CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE JOINTLY
WITH THE COMMITTEE ON AGING
AND THE COMMITTEE ON CULTURAL
AFFAIRS, LIBRARIES AND
INTERNATIONAL RELATIONS
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May 26, 2026
Start: 10:04 a.m.
Recess: 4:00 p.m.

HELD AT: Council Chambers - City Hall

B E F O R E: Linda Lee,
Chairperson for the Committee on Finance

Susan Zhuang,
Chairperson for the Committee on Aging

Nantasha Williams,
Chairperson for the Committee on Cultural Affairs, Libraries and International Relations

COUNCIL MEMBERS:
Shaun Abreu
Shirley Aldebol
Alexa Avilés
Christopher Banks

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

COUNCIL MEMBERS:

Gale A. Brewer
Selvena N. Brooks-Powers
Oswald J. Feliz
James F. Gennaro
Crystal Hudson
Virginia Maloney
Christopher Marte
Darlene Mealy
Frank Morano
Mercedes Narcisse
Lincoln Restler
Justin E. Sanchez
Lynn Schulman
Shanel Thomas-Henry
Nantasha M. Williams
Phil Wong

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

Lisa Scott-McKenzie
New York City Aging

Jose Mercado
New York City Aging

Diya Vij
DCLA

Dennis Walcott
Queens Public Library

Karen Sheehan
Brooklyn Public Library

Tony Marx
New York Public Library

Brad Hoylman-Sigal
Manhattan Borough President

SERGEANT AT ARMS: Testing, testing. This is a mic check for the Committee on Finance, joint with Aging and Cultural Affairs, Libraries and International Relations, in the Chambers on May 26, 2026, by Pat Kusner.

SERGEANT AT ARMS: Mic test, mic test for the Committee on Finance, joint with— Aging and Cultural Affairs, Libraries and International Relations, here in the Chambers on May 26, 2026, by Pat Kuzna.

SERGEANT AT ARMS: Good morning. Welcome to today's New York City Council Executive Budget Hearing for the Committee on Finance, joined with the Committee on Aging and Cultural Affairs, Libraries, and International Relations. Please silence all cell phones and electronic devices moving forward. No one is to approach the dais. Chairs, we are ready to begin.

CHAIRPERSON LEE: Great. Thank you. [GAVEL] Good morning and welcome to the first day of the fiscal 2027 Executive Budget Hearings. I'm Council Member Linda Lee, and, uh, today's hearings will begin with Department for the Aging, followed by the city's library systems and the Department of Cultural Affairs.

I am pleased to be joined by my colleagues, Council Member Susan Zhuang, Chair of the Committee on Aging, and we are also joined by Council Member Schulman, Councilmember Brewer, and I think that is it for now.

Um, so I wanna welcome— welcome to Commissioner Dr. Lisa Scott-McKenzie and your team. Thank you all for joining us today to answer our questions. Um, on May 12th, 2026, the Administration released the Executive Financial Plan for Fiscal 2026 to 2030 with a Proposed Fiscal FY27 Budget of $124.7 billion. The Department for the Aging proposed Fiscal 2027 Budget of $577.1 million represents less than 1% of the Administration's Proposed FY27 Budget in the Executive Plan. This is an increase of $3.6 million or 0.6% from the $573.5 million originally budgeted in the Fiscal '27 Preliminary Plan.

Uh, this increase results from several actions, mostly due to additional fundings to support indirect cost rates for human service contracts. As of April 2026, DFTA's headcount was 304, which is 39 positions less than their Fiscal FY '26 budgeted headcount. In the Council's Preliminary Budget response, we called on the Mayor to add $2 million to DFTA's Budget to

continue one-year funding for a Council priority that was included in Fiscal '26 for case management services.

We also called on the Administration to provide additional metrics in the Mayor's Management Report on the demand for types of meals distributed at our older adult centers and further details on the meal distributions of our home-delivered meals and case management metrics on the level of assistance provided.

Further, in our Preliminary Budget hearing, uh, we called on the Administration to increase city-funded meals for our older adult population in light of H.R. 1 federal funding cuts.

On the Council side, I introduced legislation which would expand home-delivered meals for solely— for solely weekdays, 7— to 7 days a week, as food assistance for our older adult population should not be restricted to just business days. We were disappointed to see that our request was not included in the plan. Um, and so we look forward to, uh, listening to your testimony and hearing your thoughts on many of these things that we've brought up.

And I will now turn it to my Co-Chair for this hearing, Council Member Susan Zhuang, for her opening statement.

COUNCIL MEMBER ZHUANG: Thank you, uh, Finance Chair. Ahem. Good morning, everyone. My name is Susan Zhuang. I serve as the Chair of the Committee on Aging. It's my honor to Chair my second budget hearing as Chair on Fiscal 2027 Executive Budget for New York City Department for the Aging, also known as NYC Aging. Thank you to NYC Aging's Commissioner Lisa Scott-McKenzie for joining us. Thank you to the older adults, advocates and the community members who have joined us today.

I will keep my comment here brief and request that the Commissioner keep her oral testimony brief so we can move on questions for Council Members. I'd like to continue my new tradition in the Aging Committee where each hearing will show some pictures. Those pictures from senior OAC centers, which is one of them I actually personally visited there. Uh, that's a condition in some senior centers, which is terrible. Um, it's essential that NYC, uh, New York City government both in Council and at NYC Aging come face to face with real issues older adults are

dealing with. They affect, affect older adults living every day. Every day, older adults and the people who serve them are forced to exit in these conditions. We must hold all agencies accountable. Older adults and older adult provider networks have faced challenges in the past few years due to pandemic, budgetary constraints, as well as inflation and all the increased cost of living.

I look forward to working collaboratively with providers and the Administration to help the city's 1.8 million older adults overcome those challenges. NYC Aging has a critical role to play in assisting the meeting the needs of older adults and collaborating with the provider network and the Council to harness best practice and create innovative approaches to best serve our city's growing population of older adults.

NYC Aging's Fiscal 2027 Executive Budget is $577.1 million, which is $3.6 million more than the Fiscal 2027 Preliminary Budget. Additionally, the Executive Budget is $28.4 million less than Fiscal 2026 adopted budget.

As the Council’s discretionary initiative funding is not yet included in Fiscal 2027. Despite serving

almost 20% of the city's population, NYC's budget continues to account for less than 1% of the city's overall budget, which is probably only 0.6%, which is simply not sufficient to meet the needs of older adults in the city. The Executive plan includes one new need, which adds $4.2 million to baseline budget starting in Fiscal 2024 to more accurate b-but— budget for expected cost for the indirect cost rate for human service contract, but none of the direct service or program for older adults.

The other adjustments in this plan were modest, which $2.6 million added in Fiscal 2026 and $2.4 million in Fiscal 2027 savings indicated in the plan total $7.9 million in Fiscal 2026 and $3 million in Fiscal 2027 and in the out years. I'm disappointed to not see deeper investment in older adults in this plan. And as Chair of this Committee, I look forward to working alongside the Administration to come up with new ways to create, fund, and implement expanded service for older adults.

NYC agency capital commitment plan, the smallest in the city, total $55.8 million over Fiscal 2026 to 2030, a decrease, a decrease of 26.5% when compared to the Preliminary Capital Commitment Plan, largely

due to the project being delayed and pushed further into the out years. With over 300 older adult centers and, uh, about 60 NORCs in NYC Aging Network, this funding is insufficient to properly address all the infrastructure needs, like this one you see. I believe the capital program could be enhanced to help refurbish centers, improve kitchen, and connect older adults to much-needed technology and resources.

In addition, as I've said before, NYC aging should advocate for additional capital funding to be added in HPD's budget to create more affordable older adults housing units across the city. This is a big priority of mine as older adults are struggling with raising rent and lack of access— accessible, affordable, older adult-friendly units across the five boroughs.

In today's hearing, we would like to get a deeper understanding of NYC agency expenses and the capital challenge included in the Executive Plan, as well as the impact of key agency services. Including case management, home-delivered meals, and other center programs.

Additionally, I would like to learn more about potential impact and the decision-making process that

went into saving that were included in this plan. While we know all agencies were required to find savings to close the budget gap, I'm concerned about the impact on older adults in our city. I would like to thank Committee Staff who have helped prepare this hearing: Saiyemul Hamid, Senior Financial Advisor— uh, Analyst; Julia K. Haramis, Assistant Director; Christopher Pepe, Senior Legislative Counsel; Hannah Kohn(SP?), Legislative Counsel; Joshua Newman, Policy Analyst; and my amazing staff includes Marquis McKinley, Director of PR, and Jennifer Thorpe-Moscon(SP?) Director of Budget and Legislation.

I now turn back to Financial Committee Counsel to administer the oath to members of the Administration.

CHAIRPERSON LEE: Great. Thank you, Chair. And then also, before we move on, we've been joined by Council Members Aldebol and J. Sanchez. Um, so thanks for being here. And I personally can attest to how important the CDBG and capital grants are for kitchen renovations and all the things that OACs need. So we got to figure out how to get more funding for that in the pipeline, so thank you.

Um, and before we get started, I'd like to take a quick moment to also thank the entire Council Finance

Division staff for their efforts preparing for these hearings. Um, and as, uh, Chair Zhuang already mentioned, um, Julia Haramis, uh, Saiyemul Hamid for today's hearing, Committee Council staff Brian Sarfo, my Senior Advisor Athena Tse, and all the Finance Analysts and support staff who make it all work.

Um, and as a reminder, for this year's Executive Budget joint hearings, we will take public testimony on all agencies' Executive Budget on Wednesday, June 10th, beginning at 9:30 AM. Um, and I will now turn it over to our Committee Counsel to swear in the witnesses for their testimony.

COMMITTEE COUNSEL: Good morning. Do you affirm to tell the truth, the whole truth, and nothing but the truth before this Committee and to respond honestly to Council Member questions Commissioner Dr. Scott McKenzie?

LISA SCOTT-MCKENZIE: I do.

COMMITTEE COUNSEL: And— oh, CFO Mercado?

JOSE MERCADO: I do.

COMMITTEE COUNSEL: You may begin.

LISA SCOTT-MCKENZIE: Good morning, Chair Zhuang, Chair Lee, and Members of the Committees on Aging and Finance. I am Dr. Lisa Scott-McKenzie,

of the New York City Department for the Aging— New York City Aging. I am joined this morning by Jose Mercado, our Chief Financial Officer. Thank you for this opportunity to discuss New York City Aging's Executive Budget for Fiscal Year 2027, FY '27.

Over the past 3 months, I have become acclimated to this role as Commissioner for New York City Aging. Every day, I see the incredible work that staff at this agency and throughout our network of community-based nonprofit providers complete as they deliver vital services to nearly 2 million New Yorkers over the age of 60.

Today we are discussing the Administration's executive budget during May, which as you may know is Older Americans Month. This month is a national time to acknowledge and promote the contributions of older adults in our society and throughout the many communities represented in New York City. It is also an opportunity for us to affirm our commitment as the largest area agency on aging in the United States to provide aging services and make New York City a truly age-inclusive community.

This year's theme for Older Americans Month is Champion Your Health, and I am so excited to be a

part of New York City Aging's commitment to older adults and their health, well-being, and dignity as we meet the growing needs of New York City's quickly approaching 2 million residents over the age of 60.

Through my previous work at the New York City Health and Hospital System, I became keenly aware of the many ways an older adult's health needs are affected by outside forces, whether that is based in food insecurity, escalating housing costs, or persistent inequality in our communities. To support this important work, our FY '27 Executive Budget projects $577.1 million in funding of which $472.2 million is in city funds, with funding for a headcount of 343 staff. This includes allocations to core programs you are all familiar with, including $263.6 million to support older adult centers, $81.1 million for home-delivered meals, and $57.6 million for case management.

The work done by OACs HDM programs and our CMA providers combat poverty and financial insecurity while also connecting older adults to in-home services which address their needs when struggling with activities of daily living. There are also allocations of $47.2 million to support home care for

homebound older adults who are not Medicaid eligible and $16.8 million for NORC programs.

Finally, $15.4 million for caregiver services supporting the 1.3 million caregivers and their care receivers in the city. And $7.3 million for transportation services allowing older adults to be connected to community centers, houses of worship, shopping, and medical appointments. As this Administration has made clear, there are key challenges in the city financially, and New York City aging is always prepared to prioritize the needs of older adults and our core aging services while limiting the impacts of these challenges.

Nonetheless, we are still keenly aware of these challenges, which have been exacerbated by changes to the federal landscape and the need for continued and increased investment from the state to support the growing number of older adults throughout New York. We also continue to advocate that our state and federal partners share the financial responsibility of serving older New Yorkers living in the city.

Since our Preliminary Budget in March, we have achieved some notable milestones, and I had recent successes that we'd like to share with you today.

Beginning in my second week at New York City Aging, I began visiting OACs as part of an engagement tour with the goal of visiting every OAC and NORC within the New York City Aging Network. In some cases, you have all joined me for these engagement tours. These are not just meet and greet or photo— meet and greets or photo ops. These are meant to be hands-on reviews of center status and function so we can better understand from the providers and center directors what their real needs are in running these facilities and what New York City Aging can do to improve services.

I have observed staff serving meals, teaching continuing education courses, dance classes, music, intergenerational programming, and exercise classes at over 32 centers to date. And, uh, I just want to mention that I appreciate the photos, but in person when we go out, we have completed at those 32 centers 60 Just Do It's so far. And these are repairs where we find minor issues like painting, or there may be a minor leak, or some issue that we can address very quickly so that we do improve conditions when we go out to these sites.

In early March, we hosted the 2nd annual Talent Connect Hiring Hall with Brooklyn Borough President Antonio Reynoso at the Brooklyn Public Library. This hiring hall connected 800 older adult job seekers with employers, work— workforce training partners, and community partners in our continued effort to ensure that we promote a viable workforce after 60. We know that more older adults are working after 60 and more older adults have the experience and talent to contribute to the workforce for longer.

Events like this one and how we turn that commitment into action, connecting real people with real opportunity in real time. We are so proud of the great impact this event had on older New Yorkers. Also in March, we hosted the second annual Plant Forward Cook-Off, where chefs from our exceptional network of providers competed against one another for the best plant-forward meal served at OACs throughout New York City. This year's top winner, Korean Community Services Corona OAC, made an incredible vegetable bibimbap, which really stole the show.

The second and third place finalists were the Council of Peoples Organization Halal OAC with the chickpea curry medley, and the Bronx Works Morris OAC

with the Dominican vegan sancocho. This was an impressive way to show that meat isn't always the key to a tasty dish, and a little competition is a good thing.

Finally, as I mentioned in the Preliminary Budget Hearing on March 12th, we were so excited to launch the citywide campaign to reach New York City's family caregivers. Across New York City, many residents provide daily care for a parent, spouse, grandchild, family member, chosen family, friend, or neighbor. Yet many individuals who provide this care do not identify themselves as a caregiver and as a result do not realize they qualify for services designed to support them. This multimedia campaign titled "You Care for Them, We Care for You" is aimed at raising awareness with the nearly 1.3 million formal and informal caregivers in the city.

We are thrilled about these recent successes and some key programs supported in this Executive Budget, which shape our core services and improve the lives of older adults in New York City.

We know that a common denominator of challenges faced by many older adults today is food insecurity and the needs for increased nutrition resources among

vulnerable populations. As I've said in the past, access to food and meals provision at New York City Aging are part of those meat and potatoes issues— pardon the pun— which are fundamental to supporting the lives of older adults.

Two of NYC Aging's core services are OACs and the HDM program, which are intrinsically connected to providing meals and nutrition assistance to older adults. These are essential services for healthy living and preventing the social isolation that affects older adults at a very basic level. We continue to hit milestones in meal delivery with a current record of more than 10 million meals served to older New Yorkers throughout the 5 boroughs. This includes 6.1 million meals served at the 300+ OACs in the network and 4.2 million meals delivered by our HDM providers.

We are pleased to share that we are on track to match that number again in the new Fiscal Year. Additionally, New York City Aging is continually evaluating our efforts and exploring areas for improvement. While workforce programs continue to be a way for older adults to avoid long-term poverty, meals programs are a lifeline to older adults

struggling with financial and food insecurity. This includes enhancing meal options for recipients, embracing the diversity of our city by increasing the availability of culturally aligned meals, and promoting uniformly high-quality and nutritious meals.

These have been key improvements to service and our providers that we have met through partnership between this Administration and Council leadership. We are so excited about our current caregiver campaign because, as we have said in the past, the number of older adults in New York City will continue to grow, and it is imperative that we grow the community support systems which allow older New Yorkers to age in place. We do this through home care and caregiver services, which great— greatly serve those who are homebound or in need of additional supports. Home care services are provided through Medicaid reimbursement, and for those who do not qualify for Medicaid programs through the expanded In-Home Services for Elderly Persons program, where case management hours are reimbursed to providers. Without this, ISEP clients are at a disadvantage when Medicaid home care workers are

incentivized to take on those clients because the pay is higher.

There is no distinction between ISEP and Medicaid home care workers. They are primarily women of color and this exacerbates inequality because of the salary. Currently, the home care program at New York City Aging is projected to be funded at $47.2 million for FY '27. Many older adults are caretakers or caregivers who also have full-time jobs. The caregiver program offers options for respite care through home care or participation in social adult daycare. We know that the cost of maintaining an older adult in institutionalized care is far higher when compared to the cost of community care options such as supporting caregivers.

In FY27, funding for the caregiver program is $15.4 million. Caregiver supports positively impact the health and well-being of older adults while aligning the cultural background of the individual. This is why community care is so incredibly important to the future of older New Yorkers.

As New York City's population ages rapidly, ensuring older adults can age in place is paramount. Naturally occurring retirement communities are a

vital piece of the community care puzzle. Through contracted providers, New York City Aging currently funds 36 NORCs across the city, delivering essential social services directly to where older adults live. NORC programs are uniquely positioned within people's homes and communities, offering services distinct from traditional older adult centers.

Currently, the NORC program is funded at $16.8 million in New York City. Because they are embedded in the community, NORC staff provide vital health care management to address long-term housing issues. These are key interventions that prevent older adults from being forced into institutional care. Maintaining and expanding NORC funding is essential to our shared goal of making New York a truly age-friendly city, and we welcome your continued advocacy and investment in these critical community anchors.

I continue to be proud of the great work that NYC Aging and our providers accomplish with our resources. This past year has shown where New York City Aging is prepared to prioritize vital programs that truly meet the needs of older New Yorkers and continue to advocate for innovations in aging

services which look to the future. Even in the face of challenges, we continue to be good stewards of public dollars. We are grateful to the Chairs and Committee Members for your ongoing advocacy and continued partnership to support older New Yorkers.

I also want to take an opportunity to invite you all to join us on May 27th for National Older Adult Health and Fitness Day in Foley Square. Once again, we will gather with more than 1,200 older New Yorkers to take part in instructor-led flexibility exercises, movement-based self-expression, dance at any age as a form of exercise, and laughter yoga designed to bring more oxygen to the brain, which makes us all feel more energetic, energetic and healthy in our daily lives. We appreciate your dedication and advocacy to older adults and would love to see you there. Thank you for your time today. Mr. Mercado and I are happy to answer any questions.

CHAIRPERSON LEE: Great. Thank you. And I'm so excited to hear that KCS got first place for the bibimbap. That's so exciting.

LISA SCOTT-MCKENZIE: Yes.

CHAIRPERSON LEE: Um, and the food is really good. And I'm not gonna lie, even like within KCS

staff, we would sometimes have little competitions between the Flushing and Corona Senior Center, which I know is probably not good, but they're both amazing, um, cooks there that work really hard. So, um, okay, uh, we've also been joined by Council Members Marte and Mealy. And with that, I will start off with questions that actually came out of our roundtable meetings that we had with some of the providers around the budget. And of course, our favorite topic of contract reimbursement and procurement.

Um, so just a few questions around that topic. Um, you know, as we've heard from many human service providers, um, NYC Aging Network finds the contracting process, um, you know, I think to a lot of them, to groups, to be challenging. And providers have experienced delays in reimbursements, stagnant reimbursement rates, and frequent changes in contracting steps and approvals. Um, and few opportunities to expand services and funding, which pose further challenges to organizations that are already struggling to stretch their limited resources, um, to ensure that the older adults receive, uh, services that they need. And I know

that you share in some of these frustrations as well. Um, and so just wanted to ask, what is the average timeline for reimbursement to providers for the contracts?

JOSE MERCADO: Uh, good morning. It's on average about 2 weeks.

CHAIRPERSON LEE: 2 weeks.

JOSE MERCADO: Now we also by law require— we can actually do it to 30 days, but we average 2 weeks.

CHAIRPERSON LEE: Okay, so from the time they submit their invoices, it's usually 2 weeks. And then if there are issues with the invoices, how long does that process usually go back and forth?

JOSE MERCADO: So usually we do one round, whatever it is. We do one round of back and forth, and after that, when we see the second round, then we just decide to call them and have a conversation over Teams or the phone to avoid the back and because that could just prolong it.

CHAIRPERSON LEE: Okay, perfect. Um, and have there been any major delays due to changes in the agency's data management or the contracting system? And if so, when and what has been done to address this?

JOSE MERCADO: So there have— there has not been delays. We've actually made waivers because we basically had a new client tracking system, which is basically re-platformed. So there have been— we've waived a lot of the extra requirements in order to ensure that payment is done on time.

So there would have been a requirement where there will be, um, documentation regarding clients served, and we decided to actually, uh, allow the providers to submit their own database information to avoid the back and forth.

CHAIRPERSON LEE: Okay. And then just a follow-up on that. So then when it comes to comparing, uh, deliverables and metrics, how do you— how does that work if you're allowing the providers to—

JOSE MERCADO: So we will go back and actually have the providers resubmit all the documentation into our system. So then we would then run the reports and compare those to what was submitted in— with the invoices compared to what's actually in the system.

CHAIRPERSON LEE: Okay. And then

JOSE MERCADO: So we're still going through that process right now. Okay and then do you have an internal team that's designated to look at what the contractors have provided to see if it's sufficient or not compared to the dollar amounts for the contracts?

JOSE MERCADO: Yeah. So we have— that's part of the payment process.

CHAIRPERSON LEE: Okay.

JOSE MERCADO: We have our analysts who basically review invoices compared to the budget. And, well, also Passport does that as well, so.

CHAIRPERSON LEE: Right, no, yeah, I just wasn't sure if that was included in the new system. Okay, um, and when the contracting process changes, what steps does NYC Aging take to ensure that providers are aware of the changes and that they do not cause delays in the process?

JOSE MERCADO: So normally what we tend to do is send out a CFO announcement to all providers that as soon as we— there's some change, we provide that a heads up before actually implementing it. And normally we reach out to certain providers to get

their opinion on that change to see how it affects them.

CHAIRPERSON LEE: Okay. Um, and I'm assuming you collect feedback regarding the process, and if so, what are the major areas of concerns that you've heard also from providers?

JOSE MERCADO: Well, I'm kind of a little, uh, taken aback because normally our— like I said, we normally do payments within 2 weeks. We don't have any delayed payments. So I'm trying to figure out who's actually mentioning this so we can have a conversation and find out what's happening.

We are basically noticing because of the advance process, that many providers have not submitted invoices on time. So that's also been something we've been chasing invoices to make sure they get entered.

CHAIRPERSON LEE: Okay. Let me try to— I'll try to get some more feedback because I, I know that there— I know you're saying 2 weeks, but I know that the feedback we've been hearing from providers is that a lot of times there are delays and so I'm just wondering what the discrepancy is.

JOSE MERCADO: So there could be, for example, there are 2 processes in place. There is the b— there's the what we consider our baseline contract and then there's the discretionary contracts.

CHAIRPERSON LEE: Right.

JOSE MERCADO: So discretionary is always a little late because of the time it gets registered, the time the budget gets approved. But we've done, um, implemented a new process. Instead of having the provider submit one invoice at a time, we'd allow the providers to submit several invoices under one invoice.

CHAIRPERSON LEE: Okay.

JOSE MERCADO: So several months in the one, so it's in order to expedite the payment. So we heard the, we heard the, the issues and concerns providers were having specifically with discretionary, and we actually instituted that just recently to ensure that all this moves faster.

CHAIRPERSON LEE: Okay.

LISA SCOTT-MCKENZIE: Um, I did want to also mention that we have a very open communication loop with our provider network as well, and, um, we do meet with them monthly. We provide updates, and we

also provide them the opportunity to pose questions directly to New York City Aging and our Chief Financial Officer if there are concerns. So, um, sure, please encourage them to let us know if there's something that we can do better.

CHAIRPERSON LEE: Okay, perfect. Um, and then moving on to the older adult, uh, er, ah, capital budgets. Um, and as Chair Zhuang mentioned on the capital budget front, um, as presented in the Executive Capital Commitment Plan for FY '26-'30, um, there's a total of $55.8 million, which is 26.5% less than the total for the same period presented in the Preliminary Capital Commitment Plan.

Um, the agency's planned commitment compromises— uh, comprises 0.05% of the city's total $117.14 billion Fiscal '26 to '30 Capital Commitment plan. Um, New York City Aging already had a very small 5-year capital plan, and why did it see a further decline in the Executive Plan?

JOSE MERCADO: So we, we, so there was a capital target and we moved a lot of the funding in the out years.

CHAIRPERSON LEE: I see, okay, so it's because you're shifting the funding out. Um, and which

funding projects saw the decrease in funding or which ones were shifted out and why?

JOSE MERCADO: A lot of them, a lot of them just moved across the system and rotate the targets. So it would be a lot of projects, renovation projects, purchase of vehicle projects, all those were moved to the out years.

CHAIRPERSON LEE: Okay, and what's the main reason for that?

JOSE MERCADO: It was a budget target.

CHAIRPERSON LEE: Okay. Um, so it wasn't because there were issues with the— 'cause I know the capital process is really cumbersome, so was it issues also with, um, paperwork, providers, what, what, like, what was—

JOSE MERCADO: So part of that is we look at, for example, when we move projects out, is to figure out which projects are gonna basically go first or not. So a lot of it, as we mentioned earlier in a previous testimony, we don't control the, our capital budget. It’s more of a pass-through. So a lot of these projects are actually run by DDC, HUD, EDC. So when they can pick up the project and when they can start it.

So when they start a project, if it's in the out years, we'll move it into the in years to cover the cost.

CHAIRPERSON LEE: Okay. Are you okay with that?

LISA SCOTT-MCKENZIE: Well, it's not unusual, you know.

CHAIRPERSON LEE: No, I know that, but I'm just saying because a lot of our senior centers, I do know that a lot of them are, um, older. Some of them, especially the ones in the NYCHA buildings, are— need a lot of capital improvements. And so I'm just wondering um, what DFTA's plan is to sort of advocate to make sure that these projects are happening on time and instead of constantly being pushed out to the out years, right?

So how can we make sure that a lot of the funding and the projects actually do happen and it's not just a line item on a paper?

LISA SCOTT-MCKENZIE: Well, thank you and we are very strategic about the, uh, projects that are moved out to the outer years. Obviously, if they're ready, shovel ready to go, then those are the projects that you want to fund. If they're still in the design phase and you're not expecting work for a period of

time, it makes sense to, to move the money. But I do wanna say, um, a huge thank you to the Council also for your advocacy and for the, ah, $5 million that you allotted for projects.

Out of that $5 million, we've, ah, had a listing of 55 projects, and out of the 55, 25 of them will be completed by June 30th. And this is, uh, kitchen renovations, bathrooms, minor roofs, uh, purchasing of equipment. So that's very helpful. Um, obviously all of DFTA's money also will go towards some, some of those renovations, the, the monies that we've allotted for renovations and repair. And we'll continue, as we said earlier, to be good stewards of public dollars. And if there are dollars that can be allocated for this or programs such as our minor home repair programs that we can implement more efficiently to be able to serve more older New Yorkers, we will do so.

CHAIRPERSON LEE: Okay, great. Um, and thanks for the clarification, because I know that sometimes when, uh, groups are working on their capital projects, they're— like, the design phase, for example, could be a lot longer than expected, and

there's a lot of approval processes even within that one step.

So, um, it's— it's good to get that clarification. And, um, what's the— what's the breakdown of the capital funding that goes to support the OACs versus what's designated for the agency's infrastructure needs?

JOSE MERCADO: For— so we are a 4-year plan.

CHAIRPERSON LEE: Mhm.

JOSE MERCADO: So currently we have renovations of, ah, $15.1 million. Um, we have for computers $600,000 and for vehicles $1 million.

CHAIRPERSON LEE: Okay. And then also for your— for DFTA's, uh, agency infrastructure needs, if at all?

JOSE MERCADO: Well, um, so we have roughly $2 million set aside for computers, um, and—

CHAIRPERSON LEE: Oh, for your— for DFTA employees?

JOSE MERCADO: Yeah.

CHAIRPERSON LEE: Okay, got it. I thought— I thought you meant OAC's. Okay. Okay, perfect. And then, um, lastly before I turn over to the Chair, just really quickly going into, um, the Mayor's

savings exercise. Um, I know that all agencies were asked to find savings in, um, this year's budget. And so how did, uh, Department for the Aging determine which savings to include in the Executive Plan, and what was the process and what metrics were used to make the assessments?

JOSE MERCADO: Sure. So what we did is, given the fact that we had a new Commissioner, we basically reviewed the full budget with her and looked at opportunities where we can basically streamline, opportunities we can consolidate, and that's kind of— we kind of presented that to the Commissioner, and, and that's kind of where we went from there and looked at other information from our data and so forth.

CHAIRPERSON LEE: Okay.

LISA SCOTT-MCKENZIE: My overarching goal obviously was that we, uh, don't negatively impact any of the services-

CHAIRPERSON LEE: Right.

LISA SCOTT-MCKENZIE: Offered by NYC Aging. And I'm very happy to report that we were able to accomplish this goal.

CHAIRPERSON LEE: And I think the, the positive of having someone new come in is that you're probably looking at things with a very fresh, uh, perspective. So, um, so that's, that's good. And, um, how much in savings were identified and did, um, aging hit its savings target or was the agency permitted a lower target?

JOSE MERCADO: So our overall savings was $2.9 million. Um, we did submit at target, um, but the target was not accepted.

CHAIRPERSON LEE: Okay. Um, and the, wait, the target was— sorry, not accepted or accepted?

JOSE MERCADO: Not accepted.

CHAIRPERSON LEE: Oh, okay. Uh, what was the reason for that?

JOSE MERCADO: Um, decision, I mean, decision was made that it would basically impact the seniors, older adults.

CHAIRPERSON LEE: Okay, and what were the categories again, if you could go a little bit into the breakdown of what was included in the savings?

JOSE MERCADO: So we had, for example, um, 9 vacancies for that's basically one target.

CHAIRPERSON LEE: Mhm.

JOSE MERCADO: Then we also looked at different— we looked at contracts that were outsourced, that were actually insourced, so we insourced that, there's a savings there. We also looked at other programmatic consolidation of contracts, which would not affect any of our seniors.

CHAIRPERSON LEE: Okay.

LISA SCOTT-MCKENZIE: And for the 9 positions, um, as you mentioned earlier, having a fresh eye helps you to look at, uh, some efficiencies that can be gained within the agency. So all of those 9 positions were, uh, low-level staff that, uh, other responsibilities could be picked up by higher-level staff. So we made some, uh, reassignments, and they were vacant positions, so you did not incur any, uh, issues of displacing staff or people being unemployed. So we did, uh, I think a great job in being able to obtain those savings without impacting either staff or older New Yorkers.

CHAIRPERSON LEE: Perfect. No, and that's the most important thing that we were concerned about as well, is we just want to make sure that no— none of the services are negatively impacted. So just to clarify, none of the OACs or older adult centers or

programs saw any decreases in the funding? Okay, perfect. Okay, um, Chair Zhuang.

CHAIRPERSON ZHUANG: Thank you, Chair Lee. Um, for— can you clarify the Capital Commitment Plan? I see there's a huge decrease here in 2026, 2027, '28, '29, and '30. Is that means there's not enough Capital Plan in the pipeline, or why it's decreased significantly?

JOSE MERCADO: So as the Commissioner mentioned earlier, for example, a lot of the projects are not ready, so they've been pushed out. So when they become ready, we will then push them back into—

CHAIRPERSON ZHUANG: So that's gonna change later?

JOSE MERCADO: Yes, it could change next year. That's correct.

CHAIRPERSON ZHUANG: Okay. Okay, and also for the, um— okay, let's go back to OAC questions. With over 300 OAC in New York City, uh, it's critical for— the OAC centers have, like this one, we need to have improved infrastructure improvement. Um, or any additional resources including Executive Plan for equipment or infrastructure repair at OACs?

JOSE MERCADO: S— um, what we do, for example, and I will go back to 26 first. So what we do is we look at— there's a combination of underspending in contracts, and then whenever a provider needs specific— you know, if they need a repair, they need that, we basically then allocate the funding. So that's kind of the process we do.

CHAIRPERSON ZHUANG: Do you have a total amount? What's the plan? Like, a lot of OAC reach out to me saying, um, we need to improve this.

JOSE MERCADO: Right.

CHAIRPERSON ZHUANG: We don't have working elevators. If they come to us, what's the plan? Like, does the city have a plan? How much is your budget for that? Do you guys have a plan?

JOSE MERCADO: So what we tend to do, for example, and we look at what's being underspent and give the providers the authority to spend. So if you can give us who those people are complaining— are basically mentioning these issues, because again, the Commissioner's been going on her tour and she's been looking at these things and the things that are— I forget the term you use, Commissioner— are good to go. I'm gonna use that phrase.

LISA SCOTT-MCKENZIE: Just do it.

JOSE MERCADO: Just do it. So that's kind of what we tend to do. Again, most providers usually reach out to us when they have specific question— issues regarding elevators or something is not working. They come to us, we then evaluate and look at where we can move money to help them out and make sure that it's not health and safety issues. So we tend to make sure that they're health and safety first, and then we provide the funding.

LISA SCOTT-MCKENZIE: Yes, and, and I am aware of many of the sites that I've visited where they did have elevator issues, that those issues have been resolved. So if you have a new list outside of what's being shared with us. I'd certainly like to see it because as, uh, Mr. Mercado mentioned, health and safety are always prioritized. So those just-do it's definitely would have been issues that could have affected health and safety if they were not taken care of. And those are the ones that we prioritize to go first.

So if they're out there and you know of them, please share them because I'd like to address them quickly.

CHAIRPERSON ZHUANG: Is that kind of— from the answer, can I say there's no real capital plan for OACs improvement?

LISA SCOTT-MCKENZIE: No, that would be incorrect. Um, there's several OACs that have capital planning that's ongoing currently. For instance, at our 106 NYCHA sites, we know that there's lots of capital improvements that are taking place for HVAC, for boilers. These are major renovations that may take a number of years.

Um, again, uh, New York City Aging does not have a direct capital plan. We do not, uh, we're not the ones to affect any of these constructions or repairs. We are a pass-through, but when we are aware of any issue that needs to be prioritized, then that is what we do.

So if there are major infrastructure upgrades, definitely, uh, they will be planned and moved out, designed and moved through the process as usual. So yes, there is a plan for repair. All relevant repairs are either in progress or being planned. And if there's any others that you're aware of, we would certainly like to hear about it.

CHAIRPERSON ZHUANG: And also for me, when I go to visit senior centers, I always hear— even, uh, when we do roundtable discussion, always provider always say they have very difficult time to accessing capital funding and they are struggling with addressing, um, all the issues like this one. Um, but it— from the— I understand that you're saying this is not DFTA's— it's not in DFTA's scope. And they— it's going to affect the other agency. And as I know, there's a cabinet for older New Yorkers. How often do you guys meet? And, uh, what's the agenda topic we can find? What's the plan right now?

LISA SCOTT-MCKENZIE: Well, you'll be happy to know that the Cabinet for Older New Yorkers has been revamped, and our first meeting will be June 25th. Um, uh, er, we've also discussed looking at, ah, the, ah, membership to see if there are others that should be added, or maybe additional, um, interest that should be added so that we can, uh, better, uh, cover the needs of our older New Yorkers. But the Cabinet for Older New Yorkers does, as law, as you know, contain certain specific members, and we're looking to boost the membership by having even greater interagency collaboration.

CHAIRPERSON ZHUANG: And I remember in the last hearing I asked Tim, can we have a list of people from each agency work specifically for the cabinet for older adults? Can you also provide the list for us and also to Council Members we can share with our OACs?

LISA SCOTT-MCKENZIE: Oh, absolutely. I know the law does mention some of them, and I know that we've also submitted it at least once, but we are happy to do it again.

CHAIRPERSON ZHUANG: And that—

LISA SCOTT-MCKENZIE: It's also on our website.

CHAIRPERSON ZHUANG: The website, yes, I went to the web— website. The website you collect is linked to the agency. There's no particular person we can talk to. Basically, when our, um, OACs have issues, they feel they are calling 311, which sometimes no one ever answer to them.

LISA SCOTT-MCKENZIE: Mhm.

CHAIRPERSON ZHUANG: It's very hard for OACs navigate the system. They don't know where to go.

LISA SCOTT-MCKENZIE: Well, thank you.

CHAIRPERSON ZHUANG: So if we can have the direct contact provide to us and we share with our OACs,

that will be much easier for our OACs, and we are really appreciate that.

LISA SCOTT-MCKENZIE: And we will definitely do that. As you know, it's usually the agency head, and of course we've had some turnover in agency heads over the last few months or so, but we'll make sure that an updated list is available, and the agency head would decide on the liaison. So if there's a liaison that's appointed it as well, then we will definitely make sure you get that.

CHAIRPERSON ZHUANG: If you guys haven't set up the topic for June's meeting—

LISA SCOTT-MCKENZIE: June 25th.

CHAIRPERSON ZHUANG: June 25th meeting, I will have a suggestion for older, um, adults' housing issue, because it's a priority for me and also for a lot of Council Members. Um, from the information we know, SARA program It's very difficult. Yes, there's senior housing in the pipeline for right now, next 4 years, but it is very hard to apply additional SARA program to build more senior housing. That is a big concern in senior advocate groups and also in the community. Everyone worried if SARA is gone, what's next?

So I think that's a very important topic. And also for—

LISA SCOTT-MCKENZIE: Can I just say one thing?

CHAIRPERSON ZHUANG: Yes, yes. Thank you for sharing that. Obviously it is one of our top priority items as well. Um, everyone has heard me say that there are 4 top items: food insecurity, obviously, affordable housing, uh, access to quality health care, and safety. So definitely it would be the theme, one of the themes that we'll cover during the June 25th meeting.

CHAIRPERSON ZHUANG: For Council Members, can we attend your cabinet meeting?

LISA SCOTT-MCKENZIE: Hmm. Well, we'll, we'll take a look and see whether or not, um, it meets with the timeframe for some of you. But as you know, I always say we have a very large tent and we wanna invite in as many participants as possible. So we'll see how we can make that possible because, um, we don't close the door on anyone. We'd like to include anyone who wants to work to better New York City for our older New Yorkers.

CHAIRPERSON ZHUANG: Okay, we'll follow up with you with the full list of member representatives from

each agency. Um, my team is gonna take notes. And, uh, for the contract provider indirect cost rate, the Executive Plan included additional $4.2 million in city funding, which is baseline beginning in Fiscal 2026 for indirect cost expenditure for human service contract. It's additional to $19.7 million, which was added to the baseline in Preliminary Plan starting in Fiscal 2027. Why was additional funding required? What's the change since, uh, adjustment was made in Preliminary Plan?

JOSE MERCADO: So there is, for example, an ICR that is set every 3 years. And so when those— when that deadline hits, there is actually— the providers are allowed to submit, um, their new ICR cost. That's the increase between that point and the next 3 years. So it's, for example, if you have an ICR of 17% when you first applied, right, and then all of a sudden 3 years later it goes up to 20%, that's a 3% increase that basically is then provided— that we all provide to the provider.

CHAIRPERSON ZHUANG: How much of this additional funding will go towards providers?

JOSE MERCADO: Well, all of it goes to the providers.

CHAIRPERSON ZHUANG: All to providers?

JOSE MERADO: It's the overhead cost. So think about the overhead cost of providing. So there's the direct cost, which is all the program stuff, and there are other administrative costs that are very— that are, ah, also expensive as well. So that's part— that's where the increase is.

CHAIRPERSON ZHUANG: Do you think the increase is enough?

JOSE MERCADO: Well, based on their documentation, that's basically what they're showing, that there is a need for additional funding to support that. So that's what that document— that's what this shows.

CHAIRPERSON ZHUANG: Okay.

CHAIRPERSON LEE: Okay, uh, sorry, I just want to recognize we've also been joined by Council Members Restler and Thomas Henry, and we have a few Council Members lined up to ask questions. First is Council Member Schulman, followed by Council Member Brewer.

COUNCIL MEMBER SCHULMAN: Thank you very much, Chairs. Um, hmm. So, I actually wanna ask about, um, some health care-related items. Um, the Executive Plan includes an additional $264,953 in

federal funds for Fiscal Year 2026 and $223,136 in Fiscal 2027 to provide outreach to older adults regarding health care. What will all this funding be used for? What health care programs are included? What methods does New York City Aging plan to use for this outreach? Um, and how many older adults does the agency anticipate being able to reach? And the, the— another piece to that question is, um, the federal funds for Fiscal Year 2026 have— do you want me— do I need to repeat this over?

LISA SCOTT-MCKENZIE: No, we're listening.

CHAIRPERSON SCHULMAN: Okay. Um, the money for Fiscal Year 2026 has to be spent, like, within the next few weeks. So what are you guys gonna be— how's that gonna work?

JOSE MERCADO: Sorry, sorry about that. We're just getting clarification. Um, so yeah, we're just waiting for, um, some information from the state in order to actualize that money.

COUNCIL MEMBER SCHULMAN: Okay. So—

JOSE MERCADO: So the money's been spent technically. We're just waiting for the—

COUNCIL MEMBER SCHULMAN: It has been spent?

JOSE MERCADO: Yeah.

COUNCIL MEMBER SCHULMAN: Okay. So then what is it being used for and what health care programs are included?

JOSE MERCADO: So it's basically— it's information and referral regarding Medicare and Medicaid.

COUNCIL MEMBER SCHULMAN: And— how, how is the outreach being done?

JOSE MERCADO: So we have a combination of volunteers as well as contracted providers who provide us information.

COUNCIL MEMBER SCHULMAN: Okay, I'm going to ask a totally different question here. Um, what, uh, so we— you, Commissioner, you talked about cultural competency in terms of the food and all of that stuff. So you know that there's an issue with halal food as well as kosher food, uh, for some of the senior centers. Um, so I know we've had conversations about that, but can you just let us know what, um, how those issues are being addressed? Because as everybody knows, those foods are a lot more expensive than the usual food that you have.

LISA SCOTT-MCKENZIE: And thank you, we, we have had several, uh, conversations on this formally and

informally, and I think we all recognize that there is a gap in the ultra-Orthodox meals, the glatt kosher, um, as well as some of the halal and, and some other, uh, meals.

So I do welcome, again, uh, your advocacy in us coming up with a solution to be able to look at how we could fund some of these additional programs. Um, we'd like to be able to— anytime that we can put food in the mouths of older New Yorkers, it's a goal for us. We just need to find a way forward. So we're— we would like to work along with the Council to come up with, uh, something that would cover those meals that are not covered in our, uh, current, uh, package.

COUNCIL MEMBER SCHULMAN: I appreciate that, and please keep us posted on how that moves forward. Um, can I ask one more question? Because I— they were conferring when I was asking. Yes, no?

CHAIRPERSON LEE: Quickly.

COUNCIL MEMBER SCHULMAN: Alright, this is very quick. Um, in the City Council's Preliminary Budget Response, um, we called on the Administration to restore and baseline $2 million in one-time funding for DFTA case management. Case management services

range from mental health services, home-delivered meals, all of that. So, um, what is— what is happening with that?

JOSE MERCADO: So, yes, so it's $2 million and normally would fund— was funded by, um, the Council. Now it's being funded by currently by Administration. Our goal, we're hoping that this will be funded with the Council funding going forward.

COUNCIL MEMBER SCHULMAN: Okay, thank you very much, Chairs. Thank you very much, Commissioner.

CHAIRPERSON LEE: And let us know if you want to sign up for round 2 questions too. Um, Council Member Brewer followed by Council Member Restler.

COUNCIL MEMBER BREWER: Oh, thank you very much. Maybe I missed this, but a lot of these groups that come to me point out that the, um, indirect cost rate, ICR, that there's a lot owed to them um— millions of dollars, actually. So, uh, how are you addressing that? Would there be some hope to maybe postpone some of the RFPs until the ICRs are paid? People are really concerned and cash flow is an issue. How are you addressing that issue?

JOSE MERCADO: So, hi. So currently we are basically doing FY23 ICRs.

COUNCIL MEMBER BREWER: Yep.

JOSE MERCADO: Once '23s are all done, we've received roughly about 70 invoices and we've approved half of them. Once those are all done, we'll move on to '24. Then once those are done, we move to '25 and '26 and '27. So we do them sequentially, not out of order, because that's how we're able to actually charge them back to the current fiscal years. But yes, we are moving on as quickly as possible.

COUNCIL MEMBER BREWER: What's the time frame on all that?

JOSE MERCADO: So our goal really right now is to try to get them all done, which is '24 to '23, '24, '25, '26. Remember, we just— as, as the councilwoman just mentioned, that there are actually additional ICRs that we just basically provided, which means amending contracts. So our goal would be to try to get them all done by June of 2027. Alright, so right now we've done '23. Next month, if we get all '23s done, we can then move on to '24, and then the '25 and '26, and then going back and amending the contracts for all the new ICRs that have just been approved.

Again, this is the big back and forth, so we don't want to stop this, the order. So we just kind of go that, that route. Okay, and are you —uh, identifying those that may have huge cash flow problems as a result of not having—

JOSE MERCADO: Yes. Anytime anyone has cash flow problems, they know they can call us direct. They can email us, call us, and normally we have very good relationships, and they can call the Commissioner at any point in time to make sure that all this is done, and that's been happening. And we've— like I said, anyone that's experiencing cash flow, we advance money and move forward from that point.

COUNCIL MEMBER BREWER: The other thing is, I mean, I know that, um, federal funding makes up not just— your budget, but also I'm concerned about health care for the older adults. So how are you addressing, um, any federal cuts either to your agency or to some of these, uh, bigger programs that are gonna be addressing, uh, challenges, I think, just the health care in particular?

JOSE MERCADO: So currently we've been keeping a close eye on the federal government's budget because last year, you know, you know, there were a lot of

pro— a lot of grants that were based basically kind of cut.

COUNCIL MEMBER BREWER: Yes.

JOSE MERCADO: And then they were reinstated really quickly. So we're keeping a very close eye on those things.

COUNCIL MEMBER BREWER: Okay.

JOSE MERCADO: To ensure that that doesn't happen because we do have a very large grant program ourselves.

COUNCIL MEMBER BREWER: So you have not been cut?

JOSE MERCADO: Right. As of right now, there have not been cuts. But again, we're looking at it very carefully because, you know, the budget kind of swings back and forth on these issues.

COUNCIL MEMBER BREWER: Okay but what about seniors who could end up just because of Medicare, Medicaid cuts. Have you had any concern about those?

LISA SCOTT-MCKENZIE: Well, we are watching very closely the federal landscape, and as you know, it can be—

COUNCIL MEMBER BREWER: HR-1, HR-1 yes.

LISA SCOTT-MCKENZIE: Well, HR-1, definitely. We haven't had any significant impacts due to HR-1, and,

uh, many of our older New Yorkers and New York City aging services are also SNAP recipients and will struggle to meet that able-bodied adult without dependents work requirement for the age of 60 to 64. So we're watching this very closely and we're working along with HRA to mitigate, uh, any impacts from HR1.

COUNCIL MEMBER BREWER: I believe June is the deadline for all of that.

LISA SCOTT-MCKENZIE: Yes.

COUNCIL MEMBER BREWER: So are you able to get either volunteer school or work assignments to be able to deal with particularly your population over 55?

LISA SCOTT-MCKENZIE: I know HRA has a very robust program and we have been working along with them to look at the numbers of those that are between 60 and 64 that would be impacted. And I've been very encouraged by the numbers that I've seen so far.

COUNCIL MEMBER BREWER: Okay, thank you.

CHAIRPERSON LEE: Thank you. Sorry, I just had a really quick follow-up to that because, um, if I could just clarify, because I know that you're saying that there's a 2-week turnaround time for invoices and reimbursement payments, but, but now, so to

Council Member Brewer's point with the indirect rates and how it's backlogged to FY23, um, I, I'm just curious, so is it 2 weeks based on the FY23 contract, or is it— and, and so where's that discrepancy happening?

JOSE MERCADO: So those are 2 different— what I consider 2 separate swim lanes. One is the actual invoices themselves, the monthly invoice, and then there's the '23 retro. Those are separate. We kept those separate, and so we have 2 different teams looking at this.

CHAIRPERSON LEE: But aren't the direct and indirect rates part of the contracts?

JOSE MERCADO: So there are, but we're talking about— these are payments that go retroactive.

CHAIRPERSON LEE: Okay.

JOSE MERCADO: So we're keeping those separate. I'm just trying to make sure I understand.

CHAIRPERSON LEE: And how fast would it be to bring them current?

JOSE MERCADO: So currently, again, right now we're— so we're currently focused making sure that providers get paid on a regular basis.

CHAIRPERSON LEE: Right.

JOSE MERCADO: Right. On top of that, we have that invoices that come in for the retro payments. So we're doing those at the same time we're doing the regular monthly payments.

CHAIRPERSON LEE: Okay. And then what's, what's the, uh, total amount that's backlogged for the retro payments?

JOSE MERCADO: So right now for Fiscal Year '23 is $10 million. And so again, that is the maximum amount per contract. So we've been noticing that not everyone is submitting to the max. What we're getting is on average 34% less to the max.

CHAIRPERSON LEE: Okay. And do most of the OACs know that they can submit indirect cost rates? Because I remember even when I was at KCS, we had to advocate for that. We weren't— told we could. And, and then of course it doesn't increase the total budget of our contracts, it just shifts the money around a bit.

So I just wanted to—

JOSE MERCADO: Well, in this case it actually increases. So all the ICRs actually increasing the base of the contract because what happens is—

CHAIRPERSON LEE: Is that new?

JOSE MERCADO: Yes.

CHAIRPERSON LEE: Okay.

JOSE MERCADO: Prior to you? Yes, before you. Yeah, so that is actually new.

CHAIRPERSON LEE: Okay.

JOSE MERCADO: You lost out on that opportunity. Um, but the way it works currently, for example, is when we do an RFP, the, the big— there's always an RFP. We actually provide 10% no matter what.

CHAIRPERSON LEE: Right?

JOSE MERCADO: And on top of that, whatever your ICR, we're giving you. So that's kind of that, that delta gets increased in the contract.

CHAIRPERSON LEE: Okay.

JOSE MERCADO: And that's the payment that's missing right now, is that delta. Like I mentioned earlier, 17% for budget right now. Say the contract— your contract is 10%, you get an ICR 17%, the 7% is missing. But you have to show that you have 7% expenses because sometimes you don't have some percent of expenses.

CHAIRPERSON LEE: But then shouldn't that be reflected in the invoice?

JOSE MERCADO: It is.

CHAIRPERSON LEE: Right, so then what's the reason for the delay if it's—

JOSE MERCADO: Because the delay, the process itself is— takes time to amend contracts, it takes time to pay the payments. That's the reason for the delay. And our goal is— the way it works, it's a very complicated process,

CHAIRPERSON LEE: Right. So I guess my question is, why the two parallel tracks?

JOSE MERCADO: So one is making sure providers get paid monthly. That's basically insured because that's guaranteed. Then there's the other, which is beyond the '23, is basically going backwards. And what we do is we make a payment, we have to then pay it back to fiscal year '23, right? Because we actually have one budget, which is '26, right? Our budget's '26. It only has X amount for ICRs. We all agree on that. So right now I have $20 million.

CHAIRPERSON LEE: So you're using the FY '26 for the backlog first, and then that's going to go towards the out years? Okay. I guess I'm just wondering why there's a backlog in the first place.

JOSE MERCADO: Well, we made a decision back before a pandemic to make sure that providers got

paid all the, all the monthly before doing the ICRs, and that would take time. So that's the reason we went during the pandemic. That's why we're a little behind.

CHAIRPERSON LEE: Okay, sorry. Thank you. I just want to make sure that I'm understanding this correctly. Um, and we've also been joined by Council Member Dinowitz, and I'm sorry, Council Member Restler, for eating into your time, but sorry, go ahead.

COUNCIL MEMBER RESTLER: Great. Thank you so much, Chair Lee and Chair Zhuang. Um, and congratulations, Commissioner. Good to have a Woodhull person, uh, in city government. Um, alongside my colleague, Council Member Schulman, um, who is a forever Woodhull person. Um, I have a few questions I'm gonna try to get through quickly if I can. The first relates to older adult transport.

My office has partnered closely with the Jewish Community Council of Greater Coney Island to transport seniors to grocery stores in our community. It's been a tremendous success. Um, my understanding is that you all are considering modifications to the trans— the aging transportation plan that would

eliminate group rides for the standalone program that JCC of Coney Island operates. Uh, can you ensure that in the final RFP, there will continue to be options for providers like JCC of Coney Island, uh, to provide group transport to adults that are unconnected to a senior center?

LISA SCOTT-MCKENZIE: Thank you so much, CM Restler, and it's good to see you again as always. Um, as you know, with the RFP process, we are very limited as to what we can discuss publicly, especially when, uh, we're about to submit a new, uh, RFP, and we cannot commit that any one provider will be—

COUNCIL MEMBER RESTLER: No, I'm not looking for the provider. I'm just looking for the service.

LISA SCOTT-MCKENZIE: Well, the service will definitely be there. First, we very much appreciate how impactful the transportation program is for older adults and that our current providers work incredibly hard to ensure that older adults, especially those in transit deserts, are best served and can get around their community. So—

COUNCIL MEMBER RESTLER: So there will continue to be standalone transport for folks that are not

connected to a senior center that we can partner with to provide, for example, um, transit— transport for seniors to grocery stores in our community?

LISA SCOTT-MCKENZIE: What I'm committing to is that there will be— there will continue to be a transportation network that provides vital services for our older New Yorkers. Now what that looks like will be determined by the RFP.

COUNCIL MEMBER RESTLER: Okay. I mean, er, er, look, if this service is not gonna be continued, which I haven't read the RFP, but it could be mandated in the RFP that the service continues to be available for seniors who are not connected to a center to continue to have programming organized in our communities. But if that service is not gonna be provided, I just wanna pay for it because I don't want my seniors to be left unable to access supermarkets in their community. But I would need to know that in the next 2 weeks so that I can put the money aside in the budget.

So I'm just looking for guidance one way or another. I'd prefer for DFTA to continue to do it. I'd prefer for JCC of Coney Island continue to provide it, because they've done an amazing job. But

at the end of the day, I just want to make sure my seniors are able to continue to go to Wegmans, because they love doing it.

LISA SCOTT-MCKENZIE: Absolutely, and I like Wegmans too. So we are aligned in that we will make sure that our seniors have transportation.

COUNCIL MEMBER RESTLER: Okay, alright. I'm gonna follow up, but I'm gonna take that as a— it's solved.

Second is NORCs. I have multiple, uh, er, ah, developments in my community that are unofficial NORCs where the average age is over 60 of the people living there. These are developments worth over 1,000 apartments. So they're great places for people to age in place, but the only NORC funding that I have is the stuff that I pay out of my budget to try and bring a JASA, uh, social worker in, you know, every, every week, once a day. When can we expect— recognizing the, the growing older adult community in our, in our city— when can we expect to see more investments to go to these unofficial NORCs so that they become official NORCs and actually get all the support that is needed for the people who are trying to age in place in their homes in Brooklyn?

LISA SCOTT-MCKENZIE: Once again, we're aligned, and there is a NORC RFP also that will come out later this year. We're looking towards, uh, somewhere around September, October of this year.

COUNCIL MEMBER RESTLER: Do you expect that will expand the number of NORCs that are supported by DFTA?

LISA SCOTT-MCKENZIE: We'll see how the RFP turns out.

COUNCIL MEMBER RESTLER: Okay.

LISA SCOTT-MCKENZIE: But that is our hope.

COUNCIL MEMBER RESTLER: Alright. Well, I hope you all have the resources for it because that is critically important. And then I had 2 more, but I'll try to do one before Chair Lee kicks me.

Um, ah, as you know, there was a healthy amount of scrutiny and, ah, concern around the move to 14 Wall Street. Could you give us an update on where that stands? Just to remind the viewers for— at home, uh, there was concern that the folks who own 14 Wall Street had given a healthy amount of money to, to the former mayor, Mayor Adams, and that that had greased the wheels for an unorthodox and frankly

untraditional, uh, procurement process that was leading to you all moving out of 2 Lafayette.

Um, is— are you all still planning to move forward with that lease? Has DCAS approved it? Is— where- where, where are we?

LISA SCOTT-MCKENZIE: Well, I'll say that, um, we are continuing our negotiations for the move to 14 Wall Street. Obviously, you know, I've been in the role for 3 months, so—

COUNCIL MEMBER RESTLER: Yeah, this one wasn't your fault.

LISA SCOTT-MCKENZIE: So, uh, not really involved with all of, uh, the mess potentially that happened before. But I'll say this, moving forward, our plan is to provide more modern, updated accommodations for our older New Yorkers, and we would have the capacity to do that at 14 Wall Street.

Uh, we are planning to have construction, and the only construction that we will do there is to upgrade services for our older New Yorkers. Our staff also would gain the benefit of moving into updated space, but they will be moving into pre-existing space, which also has, uh, furniture also in place, so it could be a pretty quick, uh, relocation effort. And

the majority of the upgrades and services would be for older New Yorkers, which would be a good thing for all of us.

COUNCIL MEMBER RESTLER: Okay, thank you. Thank you both to the Chairs.

CHAIRPERSON LEE: Thank you. I can put you down for round 2. Hmm, okay. Council Member Mealy followed by Thomas-Henry.

COUNCIL MEMBER MEALY: Hi, a lot of the questions has been answered. Good seeing you, Commissioner. I just wanted to break down, um, uh, what Council Member Brewer said. You're saying that it's not going to be any RF— um, RFPs coming up soon other than the transportation?

LISA SCOTT-MCKENZIE: No, I'm actually saying that there would be, uh, 3 RFPs that are coming out, uh, later this year.

COUNCIL MEMBER MEALY: Later.

LISA SCOTT-MCKENZIE: The, uh, first is anticipated to be the NORC RFP. Followed by the OAC, followed by Transportation.

Okay. So that's still open?

LISA SCOTT-MCKENZIE: Yes, all three.

COUNCIL MEMBER MEALY: And I just want to, um, how many CBOs have not submitted invoices for this coming, um, budget? Because you say you're— they get paid over 2 weeks. So you should have, ah, assessment of all that they have brought so far.

JOSE MERCADO: Right? So, um, as a result of the advance, the advance brought 50% of the contracts, right? So we were basically— there were a loss. I would say multiple agent CBOs have not— as of today, as of today, I would say, as well as Friday, we had 3 that we were chasing down to submit invoices.

COUNCIL MEMBER MEALY: Okay, is one of those in my district?

JOSE MERCADO: No.

COUNCIL MEMBER MEALY: No, no, because we still asking for, um, we had put in funding for pool table, uh, um, exercise equipment, um, a $500 boat ride, um, seniors, um, and that's still— we haven't got that invoice as of yet. And I'm listening to hear that it'll be done in 2 weeks.

So I wanted to see why that wasn't done so far that we could see this process. It's about the end of the budget, June, so shouldn't it be in by now?

JOSE MERCADO: So providers have until August to actually submit their last invoice for the year.

So in that particular case, we know we've been working with that provider to ensure that they can submit their invoices to reflect the expenses that basically you were mentioning. Okay. Has any additional funding, um, has been part of the sorrows on NYCHA developments? Have y'all assessed how many are out there? 'Cause I know one in Kingsborough, um, it's a— well, seniors, older adults, and in their backyard, now they are building housing.

So have you assessed that part of your capital or is NYCHA capital?

LISA SCOTT-MCKENZIE: Well, if it's an actual construction project, it's more than likely NYCHA.

COUNCIL MEMBER MEALY: It's— it's senior housing.

LISA SCOTT-MCKENZIE: Right, because DFTA does not, um, uh, enact any construction projects.

COUNCIL MEMBER MEALY: At all but do you know of any collaboration that is still a senior center or senior adult living?

LISA SCOTT-MCKENZIE: Well, we haven't had any notices that any of the centers would be closing there, so we're going to assume at this moment until

we have time to investigate further that that is going to continue as an OAC.

COUNCIL MEMBER MEALY: A new SORA building. It will be still a, uh, adult day center.

LISA SCOTT-MCKENZIE: If there's a current program there, it is our understanding that it will be continued. If that changes, then obviously we would let you know.

COUNCIL MEMBER MEALY: Thank you.

CHAIRPERSON LEE: Okay, great. Um, since Council Member Thomas-Henry isn't here, uh, we'll go to Council Member Aldebol.

COUNCIL MEMBER ALDEBOL: Good morning, Commissioner.

LISA SCOTT-MCKENZIE: Good morning.

COUNCIL MEMBER ALDEBOL: Um, I have a question about, uh, food insecurity and the, uh, Intro 280 week, uh, about weekend meals. Um, have you budgeted for that, and do you support covering weekend meals going forward?

LISA SCOTT-MCKENZIE: I believe in our previous testimony we did say that we support the initiative. No, we are not currently budgeted for it.

COUNCIL MEMBER ALDEBOL: Okay. Um, and, um, your vacancy rate is about 11.4%, is that correct?

LISA SCOTT-MCKENZIE: Currently, um, we do have— of our 27 vacancies that we have, there are 3 that we're actively, uh, hiring for right now, and there are 24 that are very close to OMB approval for us to move forward with hiring. But our vacancy rate is 2 percentage points lower than it was last year.

COUNCIL MEMBER ALDEBOL: Okay, thank you.

LISA SCOTT-MCKENZIE: Thank you.

CHAIRPERSON LEE: Okay, great. Um, I just had— before we go on to round 2, I just had one more question specifically about mental health services. Um, you know, 'cause obviously as we know, it's definitely an important vital service, uh, for our older adults to prevent a lot of social isolation, um, depression, and other things that lead to mental health conditions. And so, um, which currently, uh, which programs do you have that address mental health and what support services are included? Besides the geriatric mental health program, are there others that you provide as well?

JOSE MERCADO: That's correct Chair. Direct to mental health.

CHAIRPERSON LEE: Okay, so that's the main one, right?

LISA SCOTT-MCKENZIE: Yes.

CHAIRPERSON LEE: And then for those that maybe don't have, um, a contract with an Article 31 provider, um, are there other types of mental health services that you encourage them or guide them to provide at the senior centers?

LISA SCOTT-MCKENZIE: It's something that we are investigating, um, currently because obviously we've seen the need for geriatric mental health services increase across the city. Um, what I'd like to see is, you know, just a goal, um, don't know how we'll get there yet, but as a goal, I would really like to see co-located space within some of the OACs. Um, I really feel as a trusted area of support for the older New Yorkers that they would probably seek care there and it would be destigmatized. So it's something that we'd like to see and again, it may be something that we come back later and say, you know, let's, uh, let's work together on this, but that would be the goal.

CHAIRPERSON LEE: Yeah, and I know that sometimes even the providers that do have partnerships with the

outpatient clinics, you know, sometimes the, the bar to get them in services is high, like you have to do 3 intakes or, you know, sessions first and all of these other things that are required by the state. So that was the reason why I was asking, because I know that sometimes even just writing classes or sewing classes can be, you know, used to build in a lot of that, um, the social— the trust, and then also just talking through and doing some of the work if it's led by a social worker. So I'm encouraged to hear that, so thank you.

Um, and what is the current budget for mental health programs at, uh, New York City Aging, um, as of the executive plan?

JOSE MERCADO: So we're talking about the geriatric mental health program. It's $6.2 million. Okay and how many providers are currently contracted to provide these specific services for the geriatric mental health?

JOSE MERCADO: 8.

CHAIRPERSON LEE: 8 providers. Okay. I don't think that's changed, right? Has it been that way? The same?

LISA SCOTT-MCKENZIE: I think it's the same.

JOSE MERCADO: Yes, it's the same.

CHAIRPERSON LEE: Okay. And, and when is the option for renewal available for the contracts, and when do they end?

JOSE MERCADO: Sorry. We'll get back to you when the contract expired.

CHAIRPERSON LEE: Okay, perfect. Um, yeah, when they expire, and then also if there's going to be an option to renew. Um, okay, great. So I will pass it along. Uh, Council Member Zhuang, do you have any second round questions?

CHAIRPERSON ZHUANG: Thank you, Chair. And I— for me, I'm going back to executive planning okay. Executive commit— uh, exac— Executive Commitment Plan pushed $6 million in funding for older adult center upgrade for Fiscal 2026 to 2034, which is beyond 5-year Capital Commitment Plan. But within the 10-year Capital Commitment Plan, this funding came from Board of President, Borough presidents.

In NYC Aging response to Committee's follow-up letter from the Preliminary Budget hearing on April 22nd, you indicated that repairs at 12 OACs were included in this project were timely, ranging from 10

to 18 months. Which Borough President did this funding originate from?

JOSE MERCADO: Brooklyn.

CHAIPERSON ZHUANG: What work is included in this project for?

JOSE MERCADO: So there's a list of projects. There's roofs, kitchens, um, bathrooms. So, you know, a lot of them again are in design. Some of them have not start— they're not started yet. So again, health and safety. So anything that's health and safety, we will focus— we will basically make sure this happens. As I mentioned earlier, it's out— it's in the out years when these things start to come into fruition, we would then move the money from the capital money in the out years to the, to the current years.

CHAIRPERSON ZHUANG: What was the specific route, um, rationale for pushing this $6 million capital project for fiscal 2026 all the way to fiscal 2034 when the original project work complete timeline was only 10 to 18 months?

JOSE MERCADO: So a lot of these projects are not that design ready, as the Commissioner mentioned. So these projects were pushed out. When they become design ready and they're ready to start the projects,

we would then move the money from the out years to the, to the current year.

LISA SCOTT-MCKENZIE: Right, when they're shovel ready. Because at this point, if you don't have a design, it'd be very difficult for you to move ahead. So you would tie up monies unnecessarily. So as the, uh, projects become mature and we're ready to start work on them, then you can advance the monies.

CHAIRPERSON ZHUANG: What is the current condition of facilities at 12 impact— 12 impacted nonprofits? And, uh, have any, um, one saying they don't want to wait, they want to do improvement right now?

JOSE MERCADO: So half of those projects are in NYCHA sites, and so we work with NYCHA to ensure that there are no health and safety issues. So that's kind of— we're working with them. The other half, other part of them are combination, they're owned by landlords, a combination that were owned by us.

So again, they're on different stages. So you just wanna, sorry, really quickly, just DMH contract expires at, um, June 2027. They'll be renewed for one more year. Sorry.

CHAIRPERSON ZHUANG: Have any of 12 organizations had to turn away clients?

JOSE MERCADO: Our understanding, no.

CHAIRPERSON ZHUANG: Or reduce service or close some part of their program?

JOSE MERCADO: No.

CHAIRPERSON ZHUANG: No?

JOSE MERCADO: No.

CHAIRPERSON ZHUANG: You sure?

JOSE MERCADO: Yes.

CHAIRPERSON ZHUANG: And also, um, for OACs, like, they need to change elevator, and $6 million is not that big project, as I know. If that is— if it's not a big project, why takes 8 years to push so long to get the project complete?

LISA SCOTT-MCKENZIE: Upgrading an elevator is a large project. Um, you know, there are a lot of codes and, uh, requirements to upgrade an elevator, and it, it does take a substantial amount of time. I can tell you from my previous experience, I've replaced elevators a lot, and, um, it would make sense, first of all, to first have that cab, the new cab designed, um, and ready to go before you, again, unnecessarily tie up monies.

Um, and I'd like to hear, as I mentioned earlier, uh, which sites are still saying that they have elevator issues because I've visited the sites that previously had elevator issues and I've rode the elevator just to be sure. Um, I'm here today so I can tell you that they were safe. But if there are any lurking, um, that for us would be a priority health and safety issue, and that would be put at the forefront. That's not one we'd ask you to wait till 2034 to resolve.

CHAIRPERSON ZHUANG: We— I went to a senior center. They finally, after 3 years, 4 years, fixed the elevator issue. Now the issue is because they spent all their money fixing the elevator, they don't have the money to do the ceilings, the painting, the kitchen upgrades, broken, uh, AC, broken refrigerator. That's become an issue. And also they have to lay out a couple staff members to cover the cost.

LISA SCOTT-MCKENZIE: Well, I, I'm not so sure if, uh, laying off the staff members was related to fixing the elevator. Again, um, if it was 3, 4 years ago, I know that it's fixed now because I've visited those sites. And if there are things like ceilings

and, you know, other upgrades that have to take place, if they're cosmetic in nature, that's a little different than health and safety. But if they're health and safety, then that would be on our just do it list. And again, that would be prioritized.

CHAIRPERSON ZHUANG: Thank you.

JOSE MERCADO: So just really quickly, so of the 15 projects, 12 of them are NYCHA. And so we're working with NYCHA to determine when these things have to be scoped out. Again, we don't control any of these, these aspects of the design and so forth. And then of that, there are actually 3 left over. 2 of them are actually owned by the provider and one of them is actually, uh, by the landlord.

So I'm saying, so we have a list and we're working with NYCHA on these projects. And whenever they're ready, again, we will then make sure the money is there to, to move forward these projects.

CHAIRPERSON ZHUANG: So if we have the cabinet for older New Yorkers, that will be more helpful, right?

LISA SCOTT-MCKENZIE: Not if, when. It will be June 25th.

CHAIRPERSON ZHUANG: Okay, I'm looking forward. Hope I can attend. Okay. And also, for me, I, my kids are I always say, um, she want to— my 8-year-old daughter said she want to be, uh, iPad for Kids Chair. And I said we need iPad for Seniors, because they— this is actually issue in New York City. A lot of senior are isolated. The Executive Plan include additional $740,000 of intra-city funding in Fiscal 2026. Only for ITI to support older, older adults' technical IT program? Ensure that older adults have the support, training, and education they need regarding technology is critical and a big, um, it's also big my priority. Will this fund— what will this funding be used for? How was this amount determined?

JOSE MERCADO: So that's actually Intercity with OTI, which is basically supports this— our labs in 22 OAC center, which is basically training— it provides training for older adults on computer.

CHAIRPERSON ZHUANG: How do you pick the training site?

JOSE MERCADO: So those are—

CHAIRPERSON ZHUANG: Do they need to apply, or—

JOSE MERCADO: So those were actually picked, um, combination between OTI and us.

CHAIRPERSON ZHUANG: So how— who can participate? Like, all the OACs? Where the service provide? Will you provide in different language?

JOSE MERCADO: So, so that— so this is a con— this has been funding that's been there for more than 10 years. I will get back to you regarding the selection processing. So I will get back to you on that. I don't have it right now.

LISA SCOTT-MCKENZIE: But I can tell you our seniors are benefiting from this program. Um, out of the 32 sites that I've visited so far, all 32 have been outfitted. And, um, they do provide culturally sensitive training. So I have seen seen training programs that are in different languages depending on the site. And it's something where, again, we're aligned. I would like to see as much training go towards, uh, older New Yorkers learning how to use technology even in an expanded way to help with language service— services and other things so that they can, uh, more, uh, quickly adapt to, uh, being able to live in New York City and to thrive in New York City.

CHAIRPERSON ZHUANG: Is this money also include to help seniors to pay their internet? Because

there's, there's senior ask me saying, oh, you teach us, but I don't have internet at home.

JOSE MERCADO: So no, it's not.

CHAIRPERSON ZHUANG: Is there any funding for that?

LISA SCOTT-MCKENZIE: Not for personal residences, uh, no, not so far. Okay. But I see there are the needs there. Um, Um, yeah, thank you, Chair.

CHAIRPERSON LEE: Okay, so we're gonna go on to a couple more folks for round 2. First we have Council Member Brewer and then Council Member Ressler if you had any follow-up.

COUNCIL MEMBER BREWER: Thank you. 2, 2 quick questions. One is on NYCHA. I have a lot of NYCHA and a lot of senior centers in NYCHA, and it's always a challenge, as you know, to get them repaired. So how do you prioritize that? How do you make them— NYCHA be responsive? You know, I know it's always funding, but sometimes it's more than that. How do you work with NYCHA on that topic? Number one.

Number two, not mentioned here, I don't know what's a— it's definitely a funding issue, are scams. Seniors are getting scammed, um, because of the

internet. And so I didn't know how you're working on that topic. We try to have forums on it, but there's never enough to be able to have that information. And then, um, those two questions in particular?

LISA SCOTT-MCKENZIE: Well, I'll start with NYCHA. As you know, um, we are promoting interagency collaboration, again, at also the Cabinet for Older New Yorkers, but we've done so separately as well. I do have a scheduled meeting coming up with the, uh, Lisa Bova Hyatt from NYCHA to discuss some of the issues that, uh, have been impacting some of the OACs.

As you know, NYCHA uh, OACs are 1/3 of our portfolio, so obviously it's always a focal area for us. Um, at most of the sites that I've gone to where we've seen, again, those just-do- its, we've made sure that we've made some repairs so that we do improve conditions. But for major repairs at NYCHA, they do have a pretty robust capital plan that they are implementing, but of course some of those repairs uh, take a while. Um, for us at, at, uh, New York City Aging, we're making sure that the 106 centers that are under our aegis are operated in a safe manner, and if we need to, um, we will take action to

make sure that our seniors have, ah, good conditions in which they can receive their services.

So if it means, ah, relocating or even if it means closing a site because it doesn't meet our standard, we're willing to do that.

COUNCIL MEMBER BREWER: Okay, I mean, it's an ongoing issue.

LISA SCOTT-MCKENZIE: And I'll go into the scams, I'm sorry.

COUNCIL MEMBER BREWER: Yes, yes. So the scams we spent a lot of time on because we recognize that older New Yorkers are targets and, uh, some of them have been scammed out of SNAP benefits and other things. I know that there are several initiatives that are being rolled out to protect them, but we are also ensuring that at all of the OACs there are training programs on cybersecurity along with the technology, um, teaching so that folks are aware of what constitutes a scam and how to better protect themselves.

We also partner with NYPD, uh, because this is a crime, and, uh, NYPD has been very responsive in providing not only training but also making sure that they partner with those families to try to catch the

perpetrator or at least to better protect the older New Yorkers.

COUNCIL MEMBER BREWER: Okay, I mean, I, I'd love to hear another time is exactly what kind of training. It's not just SNAP, it's also just going on the net and signing up when Chase says we have material for you and you push the button, you give your Social Security, and that's— you're down the rabbit hole.

LISA SCOTT-MCKENZIE: And that's part of the training also, that, uh, older New Yorkers recognize that any - first of all, any communication with unknown, uh, parties and anyone asking for your personal identifiable information, uh, you should be very, very cautious before moving forward or e— either seek guidance also before moving forward.

COUNCIL MEMBER BREWER: Okay, we know that, but I'm just saying it's happening on a major scale according to the District Attorney's Office and everybody else I talked to. Alright, thank you.

LISA SCOTT-MCKENZIE: Thank you.

CHAIRPERSON LEE: Okay, perfect. Um, Council Member Restler, did you have any more questions?

COUNCIL MEMBER RESTLER: I will always ask more questions Chair. Thank you very much. Um, I'm excited for these 2 weeks together. Um, so just wanted some clarity. The mayor and the— and team have announced that the 2-for-1 hiring process is a thing of the past. Is that actually your lived experience? Are you now able to hire fully to your PSC headcount? Are there any, uh, uh, barriers that you're encountering to be able to hire the allocated headcount that you have?

LISA SCOTT-MCKENZIE: Well, we are working with City Hall, as you know, and OMB, um, but I'd have to say in my short-lived experience, yes, that we are being a— we are able to move forward. And, uh, as soon as OMB gives us the green light, we will move forward with the additional 24 that we're waiting for.

So just for my insight, how many people have you hired? It's May 30— 26th. So we're 5 months in. You haven't been there a full 5 months but how many new people have DFTA hired this calendar year?

LISA SCOTT-MCKENZIE: Well, we're interviewing because we are very selective. So, um—

COUNCIL MEMBER RESTLER: Have you brought on any new people in—

LISA SCOTT-MCKENZIE: I am—

COUNCIL MEMBER RESTLER: Intergov, Chief of Staff?

LISA SCOTT-MCKENZIE: Well, the-

COUNCIL MEMBER RESTLER: Press team, deputy commissioners.

LISA SCOTT-MCKENZIE: Well, I am canvassing for some deputy commissioners now. I was very, very fortunate in that many of the staff members that were at DFTA are very, very competent and qualified, and they were able to stay on, and, and I think they're doing a fantastic job.

COUNCIL MEMBER RESTLER: You know-

LISA SCOTT-MCKENZIE: Where, where, where that doesn't exist, I do have some lines that, uh, we are we're canvassing for right now and we're interviewing. I fully expect that we will have, uh, candidates onboarded pretty soon. Um, there are some that are in the second phase of their interview, but yes, we are actively hiring.

COUNCIL MEMBER RESTLER: Uh, I, I, you know, Commissioner Cortez Vazquez is one of my all-time

favorites, and I know that she built a strong team, and it's, you know, the continuity in experienced government hands from administration to administration is valuable, but there's also a need to bring in new people who share the values of this administration.

So just to understand, have you hired new staff since you've come on?

LISA SCOTT-MCKENZIE: I, I apologize if I'm not being clear. I'm interviewing.

COUNCIL MEMBER RESTLER: You're interviewing.

LISA SCOTT-MCKENZIE: Yes. Because I—

COUNCIL MEMBER RESTLER: So not as a—

LISA SCOTT-MCKENZIE: I am selective about who will be on the team and of course we want folks that will share, ah, the values of this Administration. So yes, I do have high-level positions that are— we are canvassing for right now.

COUNCIL MEMBER RESTLER: Great. And just to— since I have 29 more seconds, um, I asked earlier just about the protection of the standalone transportation component. Am I right to understand that DFTA's vision is to try to consolidate this as one citywide, uh, transportation contract instead of

borough-based contracts through the RFP process? Well, I'm not sure where you got that because that's not what I said. What I said is— is there will be an RFP out later on in the year, and I think it, it might be worthwhile to take a look at it before we start to assume that there are things in that package that might not be there.

COUNCIL MEMBER RESTLER: Okay. We're happy to continue the conversation. I will read the RFP when it's out. I think we've— I've made clear what's a priority for me and hope that that's been heard and that that can be reflected and incorporated as we go through this process.

LISA SCOTT-MCKENZIE: Thank you. I always appreciate your feedback.

COUNCIL MEMBER RESTLER: I will never be shy about offering it.

CHAIRPERSON LEE: Sorry, can I just piggyback off the transportation question really quickly? Um, uh, so I know that, uh, a lot of the providers have expressed concerns, as Council Member Restler mentioned, with the transportation programs. Um, how many dedicated transportation contracts currently exist that are not part of providers' OAC contracts?

LISA SCOTT-MCKENZIE: I'll, I'll definitely have to get back to you on that, uh, question. Okay. Okay. If you could, that'd be awesome. And then, uh, we've also been hearing that New York City Aging is planning to change, as mentioned, the transportation program to have just one citywide provider. Um, does New York City Aging have plans to reduce the number of providers in its transportation programs? And if so, why and when will a new—, uh, RFP be issued?

LISA SCOTT-MCKENZIE: You know, I, I really would like to eliminate there being so much preliminary angst before the RFP is actually issued. Uh, again, um, we should wait to see what is in the RFP package, and if there are questions and concerns at that time, I'll be very, very happy to answer any of them. But we have not taken a firm stance on anything yet.

CHAIRPERSON LEE: Okay, and, but— You know, just to recognize that there's, there's angst because I think this is such an important program for a lot of the older adults and seniors. And I would imagine for the RFP process before that, you would do, um, a white paper, get feedback from the community, and I'm

sure at that point they'll be able to give you some of their concerns and input then, right?

LISA SCOTT-MCKENZIE: Mhm.

CHAIRPERSON LEE: Okay.

LISA SCOTT-MCKENZIE: Absolutely.

CHAIRPERSON LEE: Um, and, uh, throughout the process - So as the RFP gets crafted and drafted, um, just to clarify, uh, the community will receive, uh, or be able to participate in the, uh, feedback portion. And, um, how do we ensure that every community receives the services in a culturally responsive and fully accessible way?

LISA SCOTT-MCKENZIE: Well, that has always been our goal, as you know. And, um, I think through our previous history of being able to roll out other, uh, RFPs that are very culturally aligned. Um, that is our overarching goal, which we plan on continuing. And where there are gaps, or if there are gaps identified, we will always come up with a plan to be able to reach those communities that have not been served.

CHAIRPERSON LEE: Okay, perfect. Um, and we've also been joined by Council Member Morano on Zoom, so

just want to recognize him. And then Chair Zhuang, go ahead.

CHAIRPERSON ZHUANG: I have a follow-up RFP question. Um, for the previous— there's a caregiver IFP after— in the language there's et cetera. Will we— that happened in your IFP paper also? In page 7, uh, the, ah, the concept paper give out and then saying, the RFP, um, the population you serve, you— it's about, um, it's only LGBTQ and vision and hearing. And then it said with the immigration popu— immigrant populations, they all— that's kind of including et cetera.

So will the— will you guys change the language with newer RFP paper give out when you give out?

LISA SCOTT-MCKENZIE: Okay, I do want to just, um, state again that we will, ah, ensure that whatever RFP is issued serves the communities, the very diverse communities throughout New York City. That is our goal. And if we do identify a gap, that we will make provision to be able to cover that. I also want to just backtrack a little bit on the transportation RFP and just mention that, uh, the concept paper was issued late last year and we are still receiving feedback.

So we have a rather extensive period of time by which we can, ah, have input from as many people as possible as we craft this new RFP.

CHAIRPERSON LEE: And then when's the deadline for that? Sorry.

LISA SCOTT-MCKENZIE: It hasn't been issued yet. So we're saying right now probably between September, October of this year.

CHAIRPERSON LEE: Okay. Oh, sorry. I just meant in terms of the concept paper, like the timeline for feedback?

CHAIRPERSON ZHUANG: Did you get— oh.

JOSE MERCADO: They're still accepting comments.

LISA SCOTT-MCKENZIE: Oh, good. We're still accepting comments there.

CHAIRPERSON LEE: Okay.

LISA SCOTT-MCKENZIE: We haven't issued a deadline on it yet.

CHAIRPERSON LEE: Okay. So no deadline yet. And then, um, most likely September-ish for the RFP?

LISA SCOTT-MCKENZIE: Later this year. I'm gonna say— Later this year.

CHAIRPERSON LEE: Okay.

LISA SCOTT-MCKENZIE: I'm going to say September, October. Yeah.

CHAIRPERSON LEE: Okay. Thank you.

LISA SCOTT-MCKENZIE: Thank you.

CHAIRPERSON ZHUANG: Can you confirm which RFP has been released so far this fiscal year? What, what is the status of them?

JOSE MERCADO: So the caregiver one was released, and that's actually being finalized and will start July 1st.

CHAIRPERSON ZHUANG: Only one give out?

JOSE MERCADO: So far, yeah.

CHAIRPERSON ZHUANG: Okay. What other, what others are you anticipate to release between now and the end of fiscal 2027?

LISA SCOTT-MCKENZIE: Well, for now it's the 3 that I mentioned previously. It's the, uh, NORC, that will be followed by the OAC and then the transportation RFP.

CHAIRPERSON ZHUANG: When will they be released?

LISA SCOTT-MCKENZIE: All of them will be released by—

CHAIRPERSON ZHUANG: Together?

LISA SCOTT-MCKENZIE: This year, um, in the order that I mentioned previously.

CHAIRPERSON ZHUANG: NORC, OAC, and the transportation?

LISA SCOTT-MCKENZIE: Correct.

CHAIRPERSON ZHUANG: What is NYC Aging doing to streamline communication with providers throughout about our FP process?

LISA SCOTT-MCKENZIE: We do have open forums, as, as we mentioned, and, um, I think I mentioned previously that we also meet every month with our provider network. Um, we are very responsive to phone calls, to emails, to any form of communication that they'd like to, uh, ask a question. Uh, we're here. We're available.

CHAIRPERSON ZHUANG: Is NYC Aging considering additional cost um, because the cost of living increase and the inflation?

LISA SCOTT-MCKENZIE: Well, we did have a COLA adjustment, um, included in our budget, so yes.

CHAIRPERSON ZHUANG: At the time, it feel like New York City threats nonprofit providers through they have capacity to engage in negotiating like for-profit do. So the nonprofit feels like they

don't have the capacity to negotiate compared to the profit. Is any additional service you guys can help with nonprofit? And give them more time?

JOSE MERCADO: So they do get plenty of time for submitting, you know, when they submit for the RFP, they submit their spreadsheets, which basically tells us exactly what they're wanting the program to be, and then we you know, once we identify who the winners are, we sit down and discuss what the budget would look like.

LISA SCOTT-MCKENZIE: And as I mentioned previously, it's not our— it's not our goal to exclude anyone. So if someone makes us aware that they have a challenge, we can work with them so that they can, uh, be included in the RFP process.

CHAIRPERSON ZHUANG: When in the RFP process, there's the issue with passport. For some reason, some nonprofits tell me that they are only able to work on one proposal at a time in the Passport system. They want to work on both of their proposals for both their existing contract together.

Um, when a proposal was draft mode, it— they're gonna basically lose everything and then have to redo the process again. Will any way you guys gonna up—

upgrade the passport system, help them able to do, like, 2 contracts together?

JOSE MERCADO: Um, so unfortunately we don't control passports. Um, so that would be something that we can move— we can take that information and move it forward. So that can be in the— in the cabinet issue?

LISA SCOTT-MCKENZIE: It could be.

CHAIRPERSON ZHUANG: Okay. And, of course, we'd advocate for any upgrades that will enhance the capacity of our provider network. We don't want to put unnecessary roadblocks in their way either. So, yes.

LISA SCOTT-MCKENZIE: And also, what's the reason NYC Aging reduced number of citywide providers to 1? Like, give example for caregiver citywide reduced to 1.

LISA SCOTT-MCKENZIE: Well, we don't control the outcome of the RFP. Um, it's a very open, fair, competitive process. So if it was, uh, if one provider did win in the RFP process, um, that's not something that NYC Aging controls.

LISA SCOTT-MCKENZIE: It's original 3 provider and then this— in not you when your time, its

previous commissioner combined them to one. And then now a lot of constituents come to us saying, oh, we don't want to be transferred to the other provider. It has been an issue there. And also for the language access, because a lot of smaller population for the language, like, say, um, Hindi, uh, and also Bengali, they speak— they are scattered in different community. When it's canceled in the, er, citywide RFP, it's become one I, I provider, and then it's very difficult for them to navigate the system because the language issue.

LISA SCOTT-MCKENZIE: Mhm. And, um, I believe it was addressed in the RFP as distinct needs. And when we did look at those distinct need providers, we did find that many of them were serving a really small clientele. Um, if there is a gap there, it is one of the areas that we can review. And, um, I think in reviewing the contract, we'd like to look at it to make sure that it does serve as many communities and as many distinct needs as possible.

I'm open to reviewing the, um, the RFP to see if there's any amendment that we can make to better cover, uh, those areas. What feedback you have been hear about caregiver program under recent RFP?

LISA SCOTT-MCKENZIE: Well, again, it's, it's being concluded now and it's active July 1st, so there's a lot that I cannot discuss publicly yet, but, um, I'm open to additional questions once that caregiver RFP is issued.

CHAIRPERSON ZHUANG: Did the number of community-based providers also change— changed?

LISA SCOTT-MCKENZIE: Would you mind if we defer this until after the—

CHAIRPERSON ZHUANG: Sure.

LISA SCOTT-MCKENZIE: RFP is issued?

CHAIRPERSON ZHUANG: Okay, sure. Uh, what data or metric did the NYC agency use to determine which provider would receive citywide or community-based contracts?

LISA SCOTT-MCKENZIE: The RFP explains all of the terms and the conditions. And again, it was a fair, open, competitive process. And it's really specific as to, uh, the details of who would be selected for that, uh, that contract.

CHAIRPERSON ZHUANG: Okay. Is NYC Aging considering adding additional citywide provider, given the concerns we have been hearing from the community?

LISA SCOTT-MCKENZIE: As I mentioned, I'm open to hearing the concerns, obviously. And if there is a gap identified there that we can better address, absolutely, I, I would welcome our, our interagency, inter, uh, Council, inter, uh, any collaboration from any group that's willing to assist in this process.

CHAIRPERSON ZHUANG: Thank you, Commissioner. And, uh, I feel bad this RFP not you gave out.

LISA SCOTT-MCKENZIE: It's okay.

CHAIRPERSON LEE: Um, and Council Member Thomas-Henry, not to put you on the spot, but I know you were list— on the list for questions, so did you— you could feel free to go ahead and ask.

COUNCIL MEMBER THOMAS-HENRY: Thank you, Chairs. Um, I'm not gonna ask my questions because I believe they were addressed, so I won't do that to you. Um, but I do want you to hear directly from one of my centers, if you like.

So my name is Molly, and my name is Juanita. We participate in senior activities at Elm Core, East Elmhurst, Jackson Heights, Queens, and Golden Phoenix 1, 2, 3, and 4. Our acronym for senior is S. We are seniors from diverse backgrounds. We have worked, lived, raised children, attended homes, and are now

empty nesters with time to socialize with our neighbors and fellow seniors.

E. At the senior center, we are kept busy with educational activities such as crafts, singing, dancing and sign language, Spanish and Mandarin which we certainly enjoy. There is also the technology of computer world, QR codes, and AI issues, which are remarkably interesting.

N. We may not have much nightlife but a good night rest helps us stay healthy, energized and ready for tomorrow's activities. I. Learning at the center, we feel independent, intelligent and confident to interact with others. O. We enjoy the order of the daily events, trips, movies, proms, and presentations organized by the senior staff and volunteers. In addition, consultants from different fields come in to inform us about tips on safe, healthy, and secure living.

R. We need resources to help us cope with today's financial pressures. Many of us live on fixed incomes while the cost of living continues to rise. We hope to enjoy life's essentials, including healthy meals, affordable housing, and recreation. Your support can help us secure the resources needed

to meet these basic needs. C. Our centers provide communication, neighborhood involvement and entertainment. E. Enjoyment of all our community has to offer and specialized trainings. T. Timely notifications regarding future trips and other activities. E. We are entertained throughout the day with crafts, music, recent movies, and shared stories, especially during our sip and chat sessions.

R. Recommendations on how to access other New York City benefits and care organizations. We are updated and pumped up seniors/older adults in the winter of our lives who are not to be left behind or pushed out. We need your support. Necesitamos su apoyo. Thank you.

LISA SCOTT-MCKENZIE: Gracias.

CHAIRPERSON LEE: Mhm. Nice.

LISA SCOTT-MCKENZIE: So thank you so much for that. That was really gratifying to hear all of the the wonderful benefits that Molly and Juanita are getting from the centers. And I must say, I've met a lot of Molly's and Juanitas on my many visits out to the centers. But of course, we also recognize that they do need our help and they need our support. And that's exactly what everyone at New York City Aging,

along with this Administration, uh, has been working towards to make sure that our seniors can live, thrive, and survive here in New York City.

So I wanna say, uh, one thing. I heard that, uh, they said they don't have much nightlife, so that means they haven't joined us for our borough night outs. Uh, we just recently had one in Queens that was phenomenal. So I'm going to invite Molly and Juanita to be my guests at our borough night out so that they can have some nightlife, and I could probably have some too.

In addition to that, the resources, um, we will help them to point them towards the available resources, and we'll keep fighting and advocating every day so that they have additional resources. Again, for our 4, uh, main areas of focus, the first being food insecurity, uh, the second being, uh, affordable housing, uh, access to quality health care and safety.

So we are aligned in that, that is the goal for everyone over 60 in New York City.

CHAIRPERSON LEE: Great. Um, am I allowed to ask what types of activities they do on these, uh, night outs?

LISA SCOTT-MCKENZIE: Oh, well, you know, I, I, I—

CHAIRPERSON LEE: Or is that like secret?

LISA SCOTT-MCKENZIE: No, it's not secret at all because, uh, our older New Yorkers post, stream, and do everything to make sure others share.

In fact, we had one of our older New Yorkers that attended this event where there was music and dancing, food, um, of course the, the older, uh, New Yorkers sharing some of what they've learned over the years too. But, ah, one actually had a tripod set up and she was stream— livestreaming out to her family and her friends so that they could see the great time that she was having.

So, it's not secret, it's a lot of fun, lots of entertainment, and, ah, lots of older New Yorkers enjoying each other and us enjoying them as well. So, um, again, we open that invitation to our night outs.

CHAIRPERSON LEE: Love it. Okay, I was about to close out, but we've been joined by Council Member Banks, who I know has questions for aging. Okay, perfect.

COUNCIL MEMBER BANKS: Thank you, Madam Chair, and, uh, welcome. Uh, first of all, uh, first time meeting you. Pleasure to meet you.

LISA SCOTT-MCKENZIE: Pleasure to meet you.

COUNCIL MEMBER BANKS: Uh, and particularly, uh, when it comes— to the leasing agreements. That was something we had conversations with the former commissioner for those, um, centers that went under conversion through RAD PAC. And I wanted to know, was there any— did we get any clarity as to where the status is with those particular lease agreements?

LISA SCOTT-MCKENZIE: And I have to say it's an evolving situation in that— um, we do have a meeting with, uh, NYCHA leadership coming up pretty soon to get more information ourselves. Uh, again, you know, it's still pretty early, but to get more information about those RAD PAC agreements, what they include, what they don't include, and the scope of work, uh, because at many of those sites they are performing major infrastructure upgrades. And, um, while it's a good thing for the building and for the senior center, um, there are some minor inconveniences.

As long as those inconveniences don't cause health or safety issues at the site, then, uh,

there's no issue. But if there's an issue there that's causing, uh, inconvenience or a health and safety, uh, vulnerability for our older New Yorkers, then New York City Aging will work along with NYCHA to ensure that the— they are remediated immediately.

COUNCIL MEMBER BANKS: Remediated. And the reason why I bring that up is because there's a center in my district where the, uh, the sponsor, Millennium Development, has put in for capital funding. And since they don't have a lease, they can't put in— they can't put in— they won't qualify for the capital funding, um, particularly for that particular building.

I believe it was an HVAC system or, or whatever that was needed. Um, and this was a situation where they were located in a, uh, senior— they were located in a community center. They were sharing a space, uh, with an— another youth program. And then there was a decision made to move them into a commercial space within, uh, the NYCHA development, which made sense. But that space that they've moved into, they haven't had a lease agreement. And, um, there's been, you know, major concerns about the continuation of programming there.

So we're hoping that you can get— we can get some clarity and we can get you know, we're looking forward to working with you on that as well. Um, and also with NYCHA, so, or with the, with those private developer— developers who have now taken over those centers.

LISA SCOTT-MCKENZIE: And thank you for that. Um, there are some lease issues at, uh, several of the locations that, uh, operate OACs, but NYCHA specifically will be— we will be working along with them to ensure that we don't displace seniors unnecessarily.

COUNCIL MEMBER BANKS: Right.

LISA SCOTT-MCKENZIE: So definitely that's something I look forward to working with you on.

COUNCIL MEMBER BANKS: And, uh, increased funding for staffing and cooking— cooking sites, uh, for the senior centers. We know that obviously with the increase of food, uh, is there being monies allocated or extra funding given, uh, to these particular centers, uh, to meet that need?

JOSE MERCADO: So what we do every year is we look at for example, where underspending is and

overspending is, and then we reallocate where the need is.

COUNCIL MEMBER BANKS: Okay and transportation. I'm just trying to run through these questions. Uh, Access-A-Ride, major issue, major concern. Uh, transportation continues to be one of the biggest barriers preventing older adults, uh, from accessing health care, meal programs, and social services at older adult centers.

How is DFTA working, uh, with the MTA and other agencies to improve transportation access and the reliability for seniors, particularly through Access-A-Ride, which services so many of our disabled and, uh, older adults. Well, right before you came in, we mentioned that the Cabinet for Older New Yorkers, in which we do have, uh, Department of Transportation, MTA, and other representatives there, we do talk about issues like this. How can we increase the efficiency of transportation for our older adults?

So we're looking forward to putting forth some initiatives that will help, and obviously we do have also our transportation RFP that will come out later this year.

COUNCIL MEMBER BANKS: Okay, excellent. Well, we're looking forward to working with you, especially on those lease agreements.

LISA SCOTT-MCKENZIE: Yeah.

COUNCIL MEMBER BANKS: Thank you much.

LISA SCOTT-MCKENZIE: Thank you.

COUNCIL MEMBER BANKS: I yield back.

CHAIRPERSON LEE: Thank you. And we were joined previously by Deputy Speaker Williams. And just to close it out, I just wanted to ask, so now that you've had a few months, um, uh, under your belt, uh, in terms of new needs, which is not really something we've talked about. I know that there's your 4 main priorities that you're trying to push, but, um, just curious to hear of if there are any new needs that you're looking to include in the budget as well that you are advocating for.

LISA SCOTT-MCKENZIE: Well, I can tell you that our needs will always outpace our resources, and there are some issues that, uh, er, of concern at this time, and, um, we'll, we'll more than likely look at, uh, some that are related to transportation. Um, in looking at the fleet of vehicles for many of the sites, they are quite aged. Some of them have

well over, uh, 200,000 miles. Uh, and they're not in great condition. So it is a need that, uh, at some point we will probably come back to this Council and ask for your advocacy and support in, uh, acquiring some new vehicles for some of these sites.

CHAIRPERSON LEE: Perfect and that was actually a question that Council Member Zhuang had anyway, so you answered both. So thank you so much. And I think if there are no further questions, that will conclude, uh, Department for the Aging's portion of the hearing. So thank you. Thank you, Commissioner.

LISA SCOTT-MCKENZIE: Thank you.

CHAIRPERSON ZHUANG: Thank you.

SERGEANT AT ARMS: Just keep an eye, guys. Please, uh, keep it down, please. We have a hearing rolling. Just please keep it down. Again, no food or beverages are allowed in the chambers.

CHAIRPERSON LEE: Sorry, we’re just waiting for them to adjust the camera angles, because we know angles are important so.

Sorry, I never know yet if I’m supposed to gavel in if we have continuous- okay, just in case. [GAVEL] Alright, so good afternoon and welcome to the second FY27 executive budget hearing for the day, um,

focusing on our city's library systems. This is gonna be a fun one. Um, I'm Council Member Linda Lee, Chair of the Finance Committee, and I'm pleased to be joined by Deputy Speaker Dr. Natasha Williams, Chair of the Committee on Cultural Affairs, Libraries, and International Relations. Um, I've been joined by my colleagues, uh, Council Member Hudson, Louis, Maloney on Zoom, Council Member Brooks-Powers, Council Member Restler, Schulman, Jay Sanchez, and Council Member Ossé.

Um, so welcome Tony Marx, President and CEO of New York Public Library, uh, Dennis Walcott— yay— uh, President and CEO of Queens Public Library. Sorry, I just had to, you know, Queens. Um, Karen Sheehan, Vice President and CFO of Brooklyn Public Library, and— yeah— and your respective teams. Um, thank you all for joining us today to answer our questions.

Um, on May 12th, 2026, the Administration released the Executive Financial Plan for FY '26 to 2030 with a proposed FY '27 budget of $124.7 billion. The library's Proposed Fiscal '27 Budget of $526.6 million represents an increase of $35.2 million or 7.2% from the $491.4 million originally budgeted in the FY '27 Preliminary Plan. And this increase

results from several actions, mostly the $31.7 million baseline funding starting in FY '27 for subsidy to libraries for operational support.

In the Council's Preliminary Budget Response, we called on the Mayor to add $30.7 million to our 3 library systems to support their critical operations and resources as a third space for New Yorkers. We were pleased to see that $31.7 million was included in the plan. The combined unfunded capital black— uh, backlog across the 3 library systems represents a significant deferred maintenance need to the city's public portfolio. The distribution of capital needs is deeply inequitable, and branches in historically underserved neighborhoods are disproportionately represented among the most deteriorated facilities.

Further, during the Preliminary Budget hearings, there were design-build and broad location, app— uh, concerns, and procurement issues identified. Um, as New York continues to face an unprecedented housing affordability crisis, the Council remains, um, interested in opportunities to maximize public assets, including the thoughtful development of affordable housing on top of public library facilities where appropriate. These projects

represent, um, a unique opportunity to modernize the aging library infrastructure, expand community space, and create much-needed affordable housing while ensuring libraries continue to serve as vibrant and accessible centers for New Yorkers.

And I will now turn it over to my Co-Chair for this hearing, Deputy Speaker Dr. Natasha Williams, for her opening statement. Thank you.

CHAIRPERSON WILLIAMS: Good afternoon, and thank you to everyone joining us today for the Committee on Finance, jointly with the Committee on Cultural Affairs, Libraries, and International Relations, Fiscal Year 2027 Executive Budget Hearing. I would like to welcome the representatives from the 3 public library systems and my colleagues in the Council.

New York City's 3 library systems, the New York Public Library, the Brooklyn Public Library, and of course, the Queens Public Library, together operate 220 branches across all 5 boroughs, making them one of the largest public library networks in the country. These institutions are essential community anchors supporting literacy, workforce development, and lifelong learning for millions of New Yorkers every single day. I'm pleased to report that the

Fiscal Year 2027 Executive Budget includes $526.6 million for our 3 library systems, a $35.2 million increase from what was proposed in the Preliminary plan. This is a meaningful step forward, and it reflects the sustained advocacy of this Committee, our colleagues in the Council, and library supporters across the 5 boroughs. Of particular significance is the Executive's Plan decision to baseline $31.7 million in additional city funding for library operating expenses beginning in Fiscal 2027.

In Fiscal 2026, the Council fought hard to secure $30.7 million in one-time funding for these same purposes. We made clear in our Fiscal 2027 Preliminary Budget response that these funds needed to be baselined, not treated as a one-year fix, and the Administration has responded. This is a victory for our libraries and for the communities they serve.

While today's hearing focuses on the Executive Budget, I want to be clear that our work is not finished. The Council will continue to examine whether the staffing levels, program funding, and capital commitments in this budget are sufficient to meet the needs of all New Yorkers.

As of March 2026, the libraries carry a full-time vacancy rate of 8.1%, with over 378 budgeted positions unfilled. We will be asking our library partners about their plans to address those vacancies, and what additional support they need from the city. I also want each system to tell us about their capital need in Fiscal 2027, active capital projects, and any recent groundbreakings. I want to hear about any branches that need comprehensive renovations and about your most urgent projects across the boroughs.

Before we begin, I would like to acknowledge my colleagues who are present. Um, Council Member Sanchez, Ung, uh, Ossé, Brooks-Powers, Brewer, Louis, and Hudson. Um, I would also like to thank finance staff Carolina and Aliya for their work on this hearing, as well as Committee Staff Alejandro and Regina for their support.

Finally, I would also like to thank my staff Priyanka and Shaki(SP?). I'm going to ask my colleagues to limit their questions and comments to 3 minutes. I will now turn it over to the Committee Counsel, um, to administer the oath to members of the

Administration. But this is not the Administration, so I don't think you get sworn in.

So with that, turn it over to you.

CHAIRPERSON LEE: Okay, one quick thing before that. So, uh, just as a reminder, for this year's Executive Budget joint hearings, we will take public testimony on all agencies' Executive Budget on Wednesday, June 10th, beginning at 9:30 AM. Um, so please let your folks know that it's going to be on June 10th, Wednesday, beginning at 9:30 AM.

Okay, sorry, now you can go.

COMMITTEE COUNSEL: Good afternoon. Do you affirm to tell the truth, the whole truth, and nothing but the truth before this Committee and to respond honestly to Council Member questions? Uh, President Marks?

TONY MARX: I do.

COMMITTEE COUNSEL: President Walcott? And Vice President Sheehan. You may begin.

TONY MARX: Good morning. My name is Tony Marks, and I'm the President of the New York Public Library. It's a particular pleasure to be with you all this morning. Um, I wanna thank City Council Speaker, uh, Menin, Deputy Speaker and Committee Chair Dr.

Williams, Finance Committee Chair Lee, and all the Members of the Committee for this opportunity to testify on the Mayor's Fiscal Year 2027 Executive Budget.

As we all painfully know, for many years, all the library systems, including NYPL, faced at this juncture significant cuts to our operating budget. Each year started with those deficits, with advocacy just to get back to even.

Last year, at the last minute, we were held harmless and achieved additional funding, and so we're hugely grateful to the Council for leading the fight to make us whole. But that total of $32.7 million in restored and increased funds, as we all know, was one-time and not baselined. So that was still the budget dance, as we lovingly call it. Uh, the budget dance is laborious, it's costly, it diverts resources and our attention and efforts from where they belong.

But this year, we are so pleased to say, is different. Mayor Mamdani has delivered on his promise to end the budget dance with an Executive Budget that restores and baselines the libraries at $31.7 million plus an additional $2 million, for the

Council's efforts to expand Sunday service in his FY '27 Preliminary Budget. We are incredibly grateful to the Mayor for that, uh, for that effort. And of course, we recognize and, uh, celebrate the City Council's ongoing, essential advocacy and support. It is so refreshing to spend May and June doing the work of the libraries instead of the advocacy to keep us whole, so we can focus on our Sunday service, our after-schools, our summer learning, and so much more. But that is the foundation that brings us again to steady state, and it's a foundation with your help, with the Mayor's help, we would like to build on further.

The Mayor has indeed acknowledged that his move in terms of bringing us up to baseline, um, is intended to ease the upcoming negotiations with the City Council, and we hope those go very well. We ask you for increased expense funding which stems from operating on a mostly flat budget for several years. New York Public Library alone has $52.5 million in unmet needs, particularly from rising costs of operations, because we know costs are going up for everything, collections the same, and continued emergency repairs.

We are also looking to— for a transformational capital investment from the city for— of $150 million for each of the systems — and we hope that you will consider a $10 million request in capital funding from the Speaker and the borough delegations to address unexpected shortfalls and new projects. Let me dive in for just a minute. On the expense side, as I've mentioned and has been already mentioned by, by the Chair, rising costs of operations including technology, cybersecurity, compliance with unfunded mandates, require us to fit the bill. We have to fit the bill for maintenance, equipment, health care coverage without any increase in funding.

Collections are so essential to what we have and what we can offer to our community, and we know the costs of those have risen alongside increased demand. We should celebrate that increased demand, given that's not the case in terms of reading across the nation. Let us not, uh, be stingy in giving the people of New York the books that they are eager to read so that they will continue to read more. We cannot be hamstrung in our efforts to meet the diverse needs of our community, including diverse collections in every neighborhood.

We have, of course, uh, a budget that is we need a budget for emergency repairs to help us reduce unplanned closings. When we are closed, we cannot provide any of our service or access to our collections. And given that our buildings are small and often aging structures, they face real maintenance challenges.

With additional funding, we can also do more. The Mayor himself has said he's committed to working with the Council to eventually get to 0.5% of the city's budget for libraries. That would be most welcome. In fact, it would be fabulous. With that additional $28 million for NYPL alone, we could expand hours and days of services. We could continue to expand our— for instance, our high school after school, uh, where the attendance last year was 68,000. That's a 31% increase over the previous year.

We can continue again as an example to host career fairs at a time when it's increasingly hard for our teens to find jobs. Um, we had 1,600 attendees in the past. We'd like to do much more. The PMRR continues to show steady increase in all of our program attendance, library cardholders, computer

and wireless sessions. The New York Times, in its survey of 35,000 New Yorkers, showed, quote, "more funding for libraries" as the top choice of our citizenry.

On the capital side, our services are, of course, of little value if they don't happen in places that feel sel— safe, welcoming, and modern, let alone open. Um, many of the— our locations are in need of long-term structural upgrades and renovations. Sorry. Continued progress is challenging for many reasons, as we have discussed for many years. That includes a city process that often results in wildly increased costs and shortfalls, therefore, and significant delays. We know that the Council is very aware of this situation. The Mayor is very aware of this situation. In his commitment to excellence in government, he has talked about the need to enact reforms.

Meanwhile, we are so, ah, delighted to be working with the deputy mayors who are focused on this effort. We have a great new head of DDC who we are also looking forward to working with. Um, we look forward to any partnership that will create creative approaches to avoid cost overruns and delays so that

we can use the funds made possible by the citizens of New York more effectively.

We also look for a transformational investment of $150 million for each system. You'll recall in 2016, uh, we got $100 million. We used that to do complete renovations of 5 century-old Carnegie Libraries in some of the most high-needs neighborhoods of the Bronx, Manhattan, and Staten Island.

As has already been mentioned by the Chair, another are our co-location projects where we use the air on top of libraries for affordable— and, uh, for affordable housing. We have discussed these with Speaker Menin, with the Administration, with respective City Council members. We are eager to do these co-location projects wherever that is possible going forward.

Um, we— alongside that, we have also, ah, $10 million in undesignated funds from the Speaker and borough delegations that really would be essential for us. They gave us the flexibility to express— to address unexpected shortfalls and new work that could be done in time for Council Members to celebrate during their terms those completed projects with their constituents.

As the Mayor has recently noted, the budget dance kept libraries on the perpetual back foot, desperately trying to keep the same floor year after year, instead of being able to advocate for more. We are so grateful to the Mayor for getting us here, and here we are advocating for more. The libraries have always faced significant cuts in previous years. It is so wonderful not to be facing that this year. And it was always the City Council who joined us and championed our efforts. We are relieved not to be fighting to get back to even at this juncture. But we are doing more, we want to do more, costs have gone up, so we need your help so that we can continue to do the great work that New Yorkers depend upon us. We are the most visited civic institutions in this town. We are in every neighborhood, including the poorest, and we are proud of our efforts to meet the needs of New Yorkers, whatever they are, and to work with you to make that possible.

Thank you so much for this opportunity to testify.

KAREN SHEEHAN: Good afternoon, and thank you, Speaker Menin, uh, Finance Chair Lee, Deputy Speaker and Library Chair Dr. Williams, Members of the

Committees, our Brooklyn delegation, and the entire City Council. I am Karen Sheehan, financial— Chief Financial Officer Chief Financial Officer and Executive Vice President of— for Finance and Administration at Brooklyn Public Library.

Brooklyn Public Library is grateful for your steadfast support. Your commitment makes it possible for our dedicated library workers at the over 1,000 members of DC 37 Local 1482 to deliver the programs, services, and resources New York— New Yorkers count on every day. We also appreciate the Council's response to the FY '27 Preliminary Budget, calling for full restoration and baseline of library funding. For too long, the budget process has been defined by an unstable cycle where critical operating funds were granted temporarily, only to be stripped away in the next budget proposal.

This made planning impossible, drained staff morale, and ultimately harmed the very communities who rely on consistent library services. Thanks to our collective advocacy, the Council's leadership, and the Mayor's action, the FY27 Executive Budget restores and baselines $31.7 million in operating support to the library systems, of which our share is

$8.8 million. We are deeply grateful to Mayor Mamdani and the City Council for working to make this crucial funding permanent and welcome additional conversations about funding libraries at 0.5% of the city budget.

City support is vital, and it's been far too long since we've had this level of stability. Ensuring our operating funds will be available in future years is a major relief and demonstrates that public libraries are a priority for this city. We appreciate the end of the annual budget dance. However, we cannot rely on this restoration alone. As it stands now, the library's budget is flat without additional funding to address our remaining operating gap.

After years of fighting back cuts, we have struggled to provide service as funding has not kept pace with the growing demand and the increased cost of doing business. And patrons have felt the, these effects, whether through longer wait times for books or more frequent service disruptions.

In the last calendar year, Brooklyn neighborhoods lost 177 hours in unplanned delays and closures at their libraries due to staff shortages. The

restoration proposed in the Executive Budget will reduce our operating gap from $17.5 million to $8.7 million. While this is extremely helpful, a significant shortfall remains that will continue to erode service across our system if further steps to address it are not taken this year.

Libraries are vital to the fabric of this city. Brooklyn Public Library and our dedicated employees are serving more patrons, protecting intellectual freedom, encouraging civic participation, and helping New Yorkers thrive. Across our 62 locations, the need for our services is only growing. In the last calendar year, Brooklyn Public Library recorded over 6 million visits, circulated books and digital materials over 10 million times, and welcomed 841,000 attendees to our public programs.

Adult literacy and education programs enrolled over 1,100 learners pursuing high school, um, equivalency diplomas and edu— uh, career certifications. The workforce development team hosted over 1,600 career workshops and one-on-one counseling sessions, helping close to 16,000 individuals looking to advance in the job market. And just last month, we partnered with the Department

of Labor and 6 elected officials to hope— host a job fair that filled our lobby of the central library with more than 1,200 job seekers.

While the— it is heartening to provide this opportunity, it just underscores the growing need for these vital services. We cannot keep doing more with less. As I mentioned earlier, Brooklyn Public Library must contend with an $8.7 million in unavoidable, uh, costs in the upcoming fiscal year. A significant driver of this shortfall comes from mandatory non-discretionary expenses.

This year, general health insurance costs grew by $2.7 million, including a 1.2, um, unfunded mandate for the PICA prescription drug benefit. Our staff deserves great benefits. However, this benefit was negotiated and implemented by the city without the corresponding funding allocated to the libraries. Every dollar we must redirect to cover unfunded mandates like this impacts our ability to provide core public services.

Beyond healthcare, the cost of basic library operations continues to climb. Our buying power is diminished as the price of books and materials is up 5%. Books— book costs increased $2.5 million this

year, including $400,000 just to maintain our current digital collection. Books are the lifeblood of the library, and ideally we should be expanding our collection. Instead, we are spending more just to keep it steady. Keeping our doors open and our facilities safe also requires us to dip into precious operating dollars. Our branches periodically encounter emergencies requiring immediate attention that cannot be addressed through a traditional capital project. The heavy rains that doused the city last Wednesday flooded 3 of our branches.

During an extreme cold snap just a few months ago, a sprinkler failure caused flooding that left $100,000 worth of damage at the Sunset Park Library and kept the community out of the branch's lower levels for weeks; and at Leonard Library water infiltration in the building required an immediate infusion of $800,000 to waterproof the lower level and make the building safe for staff and patrons. The cost of this emergency work and rising maintenance contracts has cost us more than $4 million this year! We are grateful - as grateful as we are for restored and baselined funding, we have a significant deficit to manage. The Council has

traditionally championed a library initiative—crucial expense funding that has helped fund library operations, including staff positions, collections, and building maintenance.

For the past several years, that subsidy was $15.7 million for all three systems. The Council's support has been instrumental in maintaining consistent library services for the city, and we hope we can count on it again this year.

Brooklyn Public Library is the steward of more than 1 million square feet of city-owned buildings, with a burden of over $400 million to bring them up to a state of good repair. Roughly one-third, or about $130 million, are considered emergency needs—heating and cooling systems, roof replacement, and safety enhancements. Our infrastructure is aging. Brooklyn's library buildings average 74 years, and 20 of them are over a century old. It is no wonder that we lost over 1,000 hours of public service due to system failures last year. It's difficult to overcome this capital crisis without adequate funding. Lacking a source of recurring capital dollars, our team cannot effectively address emerging

problems or plan for preventative maintenance through the capital process.

With your partnership, Brooklyn Public Library has made progress. Over the years, the Council's lump sum capital allocation for libraries has been a lifeline, ah, um, allowing us to address urgent repairs and fill shortfalls as stalled capital projects across the borough. We have $12.8 million in DDC project shortfalls, and the Council's capital funding has been instrumental in helping us keep projects moving forward. We are very grateful for your support, and this year, once again, we have requested $10 million in capital funding from the Council through our Brooklyn delegation.

BPL has also submitted a 10-year capital plan request to the Administration for $276 million to care for our physical plant, address shortfalls, and upgrade our technology. Like our fellow library systems, our request also includes a transformational $150 million investment that would enable 5 comprehensive branch overhauls in Brooklyn. An investment of this scale has only happened once, more than a decade ago, and the results are paying dividends. Comprehensive branch renovations address

multiple improvements in a single project, saving time and money, reducing interrup— and reducing interruptions in neighborhood library service. We are thankful that the Administration has added $15 million in the Executive Budget towards one of our capital projects, and we urge City Hall to allocate additional capital funding to the library. We thank the Council for your longstanding borough-wide capital support, and our members who have generously funded library projects in their districts.

In a poll at the start of the new year, The New York Times asked readers, "How can we make the city a better, more livable place for all?" And New Yorkers overwhelmingly ranked funding libraries as their top priority. Libraries are a beloved public good, and as a library user named Kentney wrote to us this spring, Brooklyn Public Library made it possible for a shy, introverted, um, little immigrant girl to travel the world, explore magical lands and fantastical creatures.

From those pages, she learned to be open-minded, fearless, and become a lifelong learner, a bookworm committed to social justice. Brooklyn Public Library is grateful for the relationship we have with all of

our patrons, our staff, and all of our city's leaders. We look forward to continuing to work together serving our communities with investment that they deserve. Thank you so much.

DENNIS WALCOTT: Thank you, Tony and Karen, and good afternoon, uh, Speaker Menin, to Chair Lee, to Deputy Speaker Chair Dr. Williams, and the esteemed members of the City Council and the various committees that are represented today.

So, you know, my folks always have an over-under how long it will take before I deviate from script, so for those who have under 15 seconds, they'll be the winners today. Because I just want to take this personal note to thank each of you for your support, but more importantly, your advocacy, both at the full City Council level, but also in visiting our individual libraries as well. They make a tremendous difference to our staff members, to the people who work day in, day out. And before I came down here, I was at Central, and I always try to be at Central when possible at 10 o'clock in the morning when we open our doors because it really just reinforces the value of who we are as a library. And so walking through our door, we had two classes from PS 95.

We had people who were coming to a teen librarian training program. We had people who were coming for job guidance, for ESOL classes, and of course to read the books and to receive the various program services that we offer. I mean, that's who we are as a library, and all of you know that, and your advocacy allows us to continue that.

So I just wanted to add that in because, you know, you guys are always there for us. I mean, you're there in so many different ways, both from a collective point of view, but also when you're getting on our case as well, as far as making sure we're providing the appropriate services to the community. And so what Tony and Karen had to say, I basically say ditto. And I'm not going to read all my remarks, but quite frankly, how it pertains to Queens, but also look forward to your questions as well.

Uh, you know, our budget for Fiscal Year '27 and beyond, allows us to plan effectively for the out years. I mean, we're always reacting, reacting, reacting based on the cuts, and this gives us a foundation to really take a look at the moving forward and what it means. But I would not be honest

if I didn't say we're not satisfied. And the not satisfied is because, as Karen indicated, as Tony indicated, basically we have stayed flat, if not even gone further back. Costs have been shifted to us. That's buried deep inside the budget.

Karen talked about the PICA, uh, additional expense that we have to absorb, and that was not there before, and that's $1.2 million. We have contractual insurance premiums that are going out of the roof. Uh, we have mandated expense, which means that we are forced to spend less on books, ebooks, other library materials and defer branch maintenance and repairs and forgo other key operational needs. And each of us can cite the number of hours we have lost as a result of those needs.

And like Karen also indicated and Tony mentioned, uh, as a result of the recent flooding, while we only had one library that we couldn't open for the day because of the flooding, in the past we've had library after library after library that has suffered as a result of this deferred maintenance.

Having our unmet needs addressed would enable us to provide the public with more efficient service. Meanwhile, last Fiscal Year, we lost 442 public

service hours due to unplanned closures resulting from building issues. And again, with the planning that allows us to do with this baseline of the money, and we thank the Mayor for that. It allows us to take a look at what we can plan for this coming fiscal year and moving ahead as well but the needs are still there. We need more books and materials, as Tony and Karen have indicated in our collections, which would improve wait times, the ability to hire branch and support staff, resulting in enhanced public service and programming. That's so important. Our HR team at Queens has done a masterful job over the last year in working collectively with all the departments within the Queens Public Library to make sure we're bringing people on. But having that money there allows us to do that in a better way.

Like, I imagine Tony and Karen, uh, and if I slip and call you Linda, I'm just so used to 10 years. I haven't done it yet. I've been good so far but just having Linda as that partner next to me. I'm so used to it. And having upgraded public IT networks to ensure safe and updated systems for internal and external use, and reinforcing our buildings to avoid the infrastructure issues and unplanned closures.

We know the City Council recognizes this and the tremendous impact that libraries have on the lives of New Yorkers. I'm blessed. I'm extremely blessed to have the Queens delegation. The Queens delegation, and I look at each of you, has been outstanding for us. You're there for us on a regular basis. We have that type of relationship with each other when we see each other at parades like yesterday and we're able to interact, when we see each other at our libraries, and we see each other when you're walking down the street in front of one of your libraries and I happen to be visiting there. Each of us has that unique relationship in Queens, you guys are really on the money for us.

And we appreciate all the money you have put in place, and that's been baseline this year, for our Sunday Initiative as well. The Sunday Initiative have benefited libraries throughout the borough as well as throughout the city, and we thank you for that. Our buildings function, as you know, as vital social infrastructure, spaces where the public can go to learn, connect with others with no barriers to entry. I call it our community living rooms. People are able to come in, network with each other, sit

down, see people from various diverse backgrounds and religions, and just seeing— being in a library and the safety that goes along with that.

Our Fiscal Year '27 system-wide capital needs is $252.5 million, comprised of major projects such as renovations and infrastructure projects. Uh, to Chair Lee, the library that you walked yesterday by, Douglaston Library, when Little Neck Douglaston has their Memorial Day parade next year, that library will not be open because we'll be moving from that building, from a 7,500-square-foot building to roughly a 16,000-square-foot building. So we'll be expanding our infrastructure, not just there, but in a number of your districts as well.

That's why libraries are requesting from the Administration $450 million, $150 million for each system, to renovate at least 12 buildings throughout the city. For Queens, we're looking at Hollis right now, which is under renovation. Astoria, our Carnegie Library, is under renovation. Baisley Park, Full renovation as well. Soon to be opening a brand new location for our LeFrak City Library on the opposite side where we were, because that building had been flooding the LeFrak Library. And now we

will have a brand new LeFrak Library. Uh, and for me, and I have to give you that definition, summer technically goes to December 23rd or so but we'll be opening it this summer and before December 23rd when it's actually nice out summer and not the cold part of summer.

And so we have these buildings currently under construction and Arburn as well. And Arburn— I look right over there because Arburn, you can see the tangible results of the construction because it's been closed off, not the library itself, but we're lucky to have a lot where we're building an extension onto Auburn.

We also have branches in the DDC pipeline that will undergo major comprehensive renovations including South Jamaica, including Briarwood, including Mass Beth, and including Jackson Heights. Some of these are very complex projects, but we look forward to working with DDC around the development of these projects as well. It's essential that we keep the momentum going in modernizing our aging buildings, but it requires capital investment. This fiscal year, we have already filled the gap of shortfalls by $35 million, and what Tony and Karen

indicated about that $10 million from the City Council has been instrumental in us filling those shortfalls. But at the same time, we need to make sure we continue that because shortfalls will pop up. And as you well know better than I do, when those shortfalls pop up, if we're not able to fill those shortfalls, then the project stops altogether. We can't afford that to happen.

So that's why we're requesting continued capital support in the amount of $10 million. And speaking of DDC, you've heard me talk about DC, somewhat DDC in a very positive way. But I must say here, for the first time, I'm just extremely disappointed with DDC in that I'm, you know, I'm an old guy. I'm not into social media at all. That's just way above my understanding in life. But then someone shared with me a social media clip of the DDC commissioner in one— in front of one of our libraries talking about what he what he's going to do around Design Build, yet at the same time, we didn't get the courtesy of someone standing in front of our library talking about Design Build. I didn't get the courtesy as the president and CEO of the Queens Public Library, like, hey, this is happening, even before we sat down

one-on-one and talked about the future of our collaboration. That doesn't help with collaboration and working together. So I feel it's important just to say, we want to collaborate. We're here to collaborate with DDC, but it takes two to collaborate, not just one.

Uh, in March, I spoke optimistically about the future of libraries under the city's new leadership, and I give my big compliments to the mayor. I also give my big compliments to Deputy Mayor Su. We have had a fantastic relationship. She's always available. She calls, she texts, she meets in person, we meet online virtually. I can't say enough positive things about the Deputy Mayor and her relationship with the libraries, and we look forward to continuing that relationship.

You all understand our libraries are the centers for learning, connection, and opportunity where our trusted and dedicated staff are here for everyone, whatever their circumstances, whatever the issue. The Chair knows, last month Cambria Heights Teen Center hosted its annual prom attire giveaway where young people browsed through 1,600 donated dresses, shoes, ties, suits, and accessories and attended

workshops to ensure a fun and safe prom night. Matter of fact, one of the mothers there had two children there. She went up to one of our team members and said, I just want you to know, you saved me close to $3,000 with the amount of attire, the shoes, and the bling I was able to get today. And we thank you for that. Our Job and Business Academy recently held a job fair at the Flushing Library, connecting more than 600 job seekers with prospective employers. Our outstanding staff are planning activities for Summer at the Library, Strylai Summer Reading Initiative in partnership with the New York City Public Schools. I always look forward to that. We get together with the chancellor normally, uh, Deputy Mayor and other folks talking about the summer in the city and what it actually means, uh, for our children and the partnership we have as a city working in conjunction with the school system and our public libraries. And next month we're going to be celebrating individuals who completed the library's professional child care and home health aide certification trainings with a graduation ceremony. We love being here to serve the public. We really do. We're here to be public servants on a regular

basis. And with the investment that you have provided, with hopefully increased investment that you'll provide, we will be able to continue to expand our services to build and inform an equitable and livable city for all.

As I close, again, I want to say a big thank you to all of you for your advocacy support, and also thank the mayor for his advocacy, his support, his money, and his baselining of dollars, which has benefited us tremendously in our planning efforts. Thank you for the opportunity to testify.

CHAIRPERSON LEE: Thank you so much. Um, okay, in the— bless you. Um, in the interest of time, I'm gonna breeze through a few questions I had, um, 'cause I'm sure, uh, my other colleagues will be asking very similar questions. Um, and also, before I start, uh, just wanna recognize we've been also joined by Council Member Stevens. Um, okay, so as we know, and we just heard from you all, um, the budget is not enough, um, and the baseline, as great as it is, is really bringing us closer to what it probably should have been in previous years and is helping with the planning and the staffing, yes. But, um, just curious to hear from each of you, um, what

additional expense funding is needed for, among other things, um, to maintain 7-day service where applicable, evening hours, weekend programming, all of the things that you all need to do. What's the sort of, I guess, delta, if you will, of what's in the budget versus what is needed?

TONY MARX: Thank you, Madam Chair. Um, so the New York Public Library requests $15.2 million in additional expense funding to address unmet needs and rising costs. Those include library collections, $5.1 million, non-capital eligible emergency facilities repairs to keep our doors open, $1.3 million, operating costs of $8.8 million, which include the new unfunded mandates that we've already heard about, um, as well as cybersecurity, core technology costs, incremental services program, and costs of recently opened locations.

CHAIRPERSON LEE: Thank you. Sorry. Great.

KAREN SHEEHAN: BPL requires an additional $8.7 million to close our operating gap. I had, uh, briefly mentioned $2.7 in increased healthcare costs. In addition to that, uh, we have unreimbursed wage growth among our, uh, union employees. We also, um, have increased minimum wage for part-time employees.

Um, we also have an increase in number of, um, service points due to— which, great problem to have— larger libraries. Um, our libraries, um, are now built to serve our public and have teen room— teen centers as well as, ah, children's libraries and adults. These libraries are larger and have more service points, and we don't actually have, ah, enough staff to properly meet the demands of those libraries. Um, collection— our collection, ah, we require another, um, $2.5 million, uh, to meet the rising costs of our collection. And of course, uh, building— our building maintenance contracts continue to increase.

DENNIS WALCOTT: With Queens, it's $9,620,700, of which $2,000— $2,700,000 is with IT and deferred maintenance, increased costs, OTPS, $2,700,000, non-funded wage growth, $2,100,000. Library materials, $1,200,000, PICA expense, the $1,200,000. And that will come to— bless you— $9,620,700.

CHAIRPERSON LEE: Okay and then for all of your budgets, uh, is it 100% city funding or some of it privately raised? I'm assuming donations, all of those things but-

DENNIS WALCOTT: I think we're probably the heaviest on the city-funded portion percentage-wise? It was 95% roughly for the Queens Public Library?

KAREN SHEEHAN: We rely on 85% from the city and about 10% from state and federal, and then the balance is from private.

TONY MARX: So, uh, the New York Public Library is slightly different. Uh, about 60% of our funding system-wide comes from the city, for which we are hugely grateful and dependent. Um, but, uh, when we get some state funding, partly by formula, $20 million and some earmarks beyond that.

Beyond that, it is private funding, um, uh, return on an endowment, as well as our job, my job, to raise somewhere around $80 million a year, which funds the research library for all 5— for all 5 boroughs and for all comers from anywhere around the world.

CHAIRPERSON LEE: Perfect. Um, okay, so I'm just gonna go really quickly into, um, the MOIA, Mayor's Office of Immigrant Affairs, English language/ESOL funding. Um, and I have to bring this up because— and this is okay. So we know that $500,000 for NYPL, uh, goes for this service, $300K to BPL, um, in FY26

but QPL has nothing. Am I reading this wrong? So I, you know, and we have the largest number of immigrants in Queens. And so, uh, just wanting to know, um, how will this funding expand access to English learning services, how many additional New Yorkers are expected to be served? Because I know that, um, you know, especially in a city like New York City and especially in a borough like Queens, there's so many different languages spoken.

And so, uh, would love to see if there's a way, um, for us to help advocate for that for Queens Public Library as well.

DENNIS WALCOTT: By all means and we do get support, and I'll get you—

CHAIRPERSON LEE: Okay, maybe I missed that.

DENNIS WALCOTT: Yeah, let me— I'll get it in a couple of minutes and then let you know.

CHAIRPERSON LEE: Okay, so I'll be a little less angry then.

DENNIS WALCOTT: No, no.

CHAIRPERSON LEE: If there's money going to QPL. Okay, um, but if you guys, um, could just talk about those programs and services and if there is an

additional need to expand that and how many folks you're serving with that.

KAREN SHEEHAN: Great, um, I can jump in. Since July 1st, 2025, uh, to present, BPL has delivered 78 classes across 32 branches, including, uh, 3 virtual sites, and we've served 1,488 patrons. Uh, continued funding of $500,000, uh, would, uh, support next— in next year would support the We Speak NYC English classes and multilingual immigrant navigation. Uh, we do this work in collaboration with our adult learning and outreach services. Um, of course, we would greatly appreciate any additional support for this program. It's, uh, very well, um, attended and the demand is high.

TONY MARX: At the New York Public Library back in FY25, we received $350,000 to establish English learning and support centers in 20 branches. In FY26, we got, um, an additional $500,000 allowed us to add 10 more branches. This is all part of a, a collection of works aimed at, uh, the immigrant community, uh, those who need help with English. This is a moment in history where, uh, not everyone in this country is being as respectful, uh, uh, of the immigrant community. It is in our lifeblood. It

is basic to us. We are the first stop for most immigrants. We respect everyone. We serve everyone. We don't ask for any papers from anyone. Everything we do is free. These are essential resources for our new New Yorkers, and we've all been new New Yorkers at some point.

DENNIS WALCOTT: So for us, it's 500,000 as well. Uh, we've hosted classes at 28 branches. Um, and we can break down the 28 locations, but those locations are in many of your respective districts within the borough of Queens as well.

CHAIRPERSON LEE: No, thank you. And of course, as we know, a lot of those services and folks who come to your library systems are receiving a lot of other social services. And I know you all partner with our offices as well. So thank you for that.

Um, and my last question is just around the capital funding, which we know is not enough because, you know, um, you know, there's an additional $212 million, which is in the capital commitment plan, which is great, uh, in FY27. And, um, just wanted to— knowing what the limitations are in the $212 million, if you could each walk us through what specifically, um, increase in the capital plan for

the preliminary to executive plan includes for each of the branches. And is this driven by new projects, rescoped existing projects, or reestimated costs?

KAREN SHEEHAN: Sure, I can jump in. Um, I'm actually not familiar with the, uh, $212 million number, but I can share with you that BPL has received $15 million from the Administration in the Executive Budget, and that will support, uh, our Sheepshead Bay Library project. And, um, and we're, you know, we're seeking for FY '27, um, I believe, uh, a total of 40— about $48 million, um, in order to meet our full needs in FY '27.

DENNIS WALCOTT: So with Queens, we received, and we're very appreciative, $18.5 million for Broad Channel. And Broad Channel is our smallest library. Uh, but again, internally, what we do, we have a ranked priority order as far as those libraries that have capital needs, especially emergency capital needs. And so any new monies would go to those particular libraries in our rank order as far as priorities. And we've submitted it to OMB, uh, in a variety of different ways, and we'd be glad to have it reinforced as well by the City Council.

TONY MARX: New York Public Library's active capital portfolio is roughly $332 million with 30 projects. Um, our, our current, uh, the executive budget is $21.3 million for capital improvements. The mayor provided $16.5 million, as well as funding from the Bronx Borough President for Soundview, City Island, um, the Manhattan Borough President for Hamilton Grange, Washington Heights, Schaumburg. Um, we're grateful for all of that, and there is so much more work to be done.

CHAIRPERSON LEE: And then, uh, the projects that are currently, um, being looked at, do they— do any of the facilities, have they been flagged for critical infrastructure, health, safety, or ADA compliance needs? And if so, can you identify them for the record?

TONY MARX: I, I can say that— whoops— I know that we have only 4 branches that are not yet, uh, fully ADA compliant. Uh, we have plans, I believe, on 2 of those. One of those is really hard for us. We've been working with city agencies, um, just the physical realities, landmarks, etc.

DENNIS WALCOTT: So we currently have 37 active projects with the, uh, Department of Design and

Construction, and part of that includes some ADA— ADA as well. And we have one in your district, Chair, that several years off, uh, that is Queens Village, which has ADA compliance as well issues. And so that's on our drawing board, and there are a number of projects that we're looking at, uh, as far as moving forward with our capital infrastructure work.

KAREN SHEEHAN: BPL has $40 million in critical infrastructure needs going forward. I don't actually have, um, that broken down by specific projects, but we can get that to you.

CHAIRPERSON LEE: Perfect and I'm gonna pass it on to our Deputy Speaker. Thank you so much, Chair. Um, I just wanna talk a little bit about state funding. Uh, what did libraries get in total in state operating aid, and what did each system get? BPL received $8.7 million in this Fiscal Year, um, in operating dollars, and $3.5 in state capital dollars, last year in FY '26.

CHAIRPERSON WILLIAMS: Yeah the budget hasn’t yeah, right. I guess you can tell us what she got last year.

DENNIS WALCOTT: Queens roughly the same.

TONY MARX: Total state expense and capital funding, uh, FY '25 was $21.9 million. Um, and we know that, uh, the governor has proposed a budget, uh, for, uh, a very small increase in expenses for us, as well as capital aid is currently being proposed at a slightly lower amount.

CHAIRPERSON WILLIAMS: Thank you. Um, because the budget didn't pass, um, I guess you could share what you got last year in total in state construction aid. Um, is this the same thing as capital?

KAREN SHEEHAN: Yes.

CHAIRPERSON WILLIAMS: Okay, so we can skip that. The Fiscal 2027 Executive Plan includes a total $3.8 million in other adjustments in Fiscal 2026 and $3.5 million in the out years. The adjustment in Fiscal 2026 for heat, light, and power is $1.5 million. Can you tell us which branches needed this adjustment?

KAREN SHEEHAN: So heat, light, and power is centrally managed by the city.

Um, it's in— it's— they, they budget for it, um, in our budgets so that they can track where usage is. Um, but the, but the needs, um, are, are managed citywide. And so we don't really have, um, insight into which, which branches. But, but it's actually

probably just the rate increase and it's applied equally. To, to, to all of the libraries.

DENNIS WALCOTT: Just to add to that, I know that we are also working with DCAS, uh, to make sure we are more efficient as well. So they have a special— a couple of special projects with us as far as, um, managing the heat and the power. Um, so there's been a lot of collaboration back and forth with DCAS and some special grants, uh, to help us manage it. But as Karen indicated, it is essentially, uh, from the city itself.

TONY MARX: So I'll just say the same is true for the New York Public Library. OMB makes adjustments— oops, sorry. The same is true for the New York Public Library. OMB makes adjustments. Uh, they don't give us the exact details on that. I am pleased that we are also continuing to address sustainability at our branches, working with DCAS, the Bronx Library Center, solar voltaic, uh, at least 5 branch locations, and we hope to do more of that.

I would say the more that I ask questions year after year, it's like the more I really realize I don't know anything at all, um, which is, you know, an old saying, because I'm like, what, they manage at

DCAS? Okay. Um, so that said, you all have no idea on like utility invoices, all of that gets is managed by DCAS. Okay. Good to know. Thank you for the enlightenment. Okay. New needs.

Please describe any new needs submitted to OMB for FY '27 that were not funded in the Executive Budget.

KAREN SHEEHAN: Right. So, er, we had— we had a $17.5 million— We are looking at a $17.5 million operating gap going into FY '27. We're grateful that we received the $8.8 million in, in, in the executive budget, or we hope through adoption. Um, that leaves us with $8.7. Um, and, um, the need, uh, basically for us breaks down to increasing healthcare costs, um, as well as increased minimum wage for part-time workers, um, er, ah, increased number of service points in our libraries, um, our building maintenance needs continue to grow, and our collection, um, the cost of buying our collection continues to increase year over year.

TONY MARX: NYPL requests $15.2 million to meet additional expense funding and to address unmet needs, as I mentioned, that includes library collections, $5.1 million. Costs of books have gone

up, and we need to make sure that we have more diverse books in, in all of our neighborhoods. Non-capitally eligible emergency facilities repairs, $1.3 million. That allows us to, ah, ensure that we don't have emergency closings. When we're closed, we can't do any of, ah, the serv— provide any of our services.

As well as most importantly, operating costs— new unfunded mandates, cybersecurity, core technology costs, incremental services. I do want to add that, you know, we hope to continue to work with the mayor and with you all to get to his goal of 0.5% of the city's budget. We're now 0.42%, so we're only talking about 0.08% of the budget. Uh, that $43 million, um, for the systems, uh, would get us expanded services, more branch hours, services for all ages. Research hours would expand, education programs would expand, more library materials, and additional Sunday locations that have been so important to the City Council.

On the capital front, we have nearly $330 million in capital needs over the next 5 years. That includes $125 million for comprehensive renovations of libraries, as we have done with our 5 Carnegies

previously, $80 million in state of good repair projects, $70 million for prioritized critical maintenance, um, and we are, as accordingly, uh, requesting $150 million of transformational investment so that, as Dennis said, we can plan and we can execute. We can work with the city, get this done on time without delays, and really provide what the citizens of New York need and deserve.

DENNIS WALCOTT: And again, ours is $9.6 million, and it goes to, again, the deferred, uh, work around IT and other areas that are important around our critical services, our unfunded wage growth, the library materials. The PICA expense, again reinforcing that, it's 1.2, and that will come to 9.6. And Chair, if I may just pick up on a point that I wanted to mention to Chair Lee's question before, we have to always remind ourselves that we, the library systems, got a PEG on the capital side that was never restored. That's impacted us as well, and that PEG was 2 years ago. And as a result of that, we've had to really adjust accordingly with our capital work because that PEG is catching up with us each year that we move further into our capital planning.

So I just wanted to reinforce the point on the capital side as far as while we have some capital money, that money is getting shorter and shorter as a result of that PEG that was never restored. Hmm.

CHAIRPERSON WILLIAMS: The PICA expense that you all have been talking about today, is this a newer expense that you all didn't intend to have to pay? Because I— this is the first time I'm hearing about it, so I just want to understand a little bit more. The PICA expense.

KAREN SHEEHAN: Yeah, so this is, um, a, um, basically an enhanced prescription drug benefit for the union employees and historically, the libraries were not required to, um, to cover this monthly expense. Uh, we received notification, uh, in December from OLR that starting January 1st, we would have to pay, I believe it's about $120 per union employee per month to cover this benefit. Like we said, like I said in my, uh, my, my testimony, our staff deserves excellent benefits. Um, so we are— we, we have no concern about this, this benefit being offered to our employees. Um, it's that, um, the requisite funding to support this unfunded new need was not, um, provided— has, has yet to be provided to

the libraries. We are in conversation with OMB. Um, and we hope that potentially those funds will be made available to us in adoption.

DENNIS WALCOTT: It was shifted to us, quite frankly.

KAREN SHEEHAN: Yeah.

DENNIS WALCOTT: And as a result of that, while we appreciate the money that we've received in the baselining, it's an added expense to us. And as a result of that added expense to us, then that has to come from somewhere else. And so that's the key part of this. It has, uh, everything to do with the expense absorption, not what we want to provide to our staff.

KAREN SHEEHAN: Right, correct.

TONY MARX: So, so let me just put this in context. We would love— I think we would all love to see our colleagues who do amazing work to be paid more. That is not within our control. Those are negotiations between the city and the union. Um, we, ah, really hope for great results there.

The good news is when the city comes to a contract agreement on wages, we, uh, we get the funding to cover that. This is an example that

doesn't work in the same way. For us, $1.7 million of PICA, uh, coverage, which again, we're delighted that our, that our employees and colleagues are getting, is simply required of us without any funding for it. That, of course, creates shortfalls.

CHAIRPERSON WILLIAMS: Understandable. Um, and what was the amount for BPL? We have it for-

KAREN SHEEHAN: Uh, $1.2 million.

CHAIRPERSON WILLIAMS: Oh, so everyone $1.2?

DENNIS WALCOTT: Tony is different. This is— we're-

TONY MARX: We’re $1.7.

CHAIRPERSON WILLIAMS: Okay. Okay. Thank you.

DENNIS WALCOTT: New York is always different.

CHAIRPERSON WILLIAMS: Because, we want to be able to ask OMB about this, um, when they come before us as well. Okay. Um, what are the current vacancies across each system, particularly for librarians, custodial staff, security personnel, and maintenance workers?

KAREN SHEEHAN: BPL currently has 87 vacancies. I would have to get back to you on the breakdown among, uh, the titles. I will say we, um, all of the— all of those, uh, librarian titles, public

safety officers, custodians, they're actually, um, difficult, uh, positions to recruit for. It's actually a very competitive market given— and, and of course, um, the salary that we're offering. So we're constantly recruiting for those positions. Um, I would say we need quality candidates in each one of those areas.

DENNIS WALCOTT: Similar to Brooklyn, uh, I don't have a breakdown. We can get that to you, but our vacancy right now is around 80 individuals, and, uh, those are union employees. And with that being said, I do know without giving you the specifics that they're all across from librarians to custodians to customer service individuals. I mean, so, but we've been doing really a better job. I mean, the marketplace has been very kind to us, but I think our team has also been great in the collaboration both in the internal promotions as well as the recruitment of others, um, and recruiting individuals. I'll give you one quick example for my, ah, Queens Council members in that we have a strong partnership with the, ah, Queens College Library Program. And one of the, ah, professors there is also a full-time employee at Queens Public Library. What she's been

doing is she's been holding her classes at the library itself. And it's really provided a great opportunity for them to be up close and personal. And for all of us then to go both to Queens College but also when they come to the library to Central, able to talk to them directly. And she just had her, uh, in-class, uh, presentation around 2 weeks ago, uh, week and a half, 2 weeks ago. And that's allowed us also to draw, uh, from the people who are the graduates as well as the trainees.

TONY MARX: New York Public Library's current vacancies are a total of 113, though I should note that, ah, it's 54 of those that are in the branches. 59 are in the research library, which again is somewhat different. Um, again, hats off particularly to our HR function that does incredible work. But also I wanna say, in the years past where we have been doing the budget dance and not had certainty as to funding, we could not hire reliably because we didn't know if we would have the funding. That put everything off and increased vacancies. They were part of how we filled the gap until we knew what was coming. The fact that we don't have to do this this year means we can continue to fill the vacant

positions to meet the needs of every branch and all New Yorkers.

CHAIRPERSON WILLIAMS: Thank you. And that was a really important point. Um, Dennis, you started to talk about some of the recruitment tactics, which that's super awesome that you all are doing that. Do you have any other challenges you want to share? I know you said it's a competitive market. I'm interested in where librarians are going, if not libraries, but I'm guessing other institutions.

KAREN SHEEHAN: These two.

CHAIRPERSON WILLIAMS: Oh, oh, between the two.

DENNIS WALCOTT: I was gonna say the same thing.

CHAIRPERSON WILLIAMS: Oh, the competition is between the systems. Right. Um, gotcha. But yeah, any other any challenges you want to share, um, on recruitment or retaining staff?

KAREN SHEEHAN: Sure. Um, actually, um, it's— I'd like to actually highlight a response, um, to challenge, which was— is our Pathways to Leadership program. And, um, that's a— that's a program where we identify existing staff that are in— that are not in librarian titles. Um, so maybe they're clericals or custodians or, um, is sort of basically anyone who

is not, um, has not received the credentials to be a librarian. Um, and we support, um, uh, I think 5 people a year, 5, 5 staff each year, um, to pursue their master's in library services. And we, um, provide them with the tuition support, but also wraparound services, um, to— because we know that working and going to school at the same time and raising families is very, very challenging, and a lot of people fall out of their, um, their goal attainment because of those stressors.

So, um, we've privately fundraised in order to provide, uh, the— those staff the support that they need in order to complete their degree. I believe we're in the 4th cohort? 6th. 6th cohort.

Um, so that's, you know, um, 30 new librarians, um, to add BPL, and they're sort of homegrown. And so we're hoping that that is something we can expand upon going forward. Um, because these are people who love libraries and love urban librarianship, right? They want to do it. And so being able to invest in them, um, has, has been uh, really gratifying for the, for the community.

DENNIS WALCOTT: So, Chair, I want to take this opportunity to personally thank you for representing

us a week ago Friday at the gathering at the Brooklyn Public Library with the mayor. And I say that now because we had roughly 1,000 of our team members at a location in Queens for both staff development and also, uh, opportunity to see each other, which they haven't done in a while.

And I mention that in the context of your question because it was a great both team-building opportunity but also a morale-building opportunity for people to get together and to enjoy themselves but also take part in professional development. In addition to that, we have employed e-recruitment, uh, which makes it a little more transparent and also increases the timeliness of our hiring. Uh, we have tuition support program in place as well, and we've been able to do that. And then we also have it as a part of our strategic plan as far as our visioning and the recruitment and involving our team in that process as well.

So all the things that Karen talked about, I think we all somewhat model each other in that regard, uh, but trying to just create an environment of being, uh, a true public servant to the public at large.

TONY MARX: Um, so I think that the simple answer to your question is the cost of living in New York is the major constraint that we all face. That is the reality, um, which again, which is why we hope that the city, uh, together with the unions will find a way to increase the salaries, uh, for our wonderful colleagues.

Uh, one of the other examples of way— ways in which we assist our colleagues as tuition assistance, as you've heard from others. We have, I think, 70, uh, staff roughly every semester. That's about $160,000 per semester, almost all of those going for MLS degrees.

Um, there are places where we are seeing if there's a way, working within the constraints of the union, et cetera, to find some private support to expand tuition assistance because we know that there's even more interest and demand, which is fabulous. And we also celebrate our page program, which, um, has, you know, provides incredible opportunities for anyone who is currently in school, in high school or in college, to work in the branches. It's often their first employment. And so many of those pages, I'm delighted, continue on to be

regular employees of the system. So that's part of our pipeline efforts.

CHAIRPERSON WILLIAMS: Thank you. Uh, just a few more questions on capital funding, and then I'll turn it to my colleagues who I know have additional questions for you. Um, everyone's favorite topic, capital funding and capital commitment plans. Um, which this Executive Capital Commitment Plan includes an additional $212 million when compared to the Fiscal 2027 Preliminary Capital Commitment Plan.

Um, so does this increase address any facilities that have been flagged for critical infrastructure, health, safety, or ADA compliance needs? If so, can you identify them for the record? And I know you did talk about, um, some new needs and things that were not funded in the exact plan. So if you could just give us more details on that.

KAREN SHEEHAN: BPL received $15 million for our Sheepshead Bay Library, um, in the Executive Budget. Uh, looking at next fiscal year, we have just under $13 million in DDC shortfalls. Um, those are— so those are projects that are in the DDC pipeline that cannot move forward because we are lacking, um,

enough funding to, that, to meet the current DDC estimates.

So those are, you know, sort of the most— that would be the most urgent need going into next fiscal year on our capital side. We did ask for $20— $20, uh, uh, $276 million in the 10-year plan. And of course, you know, those, um, those projects, um, that money would go towards new projects that would be initiated, not projects that are currently in, in, um, in progress.

TONY MARX: Uh, the, uh, the New York Public Library's $21.3 million of funded, uh, of funding for, in the FY '27 Executive Budget, the capital, uh, funding, the largest single item is, ah, as the mayor has requested, uh, or provided, $16.5 million for the comprehensive renovation of the Great Kills Library, uh, in Staten, we're excited about that. But we're also excited about the projects that are currently in planning, um, and, and that includes Hamilton Fish, Ugo Knott, Westchester Square, long-time project, Woodlawn Heights, Castle Hill, Edenwald, Seward Park, Tompkins Square, West New Brighton, and, as I say, a total renovation for Great Kills, which is fabulous.

DENNIS WALCOTT: For Queens Public Library, ah, $18.4 million for broad channel. Uh, our total capital need is roughly $253 million. And with that being said, that, you know, again, the capital piece is so important, and I'm glad it gets so much attention because it allows us just to provide critical services. I mean, without the capital investment that's been made by the Council as well as others, uh, meaning the mayor's office, uh, it just allows us to grow our libraries and deal with the needs that we have. And again, just to reinforce Karen's point around the value of what you bring to us with your allocation to help us meet our shortfalls. And that way we don't have to stop our projects, and that helps us tremendously.

TONY MARX: C-can I just reiterate from Dennis's point, um, to the degree we get investments in capital in the 10-year plan, it's great. Any of those investments allows us to plan, mhm, so that we can, you know, do the great— I mean, our team does amazing work in capital improvement, but we have to know what we have to work with. That's step number 1.

Step number 2, as I've already signaled, is we need to work with the Administration. I know they're interested in this. I know the City Council is interested in this, in making sure that we don't face the delays and the additional funding that has come out of our DDC work. I know the DDC is eager to find some solutions as well. Uh, we want to work together so that there is funding that is sort of set that we can plan on, and then we can find systems to spend that money that provide the best outcome for those dollars.

CHAIRPERSON WILLIAMS: Thank you. And yes, I look forward to hosting the roundtable that the commissioner said that he would host both with the libraries and the cultural institutions to get into the weeds, to try to come up with some, um, solutions for the issues that have been raised for quite some time.

So the 3 library systems requested significant capital funding. Is this— the $150 million? Okay, great. Um, so just if you could share, what is the current estimated backlog of the state of good repair needs across your systems, including roofs, HVAC, ADA

accessibility, elevators, facades, and mechanical systems?

DENNIS WALCOTT: Hold on one second.

KAREN SHEEHAN: Okay, so for BPL, it's, um, ah, we require $400 million in additional fund— funding to bring all 62 branches up to a state of good repair. Of that, $130 million is for critical infrastructure. So that's failing roofs, um, and heating and cooling systems, and, uh, you know, life safety, fire and life safety enhancements. I can give you a breakdown of the $130, um, as a follow-up.

DENNIS WALCOTT: And just to go back to a point that I made earlier— hmm, excuse me— ours is $253 million, but again, we have a very detailed breakdown of all the capital work moving forward in critical capital work, uh, and we'll be able to provide that information to you. But I think it's a really excellent educational tool because it shows you, I think, the hard work of our respective capital teams and our library teams in doing the analysis and having the backdrop of the why these issues are being raised from a capital point of view.

So we would love to participate in that because I think there's a lot of rich material there that would be extremely informative to the Council.

TONY MARX: Uh, so again, um, the New York Public Library's unfunded capital needs, a total of $330 million over 5 years. I just want to be clear. That includes $125 million for comprehensive renovations, particularly at Francis Martin, Soundview, and Hudson Park. Um, again, the hundred— I just want to be clear. We're asking for $150 million in a transformative, uh, capital investment so that we can plan, so that we can find a better way to get the results of that investment, working with DDC or whatever reforms are necessary that can be agreed on. Um, and we're asking the City Council for a $10 million capital ask each system, which enables us to, to move forward, uh, and not have branches closed.

CHAIRPERSON WILLIAMS: Thank you. Can each library system provide an overview of its current vehicle fleet, including the number of vehicles, vehicle types, average age, and the percentage of the fleet that is beyond its useful life?

KAREN SHEEHAN: Hmm.

TONY MARX: I, I think we may need to get back to you on that one.

CHAIRPERSON WILLIAMS: Okay.

DENNIS WALCOTT: So I know there have been a number of questions with our fleet, and so I'd be glad to share the exact details, but I can say that we're replacing our entire fleet. Uh, we have a number of our, uh, book, uh, transportation vehicles on order. Uh, we've had, uh, one new delivery. Uh, matter of fact, I saw it just before I left to come here, and we have several on order as well. So we are constantly trying to upgrade our fleet so, uh, our drivers are in vehicles that, uh, represent the newest fleet.

CHAIRPERSON WILLIAMS: Thank you. That's good to know. Um, because I had a conversation— I know I spoke to you, Dennis, but I had a— I don't have your cell phone numbers. I would have texted you, but I did text Dennis that, um, the unions— I had a meeting with them last week, and they mentioned that some of the fleets, uh, the vehicles, um, didn't have proper AC and heating. And so I just wanted to ask a question, but it's— it's— I'm happy to know that you all are getting a completely new fleet, and this is

the purpose— try to be transparent— this purpose of the question. We want to make sure that you guys have, um, up-to-date, um, in good use vehicles so that the workers can have proper AC and heating when they're using the vehicles?

DENNIS WALCOTT: Just to reinforce the point, we have budgeted, uh, the replacement of our vehicles that the drivers who I think the union was representing, um, and again, we have one in, several that'll be in, and in a couple of months several are going through the procurement process now. So we are very conscious of that, and the AC works. And if the AC should break down, then we'll have those, uh, vehicles replaced, uh, repaired as far as the AC systems are concerned.

So we've been in ongoing discussions with our union partners around this issue, and we look forward to continuing that discussion.

CHAIRPERSON WILLIAMS: Thank you. I'll turn it back over to the Chair before, um, going to members.

CHAIRPERSON LEE: Yeah, sorry I just had a really quick follow-up. So with PICA— PICA—?

DENNIS WALCOTT: PICA.

CHAIRPERSON LEE: Okay, PICA um, so I, I— so my understanding, and correct me if I'm wrong, I think it might actually be higher than $120 per month per member, but either way, it's an unfunded mandate, right? And so, um, my question and understanding, and please correct me if I'm wrong, is that when the city was contracting and working with DC 37 to renegotiate the contracts, they worked on the health insurance insurance piece first and then said, okay, for the injectables, psychiatric, we're gonna do— wait for that the following year.

So we're halfway through the year. Have you heard any— and I can— I know that this was an issue brought up also by Henry Garrido, and, you know, he had had a conversation. So he is advocating on the cultural and CIGs and the library's behalf for the staff. And so just wanted to know, have there been any conversations, or have you anything about, um, whether that RFP is going to be on time and if we're gonna have that done for— so that you're not having to pay this out of pocket now every, every year, right? So do you know where it is in the process?

KAREN SHEEHAN: I have to say, um, information has been significantly limited.

CHAIRPERSON LEE: Okay.

KAREN SHEEHAN: Um, we, we, uh, raised this mostly with OMB.

CHAIRPERSON LEE: Okay.

KAREN SHEEHAN: I'm hoping that they would be able to provide us more information and of course provide us with funding. Um, but, um, we haven't really received, um, much context. And so actually you're providing me with more context right now.

CHAIRPERSON LEE: Oh.

KAREN SHEEHAN: And I really appreciate it. Um, um, so I'd love to hear more from you.

DENNIS WALCOTT: Yeah, the same with me. I, I, you know, I have not heard anything. It's very limited.

CHAIRPERSON LEE: Yes, right and the thing is—

TONY MARX: I think we, we have, you know, look, we have a great relationship with, uh, DC 37.

CHAIRPERSON LEE: Yes.

TONY MARX: And, and we need that relationship to be strong so that our, our colleagues, their members continue to get what they need and, and even more. I'll just say that, um, we were not part of the

discussions which is why we were surprised to find ourselves with an unfunded mandate.

CHAIRPERSON LEE: Got it. Okay. And, and I believe the totals across the board between libraries and cultural will be a decent amount. And so we need to figure out how we're going to get that uhm, covered so that it doesn't come out from your baseline amount that we fought so hard to get. So, okay, thank you for the clarification, and of course we'll be following up on this as well. Sorry.

Um, so next we have Council Member Brooks-Powers, followed by Council Member Schulman.

COUNCIL MEMBER BROOKS-POWERS: Thank you Chair, and, and thank you to the leaders of our amazing, uh, public library systems. The first question I have is the Administration has announced that $31.7 million in library funding will now be permanently baselined. Can you speak to how this long-term stability will change staffing, branch operations, and program planning across the library systems, particularly in historically underserved communities like Southeast Queens and the Rockaways?

DENNIS WALCOTT: So as Tony indicated, uh, in his testimony or in response to a question, it allows us

to plan properly knowing that the money is baseline and our hiring. So we're not always on edge as far as what the budget will look like. And now that we know that, it allows us to do even more active recruitment. So we have fully staffed libraries.

Again, I think it's important that we're not necessarily moving ahead per se, that it's basically been baselined at a level that's basically the same, but at least it's a constant. And I think that's critical for us because as a result of having it as a constant, we know what we're working on and we know as far as what, uh, Karen and Tony have talked about as as far as our internal systems and how our HR folks and our team members are able to do active recruitment and recruiting people for the jobs. And that impacts those areas that you identified in Southeast Queens, but for us, the entire library system where there is a need.

KAREN SHEEHAN: That's the same for BPL. Um, what it, it gives us stability. It allows us to, um, to, ah, plan for hiring from year to year. Just to, um, further, um, expand on Dennis's point, um, without the funding in place for FY '27, we would have had started to restrict hiring, right?

So in April, May, and June, uh, our HR folks would have started to pull back because they would have had to start planning for the lack of funding in the, in the following fiscal year.

This year, we're able to continue recruiting and, um, filling those vacancies. And so, um, from a service perspective, we're going to have people in those positions in July when, when we weren't able to before. And, you know, that should translate into more programming system-wide.

TONY MARX: So I think Karen has said it well. Um, remember, this is not an increase. This is keeping us steady, but it's also not the threatened decrease that would have in, in other years has meant we couldn't hire during these months. So vacancies increased because that was the way we were trying to prepare responsibly for the possibility of the cut. We don't need to do that this year, so we can continue to hire. We can continue in particular to meet the challenges of hiring in, uh, higher needs neighborhoods, whether it's in the Bronx or elsewhere. We're eager to do that. We can now do that. But it ha— isn't the additional funding we're

requesting your help on so that we can do more hiring and more services.

COUNCIL MEMBER BROOKS-POWERS: Thank you, Chair. Can I just ask one final question? Um, I— while I, I believe I know the answer to this, I just wanna have it on the record. Um, the Administration highlighted that more than 30 branches will now be able to maintain Sunday service because of this investment. Can you discuss how expanded hours and more consistent service impact working families, students, seniors, and residents who rely on libraries as one of the few free and accessible public spaces in their neighborhood?

DENNIS WALCOTT: So I love looking at our Sunday numbers, and we also added one Saturday at Kew Gardens Hills because Kew Gardens Hills was 6 days a week, but, uh, out of respect for the observant population in Kew Gardens Hills, we did not have it open on Saturday. Now it's open Saturday, so that's 7 days. And why I love looking at our Sunday numbers, because I love to see how people are flowing into our libraries on Sunday, in addition to those libraries that already had Sunday service as well. And right now, um, with all due respect to Chair Lee,

while Glen Oaks is one of them, Jackson Heights and Hunters Point are really battling right now who has the highest Sunday service. And we take that very seriously as far as making sure both with the actual library being open, we have program services there as well, which has benefited the community. We have obviously children's programs, adult programs, ah, and just as a reminder, and I know this I think applies to Brooklyn and New York as well, that Sunday is a day where people are able to make time and a half.

And so for our staff, it is a tremendous benefit as well. Um, there's a term we use called volunteer. It's not that they're volunteering, but we put out, uh, people who wanna work on that particular Sunday. Mhm. Then they step forward and then it gets selected for that.

So it's been both beneficial to, uh, the community and the people that we serve, but it's also been very beneficial to our staff and the union members who are, uh, those who are benefiting from that.

TONY MARX: I, I'll just, uh, say again, we, we love having more facilities open for Sundays. That's

when so many New Yorkers have time to come to the library. We also acknowledge the reality, which is it requires overtime spending, uh, on Sundays. That's part of our union contract. So there's some tension there, but we are so grateful to the City Council. I know Gale has been working on this for, for years. 20 years, Gale. Um and, you know, so last year we added 5 more locations: Baychester, Kingsbridge, Mott Haven, Harlem, and St. George. We made those selections based on, um, existing— where there were existing Sunday services close by, uh, public transit, number of visits, school proximity. Again, we'd love to do more.

As Dennis also said, we also depend on our great staff to volun— this is voluntary for them to do the Sunday work.

COUNCIL MEMBER BROOKS-POWERS: Thank you. Thank you, Chairs.

CHAIRPERSON LEE: Great, thank you. Um, Council Member Schulman followed by Council Member Brewer.

COUNCIL MEMBER SCHULMAN: Thank you, and I want to thank all of you, the Library, particularly Dennis, because I'm a Queens girl.

DENNIS WALCOTT: Thank you. Um, and, uh, and Louisa, who I'm gonna wave to over there. Um, so who, who we were— a lot of us were— a lot of the members work with on a regular basis. Um, the library system, the public library system has been very instrumental in my, uh, career and in my learning and my growing up and all of that stuff. Um, um, Dennis, what I didn't hear was, um, the update on what's happening with the Richmond Hill Library. Uh, and it's, you know, that's— it's a very important library for the South Asian community in my district, and there's been off and on issues with it over the years in terms of the construction and all that. So can you give an update?

DENNIS WALCOTT: Richmond Hill is a joint project between QPL and DDC.

COUNCIL MEMBER SCHULMAN: Mhm.

DENNIS WALCOTT: And we have been working collaboratively around that. I know there have been some stops and starts—

COUNCIL MEMBER SCHULMAN: Yes. —uh, with Richmond Hill, but we're very pleased that it is definitely moving forward. And specifically, uh, we— and let me just make sure I give you all the detailed

information about Richmond Hill, uh, because Richmond Hill is a gorgeous library that obviously needs significant improvement as well. And so it'll be a full renovation, and I was told page 16, so give me a second. That way I wanna give you accurate information about Richmond Hill. Ah. Um, comprehensive renovation, building and site. Total funding obligation is $24.2 million. It's in, uh, design documents are now complete. We're at bid packaging, uh, which is expected to be completed by the end of this Fiscal Year, Fiscal Year '26.

COUNCIL MEMBER SCHULMAN: Okay.

DENNIS WALCOTT: And then the key— DDC forecasted construction notice to proceed in early 2027. So it is finally moving along.

COUNCIL MEMBER SCHULMAN: Please, please keep us posted on that. And, um, I'm very much looking forward to that.

DENNIS WALCOTT: And I, I just want to put it into the record, because I mean, that's been told to us by DDC, uh, with DDC forecasting substantial construction completion into— in winter of 2029. So for the community, for the community board, and again, you thanked her, but I will thank her as well,

Louisa, and our team. I know they've been very important in working with your office as well as the local community board as well. Specifically-

COUNCIL MEMBER SCHULMAN: No, I appreciate that, and we'll, we'll light a fire on the DDC as well. So thank, thank you very much for that. That's all the question I had, thank you.

CHAIRPERSON LEE: Great. Council Member Brewer.

COUNCIL MEMBER BREWER: Thank you very much. So in terms of technology, um, I know that's about 5 years, I think, per device maybe that can last. So what are your technology budgets? Maybe you talked about this a little bit. I know it's under capital. And then how much more do you think you need? Is that something that you're asking for? I know when we did participatory budgeting, we— people in the community put that in as one of their high, high choices.

So we will be adding that to the amount for New York Public Library. But technology seems to be a challenge.

TONY MARX: Uh, thank you, Council Member Brewer. Um, yes, technology is always a challenge. We always have to keep them up to date. We have more than

5,000 desktops and 4,000 laptops. We have, uh, 1,200 Wi-Fi access points. We get, ah, e rate funding. That's from the federal government, uh, but that's by formula, thank goodness. Um, hmm. But we are— we, we know in addition to the ongoing requirements, there's still something like 1.5 million New Yorkers who don't have broadband at home. They come to the library, they know they can rely on the library, but we're working very hard to change that. We have a new, uh, neighborhood internet program with $3.5 million for our NYPL wireless. Uh, we've also gotten an additional $2 million appropriation through Representative Richie Torres. Uh, Representative Torres and the mayor celebrated this combined effort. In effect, what we're trying to do is find a way to see whether the library's provision of Wi-Fi can be made available in people's homes so that we can provide ideally a free utility level of Wi-Fi for everyone in New York.

In this day and age, think about the pandemic. If you'd been home without Wi-Fi um, you couldn't go to school, you couldn't do your work, you couldn't do anything. That's crazy. New York deserves better than that.

COUNCIL MEMBER BREWER: Sorry. So you're trying to do that in different areas? Basically to be the, um, place where then it bleeds out so they don't have to sit outside and—

TONY MARX: You've heard that story, right? We don't want people having to sit outside our doors. They should be in the comfort of their homes, doing their schoolwork, their required schoolwork.

Gale, I'm sorry, I didn't— I missed that we have $15.1 million in capital projects for tech, for tech at the, at the moment.

COUNCIL MEMBER BREWER: Alright, and then um, okay, and then we have e-rate won't allow you to do that, so I know you have to find other funding. And we are finding other funding. Okay. And we're grateful to the mayor and to Representative Torres for that funding as well and HPD.

COUNCIL MEMBER BREWER: The issue of, uh, how many branches in New York Public Library do have Sunday service out of the total? What is the amount that does have Sunday service?

TONY MARX: Hold on one second. Getting that for you. I'm not bothering with Queens or Brooklyn. Where are you at? Right, no.

COUNCIL MEMBER BREWER: I don't love the outer boroughs. No, I like Manhattan. We are, we are— They know that already, everybody knows. Wait, wait, wait, wait, wait. You can ask your own damn questions. Definitely Dennis knows that. Go ahead, I'm sorry. 7?

TONY MARX: I totally missed that, um, sorry, the, uh, I was looking for the answer. We were giving you time, Tony, to look, so— We're currently at 13 branches open on Sundays. We added 5 last year with the support and encouragement essential support and encouragement of the City Council.

COUNCIL MEMBER BREWER: Okay, one of the strange questions. So I went to the, um, I would say garage warehouse of DCAS. It's huge. And there are a lot of— I just don't know, where do the libraries— do you have storage in addition to the buildings that you warehouse and pay for, or is it everything covered in your, uh, current libraries?

In other words, do you have storage other than the libraries?

TONY MARX: We do not have storage other than the libraries, though the research library has off-site storage.

COUNCIL MEMBER BREWER: Right.

TONY MARX: That's the only exception.

COUNCIL MEMBER BREWER: Okay, alright, thank you very much. Thank you.

CHAIRPERSON LEE: Great. Thank you. Um, Council Member Restler.

COUNCIL MEMBER RESTLER: Thank you so much, Chair Lee and Deputy Speaker Williams, for your great leadership. It's great to see each of you. Um, I firstly just want to wish Elizabeth Gilroy a happy birthday, uh, much to her chagrin. Happy Happy birthday. Um, I hope all the NYPL team has also done the same. Um, and I wanted to apologize because we had a hearing on capital project reform a month or so ago, and we were a little rushed on the library panel, not because we don't deeply care about capital project reform at the libraries, and your all's testimony, especially Ms. Sheehan's, was very insightful, and it was really helpful.

So thank you for, for each of your library systems, um, coming before us and sharing your insights. Um, if I heard you all right, I heard that BPL has, uh, $400 million in outstanding unfunded

capital needs, that NYPL has $330 million, and QPL has $253 million. Did I get those numbers right?

DENNIS WALCOTT: That line right? Yep. So I'm not great at math, but together that is just shy of $1 billion.

UNIDENTIFIED: Um— a billion.

COUNCIL MEMBER RESTLER: A billion. A billion. No, I, I said the billion part right. I got the— I— I didn't— I'm not, er, overstating my math skills, but I got that, I got the B number.

So, uh, we're talking about $983 million, to be precise. In the current capital plan, there's only $943 million of funding. So what we're really saying is that half of your capital needs, for every failing library, for every failing HVAC system and roof, one out of two is funded. Is that right?

DENNIS WALCOTT: Fair analysis.

TONY MARX: That's correct, though it also includes the major renovations, not just the HVAC repairs, etc. All of it.

COUNCIL MEMBER RESTLER: Yes, of course. And look, I, you know, well, were you gonna add something?

KAREN SHEEHAN: No.

COUNCIL MEMBER RESTLER: So, you know, I think it's just really important for us to note that when we wildly underfund the capital programs at your 3 library systems, it really means— that our clients suffer and that our libraries close. My district is a couple blocks from the Leonard Street branch, um, in Williamsburg, where we have dealt with extended closures because of flooding and different challenges. And when we fail to maintain our capital infrastructure, the buildings deteriorate, the libraries close, our communities suffer. And when we know that we're funding 1 out of every 2 dollars, 1 out of every 2 roofs that's leaking, 1 out of every 2 air conditioners that's broken, 1 out of every 2— failing libraries, we are failing our library systems.

And so we have to look at ways that we both extend, expand resources and capital investments in our libraries, but also how do we make these resources go further? And Ms. Sheehan, I was particularly impressed by your testimony a few weeks ago when you highlighted that when BPL is self-managing projects, you're able to, rather than

DDC doing it, you're able to get those projects done faster and for less cost.

So just wanted to ask the question. I know that these— that our library systems are not in a position to take over the entirety of your capital needs, and you can't do all these projects, but could the library systems do more in leading more of your capital projects, um, to help get them done faster and maybe stretch those dollars further?

KAREN SHEEHAN: So, um, thank you so much, um, Councilman. Um, I would say BPL is currently at our capacity for capital grant— the capital, um, capital construction grant program. Uh, because the capital— the capital construction grant program requires the, um, cultural institution and the library to have, um, additional funding, um, on, on hand to— in addition to the city capital dollars. It's also on a reimbursement basis.

So the cultural institution and the libraries that participate in that program need to basically front every single bill, um, and, and wait for, uh, reimbursement. And that reimbursement can take several, several months and years potentially. Um, so that, um, so for BPL, I believe we have, um, 5

projects in the works, um, and we're really proud of them. And we hope as one, as one of them gets completed, we're gonna bring on another one. And it's something that we're very, very committed to doing. Um, but we are likely at our capacity to take on more capital construction grants. That being said, if there was a way—

COUNCIL MEMBER RESTLER: If it was not a reimbursement-based model and we—

KAREN SHEEHAN: Well, that's what I was just going to suggest. If there was a way for the libraries to directly bill the capital budget for smaller projects, like we do when we buy technology and when we buy, um, furniture for the libraries and when we initially outfit them. We don't— we actually can, um, submit the— all of that actually happens as a direct payment from the city.

So if there was a way for us, for the libraries to apply that model, to HVAC repairs and roofs-

COUNCIL MEMBER RESTLER: Right.

KAREN SHEEHAN: Then that would really open the door.

COUNCIL MEMBER RESTLER: Not for whole library reconstruction projects, but for very specific

standardized repair, repair work that's needed in your branches and that you all do time and again across the diversity of your system.

KAREN SHEEHAN: That's correct. And there is some appetite. Of course, the devil is in the details, and, um, there is a tremendous amount of oversight that would, um, be required.

COUNCIL MEMBER RESTLER: Sure.

KAREN SHEEHAN: And, um, you know, I think we're still in the early stages of those conversations.

COUNCIL MEMBER RESTLER: That's very helpful. Any- gentlemen, anything you wanna add?

TONY MARX: Uh, uh, I'll just reiterate, uh, thank you, Karen. Um, look, it's, it's pretty straightforward. We need additional capital allocations and commitments so that we can plan and then we can deliver. We have stretched ourselves to do more of this ourselves. The Niarchos Foundation Public Library at, at 40th Street is an example of that, but that was a big financial stretch for us that we could do, but we can't do a system-wide of that. That means we need additional funding from the city allocated so that we can plan, A.

B, it means that we need partners that will deliver on time and on budget. That has not been the case with DDC in the past. Those projects were typically— cost twice as much, took twice as long, sometimes more than that. Uh, we had to— we, we worked to find other partners. The EDC is what we did, the 5 Carnegies. Those came in on budget and on time. So there is clearly an example that we can do better. We know we are welcome— we welcome both the City Council and the mayor and the deputy mayors are open to this conversation. It's something we've raised in all the years I've been at the library, and yet we have never gotten to what seems like a pretty straightforward reform of the system so that New Yorkers aren't spending twice as much to get the same delivery. That just seems crazy for everyone. And then lastly, we get creative—

COUNCIL MEMBER RESTLER: No, we should only pay twice as much for our parks and our schools and every other project, I'll say.

TONY MARX: Well, the, er, let's— we wanna fix it for the libraries. I'm, I'm with you, I'm just, I'm just, alright, I've gone on too long.

TONY MARX: I'll say we also get creative, which is the co-location project. So, we try to be helpful to the city. We know the city needs more housing generally and afford— affordable housing. We never used the air above us before. Now we're doing that. So we all are also happy to be innovative, and we're happy to continue to be innovative working in partnership with the City Council and the mayor.

DENNIS WALCOTT: I just want to add one small point, if I may, and then I always use this example when I'm testifying before the City Council about, you know, we had a boiler go down, and if we had to rely on DDC and using capital dollars, it would have taken so long that the library would have been shut for a long period of time, which was unacceptable.

So we had to use our expense dollars to do that project, and we did it quicker, and we were able to open the library sooner. And— but at the same time, that took money away from our expense. And as a result of having, again, a great team and also the monies that you provide, it allows us to have some of that flexibility, but at the same time, as Karen indicated, we're at capacity as far as the projects that we self-manage. But at the same time, the

flipping of expense dollars to the capital side takes care of something that really should be capitally eligible. And what it requires is something that's just unacceptable to us and to the public at large because we can't afford to have our library shut for those long periods of time.

COUNCIL MEMBER RESTLER: Thank you, and thanks for the extra time.

CHAIRPERSON LEE: Thank you. Oh my gosh. Every time I hear about capital projects, I get like trauma because I had to live it— live through it myself as a former executive director. And I think they got— our organization got funded in 2018 and they just got their CP certificate to proceed. Yes, from EDC. Um, like last month, this month actually.

So it takes so long and again, costs increase, so you have no choice but to decrease the scope, or we were just constantly fundraising extra dollars to cover those costs. So I hear your pain when it comes to that process. Um, and thank you, Chair Restler, for your work on contracts, because I know that that's something that we would desperately love to try to reform.

CHAIRPERSON LEE: I know, right? Um, and I remember what you had said, uh, Dennis, and all to the other library chairs about, uh, when it comes to design build and capital projects. Yes, it works better on new projects, new builds, but not necessarily on the current infrastructure project one.

So I did remember that from the preliminary budget hearing. So thanks for making that point. Um, and lastly, we're gonna have— I'm throwing it back to, uh, Deputy Speaker for a couple follow-up questions before we close.

CHAIRPERSON WILLIAMS: That's just two quick questions. We just want to know if any of the libraries that flooded last week had to close. And if so, for how long? Um, and then just a general question for the 3 library systems. Um, do you still see an elevated demand for Wi-Fi, uh, access, devices lending, and digital learning support?

So only 1 library in Queens closed for just 1 day, and that was Ozone Park. Uh, other than that, we had leaks, and our folks were running around addressing that. But, uh, we were able to keep just

about all of our libraries open, but the one in was only for one day.

KAREN SHEEHAN: Right. We were fortunate, we were able to open our 3 libraries. They were actually sort of the usual suspects. They were the ones that every time we get a deluge, we're going to have an issue, and we were able to have, um, uh, er, we were able to respond very quickly the next day. Um, ah, wait, over the wireless set, or do you want to— I'm sorry, do you want to— go with that.

TONY MARX: I could say that, um, New York Public Library didn't have any flooding issues, thank goodness. We'd like to keep it that way. We need the funding to keep it that way. We did see from FY '24 to FY '25 a 12% increase in wireless sessions in the libraries. Computer sessions and Wi-Fi sessions continue to grow. We continue to try to meet those needs, but as I said, we're also trying to get creative so that people, you know, people are not always at the library. Sometimes in the evenings or nights or Sundays, too often libraries are closed. That's why we're working innovatively to see if we can ensure more Wi-Fi services for folks,

particularly in the high-needs neighborhoods, at home.

DENNIS WALCOTT: Our Wi-Fi is 24/7. We've seen a 51% increase in 90% of our libraries, uh, have extended Wi-Fi services and people are taking advantage. But I hear loud and clear what Tony and Karen are saying as well. But people have been taking advantage.

KAREN SHEEHAN: Right? And our wireless sessions, um, our last year, uh, last full year of, um, numbers was about 1.7 million. We're on track, um, this year. And, um, it's a, you know, it's a, it's a program that um, we are constantly looking for ways to, um, further explore, you know, further support, uh, those, those needs.

TONY MARX: Sorry, I should have pulled out the Wi-Fi sessions at, uh, New York Public Library in FY25 were 2.7 million and continue to grow.

CHAIRPERSON WILLIAMS: Do you hand out hotspots? He says 24 hours.

DENNIS WALCOTT: I'm sorry.

CHAIRPERSON WILLIAMS: You said that your Wi-Fi is 24 hours?

DENNIS WALCOTT: Yeah, we, we don't turn ours off.

KAREN SHEEHAN: Right. so you'd be able— if you were in proximity to any library, you would be able to access, um, uh, the Wi-Fi even if, if we are closed.

DENNIS WALCOTT: Yep, 7 days a week.

KAREN SHEEHAN: Right.

DENNIS WALCOTT: Yep.

CHAIRPERSON WILLIAMS: How far, like, how far does it—

DENNIS WALCOTT: Ours goes extended to 150 yards. So 150 yards within the range of the 90% of libraries that have the extended Wi-Fi networks, people able to take advantage.

CHAIRPERSON WILLIAMS: Wow, same. Thank you so much, and thank you for all you do for our library system.

KAREN SHEEHAN: Thank you.

CHAIRPERSON LEE: Thank you.

DENNIS WALCOTT: Thank you Chairs. Thank you, Council Members, appreciate it.

CHAIRPERSON LEE: Thank you. Okay, quick 5-minute recess while we switch over to cultural.

Okay, good afternoon and welcome to the final hearing for our first day of the Fiscal 2027 Executive Budget, focusing on the Department of Cultural Affairs. Um, I'm still joined by— I'm still joined by Council Member colleague, Deputy Speaker Dr. Natascha Williams, Chair of the Committee on Cultural Affairs, Libraries, and International Relations.

Welcome, Commissioner, uh, Diya Vij and your team. Thank you all for joining us today to answer our questions. Um, on May 12th, 2026, the Administration released the Executive Financial Plan for Fiscal 2026 to 2030 with a proposed Fiscal '27 budget of $124.7 billion. The Department of Cultural Affairs' proposed Fiscal '27 budget of $239.6 million represents an increase of $23.6 million, or 11%, from the $215.9 million originally budgeted in the Fiscal 2027 Preliminary Plan.

This increase results from several actions, mostly $10 million, um, of which is baseline beginning in Fiscal '27 to support the Cultural Institution Group, the CIGS, and Cultural Development Fund, CDF, organizations, and $15.2 million baselined

beginning in FY27 for the adjustment to the energy cost for the CIGS.

As of March 26th, DCLA's headcount was 2 less than their Fiscal '26 budgeted headcount. The Executive Plan includes a baselined savings of $300,000 beginning in Fiscal 2026, which represents a reduction of 5 positions.

In the Council's Preliminary Budget Response, we called on the mayor to add $30 million to DCLA's budget for cultural institutions to provide necessary organizational support to the cultural community. Cultural organizations remain fundamental pillars of New York City neighborhoods, and underlying support is crucial in maintaining the rich cultures which make New York City truly live up to its title as a mixing pot of culture.

We were pleased that $10 million was baselined for our cultural institutions, but remain, um, hopeful that our full request of $30 million is included and baselined into the plan. Um, and I will now turn it over to my Co-Chair for this hearing, Deputy Speaker Dr. Nantasha Williams, for her opening.

CHAIRPERSON WILLIAMS: Thank you. Good afternoon, and thank you to everyone joining us today for the Committee on Finance, jointly with the Committee on Cultural Affairs, Libraries, and International Relations, Fiscal Year 2027 Executive Budget hearing for the Department of Cultural Affairs.

I would like to welcome Commissioner Diya Vij and the DCLA team, as well as representatives from our cultural institutions and community organizations, and my colleagues in the Council. New York City's cultural sector is one of the greatest assets. Our museums, theaters, cultural centers, teaching artists, and community-based art organizations not only enrich our neighborhoods but also drive economic activity, support tourism, create jobs, and provide spaces for education, healing, and civic engagement. Cultural organizations are an essential infrastructure in our city.

Today's hearing comes at a particularly important moment for the cultural sector. Organizations across the city continue to face mounting financial pressures, including rising operating costs, affordability challenges, workforce retention

concerns, and uncertainty surrounding federal funding.

Many organizations, particularly small and mid-sized institutions serving historically underinvested communities, continue to struggle to maintain programming and operations while meeting increased demand for services. The Council appreciates that the Fiscal 2027 Executive Budget includes baselined funding of $10 million for cultural programming and operations, a long-sought step toward greater stability for the sector. Baselining funding is critical because it provides organizations with predictability and allows them to plan beyond one fiscal year.

However, this investment falls short of the Council's priority of $30 million in baseline cultural funding. While the $10 million commitment represents progress, cultural organizations continue to communicate that the need far exceeds what is included in the executive budget.

If we are serious about preserving New York City's cultural vitality and ensuring equitable access to arts and culture across all 5 boroughs, we

must continue working toward a funding commitment that reflects the true needs of the sector.

Today, we seek to better understand how DCLA intends to allocate these investments, support cultural affordability, strengthen the Cultural Development Fund, and ensure resources are reaching organizations of all sizes in all communities. We also hope to discuss the agency's capital commitments, including support for aging cultural facilities and the long-term sustainability of the city's cultural infrastructure.

Before we begin, I would like to acknowledge my colleagues who are present. In seeing none, um, I would also like to thank the Finance staff, Carolina, Gil, Aliya, for their work on this hearing, um, and as well as my Committee Staff, Alejandro and Regina, for their support.

Finally, I want to thank my staff, Priyanka and Shaki. I am also going to ask my colleagues who are not here to limit their questions and comments to 3 minutes. I will now turn it over to Committee Counsel to administer the oath to members of the Administration.

CHAIRPERSON LEE: And just a quick reminder, which I'm saying before all the— at every hearing, is that the public testimony is gonna be on Wednesday, June 10th. Um, because of the delay, we had to do it all in one day, so it'll be a big party. Um, so please make sure to folks to come for public testimony on Wednesday, June 10th. Thank you.

CHAIRPERSON WILLIAMS: Oh, and we do have, um, Council Member Maloney online.

COMMITTEE COUNSEL: And good afternoon. Do you affirm to tell the truth, the whole truth, and nothing but the truth before the Committee, and to respond honestly to Council Member questions?

DIYA VIJ: I do.

COMMITTEE COUNSEL: You may begin.

DIYA VIJ: Thank you. Good afternoon, Chair Lee, Deputy Speaker Dr. Williams, and members of the Committee. I'm Diya Vij, Commissioner of the New York City Department of Cultural Affairs. I'm here to testify today in regards to the Mayor's Proposed Fiscal Year 2027 budget for DCLA. Even amidst a major financial crisis facing New York City, I'm very proud that our budget includes a $10 million increase to the agency baseline for Mayor Mamdani. As the

federal government attacks our sector and other funding sources contract, a sadly common trend is to cut arts and culture first when times get tough politically and economically. We are doing the exact opposite here. A budget is a statement of values, and this investment shows that Mayor Mamdani and this Administration understands that a vibrant and accessible cultural life is critical to the well-being of all New Yorkers.

For context, for a full decade, from FY15 to FY25, there was no change to DCLA's baseline funding for more— for the 1,000+ groups receiving support through CDF and CIG. This new $10 million in baseline means more stable, long-term funding for the 1,000+ organizations who rely on DCLA funding to deliver incredible cultural programming for all New Yorkers.

I'm grateful to our partners in the Mayor's Office and OMB for making it possible. Now I'll review the numbers. Mayor Mumdani's proposed budget allocates a total of $239.3 million for DCLA in FY '27. This includes $57 million for the Cultural Development Fund, $104.4 million for cultural institutions group operating subsidies, $68.8 million

for energy costs at groups on DCLA property, $1.17 million for CREATE NYC initiatives, and $7.9 million for agency staff and operations.

Note that these figures do not include one-time additions typically added at budget adoption, such as City Council member items and initiatives. Council initiatives like the Cultural Afterschool Adventures, SU-CASA, and the Coalition of Theaters of Color provide critical support for programs that reach New Yorkers in every council district, and we're honored to administer this support in partnership with you.

At this same point in the budget process last year, the executive budget allocated $214.7 million for DCLA, about $25 million less than the Mayor's Proposed FY27 budget. We recognize that this is a moment of precarity for our cultural institutions and for the residents they serve. The budget is also recognition of rising costs of doing business and the impact of the affordability crisis on our sector. And it demonstrates the Administration's priorities, even through a difficult budget year.

This is part of looking at our sector through an economic justice lens, ensuring that all New Yorkers have the time and resources to enjoy a full and

vibrant, vibrant life, which includes experiencing the joy, community, imagination, curiosity, and wonder that arts and culture affords. This baseline ad shows our commitment to be a solid, stable partner for the entire ecosystem, for large and small organizations alike. I believe this diversity of scale, discipline, and geography of our cultural organizations keeps the density of cultural life that New York City is globally recognized for, and which wouldn't be possible without our robust public funding to support it.

We look forward with the Council toward— uh, we look forward to working with the Council toward adopting a budget that continues to build on this strong foundation of support.

As part of the citywide saving initiative, DCLA identified $2.9 million in savings. This included a vacancy reduction of $300,000 and reduction of $2.6 million in funding held in reserve due to volatility at the federal level and the city's challenging fiscal outlook. But thanks to smart budgeting and better-than-expected fiscal outlook, we're preparing to distribute $2.4 million in supplemental funding to both CIG and CDF recipients for FY26.

The vacancy reduction savings are also paired with the lifting of the hiring freeze, which means that we were moving ahead with filling 5 vacant positions across the agency. This will make a major difference for a lean agency, and I'm grateful for OMB's partnership in making sure we have the staff needed to deliver for our constituents. And the $2.6 million in savings for FY26 was a one-time reduction. This means our baseline was not reduced in the out years. As I've mentioned, it was increased by $10 million, a huge boost for the field.

While FY27 capital additions are not included in the budget until adoption, I would like to share an update on the process, where it stands. This year, DCLA received capital funding requests from 97 organizations for 110 projects, totaling $651 million. The DCLA capital team is currently reviewing requests.

Capital requests are often made after collaborative dialogue between organ— the organization and DCLA's capital team to ensure better outcomes for the organizations. As you know, the Council and the Borough Presidents are crucial partners on making targeted capital investments in

our cultural sector. We'll have workshops in July for organizations that receive funding. I really appreciate the hearing that Deputy Speaker Williams recently held on cultural capital construction projects, which has accelerated the dialogue between DCLA, DDC, and your office to prioritize ways we can improve the capital funding and construction process to deliver these essential projects better and faster.

DDC Commissioner Choa and I are working to convene a roundtable with cultural organizations, our respective teams, and Deputy Speaker Williams in the near future to continue to listen to the issues and find solutions. I believe this would be the first time our agencies have held this type of dialogue, and I look forward to continuing this interagency partnership inclusive, inclusive of those receiving our services.

I'll now turn to agency programs and operations that make distributing this funding possible. For the FY27 Cultural Development Fund, I'm pleased to report that panels officially began last week. From now through September, our programs team will convene 44 peer panels with 220 panelists from across the

cultural field to review a total of 775 applications for grant support. We have an additional 689 organizations that will be in a renewal cycle. More than 175 of this year's applicants were new to the process or had not applied in recent years.

We appreciate the Council's partnership in sharing this funding opportunity with your constituents. Together, we can make sure that CDF funding reaches every corner of our city and supports first-time applicants and emerging organizations, which is critical to elevating new voices, reaching new audiences, and building the field of tomorrow. I understand my mandate as DCLA Commissioner is to address the affordability crisis for our sector in ways both visionary and operational.

The CDF payment delays from the previous administration have had a significant negative impact on the field. In FY 24, CDF notifications weren't set until February of that year, over halfway through the fiscal year. For FY 26, CDF notifications were set in mid-December. I'm pleased to report that we are on track to get CDF award notifications several weeks earlier this year, and by the FY 28 cycle, we are working toward a notification date even earlier

in the fall, more in line with historical timelines. The earlier groups get their award notifications and receive initial payments, the earlier they begin to plan and pay for their programs and operations.

It also prevents them from having to take out bridge loans to support programs that take place earlier in the year. This Administration is committed to delivering excellence in our city's public services, and advancing these timelines is one key way DCLA can do that for our constituents. The CDF also includes support for our partners in the Borough Arts Councils, which distribute city funding to individual artists and grassroots organizations on our behalf.

In recent weeks, I've participated in 3 of the Arts Council's grantee celebrations, giving me a chance to meet the artists and arts workers who rely on the support to maintain their art practice and public offerings.

In FY26, we provided $3.4 million for the Councils to distribute, reaching nearly 700 working artists across the city. This year marks DCLA's 50th anniversary as a standalone city agency. And the

relationships with the Arts Council stretch back to the very beginning of our work.

As Commissioner, I am deeply committed to these historic partnerships and I'm working with the Arts Councils to deepen our support for New York City artists to make it more possible for them to live and make work in the city they love. The FY27 budget also includes funding for CreateNYC initiatives, which provides support for, among other things, the CUNY Cultural Corps Workforce Development Program.

This fall will mark the 10th anniversary of the program, which this year placed 151 students in paid internships with dozens of cultural partners across the city. As we know, CUNY students represent the breadth of New Yorkers. This program creates a vital pipeline for CUNY students to enter careers in arts and culture at no cost to cultural groups.

The Public Artist in Residence, or PAIR program, also comes out of CreateNYC. I'm proud to have launched and directed this program just over a decade ago under then Commissioner Finkelpearl. PAIR embeds artists in city agencies where they're invited to use their practice in service of seeding creative bureaucracy to re-envision how the city serves and

communicates with its residents, and in turn how residents can activate their civic imaginations to build a city that holds all of us with care.

One of our current PAIRs, Singha Han, recently installed a mural called For Root to Bloom in Harlem's Marcus Garvey Park. Growing from her tenure as PAIR with the Mayor's Office of Equity and Racial Justice, the mural traces a history of movements for racial justice whose work we continue to build on today. PAIR artist Caitlin McCain, in residence with the Commission on Human Rights, is working on Know Your Rights live performances and videos for housing tenants to uplift the New York City Fair Chance Housing Law, which prohibits housing discrimination for people with criminal records.

Our public art team has made major progress on commissioning a permanent public artwork honoring the great Billie Holiday on the grounds of the Jamaica Performing Arts Center in Queens. Last week, we released— we released 6 very different proposals from a fantastic group of artists sharing their vision for what this monument can look like. We're collecting feedback from New Yorkers on the 6 proposals, which are also on display at JPAC through the end of the

week. You can visit our website for more information and to share your thoughts on the proposed designs. We thank the Deputy Speaker for her ongoing partnership on this exciting project in her district.

Last, and certainly not least, Materials for the Arts in Long Island City, our beloved material reuse program, has had a record-setting year for donations, which are, as you know, provided free of charge to arts groups and public schools across the city.

Over the last 12 months, MFTA has collected 3.4 million pounds in donated materials valued at a total of $16.6 million. These items are essential to the bottom lines of MFTA's member organizations.

Last fiscal year, 2,500 active members received an average of $6,800 worth of supplies completely free of charge, a huge boost to schools and organizations dedicated to providing affordable, accessible arts programs.

Recent donations include a beautiful set of instruments provided to a Queens high school. The Central Park Zoo received palm trees and tropical plants from the Javits Center. A sewing machine was donated to the Latin American Art Triennial, and designer suits from a Netflix production went to a

nonprofit helping residents prepare for job interviews.

Added up across the city, each of these donations means items that found a new life outside the landfill and an organization that was able to sustain or level up its programming, all at no cost.

In just a few weeks, the World Cup will come to our region, and we are thrilled to see the way that our cultural sector is working to make this a citywide event that can welcome every New Yorker into the excitement, whether they're soccer fans or not. Announced earlier this month by Mayor Mamdani, the New York City Neighborhood Passport is one way that the city is highlighting this programming.

The citywide passport program will encourage people to explore New York City's immigrant communities, cultural institutions, small businesses, and community events throughout the tournament. Beginning June 11th, the passport will be available at every public library branch in the city and at certain events. Participants will be able to collect stamps from hundreds of cultural institutions, community organizations, and public events. Dozens

of DCLA grantees will be featured, and I encourage everyone to sign up.

I'm just over 2 months into the job, but I've been energized by the level of enthusiasm and eagerness to collaborate on some of the existential challenges our cultural sector faces. Most urgently, a troubling national political climate and the affordability crisis we're collectively facing.

I appreciate the Council, in particular Chair Williams, for joining us with a keen interest in listening to our constituents and finding ways we can make public services work for them. I've been meeting with groups directly and participating in dialogues and listening sessions around the seat— around the city, including just this morning at New Federal Theater where I met with a coalition of theaters of color.

DCLA may be a lean agency, 97% of our agency's budget goes to support the field directly, but we are part of a powerful network of cultural practitioners who care deeply about artists, audiences, and their role in bringing them together. I believe our ability to meet the challenges of the day and shape a sustainable, equitable, and courageous future

requires transparent and ongoing dialogue with artists, cultural workers, cultural organizations, and audiences. Our listening tour will continue, our work in collaboration with the Council will continue, and we look forward to working toward adopting a budget that continues to invest in and support our incredible cultural sector. Thank you for the opportunity to testify.

CHAIRPERSON LEE: Thank you so much, Commissioner, and welcome again, and congrats on 2 months in. Um, so I'm just going to ask a couple of questions for clarification before I pass it off to our Deputy Speaker. Um, so in the Council's budget response, we had asked for baseline funding of $30 million and, you know, we're grateful that we received $10 million of it. But just wondering, have you had or have been having conversations with OMB to add the additional $20 million, uh, baseline funding into the adopted plan, and how are those conversations going?

DIYA VIJ: Um, yeah, thank you. We are really— we, like, you know, are really proud of that $10 million additional baseline funding. As you know, it's a really tough climate right now, and so to

receive that is really a mark of the Administration's priorities, and it's really exciting to be Commissioner knowing that the Administration really cares and values the work that we do in the sector. We are in constant conversations with OMB, um, and we look forward to working towards an adopted budget soon.

CHAIRPERSON LEE: Okay. Hopefully, hopefully we can get them there. Um, and in general, uh, does the financial plan implement annual cost adjustments or COLAs year over year to support staff wages, increased cost connected with inflation for arts and cultural organizations?

DIYA VIJ: Um, currently it does not include COLA increases.

CHAIRPERSON LEE: Okay. So that's something that hopefully we can also, um, try to advocate for. And then in terms of the savings and vacancy reductions, I know that you went over some of these numbers in your testimony.

So, um, in terms of the agency's budgeted headcount, so now that you have been given the green light for filling those 5 vacant positions, what does that total bring you to for the headcount?

DIYA VIJ: It brings us up to 53.

CHAIRPERSON LEE: 53, okay and is that what's budgeted?

DIYA VIJ: Yes. Okay. Um, and then actually, I was— I went— Okay. Sorry, I'm answering these questions for myself as I'm reading them because I feel like you actually already answered. Um, so that's why I'm just going through them. Sorry.

Um, okay for the Executive Plan, um, it includes a Proposed FY27 Budget of $239.6 million for DCLA, $23.6 million more than its $215.9 million for FY27 in the Preliminary Plan. So which, um, and I know you went over some of this already, but what specific programs or initiatives account for the $23.6 million increase from the Preliminary Plan to Executive Plan? And what outcomes are expected from this additional funding?

DIYA VIJ: Yeah, so that $10 million baseline is included, and then there was about $15 million increase towards, um, energy costs, which is to account for a kind of unpredictable and changing gas prices, um, for all of the city properties on public land— or sorry, all the cultural organizations on

city property. Um, and that's really what those things reflect, those two items.

CHAIRPERSON LEE: Mhm. Perfect. And then just my last question, which I had asked, and, um, you guys may have overheard if you were here for the libraries, was, um, I know that there is— about this, uh, this unfunded mandate that's potentially coming down for CIGs and libraries about the PICA/PICA. I think we're debating over how to pronounce it. But the, um, supplemental insurance for the prescription, um, drugs for psychiatric injectables, chemotherapy, and I think asthma. And so just wondering, have you been having conversations with OMB about this in terms of what kind of financial impact this is going to have on the cultural organizations, because we are trying to get a better understanding.

Um, and I know that Henry Garrido from DC37 is working on this as well, but trying to get an understanding of when the city's going to be ready to RFP those contracts out so that it doesn't come from your pockets. And then also how of a fin— how much of a financial impact that's going to have on the groups.

DIYA VIJ: Yeah. Um, yeah, thank you for that question. I am also learning about these new costs and am going to be in conversation with the cultural organizations, especially CIGs, to understand what those costs will be from organization to organization. And then we'll continue to advocate and talk to OMB about what those increases will be. Um, but it's, it's, it's new information to me, I have to be honest.

CHAIRPERSON LEE: Okay, yeah, just 'cause I, I, I'm, I'm worried that, um, you know, it's gonna be another cost that's gonna fall down to the cultural groups that will impact their, um, operating budgets. And so if you hear anything, or also if we hear anything, um, for us to be in communication, 'cause I am, uh, hoping that they— the city also sticks to its timeline of, of RFPing out those contracts so it doesn't impact cultural after this year. But in the meantime, we gotta figure something out. So I'll leave it at that.

DIYA VIJ: Okay.

CHAIRPERSON LEE: Deputy Speaker.

CHAIRPERSON WILLIAMS: Thank you, Chair. Um, just a few questions on the savings expense

reestimates. So the Fiscal 2027 Exec Plan included a 2.5 reduction in Fiscal 2026 only under expense reestimates. Which budget areas are associated with this reduction, OTPS grants, or contractual services?

DIYA VIJ: So we, um, you know, due to, I think, good budgeting, prudent budgeting, had kept $5 million in reserves, um, hoping to meet needs of reduced federal funding for the arts and emergency situations. And so this $2.6 million that was removed was removed from that reserve. So we actually are distributing $2.4 million across CIG and CDF groups in FY '26 still, and there is no cut in the out year to that.

CHAIRPERSON WILLIAMS: Okay. Does this re-estimate reflect delayed contracts, underspending, or reduced programmatic activity? No, because it was just a savings.

DIYA VIJ: Mhm.

CHAIRPERSON WILLIAMS: Um, okay.

DIYA VIJ: It's an add. We've, we've, we understand the budget cuts are really detrimental to our organization. So this is a way that we can offer additional funding at the end of the year.

CHAIRPERSON WILLIAMS: Okay. Um, since these funds were set aside in reserve in the event of an emergency fiscal condition, as you mentioned, and given the ongoing financial pressures facing cultural organizations, can these funds instead be restored or redirected for disbursement to cultural organizations in need of support? And it sounds like that is what you plan to do.

DIYA VIJ: Yes. Yeah, there'll be an even distribution across the CIG and the CDF, we're still just deciding the allocation with— in FY26.

CHAIRPERSON WILLIAMS: Okay. Um, so some questions on new needs. The Fiscal 2027 Exec Budget included $10 million in baseline additional funding for cultural organizations. How will this funding be distributed between the CIGs and the CDF organizations?

DIYA VIJ: Mhm. As of now, it's $5 million each, CIG and CDF, and we are waiting until budget adoption to make more specific allocations.

CHAIRPERSON WILLIAMS: Okay. Can you provide us with any additional amounts each CIG will now get with their total FY27 funding amount, given what it is at this point after the additions?

DIYA VIJ: Yeah, we're, we're, we're gonna wait until budget adoption to have a clear view of the full budget before we make those decisions.

CHAIRPERSON WILLIAMS: Does the budget of the CIGs already reflect this additional funding in the exec plan, or are you still just kind of waiting until adopted?

DIYA VIJ: Um, right now it's in like a holding code, and so it hasn't been allocated to individual CIGs.

CHAIRPERSON WILLIAMS: Okay. To the exec budget, um, it included a Proposed Fiscal 2027 Budget of $239.6 million for DCLA and $23.6 million more than its 20— $215.9 million in Fiscal 2027 budget in the Prelim Plan. Is this increase driven by new city priorities or newly identified needs?

DIYA VIJ: Um, this increase is, is both. One, I think it's a clear priority of the Administration to support arts and culture with a $10 million baseline add, and then the $15 million energy, um, add is really a reflection of anticipated needs as gas prices are increasing and kind of volatile due to the global situation.

CHAIRPERSON WILLIAMS: DCLA recently added new organizations to the Cultural Institutions Group. What is the total Fiscal 2027 funding allocated to newly added CIG organizations, and how does that compare to funding provided to existing CIG members?

DIYA VIJ: Yeah, it's, um, $3 million total across the 5 CIGs, and, um, the agency worked very closely with OMB to make sure that the individual allocations were aligned with other CIG, um, subsidies.

CHAIRPERSON WILLIAMS: And how did you determine their operating subsidies? Like, what is, like, the methodology you all use again?

DIYA VIJ: So there, um, each CIG has come, ah, into the group at different times from, like, the 1870s to today. So they, at that moment in time, had a, um, agreement with the city. And, um, so for the last 5 CIGs that were added, they each receive, um, the same allocation, correct?

We looked at their— yeah, so we looked at their existing, um, funding and spending and kind of allocated from there. Um, their current funding from CDF and their current overall budget.

CHAIRPERSON WILLIAMS: Mhm. So there's no, there's no, I guess, standard way that you guys assess subsidies because you kind of— which I get, like, different CIGs came in at different times, different agreements, so there might not be consistency. So I just want to make sure that that's accurate, that there's no real consistent way that you determine operating subsidies.

DIYA VIJ: Yeah, there's also— before this these 5 CIGs were added. Weeks' Bill was added a few years prior, but it had been like— I can get you the exact amount of time, but a few decades since another CIG was added to the group. So it's not a common practice for the agency in contemporary times to be adding to the CIGs. So yeah, they do reflect whatever moment in time they were brought into the group.

CHAIRPERSON WILLIAMS: So did you all ever think about, I don't know, standardizing how you assess operation subsidies across the CIGs? Because that seems like kind of subjective by way of like whomever brought that CIG in.

DIYA VIJ: I am absolutely open to having a conversation with the CIGs and Council to see if that is something we can work towards.

CHAIRPERSON WILLIAMS: Okay. Um, the Fiscal 2027 ex— exec plan includes a new need of $5 million for development funds. How much funding is currently allocated to the Cultural Development Fund in the Fiscal 2027 Exec Budget, and how does that compare to Discal 2026? I think you told me that in your testimony.

DIYA VIJ: Yes.

CHAIRPERSON WILLIAMS: Yeah, you did, $57 million. Um, what is the average and median CDF award amount, and how was that changed over time given rising operating costs for cultural organizations?

DIYA VIJ: Um, in FY26, we have, ah, 1,178 CDF grantees, including renewals. About 39% of them, 454, had an FY23 operating income of under $250,000, which— so a huge portion, a very small organizations receive our funding. Um, 724, 61%, had an FY '23 operating income of $250,000 or higher. The average award for those under $250,000 was $26,701. The average award for those $250,000 and higher was

$79,730. And in FY '25, so one year prior, the average award for those under $250,000 was $24,130, and the average award for those $250,000 and higher was $74,035. Um, so the average award for groups under $250K budget had an 11% increase for FY '26 over FY '25, which was largely because of the baseline funding increases, which we're proud to build on for FY '27.

CHAIRPERSON WILLIAMS: Thank you. The deadline to submit a Cultural Development Fund application for Fiscal Year 2027 was April 2nd. How many organizations applied? Yeah, we received a total of 828 applications. 179 of those applications were completely new or hadn't submitted an eligible application in 3 years or more. Um, and this year we have 694 organizations in renewal for FY '27, so more than 1,500 orgs in total.

CHAIRPERSON WILLIAMS: What is the anticipated number of organizations to receive grants? Yeah, we can't— we can't predict that because it's a peer panel review process, but typically we fund 70 to 85% of all applicants. Um, 84.2% of total applicants received some form of support in FY '26, for a total of 1,171 CDF grantees.

CHAIRPERSON WILLIAMS: Thank you. And about that peer panel, I know that you all are excluding the Council this go-around because of lack of participation. But I will say, in terms of— my office has participated, but I will say the promotion of it, I don't know if it was former Commissioner, whomever within the Council, like, it really wasn't promoted properly to members. And so I do encourage you all to reconsider. I do think it's important to have Council Members involved. Council Members were involved, um, and I know we fought really hard to be included.

So, you know, it's a little unfortunate that we are now going back to being excluded from the panel process.

DIYA VIJ: I, I, I hear you, but I would just reframe that as that it's not an exclusion. We're still inviting Council Members to participate as panel observers. Um, and we hope that that means without having to do all the prep work and the pre— pre-trainings and sit through a full 8-hour day of the panel, that it actually makes it more possible for more Council Members themselves or their staff to join these and would love afterwards to get feedback

on the process from you all. So I still really wanna encourage Council to participate in the process and to also name that DCLA is not a voting member either. Um, it really is a peer review process. We're really proud that, you know, practitioners in the field get to review their own, um, their own colleagues and, and allocate funding. And yes, so we would love for Council to still be involved and offer feedback on the process and be in dialogue around that. And of course, this is the first year we're trying it, so happy to be in continued conversation.

CHAIRPERSON WILLIAMS: Okay. Um, I believe I had emailed you all to send me the information to promote to colleagues. I'm not sure.

DIYA VIJ: I believe we—

CHAIRPERSON WILLIAMS: You all sent the actual tangible information with the details so I can do my part in sharing it with my colleagues. That's helpful because if I don't know, it's hard to, like, promote it. I wanna also, like, play a role in helping to promote it—

DIYA VIJ: Absolutely, yeah. If we haven't, we absolutely will later today, tomorrow morning latest. But—

CHAIRPERSON WILLIAMS: Okay. Mhm. Um, the Fiscal '20— this is about capital funding. The Fiscal 2027 Exec Capital Commitment Plan includes an additional $123 million when compared to Fiscal 2027 Prelim Capital Commitment plan. Can you walk us through what specifically accounts for the $123 million increase in the Capital Commitment Plan for the Preliminary to the Executive Plan.

Is this driven by new projects, rescoped existing projects, or reestimated costs?

DIYA VIJ: Um, this reflects a shift from funding from one year to another as capital projects take a long time to complete. Um, and also BP adds that come in along the way.

CHAIRPERSON WILLIAMS: Is the agency confident and has the project management and administrative capacity to absorb this increase without slipping commitments into future years?

DIYA VIJ: We are— we are confident, and due to the lifting of the hiring freeze, we're able to bring on an additional capital project manager.

CHAIRPERSON WILLIAMS: How much of DCLA's prior Capital Commitment Plans have rolled over into subsequent years unspent, and what steps is the

agency taking to prevent that pattern from continuing with this expanded plan?

DIYA VIJ: Um, capital funds aren't typically spent in the year they're allocated because the projects have to be designed, procured, completed. So these kinds of rolling of funds is quite typical and routine. It's not something that needs to be prevented, but it's a, it's a process that is managed really carefully among DCLA, managing agencies and OMB. So, they're, they're rolled to reflect the schedule of construction.

CHAIRPERSON WILLIAMS: I'm just laughing because this city's capital across the entire city is crazy. Um, anyway, cultural organizations across the city continue to face rising rents, insurance, utilities, and operating costs. How is DCLA assessing the affordability challenges facing nonprofit cultural organizations in New York City?

DIYA VIJ: Yeah, it is obviously a huge crisis facing our sector, like it's facing every New Yorker across the city. Um, I have been in really deep dialogue with the field since I started 2 months ago, doing— meeting with roundtables and town halls almost 2 to 4 to 5 times a week. Um, so I'm hearing

anecdotally, and we are absolutely measuring how, how this affordability crisis impacts our field.

We also have a program called Create in Place where we work with organizations who are at risk of losing their space to, um, help facilitate everything from pro bono legal services to capacity building and, um, get a really kind of real assessment of what people are facing through that program as well.

CHAIRPERSON WILLIAMS: Many artists and cultural workers are increasingly being priced out of New York City. How is DCLA incorporating artists' affordability into its planning and funding priorities?

DIYA VIJ: This is a really important priority for me in particular, and I've already met with our local Arts Councils. They are our sole way of how we reach individual artists with direct, um, grants. They regrant on our behalf, and I'm looking forward to deepening that collaboration with them. Um, it's— yeah, there is no arts and culture sector if we don't have artists in the city. So it is of our utmost priority to make sure that that's not our future.

CHAIRPERSON WILLIAMS: Yes, and I love to quote that Cuff report that talks about, um, how many

people, um, in the creative sector are leaving New York City. Um, so, you know, it's a big problem.

DIYA VIJ: Absolutely.

CHAIRPERSON WILLIAMS: Um, you mentioned the Arts Councils. This is not a prepared question, but you also mentioned them in your testimony and as you noted, it's a priority for you. What types of reforms are you looking into? Because I have also met with them.

DIYA VIJ: Yeah.

CHAIRPERSON WILLIAMS: Um, and I think the analogy they use is like DCLA doesn't wanna commit. Like, they don't want to, like, firm up the marriage, which presents a ton of issues. And as you know, the Queens Arts Council, um, doesn't exist, so Flushing Town Hall is doing that work. So would love to understand, like, how you plan to strengthen and improve, um, the local Arts Councils, to your point, which literally is the only entity that is funding artists directly.

DIYA VIJ: Yeah, um, and just to clarify that NYFA is actually regranting for us in Queens currently, um, in a meeting with the Queens Borough President, later this week to start talking about

what it looks like to establish a— or how we select a Queens Arts Council.

Um, I am working really closely with the Arts Councils themselves to understand what it looks like to deepen our collaboration based on their own capacity needs, what they are currently doing for regranting to artists, where the Administration— like, the Administrative overhead can be streamlined, um, and where we can be be more helpful in, in those practices.

I think something else I've learned is that they are so on the ground. Each of these boroughs is, are their own little, their own major cities actually. And so when there are things like the Red Hook fire, for example, the Brooklyn Arts Council is the most equipped to move emergency funding to artists affected or small organizations affected in a way that we just can't as an agency.

So I'm currently working with them to figure out what it looks like to get married, or to deepen our collaboration, but, um, it will be a kind of months-long process to determine what that could be.

CHAIRPERSON WILLIAMS: And what is, um, NYFA? What is that?

DIYA VIJ: Uh, New York Foundation for the Arts.

CHAIRPERSON WILLIAMS: Oh, okay, and this is this year they're regranting?

DIYA VIJ: Yes.

CHAIRPERSON WILLIAMS: Okay, because it was previously Flushing Town Hall, right?

DIYA VIJ: Um, that is NYSCA, New York State Council for the Arts, regrants to artists in Queens through—

CHAIRPERSON WILLIAMS: Through Flushing Hall. But for the city, it was NYFA.

DIYA VIJ: Yeah.

CHAIRPERSON WILLIAMS: Okay, okay, thank you. Um, what percentage of the Fiscal 2026 contracts for the cultural initiatives has been registered? Um, yes, so we don't register contracts. We're able to issue grants, which are managed differently from contracts, so the process is a bit different. And we paid out 90% of initial payments across all initiatives. What is DCLA's average processing time from the point a Council initiative is awarded to the execution of a contract with the recipient's organization? And how does that compare to the citywide benchmark?

DIYA VIJ: Mhm, so because it's not a contracting process, the citywide benchmarks are not related. So for us in our grantmaking process, once an organization is notified of their award, we're relying on an organization to respond with the necessary paperwork that they need, like a signed executed grant agreement, um, an updated— updated accounts in their payee portal, um, Charity Bureau requirement, doing business data forms, insurance requirements, um, there's also City Council requirements around lobbying certification and subcontracting.

So once we receive everything, our program officers review it, make sure it's complete, and concurrently the awards have to be cleared by Council and MOCS. And, um, if there's kind of any delay in the process from any of those parties, the process just delays. But our goal, you know, our ideal timeline, it would take around 30 days. But again, it— has a lot of kinds of requirements along the way.

CHAIRPERSON WILLIAMS: How many fiscal 2026 Council-funded organizations are still waiting for executed contracts? You said it’s not contracts, but grants and what are the primary issues? Is the delay

occurring at DCLA, the law department, or the comptroller's office?

DIYA VIJ: Yeah. So we, in our process, we're able to administer these grants in-house. So what we need most is, um, allocations to be made by City Council. Um, and the kind of earlier they're made in the fiscal year, the faster they can get out. But they come on a rolling basis, which I understand. There's— needs change and new organizations seek funding. Um, but that can make it feel like the funding is rolling out all across the year.

And many allocations are paired with SU-CASA or CASA, they're paired with schools or senior centers. And, um, when these designations change, the, uh, timeline changes also. So we have about 1,300 designations. So you can imagine as they're being shifted, that is like a kind of— that's a lot to keep track of and to make sure that things move out in time.

So it's a combination of us being able to move things out in 30 days and also Council designating earlier in the fiscal year.

CHAIRPERSON WILLIAMS: What specific steps has DCLA taken since last year's hearing to accelerate

the contracting process or granting process? And can you point to any measurable improvements in processing times? And just a follow-up question, um, when you say the Council to make the designations earlier in the year, like, which part of the fiscal year are you talking about? Are you talking about, like, the summer before the November plan? Like, what part of the year are you talking about in terms of, like, the Council's role in—

DIYA VIJ: Yeah, I think this—

CHAIRPERSON WILLIAMS: Designating sooner and then, yeah, any improvements you've done to address the processing times. I think after adoption would be amazing in those months following. Um, just for example, just last week we received 3 new SU CASA designations with 6 weeks left in the fiscal year.

So the closer to adoption, the better for the organizations and for DCLA. Um, and yeah, we are, we're continuously trying to improve the process on our end. And these Council initiatives, they really are a collaboration between us and, and Council Finance and MOCS. Um, and so, yeah, look forward to continuing to work together to—

CHAIRPERSON WILLIAMS: Yeah, I think a lot of those, um, designations that you're referencing probably come through during transparency resolutions, mhm, which isn't like our typical designation process, which is making me ask another question.

I don't know if you're prepared to answer or wanna answer, but and probably is impossible to do. But I'm just wondering, um, I don't know, like, what, what types of issues does that cause the agency? And I'm wondering if there should be, like, a cutoff time for when, um, these allocations can be made or readjusted. Because this is— I know for a fact this is probably— we just did a transparency reso. This is probably a readjustment, maybe the group. And I've had that happen. The group can't do the work, or, you know, maybe the member, um, didn't really check in with the group to make sure that group was connected to a school or properly connected to a senior center, which is like more so internal Council logistics.

So I'm just wondering, again, I try to make sure we're taking accountability too, like what can we do better on the Council side so that we don't have or

contribute to, um, process delays? Yeah, I really appreciate that question. I think if Council is open to a cutoff date, that would be really helpful for our staff to be able to plan. And it is a capacity issue to be making these payments throughout the year while we're also doing all kinds of other procurements and, um, grantmaking to organizations. And we, of course, we understand that things happen across the fiscal year. Things change. Organizations can't fulfill the work, or a new senior center comes up that you wanna support. So, fully understand that those changes will happen throughout the year, but if the bulk can be towards adoption, that would be a— we would be able to streamline the process. It would really help us in our capacity.

CHAIRPERSON WILLIAMS: I have a lot more questions, but I'm gonna pause to, to, um, toss it to my colleagues.

CHAIRPERSON LEE: Okay so we have Council Member Restler, followed by Brewer.

COUNCIL MEMBER RESTLER: Thank you, Chair Lee and Deputy Speaker Williams, for your great leadership and Commissioner, nice to see you. Um, I wanted to ask about one issue in particular that was a policy

change under Eric Adams and Lori Cumbo. DCLA used to accept discretionary capital funding from Council Members, Borough Presidents, to acquire buildings. And Under Mayor Adams, DCLA stopped all acquisitions, cold, altogether.

Uh, with rising lease costs, acquiring space is critical to, like, keeping high-quality arts organizations in our communities, especially one like mine, which is deeply gentrifying and stupidly expensive. Um, I understand there have been some past projects where DCLA's had a bad experience, and so you guys felt burnt, or the agency felt burned and just stayed away from this altogether. But I think it's a stupid policy, to be diplomatic, um, that we have money that's available to purchase buildings to keep organizations in our community permanently and affordably, and DCLA just rejects the money out of hand and says we won't cooperate, no matter the specifics.

Um, we've had some instances where we've had organizations take out loans on a mortgage, and then we've gotten OMB to agree to pay back— that they'd cover the mortgage, but they wouldn't support the project until the entity had already taken the

mortgage and then was at risk. And so that was the only way we could get the money out the door.

So I've spent a lot of time on this and been incredibly frustrated by the DCLA staff, um, and the lack of cooperation, and think it's a really backward policy. And I would love for you to revisit it. And so is this on your radar? Did you know that DCLA no longer supports cultural organizations acquiring their own buildings, and would you be willing to revisit this and help cultural organizations stay in our communities permanently by purchasing their homes?

DIYA VIJ: Um, well, first of all, hello and thank you for your question, Council Member Restler. I did know about this, um, change in the previous Administration. I'm not very familiar as to how it came to pass. Um, I know that there are unique challenges, as you mentioned, to each building acquisition. Um, but yes, I'm, I'm happy to revisit and have a conversation about that. I really appreciate it because I think that sometimes bureaucrats get burned by a bad experience, or they think there's going to be a lot of extra work involved from being involved in a purchase versus

just other types of capital expenditures. But I don't think either of those are good reasons to discontinue the policy altogether.

And so we really need leadership. I think that the previous- I think that we didn't have leadership that was willing to push back previously, and we need leadership that will, because we need organizations to stay in their homes. I can give you half a dozen organizations in my district alone. Borough President Reynoso announced a whole initiative about helping cultural organizations purchase their buildings across Brooklyn. He put a ton of money aside, and then it mostly got blocked because DCLA wouldn't work with them.

So I really want to underscore how important this is. Um, last question if I can, one more. Um, so, er, we'll see what we end up and adopted. Um, I, I hear— I heard your responses to, ah, Deputy Speaker Williams that you're not yet sure how the $10 million that were allocated by the Mayor in the Executive Budget will be spent. Can I try to ask the question a different way? If there is a $20 million cut and the Mayor does not, and the Speaker do not identify the additional resources to sustain that one-time

funding that we have in place right now, what types of cuts might we see to CIGS and cultural development and to the Cultural Development Fund? Like, what are the types of real-world implications that would happen if we don't have that funding in place?

DIYA VIJ: Um, well we are able to— we are able to increase baseline support to CIGs because of the $10 million baseline funding. So they will see an increase, $5 million to CIGs, $5 million to CDF, um, in their baseline support, which is a-

COUNCIL MEMBER RESTLER: Great- for planning purposes moving forward, 100%.

DIYA VIJ: And then, um, once budget adoption comes, we'll have to— we'll have to assess, um, what it looks like for each CIG. And CDF, similarly, we are really grateful that we have a bigger pool year to year now for the application process. And once adoption comes, we will work with what we have to deliver cultural funding to the field. I really appreciate that and, you know, it was a diplomatic answer to not give specifics, and, you know, and put anyone on notice. But, um, if, you know, I will just say there are many organizations in Brooklyn that are struggling and that have been struggling coming out

of the pandemic and have not yet fully stabilized. And so when I look at a place like BAM, which is in Council Member Hudson's district across the street from us, um, but is a cultural mecca for New York City and beyond, like, they are going to suffer in very dramatic ways. If the Council and, um, and the Mayor's side doesn't come up with additional resources for them. Uh, we were able to do that in this current fiscal year. We need to continue to do it.

Um, I know BAM is just one example, but I don't wanna see people laid off. I don't wanna see programming cut. Uh, these organizations, uh, place like BAM is just such an extraordinary place, and we need to continue to invest in it.

So I'm hopeful that we'll be able to work together to find some additional resources. And if we don't have as many resources— as much as we did this past year, I hope that you'll look out for places like BAM that really depend on us. Thank you.

DIYA VIJ: Thank you.

CHAIRPERSON LEE: Great. Council Member Brewer.

COUNCIL MEMBER BREWER: Thank you very much. Um, I was encouraged when you talked about working with

Lower Manhattan Cultural Council and the other ones. So I was listening but didn't quite understand. One of their challenges has been, you know, they have all these artists, they're trying to support them, but they don't have the administrative staff to do that. So is that kind of what you're looking to help them with?

DIYA VIJ: Yeah, I'm looking to understand the capacity they currently have, where they think— like, where they are feeling inefficiencies, what it looks like to, um, meet their current operations, but also what it might look like down the road to help expand them.

COUNCIL MEMBER BREWER: Great.

DIYA VIJ: Um, yeah.

COUNCIL MEMBER BREWER: Okay, because I— they do the best they can, but that would be fabulous. Also when I went to their fundraiser and I saw the crocodot— the, uh, cockroach, I was very excited. That woman was fabulous. I love that cockroach.

Um, the CDF, so I would second the fact that I had staff who was there who was in the past very, very knowledgeable. It's not easy to get Council staff to go. However, for those who do go, I have to

say they add something because I, you know, having been part of this process for about 30, 40 years, um, the peers to peers are fine, but they're clueless on politics, clueless on community outside their world. They're just clueless and so it helps to have somebody who has a bigger picture in the group. I'm just saying, if it's the right Council Member and if it's the right staff. So you might wanna think about that. I mean, it's really kind of scary what they don't know as artists, with all due respect. And so you might find that lacking.

DIYA VIJ: I appreciate the feedback and am looking forward to working together on the solution. And you're, and you're right, there were several Council Members that were very involved and very helpful.

COUNCIL MEMBER BREWER: I was one of them.

DIYA VIJ: And you absolutely were one of them. And it remained difficult to fill all of the panels. Um, and we do hope that Council Members will still observe the panels and will be in dialogue with us after to offer feedback about the process.

COUNCIL MEMBER BREWER: Okay, I don't— we'll see. I mean, when you don't have a role specifically,

you're less likely to attend. I'm just— that's life. I'm, I'm just saying. So I think you should look at that, 'cause I, I was a little shocked at some of the questions from the peers, and they're wonderful, but they don't know anything beyond their life.

So be aware of that. 'Cause people get left out, you know, because they don't have that bigger picture about what this group has contributed beyond their expertise as an artist.

So that was— that's a problem. The other question I have is, I have the, the capital, you know, Met Opera is in trouble, um, and some of the big, uh, Philharmonic is fine. It's across the board different but who is looking to see? Because these big— I have, I don't know, 35 huge nonprofits that are cultural. Lincoln Center, you hear about, but there's many others. So my question is, how do you evaluate both the application but also the economic opportunity that they bring to the city?

DIYA VIJ: Mhm.

COUNCIL MEMBER BREWER: Because that's often what happens. How does that play a role? And is there any way— I have to thank the Manhattan Borough President 'cause he's done a great job giving money

this year to the, uh, capital needs of the cultural community. But are you gonna have— are you trying to get more money for capital, or what's your proposal for this year? Because they are desperate.

DIYA VIJ: Yeah, I actually just met with the Met Opera Director Peter Gelb to discuss the upcoming capital project. He toured me around the stage, and I'm looking forward to reviewing that application with the team. And, and I, I hear you about need. I think that's across the board, um, and I, I, I hear that and we're looking at all the tools we have in our toolbox to help figure out how we help the field meet the challenges of the day.

COUNCIL MEMBER BREWER: The other thing on space that Council Member Restler brought up, there's a lot of faith-based institutions and the way you can do it is make that, uh, it takes work but I've done it, make that cultural institution a co-op or condo in the building. And then we can give them city money. But you really need— we have to think of more places and space for artists. There's, at least in Manhattan, it's desperate. Is that something you've thought about?

DIYA VIJ: Yeah, and I, I agree with you. Finding space for artists to work, to make work, to be in community, to show work is paramount.

COUNCIL MEMBER BREWER: Okay, it would be helpful also to have like Shoshama or others get more support for going into the vacant spaces. The city never says anything. It's kind of those of us who know Shoshama and there's a space or somebody who's like that. I, I'm just saying it would enliven the, uh, streetscape.

DIYA VIJ: Yeah.

COUNCIL MEMBER BREWER: And at the same time, provide artists, usually individual artists, the opportunity to do their craft.

DIYA VIJ: Yeah.

COUNCIL MEMBER BREWER: So I'm just saying, I don't get a lot of support when I say you need to get space because, um, it's such a hard process. But I think if we were to look with your religious office or faith-based office, who has space, and then work with OMB and try to get— I would just prefer having cultural, maybe there's some other nonprofit and see if you can do this condo situation. But there— a lot

of the big faith-based have space, but this idea is not something that they are knowledgeable about.

DIYA VIJ: Yeah, I'm happy to look into that. I think—

COUNCIL MEMBER BREWER: And then we need more CIGs. A lot more on land that is owned by the city. You're think— I heard you talk about it. Are you thinking more about CIGs in the future? More CIGs? I know it costs money. I'm aware.

DIYA VIJ: Yeah, it is, it is an expensive investment and there are so many ways that the city can support organizations, um, through the Energy Coalition, through capital reforms and better processes to help them with the spaces that they're in.

COUNCIL MEMBER BREWER: Okay.

DIYA VIJ: Uh, yeah.

COUNCIL MEMBER BREWER: And then South Street Seaport needs John Street lot. Are you familiar with that issue? South Street Seaport Museum, um, I was told, I think it's an EDC, that they may not get the lot. We want the lot. They were promised the lot.

DIYA VIJ: Okay, I will look into it.

COUNCIL MEMBER BREWER: Alright, thank you.

DIYA VIJ: Mhm.

COUNCIL MEMBER BREWER: I know about every culture in Manhattan, just so you know. Hell no.

CHAIRPERSON LEE: She doesn't like the outer boroughs. No. Um, okay, going back to Council Member Restler.

COUNCIL MEMBER RESTLER: Great. I have been encouraged to check in on some admissions policies at the CIGS. Um, when I was involved in helping to design the IDNYC program at the beginning of the de Blasio Administration, I negotiated— I was involved with Ryan and others in negotiating, uh, the kind of free policies, uh, for mem— free membership policies with the CIGs. And I remember how impressively complicated it was because every organization had their own different admissions policies and they were all negotiated with DCLA.

So, um, the PMMR from, um, FY26, uh, identified that 39% of CIG visitors took advantage of the free admissions policy to visit CIGs. Are you able to disaggregate that by institution? Like the 30— how many are you up to now? 35?

DIYA VIJ: Yes. We and I'm happy to—

COUNCIL MEMBER RESTLER: Oh, you have it? Oh great.

DIYA VIJ: Yeah.

COUNCIL MEMBER RESTLER: Oh yeah, we would love that. Can you share that with the—

DIYA VIJ: Absolutely.

COUNCIL MEMBER RESTLER: Okay. Do you want me to— I can ask— I'm not gonna ask questions now looking at— but we'll look at it. We'd love to dissect that and get some more information.

DIYA VIJ: Um, just for clarity, it says total number of visitors and then total number of free visitors, but it doesn't— we cannot say where they are coming from when they're free visitors. Do you know what I mean?

COUNCIL MEMBER RESTLER: You mean if they're from New York City or if they're— or where they—

DIYA VIJ: Yeah.

COUNCIL MEMBER RESTLER: Oh yeah, totally. Um, understood. But it tells us of the percentage of the visitors at that given institution who took advantage of the free policy.

DIYA VIJ: Yes.

COUNCIL MEMBER RESTLER: Great and, um, that includes all ticket sales, in-person at the counter, everything? That should cover everybody that's coming in the door?

DIYA VIJ: I believe it does. Um, every CIG reports to us in a way that matches how they track their own data.

COUNCIL MEMBER RESTLER: Got it.

DIYA VIJ: Yeah.

COUNCIL MEMBER RESTLER: But would— you don't have a breakdown of city residents versus non-city residents?

DIYA VIJ: Hmm, not for free admission.

COUNCIL MEMBER RESTLER: Got it. Because some institutions have specialized policies just for city residents, and —like the Met, like, right? And some— it's— is it just the Met? I don't know.

DIYA VIJ: Um, no, it's not just the Met. It's the Museum of Natural History and, and a few others as well.

COUNCIL MEMBER RESTLER: Great.

DIYA VIJ: Free for New York City residents and— and tri-state.

COUNCIL MEMBER RESTLER: Have you ever gotten— are you aware in your 3 months, um, of DCLA receiving complaints about New Yorkers that were denied entry because of refusal to pay?

DIYA VIJ: I will say there are, there are like, you know, millions and millions of admissions to our institutions all the time. And of that, there might be a few complaints. Um, so it's a small percentage, but it does happen and when it happens, we work with the CIG individually to identify like what that problem was and how we might solve it. Is it a refund to that person? Is it better signage? Is it like, what is the right path?

COUNCIL MEMBER RESTLER: That's great and I recognize that each CIG has its own admissions policy that they negotiate with you all. When you negotiate with them, do you consider, like, you're placed on public parkland, you pay rent, you don't pay rent, like, how do you evaluate the different factors in determining those admissions policies?

DIYA VIJ: Yeah, I, I mean, I think a great example is when the Met Museum increased their admissions.

Um, when I was working at the Department of Cultural Affairs last, uh, we negotiated with them that a percentage of it goes back to fund smaller CIGs. So in the subsidies, there's actually a line for Met admissions. Um, I think that's a great example of how we can kind of elevate everyone together.

COUNCIL MEMBER RESTLER: That's great. Um, okay, I think that that covers my admissions questions that I was asked to ask and was happy to ask them. So thank you for answering it so helpfully.

DIYA VIJ: Thank you.

CHAIRPERSON LEE: Great. I'm gonna toss it back to our Deputy Speaker.

CHAIRPERSON WILLIAMS: Thank you. Um, just a few more— well, actually, one follow-up question. Going back to the $5 million set aside for a fiscal emergency, can you tell me why the savings PEG— mhm, we like to say PEG— was taken from there instead of looking for savings, um, within your own office.

So, I mean, you know, you gave partial to OMB as a savings, so we just wanted to know, like, why it was taken from the organizations and, like, not within, you know, DCLA itself.

DIYA VIJ: We're a very lean agency. I think I mentioned in my testimony that 97% of our budget goes directly to the cultural field, so we don't have major contracts with vendors to cut. We don't, um, there's not a lot there to find savings in outside of our personnel costs and MFTA rent and kind of the essentials. Um, so that is where we identified where we could do our part along with our sister agencies to participate in the savings exercise.

CHAIRPERSON WILLIAMS: Yes, a very smart person is, um, encouraging me to ask why, ah, were the funds not identified earlier if they were already there to give out to the groups?

DIYA VIJ: To give— well, we wait until the end of the fiscal year and either do it by, um, particular— this year we were considering doing it by federal funding cuts and how we might be able to support in that way.

In the past, we've done things for disability access, or it's CIG supplemental funding. It's quite common for us to do it as an add at the end of the year based on a program initiative or a need from the field.

CHAIRPERSON WILLIAMS: Thank you. Um, now just some questions on the Racial Equity Plan, which was written by each city agency, and it is supposed to be examined during budget hearings to make sure that the budget can support the work being promised. With that in mind, I would like to ask some questions about DCLA's Racial Equity Plan, which was recently submitted as part of the Mayor's Office of Equity and Racial Justice Preliminary Racial Equity Plan.

Um, and I do hope, um, that we could continue to ask these questions. This is the first day of exec budget hearings, but, um, as long as I'm concerned, if I'm at the hearing, um, I do anticipate that we'll ask questions on the Racial Equity Plan, um, for each city agency.

So first, how important do you think racial equity is in planning for and delivering arts and cultural activities to New Yorkers?

DIYA VIJ: I think it's foundational, um, and just in my first 2 months here, I've already met with coalition of, um, Latin organizations at El Museo. This morning I was at the Coalition for Theaters of People of Color. I, um, and, and many more examples of that. I— it's like completely central to the way

that we can have a city where arts and culture thrive in all 5 boroughs.

CHAIRPERSON WILLIAMS: Um, and how important do you think racial equity is in awarding CDF grants?

DIYA VIJ: Incredibly important.

CHAIRPERSON WILLIAMS: What was your involvement, um, in DCLA's Preliminary Racial Equity Plan?

DIYA VIJ: Yes, um, to, to be candid, I am— the plan was released upon my arrival at the agency, um, and I am really looking forward to digging in and making changes. When I was at the Department of Cultural Affairs last, I was part of the DEI policies that were released from our agency, which included workforce demographic studies and DEI plans from CIGs, and have spent most of my career thinking about equity in the arts and really look forward to making substant— substantial changes to the plan.

CHAIRPERSON WILLIAMS: That said, um, are you happy with the plan that DCLA has prepared?

DIYA VIJ: I think that they have done a good job making a plan that's nuts and bolts, and I would love to turn it into something that's aspirational.

CHAIRPERSON WILLIAMS: I love that political response. Um, and you mentioned that, um, your

previous role at DCLA, which I read about myself, um, in helping to create essentially the implementation plan of the 10-year cultural culture plan. Um, what is the status, status of like some of those things that you worked on, like from your vantage point?

DIYA VIJ: Yeah.

CHAIRPERSON WILLIAMS: This is my prepared a question. I'm just thinking about it, like now you're back.

DIYA VIJ: Yeah.

CHAIRPERSON WILLIAMS: How are you guys doing? It's been 10 years.

DIYA VIJ: Yeah, it has been nearly 10 years. Um, some really amazing things came out of it that continue, like our Disability Access Fund and Language Translation Fund and a lot of that DEI work, that was seeded then. The CIG just turned in final reports for the— their first-ever DEI plan that they submitted to the agencies.

So that part of the work I'm really proud of. Um, and there's been a kind of complete— there's been a real change in point of view coming out of the agency too, that equity really is at the core of conversations around CDF planning as well, which

emerged from the internal DEI committee at the Department of Cultural Affairs.

So I think that, um, a lot of that equity work that was built into the cultural plan did a lot to reorient how we talk about our work and how we think about it and, and hopefully moving forward how we evaluate its impact.

CHAIRPERSON WILLIAMS: In his letter introducing the Racial Equity Plan, Mayor Mamdani explained that the Equity Plan exists because in 2022 through the Charter Revision process, New Yorkers demanded that the city take a harder look at where inequities persist, how government contributes to them, and what it will take to change course.

He said that the indicators in the plan are designed to identify where disparities persist, where our systems are falling short, and where agencies must do better. But many of the indicators in DCLA's plan focus on activities, such as outreach events, training participation, and recruitment efforts, not actual measures of equity. Can you point to any specific metrics in this plan that will tell us whether disparities in access to cultural funding have actually decreased?

DIYA VIJ: Mhm. Um, I've— I've— our funding is rooted in this peer panel process, so where we can make interventions is in the process. Um, we don't have discretionary funding to allocate outside of that panel process. So that's where you're seeing a lot of the goals from within this plan. Um, I think that we can absolutely provide more, um, more data around where we currently are, where we see our funding currently going, and hold ourselves accountable to to kind of even the— balance the inequities in the future.

CHAIRPERSON WILLIAMS: Okay. Um, I have a follow-up, but because I have so many questions, I will not ask a follow-up question. Um, does DCLA collect and analyze baseline figures for funding awarded to organizations led or primarily serving historically underrepresented groups?

DIYA VIJ: We do collect that data in CDF applications from various parts of the application, from their mission to their audiences to the kinds of programming that they're applying for. So yes, we do have that data.

CHAIRPERSON WILLIAMS: Is it accessible though, or that's not shared? It's not shared with the public, right?

DIYA VIJ: It is not shared in its entirety, but, um, can be found. Their mission— the mission of the organizations can be found with the organization's names released. But I will say that I am committed to data transparency, and I'm already working internally with the agency to figure out what we can start sharing, how, and in what accessible formats that can be made alongside what advocates have been requesting, so.

CHAIRPERSON WILLIAMS: Yeah, because I mean, the next question I have, or comment, or statement is like, those baseline figures should have been included in the plan. Like, it would be helpful to know, like, what data you already have, or at least for New Yorkers to understand, um, the current state of inequity.

DIYA VIJ: Mhm.

CHAIRPERSON WILLIAMS: So, um, turning to the goals in the plan, goal 1 was outreach. So DCLA's Racial Equity Plan includes 5 goals. Each goal is accompanied by outcomes related to the goal,

strategies for reaching the goal and indicators by which DCLA should be measured in achieving the goal. I'd like to talk about some of those goals, outcomes, strategies, and indicators.

Let's look at the first one. Your first goal is to increase awareness of grant opportunities in racially diverse and historically underserved communities to support access to cultural experiences. To achieve that, the plan says that DCLA aims to participate in at least 2 outreach events by the end of 2026. We live in an extremely diverse city of more than 8 million people across 5 boroughs, each with various communities comprised of historically underrepresented individuals. What analysis led DCLA to conclude that 2 events is an adequate yearly benchmark for advancing racial equity?

DIYA VIJ: Um, I can't, I can't speak to what led to the 2 events, but I can say that that will be increased significantly. And that's something else I'm excited about, is that the CDF, um, process now has a, a panel advisory group, um, with, uh, cultural workers from across the city, a lot of whom are leading or part of organizations of color that are

doing a lot of deep work to figure out where bias lies in the process and how to address it. And I'm looking forward to expanding that and reporting on that.

Um, so yes, there will be many more goals associated with this.

CHAIRPERSON WILLIAMS: I love that. And one of the things, um, that I am most excited about is that we finally have the Racial Equity Plans, Preliminary Plans, is the slow process of normalizing equity when we, um, think about auditing and accountability. Um, and then hopefully my biggest thing is like, this should be attached to our budget. And so if we have these equity goals, then like us collectively, we need to advocate for the resources to achieve those goals.

So if DCLA successfully conducts the 2 outreach events identified in the plan, but the racial distribution of grant awards remains totally unchanged, the outcome as written in the plan essentially will be achieved. But the goal of increased racial equity in DCLA grants won't come any closer to being achieved. I'm sure you agree.

DIYA VIJ: I do agree.

CHAIRPERSON WILLIAMS: Yeah, which is, I think, why I asked, like, some of the original questions around, like, well, like, what actual metrics to determine whether or not we're making the process more equitable, um, if the only outcomes are based off of, like, um, you know, almost like material things of, like, hosting events.

The plan also discusses increasing awareness of grant opportunities and increasing applications from underserved communities. Why does the plan stop at applications rather than establishing goals related to quality applications that are actually good enough to be funded, um, or, or, you know, have increased funding amounts?

DIYA VIJ: Mhm. Um, I am— I'm looking forward to digging into that more, and I think that there's an opportunity to also think about what a strong application even looks like. And again, our interventions will be in the process. So what does that mean and how are we defining it now that might have unintended consequences that are contributing to racial inequity and how can we reverse that? And I, I will say our team is really dedicated to doing that work also.

CHAIRPERSON WILLIAMS: Thank you and I know I acknowledge that you are new, you are unfortunately, um, hmm, you have inherited this. Um, so to your short-term goal to unconscious bias training.

The second goal in your Racial Equity Plan is this: to take steps to reduce any unconscious bias in the grantmaking process. The outcome you have listed for that goal is by the end of 2026, ensure that over 80% of the staff in DCLA programs— in the DCLA Programs Unit complete unconscious bias training, and that the external decision makers— panelists— involved in the grantmaking process are aware of and encouraged to participate.

First, isn't 80% a low bar? Shouldn't DCLA hold itself to 99 or 100% of your staff? Um, and are you able to commit to that?

DIYA VIJ: I am able to commit to that.

CHAIRPERSON WILLIAMS: Okay, great. We love that. Second, if the training goal is reached but the racial distribution of grant award remains totally unchanged, the outcome as written in the plan will be essentially achieved, but the goal of increased racial equity in DCLA grants won't come any closer to being achieved. I think you agree with me.

Also, what evidence will DCLA use to determine whether that training results in different funding decisions or otherwise contributes to the reduction in disparities that the plan is supposed to bring about?

DIYA VIJ: Yeah, I, I look— I'm looking forward to establishing what that baseline data looks like and being able to measure ourselves against it moving forward.

CHAIRPERSON WILLIAMS: Thank you. Um, so just turning to your midterm goals and then just concluding, um, midterm goal 1 is about capacity building. It states that by 2028, support cultural organizations that are led by or serve communities of color in identifying and applying to grant opportunities.

First, why do we have to wait 2 years for DCLA to do this. Isn't this a part of Create NYC, your wonderful 10-year comprehensive cultural plan that you were a part of, which was adopted in 2017?

DIYA VIJ: Yes. Um, it, it is and I will say that the team is actively doing this, um, and will continue to and, and bolster these efforts.

CHAIRPERSON WILLIAMS: Yes, government is very slow and in my very brief conversation with Commissioner Finkelbro, um, he did note, um, one, that government is slow, and two, um, that politics gets in the way, because unfortunately we have changing administration.

And so in his eyes— and I'm like, it's 10 years— in his eyes, he doesn't look at it as 10 years, because essentially there was a gap, um, between when he did the plan under one administration, and then another administration comes, and, you know, sometimes not the same priorities. So, I will 100% agree with him. It's why I actually, like, absolutely hate politics because it gets in the way of, like, the actual work. Um, so we do hope that you can expedite on that because it was a part of this 10-year plan. But again, based off of what Commissioner— the former Commissioner said, politics gets in the way.

Um, so second, it is enough to say that the indicator of success for this goal is the number of cultural organizations led by are serving communities of color that apply for CDF support. Wouldn't the more meaningful measure be whether those

organizations are submitting strong, quality applications such that they ultimately receive funding and strengthen their long-term sustainability?

DIYA VIJ: Um, I think that— I would love to be checking us against baseline data and seeing if in the aggregate we're able to move more resources to underserved neighborhoods in the future.

CHAIRPERSON WILLIAMS: Um, goal 2, diverse grantmaking panels. DCLA proposes increasing recruitment efforts for grantmaking panels, but the indicator of success is the number of recruitment events attended. How will we know whether those efforts actually result in more representative decision-making bodies rather than simply more recruitment activity? And I think you hear a theme from us that the indicators don't actually indicate whether or not you guys are doing a better job at being more equitable.

DIYA VIJ: Yeah, I, and I, uh, appreciate the line of questioning, and it is important to me that we are accountable to reaching goals of racial equity across the city. So this will also be an area where we are revisiting our goal.

CHAIRPERSON WILLIAMS: I love that revisit. Thank you. Um, in conclusion, uh, just to two more questions. Much of DCLA's plan is focused on processes— holding events, offering trainings, et cetera— but does not in any way try to set goals, outcomes, or indicators that directly measure whether inequitable outcomes are changed. Will DCLA commit to adding outcome-based targets to this plan so that the public can assess whether equity has actually improved?

DIYA VIJ: Mhm. Yes, as I, as I have mentioned, because this is a process-oriented grantmaking, that our interventions will be in the process, and we will also be using metrics towards racial equity across the city to understand if those interventions have worked. So yes.

CHAIRPERSON WILLIAMS: Yes, I think that, um, we understand that the tools that you have are in the process, but yes, it is more so how you then measure your success. Um, will DCLA commit to including baseline data and specific deadlines along with each indicator so the public can assess where DCLA is starting from and whether it is actually improving

outcomes with respect to the metrics it says it will measure itself on?

DIYA VIJ: I, I will absolutely be working with the team to understand when and how we're able to release or risk— get that baseline data and on what timeline, um, we'll be able to provide that.

CHAIRPERSON WILLIAMS: Okay. I see I have more questions, but I'll only ask a few for our arts educators.

So New York City Public Schools reported 900+ cultural organizations partner with schools in the 2024-2025 school year, increased from 449 in 2019 and 2020. That's a lot. 23% of schools reported use of funding from arts organizations for arts education. How many CDF-funded programs are currently operating in New York City public schools? And will DCLA consider adding DBNs to the CDF CASA reports? I don't even know what DBNs is. Um, what is that?

DIYA VIJ: Doing Business As.

CHAIRPERSON WILLIAMS: Oh.

DIYA VIJ: So the names—

CHAIRPERSON WILLIAMS: Doing Business—

DIYA VIJ: DBAs?

CHAIRPERSON WILLIAMS: DBNs.

DIYA VIJ: Oh, DBN, doing business names. It's the same thing. So the name that they register their business under is not always the name that we know them as, that they do business as. So it helps researchers when they—

CHAIRPERSON WILLIAMS: Oh, yeah, I love hearings. You become so informed. I just said this in the last hearing. It's like the more I ask, the more I realize, like, I absolutely know nothing at all. So anyway, go ahead.

DIYA VIJ: But yeah, 72% of CDF, uh, programs happen in public schools, it's pretty remarkable. And of course, when you add CIG, it's even more than that. That's something I'm— I, I think we're all really proud of in the cultural sector. Um, and I am looking forward to working with the team to be able to release those DBNs or DBAs.

CHAIRPERSON WILLIAMS: Great. Um, in the New York City Arts and Education's Paying for Professionalism report on New York City Teaching Artist Compensation and Employment. The roundtable found that teaching artists in New York City face significant financial challenges. The report emphasized the need for sustainable multi-year

funding and the importance of contracting reform. And I know we were just at that breakfast event last week, um, together.

Um, so how can DCLA support more sustainable salaries for teaching artists, and what is DCLA doing to ensure CDF and City Council discretionary funding is distributed faster and in a more consistent manner? And I think we have some thoughts on that based off of this hearing but if you have anything else to add, please share.

DIYA VIJ: Um, I will just note that I appreciated being at that roundtable last week and being able to talk about this very real challenge that arts educators and, um, cultural workers who are specifically in education face with um, being often the most contracted workers of an organization, they do have a kind of precarious paycheck and a precarious standing within their organizations. I look forward to working with them and the cultural organizations to do better.

CHAIRPERSON WILLIAMS: Yes and this other question, I know you personally also care about it, and I do look forward to continuing to work with you and internally in the Council to figure out what we

can do, but the report also found that access to critical benefits, particularly medical insurance and retirement plans, are lacking across the fields. While 88% of teaching artists reported having health insurance, only 6% received it through an employer.

Would DCLA consider supporting a portable benefits pilot for freelancers and self-employed artists as described in the Center for an Urban Futures Creative New York report, or potentially a pooling benefits program to support smaller organizations?

DIYA VIJ: Mhm. Yeah, this is a really serious issue that, um, artists and cultural workers face, and I'm, I'm very much looking forward to working with the Commissioner of MoME and other city agency partners to understand all of the tools at our disposal to help come to a solution.

CHAIRPERSON WILLIAMS: Thank you so much. Um, I think that's it. Let me see, because I just—— Oh, okay, thank you. DBN is the District Borough Number that DO uses to identify schools.

DIYA VIJ: So I was very wrong.

CHAIRPERSON WILLIAMS: Yeah, clearly we're both wrong. So thank you to the very smart people for

educating us. So yes, we hope you can look into that, um, and consider adding it to the CASA and CDF reports. That's what they want us to do, which I guess that does make sense because— then we can better quantify where they're operating if we also include those reports.

DIYA VIJ: Yeah, okay, we'll look into it.

CHAIRPERSON WILLIAMS: I think that's it. Thank you so much for coming, and I look forward to working with you on— oh, yeah, on many issues. The BP is coming. He loves culturals. Uh-huh. BP of Manhattan said he's giving all his money, his capital, to cultural, so he's coming. He wants to testify but that's it. That's it, I think. Yeah, he's coming. He's walking in. Oh, he's walking in? Okay, great but you're— I think you're done unless the Chair has any other questions.

CHAIRPERSON LEE: No, no, no, we're good. Thank you so much.

CHAIRPERSON WILLIAMS: Thank you very much.

DIYA VIJ: Thank you so much.

CHAIRPERSON WILLIAMS: We discussed how passionate you are about culturals and how personally I'm very appreciative that you have come to so many

of my hearings. I feel so special. So the floor is yours, BP.

BRAD HOYLMAN-SIGAL: Thank you very much, Madam Chair, and it's good to see Council colleagues, uh, and your team here. Um, really appreciate the opportunity to testify. As Manhattan Borough President, uh, I represent a borough that anchors, uh, much of the cultural economy of the city, from Broadway and Lincoln Center to the Jewish Museum to El Barrio to the Studio Museum in Harlem to the Museum of the Chinese, uh, in the Americas. I could go on and on.

But I'm here to join your efforts, uh, and including Speaker Menin's, for a $30 million baseline increase for cultural programming in the Department of Cultural Affairs. And I want to acknowledge the real progress in the Mayor's FY27 Executive Budget. Uh, as you know, DCLA's FY27 budget has been raised to $239.6 million, which is an increase of $23.6 million over the Preliminary Plan. Uh, $10 million of that increase is dedicated to supporting the CIGs and the Cultural Development Fund organizations and that's a very important step. And I wanna thank the City Administration for moving in the right

direction. But even with this restoration— and again, I don't have to tell you— the FY '27 budget still falls $60 million short below the $299.7 million the Council secured at adoption for FY '26. An additional $20 million increase for cultural programming, completing the Council's and advocates' full $30 million ask, would give cultural organizations the stable, predictable support they need to plan, hire, and serve our communities, and the stakes couldn't be higher.

Again, you know that arts, culture, and freedom of expression are under attack. Already compared to peer nations, the United States invests significantly less public funding in the arts. In Germany, roughly 80% of arts funding comes from public sources. France spends over €4 billion annually on national cultural subsidies, but U.S. federal arts funding amounts to only about $4 per capita each year. And to compound this, the Trump Administration is dismantling our federal cultural infrastructure right before our eyes one institution, after another.

Thousands of previously approved NEA grants have been abruptly canceled. The President's budget even proposed eliminating the NEA, the NEH, and the

Institute of Museum and Library Services outright. He's already signed into law a $1.1 billion clawback from the Corporation for Public Broadcasting, defunding PBS, NPR, and the local public media stations that serve our communities and frankly report on local political events.

At such a dangerous moment, local government must step up, both as an expression of New York values and as a matter of fiscal self-interest, because what is under attack in Washington happens to be one of this city's most important industries. The creative sector employs 326,000 New Yorkers, a larger workforce than the finance and insurance sectors combined. It's one of our city's core economic engines and a defining competitive advantage. In fact, the density of artists itself feeds directly back into our economic vitality and enables a gallery and a museum ecosystem to flourish in a way that only a few pure cities can match.

Research published just last year shows that authors strongly increased their publication output after moving to New York City because of the presence of publishing houses and other authors.

This is the virtuous circle of the creative sector, and it's the reason why talent moves here. It's the reason why tech giants expand here. It's the reason why tourists fill our hotels. So in these difficult moments, we gather in our theaters, in our galleries, our museums. They become really the safe harbors where movements are born, where communities are built, where activists become engaged, and where our collective resilience is forged. We need them now more than ever.

That's why this fiscal year, I'm dedicating the entirety of my FY '27 capital funding allotment to affordable and accessible arts and cultural projects. We're calling this the Manhattan Multiplier for Arts and Culture, and we want to leverage the Borough President's Capital funds with private and philanthropic matches, prioritizing projects that expand access, preserve affordability, and strengthen long-term cultural infrastructure.

The operative question is here, how can I turn my $50 million of capital, taxpayer dollars, into a combined $75 or $100 million with private philanthropy? But it's the capital alone that cannot substitute for operating support. Buildings need

programs, programs need staff. A $30 million baseline increase for DCLA could be the operating side companion to the capital investments we all make as elected officials.

If New York intends to remain the cap— capital of culture of the entire world, we must support that culture with commensurate resources and policy. So thank you again for your leadership in this budget. Thank you, Chair Williams, for everything you're doing to elevate this conversation throughout the city, and I'd argue the entire nation, because New York is leading the way in arts and culture.

CHAIRPERSON WILLIAMS: And thank you. Like I said, I do appreciate your support of cultural institutions in your borough. Um, I've been promoting your announcement that, like, all of your capital is going to cultural institutions this year, and, um, your insight on the draft riots. I told, um, the Central Ledge team that we should work with you because you had some very pointed feedback. So I just appreciate your partnership thus far and look forward to continuing to partner with you and thank you so much for testifying.

BRAD HOYLMAN-SIGAL: Thank you very much and thank you for, uh, giving me the opportunity. Thanks so much.

CHAIRPERSON LEE: Thank you. And with that, we are done with our day 1 of budget hearings. So thank you everyone. [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 August 30, 2026