

COMMITTEE ON PUBLIC HOUSING JOINTLY
WITH THE COMMITTEE ON FINANCE

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CITY COUNCIL
CITY OF NEW YORK

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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

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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

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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

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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

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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

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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 25th, the public portion of this hearing will be held. Again, that's Wednesday, May 25th. 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

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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.

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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
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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.

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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.

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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 23rd, 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,

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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?

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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

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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,

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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.
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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

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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.

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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

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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
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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

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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

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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.

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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-

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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

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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
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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?
25

COMMITTEE ON PUBLIC HOUSING JOINTLY
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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

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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

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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

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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

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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.

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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

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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.

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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

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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.

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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

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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

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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

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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

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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

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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

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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

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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

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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
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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
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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.

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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

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

4 SERGEANT AT ARMS: Time.

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

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

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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

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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

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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?

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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

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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

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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

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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
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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 4th. 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.

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WITH THE COMMITTEE ON FINANCE

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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, 82nd 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
3 And I'm wondering, is that also part of what your
4 dollars for technology are? And then vacancy data,
5 that's obviously one of the big issues, vacant
6 storefronts. So, are you supportive of the
7 Department of Finance? Keeping that up on real time?
8 And thank you very much Commissioner and I'm sorry I
9 have to talk low but the funeral on going.

10 KEVIN D. KIM: Uhm, so let me just trying to get
11 to just quickly writing down all your questions,
12 sorry.

13 COUNCIL MEMBER BREWER: The lawyer, lawyers.

14 KEVIN D. KIM: Okay, lawyers, yes. So, the CLA
15 program, we had referred to it before. It has \$5
16 million allocated in the budget and we - I wanted to
17 give you numbers historically on how many people
18 we've served but I believe it was 1,600 services to
19 over 700 last year alone, Fiscal Year '22. And then
20 from the programs launch in February 2018 till April
21 '22, we served over 1,500 unique businesses and
22 provided over 3,200 services.

23 So, I think if you extrapolate those numbers, I
24 think that we are looking in Fiscal Year '23 to
25 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.

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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?

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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?

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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 OSSÉ: 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
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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 36th 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.

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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.

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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 9th 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
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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 25th. Everyone's voice matters and
18 I encourage all New Yorkers, particularly NYCHA
19 residents to please visit 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,

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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
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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

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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

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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 23rd,
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.
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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.

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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.

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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

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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

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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

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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

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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.

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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
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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?

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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?

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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

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

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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

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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
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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.

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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

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

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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.

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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.

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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

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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.

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

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

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

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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.

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1 CHAIRPERSON AVILĚS: Okay so -

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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

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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.

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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
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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
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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

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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

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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

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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

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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

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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

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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 5th
11 floor, it will break on the 7th 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?

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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.
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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

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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

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

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

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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

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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

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

5 SERGEANT AT ARMS: Time expired.

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

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

11 COUNCIL MEMBER KAGAN: Thank you.

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

16 SERGEANT AT ARMS: Starting time.

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

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

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

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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

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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

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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

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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.

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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

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2 billion or whatever it is, it's going to go to RAD
3 and PACT programs, not to the rest of NYCHA, which is
4 the overwhelming majority because we have a closet
5 republican conservative mayor with an austerity
6 budget, Mayor Cop I call him is that why is it that
7 only it goes to the RAD and PACT program. More
8 pushing toward privatization of property management
9 sir. Privatization of property management. Tell the
10 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.

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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.

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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

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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.

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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?

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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

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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 3rd 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.

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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.

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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.

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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
2 with you Chair that I wouldn't be surprised if more
3 and more tenant associations and residents opt into
4 RAD if the process is like that. But I am currently
5 going through the Northwest funding. We are in
6 current conversations and I have buildings in my
7 district. There's 3,500 residents are going to be
8 effected by this Northwest Bronx RAD bundle and
9 buildings in our districts that don't have TA's and
10 I'm not getting the work from NYCHA in terms of the
11 outreach. We have folks that have no idea what RAD
12 is and we're months into the process. We received
13 the RFVI's. We're in this, right and NYCHA is you
14 know what I hear from the team is, we're marching
15 toward a goal of selecting developers this summer but
16 there are residents in these buildings that have no
17 idea what's going on. I'm against that kind of
18 conversion. I'm against RAD if my residents are not
19 involved. So, first, sure, yes, Fulton, Chelsea,
20 Elliot was great but the kind of resources that were
21 put into that process are not being put into other
22 places and that is very frustrating to me and very
23 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

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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

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

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

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

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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 mangers, 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

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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.

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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

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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.

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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 9th 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

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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.

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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 3rd portion of our 9th 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,

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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 21st 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

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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 3rd
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

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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.

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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.

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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 21st 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.

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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

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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

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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 15th 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

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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 15th, 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

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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 13th. 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
2 through not only correction officer classes but we'll
3 have to put in classes for our supervisory ranks as
4 well.

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.

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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.

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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
2 those individuals might have fallen out of favor with
3 a gang in that's in that housing unit.

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?

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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.
7

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 20th and Saturday, May 23rd respectively?

11 LOUIS MOLINA: So, May 20th, yeah, so May 20th,
12 the number was 1,120.

13 CHAIRPERSON RIVERA: And Saturday the 21st?

14 MELISSA GUILLAUME: So, the numbers that we have
15 for May 20th here, uhm, it was 1,060 employees were
16 out sick. And on the 21st, 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,

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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

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1 Council Member Stevens, Ayala and Brewer and others
2 but we'll first turn to Powers.

3 COUNCIL MEMBER POWERS: Thank you.

4 SERGEANT AT ARMS: Starting time.

5 LOUIS MOLINA: Hi Council Member.

6 COUNCIL MEMBER POWERS: Hi Commissioner. How are
7 you doing? Nice to see you. Thanks for the
8 testimony. I'm just going to jump in. I want to
9 start with the staffing increases and new needs on
10 staffing, especially when it comes to RMAS, which I
11 think is the reason you're asking for staffing. Can
12 you - I heard your explanation earlier. Can you just
13 kind of re-walk us through again the need for new
14 staffing mayor and why there is such a need for
15 staffing increase in the new units that you guys have
16 created? Obviously that's something we have been
17 pushing for but understanding why there's such a
18 need for new staff there.

19 LOUIS MOLINA: Sure, so as you may have
20 remembered and I know you visited the Island many
21 times. Originally, under the prior leadership, the
22 RMAS is going to be operationalized at NIC, which
23 eventually would have meant putting individuals not
24
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

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2 But I guess my one question is, does that 6th
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.

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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.

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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

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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

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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?

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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

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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

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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 and you mentioned you know rolling out the end of
2 that model in other parts of your jurisdiction. Can
3 you talk about how you are doing that and what the
4 timeline might be for ending gang affiliated housing
5 you know department-wide?
6

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

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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 1st and then you know, the 578 comes
11 in July 1st, 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

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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.

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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

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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
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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.

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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

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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.

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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 13th 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 23rd, 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 23rd data, indefinite sick number in total was 748 for May 23rd.

COUNCIL MEMBER HANIF: This is long-term sick?

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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 23rd, 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.

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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

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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.

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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.

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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

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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.

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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

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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

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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
2 not reasonable to expect each of our staff out in the
3 jails to monitor conditions for 684 detainees a
4 piece. It's not going to get us where we need to be.
5 We need more staff in the jails doing this work.

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

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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

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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

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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.

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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 6th. 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

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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.

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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?

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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?

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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

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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.

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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
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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.

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AMANDA MASTERS: Thank you.

CHAIRPERSON BRANNAN: Thank you. Okay, with that I will close out this I think 9th 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