  
19 apply for thee license.

20       CHAIRPERSON BRANNAN: I guess, I guess, I'm  
21 looking at the numbers. That's my job right, so I'm  
22 concerned that – I want to understand I guess why is  
23 there so much? It seems incredibly top heavy right?  
24 So, you have \$4.8 million in FY23 but then a giant  
25 drop off to \$760,000 in the outyears for development

1  
2 of the cannabis sector. Is everything going to be  
3 front loaded and we just don't think there's going to  
4 be a need for you know recurring services? I'm  
5 trying to under- because that's a significant drop  
6 off.

7 KEVIN D. KIM: The cannabis industry currently is  
8 all the rules and regulations and the REGs are being  
9 discussed and then they'll be announced sometime this  
10 year, hopefully. And so, the gearing up of the  
11 education and making sure that the communities that  
12 we had discussed previously have access, that's kind  
13 of a primary focus right now. We will have a  
14 headcount of seven that's being added to this team.  
15 Anything else going forward is a continuing  
16 conversation. We're working very closely with OMB to  
17 assess outer year needs but the baseline and the main  
18 education because of licenses are being promulgated  
19 this year, I think it's the right strategy to make  
20 sure that we use this time to make sure that the  
21 outreach is done properly. Our mobile units, one of  
22 the reasons we received funding for mobile unit  
23 outreach program is to go deeper into the  
24 neighborhood to communities that necessarily wouldn't  
25 care about the opportunities with the cannabis

1 industry or other emerging industry and so, that's  
2 where the focus is now but it doesn't mean that in  
3 the outer years that there won't necessarily be  
4 additional funding but I think coming out of the  
5 pandemic, I think we're all trying to assess exactly  
6 what needs will be for now and then what needs will  
7 be next year.

9 CHAIRPERSON BRANNAN: Can you tell me when the  
10 city regulations will be published?

11 KEVIN D. KIM: The city, I am not sure exactly  
12 the timeline for that. I think everyone's waiting on  
13 the state to first publish their regulations and  
14 we're expecting that to happen sometime this year.  
15 So, I think a lot of it is going to depend on the  
16 state rights.

17 CHAIRPERSON BRANNAN: Okay, so I don't know if I  
18 missed in there but is SBS - is some of this money  
19 going to go towards as system of the upfront costs of  
20 launching these new businesses?

21 KEVIN D. KIM: So, for our FY23, the budget is  
22 primarily focused on education outreach, access. The  
23 state has a \$200 million fund that initial tranche  
24 that they've been talking about that will help  
25 businesses including those in New York City who want

1  
2 to start up. They will help find real estate through  
3 DASNY and also through just helping them pretty much  
4 operate – launch and operate their business  
5 initially.

6 So, the state is primarily taking charge of that.  
7 We have our sister agency as well working closely to  
8 support those efforts but the SBS funds are focused  
9 on the outreach and education because we do want to  
10 make sure that those who have been most impacted by  
11 the war on drugs to have this initial opportunity to  
12 be fully aware of all the opportunities and to take  
13 advantage of this new emerging industry.

14 CHAIRPERSON BRANNAN: Okay, I want to move onto  
15 the small business portal. The FY23 Executive plan  
16 includes \$8.3 million in FY23 and then \$600,000 in  
17 the outyears for a small business portal. Can you  
18 tell us what services will be provided through this  
19 portal and will small businesses be able to complete  
20 and track all of their interactions with the city on  
21 this portal?

22 KEVIN D. KIM: Yes sir, the idea for the business  
23 portal, which we're very excited about and which is a  
24 continuation of our EO2 work, because we know that  
25 small business have been particularly hit hard during

1  
2 the pandemic and that we need to do whatever we can  
3 to support them and we feel that the technology, use  
4 of technology in this particular case to have this  
5 business portal one stop shop will allow somebody to  
6 say, hey I want to open up a business in New York  
7 City. They go to this one website. They know that  
8 for example if you're opening up a restaurant and  
9 you're going to be interfacing with FDNY, DOB,  
10 sometimes DOT, DCWP, Department of Health. And so,  
11 we want them to be able to go to that one site and  
12 sequentially go through the process of navigating all  
13 the city agencies to get to where they want to go for  
14 their particular business needs.

15 And so, some of it I will defer to DoITT because  
16 they are in charge of creating the final product but  
17 that is what the interagency working group that was  
18 working so hard on the EO2 changes and reforms, we're  
19 now shifting our focus to give DoITT the right  
20 understanding of the processes that a business owner  
21 would have to go through to navigate New York City  
22 bureaucracy at times. And so, we're closely going to  
23 be working through the summer and beyond to help  
24 support DoITT's project to get this one stop shop  
25 portal finalized, hopefully in a years' time.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

32

1  
2 CHAIRPERSON BRANNAN: Okay commercial lease  
3 assistance. FY23 Executive plan includes \$5.2  
4 million in the outyears for the agencies Commercial  
5 Lease Assistance program.

6 Could you tell us what pre-legal services are  
7 provided with this program and then I'd love to know  
8 how many businesses has SBS assisted through this  
9 program in FY22 thus far?

10 KEVIN D. KIM: Sure, uhm, I can get you those  
11 numbers shortly but you know we're very proud of our  
12 commercial lease assistance program because one of  
13 the ways to combat storefront vacancies. Which we  
14 all know is a concern for the city and the small  
15 business owners and the commercial corridors, the  
16 BIDs, everybody whose focused on helping the city  
17 recover. The Commercial Lease Assistance allows  
18 small business owners to work with our vendor, to  
19 lawyers who will come in and help negotiate lease  
20 terms for them to help address arrears issues, help  
21 address any kinds of provisions and commercial  
22 leases. Which we know many times for especially  
23 small business owners whose English isn't their first  
24 language or who might not have access to professional  
25 legal services otherwise. To be able to have this

1  
2 kind of legal representation in dealing with  
3 landlords.

4 And so, the money that has been allocated and now  
5 baselined, is something that will be critical in  
6 helping to address some of the concerns that I  
7 addressed. I had mentioned about storefront vacancy  
8 and also helping to build up commercial corridors.

9 CHAIRPERSON BRANNAN: And my last question, uhm,  
10 what is SBS doing to be a bit more proactive with  
11 reaching out to businesses and letting them know  
12 about the services that SBS provides? I've often  
13 felt like SBS should be more like you know uhm, one  
14 of these businesses that sends out mailings about  
15 when they're having a sale or something.

16 Like, you know there's - I used to own a small  
17 business. My wife is a small business owner. Just  
18 about everyone I grew up with owns a bar or a  
19 restaurant. Uhm, and you know one of the struggles  
20 is or the challenges is they don't know what's  
21 available to them. Uhm, you know especially when you  
22 get into M/WBE's as well. There's a whole world of  
23 opportunity out there but I think sometimes there's a  
24 sentiment with businesses that there's all these  
25 opportunities that are just sitting on someone's desk

1  
2 and you know, they have to call and find out about  
3 it. When I'm running a bar or a restaurant or a  
4 small business, the last thing on my mind is gee, let  
5 me call up SBS and see if they have anything they can  
6 help me with.

7 So, what are we doing to be more proactive with  
8 reaching out to businesses and letting them know of  
9 what's available?

10 KEVIN D. KIM: That's a great question and I will  
11 say to you with certainty that this Administration  
12 also understands that outreach is critical. That it  
13 has to be prioritized and I think the Executive  
14 Budget reflects that. I think the mobile outreach  
15 unit first and foremost, the Mayor said from day one,  
16 we need to go and meet New Yorkers where they are.

17 We have been already actively taking our mobile  
18 unit from borough to borough. We announce it on our  
19 social media platform, which has been increasing its  
20 views through the aggressive advertising and the  
21 national small business sweep announcements we had  
22 made. The five boroughs in five days campaign wasn't  
23 just some kind of a gimmick. It really did make a  
24 huge impact just by going to the metrics and seeing  
25 that \$14,500 visits to our sites to support small

1  
2 businesses resulted from part of the campaign that  
3 led up to National Small Business week in the first  
4 week of May.

5 We also find that the business portal revamp and  
6 the EO2, all of these things are making news and  
7 people know that we are here to serve to them. We  
8 are a nonregulatory agency except for our waterfront  
9 permitting group. But everything else we do  
10 interfacing with small businesses, it's to serve  
11 them. We have small business advocate. We have  
12 compliance advisors who are out in the commercial  
13 corridors and they are there to walk through wit the  
14 small business owners, with a human touch.

15 Because we know technology is important but  
16 nothing beats human touch and again through our  
17 campaign during National Small Business week, we had  
18 nearly 500 visits door to door to small businesses,  
19 to let them know about our services.

20 We've also partnered up with some celebrities  
21 like Angela E from 105. 1, so breakfast club group  
22 where we've gone and done a lot of events with her to  
23 get the word out that we also have a Black  
24 entrepreneur NYC program for example that people  
25 should take advantage of.

1  
2       So, the outreach has been something that we take  
3 very seriously. Know that we can have the greatest  
4 services in the world but if no one knows about it,  
5 then like you said, people will be missing out on the  
6 opportunities. So, we are truly dedicated to that  
7 effort and the mobile unit I think is a big piece of  
8 it. I think the language access – our social media  
9 revamp has also been a big piece of it. I can say  
10 that we had almost 20,000 more views other than the  
11 14,500 visiting our city site but 20,000 more views I  
12 think in the past month to our website in general.  
13 So, we know that if we don't get the word out,  
14 opportunities will lapse.

15       And then back to your point about CLA, I just  
16 wanted to give you back the numbers on the commercial  
17 lease assistance. From the programs launched in  
18 February 2018 through April 22, we've provided over  
19 3,200 services to over 1,500 unique businesses and  
20 your question about Fiscal Year '22. We've provided  
21 1,600 services to over 700 unique businesses during  
22 the past year.

23       CHAIRPERSON BRANNAN: Okay, I appreciate that  
24 Commissioner. I want to leave ample time for my Co-

1  
2 Chair and my colleague. So, I'm going to turn it  
3 over now to Chair Menin.

4 COMMITTEE COUNSEL: Sorry Chair. Just to  
5 interrupt a second, I was asked to just say that we  
6 were joined by Council Members Velázquez, Ayala,  
7 Barron and Dinowitz. Sorry, back to regular  
8 programming.

9 CHAIRPERSON MENIN: Okay, thank you so much  
10 Malcom. I just want to make sure all the colleagues  
11 were recognized because I know we've got other ones  
12 who were not, so if you could just make sure that all  
13 of our colleagues are recognized.

14 COMMITTEE COUNSEL: Council Member, everybody's  
15 been recognized so far.

16 CHAIRPERSON MENIN: Okay good.

17 COMMITTEE COUNSEL: And I keep a tally throughout  
18 the hearing.

19 CHAIRPERSON MENIN: Thank you so much. Just  
20 checking because I got a text about it. Thank you so  
21 much. Wonderful, thank you Chair Brannan for the  
22 questions and thank you Commissioner for testifying.  
23 So I really want to build upon something that Chair  
24 Brannan talked about, about federal funds. I can't  
25 overstate how concerned I am about the lack of

1  
2 federal funds and the fact that the city is not  
3 stepping up and doing grants. We have over 200,000  
4 small businesses and it's estimated that one-third of  
5 them are going to close because of COVID. So, what,  
6 you know what is the City of New York doing about  
7 that? That is of great concern.

8 KEVIN D. KIM: Thank you Chair Menin for the  
9 question and we share your concern that small  
10 businesses have suffered and really been impacted  
11 negatively during the COVID pandemic. And so, I  
12 think all the programs that we have announced in the  
13 Executive Budget and have gotten support for the  
14 small business portal. The support for the smaller  
15 bids. The job training and partnership program. The  
16 cannabis industry, the mobile outreach. I think all  
17 of those programs will be efforts that will be  
18 impactful in helping the city recover in a more  
19 equitable manner.

20 The federal funds though the grants are no longer  
21 available, the programs that we run are not impacted  
22 by that. So, we know that these programs during  
23 COVID and even before COVID have had meaningful  
24 impact, positive impact and so, we're very focused on  
25

1  
2 making sure that we can help the small businesses  
3 survive and now really try to grow and thrive.

4       There is the \$75 million small business  
5 opportunity fund that is part of the blueprint as  
6 well and we're finalizing the turns on that and we  
7 hope to get that out before year end.

8       CHAIRPERSON MENIN: Okay, I'm just going to say  
9 again, I can't state it strongly enough, we need to  
10 redouble efforts to help these small businesses and  
11 there's nothing like a direct grant that actually  
12 helps these small businesses to recover particularly  
13 with exorbitant rents.

14       Moving along to M/WBE's at which I know Chair  
15 Brannan asked about. So, I've got a very specific  
16 question. In Fiscal Year 2021, New York City awarded  
17 only 3.8 percent of city contract money to M/WBE  
18 firms. We went over this data at the hearing that we  
19 held with the Contracts Committee but I'm very  
20 concerned that given that statistic coupled with the  
21 fact that 84 percent of the city's M/WBE's do not  
22 have access to city spending according to a  
23 comptroller report. What is SBS doing then to help  
24 our M/WBE's?

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

40

1  
2 KEVIN D. KIM: Well, the M/WBE's are a major,  
3 major priority for us. We have a whole division  
4 focused on it. We have a tremendous Deputy  
5 Commissioner Dynishal Gross leading the efforts. We  
6 have tried to approach this from a variety of angles.  
7 There's obviously getting our presence known in a  
8 number of the in person events. We went up to Albany  
9 for Caucus weekend and made presentations. We had  
10 tables up there as well but we've also locally gone  
11 to the big faith breakfast that was held in Jamaica  
12 Queens a couple weeks ago. We went to the greater  
13 New York Chamber of Commerce events to make sure that  
14 we tabled there but those are just one portion of  
15 what we need to do to keep outreaching into  
16 communities. We feel that the revamping of the M/WBE  
17 online portal has been very successful in getting  
18 other sister agencies to be able to access M/WBE's a  
19 lot easier to know what services and who - which  
20 M/WBE's provide what services. And so, the online  
21 directory has been effective in doing that as well.  
22 And then, I'd like to turn it over to our Deputy  
23 Commissioner Dynishal Gross to also talk a little bit  
24 more about our efforts in the M/WBE area, Dynishal.

25

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

41

1  
2 DYNISHAL GROSS: Thank you Commissioner and uhm,  
3 good morning to everyone and thank you for the  
4 question Chair Menin. On the overall value of  
5 contracts, I just want to point out that our - by law  
6 our M/WBE program covers certain procurement  
7 categories. So, that is all construction contracts,  
8 all professional services contracts, all standard  
9 service contracts and all goods contracts under \$1  
10 million and then by law there are other types of  
11 spending that are excluded from the goals program.  
12 So, those include all human service contracts, which  
13 is a very large spending category for the city.  
14 Those aren't covered by our goals as well as  
15 intergovernmental contracts and even emergency  
16 contracts. That doesn't mean that M/WBE's can't win  
17 in those areas. We're certainly trying to support  
18 M/WBE firms and winning government contracts of all  
19 types but you won't see those reflected in the M/WBE  
20 utilization numbers and federally funded contracts  
21 for example are another contract type that is not  
22 included in our utilization reporting. But we are  
23 you know doing a great deal to support M/WBE's in  
24 building their capacity and being mentored and  
25 growing their back office capacity and in you know

1  
2 tackling and achieving new levels of wins on New York  
3 City contracts, so that we can move the needle on  
4 city utilization and that includes including our city  
5 nonmayoral agency such as NYCHA, Health + Hospitals,  
6 Department of Education, working hard to improve  
7 utilization in those non-mayorals as reflected in our  
8 One NYC numbers. And there you'll see we have  
9 awarded \$21.5 million in contracts over the course of  
10 time since that goal was set. Ahead of schedule in  
11 the goal of reaching \$25 billion in awards by 2025.  
12 And I'm happy to answer any other questions you may  
13 have.

14 CHAIRPERSON MENIN: Yeah, I mean just really  
15 specifically, the Council called for a grant program  
16 to support M/WBE's and that has not been included.  
17 So, my question is why?

18 KEVIN D. KIM: Well, just one correction on  
19 Deputy Commissioner. I think she said \$21.5 million  
20 but she meant \$21.5 billion towards the \$25 billion  
21 in M/WBE award. I think that all the efforts that  
22 we're putting in to support M/WBE's including our  
23 technical assistance centers and programs that we  
24 have, one thing to note is that the city is actually  
25 ahead of schedule in moving toward achieving that one

1  
2 New York City goal of \$25 billion in M/WBE's by  
3 Fiscal Year '25. And so, we feel that the efforts  
4 that are being made right now, are getting us to the  
5 goals that we've set but you know we could always do  
6 more and we're working to constantly look at our  
7 programming and outreach. We think that the  
8 blueprint and the executive budget support we have  
9 again with outreach is also very much, the M/WBE  
10 outreach is also very much part of our plans in the  
11 new -

12 CHAIRPERSON MENIN: Yeah, I think we yeah, I  
13 think we definitely have to do more with  
14 approximately 11,000 registered M/WBE's in the city.  
15 Only approximately 2,000 have ever received an M/WBE  
16 contract. So, we have a lot of work we need to do  
17 around that. So, I'll - but I'll move on. I'm just  
18 going to ask a few more questions before turning to  
19 my colleagues.

20 So, I'm concerned about bridge training programs.  
21 So, the Fiscal 2023 Executive Plan include \$6.5  
22 million in Fiscal 2023, \$1.3 million in the outyears  
23 to expand the city's investment in bridge training  
24 programs. How will the spending be used to help more  
25 New Yorkers build foundational job skills and why is

1  
2 the outyear funding so much less than the current  
3 year funding?

4 KEVIN D. KIM: I'd like to ask First Deputy  
5 Commissioner Jackie Mallon to help answer that  
6 question please.

7 JACKIE MALLON: Ah hello, good afternoon. Can  
8 you hear me now?

9 CHAIRPERSON MENIN: Yes, yes.

10 JACKIE MALLON: Okay, sorry. Thank you for the  
11 question. I hope you're doing well today. Uhm, so  
12 the investments were made in industry informed  
13 trainings in the areas of tech, health care,  
14 industrial media and some construction as well. That  
15 was your question right? Where we're going to focus  
16 the money? Sorry.

17 CHAIRPERSON MENIN: Well, why is it also less  
18 than the current spending?

19 KEVIN D. KIM: I think the money uh, in the  
20 outyears I think is what we're continuing to monitor  
21 and working with City Hall and OMB to make sure that  
22 we gauge the situation as they're coming but I think  
23 the important point here is that the workforce and  
24 job training programs, SBS has been piloting a number  
25 of programs, working closely with industry partners

1  
2 and finding wherever we have success on a smaller  
3 scale. That's where the investments been going. So,  
4 there is kind of a somewhat of a moving target in all  
5 of our training program models. So, we know that we  
6 need to continue this conversation with City Hall and  
7 OMB and to keep updating the results of all the  
8 training programs that we've been working on.

9 CHAIRPERSON MENIN: Also, I note that the  
10 Administration added \$1.7 million additional funding  
11 for Workforce Career Centers as was urged in the  
12 budget response. But why was that given to Consumer  
13 Affairs rather than SBS? I know Consumer Affairs has  
14 the Office of Financial Empowerment but wouldn't it  
15 be better suited to SBS and make sure that we're  
16 spending that money on Workforce One Development  
17 sites?

18 KEVIN D. KIM: I think this program is really  
19 trying to leverage what each agency has available.  
20 So, one of the things as you referred to, our  
21 Workforce One Centers, SBS manages the 18 Workforce  
22 One Centers in the city where we can edge out seekers  
23 to training programs and to different career paths.  
24 As you also referred to DCWP, the Financial  
25 Empowerment, they have expertise in the Financial

1  
2 Empowerment program. So, the idea was to have their  
3 expertise there in that area be brought into and  
4 leverage the Workforce One Center spaces that we  
5 have, the physical spaces. And we believe that all  
6 people, small business owners included with more  
7 financial literacy and financial empowerment will  
8 make better small business owners and increase the  
9 rate of success. So, that's where that concept came  
10 from.

11 CHAIRPERSON MENIN: Okay, I'm going to ask one  
12 more question and then turn it to my colleagues and  
13 then I'll come back. I have a lot of questions on  
14 second round. So, the last question I'm going to ask  
15 is around NYC & Company, because with the tourism  
16 market being battered, so many of our small  
17 businesses depend on tourists really for their  
18 lifeline and so, I note in the plan that the Fiscal  
19 Year 2023 Budget is \$15.5 million less for NYC &  
20 Company. Why is that?

21 KEVIN D. KIM: As I had referred to in my opening  
22 testimony, we act as a conduit for funds to NYC &  
23 Company, so I think that question is better suited  
24 for them but one of the things we have been doing  
25 with NYC & Co. very closely is that they've also been

1  
2 focused not just getting forced into New York City  
3 but once they're here, trying to shop local and shop  
4 near boroughs and so, that's one of the projects that  
5 we've been working very closely on. But in terms of  
6 the actual budgetary decision, since we're just a  
7 conduit, I would defer to NYC & Company to answer  
8 that question.

9 CHAIRPERSON MENIN: Okay, I'm going to refer to  
10 my colleagues now and then I'll come back on second  
11 round. Thank you.

12 KEVIN D. KIM: Sure, thank you.

13 COMMITTEE COUNSEL: Thank you Chairs, we'll now  
14 turn to Council Member questions. Uhm, hands have  
15 gone up and down, so the order for questions will be  
16 Council Members Barron, Brooks-Powers, Louis,  
17 Dinowitz and Sanchez. We'll start with Council  
18 Member Barron.

19 SERGEANT AT ARMS: Starting time.

20 COUNCIL MEMBER BARRON: Uh, thank you very much.  
21 Thank you very much. First of all, I want to thank  
22 Chair Menin for the line of questioning that you put  
23 forth. It is something that's very, very important.  
24 11,000 so no matter what the rhetoric is, how much  
25 they want equity. How much we're working hard for

1  
2 M/WBE's, the bottom line is out of the 11,000, only  
3 2,000 actually got contracts.

4 I want to - if you can answer this question very  
5 quickly because the Chair doesn't want me to take a  
6 lot of time and he'll cut me off any minute, but I  
7 want to ask you a question. What is the total amount  
8 of contracts, number, moneywise being awarded?

9 Because when you say \$21 billion and we go into \$25  
10 billion for M/WBE's, what is the universal contract  
11 number? Because when you see that, then you'll see  
12 the proper perspective.

13 KEVIN D. KIM: Deputy Commissioner Gross.

14 COUNCIL MEMBER BARRON: Could you all hurry up  
15 because the time is of the essence and I have a few  
16 other questions.

17 DYNISHAL GROSS: So, I apologize Council Member  
18 Barron, you're asking about the total universe of one

19 -

20 COUNCIL MEMBER BARRON: Yeah, the total amount of  
21 contracts that the city contracts out to enterprises,  
22 to companies.

23 DYNISHAL GROSS: So, for the Local Law 1 numbers,  
24 the numbers covered by our M/WBE program last Fiscal  
25 Year.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

49

1  
2 COUNCIL MEMBER BARRON: No, no, no, no. The  
3 total amount of contracts. City contracts that are  
4 given to businesses period.

5 DYNISHAL GROSS: Okay, uhm, I apologize. If  
6 you're asking about the One NYC number, which is -

7 COUNCIL MEMBER BARRON: The total amount, the  
8 total amount of contracts. You know every city  
9 agency has contracts. The Mayor has contracts.  
10 There are contracts given out. Of the \$99.7 billion  
11 budget, how much of that budget is for contracts?

12 KEVIN D. KIM: Go ahead, go ahead Deputy.

13 DYNISHAL GROSS: The full city contracts budget  
14 denominator, I'm looking for for you. I know the  
15 denominator for Local Law 1 is just over about \$30-

16 COUNCIL MEMBER BARRON: What is the full city  
17 contract.

18 DYNISHAL GROSS: I'm going to pull that for you.

19 COUNCIL MEMBER BARRON: Budget out of the \$99.7  
20 billion, how much goes to contract services for the  
21 entire city?

22 KEVIN D. KIM: Council Member we'll find that  
23 number for you.

24 COUNCIL MEMBER BARRON: See, now this is my  
25 problem. That's a number you should have because

1  
2 when you give these numbers about W- it looks good  
3 \$21 billion you know, \$25 billion by such and such a  
4 date. We are the new majority in town. Whites are  
5 minorities. White men are small minorities but watch  
6 when you get that number of how much of those  
7 billions, maybe trillions of dollars of contracts  
8 that go out you know over the ten years and all of  
9 that, they get a disproportionate amount and that's  
10 my concern. So, when you give these numbers, you  
11 make it look good but actually it isn't at all. It  
12 is much too low compared to all available and that's  
13 what I wanted to get to.

14       Secondly, I want to know the number of Black, not  
15 minorities, not people of color, the number of Black  
16 businesses. The track record, not your goal. What  
17 you've done for Black businesses in the last few  
18 years, this year, last year? Because in the small  
19 businesses in our communities are going out of  
20 business because they can't get grants or even loans  
21 from the city. You keep giving us training to build  
22 out capacity for what if we're not going to get the  
23 loans or the grants? And I thank the Chair for  
24 mentioning the grants and I thank the Chair for  
25 focusing, Chair Menin for focusing on M/WBE's.

1  
2 So, we want those solid, solid numbers, not  
3 rhetoric. Not how much you can prove and how well  
4 you're doing. How much - I want to know Black. The  
5 Asian, the Latino, Latina, I'm also concerned with  
6 women but I want all of those numbers for all of them  
7 but especially Black businesses. How are we fairing  
8 in this city? Because we're not doing well at all.

9 And then finally, we live in a colonial,  
10 capitalist, exploiting, economic system that White  
11 men dominate in the cannabis industry. Well, when we  
12 were selling it in the communities, not me, I'm  
13 talking about Black people in general. When we were  
14 selling it, it was the worst thing in the world but  
15 now they sanitize it in the cannabis industry across  
16 the country. Mr. Chair, may I have just two more  
17 minutes?

18 The cannabis industry across the country is being  
19 dominated by White males. John Banner who used to be  
20 the speaker of the republican speaker, he was so  
21 against cannabis. It was the worst thing to do, now  
22 he's the head of the cannabis corporation. This is a  
23 multitrillion dollar industry. So, now when it comes  
24 to New York, whose going to benefit? White farmers,  
25 they're complaining already that all of the stuff

1  
2 you're talking is not happening. It's not happening.  
3 I'm not one who wants to even push cannabis or  
4 alcohol because I think we got to be clear in our  
5 mind to make radical, revolutionary change against  
6 capitalism in this city, in this state and in this  
7 country. So, I'm not supportive of us getting high  
8 on anything but life. But be it as it may, that it  
9 is legal now and it is an industry and we keep  
10 talking we wanted to go to those communities that  
11 were devastated by it most, you know that's not  
12 happening. It's not happening in Colorado. It's not  
13 happening in anywhere in the country where cannabis  
14 was legalized. I did it to decriminalize. Didn't  
15 want us going to jail, just like Whites don't go to  
16 jail for their over counter legal drugs, I didn't  
17 want us to go to jail.

18 So, I just want some real talk, you know what I  
19 mean? Real talk, not the same rhetoric we hear every  
20 year that sounds real good but the rhetoric doesn't  
21 match the reality. Thank you Chair.

22 SERGEANT AT ARMS: Time expired.

23 COMMITTEE COUNSEL: Thank you and next, we'll  
24 turn to Council Member Brooks-Powers.

25

1  
2 COUNCIL MEMBER BARRON: I do want them to respond  
3 to that a little bit.

4 KEVIN D. KIM: So, we'll get you those numbers.  
5 You know MOCs, our sister agency and OMWBE and City  
6 Hall, we'll gather those numbers to make sure we get  
7 very accurate up to date numbers for you and send  
8 that over.

9 In terms of the Cannabis program, I will say that  
10 New York State thoroughly researched the other states  
11 that have legalized cannabis and it's true, many of  
12 the other states have failed in their social equity  
13 purposes and goals and the New York State laws were  
14 designed specifically to address their short comings.  
15 And so, of course everything remains to be seen but I  
16 think that New York State and I can say definitively  
17 that the research has been thoroughly done to see  
18 what those short comings were and those concerns were  
19 addressed in how the law was crafted and now, the  
20 implementation part is as critical. And that's why  
21 this administration has allocated the funds it has to  
22 the cannabis outreach program. And so working  
23 closely with the state and our sister agency EDC to  
24 work on making sure as you said and expressed all  
25 your valid concerns about how the communities most

1  
2 impacted by the war on drugs may not be the ones  
3 benefiting like in some of the other states. We are  
4 committed to doing everything we can and including  
5 the other aspects of outreach that we're talking  
6 about will include an extensive outreach into the  
7 communities with our local community partners who  
8 know those communities best, to make sure that these  
9 opportunities are given to those people that we want  
10 to target, and that state law is designed to target.

11 COUNCIL MEMBER BARRON: And if you can quickly  
12 tell me how many – the record of given to Black  
13 businesses, grants and loans.

14 KEVIN D. KIM: We will get you that as well. I  
15 want to just tell you for now, I see here that the  
16 total contracts spending for Fiscal Year '21 was  
17 \$30.4 billion. The City Contracts that you wanted to  
18 understand.

19 COUNCIL MEMBER BARRON: Yeah, which was much  
20 higher than what we got that year. Way, way higher  
21 and the percentage of that mostly went to White men  
22 and their businesses. Thank you.

23 KEVIN D. KIM: Thank you.

24

25

1  
2 COMMITTEE COUNSEL: Thank you. We've also been  
3 joined by Council Members Krishnan and Hudson and  
4 next, we'll turn to Council Member Brooks-Powers.

5 SERGEANT AT ARMS: Starting time.

6 COUNCIL MEMBER BROOKS-POWERS: Thank you and good  
7 morning everyone. It's great to be here with  
8 Commissioner Kim and the rest of the SBS team. I  
9 look forward to hearing from you. Thank you Chairs  
10 Brannan and Menin and the staff for facilitating  
11 today's hearing.

12 First, I'd like to say thank you to Commissioner  
13 Kim and his team that have been working shoulder to  
14 shoulder with my office in terms of the Rockaway  
15 merchants and all that they are enduring right now by  
16 being hit by two pandemics, COVID and a lot of  
17 construction that's been taking place in the downtown  
18 Far Rockaway area.

19 So, just jumping into the questions now. In  
20 terms of open streets, how does SBS identify  
21 community-based development organizations to operate  
22 commercial open streets? Is it done in conjunction  
23 with DOT? And then in terms of the small business  
24 acceleration, the executive plan includes \$500,000 in  
25 Fiscal 2023 and \$800,000 in the outyears for a

1  
2 concierge service that offers businesses the sole  
3 point of contact to help navigate city requirements,  
4 regulations and site visits.

5 SBS will integrate data systems and dedicated  
6 small business specialists at DEP, DOB, DOHMH and  
7 FDNY as well as CON ED and National Grid to  
8 coordinate the inspections in order to cut open in  
9 times for new businesses. Many of my constituents,  
10 small businesses particularly in the downtown Far  
11 Rockaway area are still struggling to recover and  
12 remain in business following the pandemic. These  
13 businesses have unfortunately been unduly burdened  
14 with unpredictable power outages and long-term  
15 construction work impacting the food traffic,  
16 enforcing some of them to close for – well, many of  
17 them to close for hours or days at a time. How will  
18 the accelerator be able to support the needs of  
19 businesses like those I've described and how will the  
20 accelerator and its agency liaisons continue to  
21 support businesses once they are established and off  
22 the ground?

23 And then uhm, I will say in terms of the small  
24 business units, the Executive plan includes \$1.5  
25 million in Fiscal '23 and \$500,000 in outyears to

1  
2 launch a mobile unit that will provide free tax prep  
3 and a number of other critical services. What  
4 capacity does SBS expect these mobile units to  
5 handle? How many and what headcount are expected and  
6 how many businesses will be served? And I'll end  
7 with saying, I'd also like to highlight the Small  
8 Business Residents Fund that the Council urged the  
9 Administration to include providing a \$75,000 grant  
10 to help M/WBE's remain competitive. This grant would  
11 represent a real opportunity for M/WBE's in need and  
12 I will reiterate the Council's call for funding.  
13 Thank you.

14 KEVIN D. KIM: Yes, thank you for the questions  
15 Council Member. The Open Streets program you  
16 referred to, that is something we work very closely  
17 with DOT and also community-based organizations and  
18 business districts. And last year, for example, we  
19 funded everyone who applied, 20 organizations over  
20 \$70,000 dollars and this year we'll be opening  
21 applications in June and also encourage group supply  
22 for the Open Streets through DOT.

23 So, the way it works is that it's done in  
24 conjunction with DOT. DOT will designate the  
25 neighborhoods and community-based groups in those

1  
2 neighborhoods end up with filing. I just wanted to  
3 make sure I answered your question on open streets  
4 before I move onto some of the other questions.

5 Council Member?

6 COUNCIL MEMBER BROOKS-POWERS: Yes, yeah sorry.  
7 I was trying to come off of mute.

8 KEVIN D. KIM: Okay, so and in terms of the  
9 concierge service, so I thinks it's exactly what you  
10 referred to is that there are business owners,  
11 especially BIPOC and immigrant owned business owners  
12 who necessarily have never had to deal with the city  
13 and have no experience dealing with the city. So, we  
14 recognize that we need people here to hold their  
15 hands and be their advocates and that's what we have  
16 at our agency are lines specifically dedicated for  
17 people to be their small business advocates.

18 So, if a business owner wants to either open up a  
19 business or even if they have an existing business  
20 and they need to just interface with some government  
21 agency into having a tough time getting through to  
22 them or not understanding all the regulations, that's  
23 where we step in and we stand shoulder to shoulder  
24 with them to be able to help them, first of all  
25 understand all the regulations that exist. But then

1  
2 take a second step of being their advocate to our  
3 sister agencies and addressing whatever needs that  
4 come before them.

5 SERGEANT AT ARMS: Time expired.

6 KEVIN D. KIM: Sorry, my answer might have been  
7 too long but the mobile unit, we will get you more  
8 numbers on that but we are excited because we know  
9 that even with all our presence throughout the city  
10 that a lot of New Yorkers can't come down to One  
11 Liberty Plaza get to one of our Workforce One  
12 centers. And so, we are trying to go deep into the  
13 neighborhoods to meet the New Yorkers where they are  
14 and the hallmark of this administration is to bring  
15 our interagency, sister agencies to cooperate and  
16 bring other services to. I think in the past, the  
17 SBS mobile was out. It might have just been SBS  
18 services but now we partner with the public  
19 engagement unit to talk about benefits enrollment.  
20 We partner with DCWP to talk about earned income tax  
21 credit. So, there's a lot more that we're doing with  
22 all of our other agencies through this one vehicle  
23 but we can also get people signed up to our Workforce  
24 One Centers there because we have computers, secure  
25 computers on the mobile vehicles that can take in

1 sensitive information that you might not be able to  
2 do over a laptop or a handheld device.

3  
4 So, this is the way we know we will reach a lot  
5 more people who have historically been underserved.

6 COUNCIL MEMBER BROOKS-POWERS: Thank you for the  
7 response.

8 KEVIN D. KIM: Thank you.

9 COMMITTEE COUNSEL: Thank you and next, we'll  
10 turn to Council Member Louis.

11 SERGEANT AT ARMS: Starting time.

12 COUNCIL MEMBER LOUIS: Thank you Malcom. Thank  
13 you Chairs Brannan and Menin for your leadership and  
14 Commissioner Kim. Happy to meet you online finally.  
15 Thank you for coming by with your team.

16 I'm going to ask all my questions and then if you  
17 all could respond and follow-up with an email, I  
18 would appreciate it.

19 The first one is on small business language  
20 access. The Executive Budget plan includes  
21 investments for additional resources for language  
22 access programs for small businesses. So, I wanted  
23 to know what languages will be included and will it  
24 be for all the agencies programs and if that also  
25 includes online translations as well?

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

61

1  
2       Regarding the Commercial Lease Assistance, I  
3 wanted to know, in the 4,800 cases you shared in  
4 totality of unique business that you've all assisted,  
5 how many required support of grants? Being that the  
6 current program only provides legal services. So, I  
7 wanted to know if anyone required grants and if the  
8 fund that you mentioned that you're still trying to  
9 finalize, would you be able to go back and provide  
10 those businesses with grant opportunities.

11       Regarding our Chamber on the Go, our five borough  
12 chambers have been very supportive during the  
13 pandemic. So, I wanted to know how is the chamber  
14 business recovery going and how much funding is  
15 needed in FY23 for them?

16       And my last question is on cannabis. I wanted to  
17 know how much of the projected out label fund  
18 outreach and community engagement, especially for  
19 BIPOC communities? Thank you.

20       KEVIN D. KIM: Thank you Council Member. On the  
21 language access question, as you know by law, we need  
22 ten languages. There are ten languages that are  
23 designated. So, we hope to have at least that and  
24 more. It's an additional \$160,000, so with the funds  
25 that we currently allocate to making sure that as

1 much of our information is out there in language  
2 accessible form.

3  
4 Even in our website currently, we know that if  
5 you go there, there's a little toggle there that you  
6 can click on and it will translate into a number of  
7 different languages as it exists now. Uhm, in terms  
8 of your question on the Chamber on the Go. I know  
9 that in Fiscal Year '22 for example, the on the  
10 ground outreach conducted in the five boroughs by the  
11 seven chamber of commerce reach approximately 6,100  
12 businesses. And in Fiscal Year '22, is 2,600  
13 businesses that receive assistance and that they have  
14 been funded for Fiscal Year '23 and EDC runs, is  
15 helping to operate along with the chambers. The  
16 Chamber on the Go program.

17 But we're working very closely with the chambers  
18 to provide all the support that they're giving in  
19 addition to some of the other supports that the SBS  
20 can provide that maybe the chamber cannot.

21 In terms of your question on the cannabis. The  
22 cannabis outreach is going to be expensive and we are  
23 going to rely heavily on our partners, including MOCJ  
24 and including our local community partners that know  
25 their communities well. We've been working on trying

1  
2 to gather as much information as we can on what  
3 individuals who have been most detrimentally impacted  
4 by the war on drugs want and need to get full  
5 participation in this industry as the opportunities  
6 come along. We've been partnering with the state,  
7 because their regulations are still being finalized.  
8 That information keeps changing in real time and so,  
9 we have very frequent updates with them as well as  
10 with EDC and City Hall to keep up to date on what the  
11 final regs will look like. And before that though,  
12 what we do provide, anyone interested in entering  
13 this industry is the basic business services. How do  
14 you create a business plan? How do you learn the  
15 financial literacy skills that you need to operate  
16 any small business?

17 So, we are on the ground already working on it  
18 but the additional funds and the headcounts to help  
19 get the word out in the communities that we're  
20 targeting will be very meaningful.

21 I believe you asked how many of the 4,800 CLA  
22 clients need grants. I have to I think go to our  
23 vendor and work with them a little bit on getting you  
24 those numbers, so let me try to work on that and get  
25 back to you.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

64

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

SERGEANT AT ARMS: Time expired.

CHAIRPERSON MENIN: And before we move on, I just want to interject on one thing that the Commissioner said. So, Chamber on the Go is a City Council initiative. So, we just want to make sure that that is clarified.

KEVIN D. KIM: Thank you.

COUNCIL MEMBER LOUIS: Yes, most definitely. I wanted to make sure that the funds were included and this is something that was a priority for SBS to continue the support and Commissioner, I know you have to get back to me regarding some of the businesses who may have had arrears and needed grant support. And in regards to the cannabis program, I know that this is something that you're still working on, it's new. My hope is that the BIPOC communities and those that are interested could be at the forefront of this. Thank you for taking the time to answer the questions. Thank you Chairs.

KEVIN D. KIM: Thank you.

COMMITTEE COUNSEL: Thank you Council Member Louis. Next, we'll turn to Council Member Dinowitz followed by Council Member Sanchez and Hudson.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

65

1  
2 COUNCIL MEMBER DINOWITZ: Thank you Malcom and  
3 thank you -

4 SERGEANT AT ARMS: Starting time.

5 COUNCIL MEMBER DINOWITZ: Thank you and thank you  
6 Chairs Menin and Brannan. Commissioner, it's very  
7 good to see you again. I want to talk a little more  
8 about something that Chair Brannan actually brought  
9 up, which is you have these great programs that  
10 support our small businesses but I'm still concerned  
11 about the outreach that's done and how these small  
12 businesses know about the programs.

13 And you mentioned that the work is reflected in  
14 the budget and you have the mobile units but how much  
15 money and time is allocated to outreach is one. Are  
16 you doing canvassing efforts? Going door to door to  
17 each business? I know I've offered to go with you  
18 and the team personally to go to each business  
19 personally. Is that type of stuff done and are you  
20 prioritizing areas outside of Manhattan and very  
21 famously during or infamously rather during the  
22 height of the pandemic? It's like two-thirds of the  
23 loans, these federal loans went to Manhattan and one  
24 percent went to the Bronx. So, you know equity and  
25

1  
2 distribution of time and resources to do this  
3 outreach and what that outreach looks like.

4 KEVIN D. KIM: Yes, absolutely, well, the  
5 additional headcounts we're getting as part of the  
6 executive budget is going to add to our outreach  
7 unit, outreach efforts. And that's something that we  
8 do every day. It's not just when we have commercial  
9 corridor walks, which I think in my four months,  
10 we've already done a double digit number of  
11 commercial corridor walks with electeds and community  
12 leaders and we are definitely scheduling yours as  
13 well. You know we know that that kind of door to  
14 door outreach is critical. One of the reasons why we  
15 did our five boroughs in five days in the different  
16 boroughs and also partnering up with different  
17 communities in Staten Island, we focused on the  
18 street community for example Sri Lankan community for  
19 example. In Brooklyn, we were in Bedstuy with the  
20 Caribbean community and in China Town and Manhattan  
21 and then Little Columbia, Jackson Heights and Queens  
22 and then the Yeminis community with Yama over in the  
23 Bronx.

24 COUNCIL MEMBER DINOWITZ: Yeah.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

67

1  
2 KEVIN D. KIM: And that's just one example of all  
3 the types of community and specific local community  
4 type outreach we're doing.

5 COUNCIL MEMBER DINOWITZ: Let me pause because I  
6 think, you know I see that the language access is  
7 certainly important and I think I kind of do hear  
8 more about that I see that that work is being done.  
9 I guess I'm asking, are those additional people you  
10 just mentioned that you're hiring, are those  
11 specifically people whose job it is to go business to  
12 business, door to door and talk to people? Because  
13 you know the existence of a mobile unit in a  
14 neighborhood is great but it is not the same thing as  
15 proactively reaching out to the businesses who are  
16 probably busy doing the work. Who are probably not  
17 leaving you know the store to check out the random  
18 truck that they see outside. So, are these people  
19 specifically for canvassing and are they specifically  
20 for canvassing the businesses?

21 KEVIN D. KIM: So, you know I'll be honest with  
22 you, as we get the additional support in Fiscal Year  
23 '23, we are looking very closely internally how to  
24 best maximize our outreach efforts because we have  
25 outreach teams that focus on M/WBE's for example.

1  
2 And they are out and about as I mentioned some of the  
3 major conferences and community groups. And then we  
4 have small business advocates who are out door to  
5 door talking to businesses also and compliance  
6 advisors. We have a staff of compliance advisors who  
7 sole job is to be out there talking to business  
8 owners, walking around their retail stores or their  
9 restaurants or their liquor stores and to say, hey,  
10 this is where you might get a violation from another  
11 city agency, to preemptively and proactively avert  
12 getting any violations at all.

13 But the idea of the mobile outreach unit yes, is  
14 to not just be the RV vehicle, physical presence  
15 there. I think that's just the beginning of kind of  
16 a hooved spoke model in a way, where they're there  
17 bringing our services to the communities. And then,  
18 they'll be people attached to that unit who then will  
19 be manning the unit but also spreading out into the  
20 community where they're placed and then -

21 COUNCIL MEMBER DINOWITZ: Right and just - I have  
22 14 seconds, I don't mean to interrupt, I just you  
23 know there's a time thing. I would really love to  
24 see how much money is specifically allocated or how  
25

1 much time is specifically allocated. Because I hear  
2 what you're saying -

3 SERGEANT AT ARMS: Time.

4 COUNCIL MEMBER DINOWITZ: You know the spoke  
5 model but how much of their time is specifically  
6 going door to door and I'm stressing the fact that  
7 this is vital outside of Manhattan and even outside  
8 our business improvement districts. And I hear you  
9 talking about conferences, which is great and a lot  
10 of our businesses don't exist in a place where  
11 they're going to conferences or they may not be in a  
12 business improvement district or even have a  
13 merchants association, which I see in the report some  
14 of these grants are going to.

15 There are so many up and coming businesses exist  
16 in little pockets you, where in the Bronx, we don't  
17 have huge commercial corridors everywhere. There's  
18 maybe one block or one and a half blocks of  
19 businesses, even a corner maybe has three or four  
20 businesses and those businesses need even more so  
21 than those big commercial areas, that proactive  
22 outreach and that's small business service employed  
23 going to them and making sure that they avail  
24 themselves. All the, really I think, the really good  
25

1  
2 programs that are available. We just have to make  
3 sure that the businesses that are on the outskirts,  
4 in the outer boroughs and don't have access to the  
5 same resources that BIDs and many Manhattan  
6 businesses have. That those businesses have those  
7 same resources available to them and know about them  
8 and can access them.

9 KEVIN D. KIM: And Council Member, we definitely,  
10 we are aligned in that the outer boroughs have  
11 traditionally been underserved and you know, I think  
12 that if I had to break down my time and I wouldn't  
13 know exactly but right now at the top of my head, but  
14 I've spent much more time in the outer boroughs than  
15 I have in Manhattan doing commercial corridor walks  
16 and going to community events but to your point, we  
17 are trying to identify as many smaller groups as  
18 possible, so for example who in the Bangladeshi  
19 community can gather merchants and we don't expect  
20 one person to gather everybody but that's just  
21 examples of identifying the Yemenis community in the  
22 Bronx but all those merchant, not just merchant  
23 associations but smaller gatherings of groups  
24 wherever they are, we want to be there and so, we are  
25 formulating and executing on a plan to go into

1 smaller groups to bring our folks there to do  
2 presentations. We've done it for the Dry Cleaners  
3 Association for example. We've done it for industry  
4 heads of the nail salon associations and what not.  
5

6 So, we are not just waiting for invitations but  
7 we are proactively looking to find the group leaders  
8 and the groups that can host us or will want to host  
9 us and if not for those people but aside from those  
10 people, we are doing the door to door outreach  
11 because we understand that small business owners  
12 don't have the luxury often times to take the time  
13 off and I think that's where the mobile unit kicks in  
14 where we go out there but we send the people based  
15 from there in those particular communities where we  
16 don't have as much of presence and then send people  
17 door to door into the businesses.

18 COUNCIL MEMBER DINOWITZ: Well, I love to hear it  
19 and uh, you mentioned the Bangladesh community,  
20 that's huge in my district and I'd love to hear that  
21 work proactive. It's not a word that we hear from  
22 every agency, so I love to hear that and to make sure  
23 you know that as a Council Member, I'm not going to  
24 speak for other Council Members just to say that you  
25 know we represent, we're all over our communities and

1  
2 we are all over our district and we have the  
3 relationships with those communities and those  
4 businesses and we are a good resource for small  
5 business services in terms of making connections to  
6 those communities, to those businesses.

7 And so, at least on my part, I look forward to  
8 working with you on doing that proactive outreach to  
9 our business, small businesses to make sure that they  
10 avail themselves with the resources that you are  
11 providing. And thank you. I look forward to it  
12 Commissioner.

13 KEVIN D. KIM: Thank you so much.

14 COUNCIL MEMBER DINOWITZ: Thank you Chairs.

15 COMMITTEE COUNSEL: Next, we'll turn to Council  
16 Member Sanchez.

17 SERGEANT AT ARMS: Starting time.

18 COUNCIL MEMBER SANCHEZ: Thank you so much and  
19 Commissioner, very nice to meet you. Look forward to  
20 also inviting you and welcoming you to District 14.  
21 I'm right South of Council Member Dinowitz. So, I'm  
22 also just going to ask my questions and then we'll  
23 see what we can get to and there might be some  
24 follow-up. But I actually wanted to continue Council  
25 Member Dinowitz's line of questioning, which was

1  
2 really about the kind of outreach, the kind of  
3 support that we receive out here. You know I have a  
4 couple of – I have two BIDs and I have one BID; I  
5 have one BID to be hopefully if we can continue to  
6 get SBS's support and I have two merchant  
7 associations and then I have all the bodegas and  
8 barbershops and salons and everything like that. And  
9 the technical capacity of the different businesses is  
10 just you know, it's just very different right? And  
11 so, not just about going in and helping folks to  
12 understand what can land them a violation or you know  
13 introducing ourselves. You know, the first question  
14 is, what about that one on one assistance? What one  
15 on one kind of assistance does SBS provide and how  
16 much funding is dedicated to it.

17       The second part is also following up on Council  
18 Member Dinowitz note about how the Bronx faired in  
19 the beginning of the pandemic, where we received you  
20 know one percent of the first grants that came out.  
21 So, could the agency share a breakdown of how much  
22 funding and how many awards disaggregated by the  
23 program, that were received in a – or were handed out  
24 through the agency since the pandemic began?

25

1  
2       So, uhm, would love to understand how many grants  
3 went to who. How many you know low-interest loans  
4 went to who. And to the extent that we have that  
5 information available from the state programs as  
6 well. That would be really helpful. And I am  
7 particularly interested in the smallest businesses  
8 right. Fewer than ten employees, micro enterprises,  
9 even our street vendors. How has SBS been able to  
10 help?

11       And then the last question is about street  
12 vendors and that is you know it's related to the  
13 first question is what is SBS's outreach to street  
14 vendors look like as there particular office. Is  
15 there anything dedicated that SBS has in order to  
16 offer street vendors support, education and outreach.  
17 Thank you.

18       KEVIN D. KIM: Thank you for your questions  
19 Council Member and we do look forward to doing our  
20 commercial corridor walk with you as well. The kind  
21 of outreach you talked about I think I adjust it  
22 somewhat but you're right, we understand that the  
23 smallest businesses and I met with the United Bodega  
24 Association President for example and we talked about  
25 how there's a lot of mistrust of government in

1  
2 general and it's built up over the years. It's not  
3 something that just happened overnight. It's  
4 something that's been happening and festering for  
5 years and you know I spoke to him about the services  
6 we had and he wasn't aware of any of the programs.

7       So, now we're going to go and do several  
8 presentations. It's not one time we show up and  
9 then, hey if you made it to the meeting you're lucky.  
10 If you didn't, you're not going to get the  
11 information. I think we're happy to tape it in  
12 whatever appropriate languages need to be. Those  
13 kinds of informational meetings. We're happy to do  
14 it multiple times as well.

15       We also find that social media these days,  
16 everyone talks about trying to reach people via  
17 social media but we also need to have the right  
18 social media channels right. It's not every - what I  
19 find in New York City, you know the toss salad of all  
20 the different ethnicities that live here and local  
21 community groups that certain community groups rely  
22 on let's say What's App or the Chinese American  
23 community relies on We Chat. And if they're not on  
24 those social medias then you're not really connecting  
25 with the business owners in the first generation in

1  
2 particular and so, how do we identify all of that as  
3 something that we're constantly trying to update our  
4 database and our outreach efforts to coordinate with  
5 that. The technical capacity, the one on one you  
6 asked about, we have a hotline. Over 75,000 calls  
7 were received and once that call comes in, we are  
8 able to hand it over to a small business advocate or  
9 a compliance advisor who will then be the one on one  
10 person for the constituent. And the additional money  
11 for the concierge service that's been talked about  
12 that's coming as part of the Executive Budget, is  
13 exactly that. When we say concierge, it is the one  
14 on one human touch and then, hopefully when the  
15 business portal is all up and running, we understand  
16 that people can also transition to get more of a  
17 personal touch and less frustrating experience with  
18 government.

19       So, those are all the things that we're very  
20 excited about looking into. As for the  
21 disaggregation of data, we will work on getting you  
22 that. We estimate that -

23       SERGEANT AT ARMS: Time expired.

24       KEVIN D. KIM: We estimate that there are  
25 approximately eight percent of small businesses, of

1  
2 all small businesses in New York City that are based  
3 in the Bronx and we recognize that the inequitable  
4 distribution of funds initially during the pandemic  
5 was a cause of concern. I think that although my  
6 communities did not receive their fair share in the  
7 beginning and subsequently the programs and grants  
8 were designed to try to improve on those metrics and  
9 when they tried to then go after zip codes for  
10 example, we also found inequities because there are  
11 some of the lowest income communities that were  
12 adjacent to some of the higher income communities.  
13 And so, zip codes necessarily wasn't the best way to  
14 identify the people most in need and then they went  
15 to LMI census tracts. And I think that's right now  
16 currently, the standard that's being used.

17 And so, we are constantly trying to work on  
18 making sure that the funds, any funds and any  
19 programs are equitably distributed and in particular  
20 to LMI communities throughout the city and in the  
21 Bronx.

22 COUNCIL MEMBER SANCHEZ: And street vendors?

23 KEVIN D. KIM: Oh, the street vendors, so there  
24 is a Street Vendor Advisory working group right now  
25 that will be releasing their recommendation soon but

1  
2 as you know from SBS's perspective, street vendors  
3 are entrepreneurs. They are business owners and we  
4 are working in partnership with our sister agencies  
5 that also have a say over how this is all being  
6 worked out.

7 We also understand that there's a balancing act  
8 between the brick and mortar stores and what needs to  
9 happen in the city. But again, our focus is on  
10 educating the street vendors to help them understand  
11 how to grow their particular business and from what  
12 we see is that this kind of financial literacy, basic  
13 education, just understanding supply demand chains  
14 and whatnot. I'd like to help street vendors be  
15 successful in their business is a goal of ours as  
16 well. They are an entrepreneur. They are a startup  
17 small business and we are working with all small  
18 businesses to help them operate, grow and thrive in  
19 New York City.

20 COUNCIL MEMBER SANCHEZ: Alright, thank you so  
21 much Commissioner. I appreciate your background.  
22 You know I understand your parents were immigrant  
23 small business owners and you've been one, so I'm  
24 glad to have your perspective in the leadership here.

25 KEVIN D. KIM: Thank you Council Member.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

79

1  
2 COMMITTEE COUNSEL: Next, we will turn to Council  
3 Member Hudson.

4 SERGEANT AT ARMS: Starting time.

5 COUNCIL MEMBER HUDSON: Good morning Commissioner  
6 and Chairs Brannan and Menin. Uhm, I just wanted to  
7 and apologies if this is redundant, than I can circle  
8 back and catch the recording, so please let me know.  
9 But you know Brooklyn has experienced lots of  
10 business growth I think that has far outpaced some of  
11 the other boroughs but there are still plenty of  
12 businesses, particularly smaller businesses that are  
13 rent burdened or in arrears due to the lingering  
14 fiscal impacts of the pandemic.

15 What programs or funding does this budget have  
16 for such businesses? And then I wanted to just  
17 follow up with another question quickly and then I'll  
18 turn it over to you. But I know many fines and fees  
19 were suspended during the pandemic to aid small  
20 businesses hurt by the lack of consistent revenue but  
21 many of these fines and fees have since been  
22 reinstated. So, what does this budget have to  
23 support businesses for which the fines are still  
24 onerous and what is SBS doing to ensure these small  
25

1  
2 businesses are supported around this issue? Thank  
3 you.

4 KEVIN D. KIM: Thank you. Your first question  
5 I'm sorry, I just - could you just repeat it?

6 COUNCIL MEMBER HUDSON: That's okay, yeah. What  
7 programs are funding -

8 KEVIN D. KIM: Oh right, sorry. Yes, yes,  
9 commercial. So, our Commercial Lease Assistance  
10 program, that's something that has been funded for  
11 Executive Fiscal Year '23 in the Executive Budget.  
12 That is critical in helping small business owners who  
13 don't often get the proper representation to get pro  
14 bono legal advice in negotiating with their landlords  
15 to modify terms, to work on reducing arrears. I  
16 think for many landlords, in particular, smaller  
17 landlords who themselves, like small business owners  
18 in a way, they are looking to work to keep tenants in  
19 place as well. They understand the negative impact  
20 of storefront vacancies on their part.

21 And so, this program is really trying to get the  
22 small business owners and their landlords to work  
23 together to figure out ways to provide relief for the  
24 small business owner. So, that's a program that  
25 we're very happy that is and very proud of that's

1  
2 been again funded in '23. Now in terms of your  
3 question on uhm, sorry -

4 COUNCIL MEMBER HUDSON: No, that's okay. So, for  
5 - there were fines and fees that were waived during  
6 the pandemic and then now they've been reinstated.

7 KEVIN D. KIM: Yeah.

8 COUNCIL MEMBER HUDSON: And there's no you know,  
9 onerous to small businesses.

10 KEVIN D. KIM: Yes, and you know Mayor Adams on  
11 January 4<sup>th</sup>. Four days into his administration,  
12 signed Executive Order 2 and named Deputy Mayor Maria  
13 Torres-Springer, myself and Chief Efficiency Officer  
14 Melanie La Rocca, as Co-Chairs of this effort to make  
15 recommendations to the Mayor and we announced this  
16 last week where 118 reforms were made, which will  
17 save small businesses approximately \$8.9 million  
18 every year. And so, part of the effort has been, how  
19 do we reduce the burden on small businesses  
20 permanently but the other part of it is on the  
21 education side and having funding for our compliance  
22 advisors and our small business advocates.

23 Compliance Advisors, I don't know if you caught this  
24 but they go into the stores and walk around and give

1  
2 advice pro bono on how to avoid future violations and  
3 come into compliance.

4       The city is you know, this administration is  
5 focused on making sure that the interaction between  
6 small business owners and the city is education  
7 first, rather than punitive first. So, we know that  
8 everything that we do in terms of going forward, the  
9 small business portal that's being revamped, the  
10 concierge service that has been funded, we are trying  
11 to get the small business owners to understand that  
12 we are there for them to understand that compliance  
13 is really for the health and safety risks of the  
14 public in general. But other than that, we are  
15 wanting to reduce any kinds of other burdens on them,  
16 so that they can do – they can focus on what they do  
17 best of just operating the business rather than  
18 spending time at an oath hearing for example or  
19 fighting finds and hiring expeditors. So, all of the  
20 efforts that we've put into the Executive Budget is  
21 aimed at doing that for small businesses.

22       COUNCIL MEMBER HUDSON: Thank you. That's good  
23 to hear and I appreciate your answers.

24       KEVIN D. KIM: Thank you.

25       COUNCIL MEMBER HUDSON: Thank you.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

83

1  
2 COMMITTEE COUNSEL: Thank you Council Member  
3 Hudson. Next, we'll turn to Council Member Brewer  
4 followed by Council Member Ossé.

5 SERGEANT AT ARMS: Starting time.

6 COUNCIL MEMBER BREWER: Thank you very much.  
7 Ironically, I'm in the back of a church where there  
8 is a funeral of 1,000 people supporting Mary Zingone,  
9 who was the owner of a deli, 82<sup>nd</sup> and Columbus for  
10 100 years but the reason they survived, is they  
11 bought the building above.

12 So, I want to go back to the question about the  
13 money for attorney's, Lawyers for the Public  
14 Interest. It's great that you have. What's the  
15 budget for that and how many people do you think it  
16 will include in terms of those able to be helped?  
17 Because in Manhattan, the number one issue is going  
18 to be rent.

19 Number two, the commercial rent tax. We want to  
20 get rid of it. What's your position? And then, the  
21 issues of the portal. It's a great idea. I have  
22 heard about it for the last 40-years but I hope it  
23 works. And I wanted to know for is there money in  
24 there for individual deli's, bodega's, small, to be  
25 able to get hardware? Because most of them don't

1 have it. And then the bodega's really want apps.

2 And I'm wondering, is that also part of what your

3 dollars for technology are? And then vacancy data,

4 that's obviously one of the big issues, vacant

5 storefronts. So, are you supportive of the

6 Department of Finance? Keeping that up on real time?

7 And thank you very much Commissioner and I'm sorry I

8 have to talk low but the funeral on going.

9 KEVIN D. KIM: Uhm, so let me just trying to get

10 to just quickly writing down all your questions,

11 sorry.

12 COUNCIL MEMBER BREWER: The lawyer, lawyers.

13 KEVIN D. KIM: Okay, lawyers, yes. So, the CLA

14 program, we had referred to it before. It has \$5

15 million allocated in the budget and we - I wanted to

16 give you numbers historically on how many people

17 we've served but I believe it was 1,600 services to

18 over 700 last year alone, Fiscal Year '22. And then

19 from the programs launch in February 2018 till April

20 '22, we served over 1,500 unique businesses and

21 provided over 3,200 services.

22 So, I think if you extrapolate those numbers, I

23 think that we are looking in Fiscal Year '23 to

24 provide smaller numbers as in '22. I actually think

1  
2 there will be an uptick because of the additional  
3 outreach we're doing and so, we think that I can't  
4 give you the exact numbers but I do think there will  
5 definitely be an increase from Fiscal Year '22, only  
6 because of the addition outreach we're doing citywide  
7 with our mobile unit, with our social media.

8       As to your portal question, you're right that  
9 question and that idea has been around for many, many  
10 years. I think that some cities, I think Boston for  
11 example has done it better in some ways and I think  
12 we're also learning from the different experiences  
13 and models that are around the country but we are  
14 very confident in our very capable CTO Matt Fraser  
15 and he is working to design the framework for this.  
16 But we also have our interagency working group that  
17 worked on the EO2 successfully to come together to  
18 give all the input on the processes and everything  
19 that needs to go into making this portal a one stop,  
20 a true one stop shop that really lowers the burden on  
21 small businesses who want to just launch or operate  
22 in New York City and the app idea is part of this. I  
23 think the app will be important because we know that  
24 not everybody can get access to computers. Small  
25 business owners and bodega's or other retail stores,

1  
2 the app idea is critical to also having been have  
3 access.

4 COUNCIL MEMBER HUDSON: CRT, CRT.

5 KEVIN D. KIM: Oh, the Commercial Rent Tax. So,  
6 the Commercial Rent Tax, I believe there's  
7 legislation still being formulated and you know, I  
8 think that the appropriate answer really is to see  
9 what legislation ends up and the devil is really into  
10 details and to understand what the final outcome of  
11 that process is. And I think that goes for all  
12 legislation that's pending and that's being  
13 discussed.

14 So, I'd like to uh, wait for that moment. I  
15 think you're on mute. I'm sorry Council Member,  
16 you're on mute.

17 COUNCIL MEMBER BREWER: The vacancy issue. How  
18 are we going to deal with these vacancies?

19 KEVIN D. KIM: So, yes, this administration as  
20 you know, the top two priorities have been public  
21 safety and economic recovery and at SBS, we really do  
22 believe that economic recovery and this issue in  
23 particular at storefront vacancies, also promotes  
24 public safety when we're able to fill the stores.

1  
2 And so, during the pandemic, we had uhm, we had a  
3 trial effort with -

4 SERGEANT AT ARMS: Time expired.

5 KEVIN D. KIM: Live X,Y,Z for example and trying  
6 to help determine the storefront vacancy numbers. We  
7 are looking at all different aspects of how best to  
8 be able to identify empty storefronts. We know that  
9 city agencies have people on the ground also, every  
10 day all over the city. And so, we're trying to  
11 figure out, what is the most comprehensive way to be  
12 able to identify storefront vacancies.

13 As you know, when a business opens up, we know  
14 the numbers because they incorporate, they file, but  
15 when businesses close down, we don't get the same  
16 kind of real time information that businesses close.  
17 And so, having our BID partners and community local  
18 partners as well, how do we engage everybody to be  
19 able to get this accurate count is something that  
20 we're actively working on. But it is a very  
21 important question and we share your concern about  
22 that.

23 COUNCIL MEMBER BREWER: Alright, I mean that's  
24 the law that I passed at Department of Finance, they  
25 are supposed to keep track of that. So, thank you.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

88

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

KEVIN D. KIM: Thank you. Thank you.

COMMITTEE COUNSEL: Thank you Council Member  
Brewer and Chair Menin.

CHAIRPERSON MENIN: Yeah, I just want to  
interject one thing. I'm glad Commissioner Kim that  
you're talking about the one stop shop deal. I just  
want to clarify for everyone, I introduced that  
legislation in February to create this one stop shop  
website that will consolidate all city agencies  
permits and licenses and to have an app, so I'm  
thrilled that we now have a super majority of Council  
Members that have signed on that bill. So, I think  
it's going to be a great partnership with the  
administration on making sure that we launch this  
important bill. Thanks.

COMMITTEE COUNSEL: Thank you Chair and we'll  
turn to Council Member Ossé now.

SERGEANT AT ARMS: Starting time.

COUNCIL MEMBER OSSÉ: Thank you. Good morning  
Chair Menin and Chair Brannan, as well as  
Commissioner Kim. Nice to see you over Zoom and not  
here in Bed-Stuy, even though I know you love this  
district over here.

1  
2 I want to ask a question in regards to street  
3 vendors, especially in light of harassment that we've  
4 seen of our street vendors, not only here in the  
5 district but across the city. I wanted to ask in  
6 particular how much is SBS allocating to street  
7 vending resources, including providing more licenses  
8 and doing more outreach especially to outer boroughs  
9 and vendors of color to ensure that they are vending  
10 properly and are protected from harassment?

11 KEVIN D. KIM: Thank you for that question  
12 Council Member and we do love Bed-Stuy. We've been  
13 out there several times and we launched our national  
14 small business sweep out there as well.

15 Let me just turn to First Deputy Commissioner  
16 Jackie Mallon. I know we are definitely active as a  
17 member of the Street Vendor Advisory Group, trying to  
18 figure out everything that relates to small  
19 businesses and we are having street vendors apply and  
20 sign up for all of our existing services but as to  
21 your question about as to the exact amount of  
22 funding. Let me just turn to First Deputy  
23 Commissioner Mallon.

24 JACKIE MALLON: Sure, hi there. I'm sorry, would  
25 you mind? What is your question specifically?

1  
2 COUNCIL MEMBER OSSĚ: Yeah, I think my question  
3 is pertaining to how much of – how much in the budget  
4 is going towards outreach to street vendors in terms  
5 of assisting them to get licensing.

6 JACKIE MALLON: I see, I see, I see. Uhm, I  
7 think we'd have to come back because it's part of a  
8 broader outreach budget that we'd have to come back  
9 and give you some specifics on that particular  
10 target, but happy to do that.

11 COUNCIL MEMBER OSSĚ: Okay.

12 KEVIN D. KIM: Sorry Council Member, I  
13 misunderstood the question. Yeah, so the outreach,  
14 since we did get this additional funding and there's  
15 a really broad comprehensive outreach strategy that  
16 we're creating, now that we know this money is going  
17 to be there including the mobile unit. But also,  
18 through our community partners and we will get back  
19 to you on that but the street vendor outreach is also  
20 a part, definitely a part of that broader outreach.

21 COUNCIL MEMBER OSSĚ: And no worries if you don't  
22 have this number off of the top of your head but I  
23 would definitely love to get this number. Do you  
24 know how many street vending licenses you've approved  
25 this year thus far?

1  
2 KEVIN D. KIM: So, SBS, we don't do the approval  
3 of the street vendor licenses. DCWP is the agency  
4 that handles that.

5 COUNCIL MEMBER OSSĚ: Okay, thank you. And the  
6 second question or third question I have is, you know  
7 the executive budget calls for \$4.8 million in  
8 developing the cannabis sector here in New York City  
9 and part of that money is dedicated to outreach and  
10 community engagement.

11 How much will be dedicated to outreach and what  
12 is the outreach plan to reach Black and Brown  
13 neighborhoods who are most impacted by the war on  
14 drugs?

15 KEVIN D. KIM: Thank you for that question. We  
16 are excited to be working closely with the state  
17 because the state has their own outreach program and  
18 they're headquartered right down town as well. But  
19 we are working closely with them because we don't  
20 want to necessarily duplicate efforts. I think that  
21 where we have a lot of value at is the community  
22 partnerships that we have in the Black and Brown  
23 communities as you mentioned and all communities  
24 throughout the city that are historically  
25 disadvantaged. We are going to leverage that to make

1  
2 sure the education is done properly and in as wide of  
3 a manner as possible to reach as broad of an audience  
4 and so, the headcount that we're adding in the  
5 cannabis industry line of seven people, we're also  
6 going to incorporate them into the broader outreach.

7       And I think when we say outreach, we don't want  
8 people to think that SBS is going to just talk about  
9 business services or just M/WBE. When we go out,  
10 we're going to have a team that's able to talk about  
11 all the services that we do. And so, with cannabis  
12 in particular, the law is designed and written in a  
13 manner to really give initial preference to people  
14 who have been in the most impacted on the war on  
15 drugs. So, our outreach efforts will align with that  
16 and so, I think to your question about certain  
17 communities that have been most impacted, that's  
18 where our efforts will go as well.

19       COUNCIL MEMBER OSSÉ: And has that outreach begun  
20 already?

21       KEVIN D. KIM: We've definitely started talking  
22 in forums and community group events where people  
23 have asked about it. As I had mentioned previously,  
24 the state is right now in real time finalizing those  
25

1  
2 rights. So, until those rights are finalized, it  
3 would not be prudent for us to say -

4 SERGEANT AT ARMS: Time expired.

5 KEVIN D. KIM: Exactly this is how you get a  
6 license, for example but we have been already talking  
7 to people and have signed up people to get the basic  
8 fundamental business prep that you need to open any  
9 business and the cannabis business will be no  
10 different. You still have to know how to do your  
11 books. You still have to know how to sign a lease.  
12 You also have to understand just financing, access to  
13 capital. So, we are doing all of the preparatory  
14 education now and the state knows because we've been  
15 partnering with them and EDC as well that when they  
16 do get people interested in New York City and wanting  
17 to get involved, they'll refer them to us to get this  
18 foundational education done. So, that when the time  
19 comes and licenses are available for applicants, that  
20 they'll be in a better position to take advantage of  
21 it.

22 COUNCIL MEMBER OSSÉ: Thank you Commissioner and  
23 just one last point, when you do start you know more  
24 of your extensive outreach, especially here in the  
25 36<sup>th</sup> district, I would definitely love to partner in

1  
2 our office and SBS on reaching those community groups  
3 and in any other type of outreach. But thank you for  
4 answering my questions.

5 KEVIN D. KIM: Absolutely, thank you.

6 COMMITTEE COUNSEL: Thank you Council Member and  
7 for the record we were also joined by Council Member  
8 Brewer and Farias. That ends Council Member  
9 question. I will turn to Chair Menin for her closing  
10 comments and then we'll turn to Chair Brannan.

11 CHAIRPERSON MENIN: Well, thank you so much.  
12 First of all, thank you Commissioner and to the SBS  
13 staff for testifying today and answering a number of  
14 our questions that we had. I know we have additional  
15 questions moving forward that we'll provide. I also  
16 want to thank Chair Brannan and the Finance and  
17 Legislative Staff. I think you can hear from the  
18 questions that we asked today, the incredible  
19 importance of small businesses to the city. The  
20 importance of M/WBE's. I can't reiterate enough how  
21 concerned we are about making sure that M/WBE's are  
22 really being able to get full amount of city  
23 contracts. So, that is going to be a big importance  
24 bridge. Training is obviously a top importance for  
25 us as well and I know a number of my colleagues

1  
2 really talked about equity and making sure that we  
3 are ensuring that the fine reduction that the mayor  
4 launched is basically having an equitable  
5 distribution in neighborhoods that were particularly  
6 hard hit.

7 So, I look forward to the responses to all the  
8 different questions and thank everyone for their help  
9 on this hearing. Thank you.

10 CHAIRPERSON BRANNAN: Thank you Chair Menin.

11 Yeah, I echo what Chair Menin said Commissioner and  
12 you know as always, the Council wants to be partners  
13 right. Like I said, I think in my opening statement,  
14 I don't know that you'll find a politician that  
15 doesn't run to say that small businesses are the  
16 backbone and the lifeblood of our city. But what  
17 does that mean and what are we doing to actually  
18 prove that and back that up with action. And I think  
19 when you hear from small businesses who are  
20 frustrated or you know feel that the city could be  
21 doing more, you know that's where we need to step in  
22 and make sure we're connecting them to the great work  
23 that SBS is doing that frankly a lot of these  
24 businesses are not aware of.

1  
2 So, I think that connection and education is just  
3 as important as anything else we brought up today.

4 So, I appreciate that. We got a long hearing to go,  
5 so I'm going to let you guys go on good behavior and  
6 we appreciate it Commissioner. Thank you.

7 KEVIN D. KIM: Thank you very much.

8 COMMITTEE COUNSEL: Give us just a few minutes  
9 Chair Brannan while we switch over, get the next Co-  
10 Chair up.

11 CHAIRPERSON BRANNAN: Thank you.

12 [1:55:05-1:57:52]

13 SERGEANT AT ARMS: Executive Director Lescott,  
14 I'd like to test your audio.

15 COMMITTEE COUNSEL: Can't hear you. No. You're  
16 unmuted but we don't hear anything.

17 ANNIKA LESCOTT-MARTINEZ: Now?

18 COMMITTEE COUNSEL: Yes, now we can.

19 ANNIKA LESCOTT-MARTINEZ: Okay, I think it might  
20 be the headset actually

21 COMMITTEE COUNSEL: You don't want to wear your  
22 customer service headset?

23 ANNIKA LESCOTT-MARTINEZ: It helps but let me,  
24 I'll try one more time and if not, then we'll do  
25 without it.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

97

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

COMMITTEE COUNSEL: Okay.

CHAIRPERSON BRANNAN: Can I interest you in a time life books series? Does anyone remember those time life commercials?

GREG RUSS: Yes.

CHAIRPERSON BRANNAN: Alright Greg.

COMMITTEE COUNSEL: Okay, so Chair Russ, you're audio works. Oh, Ms. Lescott, can you speak, I think I heard you.

ANNIKA LESCOTT-MARTINEZ: Yes, can you hear me?

COMMITTEE COUNSEL: Okay, perfect, we can hear you. Chief of Staff Koch?

JOEY KOCH: Koch, it works thanks.

COMMITTEE COUNSEL: Koch, got you. And let's see Chair Avilés, do you want to test your audio?

CHAIRPERSON AVILÉS: Yes, can you hear me?

COMMITTEE COUNSEL: Perfect, yup. The only person we're waiting on is Chief Operating Officer Daniel Sherrod.

DANIEL SHERROD: So, I'm using M Avatalos (SP?) because I didn't get a link.

COMMITTEE COUNSEL: Okay, we'll -

DANIEL SHERROD: And I don't know how to change the name. Oh, there we go, thank you.

1  
2 COMMITTEE COUNSEL: Give me one second, I'll do  
3 it for you.

4 DANIEL SHERROD: And for some reason, the virtual  
5 machine isn't connecting to my cameras, so I  
6 apologize.

7 COMMITTEE COUNSEL: No worries. Okay, so  
8 everyone is on from the Admin. Chair Avilés, are you  
9 ready?

10 CHAIRPERSON BRANNAN: Uhm, I'm ready Malcom.

11 CHAIRPERSON AVILÉS: Yes, I'm ready.

12 COMMITTEE COUNSEL: Okay, so Chair Brannan, we'll  
13 go with your opening, then Chair Avilés and then  
14 we'll swear in the Administration.

15 CHAIRPERSON BRANNAN: Great. Thank you. Good  
16 afternoon and welcome to the second portion of the  
17 9<sup>th</sup> day of Executive Budget hearings. I'm Council  
18 Member Justin Brannan and I have the privilege of  
19 Chairing the Committee on Finance. I'm joined today  
20 by my colleague Council Member Alexa Avilés, Chair of  
21 the Committee on Public Housing.

22 From the New York City Housing Authority I'd like  
23 to welcome NYCHA Chair and CEO Greg Russ, Executive  
24 Vice President and CFO Annika Lescott. Good  
25 afternoon and welcome to you and your team.

1  
2 NYCHA's budget is not part of the city's budget  
3 and NYCHA's fiscal year follows the calendar year.  
4 NYCHA's adopted calendar year '22 budget includes  
5 \$4.14 billion in projected revenue, which is .5  
6 percent less than the Authorities calendar year '21  
7 by year end actual revenue?

8 NYCHA projects expenditures of \$4.18 billion in  
9 calendar year '22, which is .3 percent larger than  
10 the Authorities actual 21 year end expenditures.

11 NYCHA's budget is financed by various federal  
12 assistant programs, such as federal operating  
13 subsidies and Section 8 vouchers as well as tenant  
14 rental revenue and city funds.

15 My questions today will focus on ARPA funding.  
16 The Council's Preliminary Response, the Workorder  
17 backlog and as well as RAD PACT conversation. I want  
18 to thank John Decele(SP?) for his work on today's  
19 hearing, my Special Advisor John Yedin, Malcom, the  
20 entire Finance team that works really hard behind the  
21 scenes to get these hearings, make these hearings  
22 happen.

23 I'll now turn to my colleague Chair Avilés for  
24 her opening remarks.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

100

1 CHAIRPERSON AVILÉS: Thank you so much Chair  
2 Brannan. Good morning everyone. Good to see you.  
3 Good afternoon rather. Welcome to the City Council  
4 Finance Committee and Public Housing Committees joint  
5 hearing on the Fiscal 2023 Executive Budget. My name  
6 is Alexa Avilés, Council Member Alexa Avilés,  
7 representing District 38 and proud Chair of this  
8 Public Housing Committee.  
9

10 Today, we're going to hear from NYCHA and I would  
11 like to thank the Chair of the Committee on Finance  
12 again Council Member Brannan for your leadership and  
13 partnership, getting us all through this budgeting  
14 process during all of these hearings.

15 As a reminder to those of you watching, we  
16 welcome and invite members of the public to testify  
17 on Wednesday, May 25<sup>th</sup>. Everyone's voice matters and  
18 I encourage all New Yorkers, particularly NYCHA  
19 residents to please visit [council.nyc.gov](http://council.nyc.gov) to learn  
20 more on how to make sure that your voice is included  
21 in public testimony.

22 As we begin to emerge but still remain in this  
23 COVID-19 pandemic, the compounded and enduring  
24 systemic inequities in this country have become  
25 clearer and clearer. Over the last two years,

1  
2 trillions of dollars have flowed into the wallets of  
3 billionaires while working class and impoverish  
4 families struggle to pay for groceries and other  
5 basic necessities. We've seen surging inflation  
6 combined with a persistent lack of affordable housing  
7 stock that is making it difficult for hard working  
8 families to afford rent.

9 In fact rent collection rates for NYCHA in 2021  
10 were lower every month compared to 2020 and lower  
11 than in pre-pandemic levels. Last month, NYCHA was  
12 only able to collect 68 percent of its old rent which  
13 I'm sure you will hear more of later.

14 As this cycle continues, it is imperative that  
15 the city invests in its social safety net for its  
16 residents and its public housing system. Yesterday  
17 in her State of the City Address, Speaker Adams  
18 talked about the depth of the housing crisis and how  
19 our city must meet this challenge head on by  
20 investing in the building and preservation of  
21 affordable housing of low-income housing.

22 There can be no safety without stable housing for  
23 our communities. I couldn't agree with that  
24 statement more and the commitment and urgency should  
25

1  
2 be driving an aggressive investment strategy in our  
3 public housing.

4 Today, we're here to continue the city's budget  
5 process and it is my sincere desire that we maintain  
6 a thoughtful dialogue on how to ensure that  
7 Authorities budget is being used to assist and defend  
8 the nearly 400,000 residents who rely on the city's  
9 public housing system. Sadly, I must point out from  
10 my perspective the numbers in this executive budget  
11 do not match the urgency or commitment to public  
12 housing residents. We have a long way to go.  
13 NYCHA's budget, as you have heard from Chair Brannan,  
14 is not part of the city's budget and it's fiscal year  
15 follows the calendar year.

16 The Authorities Adopted 22-26 Capital Plan  
17 approves approximately \$8.3 billion in plan  
18 commitments for infrastructure improvements, major  
19 modernization, systemic upgrades, resiliency and  
20 fortification of developments damaged by Super Storm  
21 Sandy. The Authority was expecting already to  
22 receive about \$3.5 billion over five years in capital  
23 commitments from the city's prior years commitment.

24 Despite Council calls for a more robust  
25 investment in NYCHA, both for operating and capital

1 needs, the Executive only added earmarked through  
2 HPD, an additional \$1.5 billion in capital over five  
3 years, with \$200 million of that required from the  
4 rezoning deal to go to Gowanus and Wyckoff Houses.  
5 The Executive earmarked the new \$1.3 billion  
6 specifically for RAD and PACT. What that means is  
7 that the Executive added zero dollars in the  
8 immediate to support capital improvements for the 110  
9 remaining residents in public housing developments  
10 across the portfolio that are not in private  
11 management or slated to be in private management  
12 through RAD and PACT. Some of our most challenged  
13 housing stock will get no additional resources in  
14 this budget. NYCHA notes that 110,000 of the  
15 residents will be covered by the trusts. If it  
16 passes and if residents are allowed to opt in and  
17 out, what happens to those residents that might opt  
18 out? What happens to those repairs?

20 We also know that NYCHA's holding on to millions  
21 in unspent city funds for repairs that need to be  
22 done probably ten years ago, if not longer. This  
23 practice must end and we need the agency to  
24 responsibly and expeditiously move through quality,  
25 capital improvements that it has the money for and

1  
2 that our residents deserve. The pressure on NYCHA  
3 and the city has never been greater to do what is  
4 right by the residents. To be clear, and certainly  
5 too close very soon.

6 This budget presents no new money for operating  
7 needs and only new money for private management.  
8 These are investment choices. Mayor Adams response  
9 is simply far, far below our ask in what the needs  
10 are. Overall, we look forward to hearing more about  
11 an update from NYCHA from the Preliminary Budget  
12 hearing just a few short months ago and how it is  
13 going to systemically address this situation.

14 But for the record, as Chair of the Public  
15 Housing Committee, from my perspective, as I've  
16 probably said five times since I've started talking,  
17 these investments are insufficient to address the  
18 crisis at hand. It is clear that our city must do  
19 more to protect social housing. To protect dignified  
20 housing for our low income working class New Yorkers.  
21 This budget says that we believe only the private  
22 market will solve this matter, despite acknowledging  
23 the facts on the ground. Renters in the private  
24 market are barely making it. Most of the renters are  
25

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

105

1 paying more than 50 percent of their income in rent.

2 The private market will not solve these issues.

3 That is not the future we should be investing in  
4 for our residents. We must invest in them. We must  
5 use the power of our public dollars to back the  
6 repairs that need to be made to back public housing.

7 Before I turn it over to the Finance Counsel, I  
8 would like to thank the Committee Staff who have  
9 helped and prepare this hearing. John Basil  
10 Principal Financial Analyst, Chima Obichere Unit  
11 Head, Audrey Sun Committee Counsel and always I must  
12 thank my Chief of Staff Edward Cerna and our  
13 Legislative Budget Director Christina Bottego.

14 And with that, I thank you for your patience. I  
15 will now pass it to the Finance Counsel to continue  
16 the hearing.

17 COMMITTEE COUNSEL: Thank you Chairs Brannan and  
18 Avilés. Good afternoon and welcome to the second  
19 portion of the Executive Budget hearing for May 23<sup>rd</sup>,  
20 the New York City Housing Authority. My name is  
21 Malcom Butehorn and I am Counsel to the Finance  
22 Committee. I would first like to acknowledge Council  
23 Members present for the record.  
24

25

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

106

1 We are joined today by Council Members Brannan,  
2 Avilés, Barron, Brewer, Carr, Farias, Hudson, Louis,  
3 Ossé, Paladino, Sanchez, Ung, Ayala, De La Rosa and  
4 Velázquez.  
5

6 Council Members who have questions use the raise  
7 hand function in Zoom. You will be called on in the  
8 order with which you raised your hand. We will be  
9 limiting Council Member questions to five minutes.

10 The following members of the Administration are here  
11 to testify and/or answer questions. Gregory Russ  
12 Chair and CEO, Annika Lescott Executive Vice  
13 President and Chief Financial Officer, Daniel Sherrod  
14 Chief Operating Officer, Shaan Mavani Chief Asset and  
15 Capital Management Officer and Joey Koch Chief of  
16 Staff. I will first read the oath and after, I will  
17 call on each of you individually to respond. Do you  
18 affirm to tell the truth, the whole truth and nothing  
19 but the truth before these Committees and to response  
20 honestly to Council Member questions? Chair Russ?

21 GREG RUSS: I do.

22 COMMITTEE COUNSEL: EVP Lescott?

23 ANNIKA LESCOTT: I do.

24 COMMITTEE COUNSEL: COO Sherrod?

25 DANIEL SHERROD: I do.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

107

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

COMMITTEE COUNSEL: CMO Mavani?

SHAAN MAVANI: I do.

COMMITTEE COUNSEL: And Chief of Staff Koch?

JOEY KOCH: I do.

COMMITTEE COUNSEL: Thank you. Chair Russ,  
whenever you're ready.

GREG RUSS: Thank you and good afternoon. Chairs  
Avilés and Brannan, and members of the Committees on  
Public Housing and Finance, and other distinguished  
members of Council, NYCHA residents, and members of  
the public, thank you for sharing the time that we  
have today.

I just want to let the Council know I am remote  
and dealing with a bit of COVID here, so if I have to  
mute myself to sneeze, I will do so but we will  
weather through.

I have prepared remarks, which we submitted and  
the testimony is quite good. It outlines the major  
areas that we saw both the Chairs discuss in their  
opening remarks. But I am going to depart from this  
testimony because I want to emphasize to the Council  
what we are up against and why the time of urgency is  
upon us in a way that it has never been upon any city  
with respect to its public housing before.

1  
2 NYCHA signed the agreement with HUD in January of  
3 2019. That agreement was focused on systemic and  
4 institutional reforms that required the collaboration  
5 of HUD, the monitor, southern district and us and the  
6 city. The city almost to the exclusion of any of the  
7 other partners actually put real money into this and  
8 a substantial amount, some of which was just  
9 mentioned in the opening remarks.

10 This money was intended primarily for compliance  
11 efforts around lead and mold, heating and hot water,  
12 and elevators. And what we find as we move forward,  
13 is this is insufficient. We are no longer in a place  
14 where NYCHA can represent that we are going to be  
15 able to repair buildings that have not had  
16 comprehensive capital investment. It's that simple.  
17 These buildings have lost three cycles of investment,  
18 more than 60 years without the kind of capital and we  
19 should point out that the condition of the buildings  
20 is deteriorating as we speak.

21 NYCHA is tasked under the HUD agreement to  
22 rebuild the institution and we are doing that. We  
23 have the transformation plan, which focuses on  
24 revitalizing the organization, dealing with the  
25 business practices and the culture. There's plenty

1  
2 of examples in the written testimony of efforts we  
3 have made there.

4 We are hopeful that these actions will help  
5 rebuild the trust that has been lost over the years  
6 but I would say to the Council today, unless we raise  
7 \$40 billion, unless we invest in the entire building  
8 instead one off modernization components, we are not  
9 going to be able to sustain the buildings. You  
10 wonder why it takes so long to fix something. Part  
11 of that is NYCHA, there's no question that the  
12 culture and past history of NYCHA in terms of how it  
13 thought about repairs and how it thought about the  
14 connection it has or lost to its residents is a  
15 problem. No one is saying that's not a problem but  
16 you have to understand the lack of capital in these  
17 buildings is corrosive. It not only weakens the  
18 infrastructure of the building; it weakens the  
19 infrastructure of the institution.

20 Now, what are the plans to raise this capital?  
21 So, one of them was mentioned earlier. The rental  
22 assistance demonstration. That's the first tool that  
23 HUD gave the Housing Authority, not just us but  
24 others and that tool has actually been quite  
25 successful. It has raised significant amounts of

1  
2 money in the past years. In fact, it's raised over  
3 \$3.4 billion. It's impacted 6,000 units and 15,000  
4 households, as evidenced by the recent activity last  
5 week, when we had the ribbon cutting for the Brooklyn  
6 Bundle.

7 But that's against a \$40 billion need. Let's  
8 think about that number. That is a need for the  
9 entire portfolio. That is a need that we have to  
10 address if we're going to succeed as a city and a  
11 Housing Authority. In the federal realm where NYCHA  
12 has to work, there are certain restricted pathways  
13 that it has in order to raise money. The first is  
14 called a capital fund financing. NYCHA has done  
15 that. We currently have a capital fund financing  
16 which is basically a loan paid for out of our capital  
17 funds. There are energy performance contracts, which  
18 again is a loan paid for by savings we had from  
19 energy in the operating budget.

20 And there's another path and that path is the  
21 path that we proposed in the preservation trust.  
22 That trust bill is currently in Albany and everyone  
23 on this call, everyone should make a call to their  
24 senator or their state assembly member in support of  
25 the Preservation Trust. We did not get billed back

1  
2 better. We did not get the kind of funding that we  
3 thought we could get to comprehensively modernize  
4 every single building. The trust offers that path.

5 But the trust requires state legislation. It is  
6 the public to public construction between NYCHA and  
7 the trust. There's no private entity involved,  
8 contrary to the propaganda that is out on the street  
9 now, which is just despicable. It's not even true.

10 So, the trust is a way to raise the money we need  
11 to invest comprehensively in each building and to do  
12 that, we must move from one subsidy platform to  
13 another and do it safely. The trust bill embodies  
14 all the resident protections asked for. The trust  
15 bill now includes an opt in feature that's been added  
16 to the legislation where residents get a chance to  
17 express their desires.

18 This bill needs to pass this session because if  
19 we lose another year, we've lost another year of  
20 opportunity to raise the money. Even if the trust  
21 passes, even if we got the most favorable financing  
22 possible, how long is it going to take to issue  
23 bonds, to get that money into the building? That's  
24 the lead time. So, one of the things I'm going to  
25 suggest in my opening remarks here; we can talk about

1  
2 all the things that are on the agenda. We can answer  
3 all your questions about what we're doing with  
4 operating funds. What happens to lead abatement.  
5 What's going on with mold. We can everything but fix  
6 the buildings and for that, we need a dramatic action  
7 to occur now.

8 I don't know how else to say it. We've been  
9 saying it for two years. We've been saying it over  
10 the voices of those who somehow think this is a  
11 sellout of the program but it is not. If we want  
12 social justice, we have to raise the money to invest  
13 in these buildings. That the justice is to put these  
14 buildings into a place where people feel okay going  
15 into them. They feel good about living in these  
16 apartments and they feel good about the opportunity  
17 to be there and that releases them to do the work  
18 that they need to do in their daily lives to succeed.

19 So, the trust is a key to raising the funds that  
20 we need to make sure that the entire portfolio over  
21 time is sustainable and I really urge everyone on the  
22 call to think about supporting the trust in some way.  
23 Make a phone call, talk to a state assembly member or  
24 state senator because it is vitally needed.

1  
2 It is the only path out and we think it can raise  
3 the funds sufficient to begin to restore these  
4 buildings to what they used to be and give people  
5 their lives back because they now live in a decent,  
6 safe, sanitary apartment.

7 That conclude my remarks this afternoon.

8 CHAIRPERSON BRANNAN: Okay, thank you Chair. I  
9 appreciate that. I want to jump right in because we  
10 got a lot of questions and this is a very, very  
11 important topic for us obviously. Before we begin, I  
12 always like to just give a disclaimer that the  
13 Committee might not get to all of our questions today  
14 or you might not have the responses that we are  
15 satisfied with, so we will make sure we send a follow  
16 up letter and we need to get answers ASAP because it  
17 helps in our budget negotiation. So, I want to jump  
18 right into ARPA funding. In March '21, ARPA was  
19 enacted, it provided billions of dollars to states  
20 and municipalities by the formula set forth in the  
21 legislation. New York City received approximately  
22 \$5.8 billion and the funds are required to be  
23 obligated by December 31, 2024, just setting the  
24 table there. So, out of the total amount allocated  
25

1  
2 to the city, how much has NYCHA received in its  
3 budget?

4 GREG RUSS: I'm going to let Annika Lescott  
5 respond to that please.

6 ANNIKA LESCOTT: Thank you. Can you just clarify  
7 the acronym that you used sir?

8 CHAIRPERSON BRANNAN: ARPA.

9 ANNIKA LESCOTT: And what does ARPA stand for?

10 CHAIRPERSON BRANNAN: The American Rescue Plan  
11 Act.

12 GREG RUS: It's the emergency housing voucher were  
13 included in that I believe.

14 ANNIKA LESCOTT: Uh, okay, sorry. We use a lot  
15 of different acronyms and I just didn't want to give  
16 you the wrong answer. So, yes, for ARPA, we received  
17 an allocation of \$5,738 temporary vouchers worth  
18 \$81.3 million and those are available as emergency  
19 vouchers for specific populations. Those vouchers  
20 must serve New Yorkers for homeless, recently  
21 homeless, at risk of homelessness and or victims of  
22 domestic violence or trafficking.

23 CHAIRPERSON BRANNAN: Okay, of that \$81.3  
24 million, how much of it has been obligated to date?

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

115

1  
2 ANNIKA LESCOTT: So, we are still working through  
3 the program and we have not obligated very much of  
4 that funding as of yet.

5 GREG RUSS: We have at least about 600 families  
6 worth of vouchers.

7 ANNIKA LESCOTT: Correct.

8 GREG RUSS: There's about another 500 pending and  
9 another 2,000 in the queue. So, they are leasing up,  
10 which would then obligate the funds.

11 ANNIKA LESCOTT: Correct, so we are going through  
12 the leasing plan and we do anticipate that we would  
13 need all the federal guidelines around using those  
14 vouchers.

15 CHAIRPERSON BRANNAN: Okay, and how much of that  
16 was originally budgeted for calendar year '21 that  
17 was unspent and rolled into the future year?

18 ANNIKA LESCOTT: So, \$81.3 is the total we  
19 received and we just have been leasing up to date.  
20 So, I would say that we received all the funding and  
21 have been sort of leasing up as we've gone on.

22 CHAIRPERSON BRANNAN: Okay, and you expect that  
23 all that money will be spent by the end of calendar  
24 year '24?

25

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

116

1  
2 ANNIKA LESCOTT: Correct, correct. Uhm, as Greg  
3 mentioned, we have leasing plans, so we do anticipate  
4 that we will start to see some obligations in the  
5 coming months and we will you know continue with that  
6 work to expend by the calendar year 2024.

7 CHAIRPERSON BRANNAN: Okay, and in Council's  
8 Preliminary Budget Response, we called on the  
9 Administration to include an additional \$1.5 billion  
10 annually in the capital funding to support NYCHA.  
11 The Mayor included \$1.4 billion over five years. So,  
12 how will NYCHA allocate this additional \$1.4 billion  
13 and do you feel that this funding level is adequate?

14 ANNIKA LESCOTT: So, I will just start with the  
15 numbers and then I will turn it over to Shaan Mavani,  
16 who oversees the capital and real estate divisions.  
17 So, you're correct. We received an additional \$1.2  
18 billion for our PACT program and an additional \$200  
19 million for unit repairs at Gowanus and Wyckoff. And  
20 so Shaan, I will turn it to you to speak more about  
21 how that funding will be used.

22 SHAAN MAVANI: Sure, thank you Annika. Chair  
23 Brannan, the funding for Gowanus and Wyckoff has been  
24 specifically programmed as part of the Gowanus  
25 Rezoning Agreement. It will be used for apartment

1  
2 renovations at those two sites. We are currently  
3 engaging with residents around the exact scope of  
4 work that will be covered by the funding that's  
5 available.

6 The remaining funding is as mentioned, earmarked  
7 to support the PACT-RAD program as we move forward  
8 where a certain amount of city funding is used as a  
9 subsidy to ensure that the total amount of financing  
10 raised through those transactions can comprehensively  
11 renovate those properties.

12 In terms of your second question, I think Chair  
13 Russ has covered that earlier but obviously that is a  
14 very small amount of capital funding in particular  
15 for how capital projects work relative to our need  
16 and therefore is not sufficient to meet the need of  
17 renovating the buildings where we are today.

18 CHAIRPERSON BRANNAN: Has NYCHA had any  
19 conversations with the administration with regard to  
20 the Council's ask of \$1.5 billion in capital funding  
21 annually?

22 GREG RUSS: We discuss the capital needs with the  
23 administration. Uhm, you know we haven't had  
24 specific discussions on that particular item but the  
25 administration is well aware of what the capital

1  
2 needs are and our plans to raise that capital through  
3 a variety of means.

4 CHAIRPERSON BRANNAN: Okay, because there's a  
5 significant Delta here right in what the Council  
6 called for and what we saw in the mayor's exec budget  
7 right. The Council called for the Administration to  
8 include \$1.5 billion annually. The mayor included  
9 \$1.4 billion over five years.

10 GREG RUSS: Well, the administration also  
11 supports the trust and I just want to point out  
12 however much money the city comes up with, uhm,  
13 that's great but our path is through the trust model  
14 and through RAD. Those are the only programs using  
15 federal funding that can sustain the Housing  
16 Authority. It's that simple. This is not a -  
17 additional funds are always welcome, don't get me  
18 wrong but if we're thinking about what is it that  
19 could actually take care of our portfolio which  
20 houses as many people as the city of Atlanta, it is  
21 the trust and RAD combination. And that's what could  
22 raise the bulk of the money and stretch the city  
23 dollars in an appropriate way as well.

24 CHAIRPERSON BRANNAN: Alright, so let's stay on  
25 RAD. So, as of February '22, uhm about just under

1  
2 15,500 units have been converted under RAD. So, how  
3 much funding and resources have these conversions  
4 brought in to NYCHA?

5 GREG RUSS: So, I'll start with some high level  
6 numbers and Shaan, if you have additional  
7 information, that would be great. So, so far we've  
8 raised about \$3.4 billion. Now, I want to point out,  
9 one of the reasons that I realize, there's a lot of  
10 folks who look at RAD and think this is a  
11 privatization model. First thing I have to say is  
12 it's not. We're not selling any property here.  
13 There's a lease hold that's created so that the RAD  
14 deals can work and that's significant because NYCHA  
15 still has substantial control underneath the  
16 property.

17 But that \$3.4 billion is for comprehensive  
18 modernization. This is another element that gets  
19 lost in, should we give money to elevators? Should  
20 we give money to roofs? Yes, those are all good  
21 things to do but they don't mean a whole lot unless  
22 you're doing the whole building. We have done tons,  
23 billions of dollars in roof replacement. We are  
24 doing elevators and we are doing boilers but we must  
25

1  
2 also do what we see at some of the RAD sites for the  
3 entire property, inside and outside is done over.

4 So, we've got about \$3.4 billion that we've  
5 raised. 15,000 households impacted and we're on the  
6 path to hit 30,000 sometimes this year in the  
7 pipeline. Shaan, if you've got additional  
8 information on what we've got in the queue now under  
9 construction and what's coming up if you can, would  
10 you please share that?

11 CHAIRPERSON BRANNAN: Yeah, thank you. I would  
12 appreciate - because right now we're at basically, if  
13 we're saying your on path to hit 30,000, that means  
14 we're basically at the halfway mark now, right?

15 GREG RUSS: Correct, that's correct or there's  
16 62,000. That's correct sir.

17 CHAIRPERSON BRANNAN: Okay.

18 GREG RUSS: Shaan, did you want to add any  
19 numbers to what I've just shared?

20 SHAAN MAVANI: Sure. Uhm, so as you mentioned,  
21 we're at the 35,000 mark that will have been either  
22 completed. They are in construction or they would in  
23 stage of resident engagement predevelopments. So,  
24 just about 57 percent of that 62,000 number. A  
25 significant number would be completed in the coming

1 weeks, representing an additional \$700 million of  
2 capital repair work that's going to get completed.  
3 And you know another \$2.8 billion in major upgrades  
4 are underway or will begin early this year for  
5 another 12,000 households.  
6

7 And so, you know we will make it to that 35,000  
8 apartment mark and then you know we'll be looking to  
9 progress rapidly to the remaining 27,000 units that  
10 are in the overall 62-

11 CHAIRPERSON BRANNAN: Where are we at right now  
12 as of April? Let's say as of April, how many units  
13 have been converted?

14 SHAAN MAVANI: As of April, uhm, I don't want to  
15 misspeak Council Member, so we can come back to you  
16 with the exact numbers around that.

17 CHAIRPERSON BRANNAN: Okay, you can come back to  
18 me about close the business?

19 SHAAN MAVANI: Yes, we can do that.

20 CHAIRPERSON BRANNAN: Okay, and what is the total  
21 need across the entire NYCHA portfolio that's been  
22 addressed through these conversions?

23 GREG RUSS: Well the total need is \$40 billion.  
24 So, if we've raised \$3.4 and we raise another \$700  
25 million, we'll have about ten percent.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

122

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

CHAIRPERSON BRANNAN: Okay.

GREG RUSS: But the numbers are staggering. You have to realize -

CHAIRPERSON BRANNAN: Because I was under the impression that NYCHA's total estimated capital need was about \$32 billion.

GREG RUSS: No, that was years ago. See, this is another thing that happens. The capital needs are increasing at almost \$1 billion a year. The rate of increases due to the rate of deterioration in the buildings. I mean, that number is moving. It's not a static target. Because not only in addition do we have to do the capital work, if possible, we should also try to address some long standing issues related to energy and environmental concerns and we should redo grounds and security. It's more than just the compliance that is in the HUD agreement. We must also make these buildings livable and attractive again.

And when you start looking at that kind of money, then that capital need is on this kind of incline. It is not going to go down until we raise enough money to address the entire portfolio. RAD address is potentially 62,000 units. We still have

1  
2 additional 110,000 that need investment of a very  
3 deep and substantive amount.

4 CHAIRPERSON BRANNAN: Does NYCHA have any data on  
5 the number of evictions to date that have occurred in  
6 developments to convert it to RAD?

7 GREG RUSS: We do.

8 SHAAN MAVANI: Yes we do and as a follow up to  
9 the hearing on the PACT-RAD program that happened  
10 several weeks back, we will be providing  
11 comprehensive data and analysis of evictions that  
12 have happened to date. We do have some initial  
13 figures that we've assessed and publicly released in  
14 the past that cover the period through September  
15 2021.

16 CHAIRPERSON BRANNAN: You don't have any updated  
17 information? That was a long time ago.

18 SHAAN MAVANI: We will be providing you know  
19 comprehensive data after September 2021 as well as  
20 part of the response to the previous Council hearing  
21 but I can give you the information that we have right  
22 now. Uhm, so for the eight properties that converted  
23 between 2016 and 2020, we looked at the total  
24 evictions pre-conversion and post-conversion in a  
25 similar amount of period of time for each property.

1  
2 There were 85 evictions that happened pre-conversion,  
3 which reduced to a 65 evictions post-conversion in a  
4 comparable time period, right.

5 That was across 9,517 apartments in total at  
6 those eight properties. So, that was an indicator of  
7 the eviction rates and how they compared at  
8 properties that converted in that period. We also  
9 have looked at eviction rates year on year and  
10 compared those between NYCHA's rest of the properties  
11 and then those that have converted through PACT. So,  
12 for example for 2017, 2018, and 2019, on the NYCHA  
13 side evictions averaged at about one per 300 units  
14 with some variation each year for PACT converted  
15 properties, this number has varied year on year and  
16 the latest year in 2019, it was one per 207  
17 apartments.

18 But we will be providing a comprehensive set of  
19 data through last month. We're going to give  
20 formally to the Council. I guess this was discussed  
21 extensively there.

22 CHAIRPERSON BRANNAN: Okay and when will we  
23 receive that?

24 SHAAN MAVANI: Uhm, we should have that to you  
25 within the first two weeks of June if not earlier.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

125

1  
2 CHAIRPERSON BRANNAN: Alright, I got like two  
3 more questions and then this is too important, I  
4 can't jeopardize all the time here. I want to talk  
5 about workorder backlogs. Can you provide us with  
6 details on why the number of open work orders has  
7 increased so drastically over the past year and in  
8 addition, why the numbers of days it takes to  
9 complete repairs has also seemingly increased from  
10 about 150 days two years ago, February to 310 days  
11 this year? 310 days to get something repaired.

12 GREG RUSS: I'm going to preface this and then  
13 I'll ask Daniel Sherrod. I can't emphasize enough  
14 the two things that NYCHA has to do. It is true  
15 NYCHA has to change its business process. No one is  
16 arguing. We are in the process now of changing work  
17 order structure, moving trades closer to the  
18 properties and doing those kinds of things that you  
19 would expect of a property manager but I cannot  
20 represent that these things are going to work. If  
21 you open a wall in a NYCHA building, like we did a  
22 month ago when we had a congressional tour, you will  
23 see that the piping in apartment 4A, even if it's  
24 fixed and replaced, is not going to fix 3A and may  
25 cause a leak in 5A.

1  
2 That instead of saying I can fix the leak behind  
3 your wall, we have to fix the entire stack, all 15  
4 floors. So, part of what you see in the work orders  
5 is the increase in the deterioration of the actual  
6 physical buildings and the systems in those  
7 buildings. They become more and more difficult to  
8 repair.

9 Now, NYCHA has not helped itself by having  
10 systems that we think and that we're in the process  
11 of reforming that contribute to the efficacy of the  
12 repair process. We have too many steps, we're going  
13 to change that. We're moving the trades closer to  
14 the work. We're going to change that. We're going  
15 to change the work order system. But what we're  
16 running against and it's a bit like being on a  
17 treadmill, is that unless you do major capital  
18 investment to a building, you will not be able to  
19 repair your way out of that problem and eventually it  
20 will catch up to you.

21 I don't know Sherrod if you wanted to add  
22 anything else or not.

23 CHAIRPERSON BRANNAN: Chair, I say this  
24 respectfully. I agree with a lot of what you're  
25 saying but it also feels like we're having a bit of

1  
2 an out of body experience and you've been there since  
3 2019.

4 GREG RUSS: Yeah, I'm not having an outer body  
5 experience, I'm telling you the facts. And the facts  
6 are, the facts are that -

7 CHAIRPERSON BRANNAN: Then answer me then if in  
8 February 2020 it took approximately 150 days to have  
9 a repair completed, now it's up to 310 days. Why?  
10 Is it a staffing issue? Do we need more money for  
11 staffing?

12 GREG RUSS: Well, we could use about 1,500 more  
13 people. Honestly, NYCHA is at a tipping point.  
14 We're on a balance beam here. We have enough staff  
15 to kind of keep up with the worst things that happen  
16 and in some cases, we can do some very good things.  
17 But I'm not going to represent to Council that we  
18 have some kind of magic in terms of figuring out -

19 CHAIRPERSON BRANNAN: No, I'm not looking for a  
20 village and I want to the truth but I also have the  
21 numbers in front of me.

22 GREG RUSS: It's totality and what the building  
23 is doing is deteriorating so rapidly that the kinds  
24 of repairs that you could do, don't stick. I'm not  
25 going to argue, we have to change how NYCHA does its

1  
2 repair system. I understand that. And uhm, uh, but  
3 I also cannot emphasize enough what kind of  
4 conditions we have to deal with that are  
5 extraordinary.

6 CHAIRPERSON BRANNAN: Okay, when was the last  
7 time that you'd say NYCHA had a manageable number of  
8 work orders, 90,000 or less?

9 GREG RUSS: Probably 15-years ago or 20-years-  
10 ago.

11 CHAIRPERSON BRANNAN: Okay, alright, I got to let  
12 my Co-Chair get in here. I appreciate it. Thank you  
13 and I look forward to getting uhm, to getting those  
14 numbers. Chair Avilés, it's all yours.

15 CHAIRPERSON AVILÉS: Thank you Chair Brannan. I  
16 guess along the lines, continuing along the lines of  
17 RAD and PACT and noting yes, we did just have a  
18 hearing on this several weeks ago. In terms of just  
19 for the record obviously, we've kept track around how  
20 much capital has been raised in terms of you know  
21 private capital and how many people are in the  
22 pipeline. However, has there been any - I guess one  
23 of the questions I asked in the prior hearing, which  
24 I still have not received information on is the total  
25 amount of public investment that's been made in RAD-

1 PACT to date for these conversions. And also if  
2 there has been any full assessment on – that looks at  
3 the effectiveness of the program outside of just the  
4 capital raise but really looking across several  
5 metrics, including the quality of the repairs, moving  
6 work orders, transparency, the leveraging of dollars.  
7 Is there a plan to do any kind of assessment on this  
8 program?  
9

10 SHAAN MAVANI: Chair Avilés, thank you. So, we  
11 are putting together those different numbers you have  
12 asked for, including trying to quantify the full  
13 public investment given the different ways that there  
14 can be public investment or support that's leveraged  
15 through a PACT transaction and we'll try to  
16 accelerate the written response to those questions at  
17 the hearing and try to get those to you you know,  
18 next week, earlier than what I mentioned a few  
19 minutes back.

20 Uhm, we, as was discussed at the hearing, we do  
21 do a good amount of what we call asset management and  
22 compliance oversight of converted properties around  
23 things like construction quality. A whole range of  
24 indicators that are specified in the transaction  
25 around performance requirements for the development

1  
2 partners, whether that relates to bringing down the  
3 number of work orders or the time to complete work  
4 orders or you know specific commitments that are made  
5 around lead abatement, mold and other aspects.

6 Uhm, so we are you know taking onboard your  
7 feedback at the hearing around how to do we make more  
8 of this information public and available and easy for  
9 folks to access the data and do assessment of that.

10 So, in addition to this kind of monthly reporting  
11 requirements and assessment we do internally, we do  
12 have a plan to provide a way for that information to  
13 be publicly available later this year through some  
14 type of user friendly platform that residents and  
15 other stakeholders can access and gain the  
16 information they're looking for and that would  
17 support the type of evaluations that you're talking  
18 about around looking holistically across the program.

19 In particular, we're getting to a point with you know  
20 the recent level of conversions and construction  
21 completions to be able to assess that more  
22 holistically. We are now launching a kind of post-  
23 occupancy evaluation where we will be surveying  
24 residents at converted sites where construction has  
25 also been completed regarding their experience

1  
2 through the conversion process. The quality of  
3 repairs as well as ongoing services provided by the  
4 development partners, the property manager and hope  
5 to build that out further during the course of this  
6 year and collect that data to support those type of  
7 holistic evaluations given a number of rounds have  
8 moved on and construction is completed.

9 CHAIRPERSON AVILÉS: I appreciate that. Uhm,  
10 however, you can imagine my dismay when the only new  
11 public ballers we seem to be allocating to support  
12 repairs are solely allocated to a program where there  
13 hasn't been any feedback from residents. Any  
14 systematic evaluation of the program beyond capturing  
15 capital dollar investment that I know are important  
16 and anecdotal information quite frankly.

17 And yet, we continue to allocate the only new  
18 dollars to that program. So, I think about it in  
19 algebraic terms, right the order of operation seems  
20 completely wrong here. And so, we are right now  
21 talking about the budge and spending and yet we have  
22 no quantifiable evidence. We have no metrics that  
23 your office apparently collects on a monthly basis  
24 and yet we seem to never get access to.

1  
2       So, if you can understand that this is at the  
3 heart of my dismay here is that, at the end of June,  
4 those metrics while still important and we'll  
5 continue to ask because that is our job and  
6 oversight. We need them yesterday. We need them  
7 now. There's a \$1.2 billion over five years, which  
8 again is not adequate from my estimation and  
9 certainly the Chair would agree and all of us. We  
10 know the depth of the problem here.

11       But uhm, simply the timing is just completely off  
12 here. We need the metrics now to be able to  
13 rationalize and make sound investments of our city  
14 dollars.

15       In terms of the public outreach we talked about  
16 for the units - excuse me, I'm actually going to move  
17 that question. Uhm, there seems to be a choice that  
18 some residents - for those residents that are in the  
19 30,000 pipeline right? The ones that are yet to come  
20 RAD-PACT conversions. Are these developments where  
21 residents have already been engaged and agree to  
22 follow in to participate in RAD-PACT or are these  
23 developments that were chosen without them and are  
24 just going to be put into a pipeline?

25

1  
2       SHAAN MAVANI: Chair Avilés, so the remaining  
3 30,000 units that you're referring to, resident  
4 engagement and kind of pre-development discussions  
5 have not been initiated yet at those properties.  
6 We've discussed in the past that the criteria to  
7 select those properties relates to their kind of  
8 deteriorated state capital needs and the difficulty  
9 of NYCHA, typically also manage these type of  
10 properties given their geographic location etc.

11       But we normally go through a process that's an  
12 extensive you know 12-month or longer process of  
13 early engagement to socialize the PACT-RAD program  
14 and model. What it means for residents and  
15 stakeholders and work through that to address any of  
16 the concerns that come out from residents and  
17 stakeholders as we work through the project process.

18       CHAIRPERSON AVILÉS: Yeah, thank you for  
19 reminding me of the criteria. That is I guess  
20 another thing we're waiting to receive around how  
21 developments are assessed and put into this pipeline  
22 along the different criteria.

23       So, we also look forward to receiving that when  
24 it gets here. Are you saying that residents will be  
25 engaged in a process but necessarily do not have any

1  
2 direct say on whether or not RAD will be something  
3 their development is converted into?

4 SHAAN MAVANI: So -

5 CHAIRPERSON AVILĚS: So, if residents say they  
6 don't want RAD and yet they're in a conversation  
7 about RAD as what RAD could be, is NYCHA - will NYCHA  
8 continue to move forward with the RAD conversion  
9 process or will it select another development?

10 GREG RUSS: Well, we have 30,000 units in the  
11 queue. Uhm, the resident engagement process is  
12 substantially different than it was just two years  
13 ago. Uh, we also have borrowed substantially from  
14 the Fulton Chelsea process. So, that our hope is as  
15 we begin to present what RAD can do for the property  
16 and that residents see that they have an equal voice  
17 in selecting the development team for those  
18 properties, that they would be persuaded that this is  
19 an opportunity to get the entire property  
20 rehabilitated.

21 CHAIRPERSON AVILĚS: I hear that Chair Russ but  
22 do residents, if residents choose not to participate  
23 in the RAD program, will that be honored?

24 GREG RUSS: Well at the current time, there's no  
25 a vote on it.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

135

1 CHAIRPERSON AVILĚS: Okay so -

2  
3 GREG RUSS: But we have enough property that we  
4 can continue to bundle financing and we're not going  
5 to you know - we have talked with people who have  
6 been very, very against the program and we said,  
7 okay, let's think about it. Let's take a pause but  
8 the fact of the matter is in the long run at some  
9 point, we have to reach 175,000 units of  
10 rehabilitation.

11 The trust bill for example, does have an opt in  
12 mechanism that is new to the bill this year. That  
13 does allow choices between the trust or among I  
14 should say. The trust, RAD or waiting I guess is the  
15 best way to describe it. We put that in the trust  
16 bill because we wanted to provide for something more  
17 similar to what you're talking about.

18 When we partner now with the you know, we  
19 continue to work with them and we continue to work  
20 with those who want to partner with us and you know  
21 sometimes the site is not ready but we have come back  
22 and have found folks to be more amenable to it. In  
23 fact, as the sites get completed and people see the  
24 finished product, and Edenwald is a good example of  
25 that. When I talked to the tenant leader at

1  
2 Edenwald, he said, "we want what they had." Which is  
3 across the street is Bayside.

4 So, the notion that the proof is kind of in the  
5 pudding and the RAD pudding shows a property that is  
6 very, very strongly rehabbed, well maintained and in  
7 a very different place than it was pre-RAD. So, the  
8 trust bill includes an option, which we wanted to  
9 provide and there's enough units that will work you  
10 know if we have to work through folks who have their  
11 doubts and work with others who want to move forward.

12 CHAIRPERSON AVILÉS: Sure, sure, Chair Russ, the  
13 trust bill still hasn't passed right. We're in our  
14 current reality and the question is sir, the question  
15 is simply and I think you've answered it, is the  
16 residents do not have a voice in this process.

17 GREG RUSS: I don't, I think that's an  
18 exaggeration Council Member.

19 CHAIRPERSON AVILÉS: Well, actually sir, maybe  
20 they have a voice in this process. They do not have  
21 decision making power over whether or not their  
22 development will be converted in RAD. They will be  
23 consulted. They will be informed is what you're  
24 definitely saying but what you're also saying is that  
25 they do not have decision making authority. At least

1  
2 there is nowhere in this description that I have seen  
3 residents have decision making authority on whether  
4 or not their developments will be converted into RAD,  
5 as is in our current state.

6 GREG RUSS: All I can say is that the program is  
7 working. That we work with the resident Council's  
8 that want to work with us. That is you go to a RAD  
9 property, walk around. Go look at it.

10 CHAIRPERSON AVILĚS: I have been to a few and I  
11 appreciate that but I think we have our answer. I  
12 think we have our answer.

13 GREG RUSS: Look, we went through the whole  
14 process with Fulton and Chelsea and came out of that  
15 the better and that process was one of engagement,  
16 reaching a mutual understanding, and selecting the  
17 development team together.

18 CHAIRPERSON AVILĚS: I think the one thing I -

19 GREG RUSS: That's a partnership.

20 CHAIRPERSON AVILĚS: I will absolutely agree with  
21 you sir that there have been improvements along the  
22 way without question. I think the consulting with  
23 the residents I think in certain developments has  
24 seemed to be improved but we also have to acknowledge  
25 that that is not the standard across the board,

1 right. We have to acknowledge that there are still a  
2 dearth between what the program is in its rhetoric  
3 and in its flyers and what the reality is on the  
4 ground. There is still a huge gap between those two  
5 realities.  
6

7 So, yes, in some instances, in Fulton that's you  
8 know the gold standard. However, that is not the  
9 reality across the board and so, our responsibility  
10 and oversight here is to say, if we are going to pump  
11 \$1.2 billion of our public dollars into a program  
12 that hasn't had a full assessment and hasn't fully  
13 corrected the problems that we see on the ground on a  
14 day to day basis, then our responsibility is to  
15 continue to push and address those issues. Of which  
16 I am trying to address here and one of the problems  
17 that we have seen is that residents have been  
18 consulted and it has improved over the years. The  
19 materials are much better than they were certainly  
20 five years ago. Nevertheless, there is no definitive  
21 mechanism for resident to say no to RAD right now.

22 And so, I guess with that, I would like to move  
23 onto the spending. I have some questions around  
24 spending. So, there's obviously been a traditional -  
25 there's traditionally been a struggle between NYCHA

1  
2 spending city funding in a timely manner. What  
3 systems have been put into place to make sure that  
4 these city dollars this year get spent and these  
5 improvements are made?

6 ANNIKA LESCOTT: Sure, so it sounds like Chair  
7 Avilés, you're discussing the capital spending, so  
8 I'll turn it to Shaan to tell you more about the  
9 great work that they've been doing.

10 CHAIRPERSON AVILÉS: Great, thank you.

11 SHAAN MAVANI: Yeah, thank you Annika. Chair  
12 Avilés, so uhm, you know we took to heart the  
13 feedback and criticism at the Preliminary Budget  
14 hearing around the progress we have been making  
15 around spending funding in general but some of the  
16 ongoing challenges with the city funding.

17 Uhm, we did a full portfolio review in the last  
18 two months to look at all city funded projects,  
19 particular focusing on the discretionary funded  
20 projects. Which you know unfortunately is one of the  
21 more challenging portfolios since I've come into my  
22 role and looked across. You know we spent upwards of  
23 \$1 billion in capital funding in 2020 and over \$1.4  
24 or close to \$1.4 billion in 2021.

1  
2       So, at an overall level, you know we are able to  
3 expend at a pretty high rate of capital funding but  
4 definitely as you're highlighting a small portfolio  
5 of about 50-75 discretionary funded or mayoral funded  
6 projects, uhm, you know have really struggled or  
7 we've struggled to implement them effectively over  
8 the last few years. We went through that portfolio  
9 every step of the project lifecycle. What are the  
10 key challenges. What are remediation options and  
11 we're developing a project by project remediation  
12 plan to try to now accelerate that set of you know  
13 delayed or somewhat backlog projects. Get them into  
14 construction and ideally get them through  
15 construction in the next 12-months wherever possible.

16       And so, there's a whole range of initiatives that  
17 we've developed around that from how we staff  
18 internally, you know dedicated teams that focus on  
19 city funded projects both in our capital projects  
20 function but also in our financial planning and  
21 administration functions, so that we can move through  
22 the municipal approval process effectively. We're  
23 putting in place dedicated management information  
24 around these portfolios so that they're you know top  
25

1  
2 of mind for me and my senior team to look at on a  
3 regular basis and manage them very aggressively.

4 We are also looking to streamline some of our  
5 internal processes. Whether it's some of our  
6 procurement steps, whether it's some of our  
7 governance processes to be able to move these  
8 projects as quickly as possible but with the right  
9 level of oversight at prudence.

10 And some of the smaller projects, we're  
11 partnering closely with our operations function where  
12 they have in house capacity or additional contract  
13 capacity to push on these projects. We kind of  
14 expand the amount of resources we're doing here,  
15 given you know these are typically quality of life  
16 grounds and other types of projects where operations  
17 functions also have stronger capacity.

18 CHAIRPERSON AVILÉS: Thank you. Thank you for  
19 that. I was curious, I know in our last  
20 conversation, one of the areas of staffing. Chair  
21 Russ just mentioned you know in an optimal situation;  
22 we need to hire 1,500 additional people I am sure  
23 across the organization. You also mentioned some  
24 staffing changes. Can you talk a little bit about  
25

1  
2 what that looks like within the capital division  
3 where much of these changes are going to take place?

4       SHAAN MAVANI: That's right and I think Chair  
5 Russ was referring you know related to the kind of  
6 work order backlog and the maintenance questions.

7       Within the capital function, uhm, as part of the  
8 changes that we've put underway in the last few  
9 months, we are reorganizing our capital function. We  
10 are trying to resource up our kind of critical  
11 project mangers as the core part of that function  
12 that oversee these projects. You know typically, our  
13 project managers are overseeing 10-15 projects today,  
14 which are albeit you know small size component  
15 replacement projects but that's a pretty heavy  
16 workload.

17       We have alternative models on how we also receive  
18 projects using external contractors as program  
19 management services. And we're revisiting all of  
20 that and trying to refocus our resourcing in that  
21 area as much as possible. And so, we will be  
22 increasing our staffing levels of our project  
23 management function. As I mentioned earlier, we are  
24 also increasing in areas that relate specifically to  
25 city funded projects, like our financial admit

1  
2 process, our uhm, you know OMBCP's admission team in  
3 other aspects related to that. We are not making a  
4 significant net headcount increase in the capital  
5 function but rather trying to repurpose some of the  
6 vacancies we have and some of the non-core roles we  
7 have to refocus more on some of the core functions,  
8 to be able to further streamline the way we do look  
9 at the projects.

10 CHAIRPERSON AVILĚS: Thank you for that. In  
11 terms of - uhm, thank you for noting that Chair Russ  
12 was specifically talking about the trades and we know  
13 this is an area where there is an excessive amount of  
14 need for skilled trades, plumbers, painters,  
15 carpenters. What is the plan to address that  
16 specific need?

17 ANNIKA LESCOTT: Sure, so I'm happy to start. In  
18 our 2022 budget, we continue to make significant  
19 investments in our skilled trades workforce and so,  
20 that is something that we started back in 2021.  
21 We've started to decentralize our trade. So,  
22 essentially, previously the trades were sitting  
23 perhaps at the borough level and we're actually  
24 trying to disburse them further into the properties,  
25 so that we would expect to have higher sort of

1  
2 response times. And so, we're making significant  
3 investments there. 2021 we began that work and we're  
4 continuing that in 2022 and I'd like to call on  
5 Daniel Sherrod to add some more context around our  
6 work with the skilled trades.

7 DANIEL SHERROD: So, good afternoon. The skilled  
8 trades are being moved closer to the new NYCHA model,  
9 which is neighborhoods. So, they're being assigned  
10 specific neighborhoods in order to reduce their  
11 travel time to get them back invested into a certain  
12 number of buildings, so they don't feel like they are  
13 disbursed all over and start to have a more  
14 comprehensive yet personal view of what's going on at  
15 their development.

16 So, for example, if you look at Red Hook east and  
17 west, we move the skilled trades closer to that  
18 particular neighborhood and now we're seeing a lot of  
19 faster turnaround in their work orders, even though  
20 we still have a lot to do. It's becoming more and  
21 more manageable because those trades of plumbers and  
22 the carpenters in particular are able to get their  
23 quicker instead of having to come from all different  
24 sides of Brooklyn. They are strictly in those two  
25 areas, so when you look at the neighborhood model

1  
2 throughout NYCHA, you see us pushing the skill trades  
3 closer so tht they can actually reduce travel time,  
4 which is a more time for and to hammer work inside  
5 the units.

6 CHAIRPERSON AVILĚS: So, in terms of - uhm  
7 absolutely agree, anywhere you can bring the them  
8 closer to the neighborhoods, obviously you'll see but  
9 I mean the big problem has been just a sheer dearth  
10 right of plumbers. For Red Hook we know that you  
11 know it's one of the most common problems we see,  
12 right? All the related to the issues that Chair Russ  
13 mentioned about the piping and the repairs that we  
14 know. So, given the sheer need for plumbers, is  
15 there a particular program or approach that NCYHA is  
16 taking to increase the amount of plumbers that we  
17 need across the city?

18 GREG RUSS: Well we are increasing-

19 DANIEL SHERROD: It's all -.

20 GREG RUSS: Sorry go ahead Sherrod.

21 DANIEL SHERROD: It's all funding based by each  
22 development but we are increasing plumbers as we  
23 speak. We're working with our human resources  
24 department to get through the DCAS civil service  
25 system to get plumbers onboarded, so that we can

1  
2 actually disburse those plumbers and all our other  
3 skill trades throughout the neighborhoods as needed.  
4 So, we are working on increasing the number of  
5 skilled trades throughout the entire portfolio based  
6 on our current operating budgets.

7 CHAIRPERSON AVILĚS: Is there, is there a target  
8 that you're using to hire?

9 DANIEL SHERROD: Well, we're trying to get as  
10 many as we can afford. That's the thing. I'm  
11 constantly getting updated from Annika on how many  
12 extra people I can hire, how many extra people I can  
13 hire because it is a functional finance. The moment  
14 we don't have enough money, I got to stop. So, I  
15 don't have a hard target. I'm literally, if she  
16 gives me \$20 extra dollars, I'm going to spend that  
17 \$20 extra dollars to get more staff on.

18 CHAIRPERSON AVILĚS: So, Ms. Annika, can you tell  
19 us how many plumbers NYCHA can hire?

20 ANNIKA LESCOTT: So, I can't give you the exact  
21 number of plumbers but I will say that we have set  
22 aside \$20 million this year for around 250 more  
23 skilled trade staff and that's on top of the \$22  
24 million that we added in 2021. So, in all Sherrod is  
25 looking to hire \$40 million worth of staff. That's

1  
2 around you know 400 to 500 skilled trade staff and of  
3 course that depends on the title, the salary, and the  
4 link. So, we have a significant ways to go and it  
5 really is up to operations from my perspective in  
6 terms of what skilled trade, where should they be  
7 placed to really meet that work order need that we've  
8 been talking about and making sure that we are  
9 responding to our residents.

10 CHAIRPERSON AVILĚS: So, thank you for that  
11 answer. That gives me a sense of scope and if you  
12 can't meet the 400-500 outstanding trades people  
13 vacancies that you need, at least it gives a  
14 sensibility of how much.

15 Because there is such a need and obviously a  
16 shortage of skilled workers, how much overtime is  
17 allocated to fill in the gaps?

18 ANNIKA LESCOTT: So, that's a great question as  
19 well. We've set aside for our budget around \$100  
20 million in overtime spending in 2022. And again, our  
21 overtime spending is a function of our response time  
22 and our need for vacancies. So, you're right that we  
23 are balancing the vacancies, the overtime budget, the  
24 skilled trades budget to make sure that we have boots  
25 on the ground to be able to respond. And we will you

1  
2 know of course shift as necessary. We also have been  
3 and Sherrod, you can speak more to this. We also  
4 have been supplementing our staff where appropriate  
5 with contractors to help us to get the work done.

6 DANIEL SHERROD: Right because we use contractors  
7 when we don't have enough plumbers because it's not  
8 necessarily a function of the bodies, it's really a  
9 function of the piping. And when pipes break  
10 everywhere, as soon as we repair one pipe on the 5<sup>th</sup>  
11 floor, it will break on the 7<sup>th</sup> floor because we're  
12 sending more pressure up the line and now it found  
13 the most weakest line and then that break, as you  
14 know Chair will probably happen in the middle of the  
15 night. Actually even ask Councilman Restler, we had  
16 a break that broke in the middle of the night and we  
17 had to send like 20 or 30 extra people to get the  
18 services to the tenant. So, it's really a function  
19 of the pipes, not necessarily the bodies.

20 CHAIRPERSON AVILĚS: Got it. In terms of one  
21 last question and I'd love to turn it over to my  
22 colleagues who are patiently awaiting. So, thank  
23 you. In terms of the overtime, is there - are there  
24 quality controls to make sure that the overtime is  
25 productively spent?

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

149

1 DANIEL SHERROD: Yes. There are a ton now.

2 We've been rolling through this overtime analysis and  
3 we have been severely disappointed in those people  
4 who abuse the overtime and more importantly, holding  
5 the people who were supposed to have been accountable  
6 for monitoring the overtime uses. We've been holding  
7 them accountable as well. So, our overtime, we're  
8 keeping a tremendous eye on that overtime. Our  
9 quality assurance headed by Jay Flannery(SP?), keeps  
10 me updated on what's going on with those overtime and  
11 if we see any remote signs of abuse, we immediately  
12 investigate it and if necessary send those people up  
13 for accountability lessons.

14 CHAIRPERSON AVILÉS: Thank you so much. Thank  
15 you to the NYCHA team. With that, I will turn it  
16 over back to you Malcom for our colleagues to jump  
17 in.

18 COMMITTEE COUNSEL: Thank you and for the record,  
19 we've also been joined by Council Members Kagan,  
20 Mealy, Restler and Won. The order for questions and  
21 I want to remind Council Member we're limited to five  
22 minutes is Ayala, Kagan, Ossé, Hudson, Barron,  
23 Restler, Mealy and Sanchez. But we'll start with  
24 Deputy Speaker Ayala.  
25

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

150

1  
2 SERGEANT AT ARMS: Starting time.

3 COUNCIL MEMBER AYALA: Thank you. I think you  
4 know most of what I wanted to ask has already been  
5 asked but I wanted to kind of chime in here because  
6 you know I do represent the largest public housing  
7 stock citywide and I have had the pleasure of  
8 speaking with resident leaders throughout the  
9 district regarding the possible transitioning to you  
10 know, we've discussed RAD, we've discussed you know  
11 public trust. We've discussed the PACT program and I  
12 will say that there's a lot of confusion still today  
13 amongst the residents, even the resident leaders  
14 about what these programs actually mean. How it will  
15 impact them and there's a lot of misinformation that  
16 is being you know spread around. And I think that  
17 the reason that that's happening is because really,  
18 NYCHA has not done the best job in you know outreach  
19 and in having these conversations with the leadership  
20 about you know the impact and the current state of  
21 public housing.

22 We know, we go into these departments; they are  
23 in horrendous conditions but I think, you know I  
24 wonder, how much of that you know could have been  
25 explained the way had residents been apart of the

1 conversation to begin with. So, when they say that  
2 they feel like they've been sold out, it's because  
3 they have not been brought to the table and that  
4 needs to be recognized.  
5

6 I have not been a part of the conversations  
7 either. I think I had one conversation regarding  
8 transition early on and it was because I heard about  
9 it you know through other people and I requested the  
10 meeting as an elected officials that has referred you  
11 know certain buildings to PACT. I will certainly you  
12 know to a certain degree supportive of some  
13 transitions, not the entire portfolio but those  
14 buildings that were you know severely distressed.  
15 You know I felt my obligation and our obligation to  
16 transitions only we had the resources necessary.

17 But having said that, I will say that I have huge  
18 concerns about the blueprint saying you know,  
19 allowing NYCHA to stay in the authority to manage  
20 these buildings. Because to my you know I have not  
21 seen any evidence that NYCHA can manage anything you  
22 know correctly.

23 I will share that a couple of months ago, I was  
24 at Wagner Houses with my staff cleaning up blood,  
25 because we had a homeless woman that was murdered and

1  
2 the incident happened at 6:00 in the morning and it  
3 was almost 5:00 in the afternoon and the blood was  
4 still, I mean it was an actually murder scene outside  
5 of somebodies apartment you know door.

6 And that could have been remediated. I go to  
7 Mitchell Houses and I have seniors that are living, I  
8 mean I have one lady that opened the door and the  
9 small of mold almost knocked me out. She has  
10 respiratory issues. She's an older adult. That  
11 could have been remediated by even moving her to  
12 another unit. So, there are a lot of ways that I  
13 feel let down as a representative for these housing  
14 you know developments. So, I can only you know  
15 imagine what they're going through. And having said  
16 all of that, my only one question right now I guess  
17 really is what percent of the exiting budget is set  
18 aside for unit repair?

19 ANNIKA LESCOTT: I would have to get back to you  
20 on that question, only because it's a bit more  
21 comprehensive. So, we have, our unit repairs are  
22 done by our staff mostly. So, it would be some  
23 portion of the budget for the skilled trades that  
24 work on those repairs in addition to the caretakers  
25

1  
2 and maintenance workers, supervisors and maintenance  
3 workers and the like that work on those repairs.

4 In addition to our healthy homes teams as you  
5 mentioned lead and mold, they also do in unit  
6 repairs. So, that's a bit more of a comprehensive  
7 number that we could sort of get to you. I can give  
8 you a high level sort of just setting the stage. We  
9 spend around \$1.5 million of our \$4.1 billion budget  
10 on salaries for staff.

11 So, it's some portion of that number in addition  
12 to a portion of perhaps contracts, equipment and  
13 supplies. So, I don't want to misspeak here but I do  
14 want to make sure that you get your question  
15 answered.

16 COUNCIL MEMBER AYALA: Yeah, I mean and I have  
17 concerns with that because you know if most of the  
18 funds is going towards salaries, which obviously you  
19 know I get it. But why are my buildings still so  
20 disgusting? Like, why are they so dirty? Why are  
21 they infested with bats. Like, I mean, there are  
22 things; there are capital needs, I get that. You  
23 know we need roofs repaired. We need brick work. We  
24 need painting, we need — you know but there are  
25 things that NYCHA could be doing today that NYCHA is

1 not doing and that makes me really uncomfortable with  
2 a transition that would allow NYCHA to stay in  
3 charge. So, if you can get that information to me,  
4 I'd appreciate it. Thank you.  
5

6 ANNIKA LESCOTT: Absolutely.

7 SERGEANT AT ARMS: Time expired.

8 COMMITTEE COUNSEL: Thank you Deputy Speaker  
9 Ayala. Next, we'll turn to Council Member Kagan.

10 SERGEANT AT ARMS: Starting time.

11 COUNCIL MEMBER KAGAN: Thank you very much for  
12 this opportunity. Uhm, I have a question Chair Greg  
13 Russ. He spoke repeatedly about it. Some issues do  
14 not require major investments. Like for example, do  
15 we need to press any kind of legislation to make sure  
16 the property managers or at least their  
17 representatives will be present during every tenant  
18 association monthly meetings? Just in the last  
19 several months, I attended many tenant association  
20 meetings in my district [INAUDIBLE 3:12:18] Houses.  
21 I would say the two tenant association meetings in my  
22 houses there were representatives of the management  
23 but there wasn't in the meetings of the tenant  
24 association meetings of Towers. [INAUDIBLE 3:12:33]  
25 and others and I did not see a single representative

1  
2 from the management. I believe it could be done  
3 easily, the \$40 billion investments from federal  
4 government. That's my first question and request.

5 I believe it should be like mandatory, like  
6 tenant association meeting, someone from property  
7 management should be present to listen to peoples  
8 concerns. Because if they're not, it means that my  
9 job don't care about me. That's my opinion. And  
10 management is not present. It's not okay in my  
11 opinion and it doesn't require major investments and  
12 my second question is about situation with gas  
13 problems. I know that every time is old pipes, it  
14 requires a lot of time and money to restore it but  
15 like right in Coney Island, we have a situation where  
16 especially Coney Island four or five, they don't have  
17 cooking gas for more than ten months already and also  
18 gardens, one building doesn't have cooking gas since  
19 February and now we have a similar situation in Coney  
20 Island houses.

21 So, what could be done to finish there projects?  
22 Does it require additional investments from federal  
23 and state governments or is it just like it requires  
24 something else. And then, be delivering \$40 billion.  
25 I am advocating for it. I talked to Congressman

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

156

1  
2 Hakeem Jeffries and I believe that it's still not  
3 over with Build back Better. It's still not over.  
4 Because the Senator mentioned, he's not against the  
5 public housing portion of that legislation. But  
6 meanwhile, we can do something with NYCHA to be more  
7 attentive to tenants complaints or respond to emails,  
8 phone calls, to be present at the tenant association  
9 meetings. It doesn't require a whole lot of  
10 investments. Thank you.

11 GREG RUSS: So, first we agree with you that they  
12 should be present and we are taking steps to make  
13 sure that they do attend on a monthly basis. We  
14 signed a memorandum of agreement with the citywide  
15 resident group that actually does spell that out.  
16 So, we're hoping that over time, we do get the  
17 managers there. Certainly if the tenant association  
18 leader wants them there, they can be there as part of  
19 their routine. So we do agree with you on that.

20 I don't know if Sherrod has any information on  
21 the gas line issues. I know they're incredibly  
22 difficult repairs and one of the big problems is the  
23 asbestos that wraps the lines because that has to be  
24 abated and remediated before we can even do the  
25 plumbing. So, I don't know Sherrod, if you've got

1  
2 any updates on those sites or not and certainly we  
3 can get you updates if we can't get this to you right  
4 today.

5 DANIEL SHERROD: We can give more detail, updates  
6 to the Council Member but I know for wire, they are  
7 permitting it city to finish some of the repairs and  
8 subsites should be up relatively soon where I can get  
9 more detailed information for the Council Member.

10 Also, if your TA president has a monthly meeting  
11 and no one shows up, please shoot me an email,  
12 because they are required to go to those meetings.  
13 So, when I find out they haven't, that's part of the  
14 accountability measures that we take into place to  
15 make sure that they hear what the tenants have to say  
16 and they don't have to complain to you or I.

17 COUNCIL MEMBER KAGAN: Thank you. It's important  
18 and thank you Daniel Sherrod for helping this  
19 Neighborhood Houses Senior Center but the job is done  
20 like 80 percent. It's still not down. We have  
21 houses specifically talking about money, from my  
22 understanding, like by the way, right now is two  
23 senior centers. It's the same area, same houses but  
24 the new one is now partially open again, due to your  
25 intervention, it's still not done 100 percent in

1 terms of ceilings. But like the old one's for five  
2 years, still like, and I was there like a few days  
3 ago -

4 SERGEANT AT ARMS: Time expired.

5 COUNCIL MEMBER KAGAN: They're still not doing  
6 something.

7 DANIEL SHERROD: I'll follow up with the team to  
8 figure out what's the delay on the rest of the  
9 project.

10 COUNCIL MEMBER KAGAN: Thank you.

11 COMMITTEE COUNSEL: Thank you Council Member  
12 Kagan. Council Member Ossé, you had your hand up.  
13 Did you have a question? Okay, not seeing him on.  
14 We'll turn to Council Member Hudson.

15 SERGEANT AT ARMS: Starting time.

16 COUNCIL MEMBER HUDSON: Hi there. Thank you so  
17 much. Hello, to all of the Chairs. I have several  
18 questions, so in the interest of time, I'm just going  
19 to run through the questions and if I need to repeat  
20 anything, I'm happy to do so.

21 Uhm, my first is what funding does this budget  
22 provide to renovate or support older adult centers  
23 and community centers located in NYCHA developments?  
24 Are there any requirements for RAD developments to  
25

1  
2 also renovate communal spaces including older adult  
3 centers and community centers? If not, what  
4 protocols and funding streams exist for those  
5 upgrades? Does NYCHA have plans to roll out  
6 universal recycling and compositing to its  
7 facilities? If not, what are the barriers to doing  
8 so. Are there any items in this budget to expedite  
9 the capital process for NYCHA developments to ensure  
10 upgrades are made in a timely fashion and I know that  
11 we've talked a lot about that.

12       And then, there's a joint effort; I don't know  
13 the name of it or if it has a formal name but there's  
14 a joint effort between DHS, NYCHA and I think NYPD to  
15 address street homelessness specifically on NYCHA  
16 campuses and I'm wondering what the current level of  
17 funding is for that program.

18       It's my understanding that only a handful of  
19 NYCHA campuses are part of the program and I'm  
20 wondering if the agency is considering an expansion?  
21 And is there consideration of increasing the duration  
22 of this program as we know folks typically need  
23 several touches and what's the current coordination  
24 amongst shelters and other temporary housing  
25 resources nearby or close to NYCHA developments in

1  
2 this program? And sorry to sort of overwhelm you  
3 with all the questions but they're important.

4 ANNIKA LESCOTT: Thank you Council Member Hudson.  
5 I'll take the first questions on the senior centers.  
6 So, in a prior budget, we received \$22 million in  
7 capital funds for the renovation of three vacant  
8 community centers Monroe Houses in the Bronx,  
9 Sheepshead Bay Houses in Brooklyn and Wagner Houses  
10 in Manhattan. And so, all three of those are in the  
11 planning and or procurement phase. And so, I believe  
12 there was another question around homelessness.  
13 Sherrod, do you want to take that one?

14 COUNCIL MEMBER HUDSON: Yeah, but can I just  
15 follow - before you get into the homelessness, I just  
16 want to follow up because I'm wondering if in RAD  
17 developments, I know that there's one, there's a  
18 senior center in I believe it's Central Harlem. It's  
19 definitely in Council Member Richardson-Jorden's  
20 District and I visited that Senior Center. It's a  
21 RAD development and I was told that there was no  
22 funding to renovate the senior center. So,  
23 literally, everything is being renovated and just for  
24 the record, I am not an advocate of RAD but it's  
25 there and uhm, everything is being renovated except

1  
2 for the senior center and I think it's just sort of  
3 wild that we would exclude older adults from any sort  
4 of renovation and having a new facility when that  
5 development is going to the RAD program.

6 SHAAN MAVANI: so, Council Member Hudson,  
7 normally we do include renovation of all you know  
8 common areas and centers in the PACT programs. I  
9 think we could follow up with you off line and  
10 identify which specific site you're talking about and  
11 then understand if there's a reason why you might  
12 have heard that and clarify.

13 COUNCIL MEMBER HUDSON: Okay, that would be great  
14 thank you. And I had uh -

15 DANIEL SHERROD: The homeless outreach that -  
16 okay, go ahead.

17 COUNCIL MEMBER HUDSON: No, no, go for it.

18 DANIEL SHERROD: For the homeless outreach on our  
19 properties, it's a collaboration between NYPD, NYCHA  
20 and Department of Health and Human Services.

21 Generally, we've been reaching out to these  
22 individuals but the issues we're running into now  
23 because it was successful at first, but DHS can't  
24 send people out earlier during the day. So, they are  
25 coming out when most of the homeless individuals that

1  
2 went back to the neighborhood shelters to get their  
3 food and other services.

4       So, we're trying to DHS to come out earlier, so  
5 that we can actually reach these individuals while  
6 they are on the property to try to get them the  
7 services they need and get them to move out. So,  
8 we're working with our city partners on expanding the  
9 program, so that we can have extra coverage during  
10 the most the time that we think that what we know  
11 anecdotally that they are in the hallways or in  
12 stairwells, so that we can have a larger  
13 collaboration.

14       COUNCIL MEMBER HUDSON: Okay and is that just -  
15 just for clarification, is that a funding issue?  
16 Like a personnel issue or it will just take the  
17 conversation to ensure that the DHS folks come out  
18 earlier.

19       DANIEL SHERROD: It's going to be probably a  
20 combination. I can't speak to DHS's numbers but on  
21 our side, we are ready whenever they can actually  
22 expand the program.

23       SERGEANT AT ARMS: Time expired.

24       COUNCIL MEMBER HUDSON: Okay, thank you and if  
25 the Chairs will allow it, I did have a question about

1  
2 the roll out of universal recycling and composting to  
3 NYCHA facilities and any barriers in doing that?

4 GREG RUSS: Well, we just funded a pilot for this  
5 very thing and I'll get you a fact sheet on what  
6 that's going to encompass. So, we approved funding  
7 for that just last week actually. Because we are  
8 interested in trying to increase the recycling and  
9 composting since it helps us with the trash overall.

10 So, uhm, uh, I can share that with you. We'll  
11 share that with you on the follow up and then, if  
12 you've got questions, we can put you in touch with  
13 the resiliency staff that's working on that.

14 COUNCIL MEMBER HUDSON: Great. Thanks so much  
15 and just want to echo my colleagues sentiments you  
16 know around repairs and all of that. I know it's an  
17 issue that plagues the entire you know portfolio but  
18 I think anything we can do to increase response times  
19 and you know efficient work being done is something  
20 that I would support. So, thanks again.

21 COMMITTEE COUNSEL: Thank you Council Member  
22 Hudson, next we'll turn to Council Member Barron.

23 COUNCIL MEMBER BARRON: Thank you very much to  
24 Chair Avilés. I want to thank you for your line of  
25 questioning. But let me just be straight and to the

1 point. First of all, I want to clear up some  
2 deceptions and some down right lies. And I say lies  
3 because I know that Chair Russ understands what we're  
4 saying here.  
5

6 It is privatization. So, what he tried to do is  
7 deceive you into thinking because NYCHA still owns  
8 the property, it's not privatization. But the  
9 property management has been turned over to private  
10 companies like L&M and Hudson. This is  
11 privatization, privatization and if you want to  
12 privatize and if you want to give ownership to  
13 something, we support many of us having the residents  
14 own and manage their properties. Because this  
15 property management privatization will lead to  
16 eventually ownership of the entire buildings and the  
17 property themselves. So, that's a lie and he knows  
18 that that is privatization no matter how you slice  
19 it.

20 The other thing that makes it privatization is  
21 that they forced, and I say forced residents to sign  
22 new leases, so they no longer were under Section 9,  
23 which is public money. They went under Section 8,  
24 which can be used for private companies, private  
25 money. And this same Section 8 money, which is the

1  
2 tenant's getting, residents getting in the first  
3 place, can be used or resident management of their  
4 own - give them the money. Give them the lawyers and  
5 the tech to manage their own places.

6       So, there's been so many lies about RAD and PACT  
7 that is just - it's just like uncalled for. Tell the  
8 truth and I know for a fact that in many of the  
9 residents across the country were forced into this  
10 program, threatened with eviction. I don't care  
11 about your 85, there would have been thousands who  
12 would not have accepted this program if they weren't  
13 threatened and I know that for a fact and I raised it  
14 with NYCHA and they said they'll look into it like  
15 they do on a lot of your questions here. They'll get  
16 back to you on information they should have right  
17 now. This is a hearing and they knew it was coming.  
18 But the bottom line, this is privatization and it  
19 started way back with President Obama and the  
20 President now Biden, he was Vice President. They  
21 wanted to take money from HUD, public money and put  
22 it into privatization through RAD and PACT. They  
23 called it privatization. It is still privatization  
24 no matter how much property NYCHA owns.

1  
2 The other thing I'm concerned about, we had  
3 lawyers testify at some of the meetings we had  
4 letting the tenants know that once your lease is  
5 under a private lease, you don't have the same  
6 protections from the government that the public money  
7 has. That that is definitely going to have a  
8 negative impact. And no matter how much the  
9 superficially fix up your apartments and do some  
10 renovations and fixing up things for the first year,  
11 after that, they're victims of this privatization of  
12 the public property management of NYCHA properties.

13 And then finally, it also impacts Section 3.  
14 NYCHA was already not doing good with Section 3. It  
15 was said that 30 percent of the employment had to go  
16 to NYCHA residents when they're using federal money,  
17 public money to fix up NYCHA's stuff. They weren't  
18 even honoring it then and they're certainly not going  
19 to honor it now. It's going to be even worse. It's  
20 going to be worse. So, those are my concerns and my  
21 question is, why not? Why not have the residents  
22 have the Section 8 money and why not the residents  
23 give access to capital because this conservative  
24 mayor has decided that the only, the only residents  
25 that's going to get any capital money, the \$1.2

1 billion or whatever it is, it's going to go to RAD  
2 and PACT programs, not to the rest of NYCHA, which is  
3 the overwhelming majority because we have a closet  
4 republican conservative mayor with an austerity  
5 budget, Mayor Cop I call him is that why is it that  
6 only it goes to the RAD and PACT program. More  
7 pushing toward privatization of property management  
8 sir. Privatization of property management. Tell the  
9 truth. Thank you.

11 GREG RUSS: Well, Council Member if I may, you  
12 just don't have your facts correct. And I don't come  
13 to a public hearing and get sworn in to tell you a  
14 falsehood.

15 COUNCIL MEMBER BARRON: Then why did you say it's  
16 not privatized?

17 GREG RUSS: It's not privatized

18 COUNCIL MEMBER BARRON: It's a private company  
19 right?

20 GREG RUSS: Because we still own the company. If  
21 you would let me finish please.

22 COUNCIL MEMBER BARRON: It's a private company.  
23 No, I'm tired of your lie.

24 GREG RUSS: There's a private company working  
25 there. That's true.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

168

1  
2 COUNCIL MEMBER BARRON: No, working there -  
3 they're managing it.

4 GREG RUSS: But it's publicly funded. The  
5 Section 8 is a program just like the Section 9.

6 COUNCIL MEMBER BARRON: All of what's going - a  
7 private company, correct?

8 GREG RUSS: It's not. It is not.

9 COUNCIL MEMBER BARRON: It is so.

10 GREG RUSS: So, I can only tell you that we now  
11 engage the residents fully. They select their  
12 partners -

13 COUNCIL MEMBER BARRON: I'm not talking about  
14 resident engagement. They have no power. Chair, I  
15 don't mean to be rude. I don't mean to be rude Chair  
16 but the only reason why I'm doing this because he's  
17 lying and he's trying to come here and fix up a lie.  
18 The private companies are managing RAD and PACT. At  
19 least you can say that. That's no big thing. Tell  
20 the truth. That's what's happening.

21 GREG RUSS: I am telling the truth sir and I just  
22 wish if you'd like, I'd very much like -

23 COUNCIL MEMBER BARRON: Is NYCHA managing the  
24 property? No. RAD and PACT is managed by private  
25 companies. So, stop lying.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

169

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

GREG RUSS: I'm not lying.

COUNCIL MEMBER BARRON: You are.

GREG RUSS: And you're not correct. So, we could leave it at that.

COUNCIL MEMBER BARRON: Leave it, leave it. I'd rather not hear anything else from you.

COMMITTEE COUNSEL: And next, we're going to turn to Council Member Restler.

SERGEANT AT ARMS: Starting time.

COUNCIL MEMBER RESTLER: Council Member Barron is always a tough act to follow and I don't you know, I have to say, I do not — my preferred path forward for the future of NYCHA is not more RAD and PACT and I am hopeful, I think the much better path is the trust and was pleased to see the Mayor leaning in on the trust this morning. And am hopeful, I see it came out of the Housing Committee and the Assembly, you know make it through codes and that we will similarly gain some meaningful steam in the senate in the final I don't know eight or nine days of session. This will require a great deal of focus and attention from the NYCHA team and you know I'm happy to help in whatever ways I can. Because with the trust model, if I have a NYCHA development that doesn't want to be

1 a part of it, they can opt out but I feel like, when  
2 you all come to our communities and say you want to  
3 do RAD or PACT, we don't have an option.

4  
5 And I am, you know I'm trying to be helpful on  
6 the trust. I will continue to try to be. If there  
7 are ways that I can be put into play that are of  
8 assistance, please let me know because I think it is  
9 a much, much, much preferred route than RAD and PACT.

10 I do want to just thank the Chair, Chair Russ and  
11 thank the Chief Operating Officer Mr. Sherrod who  
12 have been impressively responsive and hands on to  
13 each of the issues that our office has brought to  
14 their attention over these handful of months that  
15 we've been office and I have been truly appreciative  
16 of that. I think it's the leadership you all  
17 demonstrate; the responsiveness and the results has  
18 been impressive and I just want to thank you for your  
19 hard work. I'm hopeful that it will trickle down  
20 across the breath of a complex bureaucracy and a  
21 tough agency but it's good to see from leadership and  
22 I also want to just shout out Andrew Kaplan who is  
23 superb. I just, like one of the best public servants  
24 in all of the City of New York and we're lucky to  
25 have him at NYCHA.

1  
2 And I should have started with this but I think  
3 we have exactly the right Council Member leading this  
4 the Committee in Chair Avilés and I just want to  
5 thank you for your leadership and clarity of values  
6 and vision in holding NYCHA accountable because our  
7 tenants deserve nothing less and I really appreciate  
8 the caliber of the work that you've been bringing to  
9 this Committee, it's been superb.

10 The two questions I wanted to focus on and I  
11 apologize for my long preamble, were firstly, uhm,  
12 where Wyckoff Gardens sits in the Bill to Preserve  
13 initiative with the \$200 million that we have  
14 allocated for both developments. While it does not  
15 meet the full capital needs assessment, I'd like to  
16 hear again from NYCHA leadership that it is no longer  
17 under consideration for market rate development on  
18 our campus. Is that something that you all are  
19 prepared to commit to at this time or is there any  
20 additional insight you can offer on your current  
21 thinking?

22 SHAAN MAVANI: Thank you Council Member Restler.  
23 So, currently the former project proposal at Wyckoff  
24 is still on hold. We appreciate the allocation of  
25 funding through the Gowanus rezoning and as you know,

1  
2 have been engaging with you in your office and tenant  
3 leaders and others very closely on trying to push  
4 that work forward to improve the property and to meet  
5 residents needs.

6 But currently, the Bill to Preserve Initiative  
7 are on hold you know given the resident feedback that  
8 came in several years back.

9 COUNCIL MEMBER RESTLER: Okay, well look, I'd  
10 like it to not be on hold. I'd like it to be dead.  
11 So, I appreciate that it's on hold but it's not the  
12 outcome that we're looking to hear. We're going to  
13 continue to push until we hear that.

14 We've gotten a good response on Wyckoff. We've  
15 been meeting every few weeks the NYCHA team. I think  
16 we're finally supposed to start meeting at Gowanus  
17 this week. I'm very, very eager to get that moving  
18 as well. The other question I have is, I was deeply  
19 disappointed to see the \$1.2 billion capital  
20 allocation in the HPD budget for RAD and again, I  
21 would have preferred you all to put all of your  
22 energy and efforts into the trust. If we are  
23 successful in passing the trust, will that \$1.2  
24 billion be reallocated for capital improvements  
25 across NYCHA?

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

173

1  
2 GREG RUSS: I think it's too early to say, I  
3 mean, I just I couldn't speak for the city on this  
4 particular one but we certainly don't want to lose it  
5 but I can't tell you Council Member that -

6 SERGEANT AT ARMS: Time expired.

7 GREG RUSS: I know what would happen if we had  
8 the trust in play and to your point earlier though,  
9 first of all, thanks for your help. Secondly, we  
10 just received word that in the State Assembly, the  
11 Codes Committee voted out the trust unanimously. So,  
12 that's a piece of good news. I'm going to talk to  
13 Andrew and have him give you a call if there's other  
14 things you can do.

15 COUNCIL MEMEBR RESTLER: Yeah, I talked to him  
16 yesterday.

17 GREG RUSS: Yeah, I know, he obviously keeps us  
18 up to date but I would rather say that if we do get  
19 the trust bill, we have a lot of choices that we  
20 currently don't have and that could affect how we  
21 think about the money that we currently have. So, I  
22 just want to keep it open.

23 COUNCIL MEMBER RESTLER: I would very much like  
24 to see the trust be the path forward and I'd like to  
25 see that \$1.2 billion be reallocated for other

1  
2 developments and for us to no longer move forward  
3 with additional RAD and PACT conversations. That  
4 would be my strong, strong, strong preference.

5 GREG RUSS: Sure, so noted. Thank you.

6 COUNCIL MEMBER RESTLER: Thank you.

7 COMMITTEE COUNSEL: Thank you and next we'll turn  
8 to Council Member Mealy.

9 SERGEANT AT ARMS: Starting time.

10 COUNCIL MEMBER MEALY: I want to thank you for  
11 this hearing today. One thing I wanted to ask with  
12 the memorandum of understanding, why after all these  
13 years as soon as you started to do the RAD-PACT,  
14 that's when you gave the tenants an opportunity to  
15 sign off on a memorandum of understanding?

16 And secondly, before RAD and PACT was initiated,  
17 why was not the unions involved in this? You knew  
18 you would have to have plumbers, electricians. Why  
19 were they not in the first proposal in this whole  
20 RAD-PACT? And uhm, I would love to know how much you  
21 have spent on your budget in regards to overtime with  
22 all these private contractors and uhm, I'm totally  
23 with Council Member Barron with Section 3, in which  
24 NYCHA was supposed to give some of these positions  
25 jobs. NYCHA residents jobs whenever you do have

1  
2 project and that's been void almost ten years or more  
3 and my last question is, uhm, why you haven't reached  
4 out - I've been reach- well, I didn't reach out to  
5 your office as of yet. I was waiting to see the  
6 trust.

7 To this day, I believe I have a package. You are  
8 asking for 15 of my NYCH-ers in which I've been  
9 speaking with some of them, in which they do not want  
10 to go with RAD and I hope that we can have a  
11 conversation really soon in regards to this, or I  
12 would just wait until we really see what the trust is  
13 and it should be after all these years, the community  
14 should be able to own those apartments.

15 So, could you answer something in regards to that  
16 and one thing, why we haven't had a conversation on  
17 it as of yet, what is going on with my five  
18 developments? I would love to know.

19 GREG RUSS: So, we can schedule time to sit with  
20 you Council Member. Uhm, with respect to the unions,  
21 the unions, when a property is converted, there is a  
22 union that represents a good number of the folks who  
23 work there. It's just not a union that currently  
24 represent NYCHA staff. And those staff that are at  
25 the site are moved once it's converted into the rest

1  
2 of NYCHA's property, so that we're not displacing a  
3 worker as a result of the RAD conversion.

4 And then, with respect to our properties, we'd be  
5 glad to get time with you obviously. We'd be glad to  
6 do the trust and we can provide you with an update on  
7 Section 3, which we are still implementing even under  
8 the new rules and we could show some very good  
9 activity in that area. And I'll let Sherrod speak to  
10 the memorandum of understanding that we have with the  
11 residents.

12 COUNCIL MEMBER MEALY: Thank you.

13 DANIEL SHERROD: Hi, Council Member. So, the  
14 reason it took so long to get the MOA signed is  
15 literally it was a process between myself and the  
16 CTOP, the City wide Council Presidents for two years.  
17 I met with them on my own time each night, almost  
18 three to four times a week going through creating  
19 that document, getting them comfortable with the  
20 language that they were drafting for that document.  
21 So, it was a very intensive process because they had  
22 to overcome all of the wrong that had been done to  
23 them by NYCHA in the past.

24 So, it took me about two years to get them to a  
25 point where they were comfortable signing that MOA

1  
2 with NYCHA. When it was presented to NYCHA, I think  
3 they made all of three word changes and the rest of  
4 the document was driven 100 percent by the residents,  
5 so that's why I took so long.

6 COUNCIL MEMBER MEALY: Why uhm, I believe well,  
7 my understanding was why hasn't NYCHA brought the  
8 residents to the table years ago and only when you  
9 started a RAD. That's when all of sudden you want to  
10 invite the residents to the table to make decisions  
11 for themselves. So, this is really a reaction just  
12 for RAD really and not to really bring the residents  
13 to the table to defend for themselves in regards to  
14 making their own decisions in regarding where they  
15 live.

16 DANIEL SHERROD: So, this MOA actually was not a  
17 derivative of RAD. It was actually a derivative of  
18 the federal monitoring agreement. In the monitoring  
19 agreement, NYCHA was required to reengage the  
20 residents and this is part of that reengagement,  
21 drafting that document that had not been drafted  
22 since 1993.

23 COUNCIL MEMBER MEALY: Thank you. So, going  
24 forward, I have - sorry. If the tenants do not want  
25

1  
2 to sign off on their leases, will they be able to  
3 stay in their apartments?

4 GREG RUSS: Well, we need a lease. We need a  
5 contract.

6 COUNCIL MEMBER MEALY: If they don't want to  
7 transfer over to RAD -

8 GREG RUSS: Well, the lease is identical except  
9 for a writer that talks about the form of subsidy.

10 COUNCIL MEMBER MEALY: Please don't say that  
11 because I have a senior who asked, he said his rent  
12 went up and he can't afford to live in one of the  
13 RAD. They were not in my district but I'm trying to  
14 stay abreast on how the leases are.

15 GREG RUSS: Sure.

16 COUNCIL MEMBER MEALY: And thank you to our Chair  
17 Avilés. That May 3<sup>rd</sup> hearing was so phenomenal, it  
18 gave me a birds eye view exactly what's going on.  
19 And we have to start thinking after they sign their  
20 lease, they can't transfer. That's a problem.  
21 Domestic violence is prevalent in NYCHA development  
22 and if they cannot move or one thing I'm going to  
23 start really focusing on the succession rights to  
24 their children in these RAD apartments.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

179

1  
2       So, going forward, I'm looking forward to being  
3 aggressively looking into this and looking forward to  
4 sitting down and speaking with you.

5       GREG RUSS: Sure, we can arrange a time and we  
6 can make sure that the lease requirements are spelled  
7 out so you can see what it looks like pre and post.  
8 As to the income, the income is calculated exactly  
9 the same way. So, if you have this particular  
10 resident, we should look at the case because if  
11 there's a change in household or change in income, we  
12 have an obligation to think about that but let's get  
13 your time and we can go through the whole set of  
14 issues.

15       COUNCIL MEMBER MEALY: Thank you, looking  
16 forward. Thank you Chair.

17       GREG RUSS: Sure, I look forward to it as well.  
18 Thank you.

19       COUNCIL MEMBER MEALY: Alright.

20       COMMITTEE COUNSEL: Thank you Council Members.  
21 We also recognize we've been joined by Council Member  
22 Stevens and Narcisse. Council Member Won followed by  
23 Council Member Sanchez followed by Council Member  
24 Stevens.

25       SERGEANT AT ARMS: Starting time.

1  
2 COUNCIL MEMBER WON: So, is sorry Sergeant, is it  
3 my turn?

4 COMMITTEE COUNSEL: Yes.

5 SERGEANT AT ARMS: Yes.

6 COUNCIL MEMBER WON: Okay, thank you. Thank you  
7 so much Chair Avilés for all the work that you're  
8 doing. My question is building off of all of my  
9 colleagues. Building on the neglect and the  
10 conditions that NYCHA residents are currently living  
11 in. Right now, as a Council Member for District 26,  
12 I have Queens Bridge Houses, which is the largest  
13 NYCHA complex in the entire country as well as  
14 Woodside Houses and Ravenswood Houses. I'm very  
15 concerned for the last six months; I am still getting  
16 the same response from NYCHA every time we reach out  
17 about an issue that we have. So, for example,  
18 Queensbridge Houses had issues with their door bell  
19 intercoms for more than a year now. And I still  
20 continue to get the same answer back about the vendor  
21 or the contract being an issue. But when I ask  
22 questions about the contract, I get no answer.

23 So, my question and same thing with Woodside  
24 Houses, we've had heat and hot water outages. We  
25 keep on hearing the same thing back about

1 procurement. How certain pieces are missing.

2 Whether it's a broken window or it's about the heat

3 boilers. I seem to continue to get questions about

4 the contract. So, the first question is for Annika,

5 what percentage of the NYCHA budget is set aside for

6 contracts and what percentage of that is actually for

7 vendors that are doing the repairs?

8 And the second question is what protocols do you

9 have in place for vendors who fail to deliver what

10 they're contracted for? And what accountability is

11 there for all of these procurement issues that you

12 have and how do I also get in touch with NYCHA to

13 actually help me understand which contracts are being

14 held up, so that I can actually help? Because it

15 seems to be, I'm talking to a black hole.

16 ANNIKA LESCOTT: Great, so thank you Council

17 Member Won. Happy to answer your first question.

18 So, in our 2022 budget, we have \$487 million set

19 aside for contracts specifically. So, that amounts

20 to around 12 percent and that is in our operating

21 budget.

22 So, there might be some questions that you're

23 asking here about capital. Uhm, I'm not certain so I

24 don't want to misspeak on that.

1  
2 COUNCIL MEMBER WON: Yeah, it's for capital. So,  
3 for the actual con- so if you have \$487 million, can  
4 you help me understand why there are outstanding  
5 issues with these contractors and what accountability  
6 protocols do you have in place to keep these  
7 contractors accountable for what they're supposed to  
8 deliver for our residents?

9 ANNIKA LESCOTT: Sure, Sherrod, do you want to  
10 speak to our work with the vendors?

11 DANIEL SHERROD: Yeah, so we have a quality  
12 assurance department that goes around sampling the  
13 contracts across NYCHA and gives us a report on the  
14 status of the actual quality, if they meet the  
15 contract terms or uhm, or if there are any  
16 outstanding issues. So, for a recent example, we  
17 actually tasked them with looking through  
18 Queensbridge intercom system to figure out why, what  
19 precipitated the failure. If the failure is on our  
20 side. If the failure is a NYCHA related failure,  
21 meaning that we didn't spec out the contract  
22 correctly or if it was on the vendor side. And then  
23 once we know which side it's on, then we have QA dig  
24 deeper to say well, why did it fail? Was it a  
25 performance issue? Was it a supply issue? What was

1  
2 the failure and then we document those so that if we  
3 find after all of that analysis that it actually is a  
4 vendor failure, we set them up for the contracted  
5 process or procurement to start to go through our  
6 enforcement options in that contract.

7       So, right now, that's the exact process that  
8 we're doing at Queensbridge because we know that  
9 there are intercoms out and we're getting to the  
10 bottom of why the intercoms are out. If it's a NYCHA  
11 fault or if it's a contractor fault and we'll  
12 determine what was the failure? What's the  
13 appropriate response?

14       On top of that, we are also actually in the  
15 process of simply getting those repaired, getting the  
16 equipment and pieces necessary to actually do those  
17 repairs. So, that's what happens on the operations  
18 side. I can give it to Shaan to speak to the  
19 contract enforcement on the capital side.

20       COUNCIL MEMBER WON: But CO Sherrod, can you also  
21 help me understand the timeline? Why is it over a  
22 year that the intercom is still broken? And I  
23 understand the vendor is Horizon but why have we not  
24 figured out during the process that you've laid out,  
25 whose fault it is? What the issues are? And why is

1  
2 it still an outstanding issue? People cannot get  
3 into their own homes.

4 DANIEL SHERROD: Because each of one of those  
5 situations is not a common problem. We're seeing  
6 hundreds of different of small problems that are  
7 adding up to these failures. So, for example, we see  
8 sometimes this is a magnet. Sometimes it's a missing  
9 dial tone. Sometimes actually the tenant has not  
10 configured their phone or their service correctly to  
11 talk to the system. Sometimes it's the computer  
12 board. So, there are hundreds of different reasons  
13 why these intercoms have consistently failed. It's  
14 not one particular reason that I can give you -

15 SERGEANT AT ARMS: Time expired.

16 DANIEL SHERROD: Over the whole thousand  
17 intercoms over there. So, that's why we're doing  
18 this deeper dive because I see it is a problem but I  
19 have to figure out, is it a systematic problem or  
20 just the fact that the system is so old that things  
21 are starting to break independent?

22 COUNCIL MEMBER WON: It's a brand new system by  
23 the way.

24 DANIEL SHERROD: Hmm, hmm but that's what we're  
25 doing analysis on.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

185

1  
2 COMMITTEE COUNSEL: Okay thank you. Next, we're  
3 going to turn to Council Member Sanchez.

4 SERGEANT AT ARMS: Starting time.

5 COUNCIL MEMBER SANCHEZ: Thank you. Thank you so  
6 much Malcom and thank you so much Chair Avilés and  
7 Chair Brannan. I just want to cosign on to so much  
8 of what Council Member Restler had said. Especially  
9 about Andrew and other staffers in the leadership I  
10 have a lot of respect for the team.

11 I am going to share frustration today. So, I'm  
12 picking up from the conversation that you are all  
13 having with Council Member Avilés, about the RAD  
14 program, the trust and how the trust legislation now  
15 includes a provision that would allow tenants to opt  
16 in or opt out you know of what kind of future they  
17 want to see in terms of their capital repairs.

18 So, I am a fan of the Fulton process. As you all  
19 know, I was there. We were in the trenches. We you  
20 know went through a very deep community engagement  
21 process with the residents, with community  
22 organizations and others and it was robust and it had  
23 a great outcome. And yes, of course, if there's  
24 going to be conversation like that about future  
25 conversions, then let's do it. You know I also am

1 with you Chair that I wouldn't be surprised if more  
2 and more tenant associations and residents opt into  
3 RAD if the process is like that. But I am currently  
4 going through the Northwest funding. We are in  
5 current conversations and I have buildings in my  
6 district. There's 3,500 residents are going to be  
7 effected by this Northwest Bronx RAD bundle and  
8 buildings in our districts that don't have TA's and  
9 I'm not getting the work from NYCHA in terms of the  
10 outreach. We have folks that have no idea what RAD  
11 is and we're months into the process. We received  
12 the RFVI's. We're in this, right and NYCHA is you  
13 know what I hear from the team is, we're marching  
14 toward a goal of selecting developers this summer but  
15 there are residents in these buildings that have no  
16 idea what's going on. I'm against that kind of  
17 conversion. I'm against RAD if my residents are not  
18 involved. So, first, sure, yes, Fulton, Chelsea,  
19 Elliot was great but the kind of resources that were  
20 put into that process are not being put into other  
21 places and that is very frustrating to me and very  
22 troubling. So, that's one expressing that.

24 And two is, to pick up also from what Council  
25 Member Avilés said and phrase it into a question. If

1 the trust does pass, knock on wood, we'll make calls.

2 I also support the trust. If the trust does pass in

3 Albany, do we revisit the question for existing

4 tenants that are in RAD bundles that have not yet

5 converted. Do we allow them the choice of saying, do

6 you want to go through RAD conversion or do you want

7 to opt into seeking repairs through the trust?

8 GREG RUSS: So, uhm, we'll talk about the

9 engagement in a minute. Where we don't have a tenant

10 association that is hard. It would be great to, I'll

11 let Sherrod speak to - maybe we have some options

12 there because if we have a focus, it helps to engage,

13 as we did in Fulton, it was pretty strong.

14 If the trust bill passes, the trust is obligated

15 to issue a set of rules on how the choices would be

16 made and who would be entitled to make those choices.

17 The bill provides for actual period of comment, so

18 that the trust can't just arbitrarily set up say a

19 choice process that is somehow not fair. So, I think

20 if we get the trust as a choice, if it passes this

21 session, then we could have the discussion about some

22 of the farther out RAD sites and how to think about

23 them. Keep in mind the trust is only limited to

24 25,000 units in the current bill, which is probably -

1  
2 and it may mean if we get the legislation. We sort  
3 of have to rethink what that queue looks like  
4 ourselves. So, I'm not discounting what you said at  
5 all because we've been thinking about it but I feel  
6 like if we had both options available, we could put  
7 something out through that required rule making  
8 process on how the choice and selection would work.  
9 That would get to the question you answering about.  
10 What does that mean for the sites that are farther  
11 down the road?

12 I have a sense that you know we've got property  
13 in that first bundle that has significant physical  
14 needs. I think when we talked to the City Cop about  
15 physical needs, the first four properties were almost  
16 \$3 billion in need. So, I think like it's in that  
17 first queue, the 25,000, we'll have to think about if  
18 we have the option but I don't -

19 SERGEANT AT ARMS: Time expired.

20 GREG RUSS: Discount that kind of choice you're  
21 talking about. I want to ask Sherrod though to talk  
22 about the engagement that you're currently  
23 experiencing and what he hopes to do about that as  
24 well because that we can change right away.

25

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

189

1  
2 DANIEL SHERROD: For any of your sites that don't  
3 have a TA Association, let me know and I will have  
4 resident engagement function as the TA for that  
5 particular site so that they get the flyers and  
6 notifications and everything that ATA would do. And  
7 also, if you have a group of residents that actually  
8 want to form their own TA, let me know and I will  
9 make sure that we work with resident engagement to  
10 get that TA stood up.

11 COUNCIL MEMBER SANCHEZ: Mr. Sherrod, with all  
12 due respect and I do appreciate that. I've been in  
13 conversation with folks in different departments in  
14 NYCHA. We had a whole plan about when they were  
15 going to do door knocking right. I used to work with  
16 you, right? We made a plan together. We're going to  
17 door knocking, we're going to do flyers, we're going  
18 to have the right language access, we're going to do  
19 calls, we're going to do all of these things and  
20 we're going to have a schedule or meeting and what  
21 I'm not seeing is the implementation of that, right.

22 So, this is a known problem among the staff and I  
23 just - I need to see more. I need to see engagement.  
24 I need to see real engagement in order to be  
25

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

190

1  
2 supportive here because you know my residents are  
3 just not engaged. And even in the ones that do -

4 SERGEANT AT ARMS: Time.

5 COUNCIL MEMBER SANCHEZ: Have tenant associations  
6 Forten Dependence in Bailey Houses, we have residents  
7 who are not on the TA who want to be involved and  
8 there should absolutely be a mechanism for them  
9 because we need to cultivate leadership in all the  
10 places we have it. But thank you. Thank you, I  
11 appreciate you all but I just need more here if I'm  
12 going to be supportive of this conversion.

13 COMMITTEE COUNSEL: Thank you Council Member.

14 Next, we'll turn to Council Member Stevens.

15 SERGEANT AT ARMS: Starting time.

16 COUNCIL MEMBER STEVENS: Hi, good afternoon  
17 everyone. Uhm, and I'm sorry if this question was  
18 already asked. I jumped in a little bit late and  
19 jumping in and out but so, in the last hearing I  
20 asked, was there an evaluation process that had been  
21 done on the current RAD conversions in NYCHA and I  
22 didn't get a straight for it. So, that's why I'm so  
23 disappointed to here that in the budget that we're  
24 allocating money for a program that we have not even  
25 evaluated or have any means of success. But my

1 question now is, how much money has been generated  
2 from the current 15 NYCHA developments that have been  
3 converted to RAD and how much of that money has been  
4 used to really chip away at the deficit that NYCHA  
5 seeks?  
6

7 GREG RUSS: I'm going to let Shaan can jump in  
8 after me but out of the 15,000 households that are  
9 now converted, 6,000 units, we've raised about \$3.4  
10 billion. Uhm, there's a significant like if you  
11 think about 700 million in the queue that's coming  
12 up. So, uhm, that would be additional capital that  
13 would chip away at the total need that we usually  
14 talk about and uhm, I know Shaan had some numbers  
15 earlier. Do you have those again Shaan about what's  
16 coming up in terms of conversions and what those are  
17 estimated to value at?

18 SHAAN MAVANI: Just to clarify Council Member  
19 Stevens, when you talked about the money that's come  
20 in. Where you're talking about as Chair Russ has  
21 highlighted the actual funds that were raised in the  
22 different PACT transactions or were you referring to  
23 something different?

24 COUNCIL MEMBER STEVENS: Well, I'm referring to  
25 that in addition to like the money that's being

1 generated from RAD, the RAD conversions right. Like  
2 is that money being raised? How is that now being  
3 put towards NYCHA in the deficit that we continue to  
4 see?  
5

6 SHAAN MAVANI: So, Annika do you want to jump in  
7 and cover you know outside of the actual funding that  
8 goes back into the PACT-RAD properties and funds of  
9 renovation there, additional funding that's been  
10 brought in and how that compares to our capital  
11 needs?

12 ANNIKA LESCOTT: Sure absolutely and so across  
13 the projects that have been converted, we received  
14 around \$275 million. Of which \$182 or so million has  
15 been committed and/or spent and we are using that  
16 funding to help us close our deficit this year. So,  
17 we've anticipated that we would use \$80 million worth  
18 of PACT proceeds to help us with our maintenance and  
19 operating costs. In addition, PACT funding is also  
20 used to help support other deals. So, for example,  
21 you know when there might be potential subsidy gaps  
22 to close the deals, that's an additional source of  
23 revenue that we use there as well.

24

25

1  
2       So, it goes back into our properties either as  
3 maintenance and operating support or to support  
4 another RAD-PACT conversion.

5       COUNCIL MEMBER STEVENS: Okay, that's good to  
6 know because I know that was one of the questions I  
7 had but I still just want to echo that I'm still  
8 concerned that if we do have 15 sites that why we're  
9 not doing like a full 360 evaluation to see like, is  
10 it working? How's it going? I know we talked about  
11 in the last hearing that you know that there's being  
12 things done and tenants are all happy but I think  
13 that it's not just important to just like hear from  
14 residents, from the - we should be hearing from the  
15 managers, the community at large because it does just  
16 not effect just NYCHA residents, it effects the  
17 community at large and really looking at a 360  
18 comprehensive evaluation process of these before we  
19 continue to invest and expand this program because  
20 I'm finding more and more that we continue to invest  
21 in things and then when it's not working, we're like  
22 oh, I didn't know it wasn't working because we never  
23 stopped to evaluate it and I think the time is now to  
24 really evaluate these programs and get the data that

1  
2 we need to say, how do we move forward and also shift  
3 if we need to. Thank you.

4 GREG RUSS: Thank you.

5 COMMITTEE COUNSEL: Thank you Council Member  
6 Stevens. I'll now turn it back to Chair Avilés for  
7 her closing comments and then to Chair Brannan for  
8 his.

9 CHAIRPERSON AVILÉS: Great, thank you so much to  
10 my colleagues for their questions, their passion.  
11 Thank you to the NYCHA staff and thank you to central  
12 staff for getting us here. You know I think what  
13 we've heard today obviously is you know ongoing and  
14 full acknowledgement of the challenges that are faced  
15 by NYCHA, in particularly the no one faces those  
16 challenges more than the residents, right who have to  
17 live in these apartments day in and day out. And so,  
18 you see our passion here, right, our commitment to do  
19 the best we can by the residents.

20 So, I think you know we – what we are seeing here  
21 also is uhm some real challenges with the RAD-PACT  
22 program and what it means and questions around  
23 implementation, funding transparency around those  
24 contracts and what they look like and their profit  
25

1  
2 margins and a lot of outstanding questions around  
3 assessment and accountability.

4 Uhm, I think as I said in my opening statement,  
5 uhm, I would like a fuller investment in our public  
6 housing that is not relegated to RAD and PACT but  
7 that is an opening funding that we can allocate to  
8 our most troubled housing that does not leave  
9 residents behind. We've heard about the trust bill  
10 and different issues. I specifically have deep  
11 concerns about the trust bills resident engagement,  
12 actually representation on the board, not being  
13 elected by residents themselves but being appointed  
14 by just the Chair and the Mayor. It feels like if we  
15 want resident voice we should allow the residents to  
16 choose. Also, I'm very concerned about the voting  
17 process. That is not articulated in the bill but  
18 says it will get articulated at some other point with  
19 potentially at least one public hearing, which does  
20 not feel sufficient enough for such an important  
21 thing as determining how you would like to move  
22 forward in your development. So, that would be a  
23 place for some real strengthening and outlining what  
24 are the standards for that voting procedure right.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

196

1 Will it just be a TA president and seven people  
2 making the choice for thousands of units or will  
3 there be a more robust commitment to a 50 percent  
4 threshold in a development to determine what it's  
5 future will be and how the city should support that.

6 So, with that, we have a long list of questions  
7 that we hope and expect NYCHA will be able to respond  
8 to in a timely basis over the next couple weeks as we  
9 talk about you know this budget and the future of  
10 NYCHA. Obviously we'll continue these conversations.  
11 We really struggle on how do we do the best by our  
12 residents? How do we ensure democratic process? How  
13 do we ensure transparent and effective process of  
14 public dollars? Uhm, and so, with that, I will close  
15 this hearing and pass it over to the Chair of  
16 Finance. So, thank you all for your time. Council  
17 Member Brannan.

18 CHAIRPERSON BRANNAN: Thank you Chair Avilés.  
19 Thank you Chair Russ and your team. We appreciate it  
20 and we look forward to getting any of the outstanding  
21 information that we requested back, especially like  
22 Chair Avilés mentioned, the converted units.  
23 Especially interested in the converted units and as  
24 far as uhm, uh, you know the estimated capital need  
25

1  
2 as it relates to that. There was some other  
3 outstanding issues, I know I made a note of the  
4 timeline, all that stuff. You know?

5 GREG RUSS: Sure, no, we'll have a list.

6 CHAIRPERSON BRANNAN: I mean these are our  
7 constituents. We care about this just as much as you  
8 do. We're passionate about this because we care  
9 about it right. Uhm, you know if we didn't care, we  
10 would be indifferent. We're passionate, we're angry,  
11 we're upset, we're frustrated, we want to get things  
12 done because we care. That's what this is about.

13 So, but we have another long hearing coming up,  
14 so we're going to let you. We appreciate it very  
15 much Chair and we'll follow up with you. Thank you  
16 so much.

17 GREG RUSS: Thank you and we'll get our list and  
18 then we should make sure we compare so we can get all  
19 the answers and that it satisfies.

20 CHAIRPERSON BRANNAN: Great, thank you Chair.

21 GREG RUSS: Thank you.

22 CHAIRPERSON AVILÉS: Thank you everyone.

23 COMMITTEE COUNSEL: Alright, Chair Brannan just  
24 give us a few moments and we'll switch over.

25 CHAIRPERSON BRANNAN: Okay.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

198

1  
2 COMMITTEE COUNSEL: To Department of Correction.

3 [4:05:49-4:06:26]

4 CHAIRPERSON BRANNAN: Malcom, are we going to  
5 take a break here or what are we doing?

6 COMMITTEE COUNSEL: No, we're just waiting for  
7 Department of Correction to log on.

8 CHAIRPERSON BRANNAN: Okay.

9 COMMITTEE COUNSEL: And then we're just going to  
10 get started right away.

11 COUNCIL MEMBER AYALA: I feel like I need a  
12 mental health session after that.

13 CHAIRPERSON BRANNAN: Yeah, there's a lot.

14 CHAIRPERSON STEVENS: Do you want me to counsel  
15 you?

16 CHAIRPERSON BRANNAN: These aren't the drugs  
17 you're looking for.

18 COMMITTEE COUNSEL: So, Chair Brannan, you know  
19 it is the 9<sup>th</sup> day, so I'm allowed some mistakes.  
20 Department of Correction isn't until 2:30 actually.

21 CHAIRPERSON BRANNAN: That's what I said.

22 COMMITTEE COUNSEL: I know and I just told you  
23 were wrong.

24 CHAIRPERSON BRANNAN: Come on man.  
25

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

199

1  
2 COMMITTEE COUNSEL: So, you know what? I'm going  
3 to ping because they are time limited.

4 CHAIRPERSON BRANNAN: We're going to pause for  
5 station identification. This is WNYC radio.

6 COMMITTEE COUNSEL: So, uhm, we'll see if we can  
7 get them on earlier because there is that hard stop  
8 that they have and I'm sure there will be lots of  
9 questions.

10 CHAIRPERSON BRANNAN: What's their hard stop.

11 COUNCIL MEMBER AYALA: Four.

12 COMMITTEE COUNSEL: Four on the dot. So, I'll  
13 ask the Sergeants to have us stand at ease and uhm,  
14 I'll text you if we can get them on quicker.

15 CHAIRPERSON BRANNAN: Okay that works. Thank you  
16 Malcom.

17 COMMITTEE COUNSEL: Thanks. [04:08:02-04:12:26]  
18 Department of Correction, I see a log in from Chelsea  
19 Chard but it looks like there's multiple of you in  
20 the room. Can you just let us know who is in there  
21 so I know how many other Zooms I may or may not be  
22 waiting for unless you are all going to - and you  
23 should be able to unmute yourself.

24 CHELSEA CHARD: I believe we're just waiting on  
25 two more people.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE 200

1  
2 COMMITTEE COUNSEL: So, you'll all be in that one  
3 room?

4 CHELSEA CHARD: Yes, we'll all be in that one.

5 COMMITTEE COUNSEL: Awesome, okay.

6 CHELSEA CHARD: DOC or something like that.

7 COMMITTEE COUNSEL: Okay, I'll do that. Thank  
8 you.

9 CHELSEA CHARD: Thank you. [4:12:56-4:18:36].

10 CHAIRPERSON RIVERA: Good afternoon everyone.

11 COMMITTEE COUNSEL: Hi Chair Rivera. How are  
12 you?

13 SERGEANT AT ARMS: Good afternoon Chair.

14 COMMITTEE COUNSEL: We can hear you loud and  
15 clear. DOC, if you just want to give a thumbs up if  
16 everyone is in the room. Great, thank you. Chair  
17 Brannan, are you ready?

18 CHAIRPERSON BRANNAN: I just did my hair, I'm  
19 ready.

20 COMMITTEE COUNSEL: I did mine as well. Okay, so  
21 we'll start with your opening, then we'll go to Chair  
22 Rivera and then uhm, I will go ahead and swear in the  
23 Administration. So, we'll start with you Chair  
24 Brannan.

CHAIRPERSON BRANNAN: Okay, thank you Malcom.

Good afternoon everyone and welcome to the 3<sup>rd</sup> portion of our 9<sup>th</sup> day of Executive Budget hearings. I'm Justin Brannan, I have the privilege of Chairing the Committee on Finance and I'm pleased to be joined this afternoon by my colleague Council Member Carlina River, Chair of the Committee on Criminal Justice.

I want to thank and welcome Commissioner Louis Molina of the Department of Correction for joining us today along with your team. I know you have a tight schedule, so we'll try to keep this - I won't say brief, but we'll keep it as efficient as we can and get right into questions.

Quickly just to set the table, the Department of Corrections projected Fiscal '23 Budget of \$1.3 billion represents approximately one percent of the city's proposed FY23 budget in the Executive Plan. DOC's FY23 budget increased by approximately 3.4 percent from Preliminary plan. The increase was the result of several actions taken, most significant of which is the increase of \$59 million for 578 uniformed positions and \$10.7 million for the Facilities Maintenance Repair Division. My questions today will mainly focus on the Rikers Action Plan,

1  
2 the uniformed overtime, the rising costs of  
3 incarceration and supervisory capacity.

4 I want to thank Jack Storey for his hard work on  
5 today's hearing and all of the Finance team behind  
6 the scenes that work so hard day in and day out to  
7 keep this train on the tracks.

8 I now want to turn it over to my colleague Chair  
9 Rivera for her opening remarks.

10 CHAIRPERSON RIVERA: Thank you Chair Brannan. My  
11 name is Carlina Rivera, Chair of the Committee on  
12 Criminal Justice and this afternoon, we will review  
13 Fiscal 2023 Executive Budget for the Department of  
14 Correction. As was mentioned, the Department of  
15 Corrections Fiscal 2023 Executive Budget totals \$1.3  
16 billion, an increase of \$125 million from the Fiscal  
17 2022 Adopted Budget.

18 The Executive Budget support 9,600 employees,  
19 approximately three percent of the city's total  
20 workforce and there are around 5,500 people in the  
21 Departments custody. Just last week, the Federal  
22 Monitor also wrote that the conditions in the jails  
23 continue to be of grave concern, severe and life  
24 threatening.

1  
2 For decades, people at Rikers Island have  
3 suffered a lack of access to medical and mental  
4 health care. Last week, we tragically lost Mary  
5 Yehuda, the fifth person to die in custody since the  
6 start of the year. She was the 21<sup>st</sup> person to die in  
7 city custody since the beginning of 2021.

8 Although the Committee recognizes the cautious  
9 optimism of the Federal Monitors latest report, we  
10 remain deeply concerned about the department's  
11 ability to address the intertwined issues of  
12 mismanagement staff, absenteeism and dysfunction that  
13 make the jails more dangerous for people in custody  
14 and DOC staff alike.

15 The Department must explain how the Executive  
16 Budget concretely lays the ground work for the  
17 initiatives outlined in the action plan and  
18 implementing the monitors recommendations.

19 A particular concern to the Committee is the  
20 addition of \$59 million for 578 new uniformed  
21 positions. The Committee has serious concerns about  
22 the departments ability to effectively manage and  
23 supervise it's current staff and the department must  
24 explain why new officers will help the department  
25

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

204

1 address the profound challenges it faces now and in  
2 the coming Fiscal Year.

3  
4 I would like to thank my staff and Committee  
5 Staff for their hard work Senior Finance Analyst Jack  
6 Storey, Unit Head Crilhien Francisco, Deputy Director  
7 Eisha Wright, Senior Policy Analyst Kishorn Denny,  
8 Senior Counsel Agatha Meropolis, my Legislative  
9 Director Isabelle Chandler and my Chief of Staff  
10 Katie Lope{SP?} I'd also like to thank Commissioner  
11 Molina and his team for being here today to answer  
12 our questions and I will turn it back to Chair  
13 Brannan.

14 COMMITTEE COUNSEL: Thank you Chairs Brannan and  
15 Rivera. Good afternoon and welcome to the 3<sup>rd</sup>  
16 portion of the Executive Budget hearing for May 23,  
17 the Department of Correction. I would first like to  
18 acknowledge Council Members present for the record  
19 Council Members Brannan, Rivera, Barron, Brewer,  
20 Dinowitz, Farias, Hudson, Kagan, Louis, Narcisse,  
21 Ossé, Sanchez, Ayala, Schulman and Powers.

22 Council Members who have questions, use the raise  
23 hand function in Zoom. We are limiting Council  
24 Member questions to five minutes and please remember  
25 that the DOC has a hard stop at four, so be mindful

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

205

1  
2 when time is called for your colleagues. The  
3 following members of the Administration are here to  
4 testify and or answer questions Louis Molina  
5 Commissioner, Kat Thomson Chief of Staff, Lynelle  
6 Maginley-Liddie First Deputy Commissioner and Chief  
7 Diversity Officer, Patricia Lyons Deputy Commissioner  
8 for Financial Facility and Fleet Administration,  
9 Francis Torres Deputy Commissioner for Programs and  
10 Community Partnerships, Melissa Guillaume Acting  
11 Deputy Commissioner for Legal Matters and Chelsea  
12 Chard Senior Policy Advisor.

13 I will first read the oath and after, I will ask  
14 each member of the Administration individually to  
15 respond. Do you affirm to tell the truth, the whole  
16 truth and nothing but the truth before these  
17 Committees and to respond honestly to Council Member  
18 questions? Commissioner Molina?

19 LOUIS MOLINA: I do.

20 COMMITTEE COUNSEL: Chief of Staff Thomson?

21 KAT THOMSON: I do.

22 COMMITTEE COUNSEL: First DC Maginley-Liddie?

23 LYNELLE MAGINLEY-LIDDIE: I do.

24 COMMITTEE COUNSEL: DC Lyons?

25 PATRICIA LYONS: I do.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

206

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

COMMITTEE COUNSEL: DC Torres?

FRANCIS TORRES: I do.

COMMITTEE COUNSEL: And I apologize if I'm  
mispronouncing any names, Acting DC Guillaume?

MELISSA GUILLAUME: I do

COMMITTEE COUNSEL: And Senior Policy Advisor  
Chard?

CHELSEA CHARD: I do.

COMMITTEE COUNSEL: Thank you. Commissioner  
Molina, you may begin when ready.

LOUIS MOLINA: Good afternoon, Chair Rivera,  
Chair Brannan, and members of the Committee on  
Criminal Justice and Committee on Finance. I am  
Louis Molina, the Commissioner of the Department of  
Corrections. I am pleased to be joined today by the  
dedicated members of my leadership team. We meet  
today, when this Department is on the precipice of  
great change, to discuss the Executive Budget for  
Fiscal Year 2023. I intend to show this Council and  
our city that I as Commissioner, with the support of  
Mayor Adams, the Rikers Island Interagency Taskforce,  
and this Council, can lead the Department of  
Correction out of dysfunction and chaos that have  
plagued our agency for far too long.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

207

1  
2 Before I begin, I must acknowledge the recent  
3 losses of life. Dashawn Carter and Mary Yehudah  
4 passed away this month while in the Department's  
5 custodial care. We are heartbroken for their  
6 families and loved ones and my deepest condolences go  
7 out to them. Since we last met, we have also lost  
8 active-duty members of service, including Officer  
9 Edward Roman who tragically took his own life this  
10 past week. Our thoughts are with his family and loved  
11 ones as well.

12 The dysfunction and resulting heartbreak that has  
13 become pervasive over the past several years within  
14 this agency, troubled me profoundly. As I have  
15 shared with this Council, the impact of incarceration  
16 on my family has instilled in me, a deeply rooted and  
17 firmly held commitment to criminal justice reform.  
18 My commitment was not born out of naivety and has not  
19 dulled with time. It is a commitment that has driven  
20 me throughout my career, a commitment that has been  
21 challenged by both professional and personal  
22 experiences, and by events that have unfolded over  
23 the past few years in our city and in our country but  
24 has never wavered. This commitment brought me to  
25 Westchester County, also under a Monitor at the time,

1  
2 which I successfully transitioned out of Federal  
3 oversight. And it has brought me to this agency  
4 twice, first as the Chief Internal Monitor, and now  
5 as the Commissioner.

6 We have a challenging road ahead, but my  
7 commitment to reform remains relentless and  
8 persistent. I will not be satisfied until we  
9 successfully turn this agency around. The serious  
10 issues facing the Department were not created in a  
11 day and were not created in a vacuum. It was clear to  
12 me as I assumed the role of Commissioner in January  
13 that the same foundational issues persist today as  
14 when I was the Department's Chief Internal Monitor in  
15 2016, deeply flawed security practices, inadequate  
16 supervision, ineffective utilization of staff, and an  
17 absolute lack of accountability.

18 I documented these issues in a report published  
19 in December of 2016, and noted that, if they were not  
20 addressed, things would likely worsen. I could not  
21 have imagined five years ago that the Department  
22 would have reached the state of dysfunction it did in  
23 2021. Rather than face the facts of what existed  
24 then and seriously consider what was proposed,  
25 leaders of the Department went on to further ignore

1  
2 correctional best practices and policies which  
3 produced poor outcomes year over year.

4       Instead of addressing these issues, the city  
5 systematically disinvested in its jail system. We  
6 ignored the crumbling infrastructure in our jail  
7 facilities and expected them to remain intact and  
8 safely house the incarcerated population. We  
9 disregarded the needs of staff, yet expected members  
10 of service to remain fit for duty and engaged in  
11 their work. A global pandemic upended every agency,  
12 every business, every person across this city, but we  
13 closed and disinvested in the jail facilities and  
14 expected this Department to work towards the goals of  
15 the borough-based jail program as though nothing had  
16 changed.

17       The Department's ability to effectively operate  
18 has been crippled and it has resulted in tragedies  
19 for officers and people in custody alike. Last week,  
20 the Federal Monitor filed an Action Plan for the City  
21 and the Department to address the decades of  
22 mismanagement that have brought us here today. I  
23 want to emphasize, as the Monitor did, that the  
24 conditions in the jails today are not only the result  
25 of failures within the Department. The failure of

1  
2 our jails represents the failure of a whole system;  
3 accordingly, it will take a concerted effort to move  
4 us forward. With the support of the Mayor, the  
5 Rikers Island Interagency Taskforce, and I hope this  
6 Council, this plan will be fully implemented, and our  
7 city can finally take the important steps towards  
8 reform and renewal.

9 As the Monitor has noted, there is no fail-safe  
10 path forward, no mechanism that will achieve  
11 immediate reform. A Receiver will not fix our jails  
12 or the systems that have failed around them any  
13 faster or more sustainably than we will, together.  
14 We must all have the courage to face this challenge  
15 head on.

16 Tomorrow, we will meet before the Court to  
17 discuss the Action Plan put together in consultation  
18 with the Monitor. I am in agreement with the plan,  
19 as it supports my vision for the Department. I am  
20 focused on creating a culture of discipline and  
21 service to persons experiencing incarceration that  
22 will ultimately lead to safer and more humane jails.  
23 My vision is of the jails that embrace a model of  
24 rehabilitation and hope for the future instead of  
25 punishment and languishing. My vision is of an

1  
2 agency driven by passionate leaders with deep  
3 expertise in corrections and problem-solving. My  
4 vision is of modern jails that employs 21<sup>st</sup> century  
5 technology to drive efficient operations and  
6 solutions based in data and research. My vision is  
7 of a Department that treats its workforce with  
8 dignity and respect, and values them as people and  
9 that serves the public interest and earn the public's  
10 trust.

11 In my first four months as Commissioner, I have  
12 taken thoughtful and effective steps to create the  
13 agency I envision. At the end of February, just two  
14 months into my tenure, I instituted a strategic  
15 violence reduction plan at the Robert N. Davoren  
16 Center, also known as RNDC to address the heightened  
17 levels of violence at that facility.

18 This plan outlined changes to housing policies,  
19 improvements to staff supervision and accountability,  
20 and enhanced programming and services to provide  
21 critical opportunities for behavioral change and  
22 growth for young adults. The plan ended the  
23 misguided practice of concentrating gang affiliations  
24 in housing areas at RNDC, which allowed people in  
25

1 custody to overpower our staff and led to an  
2 atmosphere of violence and fear.

3  
4 The Federal Monitor noted its effectiveness by  
5 reducing the level of fear among staff and people in  
6 custody. Because of its success, we have since  
7 rolled this strategy out to other facilities with the  
8 anticipation of similar results.

9 We have also strategically increased facility  
10 searches and tactical search operations at RNDC  
11 throughout the Department, a practice that was  
12 largely abandoned during the pandemic. These  
13 searches have resulted in the recovery of 700  
14 contraband weapons from RNDC alone, and over 2,200  
15 across all facilities.

16 The number of slashings and stabbings at RNDC  
17 decreased by 45 percent in April as compared to March  
18 of this year. when we instituted this strategic  
19 violence reduction plan and it decreased also  
20 slashing to stabbings department-wide by 35 percent.  
21 To put this into perspective, the number of slashings  
22 and stabbings have decreased 67 percent at RNDC and  
23 50 percent department-wide month to date versus this  
24 same time last year. In just four months, these  
25 actions and others have resulted in a decrease in

1  
2 several major violence indicators calendar year to  
3 date the department-wide rates of assaults on uniform  
4 staff have decreased 31 percent, rates of non-uniform  
5 staff who have been assaulted have decreased 33  
6 percent, and calendar year to date rates of use of  
7 force have decreased by 27 percent in total.

8 I recognize the frequency of assaults and use of  
9 force incidents are still too high but, fortunately,  
10 the trends are moving in a downward trend, which I  
11 intensely focus on sustaining. Of course,  
12 implementing these best practices and sustaining  
13 trends cannot exist without staff performing their  
14 duties, along with a timely and meaningful discipline  
15 process for those who do not or cannot perform those  
16 duties.

17 Since taking office, I have been laser focused on  
18 returning staff to the facilities and creating the  
19 leadership structures to support our workforce and  
20 address deeply entrenched organizational health  
21 issues. The number of unavailable staff continues to  
22 drop and has been reduced by nearly 40 percent since  
23 the beginning of the staffing crisis that began in  
24 the summer of 2021. To ensure that our staff return  
25 to full duty, we are revamping our Health Management

1  
2 Division, which is responsible for overseeing and  
3 supporting uniform staff who are out sick.

4 I can assure the Council that the disarray and  
5 mismanagement of the Health Management Division ends  
6 with my administration. New leadership has been  
7 appointed and we are reviewing and revising critical  
8 leave policies that have allowed abuse to fester and  
9 lead to the crisis that emerged over the course of  
10 the pandemic. I look forward to sharing updates on  
11 these efforts with the Council once they have been  
12 finalized in consultation with the Monitoring team.

13 In conjunction with these efforts to engage staff  
14 who are out sick and support them in returning to  
15 duty, we have been taking a close look at the members  
16 who appear unable or unwilling to fulfill their  
17 obligation to this agency and this city. For all of  
18 the rhetoric of previous administrations,  
19 accountability in this department has been absent.  
20 In order for the Department of Correction to succeed,  
21 it is imperative that expectations for staff conduct  
22 are clearly communicated and that the consequences of  
23 violations and failures to fulfill duty are swift.

24 To date, almost 100 staff members have been  
25 suspended this year for sick leave abuse, and some of

1 those members have been referred to the Department of  
2 Investigation for further review. At least 150  
3 medical incompetence cases have been referred for  
4 discipline, which is almost the same number of cases  
5 referred for discipline in the entirety of 2021. We  
6 intend to expedite the processing of more egregious  
7 cases to demonstrate unequivocally that these abuses  
8 will no longer stand.  
9

10 In the first four months of my tenure, I closed  
11 out and administered final disciplinary dispositions  
12 in over 800 disciplinary cases, holding staff  
13 accountable while at the same time, allowing them to  
14 move forward with their careers and not be held in  
15 limbo. That's more than the previous two  
16 commissioners combined with the same time frame by a  
17 large margin.

18 In my short time as Commissioner, I have shown  
19 that I am willing to address these issues not only  
20 expeditiously, but appropriately applying increased  
21 penalties in disciplinary dispositions when I believe  
22 further discipline is necessary, more so than what  
23 OATH has originally recommended. I have issued over  
24 two times the number of days of suspension as the  
25 previous two commissioners in the same time period,

1 and over two times the number of separations. I  
2 believe these initial steps have put us on a path  
3 toward improved practices and greater accountability,  
4 and I look forward to sharing more progress with the  
5 Council in the future.

6  
7 As these initiatives continue to take shape, they  
8 will create more space for reforms in other areas.  
9 While safety and security are major tenants of the  
10 Department, we cannot forget that our goal is to  
11 support behavioral change and skill building for  
12 people in our custodial care that leads to successful  
13 reentry into the community. This can become a  
14 challenge when individuals remain in the Department's  
15 custody for extended periods of time. Nearly one  
16 third of the jail population has been in custody for  
17 more than a year, with some having been here for  
18 three years or more. Jails are simply not designed  
19 to hold individuals long-term. Through the work of  
20 the Taskforce, we've secured commitments from the  
21 Bronx DA to expedite cases when someone has been  
22 detained for over a year, and are working with our  
23 partners throughout the city to expedite more cases  
24 for individuals who have already received a city-  
25 sentence.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

217

1  
2 I am using the full power as Commissioner to  
3 assess and release as many people safely as possible  
4 through the 6-A Work Release program. Last week, we  
5 released a cohort of 19 individuals through 6-A and  
6 are evaluating an additional 9 individuals for  
7 release. I intend to continue to exercise this power  
8 to the fullest so that no one is languishingly unduly  
9 in our jails. For those that remaining in our  
10 custody, we continue to strengthen our programs and  
11 services. Despite the ongoing challenges of COVID, we  
12 offer programming and services in a manner that is  
13 safe, and committed to returning to a sense of  
14 normalcy within the jails. External contracted  
15 providers and dedicated Department Programs staff  
16 continue to show up every day to provide counseling,  
17 educational services, workforce development, reentry  
18 services, and more, to support the people in our  
19 custodial care during this challenging time.

20 Credible messengers continue to engage with our  
21 young adults and have been instrumental in supporting  
22 our shift to a safer housing model at RNDC. Young  
23 adults housed in our school housing areas continue to  
24 attend school regularly and take ownership over their  
25 academic achievement. To support these efforts and

1  
2 improve the quality of other services within the  
3 jails, we continue to move forward with technological  
4 innovations and initiatives. In the coming weeks,  
5 students will be able to take the GED exam online and  
6 receive their score in minutes, instead of having to  
7 wait weeks for their results.

8 I hope this technological advancement will  
9 empower more individuals in custody to successfully  
10 pursue educational goals. Beginning in April, we  
11 transitioned away from operating commissary in our  
12 facilities and moved to a modern system with an  
13 expanded menu. Individuals in custody can place  
14 orders via the phones in their units and have items  
15 delivered directly to their housing the next week.  
16 In the coming weeks and months, we will continue to  
17 build our Management, Analysis, and Planning team,  
18 which will explore ways to modernize the jails,  
19 measure the impact of our newly instituted strategic  
20 initiatives, and move more efficient and efficiently  
21 with our operations.

22 As we turn to Fiscal Year '23 Executive Budget,  
23 we must keep in mind that we are tasked with  
24 disentangling decades of disfunctions and  
25 mismanagement. I fully agree with the Monitor and

1 with this Council, that this Department needs more  
2 efficient operations and safer more humane jails. I  
3 have demonstrably begun to work that will make that  
4 happen and will continue to relentlessly pursue all  
5 of the goals laid out in the Action Plan.  
6

7 However, as the Monitor has noted, reformation of  
8 this Department cannot happen in mere months. As the  
9 Monitors has talked about, the department cannot  
10 sustain changes takes time. We will not be deterred  
11 by failures of the past. We must do whatever it  
12 takes, collectively, to move forward with this most  
13 important work. The Department's Fiscal Year 2023  
14 Executive Expense Budget is \$1.30 billion. The vast  
15 majority of this, 86 percent, is allocated for  
16 Personal Services, 14 percent for Other than Personal  
17 Services.

18 The Fiscal Year 2023 Executive budget is \$83.5  
19 million less than this year's budget of \$1.39  
20 billion. As noted in my Preliminary Budget  
21 testimony, this decrease is largely due to funding  
22 provided in Fiscal Year 2022, prior to my tenure, for  
23 Emergency Executive Order initiatives and overtime.  
24 Included in the Executive Budget are increases of \$50  
25

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

220

1 million in Fiscal Year 2022 and \$73.1 million in  
2  
3 Fiscal Year 2023.

4 The following are some highlights of the major  
5 initiatives that were included in the Executive  
6 Budget:

7 CHAIRPERSON BRANNAN: Commissioner, Commissioner,  
8 I know you don't have a lot of time and you submitted  
9 this testimony to us right?

10 LOUIS MOLINA: Yes, we'll be submitting it to  
11 you.

12 CHAIRPERSON BRANNAN: Okay, I'd like to just get  
13 into questions because I know you have a hard stop  
14 and we don't have a lot of time.

15 LOUIS MOLINA: You got it sir.

16 CHAIRPERSON BRANNAN: Okay, thank you. Thank  
17 you. I just, I want to be respectful with everyone's  
18 time.

19 Let's jump right into the Rikers Action Plan.  
20 Uhm, does the Executive Budget include resources to  
21 fund any component of the action plan? And if it  
22 doesn't, can we expect to see any additional funding  
23 at Adoption?

24 PATRICIA LYONS: Hi, good afternoon Chair. At  
25 this time, in the Executive Budget, no it does not

1 because most of the work of the interagency task  
2 force and the conversations with the monitoring team  
3 and the court have been post the Executive Budget  
4 release and at this time, we don't have a defined  
5 cost yes related to the action plan as it's still  
6 under negotiation. And we are working with OMB to  
7 ensure we assess all of our budgetary requirements  
8 and what we have as existing resources so we can come  
9 to an amicable position when we have a finalization  
10 with the court.  
11

12 CHAIRPERSON BRANNAN: So, did the Department use  
13 any existing resources to fund any of the components  
14 of the current plan?

15 PATRICIA LYONS: No, not yet because the plan is  
16 not finalized with the court.

17 CHAIRPERSON BRANNAN: Okay, so what is OMB's role  
18 here than in helping the Department allocate and  
19 manage its budgetary resources and to identify  
20 efficiencies?

21 PATRICIA LYONS: So, we work with OMB closely,  
22 almost on a daily basis related to all of our  
23 operations and ongoing needs. And they're very  
24 supportive and we've been assessing what requirements  
25 I have due to the action, and as you can see in the

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

222

1  
2 Executive Budget, they afforded the Department the  
3 increase in uniform headcount and the funding needed  
4 for the Facility, Maintenance and Repair Division.

5 CHAIRPERSON BRANNAN: Okay and that was \$59  
6 million for 578 uniform positions, correct?

7 PATRICIA LYONS: Correct.

8 CHAIRPERSON BRANNAN: Okay, so let's talk about  
9 overtime. FY23 Executive Budget includes an  
10 additional \$52 million for uniform overtime, which  
11 would bring the total budget to \$185 million,  
12 correct?

13 PATRICIA LYONS: Yes, that's correct.

14 CHAIRPERSON BRANNAN: Okay, so two date, how much  
15 has the Department actually spent on overtime for  
16 uniformed positions?

17 PATRICIA LYONS: So, as of the - I apologize,  
18 this is a little dated but as the April 15<sup>th</sup> payroll,  
19 what I have here, uhm, we have spent \$178 million on  
20 uniform overtime.

21 CHAIRPERSON BRANNAN: \$178 million, okay and  
22 considering the Departments on reliance on overtime  
23 to operate facilities, does this budget accurately  
24 reflect your needs?

25

1  
2 PATRICIA LYONS: I think at this time again, its  
3 you know we continue the conversation with OMB  
4 because you know as we work towards the year end  
5 close, we'll be assessing what surplus we have in  
6 other parts of the budget that could shift over to  
7 overtime. But it's an ongoing conversation with OMB.

8 CHAIRPERSON BRANNAN: Okay, uhm, because you know  
9 the total FY23 Executive Budget for overtime is  
10 approximately \$185 million and you're saying as of  
11 April 15<sup>th</sup>, we're already at \$178 million?

12 PATRICIA LYONS: Correct.

13 CHAIRPERSON BRANNAN: So, I don't think, I don't  
14 think \$185 million is going to cover it, right?

15 PATRICIA LYONS: It might not.

16 CHAIRPERSON BRANNAN: Okay, so how is this - you  
17 know how are you going to reevaluate that? How does  
18 it work that you're going to go to OMB and say, we're  
19 going to run over here?

20 PATRICIA LYONS: So, we share with them regularly  
21 a monthly surplus needs that evaluates the  
22 Departments budget and they on their own, do their  
23 own analysis and monitoring and send us questions you  
24 know as needed.

1  
2       So, as we work through the Adopted Budget, we'll  
3 be looking at the Departments overall surplus needs  
4 with OMB to see if there's any movement we can take  
5 in any other parts of the budget to shift over to  
6 cover the overtime. Or they're also always  
7 continually evaluating now as you can see with the  
8 addition of the \$52 million, funding that coming from  
9 the American Rescue Plan to support COVID-19. That's  
10 the federal funding that we have.

11       CHAIRPERSON BRANNAN: So, what steps does the  
12 Executive Budget take to reassign staff and resources  
13 to posts that have the highest need?

14       PATRICIA LYONS: So, the 578 positions that we  
15 have been increased by, that will be going towards  
16 future recruit classes. Uhm, so those individuals  
17 don't actually exist yet on DOC payroll.

18       CHAIRPERSON BRANNAN: So, how are you triaging  
19 now with the staff you have now? How do you  
20 prioritize?

21       LOUIS MOLINA: Yeah, so if I could take that.  
22 Chairman, thank you for the question. So, we  
23 prioritize first uhm, all of our A&B posts within our  
24 housing units. So, all of our detainee facing posts  
25 but we have to provide services to the custodial

1  
2 population, as well as our medical post as well to  
3 make sure that our clinics are operable with our  
4 partners at CHS. So, we have been identifying and  
5 prioritizing posts for the deployment of staff.

6 CHAIRPERSON BRANNAN: Alright, I want to move  
7 into the supervisory capacity. The budgeted  
8 headcount for uniform supervisors is 866 however, the  
9 actual headcount as of the Executive Budget is 761,  
10 is that correct?

11 PATRICIA LYONS: Yes.

12 CHAIRPERSON BRANNAN: Okay, so with regard to  
13 what the Federal Monitor has written about the DOC's  
14 uniform supervisors, how does the vacancy rate of  
15 supervisors impact the overall agencies operation?

16 PATRICIA LYONS: Well, there is an impact, which  
17 is what's you know also leading to the increased  
18 reliance on overtime because we're short in every  
19 rank at this point, even if you look at our most  
20 recent payroll, which would be as of May 13<sup>th</sup>. So, I  
21 just have for the headcount overall for the uniformed  
22 members of service, we are 320 staff short our  
23 authorized headcount.

24 So, each rank is now being impacted and that's  
25 why we will be working on recruitment and putting

1 through not only correction officer classes but we'll  
2 have to put in classes for our supervisory ranks as  
3 well.  
4

5 CHAIRPERSON BRANNAN: What's the optimal ratio  
6 for supervisors to officers?

7 LOUIS MOLINA: Well, we're in discussions with  
8 that with OMB. I mean, currently our ratio is about  
9 ten officers to one first line supervisor. That's a  
10 high ratio than other uniformed services at best  
11 practices. So, it's not only the officers that  
12 they're supervising, we also should take into  
13 consideration there's multiple different detainees  
14 and different housing levels that they also have  
15 supervisor capacity over. So, we're trying to  
16 determine that now. That's one of the  
17 recommendations of the Monitor was to be hiring a  
18 staffing manager and we're going to be looking to do  
19 that, so that we can do proper evaluation assessments  
20 of what these ratios should be. That has never been  
21 done in the department.

22 CHAIRPERSON BRANNAN: So, perfect world, what is  
23 the optimal ratio?

24 LOUIS MOLINA: I don't want to commit to a ratio  
25 right now because we haven't really done that

1  
2 analysis yet and we want to work with our partners at  
3 OMB to figure that out.

4 CHAIRPERSON BRANNAN: So, I guess I'll ask the  
5 same question as I did for the uniform overtime. How  
6 are we triaging and prioritizing with supervisors who  
7 we're deploying folks effectively?

8 LOUIS MOLINA: So, the same thing, you know or  
9 officers that are assigned to housing units are  
10 supervised by captains and our assistant deputy  
11 wardens, which is the next line up are predominantly  
12 tour commanders and housing managers. What we're  
13 effectively doing now is ensuring that there are  
14 captains available to tour at all of our housing  
15 units, not only to provide guidance if officers need  
16 that, not only for themselves but to address issues  
17 of the detainee population. They can be there to  
18 provide support as well as manage up. So, the  
19 detainee facing posts are the priority.

20 CHAIRPERSON BRANNAN: Uhm, and the Department  
21 employs approximately 1.3 uniform staff for every  
22 person in custody. Uhm, and the department has  
23 employed more corrections officers than the average  
24 daily population since FY16. What does the  
25

1  
2 department believe is the optimal ratio for staff to  
3 people in custody?

4       LOUIS MOLINA: Yeah, so thank you for the  
5 question. So, I think to take into consideration  
6 uhm, one is, we have very outdated facilities which  
7 require more staff. The other thing to take into  
8 consideration, when we have housing units, whether  
9 we're dealing with young adults or those restrictive  
10 housing units where we have individuals that are have  
11 just committed violent acts. We need to have a  
12 higher staffing ratio in there and a lower housing  
13 census in order to manage that population effectively  
14 to keep people safe.

15       CHAIRPERSON BRANNAN: And although the jail  
16 population has fallen considerably over the past  
17 decade, the total annual spending per incarcerated  
18 person has risen to approximately \$556,000 a year.  
19 What is the Department doing overall to address the  
20 rising cost of incarceration in our city's jails?

21       LOUIS MOLINA: So, we're moving to leverage some  
22 technological solutions that we're evaluating that  
23 will address more efficient scheduling of our  
24 uniformed staff. More efficient scheduling of  
25 programmatic services for the detainee population.

1  
2 The ability to be able to identify and know where  
3 scanner are posted. These are some of the items that  
4 are in our action plan that we're hoping to finalize  
5 with the Monitor in the next few weeks as we have  
6 court tomorrow to talk about those things. So,  
7 really doing a deep dive of how do we create an  
8 efficient operating environment for the jails.  
9 That's one of the reasons why we developed an  
10 analysis and planning section, so that we could be a  
11 more data driven and scientific decision making  
12 organization.

13 CHAIRPERSON BRANNAN: Okay, I appreciate that  
14 Commissioner. I know we've been joined by our  
15 speaker. I'm not sure if the Speaker want's to ask a  
16 question.

17 SPEAKER ADAMS: Thank you Mr. Chair.

18 CHAIRPERSON BRANNAN: Yup, nice to see you.

19 SPEAKER ADAMS: I did want to just follow.  
20 Commissioner, welcome.

21 LOUIS MOLINA: Speaker, good afternoon.

22 SPEAKER ADAMS: Good afternoon to you and I'd  
23 just like to thank both of our Chairs for having this  
24 really important hearing today. The Department of  
25 Correction is an agency that I have very strong

1 feelings for. My mother was employed as a correction  
2 officer for many years and knowing personally how  
3 important staffing is at DOC facilities along the  
4 same lines as what Chair Brannan was just asking, I'm  
5 deeply concerned about the Departments inability to  
6 effectively manage and supervise its current staff.  
7 The departments perceivably mismanagement raises  
8 serious concerns for this Council.  
9

10 As the DOC's Federal Monitor stated, the  
11 Departments most critical resource is its staff and  
12 its poorly administered that even the most basic  
13 aspects of workforce management have been neglected.  
14 I don't know if you agree with that statement. Would  
15 you agree with that statement Commissioner?

16 LOUIS MOLINA: Well, I would agree with the  
17 statement that there has not been a level  
18 accountability in this department for a long time.  
19 And what I will tell you is when it comes to  
20 accountability when we're talking about issues  
21 related to forced incidences, when we're talking  
22 about staff absenteeism, over the last 12 months, we  
23 have done considerable work to not only hold people  
24 accountable but put them on a pathway that they can  
25 continue in their careers.

1  
2 I have finalized over 820 disciplinary cases in  
3 the time that I've been here, calendar year to date.  
4 We have referred 150 cases for medical incompetency  
5 through Oath and so, we are addressing those issues  
6 every day. The other thing I'll share with you  
7 madam, is that we're also evaluating our policies,  
8 the policies have not been updated. In many cases,  
9 in decades in this department, so we've been starting  
10 and going through that work now, so that we can have  
11 a department that is facing discipline but also is  
12 evidence based in it's operational tempo.

13 SPEAKER ADAMS: I thank you for that  
14 Commissioner. I'm just going to continue along those  
15 lines and perhaps we can expound on your point just a  
16 little bit more because in the Council's Preliminary  
17 Budget Response, we called on the Administration to  
18 identify efficiencies and use existing resources in  
19 the departments \$1.3 billion budget to address the  
20 crisis on Rikers Island with the addition of \$59  
21 million for 578 uniformed positions in the Executive  
22 Budget. It appears that the Department has done just  
23 the opposite. So, how does the Administration  
24 justify the addition of 578 uniformed positions when  
25 as the Federal Monitor and Council have repeatedly

1  
2 found the department lacks the basic aspects of  
3 workforce management?

4       LOUIS MOLINA: Thank you for the question. What  
5 that headcount is specifically referring to is our  
6 risk management accountability system. So, as you  
7 are aware, the board of correction last fall past a  
8 rule that will completely, not only end punitive  
9 segregation but it completely shift in how we manage  
10 our restrictive housing for individuals that have  
11 committed violent acts while in custody.

12       In many cases, the other persons that are  
13 detained or to our staff. And what we have done is,  
14 we have been developing a risk management  
15 accountability staffing model which requires  
16 significantly rich staffing in order to manage very  
17 low census populations in these housing units. We  
18 receive guidance in that way forward from our  
19 classification and custody management effort, that  
20 was referred to us by the Federal Monitor and with  
21 the need to implement that rule that was intended to  
22 be implemented last fall, those staffing needs is  
23 what's needed in order to operationalize the risk  
24 management accountability system.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

233

1  
2       SPEAKER ADAMS: Okay, I'm going to ask you  
3 another question about staffing around that, maybe  
4 it's relative to risk management, maybe not. You can  
5 clarify. How does the administration justify the  
6 addition of the uniform staff when twice as many,  
7 approximately 1,100 DOC staff are unavailable for  
8 work on any given day?

9       LOUIS MOLINA: Yes, thank you for that follow-up.  
10 So, what we have seen is that staff that has been  
11 absent anywhere from two days to less than 30 days,  
12 we have seen those numbers decrease. In fact, since  
13 the height of the pandemic, we have seen a decrease  
14 in staff that were out reduced by 40 percent. We do  
15 have a number of members that are not only out  
16 indefinite sick but that are medically monitored  
17 restrictive duty, that are unavailable to work.

18       With that being said, we're working not only  
19 through the reorganization of our Health Management  
20 Division to get individuals healthy again to come  
21 back to work but also working in consultation with  
22 our disciplinary system to address those individuals  
23 that maybe gaining the system. But the majority of  
24 our personal do come to work and have been  
25

1  
2 responding, especially during the pandemic that we  
3 just have been surviving through.

4 SPEAKER ADAMS: Thank you Commissioner. I just  
5 cited 1,100 out. Do you have a new number for us?

6 LOUIS MOLINA: The number out – number today of  
7 individuals that are out uhm is 1,155. That includes  
8 individuals that have been out indefinite sick for  
9 over 30-days which is the significant majority, plus  
10 anyone that may have called in sick today.

11 SPEAKER ADAMS: Okay, I gave a leeway with the  
12 1,100. You went up. I was looking for the number to  
13 go down but you actually took my figure higher.

14 LOUIS MOLINA: Well, ma'am it fluctuates right  
15 because day to day what we have seen is individuals  
16 calling out sick for one or two days that have  
17 significantly come down. The number of individuals  
18 that have been out dealing with healthcare issues for  
19 a long time, that number has been staying pretty  
20 static.

21 SPEAKER ADAMS: I understand Commissioner. I  
22 appreciate your response and I hope that you can  
23 understand you know, perhaps you know myself and my  
24 colleagues confusion with these numbers as far as  
25 looking for additional headcount when there is an

1  
2 extraordinarily I believe DOC has the highest level  
3 of absenteeism than any agency.

4       So, I mean, we're looking at right now trying to  
5 justify the addition when we can't get you know a  
6 substantial number of CO's to come back to work.

7       But I'm going to move away from that for now. I  
8 want to ask one question. I might have a follow-up  
9 on this. When it comes to housing, we have seen and  
10 heard of instances of officers being in situations  
11 due to I'll say perceivable due to the way that  
12 housing is structured on Rikers Island in creating in  
13 essence situations where gang activities are  
14 exacerbated because of the housing situation.

15 Putting not just detainees in Parel but putting  
16 officers in Parel as well. Is there anything being  
17 done about changing the existing housing situation or  
18 the way that detainees are housed right now?

19       LOUIS MOLINA: Yes, we have done that ma'am and  
20 that started pretty early on in my tenure. What was  
21 a common practice as you may have been aware and  
22 which you describe was the former administration  
23 would house individuals by their gang affiliation.  
24 That not only put our offices in risk, it also put  
25 other detainees at risk in the event that one of

1 those individuals might have fallen out of favor with  
2 a gang in that's in that housing unit.  
3

4 What we have done starting in RND but we're now  
5 doing this throughout the department is, we have  
6 rebalanced the housing units and what we have done is  
7 we have mixed the housing units and this has had some  
8 pretty good - yielded some pretty good lowering of  
9 violence indicators.

10 What I will share with you is when we started  
11 doing this at RNDC, in addition to changing up gang  
12 housing and rebalancing them and adding additional  
13 staffing resources there, we lowered slashing and  
14 stabbings at April versus March of this year by 45  
15 percent. That reduction in April throughout the  
16 department was 35 percent. And what we've seen month  
17 to date, in May is slashings and stabbings reduced at  
18 RNDC, which is our young adult facility by 67 percent  
19 and department-wide slashings and stabbings have been  
20 reduced by 50 percent.

21 So, that is one, the rebalancing of gang housing  
22 is one component to that strategy. There are also  
23 other programmatic interventions and they're the  
24 supportive services that not only we're providing the  
25

1  
2 staff but the detainees in order to quiet the  
3 violence that has existed here for far too long.

4 SPEAKER ADAMS: Okay, thank you very much for  
5 your responses Commissioner. I may come back in for  
6 questions. I know that my colleagues really want to  
7 get in on this and I'm just going to punctuate again  
8 our concern as far as the numbers, the headcount and  
9 the trending that quite frankly I don't see that  
10 trending getting any better but I'm going to defer to  
11 my colleagues at this point and I thank you for your  
12 testimony thus far.

13 LOUIS MOLINA: Thank you Ma'am.

14 CHAIRPERSON BRANNAN: Okay, we're going to turn  
15 it to Chair Rivera from here.

16 CHAIRPERSON RIVERA: Thank you so much Chair  
17 Brannan and Speaker Adams. Hello Commissioner.  
18 Hello to your entire team. Thank you again for being  
19 here. So, at the Preliminary Budget hearing, I asked  
20 about increasing the Department of Corrections units  
21 of appropriations in order for the Council to have  
22 more oversight over the Departments resources.

23 Is the Administration committed to adding more  
24 units of appropriation and will we see them added in  
25 the Adopted Budget?

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

238

1  
2 PATRICIA LYONS: Hi Chair, thank you for the  
3 question. So, we have been doing some back and forth  
4 Q&A with OMB just about that. You know finding out  
5 what the right structure would like and how we would  
6 configure it. Since I can't speak for them, since a  
7 lot of it relies on their work as well, I don't know  
8 that we'll see it in adoption but it is an ongoing  
9 conversation we're actively having with them now.

10 CHAIRPERSON RIVERA: Okay, okay, well, please let  
11 us know of course as soon as you can and we'll be  
12 sure to encourage them as well. So, Speaker Adams  
13 touched on the proposed eight percent increase in the  
14 departments total headcount. Will all proposed 578  
15 positions be deployed to the RMAS units and how much  
16 funding in total has been baselined for RMAS total?  
17 How many total staff? How many are uniformed and  
18 civilian?

19 PATRICIA LYON: Yeah, so the \$59 million yes,  
20 will be dedicated to RMAS. To give you a total  
21 number. I'm looking at uniform staffing plus  
22 civilian. That's something I don't have calculated  
23 in front of me right now but in previous financial  
24 plans we received some additional staffing for  
25 program support. So, I would include that in there

1  
2 and that's non-uniform staff. And then also, there  
3 was some existing physicians already in GRVC where  
4 we'd be housing our mass in its totality, so all  
5 three levels. So, I can follow-up with you putting  
6 together that total picture.

7 So, it would kind of be our existing lines that  
8 we already have for uniform staff, plus this  
9 addition, plus the dedicated resources programming  
10 that to give you a holistic picture.

11 CHAIRPERSON RIVERA: Okay, again, if you could  
12 follow-up, that would be great. I really appreciate  
13 it. So, we touched on the action plan already but  
14 considering the important role outlined for civilian  
15 staff in the action plan, how will the department  
16 address these civilian staffing concerns,  
17 particularly in key units like the health management  
18 division, trials division and the investigations  
19 division?

20 PATRICIA LYONS: Sure, so as we're moving forward  
21 towards putting out those positions and hosting's,  
22 the Department unfortunately, we do have quite a high  
23 vacancy rate on our nonuniform side right now. So,  
24 as we're reassessing internally, those existing  
25 vacancies and how to repurpose some and post for the

1  
2 ones we still continue to need, that's kind of the  
3 objective we will have so far as we continue to have  
4 conversations with OMB. So, honestly right now it's  
5 going to be looking to repurpose our existing  
6 vacancies on the nonuniform side.

7 CHAIRPERSON RIVERA: From what I understand, the  
8 Department has a 23 percent vacancy rate in civilian  
9 positions as well a 23.3 percent attrition rate for  
10 civilian positions.

11 So, I know there are some challenges there with  
12 retention and hiring. So, we would love to know kind  
13 of you know your plans for that. So, on the RNDC  
14 emergency plan expanding to other facilities, how are  
15 staff and resources reallocated to implement the RNDC  
16 emergency plan?

17 LOUIS MOLINA: Yeah, thank you for the question.  
18 So, what we did when we came up with the RNDC plan,  
19 we worked not only with our security staff at our  
20 special operations division, we removed staff out of  
21 there and we assigned them into RNDC to help support  
22 our young adult housing units. In addition to that,  
23 it's not just about the security strategy to deal  
24 with helping manage this young adult population.  
25 Programming is also important. What we did was we

1 brought in faith based leaders in addition to that,  
2 we also brought in credible messengers, while at the  
3 same time Chairwomen and contract providers also  
4 started to come into the facilities as well. If you  
5 recall contract providers were almost - they weren't  
6 here for a very, very long time.

8 So, all of that happening simultaneously is what  
9 helped us to address the violence that was at RNDC.  
10 This month, as I stated earlier to the Speaker, we  
11 see a 67 percent decrease in slashings and stabbings  
12 in May, month to date compared to May of last year.

13 CHAIRPERSON RIVERA: Sorry about the background  
14 noise. So, okay, well, thank you. Thank you for  
15 that. I'm sure we'll have some follow-up after this  
16 and I know my colleagues have questions. So, in  
17 March, there were 12,745 missed medical appointments  
18 and people in custody refused to attend medical  
19 appointments, 7148 times. How many missed medical  
20 appointments were a result of DOC staff  
21 unavailability?

22 LOUIS MOLINA: Thank you for the question. There  
23 are many reasons and appointment maybe missed. Our  
24 correctional health service actually determined  
25 whether an individual requires a scheduled medical

1  
2 encounter and schedules an appointment for the  
3 individual.

4       Individuals may be scheduled for medical  
5 encounter at the facility clinics or elsewhere in  
6 Rikers Island or off Island or for any number of  
7 reasons, including but not limited to medical mental  
8 health on or off Island. Dental, Brady's discharge  
9 planning and medical distribution. As indicated in  
10 the Pharma's Public monthly reports, an individual  
11 may not be produced to the clinic for a scheduled  
12 appointment if they are at court, participating in a  
13 program or family visit as well as a host of other  
14 reasons. So, the majority of our nonproduction,  
15 which is categorized out by CHS is really individuals  
16 refusing for one reason or another not to go to their  
17 medical appointment.

18       I will share that we had approximately slightly  
19 over 49,000 scheduled medical appointments in the  
20 month of March.

21       CHAIRPERSON RIVERA: Okay, well yeah, I  
22 understand out of 12,745 missed medical appointments,  
23 7,148 is over half. So, that would be the majority  
24 but my question was specifically on how many missed  
25 medical appointments were a result of DOC staff

1  
2 unavailability and I'm disappointed that you don't  
3 have the number because we did ask you to prep this  
4 in advance.

5 LOUIS MOLINA: The number is 1,200 in March.

6 CHAIRPERSON RIVERA: 1,200?

7 LOUIS MOLINA: We had 1,200 scheduled  
8 appointments because of staffing challenges that were  
9 missed and had to be rescheduled.

10 CHAIRPERSON RIVERA: Okay, 1,200. So, how much  
11 of the departments executive budget is dedicated to  
12 addressing COVID-19 in the jails? Particularly the  
13 support quarantine housing transfers?

14 PATRICIA LYONS: We don't have an actual number  
15 calculated related to that specifically. I mean the  
16 \$52 million we received in overtime funding from OMB,  
17 that's the federal funding, the American Rescue Plan.  
18 That speaks to that to a degree. And staff that are  
19 working overtime and working in facilities that you  
20 know are remaining to be open, that are not funded in  
21 the budget to support COVID-19 and quarantine  
22 housing.

23 CHAIRPERSON RIVERA: Okay, uhm, in terms of staff  
24 absenteeism and although the Monitor recognizes that  
25 the Administration has reduced the number of staff

1 out sick from its high of 2,500 in December, the  
2 monitor writes that approximately 1,100 staff members  
3 are out sick on a given day. And that's  
4 approximately 15 percent of the actual head count as  
5 of the executive budget.  
6

7 So, thank you for providing the number of  
8 individuals out today earlier. Thank you for that  
9 transparency. How many staff were out sick on Friday  
10 May 20<sup>th</sup> and Saturday, May 23<sup>rd</sup> respectively?

11 LOUIS MOLINA: So, May 20<sup>th</sup>, yeah, so May 20<sup>th</sup>,  
12 the number was 1,120.

13 CHAIRPERSON RIVERA: And Saturday the 21<sup>st</sup>?

14 MELISSA GUILLAUME: So, the numbers that we have  
15 for May 20<sup>th</sup> here, uhm, it was 1,060 employees were  
16 out sick. And on the 21<sup>st</sup>, we had 1,041 members of  
17 service out sick.

18 CHAIRPERSON RIVERA: Okay, can you tell us how  
19 many people are detained today at each of the  
20 following jails on Rikers and how many staff are  
21 assigned to each OBCC, EMTC, RMSC, AMKC, GRVC, RNDC,  
22 NIC Infirmary, West Facility, BCBC?

23 PATRICIA LYONS: Okay, I got to - thank you  
24 Chair, just bear with me while I go back and forth  
25 between two different documents, I'm sorry. So,

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

245

1  
2 let's just start with AMKC. I'm going to do  
3 population first okay.

4 CHAIRPERSON RIVERA: Okay.

5 PATRICIA LYONS: So, for AMKC, as of our 5 a.m.  
6 census, we have 2,032. For EMTC, we have 663. For  
7 GRVC we have 513. For NIC we have 171. For the NIC  
8 Infirmary we have 82. For OBCC, we have 242. For  
9 RMSC we have 300. For RNDC we have 691. For West  
10 Facility Contagious Disease Unit, we have 80 and then  
11 for BCBC, we have 660. Did I hit all of them that  
12 you asked for?

13 CHAIRPERSON RIVERA: Uh, you said West Facility,  
14 you said NIC and also, it was detained and how many  
15 people are - how many staff are assigned?

16 PATRICIA LYONS: Right, so that's all the  
17 population okay, so now I'm going to go onto the  
18 staffing okay. So, give me a second. For AMPC I  
19 have 1,419. For GRVC I have 1,000 assigned heads.  
20 For NIC I have 501. For Rose M. Singer, I have 450.  
21 For RNDC I have 968. For BCBC I have 357 and give me  
22 one second, I have to pull out, here we go. For OBCC  
23 I have 466 and then for EMTC I have 230.

24 CHAIRPERSON RIVERA: Thank you. Thank you for  
25 bringing that. Uhm, then my last question. Can you

1  
2 share an update on the departments plans for  
3 consolidating operations and closing jails on Rikers?

4       LOUIS MOLINA: Yeah, so as of right now because  
5 of population projections that were made by the prior  
6 administration that had expected us to be under 4,000  
7 detainees at this time, facilities that were closed  
8 and defunded specifically OBCC and EMTC, had to be  
9 reopened. They reopened for a couple of reasons.  
10 One is, because of our census population is at about  
11 almost 5,500 today and not under the 4,000 that was  
12 predicted.

13       In addition to different COVID strains and  
14 spikes, we had to deal with COVID housing, social  
15 distancing challenges, and things like that that  
16 prevent us at this time from closing any additional  
17 facilities.

18       CHAIRPERSON RIVERA: Okay, so the update is like  
19 your at a pause. Like at an impasse because you're  
20 unsure because of the population?

21       LOUIS MOLINA: Yeah, the population is  
22 significantly higher than what was projected of last  
23 year.

24       CHAIRPERSON RIVERA: Okay, well I hope the next  
25 time we meet that we have uhm an update on the Close

1  
2 Rikers plan. You know the Council has voted to close  
3 Rikers Island. They did it in the last term. So,  
4 we're looking forward to a plan to fully realize  
5 that.

6 LOUIS MOLINA: Well, the Borough-Based Jail Plan  
7 is still moving forward. So, this population  
8 increases right now. The borough based jail plan is  
9 under paced. In fact, when it comes to the facility  
10 in Manhattan, uhm, that facility has already been  
11 turned over to the demolition company and I'm sorry,  
12 Brooklyn. In Brooklyn as well. Alright, is Queens  
13 pending or?

14 PATRICIA LYONS: Yes.

15 LOUIS MOLINA: Queens is pending. So, that is  
16 moving forward.

17 CHAIRPERSON RIVERA: Understood. Well, thank you  
18 for bringing some numbers and for answering the  
19 questions. Thank you Mr. Chair for the time and I'll  
20 turn it over to the staff. Thank you.

21 COMMITTEE COUNSEL: Thank you Chairs Brannan and  
22 Rivera. We'll now turn to Council Member questions.  
23 I want to remind Council Members we have a hard stop  
24 at 4, so please be mindful of the clock. We will  
25 first turn to Council Member Powers followed by

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

248

1  
2 Council Member Stevens, Ayala and Brewer and others  
3 but we'll first turn to Powers.

4 COUNCIL MEMBER POWERS: Thank you.

5 SERGEANT AT ARMS: Starting time.

6 LOUIS MOLINA: Hi Council Member.

7 COUNCIL MEMBER POWERS: Hi Commissioner. How are  
8 you doing? Nice to see you. Thanks for the  
9 testimony. I'm just going to jump in. I want to  
10 start with the staffing increases and new needs on  
11 staffing, especially when it comes to RMAS, which I  
12 think is the reason you're asking for staffing. Can  
13 you - I heard your explanation earlier. Can you just  
14 kind of re-walk us through again the need for new  
15 staffing mayor and why there is such a need for  
16 staffing increase in the new units that you guys have  
17 created? Obviously that's something we have been  
18 pushing for but understanding why there's such a  
19 need for new staff there.

20 LOUIS MOLINA: Sure, so as you may have  
21 remembered and I know you visited the Island many  
22 times. Originally, under the prior leadership, the  
23 RMAS is going to be operationalized at NIC, which  
24 eventually would have meant putting individuals not  
25

1  
2 only in cells but their only day would have been like  
3 another larger cell.

4 COUNCIL MEMBER POWERS: Right.

5 LOUIS MOLINA: With an eliminated congregate  
6 setting environment for those individuals. What  
7 we've done is we rethought the whole RMAS plan  
8 because we wanted to be able - our goal was not only  
9 to comply with the rule but the spirit of the rule.

10 So, the reason for the additional staffing is  
11 because we're going to have a low census of about 12  
12 individuals in level one. But as you know the rule  
13 mandates that those individuals will be given 10-hour  
14 of out of cell time in congregate setting where they  
15 can have regular human interaction with not only our  
16 staff but with each other. But they're in there for  
17 committing very violent acts.

18 So, based on recommendations made by the  
19 classification consultant, that we were recommended  
20 to hire under the Federal Monitor. Those staff,  
21 those units have to have a very higher staffing ratio  
22 in order to assure that individuals in those units  
23 are safe. So, what our risk management  
24 accountability system in level one, the out of cell  
25 time is ten hours. I would remind that the general

1 population out of cell time is I believe 16 hours.

2 So, in level two, that out of cell time increase to  
3 12-hours. So, that's the reason for the higher  
4 staffing ratios, not only for uniform staff but for  
5 programmatic staff that's going to be assigned to  
6 those units.  
7

8 COUNCIL MEMBER POWERS: Okay, no, I appreciate  
9 that explanation. Where are those now? They're not  
10 in NIC? Where are they going, the new units?

11 LOUIS MOLINA: So, what we wanted to do was we  
12 wanted to make that the restrictive housing area was  
13 in one facility. That way it could be better managed  
14 and individuals can move through the different levels  
15 easier and we would have a dedicated uniform  
16 leadership overseeing the risk management  
17 accountability system. So, that's going to be  
18 opening up at GRVC.

19 COUNCIL MEMBER POWERS: Okay, thank you. Going  
20 back to the absenteeism, and I recognize that it has  
21 gone down but it is still incredibly high. I guess  
22 my starting question, I mean I think Council Member  
23 Rivera went through the numbers, about 50 percent of  
24 your total employees who are unavailable.  
25

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

251

1  
2 But I guess my one question is, does that 6<sup>th</sup>  
3 number include those who are medically limited and  
4 can't do certain posts or does it just happen to the  
5 people who are not at work today?

6 LOUIS MOLINA: It does not include that. You're  
7 correct Council Member, it does not include that  
8 number because those individuals are coming to work  
9 but because of injuries that they're still recovering  
10 from, they're still under what's called medically  
11 monitor return. So, in many cases, they cannot  
12 engage in detainee facing post where they would have  
13 physical interaction with another detainee.

14 COUNCIL MEMBER POWERS: Right, okay, so how many  
15 people are in that list?

16 LOUIS MOLINA: Uhm, as of today, 921.

17 COUNCIL MEMBER POWERS: So, you have about 2,000  
18 who are limited or absent in some regards, which is  
19 incredibly, incredibly high.

20 I guess my question is like, we have seen the  
21 payout over the last two years. Uhm, I guess my  
22 question is, I mean I guess this is like, it's  
23 incredible to me that there are 1,100 people out with  
24 ALS to day relative to - you look at every other city  
25 agency. We have brough that number down but it seems

1  
2 like that is going to stick around that number in my  
3 eyes. So, do you share that opinion that is sort of  
4 going to stick at that number. What are the policies  
5 you are going to put in place to go much further  
6 beyond that and looking long term. What policies  
7 would you suggest whether it's inflexible bargaining  
8 or in other places, that the Council, the agency, the  
9 Mayor's Office of Labor Relations and others put in  
10 place or removed to create certainty that adding new  
11 staff in or you know what the current number is right  
12 now that people will start showing up to work because  
13 this is not working and -

14 SERGEANT AT ARMS: Time expired.

15 COUNCIL MEMBER POWERS: And we're going to hit a  
16 certain number where we're going to have nearly one-  
17 third of the agency be unavailable to serve certain  
18 posts and that is leaving - the last time I was  
19 there, there were two housing units and one  
20 individual serving in those two housing units that  
21 were next to each other. So, I guess, I'm looking  
22 long-term. What are the policies? Do you believe  
23 that's acceptable I guess number one? Two is, what  
24 are the policies you are recommending to us and in  
25 your agency in OR long-term to change to get that

1  
2 number into a place where it would reflect a regular  
3 normal sick pattern for an agency? And that includes  
4 the collective bargaining and everything else because  
5 this has gone on for too long and it's leading to as  
6 you know and we discussed this, lots of other issues  
7 within the jail because of the lack of staffing.

8       LOUIS MOLINA: Uh, thank you for your questions.  
9 So, I'll just first flat out say, this is not for me  
10 a collective bargaining issue. The issue is it's two  
11 issues for me. One is, we did not have a functioning  
12 health management division and for those that may not  
13 know, our health management division is the one that  
14 manages and asses our uniform staffs ability to be  
15 able to do their core function as a correction  
16 officer for the majority of the uniformed workforce.  
17 And what I've done is I've removed and put in new  
18 leadership at the Health Management Division. We're  
19 doing a better job at the Health Management Division  
20 to make sure that we're better assessing and ensuring  
21 people have an opportunity to get appointments and  
22 get evaluated so that they can return to work.

23       On the other issue for me, is an accountability  
24 issue. So, the issue of staff absenteeism has never  
25 really been addressed for a number of years and on

1 top of that, with the height of the pandemic and that  
2 exacerbated a really weak system that wasn't in  
3 place. And our own policies were stated to medically  
4 modern return as well as sick leave were just not  
5 enforced.  
6

7 We are enforcing those now and that's what has  
8 caused us to see reductions of 40 percent to date.  
9 We still have a long way to go, so I agree with you  
10 there that the numbers are high but it took eight  
11 years to get to this point, right. But what I can  
12 tell you is that this leadership team is committed to  
13 not only assisting and supporting staff to make sure  
14 that they're healthy to be able to perform the  
15 function of their job but also hold staff accountable  
16 that we think are not acting appropriately.

17 COUNCIL MEMBER POWERS: Thank you. I have one  
18 more last question. How many individuals have the  
19 agency - let's starting since your tenure let's just  
20 say, terminated based on abuse of sick policy.

21 LOUIS MOLINA: So, I signed over 820 disciplinary  
22 cases. Uhm, I don't have a breakdown of what the  
23 different violations there were. Some were related  
24 to sick leave policy abuses. Some were related to  
25 medical incompetency that we took to Oath and we won

1 those cases and they were separated. Some were maybe  
2 related to other instances where they were not  
3 separated but they might have been issued  
4 suspensions. So I think we could share with you a  
5 follow-up on what that breakdown was of those cases.

6  
7 COUNCIL MEMBER POWERS: Okay, and in respect of  
8 time here and a lot of colleagues here, I'll end  
9 there but we appreciate getting that to you. Thanks  
10 so much.

11 LOUIS MOLINA: Got it.

12 COMMITTEE COUNSEL: Thank you Majority Leader  
13 Powers. Next, we'll turn to Council Member Stevens.

14 SERGEANT AT ARMS: Starting time.

15 COUNCIL MEMBER STEVENS: Hi, good afternoon  
16 everybody and thank you to our Chairs for leading the  
17 charge on this hearing and we appreciate your hard  
18 work and some of my questions were even answered but  
19 one of my huge and major concerns is just around  
20 overtime because it's interesting that you know I  
21 feel like a number is giving overtime and it seems to  
22 be tentative and I'm not really sure what other  
23 agencies throughout the city is just allowed to kind  
24 of just say hey, we're just going to go over it over  
25 and over again and just looking at like the past

1 couple years at overtime. This agency is  
2 consistently going over overtime.  
3

4 And so one, are you guys committed to working  
5 with Council to look at like how do you have  
6 oversight over this to manage this because I think  
7 the whole point of a budget is for us to think about  
8 what is it that we need and how we put a budget in  
9 there and not just saying like, well, you know, we're  
10 just going to not look at it or adhere to it. So,  
11 are you guys committed to working with Council around  
12 really managing and getting overtime under wraps,  
13 because at this point, Chair Brannan asked earlier,  
14 you know where you guys were at and I think it sounds  
15 like you guys are maybe at like 80 percent of your  
16 overtime for the year already. And that's very  
17 concerning and alarming to me.

18 LOUIS MOLINA: Thank you for the question. And  
19 so, I'm always committed to working with the  
20 Committee as a group or Council Member individually  
21 on these very important issues. I can tell you that  
22 what I thought of here in January and it predates me.  
23 The department was put on 12-hour tours. Not only to  
24 deal with the staffing crisis because of COVID and  
25 other staffing issues, so that inherently having the

1 entire uniform workforce on 12-hour tours,  
2 significantly impacted the overtime budget. We have  
3 gone – we have put five of our eight facilities back  
4 on eight hours. We have three that are stood on 12-  
5 hours because we're dealing with some staffing  
6 challenges but I agree with you improving  
7 efficiencies and we think with the technology,  
8 advances of our scheduling, scanning, and the more  
9 efficient deployment of staff is going to help  
10 address the overtime issues that have plagued this  
11 agency for a very long time.

13 COUNCIL MEMBER STEVENS: Yeah, yeah, I definitely  
14 would love our team to work in making sure that there  
15 are sure oversight because you know I think it  
16 becomes a point where we have to say like, why is  
17 this agency allowed to go through overtime when we  
18 have all these other agencies throughout the city who  
19 have a budget and they have to stick within that  
20 budget and make it work. And so, like even with you  
21 guys, I believe that you get a budget and you should  
22 be sticking within that and not just saying like, oh,  
23 well now we have to figure it out because we're over  
24 budget because of you know, so and so. Because that  
25 is not the case for other agencies.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

258

1  
2       So, I'm very committed to like following up with  
3 you so that we can definitely come up with a plan  
4 where we are looking at being more efficient  
5 throughout the budget season and throughout the city.

6       LOUIS MOLINA: Thank you Council Member.

7       COMMITTEE COUNSEL: Thank you Council Member  
8 Stevens and for the record, we've also been joined by  
9 Council Members Carr, Ariola, Adams, Hanif and Won.

10       Next on my list was uhm, Deputy Speaker Ayala.

11       SERGEANT AT ARMS: Starting time.

12       COMMITTEE COUNSEL: Okay, we'll circle back. I  
13 don't see her on the Zoom. Next, we'll turn to  
14 Council Member Brewer.

15       SERGEANT AT ARMS: Starting time.

16       COUNCIL MEMBER BREWER: Thank you. Thank you  
17 very much. In today's Daily News, as you know  
18 Commissioner, there's not a very I guess a positive  
19 story about the DOI knocking on doors and so on.  
20 It's along the same category. I know you've been  
21 trying really hard but how – I know you talked about  
22 you have 820 disciplinary cases. You have a plan to  
23 figure out how to get people back to work. But how  
24 exactly are you going to get the people who are not  
25 responding, either they're out of town, etc., etc..

1 Is it a funding issue? Is it a management issue?  
2  
3 What is it that can break the cycle of people just  
4 feeling that they don't have to be there? It is hard  
5 to understand for those of us watching the outside.  
6 We know you're trying but it is very hard to  
7 understand. And particularly when you read an  
8 article like that which doesn't seem to be getting  
9 much traction in terms of people responding.

10 LOUIS MOLINA: Thank you Council Member Brewer.  
11 Thank you for the question. So, I think it's a  
12 number of different approaches right. One is, we're  
13 reforming our health management division to make sure  
14 that individuals that are out sick are better  
15 managed, so we can get people back to work as quickly  
16 as possible when they're healthy. It's peer to peer  
17 engagement. So this department has not had an  
18 organizational health strategy to support its staff  
19 and I think that's leads into the psychology of  
20 individuals that are out.

21 And then for those individuals that we believe  
22 may be gaming the system, we have uhm, are making  
23 revisions in our home check policy to be able to  
24 check to see if people are home. So, we're engaging  
25 with our staff. We have in the four months that I've

1  
2 been here, unfortunately have had to suspend 100  
3 staff members for issues related to not being home  
4 while they should have been sick or others sick leave  
5 related issues that we had an issue with. So, it's  
6 also a discipline and accountability process as well.  
7 So, I think all of those things are beginning to take  
8 hold and we have gotten over 1,300 people back to  
9 work but I think it's a collection of strategies that  
10 help to have a workforce that not only feel supported  
11 but an ability for us to be able to hold people  
12 accountable where we need to do that.

13 COUNCIL MEMBER BREWER: Okay, I mean, I hear you.  
14 I think it's like you said, it's still a project that  
15 is in motion. The other question I have is in terms  
16 of education and so on and so forth. People are not  
17 there. I had a lot of young people in my home who  
18 went to Rikers. I'm familiar with it.

19 What is the status of education in terms of cost  
20 and applicability. In other words, people actually  
21 participating in the educational programs.  
22 Particularly the high school. I know you said people  
23 are getting their GED but what's the money that's  
24 allocated towards that and how successful is it.

25

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

261

1  
2           LOUIS MOLINA: Sure, so I'll turn it over to  
3 Deputy Commissioner Torres. She's our Deputy  
4 Commissioner for Community Partnerships and Programs.

5           FRANCIS TORRES: Thank you for your question  
6 Member Brewer. If I may, I cannot comment on the  
7 budget that is allocated for educational services for  
8 the population 18-21, only because the provider for  
9 educational services happens to be the Department of  
10 Education, East River Academy to be exact.

11           I am super excited to share with you that  
12 throughout the last academic year, we've made great  
13 strides in partnership with our members from the  
14 Department of Education. I think perhaps you heard  
15 me say earlier, in earlier testimonies that we've  
16 been able to work closely to develop two intervals at  
17 RNDC. That is a morning and an afternoon interval  
18 for three hours. We have also strategized and  
19 developed five housing areas that our schools  
20 dedicated, meaning that young adults are assigned to  
21 those housing areas have a common goal and that  
22 common goal is actually to attend school and pursue  
23 their high school diploma.

24           I have to share with you and all of the other  
25 Council Members, that with Commissioner Molina's

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

262

1  
2 support, we have been able to work closely with the  
3 Department of Education and we have already  
4 implemented or developed the technology at Rose M.  
5 Singer as well as RNDC that in the coming weeks would  
6 allow the DOE's East River Academy to administer the  
7 GED through the computerized system. Which will  
8 significantly reduce the waiting period of any test  
9 result from six to eight weeks to just within  
10 minutes.

11 In addition - does that answer Ma'am?

12 COUNCIL MEMBER BREWER: No, keep going. The  
13 other question I have is, is there any dollars  
14 allocated either through DOE, so that when you leave  
15 -

16 SERGEANT AT ARMS: Time expired.

17 COUNCIL MEMBER BREWER: Rikers and you haven't  
18 completed the GED, are there any dollars allocated to  
19 make sure that you do complete the GED? Because that  
20 transition is often challenging too.

21 FRANCIS TORRES: So, that is a phenomenal  
22 question and I thank you for it. The advantage of  
23 having the Department of Education on Island East  
24 River Academy through District 79 is that those young  
25 adults who come in school while at Rikers Island are

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

263

1  
2 able to transition to District 79 to be reintegrated  
3 once in the community.

4 COUNCIL MEMBER BREWER: Okay, thank you very  
5 much.

6 FRANCIS TORRES: You are very welcome Ma'am.

7 COMMITTEE COUNSEL: Thank you Council Member.

8 Next, we'll turn to Council Member Velázquez followed  
9 by Council Member Narcisse.

10 SERGEANT AT ARMS: Staring time.

11 COUNCIL MEMBER VELÁZQUEZ: Good afternoon and  
12 thank you Chairs for today's hearing. Additionally,  
13 thank you for today. Real quickly, how do you plan  
14 to manage the department differently?

15 LOUIS MOLINA: Yes, so thank you for your  
16 question Council Member. As I stated in my  
17 testimony, the management, the leadership issues  
18 facing the department were apparent to me back in  
19 2016 when I was a Chief Internal Monitor. I did  
20 recommend some changes at that time that I felt were  
21 it were to be carried out as Commissioner and I'm  
22 confident that it would send the department on a  
23 different path.

24 In the past four and a half months, I've taken  
25 steps towards restricting the agency with a focus on

1  
2 modernization and organizational health. I've  
3 reached out the Health Management Division to focus  
4 on efficiency and accountability and further  
5 assessment is under way.

6 The goal is really to have a system that is fair  
7 and provides neutral and independent evaluation of  
8 our staff who are injured or sick and get them back  
9 to work fit and healthy. I've hired a Chief of Staff  
10 with expertise in Data Quality and Analysis Strategic  
11 Planning and Optimization. As well as a Deputy  
12 Commissioner of Management and Analysis at Planning  
13 to evaluate current data systems to work to modernize  
14 our data applications.

15 We cannot improve what we cannot measure and I'm  
16 intent on making policy decisions and improving  
17 operations based on sound and reliable data and I'm  
18 confident our new leadership team has the expertise  
19 and needed support for this goal.

20 COUNCIL MEMBER VELÁZQUEZ: Now, when we're  
21 talking about health, I understand there's like huge  
22 emphasis that I'd like to face on mental health and  
23 your officers. And so, how are you looking forward  
24 to uhm addressing that? And what are the needs that  
25

1  
2 you've seen and how can we through funding address  
3 those needs?

4       LOUIS MOLINA: Well currently the department has  
5 a total of 14 funded positions totaling \$1.4 million  
6 for staff wellness. Six of those positions are  
7 nonuniform positions and with two filled and eight  
8 uniform position with seven filled.

9       Additionally, there are 24 unfunded uniformed  
10 posts and I do not know the function of our care  
11 team. So, what we do is we have a care team that  
12 responds to our staff need. So, if we have  
13 individuals that's suffering the loss of a family  
14 member or in the rare occasion where we have a member  
15 of the service who passes away, this care team goes  
16 out to support that family and just help them  
17 navigate the bureaucracy to be able to get support.

18       So, really looking at complete organizational  
19 health strategy to provide support for our officers  
20 as well as manage their health needs if they're out  
21 sick.

22       COUNCIL MEMBER VELÁZQUEZ: And now switching it a  
23 little bit. I understand you've worked to curb the  
24 violence at the young adult facility specifically.

1  
2 Has it worked? And if so, do you plan to continue  
3 this work across the department?

4       LOUIS MOLINA: Yes, so we've seen in our multi-  
5 focus plan, what we've seen in April of this year  
6 versus March of this year, we saw a 45 percent  
7 reduction in slashings and stabbings. When we look  
8 at April of this year and compare it to April of last  
9 year, we see a 24 percent reduction. Month to date  
10 at RNDC's specifically, we've seen a 67 percent  
11 reduction in slashings and stabbings and department-  
12 wide as we rolled that out to other facilities,  
13 especially with our new gang housing strategy. We've  
14 seen a 50 percent month to date reductions in  
15 slashings and stabbings compared to this same time  
16 last year.

17       So, it is working. Things are taking hold but  
18 it's not just about security, it's also about our  
19 programmatic interventions, our credible messengers,  
20 our increase in our young kids and encouraging them  
21 to participate in school programming. All of that is  
22 having an impact in addition to our faith based  
23 volunteers that are working at RNDC.

24       COUNCIL MEMBER VELÁZQUEZ: Are there any separate  
25 funding requests for that specifically?

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

267

1  
2       LOUIS MOLINA: Not right now. We have our  
3 contract providers that are assisting us with  
4 credible messengers and you know, we do have a lot of  
5 volunteers and our faith-based community has rose up  
6 to the challenge and there assisting in finding  
7 private funding to be able to support their needs at  
8 RNDC.

9       COUNCIL MEMBER VELÁZQUEZ: Okay, thank you so  
10 much.

11       LOUIS MOLINA: Thank you.

12       COMMITTEE COUNSEL: Thank you Council Member.  
13 Next, we'll turn to Council Member Narcisse followed  
14 by Council Member Carr.

15       SERGEANT AT ARMS: Starting time.

16       COUNCIL MEMBER NARCISSE: Good afternoon  
17 Commissioner. Thank you and Madam Chair, both Chair  
18 Justin, thank you and all my colleagues, all the  
19 staff, thank you and good afternoon.

20       I like to reimagine; reinvent to see how you all  
21 can change but this is not my imagine right now. I  
22 can not work it the way I would like to work it with  
23 \$1.3, I think \$1.3 billion. I think we can do a lot  
24 with 413 acres of land. But coming to what the  
25 reality is for us, budget documents show that a

1 contract related to the Prison Elimination Act, PREA  
2 for one million one hundred sixty nine being  
3 eliminated entirely. What has this contract covered  
4 and what is the reason for cutting it?  
5

6 LOUIS MOLINA: Thank you for your question. So,  
7 that was a consulted contract that actually got paid  
8 approximately I want to say \$9.2 million over the  
9 life of its contract with us. And a large part of  
10 their work was not only PREA but to provide  
11 leadership training. I can tell you that based on  
12 what I have saw relates to PREA and the leadership  
13 training that was provided, I don't think we got our  
14 bang for our buck. So, I'm only committed to PREA,  
15 we are rethinking how we do PREA as far as our  
16 operation, but making sure that we're PREA compliant.  
17 So, that's why the mosques groups contract was  
18 discontinued.

19 COUNCIL MEMBER NARCISSE: Hmm, hmm. There have  
20 been no PREA reports posted to the boards website  
21 since January 2020, reporting on 2019 data. How does  
22 the department plan to maintain compliance with  
23 anything or PREA standard and address issues of  
24 sexual assault in the city jails.  
25

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

269

1  
2       LOUIS MOLINA: Yeah, so I don't have control of  
3 what reports get posted to the Board of Corrections  
4 website. We do post PREA reporting on our website,  
5 so I'm not sure why the PREA information on the Board  
6 of Corrections website is not up to date. I'm sorry.

7       COUNCIL MEMBER NARCISSE: What information can  
8 you share today about the number of sexual assaults  
9 reported by incarcerated people in the last year and  
10 the status of those investigations?

11       LOUIS MOLINA: I have to consult with my  
12 investigations division to get back with you on that  
13 number. We do track that, so we'll get that number  
14 to you. I don't know it off the top of my head.

15       COUNCIL MEMBER NARCISSE: Okay Commissioner, I  
16 cannot blame you for everything that's been taking  
17 place in the Island but we're still having people  
18 dying, so that is very close to my heart as a nurse,  
19 seeing people killing themselves or any way or form.  
20 I think it's something that we look into in how we  
21 spend our money. How we're bringing even in jail,  
22 prison system, we have to bring the equity that we're  
23 talking about because uhm, right now I heard my  
24 colleagues ask a lot of questions about education,  
25 about rehabilitative people. That's what I'm looking

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

270

1  
2 for so, I hope this budget that you have right now,  
3 we can see the improvement that we're looking for.  
4 Since you make it a promise that that's what you  
5 hear, to change and you like to see things improve in  
6 the Island, so I'm looking forward for that.

7 LOUIS MOLINA: Thank you Ma'am.

8 COUNCIL MEMBER NARCISSE: Thank you.

9 COMMITTEE COUNSEL: Thank you Council Member  
10 Narcisse. Next we'll turn to Council Member Carr.

11 SERGEANT AT ARMS: Starting time.

12 COUNCIL MEMBER CARR: Thank you Chairs Brannan  
13 and Rivera for holding this important hearing.  
14 Commissioner, it's good to see you today. Uhm, you  
15 know I was really saddened to see the loss of a  
16 Corrections Officer who took his life jumping from  
17 the Verrazano Bridge right by my district and you  
18 talked about it a little bit with Council Member  
19 Velázquez but we discussed a little bit about what  
20 your doing to sort of improve and address you know  
21 mental health challenges faced by corrections  
22 officers and correction staff.

23 LOUIS MOLINA: So, thank you for your question.  
24 Officer's Ramon's passing is a tragic loss that we  
25

1  
2 are all feeling deeply. My thoughts go out to his  
3 family and his loved ones.

4 Our staff have gone because there was no real  
5 organizational health strategy, unsupported for far  
6 too long. During a very difficult time with what I  
7 will describe as few opportunities for professional  
8 development and very little way of staff initiatives.  
9 If this agency is going to succeed, we must support  
10 our most valuable resource and reform, our front line  
11 staff. I plan to create more professional  
12 development opportunities for uniformed members of  
13 service and support them in their work and train to  
14 help maintain correctional best practices and have  
15 the tools that they need to succeed in a very  
16 difficult job.

17 I've returned the employee assistance program  
18 that OLR really manages very effectively back to our  
19 department and we are in the process of identifying  
20 staff that can work with our care team, which  
21 provides supportive services to all of our staff.

22 COUNCIL MEMBER CARR: I appreciate your answer  
23 Commissioner, thank you. You know you talked a  
24 little bit about this in your exchange with the  
25 Speaker ending gang affiliated housing. It's an RNDC

1  
2 and you mentioned you know rolling out the end of  
3 that model in other parts of your jurisdiction. Can  
4 you talk about how you are doing that and what the  
5 timeline might be for ending gang affiliated housing  
6 you know department-wide?

7       LOUIS MOLINA: Yeah, so we've already started  
8 rolling that out. So, gang affiliated housing is not  
9 a strategy that we employ any more. We did see some  
10 initial resistance because I think the population was  
11 testing our fortitude but we are starting to pay off  
12 and see some yields in that.

13       Specifically to RNDC, in the month of May in  
14 comparison to the same time last year, as I  
15 mentioned, we've seen a 67 percent reduction in  
16 slashing and stabbings and department-wide that  
17 reduction is 50 percent. Our tactical search  
18 operations were also part of that plan. In RNDC  
19 alone, we recovered over 700 contraband weapons and  
20 department-wide the recovery of contraband weapons  
21 was over 2,200.

22       So, it really has been a really strategic focus.  
23 Our special operations division officers have been  
24 working inside RNDC and providing support to our  
25 housing officers so we can have multiple officers on

1  
2 those posts. And we've seen a really new calm within  
3 our young adult housing unit and we've also seen  
4 reductions in slashings and stabbings in this month  
5 at our GRBC as well.

6 COUNCIL MEMBER CARR: Appreciate your answer.  
7 You mentioned some stats just now but in terms of use  
8 of force numbers department-wide and assaults on  
9 staff department-wide, do you have those figures in  
10 terms of the trends going downward or maybe static?

11 LOUIS MOLINA: Yes, so every month starting in  
12 January, we have experienced double digit decreases  
13 in use of force incidences from 15 percent all the  
14 way to 35 percent. What that has translated in  
15 calendar year to date is a 27 percent reduction in  
16 use of force incidences in the department.

17 Specifically the RNDC since March, we have seen  
18 decreases in use of force incidences since March  
19 since the RNDC violence plan has been put in place.

20 COUNCIL MEMBER CARR: Thank you for that. Just  
21 my last question. You know I believe that you're  
22 budgeting 578 new positions in the Exec Budget and I  
23 just want to make sure I understand this correctly.  
24 Am I understanding that there were 400 one-shot  
25 funded positions in the FY22 budget? And that this

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

274

1  
2 578 increase is merely baselining of 400 positions  
3 filled over the course of the ongoing budget year?  
4 So, we're only looking at a net increase in staffing  
5 of 178. Am I understanding that correctly?

6 LOUIS MOLINA: DC Lyons.

7 PATRICIA LYONS: Yes. Uh, yes, sir, that's  
8 correct. So, the 400 was funded, 400 new recruits in  
9 Fiscal Year '22 only and then so our headcount drops  
10 by that 400 July 1<sup>st</sup> and then you know, the 578 comes  
11 in July 1<sup>st</sup>, so you're correct.

12 COUNCIL MEMBER CARR: Okay, I appreciate your  
13 answers. Thank you so much for your time.

14 LOUIS MOLINA: Thank you sir.

15 COMMITTEE COUNSEL: Thank you Council Member.  
16 Next, we'll turn to Council Member Ariola.

17 SERGEANT AT ARMS: Starting time.

18 COUNCIL MEMBER ARIOLA: Actually my questions  
19 were already asked and answered. Thank you so much.

20 COMMITTEE COUNSEL: Oh, okay. Alright, thank  
21 you. Next, we'll turn to Council Member Sanchez.

22 SERGEANT AT ARMS: Starting time.

23 COMMITTEE COUNSEL: Council Member Sanchez.

24 SERGEANT AT ARMS: Starting time.

25

1  
2 COUNCIL MEMBER SANCHEZ: Sorry about that. I  
3 missed when you said Sanchez. Thank you. Thank you  
4 so much. Very nice to meet you Commissioner and  
5 thank you for answering all of the questions that my  
6 colleagues have asked. So, many of mine have also  
7 been asked and answered but I'm not sure if I caught  
8 this one. So, the PMMR reports that in the first  
9 four months of 2022, 49 percent of incarcerated  
10 people had a mental health diagnosis with 16.2  
11 percent of incarcerated people having a serious  
12 mental health diagnosis.

13 So, could you clarify this increase reflects a  
14 change and increase in the actual number of people  
15 with diagnosis or is this just a change in right  
16 because the population is changing? And then the  
17 second part of the question is what resources and  
18 programming is the Administration and DOC dedicating  
19 to incarcerated people with mental health diagnosis?

20 LOUIS MOLINA: Thank you for your question. So,  
21 the percentages are really just the percentages of  
22 the population at any moment and time. But it is not  
23 uncommon in jails and prisons in America, especially  
24 where we have high rates of mental health and those  
25 suffering from serious mental illness.

1  
2 To your questions regarding about programming  
3 around the treatment of mental health, those  
4 questions have to be answered by Correctional Health  
5 Services because that organization is the one that  
6 the record provides those services to that  
7 population.

8 COUNCIL MEMBER SANCHEZ: Got it. Thank you  
9 Commissioner. And just to clarify, the 49 percent,  
10 I understand is an increase even from prior years and  
11 so, that's why I'm wondering, is there a change you  
12 know, because the population has been changing. So,  
13 is it a change in the proportion of people or are we  
14 seeing more individuals with mental health from this?

15 LOUIS MOLINA: I think that we probably have  
16 improved our ability and I'm not a medical  
17 professional but I think that we are doing better  
18 about identifying peoples mental health needs and  
19 that could be a reason for the uptick of property  
20 identifying those individuals suffering from mental  
21 illness.

22 The other issue is the pandemic and we've seen  
23 what the COVID-19 pandemic over the last two years  
24 has had a big impact, just at every community in our  
25

1  
2 city and those that are justice involved, we're not  
3 immune to that either.

4 COUNCIL MEMBER SANCHEZ: Great, alright thank you  
5 so much Commissioner. And then the last question is  
6 on just serving women's trans and gender  
7 nonconforming people. We know that they are a lower  
8 safety risk than men and have lower rates of  
9 recidivism. And so, my question is what resources is  
10 the department and the city investing in proven  
11 diversion and anti-recidivism programs geared towards  
12 women and gender expansive people?

13 PATRICIA LYONS: Hi, thank you. So, yes, we are  
14 one of the only correctional systems in the nation to  
15 employ a full-time staff of individuals who are  
16 focused on supporting our LGBTQ+ population. Which  
17 does include individuals who identify as transgender,  
18 gender nonconforming, intersex and gender nonbinary.

19 So, we have staff that meet with them in the  
20 facilities and offer them supportive services and  
21 help them navigate our housing systems. We also have  
22 dedicated uhm, discharge and reentry processes for  
23 those individuals who are staff work diligently with  
24 community-based organizations who focus on supporting  
25 individuals who identify in the LGBTQ+ spectrum and

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

278

1  
2 make referrals as appropriate and connect them to  
3 those organizations so that they can get gender  
4 affirming support once they enter the community and  
5 stay connected with those organizations and with the  
6 community that they find supportive.

7 COUNCIL MEMBER SANCHEZ: Great, excellent, thank  
8 you. Thank you so much for that and Commissioner,  
9 nice to meet you.

10 LOUIS MOLINA: Thank you. Nice meeting you as  
11 well.

12 COMMITTEE COUNSEL: And our final two Council  
13 Members with questions. Uhm, next, sorry, three.  
14 Next, we'll go to Council Schulman followed by  
15 Council Member Ossé and then conclude with Council  
16 Member Restler. Council Member Schulman.

17 SERGEANT AT ARMS: Starting time.

18 COUNCIL MEMBER SCHULMAN: Thank you. Starting  
19 time? Alright, thank you. I want to thank the  
20 Chairs for this important hearing. Hello  
21 Commissioner. So, you can hear me right?

22 LOUIS MOLINA: Yes Ma'am, I can hear you.

23 COUNCIL MEMBER SCHULMAN: 16 percent of - I had  
24 asked this at a previous hearing, so I want to see if  
25 we have answers to this. 16 percent of people at

1  
2 Rikers have a serious mental illness including 27  
3 percent of women. As part of the Council's vote in  
4 2019 to close Rikers, the city committed an appoints  
5 of agreement to double the number PACE units at  
6 Rikers for people with serious mental illness by the  
7 end of 2020.

8 PACE units where correctional and health care  
9 staff train and work closely together to provide  
10 intensive care have far lower levels of violence than  
11 most units on Rikers despite the challenging  
12 population. So, one question I have is how many PACE  
13 units are currently online and how many people do  
14 they serve? What is the status of the promised  
15 increase in the number of PACE units? And if the new  
16 units haven't been brought on line, when will they  
17 be? And why haven't they been as of yet? Do you  
18 want me to go over that again or?

19 LOUIS MOLINA: We're trying to look it up here  
20 now Ma'am.

21 COUNCIL MEMBER SCHULMAN: Okay, I appreciate it.

22 PATRICIA LYONS: So, I can answer for you that we  
23 have one unit remaining to open in I believe it's  
24 RNDC and just we've been waiting on that due to  
25

1  
2 staffing concerns for both the Department of  
3 Correction and CHS.

4 COUNCIL MEMBER SCHULMAN: How many people do the  
5 PACE units serve?

6 LOUIS MOLINA: Yeah, so we have approximately ten  
7 PACE units.

8 PATRICIA LYONS: We'd have to follow-up with you  
9 with the exact census but I would want to clarify  
10 that those units are not necessarily always fully at  
11 bed capacity, that's a determination that's made by  
12 Correctional Health Services. So, they will  
13 determine when an individual may need that higher  
14 level of care and we'll place individuals in those  
15 housing areas as appropriate to meet their mental  
16 health needs.

17 COUNCIL MEMBER SCHULMAN: No, that's understood,  
18 I just want to make sure that we're moving forward  
19 with having these units because they're proven to  
20 lower the level of violence in the facilities, so.

21 LOUIS MOLINA: Yes and you know, we are also -  
22 there also is we're working with CHS with a  
23 therapeutic outpost units, which will also increase  
24 bed capacity for that population. So, that is part  
25

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

281

1  
2 of sort of like working in contour with our borough  
3 based jail plan.

4 COUNCIL MEMBER SCHULMAN: Alright, anyway, that  
5 was the only questions I have because I wanted to  
6 give time to my other colleagues, so they can ask  
7 their questions. Thank you very much Commissioner.

8 LOUIS MOLINA: Thank you Ma'am.

9 COMMITTEE COUNSEL: Thank you Council Member  
10 Schulman. I'm not seeing Council Member Ossé. We  
11 will conclude with Council Member Restler.

12 SERGEANT AT ARMS: Starting time.

13 COUNCIL MEMBER RESTLER: What do they say about  
14 the best for last? I guess it isn't always true but  
15 it's always good to see you Commissioner Molina. I  
16 really appreciate your hard work. Hold on just one  
17 second.

18 Sorry about that. Uhm, so uh, Commissioner  
19 Molina, it's always great to see you. I really  
20 appreciate the opportunity to engage. I have to say  
21 though I am highly concerned about the Proposed  
22 Executive Budget or the Mayor's Executive Budget at  
23 DOC. At \$500,000 per detainee, we spend 350 percent  
24 more than Chicago or Los Angeles. It is  
25 extraordinary and for us to be increasing spending

1  
2 and increasing headcount while our population has  
3 been on the decline, I cannot understand.

4       The first question I have is that we are just a  
5 handful of years away from the borough-based jail  
6 facilities presumably being build and that plan being  
7 realized and a 3,300 bed operating capacity. How can  
8 DOC rationalize adding 578 additional headcount  
9 relative to prelim? Won't we have thousand of  
10 additional staff that we do not need in a few years'  
11 time that will be an extraordinary strain on the  
12 city's budget?

13       LOUIS MOLINA: So, thank you for your question.  
14 So, one, the new headcount is really specifically to  
15 be able to operationalize the risk management  
16 accountability system. And as we have been guided by  
17 the classification consultant recommended by the  
18 Federal Monitor, those units have to be rich in  
19 staffing numbers with a really small census because  
20 of the violent nature of the population that they're  
21 going to be sort of engaging with to make sure that  
22 individuals are safe.

23       COUNCIL MEMBER RESTLER: With all due respect  
24 Commissioner Molina, you have ample staff already.  
25 The problem is the 600 staff, the 13-14 percent of

1 your headcount that aren't showing up for work.  
2 That's the problem. We shouldn't be adding more  
3 staff when we have a sickout going, a strike via sick  
4 out going on. I do not understand it. And we're  
5 just setting ourselves up for being even more  
6 excessively overstaffed. We already staff at a rate  
7 of 1.4 DOC officers per detainee. That is  
8 dramatically higher than any other municipal or  
9 statewide correctional system in the country. I  
10 cannot fathom how it is responsible fiscally to be  
11 investing in more corrections officers when we are so  
12 severely overstaffed already.

14 LOUIS MOLINA: I understand your concerns Council  
15 Member.

16 COUNCIL MEMBER RESTLER: Look, and it would save  
17 us significant resources if there were consolidations  
18 and closure of facilities. Are there any  
19 consolidations? Are there any closures planned for  
20 the upcoming fiscal year?

21 LOUIS MOLINA: No, because the population  
22 estimates of the detainee population are not where  
23 they were projected to be. We were projected to be  
24 at or under 4,000 and we are close to 5,500 right now  
25 in our average daily population.

1  
2 COUNCIL MEMBER RESTLER: As a result of that, are  
3 we investing in population review teams and other  
4 efforts that could significantly reduce the  
5 populations and get people out?

6 LOUIS MOLINA: Yes, so yes. So, one of the  
7 things that I committed to this Council was to make  
8 sure I exercise my power under 6-A. So, last week I  
9 did release 19 individuals under 6-A. I'm releasing  
10 another, we're evaluating another nine to possibly be  
11 released this week. The other thing is that we have  
12 our executive order was issued by the Mayor regarding  
13 our interagency taskforce and working with that  
14 taskforce we're working with MOCJ. We're working  
15 with the respective district attorney's offices to  
16 identify individuals that have been in our system for  
17 very long periods of time to help accelerate their  
18 criminal process, so that they can move on.

19 COUNCIL MEMBER RESTLER: I appreciate the efforts  
20 on 6-A, they are good. Modest as they may be but the  
21 dramatic majority of our population in Rikers of  
22 course are pretrial detainees.

23 LOUIS MOLINA: Yes.

24 COUNCIL MEMBER RESTLER: Not to be sentenced  
25 individuals and so, and we've seen a tremendous

1  
2 reduction in the parolees. So, the key is to  
3 actually get our court system functioning and we need  
4 the mayor to step up and help push OCA to do its job.  
5 We need DOC officers to show up and do their jobs to  
6 deliver people for court. And I really want to  
7 encourage you to help bring MOCJ and others to the  
8 table to double down on the population review teams  
9 so that we can much more expeditiously get long  
10 stayers out of our system and wherever they are  
11 rightly appropriate to go.

12 The last question I just want to ask if may, is  
13 around the staffing for the closure of Rikers Island.  
14 Could you speak to what team the DOC has in place  
15 that is dedicated to working on the closure and  
16 planning for the future of borough-based jails?

17 LOUIS MOLINA: Sure, thank you for your question.  
18 So, actually when I got here, there was only one  
19 individual that was leading that work with the  
20 borough-based jails. And what we're doing now is  
21 we're putting together under the Office of Management  
22 and Massive Planning, a project management team  
23 that's going to really be the governance team to  
24 ensure that we stay on pace for the borough-based

1  
2 jail plan as well as the therapeutic outposts that  
3 are going to be opening in the future.

4 COUNCIL MEMBER RESTLER: Look, I just want to say  
5 Commissioner, I you know have deep concerns going  
6 back many, many years now about what's happening at  
7 DOC. But I do want to commend you for taking on this  
8 role and for you know I think I've said before, being  
9 one of those guys who is running into the fire to try  
10 and help. And so, as serious and as deeply felt as  
11 my concerns are, I appreciate your efforts and you  
12 know we'll continue to try to be a good partner in  
13 addressing the deeply, deeply troubling situation on  
14 Rikers Island.

15 LOUIS MOLINA: Thank you Council Member.

16 COUNCIL MEMBER RESTLER: Thank you.

17 COMMITTEE COUNSEL: Chairs Brannan and Rivera,  
18 there was one last hand up, Council Member Hanif. I  
19 know that we have the hard stop, so deferring to you  
20 two.

21 CHAIRPERSON BRANNAN: I'm okay - how many do we  
22 have left?

23 COMMITTEE COUNSEL: Council Member Hanif just  
24 raised her hand.

25 CHAIRPERSON BRANNAN: Okay, two minutes.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

287

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

SERGEANT AT ARMS: Starting time.

COUNCIL MEMBER HANIF: Thank you Chairs Brannan and Rivera. Good afternoon Commissioner Molina. I'd like to know how many uniformed staff are currently on payroll.

PATRICIA LYONS: Sure, as of the May 13<sup>th</sup> payroll, we have 7,140 uniformed staff on payroll.

COUNCIL MEMBER HANIF: And then how many uniformed staff were not available to work directly with incarcerated people yesterday or the most recent day for which you have data?

LOUIS MOLINA: Uhm, yesterday, the number of individuals out sick uhm, I likely have the 23<sup>rd</sup>, 1,160. I just want to make sure I give you the right number.

COUNCIL MEMBER HANIF: Yeah and I'd like a breakdown by those who called out sick, are out long-term sick, uhm and a couple other criteria.

LOUIS MOLINA: Alright, you got it Ma'am. So, individuals out, long-term sick out, our basis on May 23<sup>rd</sup> data, indefinite sick number in total was 748 for May 23<sup>rd</sup>.

COUNCIL MEMBER HANIF: This is long-term sick?

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

288

1  
2 LOUIS MOLINA: Yeah, individuals that are out 30-  
3 days or more.

4 COUNCIL MEMBER HANIF: Okay and then how many  
5 called out sick?

6 LOUIS MOLINA: Yesterday, 151 people called out  
7 sick yesterday.

8 COUNCIL MEMBER HANIF: How many are currently  
9 medically monitored?

10 LOUIS MOLINA: That number is as of the 23<sup>rd</sup>, 921.

11 COUNCIL MEMBER HANIF: And then are prohibited  
12 from working with incarcerated people for  
13 disciplinary reasons?

14 LOUIS MOLINA: So, that would be staff that's  
15 modified. Uhm, I don't have that number off the top  
16 of my head but I can get you that number.

17 COUNCIL MEMBER HANIF: Got it and then uhm, are  
18 on other approved leave?

19 LOUIS MOLINA: Like FMLA?

20 COUNCIL MEMBER HANIF: Yeah.

21 SERGEANT AT ARMS: Time expired.

22 LOUIS MOLINA: Yeah, I don't have the FLMA number  
23 because it fluctuates. Certain FMLA's is driven by a  
24 health issue with the family or something else like  
25 that.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

289

1  
2 COUNCIL MEMBER HANIF: And then how many do you  
3 believe are actually sick?

4 LOUIS MOLINA: Well, I'm not a medically doctor,  
5 so a doctor is putting the out sick, so we have a  
6 health management division that evaluates each person  
7 on a case by case basis. We have done a lot of  
8 reform as it relates to our health management  
9 division. So, we have seen individuals coming back  
10 to work and we've seen a 40 percent reduction in  
11 those that have been out sick from the height of the  
12 crisis last year.

13 COUNCIL MEMBER HANIF: And then lastly, uhm, of  
14 those out sick, how many are assigned to a post that  
15 does not involve direct contact with incarcerated  
16 people? Whether that's in the mail room, laundry,  
17 their bakers, wardens, secretaries etc.?

18 LOUIS MOLINA: You're talking about people that  
19 are medically monitored and restricted?

20 COUNCIL MEMBER HANIF: People that are out sick  
21 who are not working directly with incarcerated  
22 people.

23 LOUIS MOLINA: It would be hard for me to you  
24 know, I don't know if an officer, like I couldn't  
25 tell you right now if a particular officer that may

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

290

1  
2 work in the bakery is out sick today. I don't have  
3 that granular information by memory.

4 COUNCIL MEMBER HANIF: Okay. Thank you Chairs.

5 COMMITTEE COUNSEL: Thank you. We'll turn to  
6 Chair Rivera for her closing remarks for this portion  
7 of the hearing.

8 CHAIRPERSON RIVERA: I just want to thank Chair  
9 Brannan and all of my colleagues for their great  
10 questions and to the Department for being here. I  
11 know there are things, some data requested, some  
12 numbers as follow-up, so we look forward to receiving  
13 that and reviewing it. Thank you.

14 LOUIS MOLINA: Thank you Ma'am.

15 PATRICIA LYONS: Thank you.

16 CHAIRPERSON BRANNAN: Thank you Commissioner.  
17 Thank you team. Yeah, we'll follow up with  
18 everything that we didn't get sufficient answers on  
19 today. We appreciate your time. Thank you.

20 LOUIS MOLINA: Thank you sir. You have a good  
21 day.

22 CHAIRPERSON BRANNAN: You to. Okay.

23 COMMITTEE COUNSEL: Uhm, so we have Executive  
24 Director Masters on for the Board of Correction.  
25 Uhm, and so just everyone bear with us for a moment.

1  
2 We have the same two Chairs, so we will just test her  
3 audio and then we can begin as soon as she's ready.

4 AMANDA MASTERS: Hi, I think my audio is working  
5 but I'm not sure the video is.

6 COMMITTEE COUNSEL: Got your audio but I don't  
7 see you.

8 AMANDA MASTERS: Okay. I think I may hop out and  
9 hop back in again and see if that works.

10 COMMITTEE COUNSEL: Sure.

11 AMANDA MASTERS: Okay. I think it works now.

12 COMMITTEE COUNSEL: Yes, perfect. Okay, we will  
13 start with Chair Brannan's opening statement and then  
14 Chair Rivera and then I will go ahead and swear you  
15 in and you may begin your testimony.

16 CHAIRPERSON BRANNAN: Thank you Malcom. Good  
17 afternoon everyone. Welcome to the final portion of  
18 today's Executive Budget Hearing. My name is still  
19 Justin Brannan, I am still Committee on Finance, I am  
20 still joined by Co-Chair Carlina Rivera, Chair of the  
21 Committee on Criminal Justice.

22 I want to welcome Executive Director Masters to  
23 this hearing. We look forward to hearing your  
24 testimony and the answers to your question. In the  
25 interest of time, I will keep it very, very brief.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

292

1  
2 The Boards Projected FY23 Budget of \$3.3 million  
3 represents less than one percent of the city's  
4 proposed FY23 budget in the Executive plan. DOC's  
5 FY23 Budget increased by 16.8 percent from the  
6 Preliminary plan. The increase was the result of an  
7 increase in the Boards PS budget, Personal Services.

8 My questions today will focus on technology needs  
9 at the Board of Correction, closing Rikers and the  
10 Borough-Based Jail Plan. Special thanks again to  
11 Jack Storey for his preparation for today's hearing.  
12 Everyone behind the scenes who made this happen,  
13 Malcom, Jonathan. I'll now turn it to my Co-Chair  
14 Carlina Rivera.

15 CHAIRPERSON RIVERA: Thank you Mr. Chair. We're  
16 going to hear from the Board of Correction. I want  
17 to thank them for being here. The Board of  
18 Correction plays an incredibly important role in  
19 monitoring, informing and overseeing the Department  
20 of Corrections management of the city's jails. In  
21 addition, the Boards ability to engage with the  
22 Department over policy and practice through public  
23 meetings is an incredibly important tool for all  
24 criminal justice stakeholders. Increasing violence  
25 and uses of force in the city's jails continue to

1  
2 pose challenges that require effective and robust  
3 oversight. This is particularly true as the city  
4 transitions to new jails and the borough-based jail  
5 projects move forward.

6 The Board plays an essential role in the criminal  
7 justice system and today, we're interested in hearing  
8 about how the Executive Budget impacts the Board and  
9 it's oversight mission at this critical moment for  
10 the criminal justice system and the city's jails. We  
11 would like to welcome everyone who is here to  
12 testify. We'd also like to thank the Boards staff  
13 for all of their work and to echo Chair Brannan's  
14 gratefulness to our staff as well. I'll turn it over  
15 to Malcom.

16 COMMITTEE COUNSEL: Thank you Chairs Rivera and  
17 Brannan. Today, we are joined by Council Member  
18 Brannan, Rivera, Ariola, Barron, Brewer, Carr, Hanif,  
19 Sanchez, Schulman, Stevens, Adams and Velázquez.

20 I will first read the oath and then I will ask  
21 Executive Director Masters to individually respond.  
22 Do you affirm to tell the truth, the whole truth and  
23 nothing but the truth before these Committees and to  
24 answer Council Member questions honestly, Executive  
25 Director Masters? Oh, you're muted.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

294

1  
2 AMANDA MASTERS: Yes, I do.

3 COMMITTEE COUNSEL: Perfect, thank you. You may  
4 begin when ready.

5 AMANDA MASTERS: Thank you. Good afternoon  
6 Chairs Brannan and Rivera. I am Amanda Masters, the  
7 Executive Director of the New York City Board of  
8 Correction, the independent oversight agency for the  
9 city's jails. I was appointed in March of this year  
10 and I must say, I came in January as an interim and  
11 now I'm here as a permanent and when I came in it was  
12 a time of tremendous executive and managerial  
13 turnover. And we're working on rebuilding and  
14 onboarding right now but I was appointed in March.

15 And as you know, the Board of Correction has a  
16 broad mandate set forth under the New York City  
17 Charter. We evaluate departmental performance as  
18 well as promulgate regulations governing the care,  
19 custody, correction treatment, supervision and  
20 discipline of all people held in our city jails. All  
21 people who are detained in the City of New York  
22 pretrial and folks who are serving misdemeanor  
23 sentences as well.

24 These minimum standards uh, that we have  
25 promulgated over the years set the baseline for what

1 must be provided to people who are held in the  
2 custody of our jail system. This baseline must be  
3 met in order for our jail system to become humane.

4 The Boards regulations now cover the original  
5 minimum standards from many decades ago, from the  
6 70's as well as newer regulations from the 80's and  
7 90's concerning health care and mental health care  
8 and much newer regulations concerning the prevention  
9 of sexual violence to people in custody, reporting on  
10 serious injuries and minimizing the use of punitive  
11 segregation and other restrictive housing models.

12 We have a huge mandate. It is to evaluate all  
13 departmental performance and also, enforce our  
14 minimum standards, which we promulgate by regulation  
15 and then need to enforce.

16 We are a very small agency with an inadequate  
17 budget of just over \$3 million, a drop in the bucket  
18 compared to the massive Department of Correction,  
19 which we oversee.

20 The Board has never had adequate staffing.  
21 Historically, we have never had enough staff to  
22 provide coverage throughout the jail facilities. I'm  
23 going to talk about three types of staff today that  
24 I'd like future focus on. One is our jail staff.  
25

1  
2 The Board has access to inspect and visit all  
3 facilities and inspect all books, records, documents  
4 and papers of the Department.

5 This ability to visit and speak with people in  
6 custody, in their housing areas, in the cells, in the  
7 day rooms, in the clinics, in the dorms, in the visit  
8 areas, in the in-take cells, in recreation areas,  
9 wherever they are held is critical and is unique to  
10 our agency. It is how we enforce our minimum  
11 standards.

12 The Title Correctional Standards Review  
13 Specialists, CSRS is critical to our agencies mission  
14 and we will be requesting more funding and headcount  
15 for CSRS staff. We are currently recruiting five new  
16 CSRS staff at the moment but we need more than that  
17 if we are to fulfill our charter mandates.

18 Our jail staff who are in the jails every day,  
19 are the key to enforcement of our regulations because  
20 the staff on the Island tour the DOC facilities  
21 daily, speaking directly to people about their  
22 conditions of custody and when we can be there  
23 monitoring staff do observe problems and solve them  
24 on the spot. They help the people who live and work  
25 in the jails. They work collaboratively with

1  
2 Correction Staff, both uniformed and not uniformed  
3 and help staff to obtain compliance with our  
4 regulations, the minimum standards.

5       They can escalate compliance issues when  
6 necessary to jail leadership but they are very  
7 skilled at negotiating prompt solutions at the staff  
8 level for individual people in custody. They save  
9 lives. Simply put, when they are there, they can and  
10 they do save lives.

11       Right now, we have only eight staff who work  
12 inside the jails, in the court pins and in the  
13 hospital jail wards doing this work, speaking to  
14 people in custody and resolving their complaints  
15 about their conditions of confinement. Whether they  
16 need to get to medical, whether they need to get to a  
17 visit, whether they need mental health help, whether  
18 they have problem with access to religion or access  
19 to the outside world. Whether they've been in an in-  
20 take cell for too long and they need to be housed  
21 properly.

22       Across the board, all of the work that they do in  
23 the jails actually helps people day after day. We  
24 have eight. As you know, there are thousands of  
25 people in custody. Today, there are 5,473. It is

1 not reasonable to expect each of our staff out in the  
2 jails to monitor conditions for 684 detainees a  
3 piece. It's not going to get us where we need to be.  
4 We need more staff in the jails doing this work.  
5

6 Our staff work very hard. It is heartbreaking to  
7 listen to our staff who wish that they could cover  
8 more every day. Because they know that lives and  
9 fundamental fairness are at stake. These jails are  
10 large and some are quite spread out and it is  
11 difficult to cover more than a few housing areas on  
12 any given work day for them. For instance, AMKC  
13 houses, 2,032 men today. It is an old structure  
14 built in 1978 with many long hallways separating  
15 housing from clinic and from other space. The  
16 footprint of the building covers 40 acres.

17 AMKC houses, many people with serious medical and  
18 mental health needs. Production is not easy at AMKC  
19 for DOC and neither is the monitoring for BOC. This  
20 is a structural problem. We need more staff to be  
21 able to cover these facilities and get to people when  
22 they need it.

23 As you can imagine, almost all of the people in  
24 custody want to talk to our staff as they make their  
25 rounds, so our staff have to learn to triage their

1  
2 time, moving through the facilities, talking to  
3 people, trying to reach those who most need it every  
4 day. It's frankly impossible but our staff are  
5 mission driven and diligent and when they can be  
6 there, they help people get to medical service and  
7 other essential services and they can save lives.

8 We need more of them. The people who live and  
9 work in our jails need more of them. We agree in  
10 principal with Council's position that the BOC budget  
11 should be tied to the DOC budget, so that the BOC  
12 budget does not persist at untenable sizes. But it  
13 should also be tied proportionally to the number of  
14 people in custody that we need to monitor and take  
15 care of.

16 The size of the custody population and the  
17 special needs of the population are also critical  
18 benchmarks. We should always bear in mind when  
19 looking at the BOC budget. The second type of staff  
20 that I'm going to talk about today is medical staff.  
21 We don't have any. 16 people died in DOC custody in  
22 2021 and five had died so far this year. Serious  
23 injuries from slashings and stabbings are happening  
24 at an enormous and frightening rate. BOC has a new  
25 special investigation team that reviews deaths and

1  
2 near death incidents and also convenes the  
3 correctional health service together with the  
4 Department for Joint Death Reviews.

5 This staff review death records, health records,  
6 speak with witnesses and review documents and  
7 recordings concerning care in custody. They are a  
8 small unit. They are two people and they are doing  
9 an excellent job so far. One had onboarded right  
10 before I got here, a second one a few weeks ago.

11 As you know we put out a report about three of  
12 the deaths that happened in jails so far this year a  
13 few weeks ago. I think it was an excellent report.  
14 They are doing a wonderful job. There are not enough  
15 of them and none of them has medical expertise. When  
16 you think about what they are reviewing and who they  
17 are convening, they would benefit greatly from even a  
18 part-time doctor or nurse practitioner on staff, part  
19 of the team with the expertise to analyze medical  
20 records, give independent advise and counsel to us  
21 and help lead the joint reviews with the health  
22 services staff.

23 The third type of staff that I want to talk  
24 about, is a visit at - we're taking a look now at  
25 visits or I am, now that I'm here, taking a looking

1  
2 at visits and visit appeals. We're undertaking a  
3 review of visiting appeals and restriction appeals in  
4 general such as restrictions on access to religious  
5 services, packages, mail, that sort of thing. The  
6 minimum standards are clear about the importance of  
7 contact with the outside world for people in jail and  
8 their families and community.

9 Family, friends and clergy offer critical,  
10 emotional and social supports for people while  
11 they're in detention in our jails. Contact is  
12 critical to rehabilitation and to violence reduction.  
13 That support is even more important now as we all go  
14 through the COVID-19 crisis aftermath and the DOC  
15 staff attendance crisis, which has made our jails  
16 less safe and even more stressful.

17 A comprehensive review of visiting was undertaken  
18 by BOC in 2017 and some information about that is on  
19 our website today. But since 2018, we have been too  
20 short staffed to continue that practice. Currently  
21 we have only one staffer who is assigned to handle  
22 visit appeals and we need more. We also must improve  
23 access to the BOC appeals process for people in  
24 custody and for their families, both of whom can  
25 appeal restrictions to us for a decision and also

1  
2 improve public education about visiting rights and  
3 the appeals process.

4 Those are the three things that I wanted to cover  
5 today and thank you for the opportunity to address  
6 you and I'd be happy to take any questions.

7 CHAIRPERSON BRANNAN: Thank you Executive  
8 Director Masters. I want to jump right into uhm, the  
9 technology needs. The Board has consistently  
10 requested additional resources in prior budget  
11 hearings for technology needs that are critical for  
12 supporting some of your oversight work. So, can you  
13 describe why technology needs are so important to the  
14 Boards work and what technology upgrade would do to  
15 improve the Boards work or make it easier?

16 AMANDA MASTERS: Certainly. I used to work at  
17 the Board a decade ago as the Deputy Executive  
18 Director and when I came on board, I was shown our  
19 tech tool, which is called the data manager. The  
20 data manager has not been improved since I was here  
21 last time and in fact, it appears to be quite glitchy  
22 and uhm, operating in a way that makes it less useful  
23 than it even was before and it's a system that was  
24 built with the best intentions years ago. I think in  
25 the 80's and 90's. Certainly back as far as the 90's

1  
2 in house by a director of IT that we used to have  
3 many years ago. And it's a system for keeping track  
4 of the complaints that come into us.

5       So, if I'm working out at AMKC today and I talked  
6 to 12 people and they report different types of  
7 complaints, I can record that in the data manager and  
8 keep track of the progress on resolving those  
9 complaints and other people can see what I'm doing  
10 and we can collaborate and that sort of thing but  
11 it's very, very basic. Even when it was new, it was  
12 one of those systems that is sort of built in a pinch  
13 and then cobbled on add on drop down menu's over the  
14 years for things that just sort of organically needed  
15 to be recorded. So, it has the vestiges of some  
16 issues that are no longer with us. It doesn't have  
17 the ability to pull together reports the way that we  
18 would like for - it's pretty much an antiquated  
19 system.

20       So, I know that over the years there have been  
21 efforts to get funding to do an overhaul and to get a  
22 more modern way of keeping track of those complaints  
23 and also, we get data directly from DOC. For  
24 instance, census data and it comes through - some of  
25 it comes through that data manager and that's not the

1 best way for us to sort of pull together. The  
2 universes of information that we have, some of it is  
3 very quantitative directly from data that comes from  
4 the other agency and a lot of it is qualitative and  
5 is narratives about what we're doing for people.  
6 They don't really marry in this current system.

7  
8 CHAIRPERSON BRANNAN: Does the current budget  
9 reflect these needs?

10 AMANDA MASTERS: I do not believe so. I believe  
11 the Executive Staff that were here before me, were  
12 pushing for new funding to be able to essentially  
13 renovate you know the tech side of our operation and  
14 they did not get it.

15 CHAIRPERSON BRANNAN: Okay. Uhm and what is the  
16 Board requesting for technology upgrades? Is there a  
17 dollar number?

18 AMANDA MASTERS: I'd have to go back and review  
19 that.

20 CHAIRPERSON BRANNAN: Okay.

21 AMANDA MASTERS: I'd get you the exact numbers  
22 but it would be in the last new needs request that  
23 was sent out.

24 CHAIRPERSON BRANNAN: Okay, so closing Rikers and  
25 the Borough-Based Jails Plan is a significant

1  
2 opportunity for more oversight and input from the  
3 Board. As of right now, what is the Boards current  
4 role in the Borough-Based Jails Plan?

5 AMANDA MASTERS: Well, my understanding is that  
6 nearly everyone in government now agrees that that is  
7 where we're moving. And as the oversight agency that  
8 sets for the rules for how the department has to  
9 operate its jails and what the minimum standards are  
10 for the folks who are going to be held in those  
11 jails, we want to work hand and hand with the  
12 Department.

13 I think Commissioner Molina mentioned that up  
14 until recently, if not still today, there was one  
15 single person in his office that was focused on these  
16 issues. We had a meeting with her last week and uhm,  
17 we hope to remain in close contact. You know as we  
18 move to smaller, safer, more humane jails with  
19 different physical footprints, it may be necessary to  
20 revisit some of our regulations and minimum standards  
21 that were written in the 70's and the 90's uhm, in  
22 contemplation of the physical plant and the set ups  
23 you know that we have out on the Island right now and  
24 used to have in borough facilities.

1  
2       So, for instance, one thing I pointed out to her  
3 was you know we need to find out more about how you  
4 are going to arrange for recreation. Our current  
5 standards conceive of recreation as being outdoors,  
6 which means the sunlight can hit your skin and you  
7 know it's not with a roof covering you. How are they  
8 going to do that in you know a different footprint or  
9 something that's much more vertical, where the  
10 outdoor space might be more limited? So, we began  
11 that conversation.

12       CHAIRPERSON BRANNAN: Do you have dedicated staff  
13 right now that are working on the Borough-Based Jails  
14 Plan?

15       AMANDA MASTERS: You're looking at her.

16       CHAIRPERSON BRANNAN: Oh my God.

17       AMANDA MASTERS: Uhm, no.

18       CHAIRPERSON BRANNAN: Okay, so then there are  
19 needs there right, significant needs? Does the  
20 budget reflect those needs?

21       AMANDA MASTERS: The current budget?

22       CHAIRPERSON BRANNAN: Yeah.

23       AMANDA MASTERS: I do have enough money – you  
24 know we don't have a research team right now but  
25 that's because of the tremendous turnover we just

1  
2 experienced and I have a new director coming in on  
3 June 6<sup>th</sup>. Uhm, and once I onboard her, I'll know a  
4 lot more about the team that she needs to build. I  
5 know that we have at least one headcount uhm, to  
6 assist her and I -

7 CHAIRPERSON BRANNAN: What's the total headcount  
8 there?

9 AMANDA MASTERS: Right now, it's uhm, I believe  
10 it's 32 but we have a number of vacancies.

11 CHAIRPERSON BRANNAN: What was it when you were  
12 there ten years ago?

13 AMANDA MASTERS: Oh my goodness, uhm -

14 CHAIRPERSON BRANNAN: Just curious.

15 AMANDA MASTERS: It was abysmal. The budget was  
16 less than one million dollars. I was wearing three  
17 hats. I was the General Counsel, the Deputy  
18 Executive Director, and directly managing all the  
19 staff out on the jails. It was untenable.

20 CHAIRPERSON BRANNAN: Wow. Okay, I appreciate it  
21 Executive Director. I'm going to turn it over now to  
22 my Co-Chair. Thank you.

23 AMANDA MASTERS: No problem, thank you.

24 CHAIRPERSON RIVERA: Thank you Amanda. I just  
25 want to thank you for all that you've done and like

1  
2 your commitment to public service and doing this work  
3 and wearing many, many hats over the years.

4 You mentioned before, I just want to make sure  
5 that I have it clear that DOC's budget is tied to the  
6 population. What do you think - what does the Board  
7 of Corrections think that ratio should be?

8 AMANDA MASTERS: I'm not sure we've had that  
9 discussion or at least you know not I in the past  
10 month and a half. But I think the point I was trying  
11 to make is that it's one thing to tie our budget to  
12 the budget of DOC but as some have noted, you know  
13 that's a budget that in a more perfect world would  
14 not be so large, right? And there would be more  
15 efficiencies with it.

16 And so, I think the even more important thing to  
17 my mind to bear in mind is that we have a lot of  
18 people to serve and that number, you know if we were  
19 to get to a point in the future when the staffing  
20 ratios between corrections officers and people in  
21 custody were more like other cities. Uhm, that would  
22 not be a reason to diminish our future budget.  
23 Because really, we need to serve however many people  
24 there are in the jails.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

309

1  
2 CHAIRPERSON RIVERA: So, I mean, have you talked  
3 to OMB about this kind of, I know you kind of  
4 mentioned that it isn't necessarily like, you don't  
5 have a ratio in mind but have you discussed this OMB?  
6 What does the Administration say?

7 AMANDA MASTERS: I, we are going to need to put  
8 together a meeting with them. You know I am new here  
9 and like trying to repair the ship - the plane while  
10 it flies and uhm, haven't had time to have all of the  
11 planning conversations that I want to have. But I am  
12 looking forward to having them.

13 CHAIRPERSON RIVERA: I understand. So, with the  
14 announcement of the, the formation of the Rikers  
15 Island Interagency Taskforce through Executive Order  
16 16, it states that the Department of Corrections  
17 efforts will be enhanced by the full commitment of  
18 City Hall leadership and all relevant city agencies.  
19 However, you know it appears that DOC is not part of  
20 the taskforce and clearly you're a very, very  
21 relevant agency. So, what is the Boards position on  
22 the Interagency Taskforce? Is it concerning that the  
23 Board has been excluded and have there been any  
24 updates since then?

25

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

310

1  
2 AMANDA MASTERS: Uhm, I haven't heard any updates  
3 with regard to the composition of that group. I also  
4 thought it notable that the Correction Health Service  
5 didn't seem to be in the mandatory list. But I'm not  
6 aware of what plans City Hall has to expand the list  
7 of invitees.

8 CHAIRPERSON RIVERA: Well, we don't have a ton of  
9 info ourselves. It was announced without  
10 notification to the Council, from what I understand.

11 Can you describe how additional resources would  
12 enhance oversight efforts of the Rikers Action Plan?

13 AMANDA MASTERS: Additional resources to whom?

14 CHAIRPERSON RIVERA: To you all.

15 AMANDA MASTERS: Well -

16 CHAIRPERSON RIVERA: And also to - well, in  
17 describing addition resources to enhance the  
18 oversight effort. Some of the stuff that you've  
19 mentioned to me in the past include: Having someone  
20 with medical expertise. So, that way you can better  
21 conduct investigations in a timely manner. So, just  
22 generally, I know that you've gone over some of what  
23 the enhancements could be and should be but is there  
24 anything else you want to mention?

25

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

311

1  
2 AMANDA MASTERS: Yeah, I think the three areas  
3 that I tried to highlight today, most importantly  
4 getting more boots on the ground and human beings out  
5 into the jail facilities to enforce our minimum  
6 standards and to problem solve in real time is  
7 critical and I think over time, if we can get that  
8 staffing level up to where it ought to be, it will  
9 make a real difference in peoples lives.

10 Uhm, the medical review part, I think would  
11 enhance our ability to have conversations you know,  
12 part of what we're doing is after a death, convening  
13 the department and the correctional health service  
14 together to sit in a room or in a Zoom and talk to  
15 each other about what happened and what went wrong  
16 and what could be better to prevent future deaths.  
17 And uhm, you know I think without having medical  
18 expertise at our hands, uhm, it's harder to lead that  
19 kind of a conversation, so I think it would uhm, I  
20 think it would improve the dialogue with Correctional  
21 Health Service if we had some of that expertise  
22 onboard.

23 And it would be independent expertise. You know,  
24 I mean right now we rely a lot on outsiders to tell  
25 us what the medical records mean. And the visiting

1  
2 staff uhm, you know I think that a lot of the  
3 complaints that the public defenders hear and the  
4 advocates hear from their clients, uhm, especially  
5 when their family or their parents are incredibly  
6 stressed out about what's happening to them or not  
7 knowing what's happening to them or thinking a  
8 certain thing is happening to them and not being able  
9 to get answers, uhm, I think a lot of that can be  
10 mitigated if we have better connections between the  
11 outside and the inside. And if we help more people  
12 get their restrictions lifted, so that their mom can  
13 come visit them or you know they are able to see  
14 their children or their significant other does get to  
15 talk to them more and there's more open flow of  
16 communication with people. I think that that helps  
17 bring down the temperature a bit and I think it's  
18 really important that we do more of that.

19 CHAIRPERSON RIVERA: Well, I certainly hope uhm,  
20 we can pass a budget that reflects the needs of the  
21 board with regard to you know, your very important  
22 role of monitoring and overseeing, oversight,  
23 especially of the Rikers Action Plan.

24  
25

1  
2       So, I just want to thank you for being here and  
3 answering our questions and appreciate our  
4 partnership. Thank you Mr. Chair.

5       COMMITTEE COUNSEL: Thank you Chairs. We have  
6 questions from Council Member Brewer.

7       SERGEANT AT ARMS: Starting time.

8       COUNCIL MEMBER BREWER: Thank you very much and I  
9 can say that we're all benefiting from your  
10 leadership Ms. Masters.

11       The first question I would have, I don't know if  
12 the Board takes positions on what is the public press  
13 issue of more staff, less hiring from the Correction  
14 Officers, you know money for overtime etc.. Do you  
15 get involved in those issues or is it mostly focused  
16 on minimum standards as you have outlined so  
17 articulately?

18       AMANDA MASTERS: You know we do have the  
19 obligation under the Charter to look at everything  
20 performance-wise with the Department. But I think  
21 that as we're going through this crisis and seeing  
22 what we're seeing in the jails, that the most  
23 important thing is to get to a place where we can  
24 enforce our minimum standards. Where emergency  
25 executive orders are no longer in place, which

1  
2 overturn some of our standards and make them  
3 impossible to enforce.

4 Uhm, but the getting back to basics of having a  
5 humane baseline in place for people and the ability  
6 to move forward on the RMAS reforms to get to a more  
7 humane kind of restrictive housing, are very  
8 important. Uhm, and we want to support you know  
9 Commissioner Molina's genuine desire to implement  
10 RMAS.

11 COUNCIL MEMBER BREWER: Okay, the other question  
12 I have is, obviously the medical appointments have  
13 come up a lot. You have a couple of doctors on your  
14 Board and you - do you see any change in that issue?  
15 Because obviously it is a situation of life and  
16 death, not to mention the need for health care. So,  
17 you've got mental health, you've got physical health,  
18 you know you shouldn't have to use your staff to get  
19 people to the appointment. That should be done by  
20 the Department of Correction. Obviously, you're  
21 helping do it. Do you see any improvement in that  
22 area or what would you suggest?

23 AMANDA MASTERS: Uhm, I'm not sure. You know I  
24 think that Board has always played a role in helping  
25 people get to medical and we have a set of

1  
2 regulations about access to medical care. And you  
3 know when I was here last time and before then, I  
4 know that the staff play a critical role in helping  
5 people who need to get attention from the clinic get  
6 it or helping educate the clinic about what's  
7 happening in the housing areas.

8       So, I hear what you're saying, you know they  
9 should be able to do it themselves but I think that  
10 in a system as large and complicated and multilayered  
11 as the one that we have, there is I think a permanent  
12 role for a sort of ombudsman, helper person out there  
13 who sees things with fresh eyes and can point things  
14 out to people in the jails about what someone's needs  
15 may be. And I think it's important to have those  
16 fresh eyes all the time.

17       COUNCIL MEMBER BREWER: Well, that's true you  
18 definitely need more staff because I can't think of  
19 anything more important and the same education.  
20 That's one of I assume of your discussion points, and  
21 do you see any improvement there? We heard from the  
22 Commissioner that there is an improvement hopefully  
23 with online GED, blah, blah, blah. So, I just didn't  
24 know if that's something that you are also paying  
25

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

316

1  
2 attention to with such a small staff. I mean, it's  
3 just tiny.

4 AMANDA MASTERS: Yeah. Uhm, you know detailed  
5 data on actual attendance in school is not something  
6 that I have. Uhm, I know that many of our board  
7 members are very focused on that issue and when they  
8 go out to the jails to visit people they look more  
9 closely at who's actually getting to school and what  
10 the school situation is like. If I had one of them  
11 with me right here, I'm sure he could give you a lot  
12 more information than I can.

13 COUNCIL MEMBER BREWER: Okay, thank you very  
14 much.

15 COMMITTEE COUNSEL: I'll turn it back to the  
16 Chairs. Council Member Brewer was the only one with  
17 questions.

18 COUNCIL MEMBER BREWER: I'm done.

19 CHAIRPERSON BRANNAN: Chair Rivera.

20 CHAIRPERSON RIVERA: I'm also done Chair Brannan.  
21 Thank you.

22 CHAIRPERSON BRANNAN: You're good, okay.  
23 Executive Director Masters, we appreciate your time  
24 and we look forward to working with you as we move  
25 forward here.

COMMITTEE ON PUBLIC HOUSING JOINTLY  
WITH THE COMMITTEE ON FINANCE

317

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

AMANDA MASTERS: Thank you.

CHAIRPERSON BRANNAN: Thank you. Okay, with that I will close out this I think 9<sup>th</sup> day of Executive Budget Hearings. Uhm, thank you Chair Rivera. Thank you to all the Chairs who joined us today and we will see you tomorrow. This meeting is adjourned.

[GAVEL]

C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date July 15, 2022