

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE JOINTLY WITH COMMITTEE ON
GENERAL WELFARE, COMMITTEE ON JUVENILE JUSTICE AND
COMMITTEE ON FIRE AND EMERGENCY MANAGEMENT

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May 15, 2018
Start: 10:21 a.m.
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HELD AT: Council Chambers - City Hall

B E F O R E: DANIEL DROMM
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STEPHEN T. LEVIN
Chairperson

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Chairperson

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Fernando Cabrera
Alan N. Maisel

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

Steven Banks, Commissioner
New York City Department of Social Services

Molly Murphy, First Deputy Commissioner
NYC Department of Social Services

Grace Bonilla, Administrator
NYC Human Resources Administration, HRA

Jocelyn Carter, Administrator
NYC Department of Homeless Services, DHS

Ellen Levine, Chief of Program Planning & Financial
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Department of Social Services, DSS

Scott France, Chief of Staff French
Department of Social Services, DSS

David Hansell, Commissioner
Administration for Children's Services, ACS

Lisa Parrish, Deputy Commissioner
Financial Services
Administration for Children's Services, ACS

Lorelei Vargas, Deputy Commissioner
Child and Family Wellbeing
Administration for Children's Services, ACS

Felipe Franco, Deputy Commissioner
Youth and Family Justice
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Daniel A. Nigro, Commissioner
New York City Fire Department, FDNY

Laura Kavanagh, First Deputy Commissioner
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John Sudnik, Chief of Operations
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James Booth, Chief of EMS
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COMMITTEE ON FINANCE JOINTLY WITH COMMITTEE ON
GENERAL WELFARE, COMMITTEE ON JUVENILE JUSTICE AND
COMMITTEE ON FIRE AND EMERGENCY MANAGEMENT 5

[sound check] [pause]

CHAIRPERSON DROMM: Okay. [gavel] Good morning, and welcome to the City Council's sixth day of hearings on the Mayor's Executive Budget for Fiscal 2019. My name is Daniel Dromm, and I chair the Finance Committee. We are joined by the Committee on General Welfare chaired by my colleague Council Member Steve Levin. We've been joined today by Council Member Jimmy Van Bramer, Council Member Keith Powers, Council Member Adrienne Adams and Council Member Steve Matteo. Today we will hear from the Human Resources Administration and the Department of Homeless Services, the Administration for Children's Services and the Fire Department. Before we begin, I'd like to thank the Finance Division Staff for putting this hearing together including the—the Director Latonya McKinney, Committee Counsel Rebecca Chasen, Deputy Directors Regina Poreda Ryan, and Nathan Troth, Unit Heads Dohini Sompura and Ayisha Wright, Finance Analyst Namira Mizhat (sp?) Daniel Kroop and Jen Lee and the Finance Division Administrative Support Unit, Nicole Anderson, Maria Pagan, and Roberta Caturano who pull everything together. I would also like to thank Evia Cardoso,

1
2 my staff member for being with me throughout all of
3 these hearings and thank everyone for all of their
4 efforts. I would also like to remind everyone that
5 the public will be invited to testify on the last day
6 of the budget hearings on May 24th beginning at
7 approximately 4:00 p.m. in this room. For members of
8 the public who wish to testify, but cannot attend the
9 hearing, you can email your testimony to the Finance
10 Division at FinanceTestimony@Council.nyc.gov and the
11 staff will make it a part of the official record.

12 Today's Executive Budget hearing begins with the
13 Human Resources Administration and the Department of
14 Homeless Services or HRA's Fiscal 2019 Executive
15 Budget totals—excuse me. HRA's Fiscal 19 Executive
16 Budget totals \$9.9 billion representing 14% of the
17 city's total budget. DHS's Fiscal 19 Budget is \$2
18 billion, which is a \$442.7 million increase over its
19 Fiscal 2018 Adopted Budget. It's not secret that the
20 Council is extremely concerned about the de Blasio
21 Administration's rate of spending on shelter costs
22 coupled with its failure to provide permanent housing
23 and homelessness prevention. From the Council's
24 perspective the central concern is the apparent lack
25 of a collaborative citywide plan to tackle the

1
2 homelessness crisis. The agencies are working in
3 silos when they need to be a unified force to address
4 the problem. The Council sees HRA doing prevention
5 work while the Department of Housing, Preservation
6 and Development is trying to bring more affordable
7 housing units online. Meanwhile DHS is stuck in the
8 middle providing shelter to the New Yorkers who can't
9 help but fall into the system because the prevention
10 programs aren't strong enough, and who then escape
11 because there are not enough—there are not affordable
12 units to support move-outs. This cycle needs to
13 stop, but that can't happen until the Administration
14 figures out a way to deal with the problem
15 holistically with a cohesive plan instead of stemming
16 individual problems as they arise. But before we can
17 continue fully address the substantive issues of how
18 the Administration is choosing to prioritize funding
19 as threshold matter that the agency's budget
20 structures must be overhauled so that the Council and
21 the public can clearly see where the money is being
22 spent. The budgets of HRA and DHS are structured
23 with generally vague, overbroad, and wide ranging
24 units of appropriation. As a result, the UofAs do
25 not reflect the programmatic activities of the

1
2 agencies and the budget is therefore less
3 representative of the City's priorities. It is
4 crucial that the combined \$11.9 billion budget of
5 these agencies be updated and made transparent as
6 programs initiatives and relevant issues evolve. One
7 example of the lack of transparency in the agency's
8 budgets is that HRA created a Homelessness Prevention
9 Administration to consolidate all programs related to
10 rental assistance and homes prevention in one unit.
11 For Fiscal 2019 funding for these programs is \$357.4
12 million. However, rather than being—rather than—
13 rather being, it's contained within its own UFA
14 (sic), these funds are mixed into a program called
15 the Public Assistance Support Grants, which is
16 supposed to be for cash assistance clients. It is
17 shocking that the Administration would not separately
18 track funding for a program area as distinct and
19 essential as Homeless Prevention, and is exactly the
20 type of practice that the Council is calling on the
21 agency to end. I hope to hear testimony from the
22 Commissioner today about why he believes that such a
23 budget is justified, and why none of the Council's
24 recommendations for a clear budget structure were
25 included in the Executive Plan. While shelter

1
2 spending and homeless prevention is obviously a major
3 issue facing our city, HRA also manages other vital
4 programs that the Council would like to see enhanced.
5 These include increase for the Emergency Food
6 Assistance Program, Adult Protective Services and
7 home care. The committees would also like to cover
8 these issues at today's hearing. Before we begin,
9 I'd like to remind my colleagues that the first round
10 of questions for the agency will be limited to three
11 minutes per Council member and if Council members
12 have additional questions, we will have a second
13 round of questions at two minutes per Council. I'd
14 also like to remind my colleagues that this a large
15 agency, and its budget represents major policy
16 determinations by-made by the Administration.
17 Therefore, to the extent possible, please refrain
18 from asking district specific questions in favor of
19 bigger picture questions. If you have any district
20 specific questions that you cannot ask today, please
21 forward them to the Finance Counsel to be included in
22 a follow-up letter to the agencies. I will now turn
23 the mic over to my Co-Chair Council Member for his
24 statement, and then we will hear testimony from
25 Commission Steve Banks.

2 CHAIRPERSON LEVIN: Thank you very much
3 Chair Dromm. Good morning, good morning Commissioner
4 to the entire DSS team, HRA and—and DHS, to all my
5 colleagues and to everyone here thank you very much.
6 I'm Steve Levin, Chair of the Council's Committee on
7 General Welfare. I thank everybody for joining me
8 and the Chair of the Finance Committee Daniel Dromm
9 for the Fiscal 19 Executive Budget hearing on the
10 General Welfare Committee held jointly with the
11 Committee on Finance. Today, we will be hearing from
12 three Social Services agencies, the Human Resources
13 Administration, the Administration for Children's
14 Services, and the Department of Homeless Services on
15 each of their Fiscal 19 Executive Budgets. The
16 Fiscal—the city's Fiscal 18 Executive Budget totaled
17 \$89 billion of which \$14.8 billion funds HRA, ACS and
18 DHS or roughly 17% of the city's total expense budget
19 for Fiscal 19. We will be asking each of these
20 agencies how new needs, various funding adjustments
21 and new policies in their Fiscal 19 Executive Budget
22 will impact their ability to serve the most
23 vulnerable populations in this this city. We will
24 begin with joint testimony from the Human Resources
25 Administration of Homeless Services. HRA provides

1 cash assistance, SNAP benefits, each of the aid
2 support services and many other public assistance
3 programs that aid low-income New Yorkers. HRA is
4 also in charge of homelessness prevention programs as
5 Chair Dromm said including anti-eviction legal
6 services and legal assistance for the homeless that
7 work in two ways: Helping our at-risk of New Yorkers
8 avoid homelessness, and move individuals and families
9 from shelter into permanent housing. We are eager to
10 hear from the Commission how those programs are
11 working. HRA's Proposed Fiscal 19 Executive Budget
12 totals \$9.92 billion. The Budget reflects
13 commitments in homelessness prevention, domestic
14 violence services and improved outreach in public
15 engagement to connect more New Yorkers in need to
16 services. However, the budget overlooks the plight
17 of hungry New Yorkers. Hunger is a very real issue
18 in our city. In the Fiscal-Council's Fiscal 19
19 Preliminary Budget Response, and additional \$14
20 million baselined funding for the Emergency Food
21 Assistance Program otherwise known as EFAP was called
22 for, and I am very disappointed that this funding was
23 not included in HRA's Fiscal 19 Executive Budget.
24 The Administration knows that securing additional
25

1 baseline funding was a top priority for the Council
2 since the Preliminary Budget hearing back—since the
3 last couple of years, and we are no longer willing to
4 accept one-year additions into the EFAP Budget like
5 in previous budgets. To put the Council's request
6 into context, a \$14 million investment is less than
7 1/10th of a percent of HRA's total Budget of \$9.9
8 billion for Fiscal 19. Let me put that again. The
9 Council's request for \$14 million in increased
10 investment in food for hungry New Yorkers who are
11 suffering is less than 1/10th of a percent of HRA's
12 Budget of \$9.9 billion. It's unacceptable. This
13 additional funding for EFAP would benefit over 1.4
14 million New Yorkers who rely on food pantries and
15 soup kitchens to feed themselves and their families.
16 In addition, the current level of benefits from the
17 Supplemental Nutrition Assistance Program otherwise
18 know as SNAP, are insufficient to meet the monthly
19 needs of those who are enrolled in this program.
20 This coupled with the current uncertainty around
21 federal policies and funding for SNAP makes it EFAP
22 an even more integral part and program in addressing
23 food insecurity across our city. Although the
24 homeless census—Shelter Census has remained
25

1 relatively steady in 2017 compared to 2016, marking
2 the first time in a decade that the census has
3 remained stable, the city's spending on homeless
4 shelter continues to dramatically increase. The
5 Department of Homeless Services' Fiscal 19 Executive
6 Budget totals \$2.05 billion, increasing by \$422
7 million when compared to DHS' Fiscal 18 Adopted
8 Budget. That is an over 20% increase. Since
9 adoption of the Fiscal 18 Budget, additional
10 resources for homeless shelters has been—have driven
11 city spending higher and higher for Fiscal 18 and
12 Fiscal 19. DHS' current Budget in Fiscal 18 is \$2.14
13 billion exceeding the \$2 billion mark for the first
14 time. In April of 2018, DHS formalized the use of
15 commercial hotels with seven community based
16 organizations for three years totaling \$365 million
17 per year. DHS is committed to phase out the use of
18 commercial hotels as shelters, but continues to use
19 commercial hotels when it works—while it works to
20 open up new shelters that will replace cluster sites,
21 and other underperforming shelters. In the Fiscal 19
22 Preliminary Budget Response, the Council has urged—
23 the Council urged the Administration to prioritize
24 permanent housing solutions [coughs] over homeless
25

1 shelter spending. We believe that the city should
2 dedicate more funding to support move-outs from the
3 shelter system rather than increasing the city's
4 shelter budget. The \$376.9 million added for shelter
5 in Fiscal 18 and the \$426.1 million for Fiscal 19 in
6 the out years would be far more impactful over time
7 if a portion is used for supportive housing, or one
8 of HRA's many re-housing programs. The
9 Administration is committed to creating 15,000
10 supportive housing units through the New York City
11 15/15 Plan, but as the city's fiscal monitors and the
12 Adminis—and as the Administration's—sorry. But as
13 the city's fiscal monitors and the Administration's
14 partner, the Council wants to work with you. We need
15 to bring more supportive housing units online quickly
16 without delay. So, before I welcome the Commissioner
17 and his testimony, I would like to thank the
18 Committee staff for their work, Amira Nusrat (sp?)
19 Finance Analyst; Donhini Sompura Unit Head; Aminta
20 Kilowan, Counsel for the Committee; Tonya Cyrus and
21 Crystal Pond, Policy Analyst and Rabia Qasim Legal
22 Fellow for the committee in preparing for this
23 hearing. I'd like to also thank my Chief of Staff
24 Jonathan Boucher, my Legislative Director Elizabeth
25

1 Adams, and my Budget Director Edward Paulino. I'd
2 like—now like—we've also been joined by Council
3 Member Andy Cohen of the Bronx, and with that, I'll
4 turn it over to Commissioner Banks for testimony.
5

6 CHAIRPERSON DROMM: And we've been joined
7 by Council Member Ayala, and with that, I'm going to
8 ask Counsel to swear in the panel.

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

12 COMMISSIONER BANKS: I do. Good morning.
13 I'd like to thank the Council's Finance and General
14 Welfare Committees as well as Chairs Daniel Dromm and
15 Steven Levin for giving us this opportunity to
16 testify today about the Department of Civil Service's
17 Fiscal Year 2019 Executive Budget, and highlight for
18 these committees the ongoing work across the
19 Department of Social Services to implement
20 comprehensive reforms to better serve low-income New
21 Yorkers. My name is Steven Banks, and I'm the
22 Commissioner of the New York City Department of
23 Social Services. In this capacity I oversee the
24 Human Resources Administration and the Department of
25 Homeless Services. Joining me today is Department of

1 Social Services' First Deputy Commissioner Molly
2 Murphy, HRA Administrator Grace Bonilla; DHS
3 Administrator Jocelyn Carter; DSS Chief Program and
4 Planning and Financial Management Officer Ellen
5 Levine, and DSS Chief of Staff Scott French.

7 The 2019 Executive Plan is the product of
8 decades of advocacy by many in this room to
9 effectuate reforms to make HRA and DHS programs and
10 services more accessible to and effective for New
11 Yorkers in need. The FY19 Plan reflects reforms and
12 investment since FY14 that have enhanced our services
13 and assistance including the following initiatives:

14 Expanding free legal assistance for New
15 Yorkers in danger of eviction Housing Court by
16 increasing funding for legal services for tenants
17 from-to \$93 million in FY19 a more than 15 fold
18 increase from 2013 level of \$6 million and over the
19 last four years during this expansion evictions by
20 city marshals dropped 27% and more than 70,000 New
21 Yorkers were able to stay in their homes.

22 Implementing with the Council's support
23 over the next five years universal access to counsel
24 to provide legal services for all New York City
25 tenants facing eviction in Housing Court, which had

1 full implementation with an annual investment of \$155
2 million will serve a projected 125,000 cases and
3 benefit 400,000 New Yorkers each year.

4 Providing emergency one-time rent arrears
5 assistance to 217,000 households through FY17 helping
6 rent burdened New Yorkers at risk of eviction stay in
7 their homes.

8 Creating and implementing rental
9 assistance programs, and restoring Section 8 and New
10 York City Housing Authority priorities, which through
11 March of 2018 helped 87,300 children and adults move
12 out of or avert entry into shelter through this
13 commitment of permanent housing resources.

14 Expanding with the leadership of now
15 Speaker Johnson access to housing benefits and
16 support for New Yorkers with HIV through HASA for
17 All.

18 Launching the largest municipal
19 commitment ever to build and expand supportive
20 housing by committing to develop 15,000 new units in
21 15 years.

22 Increasing access to public benefits and
23 assistance by ending a one-size-fits-all approach
24

1
2 implementing technology initiatives to streamline
3 administrative processes.

4 Eliminating counterproductive case
5 sanctions, reducing unnecessary fair hearings.

6 Ending WEP and implementing the new
7 employment programs that emphasize education and
8 training including a college option.

9 Adding 239 emergency bed and 54
10 transitional units to our domestic violence shelter
11 system with more on the way so that we can increase
12 capacity to help 13,300 children and adults each year
13 and approximately 50% increase over the prior year
14 level of 8-of 8,000 individuals served annually. The
15 first increase in domestic violence shelter capacity
16 since 2010.

17 Increasing baselined funding for legal
18 assistance for immigrants from \$7 million in FY13 to
19 \$29.7 million on FY18, which enable immigrant New
20 Yorkers to receive Legal Aid and approximately 15,000
21 cases in FY17 as a result of a fourfold increase in
22 the city's overall commitment to immigration legal
23 assistance programs since FY13, and the implementing
24 and managing the IDNYC program, the largest municipal
25 identification card program in the country to which

1 more than 1.2 million identification cards have been
2 issued.
3

4 In March at the Preliminary Budget
5 hearing, I came before the General Welfare Committee
6 to discuss significant reforms implemented over the
7 prior four years in addition to these highlights.
8 The FY19 Executive Budget Plan for the Department of
9 Social Services including both HRA and DHS again
10 includes continued investments in Social Services and
11 homeless services programs that have been missing in
12 the budgets of years past. At the outset of this
13 Administration we focused our efforts on implementing
14 major reforms to enable HRA to address poverty and
15 income inequality more effectively than the agency
16 had been doing in the prior two decades. We also
17 made fundamental changes to the ways in which
18 benefits are accessible to clients. We accepted the
19 premise and addressed the reality that New Yorkers
20 who are struggling to pay rent and put food on the
21 table who were on the brink of homelessness or who
22 urgently need healthcare and other housing benefits
23 should have access to assistance that is not mired in
24 bureaucratic red tape. We ended WEP the unpaid Work
25 Experience Program, which required clients to work

1 for no compensation in jobs that provided little or
2 no job training or valuable work experience.

3 Instead, today we administer programs with more
4 effective work activity initiatives including

5 additional job training program slots added in the

6 Department of Sanitation, the Department of Citywide

7 Administrative Services, as well as enhancing the

8 subsidized employment program known as SET, Shelter

9 Exit Transition for homeless clients. We developed a

10 new set of employment contracts that began in April

11 2017 to better assess and prepare clients for short-

12 term-for long-term employment opportunities and we

13 supported a change in the state Social Services Law

14 to permit clients to obtain college degrees that can

15 help them proceed on a career pathway and off of

16 public assistance caseload with greater earning

17 power. The FY19 Budget for employment services and

18 related programs is \$269 million including contracts,

19 subsidized employment, education and training, the

20 Wellness Comprehensive Assessment Rehabilitation

21 Employment Program, case management and

22 transportation costs. We've embraced a harm

23 reduction approach to programs so that individuals

24 with substance use disorder are supported and
25

1 connected to services, not subjected to punitive
2 actions for the substance use, which can distance
3 clients even further from the supports and services
4 they need. We also funded the requirements in new
5 Local Laws such as the Naloxone training and
6 distribution for staff and residents across the HRA
7 HASA system and DHS system. We successfully
8 advocated for another change in State Social Services
9 Law so the HRA no longer has to impose employment
10 related durational public benefit sanctions. In
11 practice this means that clients do not lose
12 essential benefits critical to putting food on the
13 table and remaining stably housed. Additionally,
14 clients are not churning on and off the caseload so
15 administrative costs as well as staff resources are
16 no longer being diverted to unnecessary State Fair
17 Hearings. The number of State Fair Hearings has
18 declined by nearly 40% and the city is no longer
19 subject to a potential \$10 million state penalty for
20 unnecessary hearings. We've continued to build out
21 and improve the Access HRA Portal so that our clients
22 are able to have immediate access to their case and
23 benefits payment information and obtain budget
24 letters online, confirm their rent payments to their
25

1
2 landlord and conduct a broad range of transactions
3 with the agencies on their Smart Phone or on a
4 computer without having to come into our offices and
5 do business with us in a way that is most convenient
6 for clients so that we can work for them. As of
7 February 2018, there were more than one million
8 Access HRA online accounts for SNAP Food Stamps
9 households, and more than 2.5 million documents have
10 been submitted online through Access HRA mobile app.
11 Nearly 80% of SNAP applications are submitted online.
12 The majority from outside an HRA location. This
13 means that people no longer have to miss work to come
14 to an office or wait in line to see a worker to get
15 access to these important benefits. Our system
16 improvements didn't stop there for SNAP
17 precertification eligibility interviews and for most
18 application interviews, we no longer—you no longer
19 have to sit around and waiting for us to call to you.
20 Now, you can call at your convenience our On-Demand
21 Call Center to conduct your eligibility
22 recertification interview. But if you prefer in-
23 person interactions with our staff, you can choose to
24 come into a center and wait for an in-person
25 interview. The same on-demand system is now being

1 rolled out for applications, and will be fully
2 implemented in FY19. In October 2015, before the
3 implementation of On-Demand Call Center, only 52% of
4 the completed SNAP precertification interviews were
5 conducted via telephone. We now have 76% of
6 interviews held by phone, a 46% increase. The
7 Executive Capital Plan includes funding for further
8 development of the Access HRA Portal to optimize
9 mobile responsiveness and to allow clients to make
10 case changes and to request special grants and rent
11 subsidy renewals online. This investment will also
12 allow for a centralized work tracking system that
13 will automate workload distribution to improve client
14 services and make our provision of assistance more
15 effective and efficient. To ensure access to
16 benefits and services for clients with disabilities,
17 we settled the 2005 lawsuit Lovely H. (sic) They're
18 now utilizing new tools to assess whether clients
19 need reasonable accommodations as a result of
20 physical and/or mental health limitations or other
21 impairments. HRA now provides the appropriate
22 accommodations including referrals to HRA's Wellness
23 Comprehensive Assessment Rehabilitation Employment
24 Program as well as other services designed to assess
25

1 and meet the need of clients with disabilities. These
2 services are budgeted at \$96 million annually are
3 included in the employment related budget that I
4 mentioned earlier. So, far, FY18 as compared to the
5 same period in FY17, we've seen increases in key
6 service areas, a 3% in federal disability awards for
7 clients, and a 21% increase in the number of clients
8 with disabilities placed in employment. Do all of
9 these reforms and changes mean that our clients may
10 not experience problems in our centers? Of course
11 not. Even with these major reforms, we recognize
12 that there's always room for improvement. We worked
13 hard to ensure that our staff has the necessary and
14 appropriate tools and training to interact with
15 clients in ways that support the mission of HRA and
16 DHS for our clients to be supported as they move
17 forward with healthy and safe, independent, and
18 fulfilling lives. With respect to DHS, in April 2016
19 following the 90-day review of Homeless Services, and
20 March 2017 following the release of the Mayor's Turn
21 the Tide Plan, I announced significant managerial and
22 policy changes to reform how the city approaches
23 homelessness. In the FY19 Executive Plan, the
24 addition of \$207 million, 180--\$186 million in city
25

1 tax levy in FY18 and \$256 million, \$159 million city
2 in FY19 in the out years in shelter re-estimate
3 funding along with baseline funding added in the
4 Preliminary Budget reflects the composition of our
5 caseload and the tenants of Turning the Tide, in that
6 it supports getting out of clusters, opening more
7 expansive new high quality shelters and using hotels
8 as an interim measure. At the core of these reforms
9 we are maximizing a client centered and cost-
10 effective prevention first focus to avert
11 homelessness whenever possible and to turn-transform
12 the city's approach to the provision of shelter and
13 homeless service. I spent my entire legal career
14 working to ensure that government fulfilled its
15 obligation to low-income New Yorkers. In this
16 testimony, and in response to you questions we will
17 discuss crucial investments and reforms in the FY19
18 Plan that achieved this objective. Our investments
19 ate beginning to take hold and are showing signs of
20 progress. For the first time in a decade the DHS
21 Shelter Census has not continued to grow, but we know
22 that the transformation of these programs and
23 services will not occur overnight and we will
24 continue to have much work to do to address the
25

1
2 problems that built up over many years. What drives
3 our clients to seek our services is their need for
4 support to lead independent lives. We want to
5 provide the helping hand our clients need, and we are
6 making the investments necessary to do so
7 effectively. In order to implement these reforms for
8 the past four years, we repurposed approximately 550
9 central administrative positions to frontline client
10 facing positions to include services for our clients.
11 This generated \$13 million in city tax levy savings
12 each year to reinvest in many of the client service
13 reforms that I have described today. Overall, the
14 FY19 Executive Plan reflects cumulative city savings
15 of \$369 million that we have achieved at DSS, HRA and
16 DHS from FY14 through FY18, and the FY19 Plan
17 incorporates over \$200 million in additional city
18 savings; \$38 million in recurring annual savings are
19 related to the DSS Integration; \$45 million are
20 related to the Client Benefits Re-Engineering Project
21 that I described earlier, and \$40 million are due to
22 revenue maximization initiatives, and the remainder
23 are the result of programmatic and administrative
24 efficiencies and re-estimates including in-sourcing,
25 overtime savings and citywide initiatives such as

1
2 procurement reform. Our reforms are aimed at
3 addressing head-on the stigma our clients face, which
4 is based on the ideal that poverty and homelessness
5 are often attributed to individual decision making,
6 and the individual circumstances rather than
7 underlying systemic and structural inequality. For
8 the three million clients we serve annually, that
9 structural inequality is very real. Our clients are
10 living in a city where between 2000 and 2014 the
11 median New York City rent increased by 18.3% in real
12 dollars and household income increased by only 4.8%
13 in real dollars, and while the most recent housing
14 and vacancy survey showed some sign of change in
15 estimating the household incomes among renters rose
16 by 10.9% in real terms while rents increase 6.2% in
17 2017, we continued to combat the long-term trend.
18 Roughly 3 out of every 10 New York City renters are
19 severely rent burdened, and many of these individuals
20 and families are also those who cycle in and out of
21 poverty. As a result of these structural economic
22 factors, 70% of today's DHS shelter census now
23 consists of families. More of a third of the
24 families with children in DHS shelters have a working
25 adult. At the same time 30% of families with

1 children in the DHS shelter system report having a
2 history of domestic violence. Deeply held myths
3 concerning low-income families and individuals have
4 driven detrimental federal policy decisions relating—
5 resulting in a tax on and efforts to dismantle the
6 federal social safety net and critical entitlement
7 programs such as Cash Assistance, SNAP formerly known
8 as food stamps, Medicaid, Medicare and disability and
9 retirement benefits. This administration investments
10 in reforms for our clients are continuing despite
11 uncertainty in Washington including proposed federal
12 cuts, which I will summarize for the sake of time.

13 Cuts in the SNAP Food Stamps program could
14 potentially result in the loss of benefits for a
15 significant portion of our 1.64 million individuals
16 who receive Food Stamps in New York City as a result
17 of the Farm Bill in the proposed Federal Budget.

18 Temporary assistance for needy families, substantial
19 proposed could affect 214,000 New York City residents
20 including children who receive federal TANF benefits
21 in 2018. Significant cuts in Medicaid, the proposed
22 capping of the Affordable Care Act, for example, will
23 affect some 3.4 million New Yorkers who receive
24 Medicaid. Cuts—federal cuts to the Housing
25

1
2 Opportunities for people with AIDS would affect 1,900
3 HASA supportive scattered sites and congregate units
4 and community based programs at the Health Department.
5 The proposed cut in the low-income Home Energy
6 Assistance Program would affect approximately 700,000
7 households in the city. While we will continue to
8 work with our Congressional Delegation to oppose
9 these devastating proposals that would harm our
10 clients, this is the federal context in which we are
11 moving forward to provide services to low-income New
12 Yorkers. One year ago, we announced our Turning the
13 Tide Plan to transform the city's approach to
14 providing shelter during the past four decades. Our
15 plan puts people and communities first and
16 accomplishes this goal by ending decades old stopgap
17 measures like the 18-year use of ineffective cluster
18 shelter sites, and renting commercial hotel rooms
19 that dates back to the 1960s. Instead, through our
20 plan we will open a smaller number of new borough
21 based shelters to help families and individuals stay
22 connect to the anchors of life such as schools, jobs,
23 healthcare, families and houses of worship as they
24 get back on their feet. With significant
25 investments over the past year, we've been

1 implementing our transformation plan while at the
2 same time making sure that in the short term we
3 provide shelter each night to the families and
4 individuals who turn to us for help as required by
5 the right to shelter guaranteed in New York City.
6 DHS's Transformation Plan is built on four core
7 pillars: Preventing homeless in the first place
8 whenever we can; bringing people in from the streets
9 24/7; rehousing people who become homeless; and
10 transforming the haphazard approach to providing
11 shelter and services that has built up over the past
12 four decades. As we have testified previously, the
13 average monthly census in DHS shelters increased 115%
14 from 1994 to 2014 rising from 23,868 men, women and
15 children in January, 1994 to 31,009 in January, 2002,
16 and 51,470 in January, 2014. Without the initiatives
17 that we have been implementing we projected that the
18 DHS current census would be in excess of 71,000
19 instead of at the 60,000 level where it is today. In
20 fact, a recent Furman Center Study found that the
21 year-over-year shelter census growth from Calendar
22 Year 2015 to Calendar Year 2016 was the lowest
23 increase since 2011, the year the Advantage Rental
24 Assistance Program was ended by the city and state
25

1 leading to a 38% increase in homelessness. And the
2 DHS Shelter Census for 2017 remain roughly flat
3 compared to 2016 the first time in a decade, and
4 during the first four months of Fiscal Year 2018
5 compared with the same period in the prior year, the
6 number of families with children entering the DHS
7 Shelter System declined by 15.1% and the adult family
8 entrance declined by 10.8%. While our efforts and
9 investments are beginning to work, we know we have
10 more to do, and the FY19 plan reflects continuing
11 investments in these four key areas:

12
13 Pillar 1: Prevention First. Our first
14 priority is stopping homelessness in the first place.
15 An expanded home-based network providing neighborhood
16 based prevention services in all five boroughs aims
17 to achieve this by providing increased access to
18 renter grants to keep people in their homes and
19 universal access to counsel in Housing Court to
20 prevent evictions. The HomeBase program remains that
21 core of New York City's homelessness prevention
22 efforts. At HomeBase sites, New Yorkers are assessed
23 to determine prevention and diversion tools for which
24 they're eligible including on-site processing and
25 triage for public assistance and rental assistance,

1 landlord and family mediation, educational
2 advancement, employment and financial literacy
3 services. We now operate 23 locations through 16
4 different providers. We will be expanding to 25
5 locations by the end of 2000–FY18. Since 2014, we
6 have nearly tripled the program’s funding because we
7 recognize that is critical to keep New Yorkers in
8 their homes. In FY18 we increased funding to include
9 community based after care and other services for a
10 total annual budget of \$59 million. Between FY16 and
11 FY17, enrollments in HomeBase increased by 1.2% for
12 families with children; 28.7% for adult families;
13 30.4% for single adults. We’ve also provided
14 emergency one-time renter assistance for 217
15 households from FY14 to FY17. The FY17 expenditures
16 for this assistance program were \$210 million.
17 Working with the Council we’ve also exponentially
18 increased the access to counsel in Housing Court, and
19 these services are leveling the playing field for
20 tenants. We increased funding for legal assistance
21 for tenants facing eviction or harassment from \$6
22 million in 2013 to over \$77 million in 2018, a more
23 than 12-fold increase and \$93 million has been
24 allocated in FY19 for more than a 15-fold increase.
25

1
2 When Universal Access to Counsel is fully
3 implemented, as I said earlier, the annual funding
4 will be \$155 million to handle a projected 125,000
5 cases. HRA's Tenant Legal Services Program since
6 2014 have helped more than 180,000 New Yorkers with
7 legal services. As noted earlier, the results for
8 these investments are promising. Residential
9 evictions by marshals declined by 27% since 2013, and
10 in 2017 alone, evictions decreased 5%. Over the last
11 four years, as I said, an estimated 70,000 people
12 have stayed in their homes as a result.

13 Pillar 2: Addressing Street Homelessness

14 -- Bringing People Inside. Our investments in
15 program reforms to the city's Comprehensive HomeStat
16 Program to address street homelessness have helped
17 1,480 people come in from the streets and into
18 transitional housing programs or permanent housing,
19 and today these 1,480 individuals remain off the
20 streets. HomeStat is the nation's most comprehensive
21 outreach program, which includes 24/7, 365 days a
22 year citywide outreach efforts through which hundreds
23 of highly trained not-for-profit outreach staff
24 including licensed social workers proactively canvas
25 the streets to engage homeless New Yorkers. Since

2015, through our new investments, we doubled and are now tripling to more than 1,700 the number of low threshold safe haven beds to better serve our street homeless population. We also more than double that number of outreach staff canvassing the streets and working to engage New Yorkers who are experiencing street homelessness to nearly 400 outreach workers staff now. Overall, we've more than doubled the city's investment in street homeless programs increasing by more than 53 million a 119% from 44.6 million in FY14 to an investment of \$97.7 million in FY19.

Pillar 3: Rehousing. The end of the Advantage Rental Assistance Program in 2011 had devastating results, and by FY14 the DHS Shelter Census had increased by 14,000 people, a 38% increase. To fill the gap left by the elimination of the city's Rental Assistance Program and other rehousing programs from 2011 to 2014, beginning in 2014 we created and implemented a variety of rental assistance programs, and developed an associated census for landlords. We also restored Section 8 and the New York City Housing Authority priorities that had been eliminated prior to 2014. As a result of

1
2 our restoration of rental assistance and rehousing
3 programs over 87,300 children and adults have moved
4 out of or avoided entry into shelter through March
5 2018. In FY18, the budget for Rental Assistance is
6 \$190.5 million increasing to \$200.8 million in FY19.
7 This reflects the fact that many of our clients who
8 are moving out with city FEPS are now eligible for
9 state FEPS, which is part of the Public Assistance
10 Budget. We also made the single largest municipal
11 commitment to supportive housing by announcing the
12 development of 15,000 units over 15 years, the NYC
13 15/15, and from 2014 to date, the Administration
14 provides supportive housing to over 5,000 New Yorkers
15 from shelter, and additional New Yorkers in our
16 Street Homelessness programs through a combination of
17 units that have come available through the prior New
18 York/New York pipeline and other initiatives
19 including the NYC 15/15 Initiative. We continue to
20 ramp up the NYC 15/15 program, which improved prior
21 New York/New York plans through 23 recommendations
22 made in the Supportive Housing Task Forces December
23 2016 Report. Through the 15/15 plan, thus far, we've
24 made 1,546 awards to providers including 625
25 scattered and 921 congregate units, 460 of which are

1
2 congregate units that have closed on financing are
3 included in the 3,059 units in the Department of
4 Housing, Preservation and Development's production
5 pipeline. Through HPD's overall supportive housing
6 production pipeline between January 1, 2014 and
7 December 31, 2017 HPD funded 2,599 supportive units
8 in addition to the 460 NYC 15/15 units through the
9 preservation of existing supportive projects,
10 remaining New York/New York 3 commitments and other
11 federal and state projects. And in order to try to
12 accelerate move-outs of supportive housing, which the
13 Speaker and Chair Levin have urged us to do, we've
14 raised the maximum rent level for studios to the FMR
15 rent level, thereby bringing monthly rent payments to
16 \$1514 for scatter sites supportive housing rentals of
17 studios, and we're making the landlord incentives for
18 our Rental Assistance Program available for scatter
19 site supportive housing rentals. While HPD and HRA
20 are on track with respect to the 15-Year Supportive
21 Housing Plan targets. This increase in rent for
22 studios and related landlord incentives are aimed at
23 enhancing our ability to find scatter site apartments
24 for clients as congregate units are built and brought
25 online over time.

1
2 Pillar 4: Transforming the Approach to
3 Providing Shelter and Services. In the Turning the
4 Tide Plan announced last February, we committed to
5 getting out of 360 cluster sites and commercial hotel
6 locations, and to shrink the DHS shelter footprint by
7 45%. To date, DHS has gotten out of 100 locations
8 bringing our shelter footprint from 647 buildings
9 reported in the Turning the Tide Plan a year ago to
10 our current our current use of 547 building, a 16%
11 reduction in one year. In order to shrink the
12 footprint of the DHS Shelter System by 45% and get
13 out of a total of 360 cluster sites and commercial
14 hotel, we need to site approximately 18 shelters per
15 year so that we can open borough based shelters
16 instead. The borough based approach will enable
17 families and individuals to be sheltered as close as
18 possible to the anchors of life, schools, jobs,
19 healthcare, houses of worship and family. In the
20 first year of the plan we've sited 11 shelters, 11 of
21 which are already up and running. We are committed
22 to notification that provides a minimum of 30 days
23 notice to elected officials, and community leaders
24 before opening a new permanent shelter. For the
25 shelters that we have sited and opened so far, we're

1 providing an average of 65 days of notice before the
2 shelter opened. When we announced the plan and
3 during the first year of implementation, we have
4 said in public and private forums and in meetings,
5 and in dialogue with communities, elected officials
6 and in the plan itself that are committed to ongoing
7 engagement and we invite interested communities to
8 work with us on shelter sitings. Shortly before our
9 Preliminary Budget hearing, we sent a letter to all
10 59 community boards as well as to local elected
11 officials reiterating our requests for input in site
12 selection that helped them to identify viable sites
13 that not-for-profit providers can propose to us with
14 the open-ended request for proposal procurement
15 process. During the first year of implementation
16 there were several excellent examples of community
17 engagement that resulted in important shelter sitings
18 and we expect to build on these community engagements
19 in the plan—as the plan proceeds. Getting out of
20 clusters and commercial hotels as noted at the
21 beginning of this testimony with ended operation of
22 more than 1,500 cluster units, which is nearly 42%
23 reduction in this 18-year-old cluster apartment
24 program that had 3,658 active cluster units in
25

1
2 January 2016 when the closure plan was first
3 announced. When we complete the closure of that
4 additional 171 units across 55 locations this June,
5 as well as the transition of another 800 cluster
6 units into permanent affordable housing, we will have
7 reduced citywide use of clusters by 60%. As we
8 announced when we released the plan last year, we
9 have prioritized ending the Cluster Program, and we
10 are on pace to end this Giuliani Administration
11 Program by 2021 deadline. We are also committed to
12 the goal of eliminating the use of commercial hotel
13 rooms that dates back to the 1960s. However, the
14 hard truth is that the transformation of the shelter
15 system will take time. We've been transparent in
16 saying that it will take 5 to 7 years for our plan to
17 be fully implemented. As the new borough based
18 shelters have developed and opened and the use of
19 clusters and commercial hotels is fully phased out.
20 Until those borough based shelters come online, we
21 will need to continue to use commercial hotel
22 locations to meet immediate nightly capacity needs.
23 During the commercial hotel phase-out period, we're
24 improving the experience for homeless New Yorkers and
25 getting a better deal for taxpayers when we have-to

1
2 rely on commercial hotels to address emergency
3 capacity shortfalls. Actual spending is based on the
4 fluctuating emergency needs of the families and
5 individuals who turn to us for help including weather
6 conditions, the different demographics of households,
7 the level of services and security required, the
8 types of shelter settings available among other.
9 However, under our contracts the average nightly rate
10 for a hotel room has been \$174 and no room costs more
11 than \$250 on any given night, but even under contract
12 rates may sometimes exceed what you and I might pay
13 for a hotel room for a night or two, and that's due
14 to our provision of accommodations for case workers,
15 microwaves, refrigerators, bedding and 24/7 security.
16 We also require that our providers have all essential
17 services. Transforming the decades old approach to
18 shelter and implementing our plan is better for
19 homeless New Yorkers, and it's better for taxpayers,
20 and it could save the city a total \$100 million per
21 year when we're able to utilize only shelters and end
22 the practice of using both clusters and commercial
23 and commercial hotels. We also continue to make
24 progress in addressing the cumulative impact of years
25 of under-investment in shelter maintenance and

1 security and client services. As we reported
2 previously. The Mayor's Interagency Shelter Repair
3 Squad Task Force conducted more than 34,000
4 inspections in 2016 and 2017 reducing violations that
5 went unaddressed for many years by 84%, and today
6 many of the remaining repairs involve capital
7 projects that we are funding. The NYPD now oversees
8 and manages shelter security, and this has been a
9 game changer. We implemented 200 hours of enhanced
10 training developed by the NYPD for all new and in-
11 service DHS peace officers, and created a new DHS
12 Peace Officer's Tactical Training facility at the
13 Bedford Atlantic Men's Assessment Shelter. We doubled
14 previous investments in DHS security with a total
15 annual security budget of \$240 million. We have
16 enhanced access control procedures to keep contraband
17 like weapons and drugs out of shelter, and we
18 recently announced that in addition to DHS critical
19 incident reporting, which is Social Services
20 reporting, we will provide verified NYPD arrest data
21 as a supplement to that reporting. Finally, we
22 dedicated an unprecedented amount of funding to
23 reform the rates for not-for-profit shelter services
24 providers to ensure our not-for-profit partners are
25

1
2 appropriately funded to deliver and receive—to
3 deliver the services homeless clients rely on as they
4 get back on their feet to deploy social workers in
5 family shelters as part of the First Lady's NYC
6 Thrive Initiative, and to increase funding for
7 providers for shelter maintenance and repairs. This
8 \$236 million investment in our not-for-profit sector
9 will result in better facilities and services for our
10 clients and is in addition to \$163 million we spend
11 annually for health and mental health services. The
12 FY19 Executive Plan adds \$207 million, \$186 million
13 city in FY18, \$256 million, \$159 million to the city
14 in FY19 in the out years in shelter re-estimate
15 funding. As the Mayor and Office of Management and
16 Budget Director Melanie Hartzog have stated, we
17 expect this to be the last significant adjustment to
18 the shelter budget this year as the Turning the Tide
19 Plan continues to take effect. This additional cost
20 is related to two primary factors: More single
21 adults relative to families with children in the DHS
22 Census, the use of commercial hotels to shelter them,
23 and the new borough based shelters. As part of the
24 Turning the Tide Plan, we announced that we would be
25 closing low quality cluster sites and opening 90 new

1 high quality borough based shelters because they
2 provide necessary services, maintenance and security.
3 The new borough based shelters are more expensive to
4 operate than the Giuliani Administrations Cluster
5 Program, although the new shelters are more cost-
6 effective than commercial hotels. As described
7 earlier, we've made significant progress in the plan
8 and would reduce the number of cluster units by
9 almost half and announce the first 17 borough based
10 shelters. In FY19, we will continue to eliminated
11 clusters, bring out new shelters as part of Turning
12 the Tide, and begin to mitigate hotel usage leading
13 to the lower out-year costs that is reflected in this
14 free re-estimate. Other new needs include \$25
15 million on FY18 one-time DHS IT systems funding for
16 continuing to work on vital projects to enhance
17 services and operations. There is also an additional
18 \$17 million total city funds in FY18 for Street
19 Solutions to fund additional drop-in centers and safe
20 haven beds for street homeless individuals. Street
21 Solutions will be part of the re-estimate in FY19.
22 In the out-years as we continue to evaluate our needs
23 with the implementation of Turning the Tide. The
24 last few slides in our Power Point present a number
25

1 of additional reforms we implemented over the last
2 year, some of which we discussed in prior hearings.
3 We've accomplished a great deal over the past year,
4 and we will continue our reform initiatives during
5 the coming year because we know that much more needs
6 to be done. Thank you for this opportunity to
7 testify in detail about the budgets of two major
8 agencies in the city, and I welcome your questions.

10 CHAIRPERSON DROMM: Thank you,
11 Commissioner. It's always good to see you and hear
12 from you. I'd like to ask just a few questions
13 before I turn it over to my Co-Chair and then to
14 members as well. According to the MMR, the number of
15 people receiving home care services has increased by
16 19,274 or 13% in the first four months of Fiscal 18
17 when compared to the first four months of Fiscal 17.
18 Similarly, the increases in cases from 16 to 17, was
19 19,137. However, the MMR does not include any
20 measure of Medicaid eligible clients who applied for
21 homecare services and are denied care or any measures
22 equality of care. Why has the budget for the
23 homecare remained unchanged at around \$125 million in
24 the past years considering more people are receiving
25 home care services?

1
2 COMMISSIONER BANKS: This is reflective
3 of the change in relationship between the state and
4 city with the state takeover of Medicaid Managed
5 Long-Term Care. It's paid for by the State, and we
6 just pay an amount up to a cap level. So, we can
7 provide a more detailed explanation, but the top line
8 is it's reflective of the fact that the state
9 actually pays for these costs.

10 CHAIRPERSON DROMM: This is a question
11 really about how are service providers and clients
12 matched, and how do you ensure that you have the
13 right number of service providers to match the type
14 of need? For example, if you have a heavy bed ridden
15 individual, how do you ensure that they are matched
16 with providers who are strong enough to lift them out
17 of bed, and also often times I-I see from having
18 personal experiences with providers that they don't
19 really have enough male providers? [pause]

20 COMMISSIONER BANKS: Again, in the role
21 between the state and the city, the city's role is to
22 determine financial eligibility, and the state's role
23 is to determine the quality and nature of the
24 services.

1
2 CHAIRPERSON DROMM: And you have no
3 influence or say in terms of the quality of the care
4 that's provided?

5 COMMISSIONER BANKS: Again, our role is
6 determine financial eligibility in the city/state
7 relationship, but again, as we always do, we're
8 interested in learning of problems, and we can
9 certainly raise them with our state partners.

10 CHAIRPERSON DROMM: Well, as I'm pointing
11 it out as a big problem.

12 COMMISSIONER BANKS: I hear you. I
13 understand.

14 CHAIRPERSON DROMM: And I would really
15 like to have further discussions with you about it--

16 COMMISSIONER BANKS: [interposing] Happy
17 do that.

18 CHAIRPERSON DROMM: --because I'm seeing
19 it more and more in our communities. How is the
20 budget for homecare services and the total Medicaid
21 reimbursement determined? It's state law?

22 COMMISSIONER BANKS: Yeah, again it's--
23 it's--a number of years ago, there was a determination
24 to ultimately have the state take over the
25 administration on Medicaid. That has proceeded

1 across the state at a certain pace. The city
2 continues to provide services for about half of the
3 city caseload of clients that receive Medicaid, but
4 then within that there is the oversight and operation
5 of the Medicaid Long-Term Care Program that we just
6 discussed in which we are determining financial
7 eligibility, but not contracting directly with the
8 providers.
9

10 CHAIRPERSON DROMM: On an issue that I've
11 directed to you outside of the hearing process, as
12 2002 study by the University of Pennsylvania
13 researchers examined the incidents of shelter use and
14 reincarnate-reincarnate-re-incarceration among 48,424
15 people released from New York State prisons between
16 1995 and '98, finding that 11.4% of respondents
17 reported a stay in a shelter system, and 32.8%
18 returned to prison two years after release. The
19 study also suggests that there is a revolving door
20 between prison and shelters. Forty-five percent of
21 those who reported shelter use prior to
22 incarceration, 6.5% of all respondents experienced
23 subsequent stays in shelters after release. This is
24 another issue of major concern to me. So, does DHS
25 track the number of individuals that come from city-

1
2 come into city shelters directly or soon after being
3 released from the state prison system, and how is DHS
4 advocating for more state contributions for
5 sheltering the formerly incarcerated clients that you
6 have?

7 COMMISSIONER BANKS: Let me answer sort
8 of the first part of the question with respect to
9 tracking. We can provide you with information
10 regarding shelter entries of individuals that are on-
11 to parole supervision by the Department-State
12 Department of Corrections and Community Supervision.
13 Over the last-or the first three months of Calendar
14 Year 18, the first Quarter of Calendar 18, 12% of the
15 single adult shelter entrants to the DHS Shelter
16 System were on active parole, and at a point in time
17 we found that 1,250 of the 15,000 single adults in
18 the shelter system were parolees. We continue to
19 track those very closely. We have developed certain
20 programs within our own system to-to divert parolees
21 to addresses where we have concluded that they could
22 be residing that had been previously ruled out. We
23 work very closely with the DOE Fund in our shelter
24 system. It's running some special programs for
25 parolees to connect parolees to employment, but I

1 think as it's been the subject of some of the General
2 Welfare hearings chaired by Council Member Levin, the
3 city operates the adult shelter system with a hard
4 cap. The city does not receive reimbursement on a
5 per placement basis from the state for single adult
6 shelter placements. Instead, there's a capped amount
7 and then the city is responsible for paying any-any
8 amount above that cap, and the cap was set a number
9 of years ago, and this is an area that we're very
10 much focused on and how to make sure that people that
11 are coming back to New York City don't have to end up
12 in shelter, and we've been putting our own programs
13 in place, and we're hopeful that the state will focus
14 on this as well.

16 CHAIRPERSON DROMM: Can you tell me how
17 much is that money with the cap that you're getting?
18 How much funding is it that you get up to that cap
19 from the state?

20 COMMISSIONER BANKS: The state shelter
21 cap is \$69 million for our single adult placements.
22 It contrasts again with placements of families with
23 children where there's a reimbursement on a per-
24 placement-per client basis. For the single adult
25 shelter system there is a hard cap of \$69 million in

1 State reimbursement, and that was set a number of
2 years ago in the State. The single adult shelter
3 system has been growing by about a thousand over the
4 last number of years, and that was a fact that we
5 pointed out in Turning the Tide in terms of the need
6 for additional single adult shelters to address the
7 the continued growth in the shelter entries by single
8 adults.
9

10 CHAIRPERSON DROMM: Do you have an
11 estimate on what the cost is after the \$69 million
12 comes from the state or the differences? [background
13 comments, pause]

14 COMMISSIONER BANKS: The projected—the
15 budgeted cost is \$644 million in FY19 for single
16 adult shelters, of which we will receive \$69 million
17 under the state cap.

18 CHAIRPERSON DROMM: So, that's almost ten
19 times what the state is giving us? Is that correct?

20 COMMISSIONER BANKS: Yeah, it's part—the
21 the single adults shelters is primarily paid for with
22 city tax levy dollars.

23 CHAIRPERSON DROMM: Alright.

24 COMMISSIONER BANKS: Approximately 90%.
25

1
2 CHAIRPERSON DROMM: [interposing] I think
3 we really need to look at it more closely. What are
4 you doing in terms of advocating with the state to
5 pick up more of those costs?

6 COMMISSIONER BANKS: And this has
7 certainly been an issued that's been raised in terms
8 of the state's participation with helping us address
9 those kinds of things in New York City we would
10 welcome partnership with you.

11 CHAIRPERSON DROMM: You know, criminal
12 justice reform has been a big issue to me, and as I
13 speak to a number of folks who have been through this
14 at the shelter system, this is an increasing issue of
15 concern, and it seems to me that the state is kind of
16 using it. I hate to use the word as a dumping
17 ground, but it seems like they're just pushing people
18 out and not really giving them real counseling in
19 terms of after care for when they leave the prison
20 system, and just saying, here, go to the shelters in
21 New York City. Is that the—is—you're finding that
22 also?

23 COMMISSIONER BANKS: I mean we certainly
24 provide help to people that are within New York City
25 as a last resort. We want to make sure that people

1 don't end up on the streets, and we've put programs
2 in place to divert parolees back to addresses outside
3 of the shelter system that have been ruled as not
4 appropriate for them to be housed in--when they were
5 initially released, and we think that our own
6 diversion program showed great promise, and could be
7 applied for the upstream before people are actually
8 released.
9

10 CHAIRPERSON DROMM: Okay, I-I will
11 continue to advocate on that issue and thank you.
12 Let me go to the budget transparency issues. In the
13 Budget response we asked for greater transparency for
14 HRA and DHS. DHS only uses two units of
15 appropriation for the entire \$2 billion budget.
16 Furthermore, the budget documents lacked detail of
17 the types of shelter funded, and they are receptive
18 (sic) cost. HRA created new units of appropriation
19 for legal services at the Council's request, but it
20 still does not include the personnel services cost.
21 Moreover, HRA also recently created the Homeless
22 Prevention Administration, and this is similarly very
23 difficult to track in the budget documents. So, are
24 we working on breaking down that \$2 billion into
25 different units of appropriation and is it acceptable

1 that for \$2 billion to only have \$2 billion—two units
2 of appropriation in the budget? Is that an
3 acceptable way to be transparent?
4

5 COMMISSIONER BANKS: So, following the
6 Preliminary Budget hearing, there's been an effort by
7 our agency staff and the Council staff to develop an
8 agreed upon reporting mechanism in terms of providing
9 the kind of data that you need for oversight, but
10 also giving us the ability to operate the agency in a
11 functional way. So, for example, with respect to
12 legal services, one of the advantages of placing the
13 civil justice office within HRA was the office could
14 draw upon Human Resources' legal counsel, the Finance
15 staff without having to create itself as a
16 freestanding agency and all the costs that that would
17 entail, and that those dollars could instead be
18 repurposed for other things. And so, for example in
19 Legal Services we've been able to provide a
20 functional analysis rather than having to take staff
21 that are used for personnel for both legal services
22 and other kinds of our operations. But I think that
23 we're making some progress in terms of the staff-to-
24 staff discussions about an acceptable packet or
25 package of reporting that would give us the

1 flexibility we need to operate the agency day-to-day
2 and give the kind of information that you're looking
3 for oversight.
4

5 CHAIRPERSON DROMM: So, you're working
6 OMB on that?

7 COMMISSIONER BANKS: We're working
8 directly with OMB and our agency, Finance staff are
9 working directly with the Council Finance team to
10 develop and acceptable reporting package.

11 CHAIRPERSON DROMM: Okay, thank you. My
12 last question before I turn it over to my Co-Chair is
13 in regards to TANF funding. New York State has a
14 TANF surplus meaning that it receives more money in
15 the block grant that it spent in reimbursements.
16 Every year there seems to be more money in that TANF
17 surplus. Is there anything that the city can do to
18 be able to tap into that surplus to receive more TANF
19 funding than Albany is receiving?

20 COMMISSIONER BANKS: I think we work with
21 the state very directly in terms of claiming as much
22 as we can through the TANF claiming mechanisms. One
23 of the ways, as we indicated in our testimony that we
24 will be controlling some costs in the out years is by
25 enhancing our ability to claim based upon our

1 projection of who the clients would be in the system.
2
3 So, we're going to continue to work with the state to
4 maximize claiming the opportunities, and on the other
5 hand, as I highlighted and summarized in my
6 testimony, there's some very real proposals that
7 could present some very real problems for us in
8 Washington in terms of reduction in TANF funding for
9 New York State that would have an impact on us, and
10 so we're making the investments that we're making and
11 prevention and bringing people off the streets and
12 rehousing into permanent housing, and in transforming
13 the approach to shelter and the kinds of investments
14 on the HRA side and employment services, and
15 expanding HASA, and legal services and rent arrears
16 payments. We're making all those investment because
17 those are critically important for the community to
18 do to advance the reforms that the committee for many
19 years, and we have met for many years wanting to
20 make, but there are some very significant potential
21 problems of the proposals that would cut TANF funding
22 that would cut food stamps that would cut Medicaid.

23 CHAIRPERSON DROMM: Okay, and sometimes
24 that surplus is in tens of millions of dollars, isn't
25 it from the state—from the state?

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COMMISSIONER BANKS: In the past yes.

CHAIRPERSON DROMM: Uh-hm. Alright,
thank you, Chair—Chair Levin.

CHAIRPERSON LEVIN: Thank you very much,
Chair Dromm. Thanks, Commissioner for your
testimony. So, I have a couple of bigger—big picture
questions, and I'll get in some detailed questions.
I'll be jumping around. So, I apologize in advance
for that.

CHAIRPERSON DROMM: Let me just—let me
just say that we've been joined by Council Members
Salamanca, Reynoso, Gibson, Lander and Gjonaj and
Grodenschik.

CHAIRPERSON LEVIN: So, Commissioner,
according to our Preliminary Budget Report, the 2016
so the FY16 actual spending on shelters was \$1.4
billion. That was—that was the—they ended up—that
was—that was beyond the—a little bit over \$1 billion
in adopted. So, an addition \$3000 million or so
throughout the course of the year. So, that was the
actual spending in FY16. FY18's modified shelters
overall spending—this is the overall DHS shelter
spending is—is \$2.14 billion. So, in that time we've

1
2 seen roughly a \$700 million increase in spending on
3 shelter.

4 COMMISSIONER BANKS: If I could—that's
5 the whole agency's budget not just plus the
6 expenditures?

7 CHAIRPERSON LEVIN: Just—yes, that's the
8 whole agency. That DHS' budget.

9 COMMISSIONER BANKS: Correct.

10 CHAIRPERSON LEVIN: DHS Budget.

11 COMMISSIONER BANKS: So, it would include
12 the expenditures in terms of bringing people in from
13 the streets. So, it would include the expenditures
14 in terms of improving the services in the not-for-
15 profit providers, the security investments. It
16 includes a range of different investments. So, for
17 example, the \$260 million investment in provider
18 services and the social workers with Thrive, the
19 maintenance fund for providers, the rate reform. All
20 of those things are included in that number as well
21 as the doubling of the expenditures for security \$200
22 million, the doubling of the Street Outreach
23 programs. All of those—all of those expenditures are
24 rolled into that.

1
2 CHAIRPERSON LEVIN: Yes, okay. So, all
3 tolled \$700 million. However, the Shelter Census has
4 remained—although the composition has changed, more
5 single adults that requires a greater amount of city
6 spending, the overall Shelter Census has remained
7 relatively flat since that time. That has maybe gone
8 up a couple of thousand, but has not—that doesn't
9 represent a 20% increase in the Shelter Census from
10 FY16 to today. And all of these expenditures I think
11 I think are warranted. I think that we were
12 underspending on the system before. However, we
13 don't hear that (a) the client experience is
14 phenomenal now. So, it's not as if due to that—that
15 additional spending where people are—are saying this
16 is a—this is—going through the shelter process is a—is
17 a—is a—frankly anything less than an awful process.
18 I mean frankly, that's—that's—that's what we hear
19 consistently, but we have not seen a significant
20 decrease in the Shelter Census despite that increase
21 in spending, you know, of that is 50% of where it was
22 in—in—in FY16. Can you explain a little bit why we
23 have not seen a significant decrease in the Shelter
24 Census despite all of that additional funding going
25 in the last three budgets?

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2 CHAIRPERSON BORELLI: So, there—there are
3 a couple of element of your question if you'll give
4 me a little leeway in terms of answer it. First,
5 just to—to make it clear from the record [coughs]
6 when I was first asked to do the 9 (sic) interview in
7 2016, all of the questions were when are you going to
8 stop the census from—from growing? Right, so I think
9 as a result of your oversight, as a result of the
10 administration's investment, as a result of a lot of
11 great work of the providers and the advocacy
12 organizations solutions that people have wanted to
13 put in place have been put in place over the last two
14 years, and that has enabled us to stabilize the
15 Shelter System Census for the Department of Homeless
16 Services the first in a decade. So, I think that's
17 just an important fact to continue to come back to
18 that it's been a decade since we've been able to say
19 that.

20 CHAIRPERSON LEVIN: Okay.

21 COMMISSIONER BANKS: The investments have
22 gotten some very clear results. We're out of 100
23 locations, and we've shrunk the size of the shelter
24 system by 16%. We have been able to bring, you know
25 1,480 people off the streets who have stayed off the

1 streets, and that's an important metric to focus on,
2 not just bring people off the streets. In
3 combination with the HRA investments, the evictions
4 are down 27%, and 87,300 people who have moved out of
5 or would have gone into shelter. Those are very
6 concrete results in terms of the investment. The
7 discussion and I—and I—you've been a big supporter of
8 this and I appreciate your—your comment a moment or
9 two ago the investment of \$236 million for provider
10 services. The doubling of security, you know, the
11 \$100 million and the doubling of the funding for
12 outreach and also the Safe Haven events and all of
13 that. All of that is part of the number that you're
14 referencing, and those are things that the committee,
15 people in this room, myself have all wanted for many
16 years. Those are all in place.

17
18 CHAIRPERSON LEVIN: Uh-hm.

19 COMMISSIONER BANKS: Then there's another
20 very important factor in expenditures. The Giuliani
21 Administration's Cluster Program was the cheapest way
22 to provide shelter. Hotels are more expensive than
23 the Giuliani Administration's Cluster Program--

24 CHAIRPERSON LEVIN: Uh-hm.
25

1
2 COMMISSIONER BANKS: --is. The
3 traditional hotel, or traditional shelters are less
4 expensive than hotels. We were very transparent that
5 we said we're going to prioritize getting out of the
6 clusters, and then we will be using more hotel
7 placements as a bridge and that has a cost impact. I
8 think as both, the OMB Director Melanie Hartzog said,
9 and I said earlier in the testimony that we were out
10 of hotels entirely and clusters entirely and the-
11 we're out of 360 locations, and we've got the 90
12 units in place. We'll save \$100 million a year, and
13 I think as the Mayor said and I've said, as all these
14 initiatives take hold, we will begin to in addition
15 reduce the Shelter Census, but I understand your-your
16 appropriate oversight focus on cost, but elements of
17 cost--

18 CHAIRPERSON LEVIN: [interposing] Uh-hm.

19 COMMISSIONER BANKS: --are not simply how
20 many people are in shelter. It's the quality of what
21 we're delivering, and the kinds of shelter we're
22 providing. Clusters were the cheapest it-it began 18
23 years ago in a way in which costs were reduced, the
24 services were extremely difficult to provide in that
25 kind of diffused setting. Security is difficult to

1 provide, and the conditions were very poor in the
2 clusters.

3
4 CHAIRPERSON LEVIN: Okay. So, right now
5 the objective of the DHS is to reduce the Census by
6 how many? What's the objective--

7 COMMISSIONER BANKS: [interposing] Over
8 the life-

9 CHAIRPERSON LEVIN: --you stated.

10 COMMISSIONER BANKS: Over the life of the
11 plan 2,500 people.

12 CHAIRPERSON LEVIN: 2,500 people out of--

13 COMMISSIONER BANKS: [interposing] But
14 the first goal was to stabilize the--

15 CHAIRPERSON LEVIN: [interposing]
16 Understood.

17 COMMISSIONER BANKS: --the Census--

18 CHAIRPERSON LEVIN: Got you.

19 COMMISSIONER BANKS: --and again, if
20 you're looking at results from investments,
21 stabilizing the Census for the first time in decades
22 is--is one. Shrinking the size of the footprint for
23 the Shelter system by 16% in a year, is another, and--
24 and--and evictions down--

1
2 CHAIRPERSON LEVIN: [interposing] And I
3 commend you.

4 COMMISSIONER BANKS: --but those are-are
5 all measurable results for these investments.

6 CHAIRPERSON LEVIN: And I commend you.
7 The objective is to reduce by 2,500 from where it is
8 today, or where it was six months ago.

9 COMMISSIONER BANKS: Where it was at the
10 time of the-of-when the plan was announced. It was
11 approximately \$60,000 and the projection was that
12 with all of these initiatives the Census would be
13 able to reduce by 2,500. Remembering--

14 CHAIRPERSON LEVIN: [interposing] Okay.

15 COMMISSIONER BANKS: Go ahead.

16 CHAIRPERSON LEVIN: So, my question is:
17 What would it take to double or triple or quadruple
18 that reduction? So, to get the 5,000 or 7,500 or
19 10,000, what would it take resource wise to make that
20 happen?

21 COMMISSIONER BANKS: I think there's two
22 contextual facts that are very important to keep in
23 front of us when a question like that is asked.

24 CHAIRPERSON LEVIN: [interposing] Well, I
25 guess the first question is, is that possible?

COMMISSIONER BANKS: I'm going to—I'm
going to answer the question by saying there's two
very important contextual facts to keep in mind, and
you know this because you lived through it, too. You
probably have as I do many reports from many
different years about fantastical reductions in the
Shelter Census the different programs that resulted.
There was a proposal plan not so long ago to reduce
the size of the Shelter Census by two-thirds--

CHAIRPERSON LEVIN: Right.

COMMISSIONER BANKS: --for example.

CHAIRPERSON LEVIN: Housing Stability
Plus.

COMMISSIONER BANKS: Right.

CHAIRPERSON LEVIN: 2005.

COMMISSIONER BANKS: And the Shelter
Census went up 38% in three years, 14,000 people
entered the shelter system.

CHAIRPERSON LEVIN: Right.

COMMISSIONER BANKS: So, when we issued
that plan a year ago, we were very concrete and
leveling with people by saying, this is a problem
that's built up over four decades. We're going to
transform the system. We're going to make

1
2 substantial investments because guess what, the
3 background of the prior plans that didn't work, and
4 the background of this concrete realistic plan is
5 that we are twice as many people in New York City
6 looking for apartments in the low-income area as
7 apartments exist. That's three million people
8 chasing half as many apartments. That's the rent for
9 market. That's the world in which we now have 70% of
10 our shelter system consists of family, and a third of
11 the families with children are headed by someone
12 working. These are economic forces that have built up
13 over many years--

14 CHAIRPERSON LEVIN: [interposing] But
15 that was the case seven or eight years ago. You
16 know, they--the--seven or eight years ago that was the
17 same percentage that the system is made up by
18 families and the same percentage of families were
19 working.

20 COMMISSIONER BANKS: Actually--

21 CHAIRPERSON LEVIN: [interposing] That
22 dynamic really hasn't changed. That's always the
23 number that I've been familiar with. The question
24 is--I--I guess--sorry, to get back to the question,
25 what--what would it take to do that, or is it--it is

1 not possible? And if it is possible, what's it going
2 to take? Is it going to take resources? What kind
3 of resources?
4

5 COMMISSIONER BANKS: So, let me answer
6 this--

7 CHAIRPERSON LEVIN: How much of those
8 resources?

9 COMMISSIONER BANKS: I'm going to answer
10 that question, but let me also just challenge you a
11 little bit, and we've known each other a long time.
12 So, I know you'll take it in the spirit in which I'm
13 challenging you. I think there have been substantial
14 changes in the housing market in New York since the
15 time of Advantage.

16 CHAIRPERSON LEVIN: Uh-hm.

17 COMMISSIONER BANKS: Right? And--and the
18 Council has--

19 CHAIRPERSON LEVIN: [interposing] What
20 are those changes? What's that?

21 COMMISSIONER BANKS: --the Council has
22 the data in terms of what I have provided before.
23 From 2005 to 2015, rents went up 18, you know, more
24 than 18% almost 19%. Income went up less than 5%,
25 and the number of units affordable to the three

1 million people looking for affordable, there's twice
2 as many people looking as are available. Those are
3 significant changes from the world of Advantage or
4 the world of Housing Stability Plus. The population
5 growth in New York City is now 8.6 million. It was
6 not at that level at the time of Advantage. So,
7 there's been some significant structural changes, but
8 you asked me what might it take. So, let's look at
9 the certification that HUD gave to New York City
10 during the 90-day review for having ended chronic
11 veterans' homelessness.
12

13 CHAIRPERSON LEVIN: Uh-hm.

14 COMMISSIONER BANKS: What were the
15 elements that enabled us to do that? We had a
16 federal partner. The federal government made Section
17 8, HUD VASH available. The city said you—you put in
18 your HUD VASH, we'll create SEPs. The program didn't
19 exist. We created it in large part to help us with—
20 with that initiative. So, where there's all levels
21 of government working together you can see the kind
22 of change that can be made. What we have put forward
23 a year ago was what can the city do with city
24 resources? With the economic drivers in the market,
25 what can we do on our own, and that's the Turning of

1 the Tide represents. What can we do our own? We can
2 put prevention programs in place such as we've never
3 had in New York City before. Eviction is down 27%.
4 We can put programs in place to bring people off the
5 streets, which are having measurable impacts that we
6 never before. We fund our own rental assistance
7 programs. We'll hopeful we'll get state reimbursement
8 for these programs, and that will enable them to
9 expand. We can transform the way the shelter system
10 looks and have the experience of someone who comes
11 into shelter be very different than it has been for
12 the last 40 years. Those are the things we can do on
13 our own, and we think by doing all of those things,
14 that we can stop the growth, which we've done, and
15 that we can eventually roll it back, but there are
16 larger economic factors and there are larger housing
17 market factors, and I know that there was the Housing
18 hearing yesterday, and there are questions that came
19 up yesterday.

21 CHAIRPERSON LEVIN: So, I'll-I'll say it,
22 you don't have to say it. I asked Commissioner
23 Torres-Springer how many HPD Units have gone to
24 formerly homeless. 1,400 since the beginning of the
25 plan. That's compared to, you know, put it into the

1
2 contest of 60,000 homeless in New York City, people
3 in shelter, it's a drop in the bucket. That's not
4 going to make a difference. 1,400 hundred. That's
5 since last—since the beginning the plan. The plan
6 started like four years ago, and I asked how many
7 have gone to people holding vouchers. They didn't
8 even know. So, my message to the Administration
9 right now is HPD needs to pay attention to this, and
10 HPD needs to incorporate homeless New Yorkers into
11 its housing plan because its housing plan doesn't
12 mention the word homeless. It's not even in there.
13 They forgot to mention the word homeless in the
14 housing plan. So, in order for the city to have a
15 comprehensive strategy to house homeless New Yorkers,
16 there has to be a component to our housing plan to do
17 that. I'm—you don't have to even respond to that, but
18 that's—that's—that's my message to the
19 Administration, and I hope that they hear that.

20 COMMISSIONER BANKS: I—I hear what you're
21 saying. We work close with HPD and—and as I—as I
22 said, one of the metrics that you can judge us on is
23 that 870,300 people have moved out of shelter through
24 a range of programs that were put in place.

CHAIRPERSON LEVIN: 87,000 and there's
1.4000 and 1,400 of that is going to HPD units.
That's--that's--pretty small. It's not--

COMMISSIONER BANKS: [interposing] It's
people versus units. So, to put apples to apples
it's approximately 33,000 units that we've moved
people into, 87--

CHAIRPERSON LEVIN: Five percent of those
have been the HPD--HPD units, then. So, not making--not
meeting the need. I want to ask about housing
specialists in the system. So, there are 409 housing
specialists at provider operated shelters and another
50,000 on the DSS payroll.

COMMISSIONER BANKS: 50.

CHAIRPERSON LEVIN: Sorry, 50--50--50 on
the DSS payroll. Four hundred in--in--in provider
operated shelters, 50 on the DSS payroll. We hear
anecdotally a lot that people have vouchers, a LINC
Voucher, a FEPS Voucher, a SEPS voucher. You hear
this--any time WNYC does a story about the homeless
system, you'll hear somebody in the--in the shelter
system say, I have a voucher. I--I don't--nobody will
take it. Nobody is taking these vouchers. We hare
this every article in the New York Times, the same

1 story. We hear this over and over again. Would
2 hiring more housing specialists make a difference in
3 connecting-in-in ending that phenomenon? I guess the
4 first question is, is that phenomenon real, and would
5 hiring more housing specialists make a difference in
6 that?
7

8 COMMISSIONER BANKS: So, again, we—you
9 and I have spoken about this many times, and I think
10 it's important to consider the questions that you're
11 hearing against this background and the obviously in
12 your oversight role conclude as—as you think best
13 based upon the—the context. So, of the 87,300 people
14 roughly 33,000 individual households, 24,519 of those
15 maybe about 60,987 people have been moved out using
16 one of the various rental assistance programs that we
17 use. There are a significant number of landlords
18 represented in those nearly 25,000 move-outs with
19 rental assistance only, who have been partners with
20 us, and that has enabled us to—to hold the census
21 rough—relatively flat. There are other landlords who
22 are not complying with the Source of Income
23 Discrimination Law, and we've set up a unit at HRA,
24 and CCHR does their work and we have a number of
25 strategies to address that. We've now created a way

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2 in which we can take complaints from clients, and our
3 staff lawyers are following up on those kind of
4 complaints, and I think we'll—I think we'll start to
5 see some changes there from—from the kind of focus
6 that's being brought to bear on it. There's another
7 challenge, though for even the best of housing
8 specialist and I know, you've had experience with
9 Tracy on our staff and--

10 CHAIRPERSON LEVIN: [interposing] Um-hm.

11 COMMISSIONER BANKS: --she's been very
12 helpful I know to be able to find—to find apartments,
13 but again even he with all of his skills and the
14 others are looking in this market of many more
15 people in need than available units. That is one of
16 the reasons why we have created the various
17 incentives that we have created to try to Advantage
18 our clients as much as possible in that market, and
19 it's another reason why we've had traditionally this
20 50 to 1 case ratio. As we further analyze the model
21 budgets we think that will at least be able to change
22 the ratio to 1 to 40, and we're going to continue to
23 evaluate this issue. We're also focusing on—and this
24 is one of your suggestions, which I thought was a
25 good one, and also Administrator Jocelyn Carter to

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2 have hers to create a uniform training regimen, and I
3 think there are number of reforms that can help
4 address the kind of questions that you have heard
5 and—and that have been raised when I've been at town
6 hall meetings.

7 CHAIRPERSON LEVIN: What's the ideal case
8 ratio? So, in other words like my question is it—is
9 the position of a—of a housing specialist effective,
10 and if it's effective, then what's the effective—
11 what's the best case ratio in order to be effective.
12 S o, I guess the first question is like if we're
13 funding them at all, why don't we fund them to—to
14 have a manageable case ratio?

15 COMMISSIONER BANKS: So, I think one of
16 the most important reforms that we're actually making
17 is raising the bar for service provision and the
18 investment of \$236 million is aimed at doing that,
19 and there are providers. You know, and I have looked
20 at the housing specialists at one of the Wynn
21 Shelters who has a great track record, and the same
22 way that Tracy does on our staff, and we're going to
23 look at—at who is doing things well, and create a
24 uniformed way to do things, and I think that will be
25 something that's been—been not able to be down in a

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2 world in which there has been so much disinvestment
3 or underinvestment in the shelter providers. So, I
4 think that you are right to focus on this issue in
5 terms of training, in terms of skills. Don't forget
6 that each client also has a case manager that's
7 working on their case, and the Housing Specialist is
8 in addition to that, and in the families with
9 children, each-when-there's a 1 to 25 ratio now of a
10 social worker to provide additional supports. So,
11 we're providing a lot more support than families have
12 ever had before to address some of the-the-the
13 questions that you raised.

14 CHAIRPERSON LEVIN: Okay. Speaking of
15 the---the social workers, it's my understand that-
16 that families with children that are living in hotels
17 do not receive a Thrive social worker that are
18 helping the families that are living in Tier II
19 shelters. First off, why is that? Secondly, are
20 there other services that children in Tier IIs are
21 getting that children in hotels aren't getting?

22 COMMISSIONER BANKS: I think this is one
23 of the reasons why as part of our plan we want to
24 phase out the use of clusters and phase out the use
25

1
2 of hotels, and the service—these that you're raising
3 or something, we'll certainly take a look at.

4 CHAIRPERSON LEVIN: Okay, the commercial
5 hotel contracts are significant obviously. It's a
6 billion dollars for-for commercial hotel contracts.
7 It's \$1.081 billion, and some of these contracts are
8 very large. Acacia has a contract for \$432 million.
9 Children's Community Services has a contract for
10 roughly \$400 million, two contract for the LINC for
11 roughly \$400 million. These are very large
12 contracts. What—what is the—what are the—what are
13 the baselined services that they provide, and
14 specifically where—what—what type of services are
15 they proving to children in shelters? And maybe—I
16 mean in these hotels, and also, can you explain a
17 little bit about the challenges of providing services
18 in the hotel setting. So, for example, space.
19 Whether—how much you're able to do on site? Office—
20 office space. You know, things that a Tier II, a
21 purpose built shelter has—they might have classrooms.
22 They might have—I know one shelter that has space for
23 an after school program an actual SONYC program.
24 What—what is—what's going into these contracts, and
25 what are some of the challenges there?

1
2 COMMISSIONER BANKS: So, again, by way of
3 context. So, this is one of the reasons why we
4 prioritize getting out of clusters first because
5 there isn't the ability to have any office space, and
6 there isn't the ability to have the kind of presence
7 or the kind if ability to have security that you can
8 have in a hotel. You are making the case that I
9 agree with you that traditional shelter are much
10 better than either. That's the imperative of moving
11 forward with this plan, and replacing 360 places
12 including hotels in clusters with the 90 Borough Bay
13 shelters. In terms of the hotel services, case
14 management is one of the services that is important
15 to be provide. Acacia is a--is a, you know, a
16 longstanding provider. They run both shelters, and
17 the hotel contract now is competitive with a bid
18 contract, but this is a new approach to providing the
19 services in hotels. There hadn't been these kind of
20 contracts. We're about a year in now, and we're
21 going to continue to evaluate how this is proceeding.
22 We wanted to put contracts in place for the first
23 time for this kind of service to control costs and
24 improve services, and again a year in we're-- going
25 to evaluate how we're doing and make changes as we

1 need to as we've doing all along during these
2 reforms.
3

4 CHAIRPERSON LEVIN: What kind of services
5 are provided for children specifically as part of
6 those contracts?

7 COMMISSIONER BANKS: The same kinds of
8 obligations that a shelter provider would have, which
9 is to connect children to the necessary daycare and
10 things like that in the community, to work with the
11 Department of Education and ensure that the busing
12 that's available to get kids to schools is in place.
13 So, there are a number of things that we can do to
14 try to improve services, but we are focused on the
15 same thing you're focused on, which is what further
16 improvements can we make having made a very big
17 change in the way these services a provided, which is
18 they used to be provide without this kind of social
19 services contract mechanism.

20 CHAIRPERSON LEVIN: Just to be clear
21 with, you know, because we're talking about 3,500
22 rooms in commercial hotels as part of these
23 contracts. Do they have--these rooms do they have
24 kitchen? Do they have refrigerators?
25

COMMISSIONER BANKS: They have
refrigerators. They do not have kitchens.

CHAIRPERSON LEVIN: Okay. Full size
refrigerator or small refrigerator.

COMMISSIONER BANKS: A typical kind of
refrigerator that you and I might find in a—in a
room.

CHAIRPERSON LEVIN: Right. But how is—
what's the arrangement for security at the hotel, at
the new—in the new hotel contracts?

COMMISSIONER BANKS: The arrangement for
security had been paid for through a separate vendor
directly by the city. Going forward, we're going to
be paying through security through the contracts with
the vendors directly. That will enable us to claim
the reimbursement. We're unable to claim
reimbursement for the security contracts when they're
directly held with us. So, we are going to be
managing that through the contracts and providers.
Of course, obviously with the NYPD Management Team
overseeing all our security.

CHAIRPERSON LEVIN: Okay, and how many
case workers are funded through those contracts?

COMMISSIONER BANKS: I'm going to have
to==

CHAIRPERSON LEVIN: [interposing] And
what's the case and what's the case management ratio?

COMMISSIONER BANKS: I'm going to have to
get—I'm going to have to get back to you on that
information.

CHAIRPERSON LEVIN: Okay. I'm going to
turn it back over to the Chair. I'm going to come
back in second round.

COMMISSIONER BANKS: Sure.

CHAIRPERSON DROMM: Okay, this hearing is
supposed to—you're scheduled to end in ten minutes,
but we do have a number of Council members who want
to ask questions. So, we're going to start off with
Council Member Powers followed by Van Bramer, Adams
and then others, and also we've been joined by
Council Members Cornegy, Cumbo and Rosenthal.

COUNCIL MEMBER POWERS: Thank you. Thank
you, Chair and thank you, Commissioner and your team
for being here. The first question I had was we are
on—I know we—following Chair Levin's question around
the plan to reduce 25, 2,500 over five years. I
think we're one year in. We're stabilized, but my

1
2 question is are we—are we actually on pace to meet
3 the 2,500 goal? We're one year in and we haven't—I
4 think we're stable, but not reduced yet.

5 COMMISSIONER BANKS: Right, the goal is a
6 five-year goal. It's not a--

7 COUNCIL MEMBER POWERS: [interposing]
8 Right, right, I know that.

9 COMMISSIONER BANKS: --we met the goal
10 (sic) and so, for example—as the Mayor and I
11 announced in December, one of the parts of our plan
12 is to finance not-for-profit providers to purchase
13 some of the cluster buildings and convert those units
14 into permanent housing, and if we're unable to do
15 that through financing the purchase by a not-for-
16 profit provider, we would use eminent domain to
17 proceed to have the provider—a not-for-profit
18 provider operate those cluster buildings a permanent
19 housing, but those—that will create a significant
20 addition tool for us to both provide permanent
21 housing to people, and the Cluster Program and also
22 address the census numbers.

23 COUNCIL MEMBER POWERS: So, the answer
24 is yes you think you're on—you're on pace if you can
25 utilize that tool?

1
2 COMMISSIONER BANKS: I-I-I'm-I'm
3 resisting, and I usually am. I think I'm a little
4 easier to give a yes or no answer most times. I'm
5 resisting because the pace is a five-year pace as
6 opposed to an--an annual pace of--

7 COUNCIL MEMBER POWERS: [interposing] So,
8 hadn't--but we'll--that is kind of the thrust of my
9 question it's the five-year plan, and we're one year
10 into the plan, and so we have to apply---I mean maybe
11 play catcher, but don't play catcher if we're at
12 2,500. We need to 2,500. So, how many--what is the
13 number? What is the anticipated decline this year?

14 COMMISSIONER BANKS: Again, that's what
15 is my point. It's a five-year plan, and it's a plan
16 that over time will result in that reduction, and I
17 think if you're asking me am I confident that we'll
18 by the end of the five years get to the goal we've
19 set? Yes, but I'm-I'm resisting a little bit the
20 idea that it's 500 a year over five years because it
21 never was.

22 COUNCIL MEMBER POWERS: I-I total--totally
23 understand.

24 COMMISSIONER BANKS: Okay.

25

1
2 COUNCIL MEMBER POWERS: What I'm asking
3 is 500 year, and 500 next year.

4 COMMISSIONER BANKS: Yes.

5 COUNCIL MEMBER POWERS: I understand
6 that. The—and then I know that—I think this part of
7 Turning the Tide Program you had the Council for Low-
8 Income Tenants as part of it, but I think then we
9 funded more—I think it was funded after the plan
10 more, and you can correct me if I'm wrong about that.
11 So, will—should that increase our expectations about
12 the pace or—or not the past, the final number?

13 COMMISSIONER BANKS: No, we had announced
14 the agreement to make the change in Local Law before
15 the plan was relooked (sic) at

16 COUNCIL MEMBER POWERS: [interposing] Oh,
17 okay, alright.

18 COMMISSIONER BANKS: So, we knew, and
19 it's—it's referenced in the plan.

20 COUNCIL MEMBER POWERS: So, that is—
21 that's part of the plan and the number?

22 COMMISSIONER BANKS: Yeah, and again, you
23 can see the results a 27% drop in evictions just in
24 the initial phase over the last four years before the
25

1 five-year implementation of Access to Counsel. So,
2 we think that that's a very important service.

3
4 COUNCIL MEMBER POWERS: Thanks. Thank
5 you and before—I think this year I think I missed it
6 but I think the answer was [bell] 17 new shelters
7 this year. Is an anticipated amount for Fiscal—and
8 I'm sorry if I missed the answer earlier--for Fiscal
9 2019 how many to open?

10 COMMISSIONER BANKS: We-we need to
11 average approximately 18 sitings a year, and as I
12 said, in the first year we sited 17, and 11 are
13 already up and opening, and based upon the pace of
14 the-of--of getting the proposals that we got at the
15 end of the first year, we are again expecting to
16 continue to--to make progress on that front.

17 COUNCIL MEMBER POWERS: And what's the
18 criteria for as you look at those 18 sites, what's
19 our criteria for site selection?

20 COMMISSIONER BANKS: Does it advance the
21 goals of the plan, which is to enable us to create a
22 borough based system in which we can offer an
23 opportunity for people to be housed--sheltered as
24 close as possible to schools, employment, health
25 care, houses of worship, family and friends and

1 that's been the siting criteria that we've used.

2
3 Now, the sites come to us through the Not-For-Profit
4 Procurement Process, but as we had said in the recent
5 communication reiterating what we said at the
6 beginning of the plan, we welcome community boards
7 and elected officials to identify sites. He's gone,
8 Assembly Member Cohen. We just recently opened a
9 site or announced a site that was based upon a-sorry,
10 identified by the local community board. We have a
11 similar process going on with Council Member Lander,
12 Council Member Menchaca and Community Board 6 in
13 Brooklyn, and we welcome that kind of help in
14 identifying sites that are viable that not-for-
15 profits can then develop.

16 COUNCIL MEMBER POWERS: So, I-can I ask
17 him one follow-up question and accede to the Chair
18 because I way past. The-there's-this is a question
19 I've been asked. I just wanted to repeat it and see
20 if what the answer is. The-there's the-the-the-I
21 guess almost like-maybe not tension, but a relation
22 to some relations between the close to home, keeping
23 people close to their services, employment, schools,
24 families, and then the site selection process where
25 somebody finds a site and brings it to you, and those

1 seem to potentially have a tension because
2 theoretically you might find sites along in
3 neighborhood X and borough X or wherever, and so how
4 does that relationship work between someone finding
5 one, you like the site. It's the right size, it's
6 the right location, or it's just available, and you
7 have house—you have—you need to—you need to house
8 people versus the balancing effect or the—or the
9 overall—their goals of the plan?
10

11 COMMISSIONER BANKS: Well, I think you're
12 right to focus on that there is—there is one
13 underlying urgent challenge for us--

14 COUNCIL MEMBER POWERS: [interposing]
15 Right.

16 COMMISSIONER BANKS: --which is every
17 night we have to provide shelter. 115 families with
18 children came to us last night in need of shelter.
19 We need to have that—we need to have that kind of
20 capacity every night to—to provide shelter, and we
21 want to mitigate hotel use obviously as we—as we've
22 said during this past winter it was very cold. We-
23 we've been increasing hotel use to deal with—with
24 need. So, we have a short-term urgency to be
25 providing shelter, and if we can get a-get a site

1
2 proposed to us that—that by a not-for-profit provide
3 that meets out set of criteria we're going to go
4 ahead with that. At the same time. We want to
5 welcome people to bring sites to us. It's a five-
6 year plan. So, there's still time. People who are
7 homeless come from literally every community in the
8 city. So, we continue to welcome that kind of input,
9 and again, we had a very good experience recently
10 with a shelter opening in—in Community Board 7 in the
11 Bronx, and the—and the number and other community
12 boards surrounding that. We worked with Council
13 Member Torres.

14 COUNCIL MEMBER POWERS: A lot, you know,
15 the Chair is going to cut me off here and my place.
16 (sic) Yeah, thank you.

17 CHAIRPERSON DROMM: Thank you very much.
18 Council Member Van Bramer followed by Adams and
19 Ayala.

20 COUNCIL MEMBER VAN BRAMER: Thank you.
21 Commissioner, in your testimony, you said that new
22 shelter are more cost-effective than commercial
23 hotels, but what happens when your new shelters are,
24 in fact, just repurposed commercial hotels, as in the
25 case of the Fairfield?

COMMISSIONER BANKS: It's much more cost-effective to convert a hotel into a shelter because of paying a nightly rate, a provider is essentially leasing the building, and there are significant economies of scale from leasing a hotels as opposed to renting individual units. In-in a situation in which a hotel has been leased by a not-for-profit, the not-for-profit is providing all of the services. The owner of the hotel is not providing all of those things. The owner is simply providing the-the rent and when we are providing the building that's going to be rented, and we evaluate the rent with OMB in terms of what's cost-effective for the city, but it is-and think this came up at the hearing that we did in the Preliminary Budget that if you look at the cost, clusters that are the least expensive, hotels are the most expensive, shelters whether it's in a converted hotel or a converted building like the one in Community Board 7 in the Bronx are-are the-are-are in between, and are, therefore, more cost-effective.

COUNCIL MEMBER VAN BRAMER: It's-so more expensive I-I would argue than what you ideally would be looking for. At your new shelters, quote/unquote "new shelters" as part of the your Turning the Tide

1 Plan, you've only got one that you've sited in Queens
2 and that is, in fact, just another commercial hotel.
3 So, how many of your new shelters aren't going to be
4 new shelters at all; they're just going to be
5 converted commercial hotels?
6

7 COMMISSIONER BANKS: It depends on what
8 is proposed to us by providers. For families with
9 children, there are limits in terms of whether or not
10 a particular hotel would make sense to convert. We
11 said that we would do approximately 25 of the
12 families which--of the families with children.
13 Shelters would be purpose-built shelters for--such as
14 the one that's being developed in Coney Island. It's
15 for shelter that's been developed in Coney Island by
16 Wynn, and of the 90 shelters, approximately half or
17 so are going to be families with children shelter.
18 So, we're--we're looking for purpose-built shelter
19 where we can get them. If you go through--

20 COUNCIL MEMBER VAN BRAMER: [interposing]
21 But you--

22 COMMISSIONER BANKS: --if you go through
23 the first 11 or first 17, I can go through with you,
24 and tell you which one is--
25

1
2 COUNCIL MEMBER VAN BRAMER: [interposing]

3 Oh, no. We don't have time for that, but I-I--

4 COMMISSIONER BANKS: [interposing] But I
5 can tell you that--

6 COUNCIL MEMBER VAN BRAMER: [interposing]
7 But I-I-I asked you about Queens. You've got one,
8 and the only one you've got in Queens is a repurposed
9 commercial hotel, which just feeds into the very same
10 crisis that we're in where now your budget for hotel
11 stay has gone up hundreds of millions of dollars in
12 the last couple of years, and you're not actually
13 getting to the root of this. Let me ask my next
14 question because obviously I'm running out of time.

15 COMMISSIONER BANKS: If I could just say
16 I think the record--I don't want the record to reflect
17 that we are paying anything that we would pay for
18 hotel stays that is equivalent to converting that
19 particular hotel into ongoing shelter. We're not.

20 COUNCIL MEMBER VAN BRAMER: But you are
21 paying hundreds of million of dollars if not now in
22 in the billions for hotel rooms throughout the city
23 of New York.

24 COMMISSIONER BANKS: I-I just want to
25 make it clear, though, that the record should reflect

1 that the particular hotel in that area in Queens is
2 being converted from a hotel to a shelter, and we
3 will not be paying the kind of cost that we pay for a
4 hotel. That's why it's preferable to convert it to a
5 shelter.
6

7 COUNCIL MEMBER VAN BRAMER: [interposing]

8 It is a commercial hotel? Now, you talked about
9 cluster sites an awful lot, what about clustering
10 shelters? Is there a policy in your agency against
11 clustering shelters, and that is for example like
12 what you've done in Dutch Kills, Blissville where you
13 have three shelters within several blocks, two
14 shelters across the street from another. Now, I know
15 you can point to other cases in the city of New York
16 where that's occurred, but that wasn't right either.
17 What I'm asking you is cluster sites, which you are
18 so opposed to and rightly trying to close, but what
19 it seems to me you're doing at least in one case is
20 clustering shelters, and what is your policy? Do you
21 even have a policy about opening two shelters across
22 the street from another within a couple of months
23 time or is that something that you don't see a
24 problem with?
25

1
2 COMMISSIONER BANKS: I think that there
3 are a number of elements that are important to make
4 clear on the record here. The problem with clusters
5 is because apartments were rented across many
6 different buildings. It was very difficult to serve
7 the families with children in those sites, and that's
8 what caused the challenges in delivery essential
9 services. That's what caused the--

10 COUNCIL MEMBER VAN BRAMER: The question
11 is about clustering shelters.

12 COMMISSIONER BANKS: If-if I could just
13 finish. Your-I just don't think there's--there's not
14 a comparison between the 18-year Giuliani Cluster
15 Program and the fact that commercial hotels that are
16 being used during the phase-out period may be near
17 each other. So, I think it's important for the
18 record to just identify that the problem with 18-
19 year-old Giuliani Administration Program of using
20 clusters is it's very difficult to provide
21 appropriate social services to the families. It's
22 very difficult to provide security to the families
23 and very difficult to maintain the conditions, and
24 that's why that program has to end. Now, I'm looking
25 at my friend in Southeast Queens where there are

1
2 twice as many people housed in that area of Queens as
3 come from the area of Queens, and there are lots of
4 hotels in that are, and as part of the plan, we're
5 going to be closing all of those hotels similarly to
6 the hotels that you're describing in your district
7 where--

8 COUNCIL MEMBER VAN BRAMER: [interposing]
9 Where it's four times the number.

10 COMMISSIONER BANKS: Where--where--

11 COUNCIL MEMBER VAN BRAMER: [interposing]
12 We're housing four times the number as we produced.
13 The question, Steve, Commissioner is: Do you have a
14 policy against clustering shelters? Do you have a
15 guiding principle about opening--

16 COMMISSIONER BANKS: [interposing] I-I--

17 COUNCIL MEMBER VAN BRAMER: --two
18 shelters across the street from another within the
19 past six months.

20 COMMISSIONER BANKS: I'm doing the best I
21 can to answer to, which is to say the plan calls for
22 phasing out the use of all hotels. We have been
23 providing Fair Shares as we open the new shelters,
24 and we make it very clear that although we're opening
25 a new shelter here, the plan will eliminate the use

1
2 of hotels in this district, and so we've been very
3 transparent in all of our Fair Shares that have been
4 submitted whether it is in your district or someone
5 else's district. For example, Council Member Powers'
6 district we just opened two shelters. One shelter we
7 opened and one shelter we have notified on in Council
8 Member Powers' district. There are a lot of
9 commercial hotels in Midtown Manhattan that we are
10 using, and we have said very clearly in those Fair
11 Shares, as we have said in the Fair Share for-for
12 this particular shelter in your district that through
13 the life of the plan we will be getting out of all of
14 those hotels even as we're opening these two new
15 shelters in Council Member Powers' district. Why do
16 we need those two new shelters in Council Member
17 Power's district? [bell] The same reason why we
18 need them in your district. We need to mitigate
19 commercial hotel use, but we can have it—we can't
20 have it both ways--

21 COUNCIL MEMBER VAN BRAMER: [interposing]
22 Steve, you're talking--

23 COMMISSIONER BANKS: -which is to say we
24 can't open shelters and we can't use hotels.

25 COUNCIL MEMBER VAN BRAMER: Right.

COMMISSIONER BANKS: We are focused on opening the shelters and phasing out the use of commercial hotel.

COUNCIL MEMBER VAN BRAMER: Let me just add it sounds like you don't have a policy, you did not answer responsive.

COMMISSIONER BANKS: [interposing] No, we do have a policy.

COUNCIL MEMBER VAN BRAMER: You weren't responsive to the question. I just want to say one other thing about your--your testimony because you say that [bell] you're going to open a smaller number of borough-based shelters to help families and individuals stay connected to the anchors of life such as schools, jobs, health care, families and houses of worship as they get back on their feet, which is probably not why you sited three shelters in one of the most isolated parts of Queens where there are almost no city services, and where the shelter population will now outweigh and out number the permanent population, which is why the people of Blissville will be out on the steps of City Hall in about five minutes because this agency is not doing right, not only by the community of Blissville, but

1 not by the homeless individuals themselves by
2 continuously going to Blissville, and adding shelters
3 to that particular very isolated community with
4 almost none of the services that you claim to want to
5 be putting them close to, and—and—and so, you know,
6 it's—it's deeply wrong, and particularly as—as the
7 budget for these hotel rooms has skyrocketed in a way
8 that I don't think we're seeing in any other agency
9 quite the way that we have, over \$2 billion, \$750
10 million in the last couple of years. Every single
11 budget mod there's increases of hundreds of millions
12 of dollar for more hotel rooms. It is a never-ending
13 cycle, and it's out of control. It's out control.
14 It's out of control, and—and just lastly, I have to
15 say you've set the deadline for closing the
16 commercial hotels in most cases after your term of
17 office, and so where are the folks suppose to believe
18 and feel confident in the Turning the Tide Plan where
19 you've inundated one small isolated community, and
20 then you've said, We're going to close those other
21 commercial hotels not the permanent commercial hotel
22 that we're—we're converting, but the others that we
23 claim to be temporary, but we're going to close
24 those, and we're going to give a deadline by possibly
25

1 and likely after Mayor de Blasio is gone. So, where
2 is the accountability with that?
3

4 COMMISSIONER BANKS: So, first of all,
5 commercial hotels are not shelters. There a
6 commercial hotels that are used in your district.
7 There are commercial hotels that are in Council
8 Member Powers' district. There are clusters that are
9 in Council Member Gibson's district. There are
10 attritional shelters in—in other people's districts.
11 The plan is to in 40 years of an approach that was
12 very haphazard shelter, providing shelter, and you
13 can't just flip the switch on and off. In order to
14 open new shelters you still have to provide shelter
15 to people on any given night. I think in a year's
16 time getting out of 16% of the shelter system
17 locations that we're in, eliminating 100 places,
18 seeing 87,000 people get out of shelter or really go
19 into shelters with the rental assistance 1,480 off
20 the streets, and 27% drop in evictions, you're
21 actually see significant positive metrics from
22 significant investments that we hadn't seem for many
23 years in addressing this problem, but it's not going
24 to end overnight because it built up over many, many
25 years. There's a reason why this is the first year

1
2 in a decade that the Census System remained flat, and
3 we will close the hotels in your district as part of
4 this plan, and we need the shelter that we're
5 proposing to open as a way to mitigate further hotel
6 use.

7 CHAIRPERSON DROMM: Okay, thank you very
8 much. We'll now have questions from Council Member
9 Adams followed by Gibson and Grodenchik.

10 COUNCIL MEMBER ADAMS: Good afternoon,
11 again, Commissioner. I just want to say thank you
12 for being present. Unlike some other commissioners
13 who send representatives, you're always in the
14 kitchen not matter how hot it may be.

15 COMMISSIONER BANKS: [laughs]

16 COUNCIL MEMBER ADAMS: So, we thank you
17 for that.

18 COMMISSIONER BANKS: It's my Legal Aid
19 training for many years.

20 COUNCIL MEMBER ADAMS: I can certainly
21 empathize with my colleague Council Member Van Bramer
22 on the—on the pains that he's going through right now
23 given the circumstance in Southeast Queens that you
24 and I have gone back and forth on for—for a very long
25 time. We sat yesterday in a meeting of the Queens

1
2 Borough Board, and at that meeting City Planning
3 proposed a new text amendment regarding M1-M1 Hotel
4 Special Permits, and that proposal was presented to
5 the Community Board Chairs of the Queens-of Queens.
6 Now, some of the language that was used in some of
7 the areas that will not be included in this proposal
8 had to do with transient hotels. So, the
9 conversation took a little bit of a turn, and
10 needless to say, the atmosphere was not too pleasant
11 number one in speaking about hotels going up in
12 Queens, and Queens has pretty much doubled the number
13 of hotels over the past years as in previous years.
14 I-I guess what I'm asking is that with the plans,
15 with the phase-out plans, and the places that we're
16 now trying to take the hotel conversation, seeing
17 that the air was pretty much drained out of the room
18 yesterday, how can you help me to help you to change
19 the perception that every time a hotel is goes up
20 that it will be turned into a shelter? How can you
21 help me to help you to change that perception? It's
22 a very, very difficult thing to do especially given
23 the position that I'm in in Southeast Queens knowing
24 the history, knowing the decades of-of, you know, the

1 proliferation of shelters and now sheltering in
2 hotels. How can you help me?

3
4 COMMISSIONER BANKS: I appreciate the-the
5 question. I also appreciate your partnership in-in
6 so many things that were done, and going back to the
7 terrific meeting that we had with all of the electeds
8 in your area before you were-when you were in your
9 prior position and now your current position, and I
10 think that we can continue to have those kinds of
11 meetings with you and other electeds in that area to
12 continue with the message that we are ending the use
13 of commercial hotels. We prefer purpose-built
14 shelters. If we do through all of the 17 new
15 sitings, you can see the kind of facilities that
16 we're interested in operating. And at the end of the
17 day, it-it harkens back to the [bell] to the
18 conversation that we had together at the Queens
19 Borough Board that I went to speak at in which I said
20 if you look at Queens, you've got about 80 to 100
21 people from Queens in the shelter system, and about
22 10,000 people sheltered in Queens. But, once we
23 close all of the commercial hotels in Queens, we will
24 need to find beds for about 26-almost 2,700 people
25 because of all of the use of hotels. Once they're

1
2 going, they'll be—they'll be a lack of enough shelter
3 space for Queens residents or people from Queens, and
4 I know we need to work together on how to make sure
5 that we can get the right kind of sites rather than
6 simply the perception that oh, a hotel that we're
7 never going to use is going to be—poison the well for
8 when we actually want to open a good shelter for—for—
9 to keep people—give people an opportunity from
10 Southeast Queens to stay near their kids' schools and
11 near their work. So, we are—Administrator Carter and
12 I will be happy to continue to work with you. I know
13 we have a date where we're coming out to look at some
14 things in the district, and we'll keep doing that
15 together.

16 COUNCIL MEMBER ADAMS: Okay, thank you
17 very much. I think it will help also to do some more
18 outreach to those community boards as well especially
19 giving—give the new conversation around this new text
20 amendment coming through City Planning.

21 COMMISSIONER BANKS: Okay, something
22 tells me we could be persuaded to come back to the
23 Borough Board meeting.

24 COUNCIL MEMBER ADAMS: I think so.

25 COMMISSIONER BANKS: Alright.

2 COUNCIL MEMBER ADAMS: Thank you.

3 CHAIRPERSON DROMM: Okay, Council Member
4 Salamanca followed by Gibson, Grodenchik, Gjonaj and
5 Rosenthal.

6 COUNCIL MEMBER SALAMANCA: Thank you,
7 Chair. Commissioner, how are you?

8 COMMISSIONER BANKS: Good. How are you?

9 COUNCIL MEMBER SALAMANCA: Commissioner,
10 I just want to, you know, publicly I know that many
11 times we've bashed DHS, but I just want to say how-
12 how happy I am with the open dialogue that we've had
13 in the last couple of months, the conversations. We
14 were having really those conversations, true issues
15 on how to combat homelessness. Commissioner, I have
16 a-as you know, I have three Safe Havens in my
17 district and I have a Drop-In Center that's run by
18 Bronx Works. I have a great relationship with Bronx
19 Works. The concern that I have with this facility in
20 Hunts Point is that there seems-this seems to be the
21 only Drop-In Center in the Borough of the Bronx. Am
22 I correct?

23 COMMISSIONER BANKS: There are-correct.

24 I think in the Safe Havens that you and I have talked
25 about.

1
2 COUNCIL MEMBER SALAMANCA: Yeah, Safe
3 Havens is a drop-in site.

4 COMMISSIONER BANKS: That's correct.

5 COUNCIL MEMBER SALAMANCA: And so, the
6 concerns is the overflow of clients, homeless
7 individuals that they get, and recently someone
8 brought to my attention that in every building in-in
9 a room the Fire Department before you open up, the
10 Buildings Department, they—they set what capacity is,
11 how many people are allowed in that—that one room,
12 and it's my understanding that Bronx Works is
13 constantly over capacity—is over capacity in terms of
14 how many individuals by law are allowed in-in-in this
15 one room, and it creates a fire hazard. But Bronx
16 Works cannot turn any of your clients away when
17 they're dropped off to this Drop-In Center. So, is
18 there any plans from DHS to open up another Drop-In
19 Center not in my district maybe in another district
20 that has no shelters so that they can help with this
21 over-capacity?

22 COMMISSIONER BANKS: I know we're—we've
23 got a meeting coming up at the facility, and I think
24 we're—we're looking for it. It's an open dialogue.
25 I'm not sure who—who on side will be attending, but I

1
2 will make a commitment to you to take a closer look
3 at what you're raising. I know that you've raised
4 similar issues before, and we've dealt with some of
5 them. I can see that there continue to be some
6 concerns that you've got, and I want to address your
7 questions.

8 COUNCIL MEMBER SALAMANCA: Commissioner,
9 I-I really -I really hope that your agency can look
10 into this if not today because you have a liability
11 issue if you are requiring a not-for-profit to be
12 over-capacity, and have more individuals in a room
13 that's legally allowable, if there's a fire HRA will
14 be held accountable, and I'll be standing there. I'm
15 sorry, DHS and I will be standing there remind you,
16 Mr. Commissioner that I brought this to your
17 attention on the record.

18 COMMISSIONER BANKS: I-I know you're a
19 man of your word, and--

20 COUNCIL MEMBER SALAMANCA: [interposing]
21 Alright.

22 COMMISSIONER BANKS: --and we have worked
23 through a lot of problems in the past, and we'll try
24 to work through this one, too. [bell]

1
2 COUNCIL MEMBER SALAMANCA: Mr. Chair, can
3 I get just one-two more questions?

4 CHAIRPERSON DROMM: Yes.

5 COUNCIL MEMBER SALAMANCA: Alright, thank
6 you. Just on a quick note, on a separate note just
7 recently in the last couple of projects in my-in my
8 district because of the amount of development that's
9 coming in, I understand that we as Council Members
10 need to help you, DHS on how to allocate or find
11 housing for those families that are ready for
12 independent living, and I-and I'm using myself as an
13 example. The next few projects that are being
14 approved, I'm setting aside 5% more than what is
15 required by HPD, which is they require a 10% homeless
16 set-aside. I'm saying I'm trying to set the example
17 of a 15% homeless set-aside. Is there any advocacy
18 from your agency in which you are also speaking with
19 Council Members who have projects coming into their
20 district to kind of nudge them so that they can
21 increase their homeless set-aide?

22 COMMISSIONER BANKS: Well, first of all,
23 let me just publicly thank you for the position that
24 you're taking. I think it's a very-it's very, very
25 helpful to us, and we work closely with HPD and we'll

1
2 certainly take back the example you're setting to see
3 what we can do to be helpful.

4 COUNCIL MEMBER SALAMANCA: Alright.

5 COMMISSIONER BANKS: So, thank you.

6 COUNCIL MEMBER SALAMANCA: And then just
7 lastly, I just want to see if you have an opinion.
8 Maybe you don't. At the last Stated, I introduced a
9 bill that will require DHS to on a quarterly basis to
10 report or give a report to every Council Member and
11 every community board the amount of shelters that
12 they have in their districts. The—the purpose of
13 this bill for me is more of a Fair Share process. I—
14 I don't know how many—I don't have an exact number of
15 how many shelters I have. When I'm asked, I—I tell—I
16 say I have anywhere between 32 and 34, and that's
17 just me calculating of what I've had and what has
18 been added since I've been in the Council. Just
19 wanted to know and get an opinion of your work from
20 DHS in terms of that proposed legislation that's—
21 we'll have a hearing soon.

22 COMMISSIONER BANKS: I mean one of—I need
23 to take a closer look at it to see—see what—what's
24 feasible. I know that when we announced the Turning
25 the Tide Plan, what we had done prior to the

1
2 announcement was just to make sure that anyone who
3 was--anyone who had any questions that we provided
4 them the information about what was available--what
5 was operating in their district, but we'll take a
6 closer--closer look at the bill, and let's have
7 dialogue about it.

8 COUNCIL MEMBER SALAMANCA: Alright, thank
9 you. Thank you, Mr. Chair.

10 CHAIRPERSON DROMM: Thank you. Council
11 Member Gibson.

12 COUNCIL MEMBER GIBSON: Thank you, very
13 much, Chair Dromm and Chair Levin. Good afternoon,
14 Commissioner to you and the team. Certainly, I
15 appreciate all of the work that your agency is doing.
16 I know it's not easy, but certainly I do recognize
17 the progress that's been made. I am happy to hear
18 about the Universal Right to Counsel and the great
19 success we're having--FY19 about \$93 million. That's
20 incredible. Speaking to many of these civil legal
21 service providers I can tell you that they are
22 overwhelmed in [laughter] in Housing Court. While we
23 know the number of evictions have--have decreased,
24 almost 30%--I believe it's about 27--

25 COMMISSIONER BANKS: [interposing] 27.

1
2 COUNCIL MEMBER GIBSON: --citywide. That
3 doesn't mean more new cases are not coming to court.

4 COMMISSIONER BANKS: That's right.

5 COUNCIL MEMBER GIBSON: So, I want to be
6 very clear that although we're seeing success, our
7 providers are overwhelmed in court, and so I wanted
8 to make sure you--you are aware of that.

9 COMMISSIONER BANKS: I--I think it's a
10 good point to make, which is that we're one year into
11 a see change--

12 COUNCIL MEMBER GIBSON: [interposing]
13 Right.

14 COMMISSIONER BANKS: --in the way Housing
15 Court is operated, and the providers, and the courts,
16 and we--and you all are working together to deal with
17 what is a dramatic change. One good thing I would
18 highlight, though, is that the numbers of eviction
19 filings have also come down--

20 COUNCIL MEMBER GIBSON: [interposing]
21 Okay.

22 COMMISSIONER BANKS: --and it's something
23 that I know that you and--and the co-sponsor Council
24 Member Levine had thought might happen, which is that
25 if everybody had a lawyer that we might begin to see

1 some decreases in the kind of cases that have a
2 limited amount of merit, and it's too early to-to say
3 what-what the trend is, but we are seeing a decrease
4 in filings. It was in the Civil Justice
5 Coordinator's Report that came out in March.
6

7 COUNCIL MEMBER GIBSON: Okay.

8 COMMISSIONER BANKS: So, I think again,
9 it's a tribute to the support and the partnership
10 we've had with you--

11 COUNCIL MEMBER GIBSON: [interposing]
12 Absolutely.

13 COMMISSIONER BANKS: --on this matter.

14 COUNCIL MEMBER GIBSON: Okay, great. I
15 had a few questions, and I wanted to focus on
16 specifically Department of Ed and funding for
17 homeless children, students in temporary housing.
18 This year there's an additional \$1.6 million to add
19 on more social workers in many of our schools where
20 we recognize a high population of students in
21 temporary housing, but what my concern is the
22 additional money in the budget is only adding ten new
23 social workers for a total of 53 school based social
24 workers to address this growing population. So, my
25 question is what has been the conversation you're

1
2 having wit DOE as it relates to schools with a high
3 concentration of students in Temporary housing, and
4 what more can we do as a council to help. My second
5 question I stood with you a few months ago on
6 cluster. We have phased out about 1,000 of the
7 overall units in the city.

8 COMMISSIONER BANKS: 1,500.

9 COUNCIL MEMBER GIBSON: 1,500, 1,500. I
10 know that you we were talking about possible eminent
11 domain, and I didn't see anything that related land
12 acquisition in working with many of the existing
13 building owners. So, I wanted to find out as we
14 continue to phase, which I have a high concentration
15 in my district still where we are in terms of
16 timeframe of phasing out our cluster housing, and
17 then lastly, I-I have to go on record in always
18 talking about food insecurity and EFAP, and
19 recognizing many, many hungry New Yorkers. Year
20 after year we have called on this Administration to
21 baseline funding for EFAP, and we want you and the
22 agency to recognize that although we've made great
23 progress, there are still thousands of families, New
24 Yorkers and children that go to bed hungry, and
25 that's unacceptable, and we should never accept that

1
2 enough has been done. We always want to strive to do
3 better, and so, I don't think enough has been done. I
4 want to make sure that not only is this funding
5 baselined, but we should be adding more to it. EFAP
6 has been great. Some of the state programs, but
7 certainly on behalf of my district in the Bronx where
8 I have Drop-In Centers where you're able to get hot
9 meals. I have mobile units that go around our
10 district every night feeding homeless individuals.
11 It's certainly not enough. So, I wanted to know what
12 more we can do, and what can we expect in the Adopted
13 Budget that will be really reflective of where we are
14 with food security and food programs in the city.

15 COMMISSIONER BANKS: So, I'm going to try
16 to address each of those questions. First on the
17 Clusters, we are out of 1,500 of them. There another
18 171 that are targeted for being phased out at the end
19 of June and that will bring us to be out of almost
20 half of--of the clusters. We announced, and you were
21 there--hank you for being there--with the Mayor that
22 we have a new initiative to finance the not-for-
23 profit acquisition of approximately 800 cluster
24 units, and if we're unable to finance that as an out
25 of--a transaction, the we would then have to go to the

1 eminent domain, which would trigger the land use
2 mechanisms, and we said that we would either be in a
3 position to conclude those transactions by the end of
4 the calendar year, or proceed with the eminent domain
5 route, and we're continuing to-to work on that in the
6 way that we committed that we would do, and as soon
7 as there's any news, we'll certainly let you-let you
8 know that. In terms of the-the Department of
9 Education, the new Chancellor and I met recently, and
10 we're very focused on what we can do together to
11 address the kind of issues that you're raising, and
12 on EFAP, I think the best response I can give you is
13 I hear what you're saying.

14
15 COUNCIL MEMBER GIBSON: Okay. Well, we
16 need more money. [laughter]

17 COMMISSIONER BANKS: I hear what you're
18 saying.

19 COUNCIL MEMBER GIBSON: That's what I
20 want to hear. We need more money, and we're going to
21 put it in the final budget to make sure that EFAP is
22 really a reality, and we're providing the necessary
23 funding for New Yorkers in need. Thank you,
24 Commissioner. Thank you Chair.

CHAIRPERSON DROMM: Thank you. Council
Member Grodenchik.

COUNCIL MEMBER GRODENCHIK: Thank you,
Chair Dromm, and thank you Chair Levin, and thank you
Councilwoman Gibson for softening up the Commissioner
for me. Commissioner, I'm not going to talk about
homeless services today, but I am going to talk about
EFAP, and I know that Chair Levin pointed out that we
are less than 1/10th of 1% of the HRA Budget, which
is over \$12 billion with a B, is being spent on
emergency food, and I hate to say this because I
think you're a really nice guy and I like the Mayor,
but this Administration is hiding behind women and
children who are the victims of hunger in this city.
I know your politics. I know the Mayor's politics.
It is inconceivable to me that either of you don't
want to—don't want people to be fed in this city, and
we have worked—Steve and I—I have a letter here today
that's going to the Mayor. It is signed by every
person in the City Council except for the Speaker who
does not sign letters traditionally, and except for
Chair Dromm who is Chair of Finance also does not
sign letters traditionally, although he's new. So,
there's not tradition there, but [laughter] but there

1 is a tradition among—among chairs of Finance. Some
2 of the greatest institutions in this city Catholic
3 Charities, Federation of Protestant Welfare agencies,
4 UJA, Food Bank for New York City, they are all on
5 this train. On this issue, we are rowing with both
6 oars out of the water when I look at this budget, and
7 it pains me because I just don't get it. So, as nice
8 as my colleague Ms. Gibson was, I'm going to try to
9 be nice, too, and I'm asking you as the Commissioner
10 Social Services with a big heart that I know you have
11 to walk across to the other side of City Hall at some
12 point today or tomorrow, preferably today, tell my
13 friend Bill de Blasio, that this will not stand that,
14 we have got to feed the people in this city. This is
15 the back stop. This is emergency food. I don't know
16 what else to say. I—I just want to thank Chair Levin
17 and Chair Dromm and my Speaker for being—this is a
18 top priority for the Speaker. It was his number two
19 priority in his initial news conference. So, I've
20 said what I'm going to say. I know what feel no this
21 issue because I've—I've seen and we've discussed this
22 before. So, please on behalf of the million plus
23 people in the city that depend on emergency food and
24 all those food panties spread throughout every
25

1 Council district and every part of the New York City,
2 please take that message back because we will not
3 pass this budget without emergency food going back to
4 a level or being enhanced to \$22 million a year.

5 Thank you, Mr. Chair and thank you, Mr. Chair, and
6 thank you Commissioner for your work.
7

8 COMMISSIONER BANKS: Thank you.

9 COUNCIL MEMBER GRODENCHIK: Than you very
10 much.

11 CHAIRPERSON DROMM: Council Member Gjonaj
12 followed by Rosenthal.

13 COUNCIL MEMBER GJONAJ: Thank you,
14 Chairs. Commissioner, I just want to piggyback for a
15 moment on the reinforcing the notion that we have to
16 make sure that our food pantries and emergency food
17 supplies are readily available. I'm going to pick up
18 as—since you brought it up, on the Fair Share. The
19 Borough of the Bronx has—it spices (sic) many
20 supportive housing units per capita than Queens, 13%
21 more than Manhattan, 41% more than Brooklyn and 99%
22 more than Staten Island, and that's just for the
23 record. Let me begin with the legal services. You
24 mentioned in past testimonies and in this one that
25 the issue they we're having is that rents are

1
2 outpacing income. Is that correct? And I believe
3 you noted 18% rent increases.

4 COMMISSIONER BANKS: That—that's
5 certainly one factor yes.

6 COUNCIL MEMBER GJONAJ: What are the
7 other factors?

8 COMMISSIONER BANKS: The loss of low-
9 income affordable units. There's a loss of 150,000
10 rent regulated units between 1994 and 2012, and
11 that's been a factor as well as the factor that
12 you're asking me about in terms of the gap between
13 residential.

14 COUNCIL MEMBER GJONAJ: [interposing] But
15 those units were at the high end of the rent
16 spectrums. They're not at the low end. As you had
17 noted, there is such a large percentage of people
18 looking for low rent housing.

19 COMMISSIONER BANKS: That's—it's
20 absolutely true. There's twice as many people
21 looking for units as-as units exist.

22 COUNCIL MEMBER GJONAJ: Great. So, I
23 will gain reiterate on the fact that 25% of the rent
24 of the average rent in New York City is going toward
25 real estate taxes and water and sewer. This is self-

1
2 inflicting, and it's just ironic that the very same
3 people that we're attempting to help in keeping their
4 homes because of the escalating prices in real estate
5 taxes and water and sewer, which are solely in the
6 hands of the city. This year alone we're looking at
7 a \$1.6 billion increase in real estate taxes. When
8 are we going to become proactive and not reactive.
9 We are helping create the homeless scenario in New
10 York City by forcing the most vulnerable of people
11 out of their homes, and there is no willingness to
12 embrace this or accept the responsibility. I've
13 often proposed the Tree (sp?) bill in line with SCRIE
14 in line DRIE and in line with the legal services that
15 families earning under \$50,000 in income would be
16 protected from any future rent increase. When is
17 this Administration going to accept the
18 responsibility that we are an underlying issue in the
19 homelessness crisis?

20 COMMISSIONER BANKS: I'll certainly take
21 back the proposal you're raising. [bell] I know that
22 in a prior hearing, you did raise this as well, and
23 I'm happy to talk to you offline about what some of
24 your ideas are to see if there are any of them at our
25 agency could an enrollment.

1
2 COUNCIL MEMBER GJONAJ: Commissioner,
3 \$155 million will be put into the legal assistance
4 that is much need in this city.

5 COMMISSIONER BANKS: That's correct.
6 That's correct.

7 COUNCIL MEMBER GJONAJ: That is but half,
8 a little more than half of the projected expense for
9 the Tree Bill. We can do New Yorkers a justice, and
10 spend that money more wisely by securing those home-
11 those tenants in keeping a roof over their head and
12 preventing them from becoming homeless where they
13 will not need legal services. If the rent was
14 flattened in that special group, the most vulnerable
15 of the vulnerable of New Yorkers, would not be faced
16 by future rent increases, and it's solely because of
17 real estate taxes and water and sewer. Thank you.

18 COMMISSIONER BANKS: As I said, I'm happy
19 to-to look at the bill and provide any comments that
20 could be helpful.

21 COUNCIL MEMBER GJONAJ: I'm happy to
22 discuss it, but the problem is our Mayor. This
23 Administration is not willing. The first claim is we
24 don't have the money. Show us where to get the
25 money. Well, I just came up with half of that money.

1
2 Year one, by the way a tree bill would cost you zero
3 because there would be no rent increase, and year two
4 would be based on the RGB rent line increases. We
5 can—we can ahead of this, and we can be proactive
6 instead of reactive, and realize that we are creating
7 this issue.

8 COMMISSIONER BANKS: Right, and are you
9 suggesting that we should take the legal services
10 money and spend it on—on that bill?

11 COUNCIL MEMBER GJONAJ: I'm suggesting
12 that if we didn't raise real estate taxes and water
13 and sewer rates and came up with the Tree Bill, we
14 wouldn't have that many whole families facing
15 evictions and being taken to court for failure to pay
16 rent. We are created unaffordable crisis in New York
17 City, and we don't want to accept the responsibility.
18 The next five years will show a \$1 billion year over
19 year increase in the real estate taxes. That is our
20 doing. That is going to be passed onto these
21 families, these renters and I'll paint the scenario
22 for everyone to hear it loud and clear. The city
23 charges landlord, landlord charges tenant, tenant
24 pays landlord, landlord pays city. Who's the
25 culprit? So, please do what you need to do to make

1 this a priority and an argument of-it's
2 unsustainable, and you meet with the Mayor and this
3 Administration on how we can be proactive and not
4 reactive. Thank you. Council Member Rosenthal, and
5 then we'll have some follow-up questions from Chair
6 Levin.
7

8 COUNCIL MEMBER ROSENTHAL: Great. Thank
9 you so much Chair Levin, Chair Dromm. Great to see
10 you, Commissioner, as always.

11 COMMISSIONER BANKS: Yes,

12 COUNCIL MEMBER ROSENTHAL: Thank you for
13 all the work you and your amazing team do everyday.
14 I'm always in awe. So, I-I want to focus on one area
15 of the right to counsel work that you're doing, which
16 is fantastic. Thank you for everything. I went to
17 Housing Court. I want to run something past you to
18 see if you would money within your budget to do the
19 following. I-I was at Housing Court the other day
20 and noticed that the Manhattan Housing Court, and
21 went up to see Right to Counsel at work, and it was a
22 beautiful thing. The-the one exception I have is
23 that had I not been with someone who had been there
24 multiple times, I would have been completely lost in
25 terms of navigating the building itself, and

1 navigating the system. And, you know, and certainly
2 if I didn't speak English, it would have been a lot
3 worse I'm wondering if you would comment—you would
4 consider working on a signage program with the court
5 so that when people walked in, there was some sort of
6 very clear signage in multiple languages letting
7 people know where to go. Right, now, you know, I
8 mean you know exactly—I know you know what I'm
9 talking about but, you know, so you walk in the
10 building, and on the first floor itself there's room
11 where you can go and get help. There's a little
12 paper sign that's like half—is very old that says
13 this is the room and then even finding Housing Court
14 answers when you go inside the first room I think on
15 the second floor is a challenge. Certainly again if
16 you don't speak English, forget about it. I know you
17 would have to I guess work that out with the courts,
18 and I'm sure there's some sort of thing that, but I'm
19 wondering if you would be willing to look into that
20 as part of the expenditure for right to counsel.
21 Thank you.

22
23 COMMISSIONER BANKS: The Chief Judge of
24 the Court system Judge, Chief Judge DiFiore had
25 created a commission or task force to look at Housing

1
2 Court and potential reforms particularly in light of
3 the implementation of the Universal Access to
4 Counsel, and among the kinds of recommendations were
5 sort of—were the kinds of things you're talking
6 about. So, I know this is something that the Office
7 of Court Administration is looking at as well, and we
8 can certainly get an update for ourselves and [bell]
9 communicate to you about the status of that work. [

10 COUNCIL MEMBER ROSENTHAL: Would that end
11 up being something the city could fund jointly with
12 the Chief Justice? I don't know how that works.

13 COMMISSIONER BANKS: I think the—the
14 court system is very focused on what needs to be done
15 within the courts, and we want to be supportive of
16 that effort in terms of their leadership on this.

17 COUNCIL MEMBER ROSENTHAL: Let me know
18 how I can be helpful. Thank you.

19 COMMISSIONER BANKS: Thank you.

20 CHAIRPERSON DROMM: Okay, Chair Levin.

21 CHAIRPERSON LEVIN: Thank you, Chair
22 Dromm. Okay, thank you, Commissioner. I'll still
23 try to get you out of here as we can. We have ACS
24 coming at 1:00. I know a lot of us want to grab a
25 quick bite to eat before that portion of the hearing.

1 So, I'm going to run through a few questions here
2 about the budget. Fiscal 19 Executive Plan includes
3 \$25 million of maintenance and system upgrades to the
4 Data Management System at DHS. Systems to be
5 supported through this new need include CARES, the
6 client Assistance and Rehousing Enterprise System,
7 the Building Compliance System, BCS and the Street
8 Smart Act, which enables homeless outreach works in
9 the five boroughs to communicate and log data
10 seamlessly in real time while in the field. Funding
11 for technology projects including upgrade and
12 enhancement of the CARES Case Management System,
13 which is funding at \$13 million in the Capital
14 Commitment Plan, \$8.9 million with that in Fiscal 19.
15 Another component of the program system upgrade is
16 the BCS funded at \$4 million and the Capital
17 Commitment Plan of which \$2.7 million funds the
18 project for Fiscal 19. So, there is funding for DHS
19 systems, data systems and both the Capital Plan as
20 well as \$25 million the Executive Budget for Fiscal
21 18. Can you tell us what is being funded through new
22 need versus what the capital funding will support,
23 and what is the breakdown of the \$25 million in the
24 in the Executive Expense Funding for client for
25

1 assistance for—for CARES, ECS and Street Smart Apps.

2 So, can you break that—can you break down the \$25
3 million between the three programs?
4

5 COMMISSIONER BANKS: I mean the \$25
6 million is relating to expense versus capital. I
7 think—I'm not sure.

8 CHAIRPERSON LEVIN: Right.

9 COMMISSIONER BANKS: You're asking about
10 expense in capital?

11 CHAIRPERSON LEVIN: So, the expense.

12 COMMISSIONER BANKS: So, maybe the best
13 way to do this is to explain the following. As part
14 of integrating the two agencies, we had to look at
15 what—whether there was a sufficient underlying budget
16 for TS operations within DHS, and so this represents
17 work by OMB, by DOITT and by us to take a look at
18 what it costs just to operate the system, and then in
19 addition to help move forward with some of these
20 initiatives, but the initiatives just to give you a
21 context the CARE system is an old system operating in
22 great need of upgrading. The DCS system is relating
23 to building compliance issues. We wanted greater
24 functionality of the providers to be able to have a
25 greater exchange of information, and bring things—

1 take as much as possible away from the paper world.

2 HomeStat is to enhance our ability to manage clients
3 in the--in the street operations.

4
5 CHAIRPERSON LEVIN: [interposing] So,
6 your Street Smart App is HomeStat?

7 COMMISSIONER BANKS: That's connected to
8 that, absolutely. Then we've got other--there
9 industries (sic) relating to enhancing security with
10 the CCTVs. So, I think probably the best way to do
11 this is to give you that top line, and then to have
12 our staffs meet together, and just break down what
13 the items are, but part of it is expense to just
14 operate and manage the IT shop of DHS.

15 CHAIRPERSON LEVIN: We were trying--
16 wondering how much of it's going to CARES, Street
17 Smart and BCS.

18 COMMISSIONER BANKS: Yeah, we'll--we can
19 give you that breakdown, but again, I want to, you
20 know, no surprise when you see it. Some of it is
21 simply just to operate the--the systems as an IT shop--
22 -

23 CHAIRPERSON LEVIN: Sure.

24 COMMISSIONER BANKS: --and some of it is
25 for the work that--

1
2 CHAIRPERSON LEVIN: The op-ed (sic)

3 COMMISSIONER BANKS: --is very to-against
4 the capital

5 CHAIRPERSON LEVIN: Okay, with them, and
6 I'm going to be jumping around. So, I apologize.

7 COMMISSIONER BANKS: It's okay.

8 CHAIRPERSON LEVIN: Children in
9 commercial hotels [coughs] DCHS has reported that
10 they're working in collaboration with DOE to ensure
11 that the needs of children in commercial hotels are
12 adequately met. The DOE has agreed to create Content
13 Expert Hubs for families residing in commercial
14 hotels to ensure that children are registered for
15 school and that busing is set up for them. So, is
16 that-what is the Content Expert Hub, and what are
17 the-what's the timeline for setting them up? What's
18 the budget for it? Where are they located? How are
19 they engaging with families in hotels, in commercial
20 hotels? Is this a DOE thing or is this a--?

21 COMMISSIONER BANKS: [interposing] Yes,
22 it's a DOE thing. I can tell you from the
23 partnership we have with DOE we created a daily feed
24 that didn't exist before that gives--

25 CHAIRPERSON LEVIN: [interposing] Okay.

COMMISSIONER BANKS: --the total-gives
direct information about where kids-children are so
that they have it.

CHAIRPERSON LEVIN: Okay.

COMMISSIONER BANKS: We also worked in
partnership to create this bussing system--

CHAIRPERSON LEVIN: Uh-hm.

COMMISSIONER BANKS: --and it's very much
focused on two things: One, start a school to make
sure that everything is ready for the starter school;
and then to make sure that when new families with
children come into the system that new bussing can be
set up for them. So--

CHAIRPERSON LEVIN: [interposing] So,
does every kid that's in-that's in shelter have
access to a bussing line--

COMMISSIONER BANKS: [interposing] Yes.

CHAIRPERSON LEVIN: --to be able to take
them to their-their school of origin?

COMMISSIONER BANKS: Yes, unless the
parent chooses to--

CHAIRPERSON LEVIN: [interposing] Change
it.

COMMISSIONER BANKS: --use-use-either
change or use permits to commute to use public
transportation rather than the bussing.

CHAIRPERSON LEVIN: So, can I--there's
something really important. I want to ask about
this.

COMMISSIONER BANKS: One second.
[background comments, pause] It's not for high
school students.

CHAIRPERSON LEVIN: Not for high school
students?

COMMISSIONER BANKS: Yes, correct.

CHAIRPERSON LEVIN: Okay, so that's an
area where we really want to dig in, and see how well
that's working. I think that there's--we hear
anecdotally that there's challenges with being able
to be bussed to your school of origin especially with
our rates of being able to be placed--families
according to the borough of the youngest child's
school being as low as it is. Where is it now
according to the MMR?

COMMISSIONER BANKS: It has gone up, but
it's not where we want it to be.

CHAIRPERSON LEVIN: It's still under 60%?

2 COMMISSIONER BANKS: Correct, and--

3 CHAIRPERSON LEVIN: 50%?

4 COMMISSIONER BANKS: Yeah.

5 CHAIRPERSON LEVIN: Between 50 and 60%?

6 COMMISSIONER BANKS: Correct, and again
7 that just reiterates the reason why we want to move
8 forward with the borough based shelter approach--

9 CHAIRPERSON LEVIN: Of course.

10 COMMISSIONER BANKS: --in order to do
11 exactly what--

12 CHAIRPERSON LEVIN: [interposing] Got
13 you.

14 COMMISSIONER BANKS: --you're
15 appropriately asking us to do.

16 CHAIRPERSON LEVIN: Okay. Metro Cards.

17 COMMISSIONER BANKS: Yes.

18 CHAIRPERSON LEVIN: Why are we not giving
19 families monthly Metro Cards? Why do they have to
20 get weekly Metro Cards? People are wasting time,
21 everybody's time. They're wasting the support staff
22 at DOE's time. They're wasting their own time going
23 and getting a Metro Card every single. It would be
24 cheaper--everybody--everybody that uses public
25 transportation knows it's cheaper to get a monthly

1 metro Card than to get a weekly Metro Card. Why on
2 earth are we making families get weekly Metro Cards?

3
4 COMMISSIONER BANKS: We'll—we'll follow
5 up with DOE on that.

6 CHAIRPERSON LEVIN: Okay, that is -that
7 is a no-brainer. The idea is that we're going to-
8 that we're going to lose money because at some point
9 during the month families are going to move out of
10 shelter, and they're not going to use it? That's
11 silly, that is silly, silly, silly--

12 COMMISSIONER BANKS: [interposing] Look--

13 CHAIRPERSON LEVIN: [interposing] With
14 everybody's time, everybody's time. People have to
15 go-if you're-just-just I mean think about it for a
16 second. If you're-if you're placed in East New York
17 and you got schlep to Downtown Brooklyn to pick up a
18 Metro Card every week that is a pain in the neck.

19 COMMISSIONER BANKS: We'll follow up with
20 DOE.

21 CHAIRPERSON LEVIN: Okay. [coughs] HOPE
22 Count results. On the night of January 2, 2018, the
23 Annual Homeless Outreach Population Estimate, HOPE
24 count took place in New York City. In Fiscal 17,
25 there was a sharp increase in the number up to 30-

1 3,892 compared to 2,794 in 2016. So, that's about a
2 little bit over a thousand, and--and DHS at the time
3 cited warmer weather for the higher count. What can
4 we expect the result to be for the 2018 HOPE count
5 and what remedy did DHS adopt to adjust for weather
6 fluctuations in this year's count?
7

8 COMMISSIONER BANKS: You can't--

9 CHAIRPERSON LEVIN: [interposing] It's
10 pretty cold, right?

11 COMMISSIONER BANKS: No, it's pretty
12 warm. You can't--it was a cold winter, but that
13 particular night was warm. We said there are two
14 factors in the 17 number. One is the underlying
15 economic factors, and two, the count varies with
16 weather. We will, you know, continue to do the count
17 when HUD directs us to do it, which is that single
18 point in time night--

19 CHAIRPERSON LEVIN: Uh-hm.

20 COMMISSIONER BANKS: --and I don't think
21 that there's anything you can do to address just for
22 weather variations.

23 CHAIRPERSON LEVIN: Okay. While you're
24 answering the next question, I'll look up what the
25 weather was on that night in the country. Okay, is

1
2 it-it's a well known fact that many medically frail
3 street homeless New Yorkers go in and out of the ERs,
4 the emergency departments in many of the hospitals in
5 New York City. In 2017, during the night of the HOPE
6 Count there were 56 street homeless individuals in
7 emergency rooms and hospital waiting rooms in the
8 Bronx alone. Yet, the HOPE Count does not include
9 emergency rooms and hospitals in the count. Is there
10 a reason why—is that a HUD mandate or is there a
11 reason why—why—why ERs are not counted?

12 COMMISSIONER BANKS: Right. I mean the
13 focus on the HUD methodology is people who are on the
14 streets or in the subways and people that are in—in
15 shelter, and so that's been the methodology that's
16 been in place for a number of years, but we'll
17 certainly take a look at—at what you're asking me.

18 CHAIRPERSON LEVIN: Okay. The New Needs
19 in—in FY19 in the Exec Budget for street homeless
20 programs increases by \$17 million. Can you explain
21 what that \$17 million will be doing?

22 COMMISSIONER BANKS: It relates to the
23 operation of Drop-in Centers and additional Safe
24 Haven beds.

25 CHAIRPERSON LEVIN: Okay.

COMMISSIONER BANKS: For example, the Drop-In Center on 14th Street will be opened, and additional Safe Haven beds will be online.

CHAIRPERSON LEVIN: Thank you. The low on the night of January 22nd was 37 degrees. So--

COMMISSIONER BANKS: Right.

CHAIRPERSON LEVIN: --not warm, but not freezing. Are you aware that the--the Comptroller is coming out with a report today regarding DHS spending? Are you familiar with that?

COMMISSIONER BANKS: I'm not familiar at all. So, we got word that there's been a report coming out by the Comptroller expressing some frustration with the amount of transparency in the DHS Budget, and some concern around the budget increase, and specifically mentioning that while we've seen from 14 to today, an increase and a seven-fold increase in prevention and permanent housing budgets in-between DHS and--and HRA with the--with the housing programs, the rental assistance programs that--that we haven't seen, you know, a commensurate decrease in the Shelter Census. Do you care to respond to the Comptroller's--?

CHAIRPERSON LEVIN:

COMMISSIONER BANKS: I'd be happy to read
the report and respond as appropriate.

CHAIRPERSON LEVIN: Obviously that
remains a concern. I mean it goes back to my initial
questions, which is as we're looking at a seven-fold
increase in--in the prevention and--and in the--in the
rental assistance, what more can we be doing to get
that shelter census down? So, that's something that
we want to be focused on that for the next three
years and--and six month, you know, but we have to do
better. So, I look forward to--

COMMISSIONER BANKS: We'll--we'll be
focused on it together.

CHAIRPERSON LEVIN: Back to the budget.
Perhaps and one shots are--as Chair Dromm said in his
opening statement are public assistance benefits and
are therefore issued out of the public assistance
budget, I feel it means that we can't delineate on
our end what those budgets are. So, can you tell us
what the--what the emergency arrears or one shots what
that budget was for--either for FY18 or FY19 and what
the budget is proposed for Fiscal 19, and can we work
with you to figure out a way--I understand that it's
in the Public Assistance Grant Budget line, but--but

1
2 certainly you know what you're spending on it. Can
3 you--is there a way that you can provide that for us
4 in--in real time so that we can accurately understand
5 what's going on with these programs.

6 COMMISSIONER BANKS: I know that as part
7 of the staff, the staff discussion, there's a--a focus
8 on how we can report to you. Those are public
9 assistance benefits. So, therefore, they're part of
10 the public assistance caseload. I think in the
11 testimony I say we spent last year \$210 million in
12 one-shot renter arrears payments to help prevent
13 evictions, which is a significant increase over what
14 it was in 2013 for example. I think nobody would be
15 suggesting that we should not be paying one-shot
16 payments to prevent evictions, and it is a public
17 assistance grant. In terms of FEPS, you know, that's
18 a significant effort to move from a world in which
19 city FEPS was 100% city tax levy to a world in which
20 FEPS is paid for through public assistance shares,
21 which will result in an annual savings of about \$10
22 million city tax levy by having that become part of
23 the public assistance budget rather than 100% city
24 tax levy program, but that--

1
2 CHAIRPERSON LEVIN: [interposing] I'm not
3 recommending that it be under a city tax levy. We
4 want to just know what the budget is for the coming
5 year.

6 COMMISSIONER BANKS: Right, but I—I think
7 it's important to understand that those are public
8 assistance benefits, and the eligibility, you know,
9 the payment depends on who comes in and who's
10 eligible. We will work with the--

11 CHAIRPERSON LEVIN: [interposing] Well,
12 with the other programs, though, and frankly--

13 COMMISSIONER BANKS: [interposing]
14 Actually, it's different because there's—there's an
15 entitlement to get certain benefits if you meet the
16 eligibility criteria for those public assistance
17 programs, and we think that those—that's an
18 important—so you had to change it with FEPS.

19 CHAIRPERSON LEVIN: Right, you have to
20 budget for it.

21 COMMISSIONER BANKS: That's correct, but
22 there are also—they're largely stat and federal
23 reimbursements available to us for those programs
24 that weren't available to it previously.

1
2 CHAIRPERSON LEVIN: Right, I understand
3 that. In our budgets we—we differentiate between
4 what city, state and federal allocations are for
5 certain programs. It doesn't mean that we don't know
6 what the budget is going to be for the next year.

7 COMMISSIONER BANKS: Yeah, but I'm not
8 being resistant to you. I'm simply saying we're
9 trying to work out at the staff level, but the \$200
10 million--\$210 million in renters is part of a \$1
11 billion state and federal and city entitlement
12 program.

13 CHAIRPERSON LEVIN: Uh-hm.

14 COMMISSIONER BANKS: So, that's the
15 magnitude of it of how it operates and where it's
16 placed. Again, I think we'll get you that number.
17 It's roughly twice as much in expenditures to prevent
18 evictions than was it was 2013, but we will continue
19 to work at the staff level to figure out a way in
20 which we can provide you with the information that
21 you need for oversight, and again, continue to give
22 us the ability to operate the Public Assistance
23 programs.

24 CHAIRPERSON LEVIN: Okay, in the Rental
25 Assistance Program Executive Budget, SEPS is still at

1 zero, Proposed FY19 Exec and City FEPS is proposed at
2 \$9 million where its current FY18 allocation is up-is
3 \$27 million, and it was \$20 million at Prelim last
4 year. So, that-that grew, you know, but it was our
5 Prelim in '18 it was \$20. It's at \$9 now and SEPS is
6 at zero.
7

8 COMMISSIONER BANKS: So, there are two
9 different factors at work there. Approximately--
10 [background comments, pause] approximately 80% of the
11 city FEPS caseload should be eligible for State FEPS,
12 and so the change in the city allocation reflects
13 moving cases from city FEPS to-for FEPS (sic) again,
14 which brings us federal and state reimbursement that
15 up to this point haven't been available to us for
16 those-for that--

17 CHAIRPERSON LEVIN: [interposing] Do you
18 anticipate budget mod in city FEPS up from its-from
19 its \$9 million--\$9.08 million at adoption.

20 COMMISSIONER BANKS: The intention is to
21 get as much state and federal reimbursement as we can
22 by making sure that any who is eligible for state
23 FEPS who previously got city FEPS is transferred to
24 that program. That was there--there was as part of
25 the settlement of the litigation that the Legal Aid

1 Society brought against the state, and that we think
2 is a beneficial change. In terms of FEPS, FEPS
3 didn't have its own budget code when it was
4 originally created because our hope ultimately was
5 that we would be able to streamline these programs.
6 When we do successfully streamline them as a result
7 of the discussions with the state or continue to be
8 helpful, we will be able to address the issue that
9 you see, which is one of simply moving money to fill
10 whatever need there from the numbers of people that
11 have SEPS. Clearly, there are people paying rent now
12 with SEPS, but once we have one rental assistance
13 program, you won't need to have separate budget codes
14 for different of these program, because whoever,
15 they're going to get one voucher from us.

17 CHAIRPERSON LEVIN: Okay, can I make a
18 recommendation?

19 COMMISSIONER BANKS: Sure.

20 CHAIRPERSON LEVIN: I mean obviously we
21 would like to be part of that conversation that
22 you're having with the state. So, that's—that's one.
23 Number 2, as these—if—if the plan is to combine all
24 of these programs, we're then—that's going to present
25 a challenge of transparency for us because if it's

1 all one program, we won't know how many are being
2 allocated under for--for which population, and how
3 much is allocated accordingly--

4 COMMISSIONER BANKS: I'm assuming it is--

5 CHAIRPERSON LEVIN: --to the budgetary
6 amount. So, that's--that's we--that's going to be
7 something we should really talk about before--before
8 we just get a budget line that's like less
9 transparent than it is today.

10 COMMISSIONER BANKS: I'm assuming that
11 the reporting that we're going to do with you will
12 address what your concerns are, but in order to have
13 one program rather than multiple programs, we think
14 that that's going to be more effective for landlords
15 and more effective for clients, but we do understand
16 the oversight role you have as well.

17 CHAIRPERSON LEVIN: Yeah, absolutely, and
18 I'm not saying that we shouldn't. I'm just--keep in
19 mind that we're going to have a transparency question
20 about that.

21 COMMISSIONER BANKS: Understood.

22 CHAIRPERSON LEVIN: For supportive
23 housing I just want to clarify about FMR for a
24 scatter site.
25

COMMISSIONER BANKS: We've increased the rental payment for studios to the FMR.

CHAIRPERSON LEVIN: Okay, but just to be clear, other programs LINC, City FEPS, perhaps are not at FMR, is that right?

COMMISSIONER BANKS: All of those programs are programs that we're hopeful that we'll be able to come an agreement with the state in terms of rental assistance streamlining and the rental assistance reimbursement will be available to us from the state, and all of those programs would be modeled on--If that happens, all of those programs would be modeled on the settlement between the Legal Aid Society and the state and the FEPS program. We are able to increase the--the studio payments and the 15/15 program because that's part of 100% City Tax Levy program, but there's not any state reimbursement there.

CHAIRPERSON LEVIN: Do you see that as one of the challenges with there being an uptake on the--on the voucher programs is the fact that they're not at fair market rent? Because I--one of the things, by the way, that Meera found intrepidly when doing the preparation for the--the Preliminary Budget

1 Hearing is that we're—we're actually like
2 underspending on our—on the Voucher programs by tens
3 of millions of dollars, which indicates to me that
4 while they're being issued to people, they're—they're
5 not being accepted, and so there's the challenge, of
6 course, of—of—of source of income discrimination.
7 Is—is the value of a voucher and issue?
8

9 COMMISSIONER BANKS: So, I want to just
10 make sure for the record that I address the comment
11 about underspending. The—I think about \$25 million
12 that were identified as underspending relates to the
13 fact that we're only paid through March so far. So,
14 we have the rest of the fiscal year to get through.

15 CHAIRPERSON LEVIN: No, no, that was for
16 previous years. The \$25 million was for--

17 COMMISSIONER BANKS: [interposing] If—if
18 I could—if I could finish.

19 CHAIRPERSON LEVIN: --for FY17, FY—FY16
20 and FY17.

21 COMMISSIONER BANKS: Alright, if I could
22 finish, though, the rest.

23 CHAIRPERSON LEVIN: [interposing] It's
24 like \$90 million.

1
2 COMMISSIONER BANKS: There's a
3 significant portion of that that relates to the
4 Federal Tenant Based Rental Assistance Program, and
5 that is a program in which we were given a set amount
6 of people who could participate in it. So, whatever
7 year those particular people rent an apartment, that
8 money is available for them. So that's not
9 underspending, that's a grant that goes to a
10 particular individual. Some of the items that you're
11 identifying relate back to when the programs were
12 first created back to FY16. That was when some of
13 these were just brand new programs, and the spending
14 was less than what was projected as they were being
15 ramped up.

16 CHAIRPERSON LEVIN: But we were—when—
17 Prelim we weren't at \$25 million underspent. We were
18 at \$90 million underspent.

19 COMMISSIONER BANKS: But again the parts
20 of that underspending that were being identified,
21 relate do prior years when the program just began
22 that related to Federal Tenant Based Rental
23 Assistance, which is person-specific, and when that
24 person uses their particular voucher, they will be
25 able to—that money will be drawn down whatever year

1 they use it in, and some of it relates to the point
2 in time. But again, I think that some of these
3 issues we'll be able to deal with more effectively
4 between the Council and the our agency where we come
5 with a—a good way of here's the packet of reports,
6 and where's where you can look at them.
7

8 CHAIRPERSON LEVIN: Okay, to get away
9 from the point in time issue, though, maybe for—to—to
10 look at—at what the actual drawdown was in FY18, you
11 know, some time in July we sit down and go through
12 the numbers, and see what we spend in FY18. Because
13 I don't know if you answered my question. I'm
14 concerned that the fair market—that the value of
15 vouchers being under fair market rent put voucher
16 holder at a disadvantage when they're trying to find
17 an apartment because it's under the fair market rent.
18 Fair market rent is under the actual rent, you know,
19 the competitive rent, but if we're not even close to
20 the fair market rent, how are people supposed to be
21 able to find an apartment?

22 COMMISSIONER BANKS: Right. I—I know
23 you're as concerned as we are, too, and our ability
24 to claim reimbursement from the federal and state
25 government for any of these programs, and that's

1 clearly a factor in our ability to claim
2 reimbursement.
3

4 CHAIRPERSON LEVIN: The capital, move
5 onto capital. One of the focuses of DHS's Capital
6 Commitment Plan is the maintenance and expenses of
7 transitional housing for homeless families and single
8 adults. So, in the Preliminary 18 to 21 Capital
9 Commitment Plan, it reflects \$117 million to renovate
10 the 30th Street Men's Shelter also know as Bellevue.
11 How does DHS manage—first of all, how do they manage—
12 how do you manage capacity of shelters when there's
13 major repair work to be done, and secondly there's
14 was \$300 million that was added as part of last
15 year's Capital Budget to improve the quality of the
16 existing shelters potentially with expansion. When
17 can we expect that to—to begin?

18 COMMISSIONER BANKS: We're working very
19 closely with HPD. This is part of Turning the Tide
20 Plan in which we are evaluating all of our shelters
21 that we're operating to see whether or not the land
22 that we're currently using and the physical space
23 that we're currently using could be made more
24 efficient, and we'll continue to work with HPD on
25 that, and we're hopeful to be able to give you more

1
2 information, you know, as soon as we can. But it's
3 certainly an act of initiative by HPD and the
4 Department of Homeless Services.

5 CHAIRPERSON LEVIN: Okay, and so my
6 question about the—how are you managing shelters?

7 COMMISSIONER BANKS: Oh, I'm sorry, I
8 didn't—I—I forgot there's a first part to that.
9 That's one of the challenges that we have in making
10 these kind of repairs to be able to minimize the loss
11 of capacity, and we work with DDC and other partners
12 to implement these kinds of things. The Bellevue
13 building is a currently an old building and there's—
14 with issues that need to be addressed, and pointing
15 (sic) issues that need to be addressed on the
16 outside, and then there are internal changes that we
17 want to make in order to modernize the—the experience
18 that the clients have in a very old building. But
19 part of—you put your finger on part of the challenge
20 of doing this. The outside repairs could be made
21 without those constant challenges, but the inside
22 repairs need a—need the creation of swing space and
23 other things—step to take in order to address
24 renovations with people in place.
25

1
2 CHAIRPERSON LEVIN: Okay. Onto Model
3 Budget. So, the very interesting topic of fringe
4 rates. So, model budget caps the fringe rate for
5 not-for-profits at 26%. (a) How is that number
6 arrived; (b) what's the fringe rate that DHS is
7 paying for its own employees, and I'm assuming--
8 assuming that that's higher, why was that not
9 included in the model budget? [background comments]
10 In other words, how can we expect not-for-profits to--
11 to operate under a 26% fringe rate? We're not.
12 We're hearing from a lot of them that they can't.

13 COMMISSIONER BANKS: I think, as you
14 know, this is part of an overall citywide resiliency
15 focus on the not-for-profits sector--

16 CHAIRPERSON LEVIN: Uh-hm.

17 COMMISSIONER BANKS: --as opposed to a
18 particular agency focus, and we--we're one of the
19 first agencies to have a model budget process, and
20 so, therefore, I think there's a focus on how we're
21 doing it--

22 CHAIRPERSON LEVIN: Uh-hm.

23 COMMISSIONER BANKS: --but the rates that
24 we're paying are--they're citywide--a city wide
25 initiative.

1
2 CHAIRPERSON LEVIN: -- Okay, but how-so,
3 do you-what-what do we pay for a fringe for DHS
4 employees? [background comments, pause]

5 COMMISSIONER BANKS: I think the city-the
6 fringe is a citywide rate established through
7 collective bargaining by OMB--

8 CHAIRPERSON LEVIN: Uh-hm.

9 COMMISSIONER BANKS: --and I'll have to
10 get the exact specifics of-it's not something that I
11 have at my-my fingertips.

12 CHAIRPERSON LEVIN: It's probably higher
13 than 26%.

14 COMMISSIONER BANKS: We'll give you the
15 information and you'll-you'll have it at the
16 conclusion I think is best.

17 CHAIRPERSON LEVIN: Okay, and-and I think
18 that there's some concern that that's-that that
19 fringe rate is low. How is-I'm sorry, how is the 26%
20 arrived at?

21 COMMISSIONER BANKS: It was arrived
22 through a citywide process--[background comments,
23 pause] Again, we were I think the first agency to
24 have this model budget process and OMB looked at what
25

1 the historical rates were, and that's how the rate
2 was calculated.

3
4 CHAIRPERSON LEVIN: Okay, I'm pretty sure
5 that when to not-for-profits, they're going to tell
6 me that that's--that--that's not enough to cover their
7 accrual fringe benefits, or if they want to supply
8 good fringe benefits to people, I suppose that they
9 could, you know, cut back on benefits, but I don't we
10 want to do--see any of that. [coughing]

11 COMMISSIONER BANKS: As I said, it was a
12 process that involved the agency and OMB evaluating
13 what had been paid, and--and what was it possible to
14 be paid by the city. Remembering that the total
15 investment we're making in services is \$236 million--

16 CHAIRPERSON LEVIN: [interposing] Right,
17 and--

18 COMMISSIONER BANKS: --including--
19 including this model budget comparison.

20 CHAIRPERSON LEVIN: And that's
21 appreciated. We rely on our not-for-profit partners
22 to provide for I don't know, probably 65% of people
23 in shelter. So, without--without the not-for-profit,
24 the system falls apart over night.

COMMISSIONER BANKS: So, the not-for-profit sector is a very valued partner that we have. As you know, I come out of the not-for-profit sector. I also want to come back to this as a substantial investment, a quarter of a billion dollars in investment in the not-for-profit sector that we're making.

CHAIRPERSON LEVIN: One of the new requirements is to boost housing placements by 15%, which is great.

COMMISSIONER BANKS: I'm sorry. I didn't quite hear what you said?

CHAIRPERSON LEVIN: One of the new metrics as part of the model budget is to boost housing-housing placements by 15%. So, that's right. So, one of the-it's a-it's a quality performance management metric?

COMMISSIONER BANKS: I'm not sure what you're referring to.

CHAIRPERSON LEVIN: The new Performance Management System requires that not-for-profits boost housing placements by 15%. Is that not correct? [background comments, pause] It's part of the compliance measures. It's part of the--

1
2 COMMISSIONER BANKS: I'm not sure where
3 you're getting that 13% from, but we're happy to talk
4 to you offline about it, but we're very focused on
5 increasing the shelter move-outs.

6 CHAIRPERSON LEVIN: So, what resources
7 are going to be part of—so the number aside. Let's
8 just say it's 15% for argument's sake, what are the
9 resources that are being provided to the not-for-
10 profits to do that, to get those, to get those
11 placements up. I want to see them up obviously. A
12 broken record on this.

13 COMMISSIONER BANKS: We're—we're
14 investing a quarter of billion dollars in not-for-
15 profit shelters.

16 CHAIRPERSON LEVIN: Specifically on that
17 specific thing, what—what is—what is being resources
18 those not-for-profits to get placements, permanent
19 housing placements up?

20 COMMISSIONER BANKS: Right, well the
21 housing—I want to keep coming back to the significant
22 investment in the not-for-profit sector that is going
23 to help our partners, which do a great job raise the
24 bar for delivery of services. The—art of the model
25 budget, as I said, reduces the ratio from 1 to 50

1 from 1 to 50 to 1 to 40 for housing specialists. It
2 gives a tremendous amount of investment in their
3 operations. They provide social workers for every 25
4 families.
5

6 CHAIRPERSON LEVIN: Except for the kids
7 in hotels?

8 COMMISSIONER BANKS: We are set to take a
9 look at that, but in terms of the operation of
10 traditional shelters, I want to keep-keep coming back
11 to that. This is a very substantial investment in
12 helping the providers to be able to provide the kind
13 of services they want to provide, which they had
14 trouble providing years past because of under-
15 investment. The whole reason we're making these
16 investments is because we agreed that they had had
17 trouble providing services because of under-
18 investments.

19 CHAIRPERSON LEVIN: Okay. Being that
20 we're having an entire hearing on this topic in late
21 June, I'll leave-I'll leave the rest of the questions
22 on model budgets for that.

23 COMMISSIONER BANKS: Okay, I-as you know,
24 I've-I've come almost every month for a hearing, and
25

1 I'm happy to—to do whatever you think is helpful to
2 continue to discuss the issue.

3
4 CHAIRPERSON LEVIN: Great. Okay. I'll
5 turn it back to my co-chair.

6 CHAIRPERSON DROMM: Thank you, very much,
7 Chair Levin, and with that we're going to thank this
8 panel. Thank you for coming in, Commissioner, and we
9 appreciate you working with us.

10 COMMISSIONER BANKS: Thank you very much,
11 Chair, and I appreciate giving me the opportunity to
12 present our testimony on behalf of two agencies in
13 the time that it took. Than you.

14 CHAIRPERSON LEVIN: Absolutely,
15 absolutely, thank you very much. We are going to
16 take a two-minute break, and then we're going to
17 start with the Administration for Children's Services
18 [background comments] in about two minutes literally.

19 CHAIRPERSON LEVIN: Okay, okay. I'll be
20 back. I've got to get my lunch. [pause]

21 CHAIRPERSON DROMM: [gavel] Okay, we
22 will now resume the City Council's hearing on the
23 Mayor's Executive Budget for Fiscal 2019. The
24 Finance Committee is joined by the Committee on
25 General Welfare chaired by Council Member Steve Levin

1
2 and the Committee on Juvenile Justice chaired by
3 Council Member Andy King. We've been joined by
4 Council Member Bob Holden, and Council Member Diana
5 Ayala, and Council Member Treyger. We just heard
6 from the Human Resources Administration, and now
7 we'll hear from David Hansell, Commissioner of the
8 Administration for Children's Services. In the
9 interest of time, I will forego making an opening
10 statement, but before we hear testimony, I'll open
11 the mic to my co-chairs Council Member Levin followed
12 by Council Member Kings.

13 CHAIRPERSON LEVIN: Thank you very much,
14 Chair Dromm. So, I'll recognize—to recognize
15 everybody Council Member Holden and Treyger. I want
16 to thank the Administration for testifying and look
17 forward to hearing from Commissioner Hansell and ACS.
18 I want to welcome everybody here to the 2019-Fiscal
19 Executive Budget Hearing on the General Welfare
20 Committee held jointly with the Committee on Finance,
21 chaired by Council Member Danny Dromm, and the
22 Committee on Juvenile Justice, chaired by Council
23 Member Andy King. Today, we will hear testimony from
24 the Administration for Children's Services also known
25 as ACS on its proposed \$2.94 billion budget for

1 Fiscal 19 and general agency operations. Over the
2 past several years, this committee has worked in
3 partnership with the—with the administration to make
4 huge strides at ACS. Nowhere has this been clearer
5 than ACS's paramount responsibility to this city to
6 keep our children safe. Together we've made
7 significant new investments in child protection and
8 child welfare including \$24 million last year in
9 preventive service enhancements. Today, I hope to
10 hear an update on the implementation of those reforms
11 and discuss next steps, and I want to thank
12 Commissioner Hansell for his laser-like attention to
13 these reforms and these improvements. Regarding
14 Early Childhood Education, the Fiscal 19 Executive
15 Budget shows the return transfer of \$341 million from
16 the Department of Education back to ACS. This
17 reflects an additional seven months to pay for
18 contracts and staff, and underscores that the scale
19 of this transition is enormous. We need to stay
20 vigilant to ensure that the 30,000 children in Early
21 Learn plus their families and providers benefit as
22 much as possible from this transition. To that end,
23 the Council called for pay parity for child care
24 providers in its Preliminary Budget Response.
25

1
2 However, that issue is not addressed in the Executive
3 Budget. I believe that if we get this right, we'll
4 have a comprehensive 0 to 12 public education system
5 that will be the envy of every city in America and I
6 look forward to discussing the Early Learn transition
7 today and at a hearing next month, and I also want to
8 acknowledge Chair Treyger will be conducting a
9 hearing as well. I also want to talk about our
10 voucher system and how the Council can work with the
11 Administration to improve the reach and quality of
12 childcare programs that will remain at ACS. I was
13 disappointed that the Council's called the baselined
14 \$14.8 million for the Special Childcare Funding
15 Vouchers was absent from the Executive Budget, but I
16 am hopeful that this will change as we negotiate a
17 final budget. Finally, I hope to hear about the
18 important recommendations of the Foster Care Task
19 Force, which I was proud to be a part of with many
20 members of the ACS leadership team as well as
21 advocates and providers and foster youth from
22 throughout New York City. We'd love to see if those
23 recommendations could be fully funded, and starting
24 with-with this Executive Budget and the Adopted
25 Budget. Before I introduce my co-Chair, I'd like to

1
2 thank the committee staff for their work in preparing
3 for hits hearing Daniel Kroop, Finance Analyst,
4 Dohini Sompura, Unit Head; Council Aminta Kilowan'
5 Policy Analyst Tanya Cyrus, and Legal Fellow Rabia
6 Qasim. I'd also like to my Chief of Staff Jonathan
7 Boucher; my Legislative Director Elizabeth Adams, and
8 my Budget Director Edward Paulino. I'll now pass it
9 over to the Chair of the Committee on Juvenile
10 Justice Council Member Andy King.

11 CHAIRPERSON KING: Thank you, Chair Levin
12 and thank you also Chair Dromm for today's hearing.
13 As you know I'm New York City Council Member Andy
14 King, Chair of the Juvenile Justice Committee. As
15 Chair Levin has already said that we'll be hearing
16 testimony from the Administration of Children's
17 Services on its proposed \$2.94 billion budget for
18 Fiscal 2019. Funding for Juvenile Justice programs
19 within the Division of Youth and Family Justice Group
20 by \$28.1 million between Fiscal Year 2019 Preliminary
21 Budget and Executive Plans to a total of \$223.8
22 million. The Budget increase by \$51.3 million as a
23 result of the first phase of Raise the Age
24 implementation. The Council continues to monitor
25 Raise the Age implementation as a key cross-agency

1
2 priority. Not only must all 16 and 17-year-olds come
3 off Rikers by October 1st, but the age of criminal
4 responsibility raised to age 17. This has a
5 significant impact on ACS as well as our court and
6 Criminal Justice Systems. The overall cost of
7 implementing Raise the Age in Fiscal Year 2019 is
8 over \$113 million across city agencies. I want to
9 learn more about ACS and its overall budgetary plans
10 for Raise the Age. I also want to understand the
11 staffing model and budget headcount, its game plan
12 for training a new staff, how progress is going on in
13 critical capital improvements, and many other
14 pertinent issues. Unfortunately, the city had to
15 fill the loss of \$35.5 million in State funding to
16 Close to Home Program. The Close to Home Program
17 would play an important role—an important part in
18 transitioning young people coming off of Rikers and
19 to Juvenile continuum. We also continue to partner
20 on issues of alternative to detention a long time
21 priority for the Council and how to provide after
22 care and re-integration supports to our young people.
23 But before I introduce the commissioner, of the City
24 of the Administration of Civil Service, I want to
25 thank committee staff for their work in preparing

1 today's hearing: Daniel Kroop, Finance Analyst;
2 Donhin Sompura, Unit Head; Counsel Beth Golab and
3 Josh Kingsley and Policy Analyst William Honick (sp?)
4 but I also want to add after a number of
5 conversations between the last 24 hours I have
6 drafted a letter that we're going to be sending to
7 the Commissioner as well as the Governor, Speaker
8 Hasting, as well as Sheila Poole, the Acting
9 Commissioner of the Office of State of Children and
10 Family Services based on the understanding and some
11 of the hiccups that have occurred over the last year
12 responding to a letter that was sent to the city on
13 April 18th in regards to some of the challenges that
14 went in order to meet the deadline of October 1st,
15 and as I always said, when we started our
16 conversations, it's not about I got you moments, but
17 how do we partner up to making sure that our
18 students, our young people who are transitioning off
19 of Rikers or get caught into system that that the
20 adults responsible for that care put together a
21 system that makes sense, that's going to be stable to
22 help our young people transition to be positive
23 adults. So, I'm looking forward to us community-
24 community-having great communication form the State
25

1 level to now. Whatever happened in the last 12
2 months, okay, but we are four months out. We got to
3 make sure that we do what's ever necessary to make
4 sure we meet our October 1st deadline, and if that's
5 impossible, or improbably or the challenge is to make
6 sure this house is not stable, then we need to figure
7 out what that other plan should look like. So, to
8 the Commissioner, we're looking forward to your
9 testimony today, and now I will turn it over to
10 Commissioner David Hansell for his testimony, but
11 first, I'll turn it over to Counsel.

13 CHAIRPERSON DROMM: Just before we start,
14 I-I want to remind members, Council Members that we
15 are scheduled to be here 'til 2:30, but because we're
16 starting late, I have a hard stop time at 3:00 p.m.
17 So, I'm going to ask Council Members to please keep
18 their questions, you know, within the 3-minute time
19 limit, and-and I have to be strict with that, and
20 also to the Commissioner, if you can summarize your
21 material. We appreciate all the effort you put into
22 this, but we do have that strict time line.

23 COMMISSIONER HANSELL: Uh-hm.

24

25

CHAIRPERSON DROMM: Thank you,
Commissioner, and I'm going to ask Counsel to swear
you in.

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

COMMISSIONER HANSELL: I do. Alright.
Good afternoon Chair Dromm, Chair King, Chair Levin,
members of the committees. I'm David Hansell,
Commissioner of the New York City Administration for
Children's Services. Here at the table with me are
to my right Lisa Parrish, who's our Deputy
Commissioner for Financial Services. To my far left
Lorelei Vargas, who's our Deputy Commissioner for
Child and Family Wellbeing, and to my left Felipe
Franco, who's our Deputy Commissioner for Youth and
Family Justice, and I have many other members of my
team here to answer questions as you—as you pose them
to us. I very much appreciate this opportunity to
update you on ACS's Fiscal Year 2019 Executive
Budget, and many of the important improvements that
we're making to our systems for our providers and
most importantly for the children and families that
we serve. When I testified before you in March, I

1 talked in some detail about the progress we've
2 achieved during my first year at ACS in implementing
3 changes in practice reforms to usher us towards a
4 more efficient and effective system. Today, I'm
5 going to focus more on the investments that are
6 embodied in the Mayor's Executive Budget for Fiscal
7 Year 2019 that will support our continue movement
8 forward. But first, I want to say a few words about
9 the State and Federal Budget context for our city
10 budget discussions, but I think it's very important
11 for all of use to be aware of. When I testified in
12 March, we discussed the Proposed State Budget, which
13 as you know, would have made the most drastic cuts to
14 child welfare in New York City in decades. I am very
15 happy and very relieved to report to you that the
16 final State Budget did not include a cap on child
17 welfare funding, and that will enable us to continue
18 the tremendous progress that we've made towards
19 stronger protocols, for maltreatment investigations,
20 expanded programs to support families and a record
21 low number of young people in foster care. That was
22 a tremendous victory for all of us I think in the
23 child serving community in New York City. I want to
24 thank you members of the Council for your powerful
25

1
2 advocacy with the State Legislature on behalf of our
3 children, our city's children and families. I want
4 to thank the children's advocacy community in New
5 York City who did extraordinary work to make sure the
6 State Legislature understood what the potential
7 impact of the cuts would have been, and persuaded
8 legislators to maintain the stat's commitment to our
9 work. That's the good news. The bad news as Chair
10 King alluded to in his opening statement is that the
11 State Budget does include troubling cuts to our
12 successful Close to Home program. The Budget
13 reauthorizes the Close to Home program, but it
14 provides zero funding for that program from the
15 state. We are deeply disappointed that the budget
16 does not continue the shared State fiscal
17 responsibility for Juvenile Justice in New York City,
18 which had always existed previously, and which
19 continues to exist in the rest of the state. We're
20 committed to continuing the program. It has helped
21 hundreds of young people, thousands of young people
22 get their lives back on track, and we will continue
23 to seek State support for the work that we're doing,
24 and we remain hopeful that the State will do what is
25 right by our youth and restore funding, and we

1 appreciate the Council's support in that effort. On
2 the federal level, a couple of very important
3 developments I wanted to share with you related to
4 first our Federal IV-E Waiver, which I'll explain,
5 and then the recently enacted Family First Prevention
6 Services Act. As you may know, Title IV-E is the
7 Federal funding stream under the Social Security Act
8 that's the primary source of federal funding for
9 child welfare across the country, but it only allows
10 states to draw federal dollars if children are in
11 foster care. And such, the federal funding scheme
12 essentially incentivizes states and localities like
13 New York City to fund foster care placements over
14 services that are designed to prevent the need for
15 foster care. So, to counteract that, sine 2014, New
16 York City has received the Title IV-E Waiver that
17 allows us more flexible use of that money to test out
18 new approaches and finance different structures to
19 allow a broader array of services to improve child
20 welfare outcomes. Through the Title IV-E Waiver we
21 created a program called Stronger Families New York
22 City, which has invested more than \$200 million in a
23 number of initiatives, and in keeping with Chair
24 Dromm's request, I will not go through them in
25

1 detail, but as you can see, we've reduced foster care
2 caseloads, and we've implemented a number of
3 innovative and evidence-based initiatives to improve
4 the quality of services to young people. However,
5 our IV-E Waiver is set to expire this December. We
6 are intending to request a waiver, which actually the
7 State has to do on our behalf for the federal
8 government, that could go through September of 2019,
9 but that waiver is subject to first state and then
10 federal approval. In any event, even if we get it,
11 the Federal Statutory Authority for those waivers
12 expires on September 20–September 30, 2019 unless
13 Congress chooses to extend it. So, we are facing the
14 imminent end of that waiver and having to make some
15 decisions about what we do in terms of our follow-on
16 ability to support our programs. Second, Congress in
17 February of this year passed something called the
18 Family First Preventive Services Act, Prevention
19 Services Act. It introduces some new options, but
20 also some new risks to child welfare funding for
21 jurisdictions across the country. Family First Law
22 aims to reduce foster care placements by allowing
23 federal reimbursement for certain preventive services
24 to families and children in their homes and
25

1 communities, which would be a first, but the law also
2 contains provisions that could significantly reduce
3 the likelihood of our receiving Federal IV-E Funding
4 for many foster children who are placed in congregate
5 care, and it also imposes related unfunded practice
6 mandates on the states and localities. Now the new
7 law allows states like New Yorkers to request a delay
8 in the implementation of its new provisions from 2019
9 to 2021. It also allows states to decide whether to
10 exercise the preventive services option at all. The
11 New York State Office of Children and Family Services
12 is currently analyzing the impact of Family First,
13 and is work with other states to determine next steps
14 and we are working to collaborate with OCFS to
15 develop a response that will best serve our children
16 and families in New York City. As you know, ACS has
17 long been a pioneer in our use of preventive services
18 to reduce foster care placement and in our work to
19 improve outcomes for children in foster care well
20 before the passage of Family First. So, it's
21 essential that we're able to preserve those
22 investments that we have made to reform New York
23 City's Foster Care system, and improve outcomes for
24 the families and children that we serve. So, that's
25

1 the federal and state context for our budget that I
2 will now discuss with you in some more detail. Our
3 Budget for 2019 the Fiscal Year Executive Plan
4 provides for operating expense to ACS of \$2.94
5 billion of which about \$988 million is city tax levy
6 funding. Last year, our Adopted Budget was \$3.3
7 billion. The reduction of \$185 million is primarily
8 due to the transfer of Early Learn NYC to the
9 Department of Education as part of 3-K for all, and
10 that reduction is offset to some degree by the
11 addition of funds to support Raise the Age
12 implementation as well as year-to-year increases in
13 child welfare programs. Like all agencies across the
14 city, we've been asked to identify efficiencies in
15 our budget, and we've been able to do that through a
16 re-estimate of the number of juvenile offender that
17 are placed by the courts outside of New York City.
18 That will save us about \$14.8 billion—million
19 dollars, sorry, in Fiscal 19. Beyond that, we've
20 realized Fiscal Year 19 savings of \$6.4 million in
21 efficiencies and staff vacancies, and \$2.2 million in
22 overtime savings, and I'm very happy to say that none
23 of those savings will impact our ability to provide
24 services to families. As you know, turning to Raise
25

1 the Age, and our Juvenile Justice programs, we are in
2 the midst of implementing one of the most expansive
3 Juvenile Justice reforms in recent history. The
4 passage of Raise the Age a year ago means that as of
5 October 1st of this year, newly arrested 16-year-olds
6 will be treated as juveniles, no longer prosecuted as
7 adults or held in adult facilities, and the same will
8 be true of 17-year-olds beginning October 1, 2019.

9 Unlike any other jurisdiction in the entire state,
10 New York City has the additional requirement to
11 remove all 16 and 17-year-olds from its adult
12 detention facility Rikers Island even before many of
13 them transition into juvenile status under Raise the
14 Age. By October 1st of this year, they, too, must be
15 housed in a non-Rikers facility. to be jointly
16 administered by ACS and the Department of Correction.

17 Since enactment of the legislation just over a year
18 ago, we at ACS together with our sister city agencies
19 and our state partners have been working actively to
20 prepare to receive new 16 and 17-year-olds and Rikers
21 youth into our juvenile detention facilities, and to
22 develop program models and services at these
23 facilities and in the community that meet the
24 developmental needs of older adolescents. I know
25

1 this is an areas where many of you have questions,
2 and we're committed to being transparent and
3 collaborative with the Council throughout this work,
4 and in that spirit, I'd like to share with you today
5 some highlights of the progress we're making to
6 implement Raise the Age. First of all, and I am very
7 excited to announce this to the Council today, the
8 Administration has just reached and agreement with
9 our labor partners to create a new Civil Service
10 title to staff our juvenile detention facilities, one
11 that provides more competitive compensation, and it
12 better reflects the qualifications that will be
13 needed to support and protect young people in the
14 juvenile system after Raise the Age is implemented.
15 Working with the Department of Citywide
16 Administrative Services, and through negotiation with
17 SSEU Local 371 of District Council 37, which
18 represents our staff, we have finalized new Civil
19 Service title, which we are calling Youth Development
20 Specialist or YDS, and I want to personally thank
21 President Anthony Wells of Local 371 and District
22 Council 37 leadership Henry Garrido and his team for
23 their partnership in this effort as well as our
24 partners at the Office of Labor Relations, at DCAS
25

1 and my own executive staff who have worked very, very
2 hard to bring this new title to fruition. With the
3 establishment of the new YDSA title. We can now move
4 forward with our aggressive hiring plan to bring
5 staff on board by October 1st and with continued
6 hiring through 2019 and 2020 to enable us to fully
7 staff both detention facilities. Our intent is to
8 proceed with hiring and training new staff as
9 expeditiously as we possibly can. Funds in the
10 Executive Budget will support our recruitment
11 campaign to attract qualified individuals who are
12 interested in working directly with youth in
13 Crossroad and Horizon our two detention facilities.
14 We've also developed a dynamic recruitment campaign
15 consisting of print, radio, TV, and social media ads
16 that are ready to launch within the next two weeks.
17 We've established partnerships with some of the
18 leading radio stations in the city to help promote
19 this recruitment effort, and we're also working with
20 community organizations and leaders to help recruit
21 potential staff from within the communities that we
22 serve. The work of our frontline staff is critical
23 for creating positive outcomes in the lives of the
24 young people who pass through the doors our Juvenile
25

1 Justice System. It is not an easy job, but it is a
2 critically important one, we look forward to working
3 with the Council to identify the professionals that
4 we need to carry it out. Second, as you know,
5 renovations are well underway both Crossroads and
6 Horizon to ensure that these facilities can meet the
7 demands of a larger population and the unique needs
8 older youth. The total budget for long-term
9 renovations at both facilities is \$329 million with
10 an authorized budget of \$110 million and nearly \$80
11 million already committed in contracts to the
12 Department of Design and Construction. These
13 contracts are funding the immediate health and safety
14 renovations as well as programmatic expansions to
15 meet the needs of a larger population and older
16 youth. Current construction includes renovations of
17 the Medical Unit, Dormitory Halls, wall hardening
18 through the facilities, upgraded program areas,
19 classroom spaces, new plumbing, HVAC systems, updated
20 staff in transportation area, and enhance security.
21 All of the health and safety renovations are
22 currently on track for completion in late summer, and
23 we will have completed the programmatic expansions to
24 the extent necessary to serve the young people who
25

1 will be joining us after October 1st. We've also
2 been working hard to establish a system of care
3 within our secured Juvenile Detention System that is
4 both grounded in best practice and designed to
5 promote a safe, secure environment for youth and
6 staff, and we intend to maintain and enhance that
7 system. We continue to work in close collaboration
8 with the Department of Correction to develop a youth
9 centered framework for co-administering the
10 specialize secure detention facility as required by
11 state law, and we've developed critical operational
12 policies and created IT and administrative
13 infrastructures for tracking young people and
14 retaining critical records. To maintain these high
15 standards, we shared this best practice information
16 with DOC and have connected them with the developers
17 of our evidence based models and treatments to
18 discuss how they can support DOC's training efforts.
19 We're also collaborating with DOC around their
20 training of their staff, and we have shared our
21 training schedule and materials with them for use to
22 train the staff who will be working transitionally in
23 the Specialized Secured Detention Facility. Also,
24 ACS has invited DOC trainers to participate in two of
25

1
2 our Training the Trainer sessions that are planned
3 next month. In addition, we've just announced that
4 we've entered into a new partnership with Health and
5 Hospitals who will help us to manage the contracted
6 health care providers who are currently working at
7 Crossroads and Horizon. This will help us ensure
8 that young people in detention continue to receive
9 high quality medical care, healthcare, mental health
10 care. It's also a first step towards ensuring
11 continuity of care for young people throughout the
12 Juvenile Justice System from detention through
13 placement, after care, and continuing as needed after
14 they are released. In addition to the comprehensive
15 educational services that are now provided within
16 those facilities by DOE's District 79 Passages
17 Academy schools and actually this true not in
18 detention but across our entire Juvenile Justice
19 continuum. We're working very closely with DOE to
20 establish high school equivalency programs in
21 detention and in Close to Home as an alternative for
22 those older youth who are seeking those kinds of
23 educational programs. We're also exploring the
24 development of new career certificate programs and
25 better access to vocational schools. We're working in

1
2 close collaboration with our partners and the Mayor's
3 Office of Criminal Justice, MOCJ, the Department of
4 Probation and the Courts to increase the use of
5 alternatives to detention and placement, programs to
6 keep young people who do not need to be confined
7 safely in their communities with necessary services
8 and supports. We also continue to work with
9 Probation and MOCJ to expand to the ray of those
10 alternatives programs that are available to young
11 people including programs specifically denied-
12 designed to address the unique needs of older
13 adolescents. The aid in our efforts to prevent young
14 people from ever entering the Juvenile Justice System
15 in the first place, we're working with the NYPD to
16 increase access to our Family Assessment Program or
17 FAP. FAP is a Juvenile Justice preventive program
18 that helps support parents and guardians through
19 intensive in-home therapeutic services to help
20 improve family functioning when parents or guardians
21 have filed a Person in Need of Supervision case in
22 family court. Our with NYPD is directed to connecting
23 families with FAP services to a young person before
24 they come into contact with law enforcement or after
25 they come into contact with law enforcement-excuse

me—but before the need for court intervention arises.

So, we can keep them out of the courts and—and
hopefully keep them out of the Juvenile Justice
system, and to further increase accessibility of FAP
services our Division of Youth and Family Justice is
also working to establish a mobile FAP unit to reach
youth and their families directly in the community.

So, as I hope this overview has demonstrated, Raise
the Age is a massive undertaking, but despite the
enormity of the system reform and the aggressive
state mandated timeline for implementation. New York
City may and we think probably will effectively be
excluded from accessing the funds allocated for
Raise the Age implementation in the State's Fiscal
Year 2019 Budget rendering this necessary reform an
unfunded mandate for New York City. To meet the
significant new funding needs created by Raise the
Age, the Executive Budget allocates \$51 million to
ACS for Fiscal Year 2019, which grows to a baseline
value of \$100 million at full implementation in
Fiscal Year 2021. This funding will support Raise
the Age implementation in many ways. It provides
funding for additional staff who will work directly
with youth in our secure detention facilities, and

1 eventually in the specialized secure detention
2 facilities. The budget includes funds that will
3 enable us to build on our successful Juvenile Justice
4 Preventive programs, which as I said, allow youth who
5 would otherwise be sent to detention or placed in
6 Close to Home to remain safely in the community with
7 supervision, supports and services. Funding in the
8 budget will also allow us to bolster our array of
9 alternative to placement preventive programs, and
10 allow us to expand Close to Home and non-secure
11 detention contracts to create additional capacity in
12 our Juvenile Justice Residential Continuum to
13 accommodate an increase census under Raise the Age,
14 and it will enable us to strengthen our array of
15 services and programs for young people across the
16 entire continuum. With regard to Close to Home, I've
17 talked a lot about detention, but, of course, our
18 real focus is services to young people who have been
19 placed in our Close to Home program. Another major
20 investment in the 2019 Budget covers the loss of
21 state funding for Close to Home. As I said, despite
22 our advocacy, our collective advocacy and the
23 overwhelming evidence of the success and
24 effectiveness of Close to Home, New York State chose

1 to eliminate every single dollar of funding for the
2 program in the State Budget. Just as the number of
3 young people on Close to Home is expected to more
4 than double as a result of Raise the Age. While the
5 state chose to walk away from its obligation to
6 support justice involved youth in New York City,
7 Mayor de Blasio has added \$30.5 million to replace
8 the state funds that have been stripped from the
9 Close to Home Initiative in addition to the \$38
10 million in based city funding that has supported the
11 initiative over the past five years. The Close to
12 Home Initiative Launched only five years ago, but in
13 that time it's resulted in a 51% decrease in the
14 number of young people who enter placement, and it
15 has dramatically changed the way we approach services
16 and programming for justice involved youth. The
17 additional investment of city funds will allow ACS to
18 continue the work that has positioned New York City
19 as a national model for Juvenile Justice reform. One
20 of the many lessons that we've learned through our
21 implementation of Close to Home is that the success
22 of a young person's reintegration into the community
23 after residential placement rests largely on the
24 strength of the after care supports that they
25

1 receive, and this truth is all the more important as
2 we prepare to receive older youth in Close to Home
3 after Raise the Age is implemented. So, with this
4 lesson in mind, we've developed a comprehensive
5 strategic plan to improve outcomes for justice
6 involved youth, and bolster public safety. Funded in
7 the Executive Budget at \$3.6 million this year, next
8 year and scaling up to \$7.5 million in Fiscal Year
9 2020 and beyond. That program will focus in three
10 areas. I won't go through all the detail, but we're
11 going to focus on first improving our system's
12 capacity to assess and support youth. Second, we're
13 focusing strengthening our monitoring of youth, and
14 our accountability as well as our ability to enhance
15 public safety, and third, we're focusing on enhancing
16 our interagency partnerships with Probation and with
17 Education in particular and NYPD so that we span-
18 expand our alternatives to placement programs, our
19 capacity to train our Close to Home providers, and
20 our work with NYPD especially using our new
21 investigative consultants to work closely with NYPD
22 in situations—where situations, but important ones
23 where it's important for us to locate and return
24 youth who have left care. I've talked quite a bit
25

1 about Juvenile Justice because I know it's of great
2 interest to the Council, but I do want to say a few
3 words about some other important ACS initiative
4 before we take your questions. With regard to
5 preventive services, which Chair Levin asked about,
6 we are at the forefront nationally in providing
7 evidence-based preventive programs to support
8 families, as I have shared with you before, and we
9 are steadily increasing the availability of evidence-
10 based preventive programs that have been shown to
11 reduce rates of maltreatment and improve overall
12 child and family wellbeing. Thousands of families
13 today are receiving intensive counseling tailored to
14 their needs, and thousands of parents are receiving
15 parenting coaching to help them cope with the
16 pressures they face and raise healthy children.
17 Generous investments in our preventive services by
18 the de Blasio Administration and by this Council have
19 allowed us to develop a quality model budget to
20 ensure that our preventive providers can implement
21 the best possible service models to support families,
22 and that they are appropriately and fairly
23 compensated for doing so. As I noted during my
24 testimony in March, ACS announced the model budget
25

1 components in January of this year, and by the end of
2 this current Fiscal Year we expect to completed the
3 final stages of amending provider contracts to
4 implement the enhancements. Also in January, we
5 announced a pilot program for expanding services to
6 protect families that are at risk of or experiencing
7 g domestic violence. Under the new protocol, our
8 investigative consultants assist our preventive
9 agencies with identifying safety issues for families
10 receiving preventive services where there are
11 domestic violence risk factors and/or criminal
12 history. Where a new adult has been added to the
13 household or has taken on a caretaker role, and where
14 there are children under the age of 7 in the
15 household. This month, we are going to procure a new
16 demonstration project to test new models working with
17 families experiencing domestic violence. This new
18 demonstration project will serve 130 families
19 experiencing DV who are under court ordered
20 supervision or who are referred to or seeking ACS
21 prevention services, and the model will allow
22 families to receive both prevention services and a
23 clinical therapeutic intervention for domestic
24 violence. Also this spring we are rolling out new
25

1 preventive services focused on supporting families
2 that have high service needs in particular those who
3 are under court ordered supervision or who are at
4 risk of court intervention. We recently notified
5 providers of awards for 960 additional preventive
6 slots in this new category in our evidence based
7 clinical models such as Functional Family Therapy and
8 Child/Parent Psycho Therapy. This service model will
9 be fully implemented in Fiscal Year 2019. This March
10 the New York City Interagency Foster Care Task Force
11 released its first report outlining 16 actual
12 recommendations to the city to improve outcomes for
13 children and families in the foster system. We thank
14 Chair Levin and Public Advocate James for their roles
15 in shaping the work of our task force and we thank
16 the City Council for its continuing commitment to
17 this priority. Upon release of the Task Force Report
18 we immediately launched initiatives to address two of
19 the report's key recommendations. Increasing the
20 number of youth in foster care or placed with
21 relatives or close friends what we call kinship care
22 from 31% today to 46% of our foster care placements
23 by the end of the 2020, and second increasing the
24 number of youth in after school programs that can
25

1 help improve academic performance and social skills.

2 With regard to the Kinship Care recommendation, we've

3 established a new dedicated staff resource in our

4 Division of Child Protection, and we're working in

5 partnership with national experts to provide training

6 and technical assistance to our staff in our foster

7 care agencies and within DCP about how to identify

8 and place kids with Kinship resources. With regard to

9 after school programs, we're working in close

10 partnership with DOE and wit the Department of Youth

11 and Community Development to implement that

12 recommendation and to improve educational outcomes

13 for youth in care. We just negotiated and executed

14 an MOU with DYCD, which will allow the two agencies

15 to share information that will enable ACS to identify

16 youth in foster care who attend DYCD After School

17 Enrichment programs, and those who do not sot that we

18 can work to increase utilization and better position

19 young people for academic success. We remain

20 committed to doing all that we can to advance all the

21 recommendations of the Foster Care Task Force, and we

22 look forward to working with the Council, the Public

23 Advocate, our sister city agencies, our providers,

24 youth, parents and advocates on these critical

1 initiatives. With regard to the Early Learn
2 transition, which I know is also of great interest to
3 the Council, as you know, as part of the Mayor's
4 commitment to early education, ACS' Early Learn NYC
5 contracts will be transferred and integrated into
6 DOE's Division of Early Care—Early Childhood
7 Education in 2019. This integration will build on
8 the important work done by Early Learn programs today
9 strengthening birth to 5 care and education in New
10 York City, and creating a more seamless experience
11 for children and families into elementary school and
12 beyond. The transfer of Early Learn will also
13 support the Mayor's 3-K for All Initiative, which
14 will ultimately offer free high quality early
15 education services to all three-year-olds in New York
16 City. In addition to meeting regularly to ensure a
17 smooth transition, ACS and DOE are working together
18 to continue enrollment in our contracted system.
19 DOE's outreach team is assisting with outreach to
20 families who may be eligible for Early Learn, and is
21 also hosting trainings for providers on best
22 practices for outreach and building community
23 partnerships. As Early Learn NYC transfer to DOE,
24 ACS will continue to administer the city's Childcare
25

1 Voucher system, which serves low-income families,
2 families receiving cash assistance, families involve
3 in the Child Welfare and Homeless systems among
4 others. We will continue our efforts to bolster the
5 quality of care in the system, which serves 29,000
6 children under the age of five and about 68,000
7 children in total and we're committed to continuing
8 efforts to make sure that childcare is available to
9 some of the most vulnerable families in New York City
10 including many of whom who are involved in our Child
11 Welfare system. So, I thank you for the opportunity
12 to discuss our Fiscal Year 2019 Executive Budget with
13 you. We and our partners across the city have been
14 threatened with some of the steepest funding cuts
15 from the state we have seen in recent years, but
16 despite these challenges, we're continuing to move
17 the agency forward and approve Child Welfare,
18 Juvenile Justice, and Early Education services and
19 programs throughout the city. I want to thank the
20 thousands of ACS and provider staff whose tireless
21 efforts make it all possible, and I want to express
22 my gratitude to the Council for your leadership and
23 your steadfast support of our efforts and I look
24 forward to our continuing partnership and look
25

1 forward to answering your questions. Thank you very
2 much.
3

4 CHAIRPERSON DROMM: thank you very much,
5 and I agree those cuts from the state are very, very
6 hard for us to absorb here in the city, but important
7 work continues and needs to be done. So, thank you
8 for your testimony. Let me start off by asking a
9 couple of questions on Raise the Age. To meet the
10 requirements of Raise the Age, ACS estimates a total
11 of \$53.1 million in Fiscal 19, \$84.7 in Fiscal 2020
12 and \$100.6 million Fiscal 21 and in the out-years.
13 In addition, there's the headcount increase of 212
14 positions in Fiscal 19, 479 positions in Fiscal 20,
15 and 693 positions in Fiscal 21. This funding is
16 budgeted to meet the first effective dates of
17 implementation, which s we know is October 1st. Of
18 the funding in Fiscal 19, \$46.4 million in city funds
19 and only \$3.98 million is in State support. How was
20 the overall budget for AC-ACS' portion of Raise the
21 Age determined?

22 COMMISSIONER HANSELL: Uh-hm. Well, first
23 of all, Chair Dromm, as I said, we don't anticipate
24 receiving any significant amount of State funding for
25 this program. We don't think the city will be

1
2 eligible for the funds that are provided in the
3 government—in the State Budget. With regard to the
4 city budget, what we have done is—

5 CHAIRPERSON DROMM: [interposing] We're
6 the only municipality in the state that doesn't get—
7 pardon me.

8 COMMISSIONER HANSELL: We are—we—the way
9 the State Budget works, the—the State Budget provide
10 \$100 million for implementation, and makes a
11 commitment or the Governor has made a commitment to
12 fund all of the costs associated with it. However,
13 jurisdictions that are not subject to the 2% property
14 tax gap, which New York City is one of, half to apply
15 for a waiver to access that money. We have the
16 ability to do that. We're not terribly optimistic
17 that that waive will be granted and we will see any
18 of those states'—the state funding flow into New York
19 City. So, we're assuming that this is going to be an
20 unfunded mandate on the city, and that's how we've
21 approached the budget. The funds in our budget, the
22 \$51.3 million in ACS's Budget for Fiscal Year 19
23 would allow us to initiate the first phase of the
24 work that we need to do to implement Raise the Age.
25 That is everything that will be required to meet our

1
2 ex—our obligations as of October 1, 2018, and through
3 the rest of this Fiscal Year. We know that
4 additional funds will be required in the future. We
5 hope that our initial experience with the program
6 will help us to sort of better define exactly what
7 we're going to need going forward, but we certainly
8 know that additional funds will be needed down the
9 road. The \$51.3 million that's in the Executive
10 Budget will allow us to support our aggressive
11 staffing plan. We will now need to make—now that we
12 have a final agreement with the union, we'll have to
13 make some adjustments to that to reflect the new
14 compensation schedule. We will work with OMB in that
15 regard and, of course with the Council on that, but
16 it will fund our hiring both for staff in the
17 detention facilities to provide security, but also to
18 provide programming support for young people. It
19 will also support our need for additional capacity in
20 the Close to Home program for young people in
21 placement. We know—we expect that the number of
22 young people going into the Close to Home program
23 will probably double or perhaps slightly more than
24 that over the next few year and so the budget
25 supports the initial stage of that as well as the

1
2 Close to Home aftercare enhancements that I described
3 in my testimony. So, the \$51.3 million that we have
4 been given in this year's Executive Budget will
5 enable us to get each of the core components of Raise
6 the Age off the ground as we are able to better
7 estimate what our needs will be going forward.

8 CHAIRPERSON DROMM: Have you applied for
9 that waiver?

10 COMMISSIONER HANSELL: We-

11 DEPUTY COMMISSIONER FRANCO: It's-it was
12 made actually-

13 CHAIRPERSON DROMM: Can you identify
14 yourself, please.

15 DEPUTY COMMISSIONER FRANCO: Yes, Felipe
16 Franco, Deputy Commissioner for the Division of Youth
17 and Family Justice. The State of New York is
18 actually coming up with an instrument for-for
19 counties to apply for funding for Raise the Age that
20 hasn't been made available yet.

21 CHAIRPERSON DROMM: Okay, good. You
22 intend to, though?

23 DEPUTY COMMISSIONER FRANCO: Definitely.
24
25

1
2 CHAIRPERSON DROMM: Okay, what's the
3 planned ratio of youth to counselors once the program
4 is up and running?

5 DEPUTY COMMISSIONER FRANCO: Are you
6 asking in terms of detention?

7 CHAIRPERSON DROMM: In terms of Raise the
8 Age and placement in facilities.

9 DEPUTY COMMISSIONER FRANCO: So, we have—
10 we have a continuum. So, in detention, which are the
11 young people who are waiting for adjudication or
12 trial, the regulations require six to one, one
13 counselor, one direct staff for every young—for every
14 six young persons. In Close to Home our ratio in
15 non-secure placement is 8 to and in limited secure
16 it's 3 to 1.

17 CHAIRPERSON DROMM: Okay. How many beds
18 are currently at Horizon and how many will there be
19 after renovations are completed?

20 DEPUTY COMMISSIONER FRANCO: We—106 beds
21 are available at Horizon now, 106 beds will be
22 available at Horizon when it gets completed.

23 CHAIRPERSON DROMM: Yesterday when MOCJ
24 was here, and I think it when also the Department of
25 Corrections was here, I raised the question about the

1 look and the feel for the facilities, and one of my
2 concerns and concerns of some of the advocates was
3 that the facility itself made the—a little harder
4 than we want it to be in the sense that is there
5 going to be comfortable accommodations? Is there
6 going to be a different type of accommodations than
7 Rikers Island? Is it going to look the same as
8 Rikers Island? Is there going to be a cell door that
9 closes at night? Can you fill us in on that?
10

11 DEPUTY COMMISSIONER FRANCO: I mean I
12 will do my best. I—I mean I will invite anyone of the
13 Council to come and see the facilities. You know,
14 the—the two facilities that we have in New York City
15 Horizon and Crossroads, they were designed with a
16 significant amount of natural light. Actually, we
17 have done a significant amount of work because core
18 to our model of care is that actually young people
19 really improve their behavior through the development
20 of relationships. So, every young person is actually
21 in a group of usually no more than 12. Actually, they
22 always have the same staff, the same leadership that
23 work with them consistently everyday, and it's
24 through the building of those relationships and a
25 significant amount of groups that actually take place

1
2 in each one of the facilities that we do whatever we
3 think is our priority, which is to help them develop
4 new abilities to, you know, regulate their emotions
5 and behavior. We—we in our facilities we believe
6 that actually young people can actually related to
7 each other based on interests. So, we actually have
8 our afterschool programs that are run in partnership
9 with the Department of DYCD, and actually we have
10 those same kind of high quality after school
11 providers at high school all across the city. Young
12 people can take advantage of music, art, math,
13 science and other activities. We actually have a
14 beautiful concert tomorrow at Carnegie Hall where our
15 Close to Home young people are going to be
16 performing. It will be--

17 COMMISSIONER HANSELL: [interposing] If I
18 could just add to that, Chair Dromm. You know, our
19 gal has always been and will continue to be to make
20 the two facilities as much a non-jail like
21 environment as we can, and as much a homelike
22 environment as we can, and also to make it a
23 structured environment for young people so that they
24 are engaged in activities, and not, you know, not
25 having sort of free time. So, Deputy Commissioner

1 Franco ran through the kinds of activities that are
2 available. It's a very comprehensive program, and I
3 will reiterate his invitation to you or any Council
4 Member to visit any time. We're very proud of the
5 environment that we've created there, and we are
6 absolutely committed to make sure that it does not
7 change as a result of Raise the Age.

9 CHAIRPERSON DROMM: I will take you up on
10 the offer to visit. I asked yesterday as well
11 because some of our young people were formerly
12 incarcerated on Rikers Island, Council members have
13 the—the right to visit Rikers Island at any time of
14 day or night. Would that be true for these
15 facilities as well?

16 COMMISSIONER HANSELL: As I understand
17 it, there's a specific provision in the City Charter
18 that provides that authority. I don't think that
19 exists for our facilities, but we can certainly
20 research that, but in any event, any time you would
21 like to visit, we're happy to arrange that.

22 CHAIRPERSON DROMM: The reason I asked
23 that is because, you know, when I first visited
24 Rikers Island about seven years ago, it seems to have
25 been like the forgotten place, and I don't know how

1
2 often Council Members have gone out there, and I
3 certainly don't want any facilities that are going to
4 forcibly house young people or even detainees on
5 Rikers Island to be forgotten again.

6 COMMISSIONER HANSELL: Yeah. No, we
7 totally understand. I would say, and I don't know if
8 you've been to--to Rikers and particularly to the
9 Adolescent facility at Rikers RMBC (sic), but the
10 Department of Corrections has made some substantial
11 improvements in those facilities and in those
12 services for young people. So, there are definitely
13 some things that I think they have done that are
14 progressive improvements, but our core commitment is
15 to make sure that the juvenile appropriate culture
16 that we've created in our facilities will remain the
17 case in both--

18 CHAIRPERSON DROMM: Well, I have to tell
19 you the worst thing that I've ever seen was going to
20 Rikers, and seeing young people in solitary
21 confinement, locked behind a door with their face
22 pressed up against the glass window. It was just
23 horrible to see something like that occurring on
24 Rikers Island.

1
2 COMMISSIONER HANSELL: Uh-hm and-and that,
3 I will say that is something that we do not every do
4 as punishment in our-in our programs.

5 CHAIRPERSON DROMM: Right. Just going
6 back to our transition from Early Learn to DOE, you
7 spoke I think it was mostly about the transition for
8 4-year-olds, but does that include the transition or
9 will it also include the 3-K, and so will it-will the
10 DOE eventually take over all the Early Learn sites?

11 COMMISSIONER HANSELL: Yes. I'll let
12 Deputy Commissioner Vargas provide details, but yes I
13 meant the entire Early Learn program will be
14 transferring, and that includes centers that are
15 funded with both federal childcare funding and Head
16 Start funding. So, it serves a full continuum of
17 ages from-from 0 to 5. That program will be--the
18 Early Learn Program, and all those centers will be
19 transferring in their entirety. To some extent that
20 will be a component of the 3-K For All where it's
21 sort of age appropriate, but services for other young
22 people will be included as well. Deputy Commissioner
23 Vargas can elaborate on that.

24 DEPUTY COMMISSIONER VARGAS: Yep. So,
25 that's 100% correct, and I think also important to

1
2 note that all of the 3-year-olds services in the
3 districts that have been announced for 3-K the 3-
4 year-old services that Early Learn operates are
5 counted as part of 3-K for All.

6 CHAIRPERSON DROMM: Okay, good. You
7 know, before I was elected to the City Council, I was
8 a public school teacher, but before that I was a
9 daycare center teacher, and director. So, the issue
10 of pay parity for daycare providers is one of major
11 importance to me. There's an approximately \$15,000
12 pay differential between DO-DOE's Pre-K teachers and
13 similarly educated teachers employed by Early Learn
14 centers excluding Head Start, of course. Despite the
15 Council's call for this pay disparity across the
16 public system to be corrected during the Early Learn
17 transition, no new funding was added in the Fiscal 19
18 Executive Budget. Has ACS discussed the Pay Parity
19 issue with DOE, and if so, does DOE believe that pay
20 parity is needed to stabilize the Early Learn system/

21 COMMISSIONER HANSELL: Well, we have
22 certainly discussed it with them. We have discussed
23 all aspects of the transition with them. I don't
24 want to speak for them in terms of their view on that
25 topic. I will say, though, that we were, you know,

1 in our administration of the program in 2016, the
2 Daycare Council that represents the child care
3 agencies and the unions that represent the child care
4 staff reached an agreement to phase in basically a
5 compensation increase that will get to parity by 2020
6 between DOE Pre-K teachers and community based
7 daycare teachers. So, that process is underway.
8 That agreement also included some increases to health
9 insurance and some career ladder investments. It is
10 certainly our expectation that DOE will be fully
11 supportive of the continued implementation of that
12 agreement. I'm sure that they will be, and I'm sure
13 if they take over the program, they will continue to
14 look at where there's a need for additional steps to
15 ensure appropriate pay for daycare teachers.

17 CHAIRPERSON DROMM: So, even though with
18 that agreement it's still not going to be equal to
19 what the DOE teachers receive and actually that was
20 one of the reasons why I left daycare was because I
21 could get a job within the Department of Education
22 because the credentials and the licensing for the
23 teachers the group teachers in the daycare centers is
24 basically the same as what need to be in the public
25 school system. So, hopefully moving forward we can

1
2 continue to work on raising those salaries. It's
3 really desperately needed.

4 COMMISSIONER HANSELL: Uh-hm.

5 CHAIRPERSON DROMM: LGBTQ issues. I told
6 you in the conversation that we had that your agency
7 is a bit of a model for working with young people on
8 LGBTQ issues, but let me just say that we've been
9 proud to participated in the Interagency Task Force,
10 which was crated through a bill sponsored by the
11 Chair of the General Welfare Committee Steve Levin,
12 yet despite two initiatives launched in March there
13 were no new needs related to implementation of the
14 Foster Care Task Force's recommendations in ACS's
15 Fiscal 19 Executive Budget. With the—which of the
16 recommendations in that task force specifically
17 target LGBTQI&A Youth and when do you anticipate
18 funding these recommendations?

19 COMMISSIONER HANSELL: Well, first of
20 all, thank you for your acknowledgement of our
21 leadership in this area. We're very proud of the
22 work that we've done. We had an Office of LGBTQ
23 Policy and Practice at ACS since 2012, and I have to
24 acknowledge Lisa Parrish who prior to taking on this
25 responsibility as Deputy Commissioner for Financial

1 Services was the Director of that office and did
2 outstanding work there for several years. So, we are
3 proud of the leadership that we've exercised there.
4 We're certainly going to continue it. With regard to
5 the Foster Care Task Force, the recommendations that
6 emerged from task force were part of a very
7 collaborative process among all the participants,
8 elected officials including Chair Levin and Public
9 Advocate, parents, advocates, young people. I don't
10 believe there are any recommendations that are
11 specific to LGBTQI, but there are certainly
12 recommendations with regard to improved health
13 services, mental health services, vocational
14 services. Housing that would benefit them. We know
15 and actually we're very shortly going to embark on
16 some work to determine more specifically the
17 representation that LGBTQI young people in our Foster
18 Care system, but we know that they're over-
19 represented in Foster Care across the country and I'm
20 sure in New York City as well. So, we absolutely
21 must be sure that everything we do in the Foster Care
22 system is designed to meet their needs.
23

24 CHAIRPERSON DROMM: So, thank you for the
25 acknowledgement that they're over-represented in

1 terms of the population. Do you have numbers and are
2 you currently collecting data?

3
4 COMMISSIONER HANSELL: We are—we are
5 actually working on that. We'll let—I think, you?
6 Okay. Alright. [laughs] Deputy Commissioner Parrish
7 talk about our civic plan. We do have plans to do
8 that, and Deputy Commissioner Parrish, and I also
9 want to say in addition to that, that we are as part
10 of our overall effort to address equity issues in our
11 system across issues of race, ethnicity, sexual
12 orientation, gender identity and gender we are
13 actually creating a new Office of Equity Strategies
14 within ACS that will address issues around LGBTQ
15 equity as well as others, but in terms of data
16 collection, let me turn it over the Deputy
17 Commissioner Parrish.

18 DEPUTY COMMISSIONER PARRISH: We've been—
19 good morning. Lisa Parrish, Deputy Commissioner for
20 Finance. We've been working with a research team
21 from Columbia University for a couple of years to
22 design an actual research survey that we hope to do
23 in the upcoming year to ask questions about young
24 people's identity and experiences in the Foster Care
25 System, and in that survey we will include questions

1 about sexual orientation, gender identity, and gender
2 expression. So, stay tuned. That should be coming up
3 soon. We also have been participating—we released
4 the Foster Care Web-Based Survey that the Council
5 asked ACS to do, and in the upcoming year we'll also
6 be adding sexual orientation, gender identity and
7 gender expression questions to that web-based survey
8 as well.

10 COMMISSIONER HANSELL: And I—and I just
11 voice now that that the survey and those questions
12 will, of course, be voluntary.

13 CHAIRPERSON DROMM: [interposing] I have
14 no doubt.

15 COMMISSIONER HANSELL: There is no
16 requirement to answer the questions, but to the
17 extent that young people are willing to provide the
18 information, it will be very helpful to us in
19 assessing how well we're meeting their needs, and
20 what else we need to do.

21 CHAIRPERSON DROMM: Uh-hm. Okay, thank
22 you, and that's been my observation also any time
23 I've visited any type of facility I've seen that
24 there's a—a disproportionate number of LGBT youth
25 involved in—in foster care and other programs within

1 ACS as well. So, thank you. I'm going to turn it
2 over to I guess Chair Levin?

3
4 CHAIRPERSON KING: [off mic] King.

5 CHAIRPERSON DROMM: King. Thank you.

6 CHAIRPERSON KING: Thank you, Chair
7 Dromm. In the interest of time we're at 2:25. I
8 know we have a hard stop at 3:00 p.m. and I know a
9 couple of my colleagues would like to ask a few
10 questions, but I do want to put on the record that
11 we've been joined by Landers, Adams, Grodenchik,
12 Gjonaj and Holden. We've had conversations over the
13 last 24 hours and 48 hours. Going back to our last
14 hearing, I'd just like to note there was some
15 concerns between the number of the unions like 371
16 and COBA that said they were not at the table as this
17 plan was being put together. I'd like to know. I
18 heard in your testimony that you've worked with 371
19 in regards to identifying a new Civil Service title.
20 How are—how is the conversations between both of
21 these unions improved? What conversations have there
22 been? Because I don't really understand it. I want
23 to understand and Albany for an extension, and if one
24 of them is asking for an extension, I need for you to
25 give us clarity on the record. Why would one of the

1 unions that you're working with wants to think that
2 we will not make the October deadline? That's my
3 first question.
4

5 COMMISSIONER HANSELL: Uh-hm.

6 CHAIRPERSON KING: My second question
7 would be to you what other issues that you might have
8 in the way. As far as capital projects, you had \$300
9 million that you working with. Where are you with
10 that, and how was Ella Queen fitting into this
11 process or not fitting into this process? And third,
12 what other relationships are you not having or not
13 having with the State from day 1 to now. We know
14 there were some hiccups. How has that conversation
15 improved or has their been a conversation to improve?
16 Thank you.

17 COMMISSIONER HANSELL: Okay, let me see
18 if I can [laughs] hit each of those in turn, but let
19 me know if I missed anything. With regard to the
20 Union, I can—I can speak directly to our
21 communication and collaboration with Local 371
22 because they represent our staff. The COBA Union
23 does not. They represent Correction staff. We have
24 been working with ME. The agreement that we've just
25 concluded was the result of extensive negotiations

1
2 with the union. I—we are certainly pleased with the
3 outcome. I—I believe they are, though. I certainly
4 don't want to speak for them, and I think—I think
5 that the fact that we've reached this agreement now
6 on the creation of the new title, a new compensation
7 structure, a new set of qualifications for the staff,
8 which is now going to allow us to move forward on
9 recruitment, I think has enhanced their confidence in
10 our ability to—to recruit and retain and—and train
11 the number and caliber of staff that we're going to
12 need to support the facilities initially Crossroads
13 and then a year or two down the road Horizon and
14 induce on the way that is safe for the staff and safe
15 for the young people. So, we certainly feel like our
16 collaboration with Local 371 has been very good. We
17 work—with regard to the correctional side, we work
18 very closely with our sister agency Department of
19 Correction. They, in turn work with their union. We
20 do not do that directly. So, our understanding is
21 from the discussions we've had with DOC is that that
22 they are working with COBA to determine how to
23 identify the staff who will be transferring from a
24 transitional period to provide staffing support at
25 support Horizon until we're able to recruit enough

1
2 staff to support both facilities to identify those
3 staff who have demonstrated the interest, the
4 capability, and the skills to work with Juveniles and
5 then as I said in my testimony, we are working with
6 DOC to provide them the training resources to make
7 sure that those staff once they are selected will be
8 given you know full appreciation and understanding
9 and training in the juvenile techniques that we have—
10 have been using and intend to continue to use in our
11 juvenile detention facilities. So, we understand
12 those conversations are taking place between DOC and
13 COBA, but you would have to speak directly to-to that
14 agency or that union to-to confirm that. With regard
15 to barriers and our work with the state, the state
16 has created some challenges for us in achieving this
17 very aggressive timeline. There's no question about
18 that, and I don't think we've made any secret of
19 that. We had requested that the state transfer to us
20 the Ella McQueen Facility in Brooklyn. The Governor
21 has indicated his intention to close that facility
22 because the state no longer feels that it's
23 necessary. We've asked the state to sit down at the
24 table with us and talk about transferring that to us.
25 We think it would be very useful to us as part of our

1 continuum under Raise the Age as an intake and
2 assessment center for new people coming into
3 detention. So, far the state hasn't been willing to
4 engage in those discussions with us, but we continue
5 to hope that they will be. The other issues that we
6 have with the State have to do with the fact that we
7 still don't have final clarity on the state
8 regulations that will govern the new program. The-
9 there are two state agencies that responsibility for
10 Raise the Age, the Office of Children and Family
11 Services, which we work with very closely. They have
12 issued draft regulations, which they've received
13 comment on. We're hoping that they will issue final
14 regulations soon. We're certainly doing all of our
15 planning using the draft regulations assuming that's
16 the best thing that we have, but we are very anxious
17 to get final regulations from OCFS, and we don't have
18 regulations from the State Commission on Correction
19 at all. So, we are very much in need of receiving
20 final regulations from the state so we really know
21 for sure that we have locked in the ground rules from
22 the state as to the requirements that we have to
23 meet. And there is one particular concern that we
24 have about the Draft Regulations that OCFS has
25

1 issued, which we have been discussing with the state,
2 and that has to do with the issue of co-mingling
3 among the different population categories under Raise
4 the Age. Raise the Age is very complicated in terms
5 of different trajectories for different 16 and 17-
6 year-olds who are arrested in the future, and the
7 draft regulations from OCFS are quite rigid about not
8 allowing young people in those different categories
9 to be comingled in terms of receiving services in the
10 same facilities and the same locations. We think
11 that they're excessively rigid. We believe that
12 there's a better way to approach that issue, and
13 we're in the process of developing a new
14 classification system that would be—really be based
15 on risk not some arbitrary legal classifications, but
16 actually a really genuine risk assessment that would
17 allow us to do a better job of deciding where it's
18 safe and to have young people housed together and
19 receiving services together. So, we're in
20 discussions with the state about relaxing those
21 comingling requirements. We're hopeful the state in
22 it's final regulations will do that. This is an
23 important barrier to us in being able to achieve the
24

1 requirements of Raise the Age within the two
2 facilities without Ella McQueen.

3
4 CHAIRPERSON KING: Thank you, and the
5 letter that's been sent to the Governor is asking
6 specifically about timelines for June 1st to get a
7 response whether Ella McQueen will be available, and
8 getting on the record exactly why there may not have
9 been communications to this point as well as the
10 regulations that need to be sent down so you can
11 implement the strategies. So, my last question is at
12 the last hearing as we laid out how much this cost
13 was over \$200 million that—and we were really kind of
14 unclear as a committee what was ACS' plans. We got
15 bits and pieces here, but I believe there was a five
16 point strategy that you were thinking about that
17 could give us some clarity of what this Raise the Age
18 looked like in the city up north in addition to
19 attributing it to the cost.

20 COMMISSIONER HANSELL: Yep, yep. Well,
21 yes, as I have sort of been managing the work that
22 we've done in ACS, I really have seen our work that
23 we've been doing really every since Raise the Age was
24 enacted last April. There are five work streams that
25 we have been pursuing that we think are critical to

1
2 our ability to be ready by October 1st to receive new
3 young people into our system. They are—and I refer
4 to some of them in my testimony, but not all of them.
5 The first is doing the construction work in the two
6 facilities, Horizon and Crossroads so that we have
7 addressed any health and safety issues in those
8 facilities, which are fairly old and needed some
9 work, and we want to make sure that all the health
10 and safety issues have been addressed, and that we
11 have sufficient programmatic capacity in those
12 facilities to address the needs and serve young
13 people and older young people who will be coming into
14 the facilities. So, phase—Part 1—Phase 1, you want
15 to call it that is the facility work that is well
16 underway. Phase 2 is staffing, which we're
17 addressing, and we, as I said have made great
18 progress just in the last really hours in reaching an
19 agreement with the union on the new Youth Development
20 Specialist title. So, that will enable us to begin
21 the recruitment of ACS staff so that we will by
22 October 1st have enough staff hired under that new
23 title and converted into that title from our current
24 Juvenile Counselor title to be prepared to staff
25 Crossroads, and then with between us and—and the

1
2 Department of Correction, and their work that they
3 will doing transitionally at Horizon by 2020 we will
4 have been able to recruit enough staff to fully staff
5 both Crossroads and Horizon. So, that's Phase 2,
6 which is the staffing that we need to do within ACS
7 and the creation of the new title, which we've now
8 done. So, we're going to begin that recruitment
9 process as I said within the next two weeks, and then
10 working with the Department of Correction to make
11 sure that we have enough transitional staff from DOC
12 to provide support of Horizon until we're able to
13 fully staff that facility. Step 4 has to do with not
14 detention, but placement, what happens to young
15 people after they are adjudicated by family court to
16 have committed an offense, and placed in our Close to
17 Home program. We know that we're both-going need to
18 both increase the capacity of that program because
19 more young people will be entering because we have
20 older young people coming into the Juvenile Justice
21 System, and we will need a different set of services
22 and supports for older youth. So, we are focusing on
23 both those capacity expansions, and the service
24 expansions to make sure that we're better prepared to
25 serve young people and to make sure that we have all

1
2 the protections in place to make sure we can also
3 protect public safety while we're doing that. So,
4 that's really step 4 and step 5 is work we're doing
5 with our city agency partners around the continuum of
6 services that young people in the Juvenile Justice
7 System and transitioning through it back into their
8 communities will need. That includes all the
9 educational supports that the Department of Education
10 will be providing both in the detention facilities
11 within the Close to Home program and afterwards. I
12 talked about some of those in my testimony. It
13 includes all of the alternatives to detention and
14 placement work that we're doing with Probation with
15 the Mayor's Office of Criminal Justice to make sure
16 that we can safely keep as many young people as
17 possible out of the Juvenile Justice System
18 altogether, and it includes the work that we're doing
19 with NYPD to make sure that we are as well positioned
20 as we can be to address any situations where young
21 people may leave the facilities, and we need to make
22 sure that we're being as aggressive as we can in-in
23 getting them back and making sure that they're
24 returned into the placement to which they have been
25 sentenced by the Family Court. So, those are the

1
2 five major areas that we're focusing on. We have
3 been working on every single one of them since Raise
4 the Age was enacted just over a year ago and we're
5 confident with-with the caveats I mentioned about
6 some need for support from the state, and we very
7 much appreciated Chair King your advocacy the state
8 on those-on those issues, but if we're able to
9 achieve that we're confident about our ability to
10 meet the October 1st deadline.

11 CHAIRPERSON KING: Well, thank you. I do
12 have a couple more questions. I'll wait for round 2
13 if there's one, if time permits, but I want to turn
14 it over to Chair Levin.

15 CHAIRPERSON LEVIN: Tank you, Chair King.
16 Thank you Commissioner. Okay, I'm going to jump
17 around a little bit, and I do want to leave time for
18 my colleagues to ask questions. So, first question
19 with the transition from ACS to DOE on Early Learn I
20 wanted to know if there's-excuse me-if there's any
21 major pitfalls from the last RFP process that you are
22 talking or going over with DOE so that we'll look to
23 address some of those at the front end of this
24 process.

25

1
2 COMMISSIONER HANSELL: Let me say a few
3 words about that, and the Deputy Commissioner Vargas
4 may want to elaborate. We know there were some
5 concerns in the last RFP process, which was a number
6 of years ago long before my tenure and long before
7 Deputy Commission Vargas's tenure as well about some
8 community based providers that were not refunded
9 through that process. We--are expectation is that
10 prior to the point where we transfer the Early Learn
11 contracts to DOE next year, we will extend those
12 contracts so that DOE will have the opportunity to
13 think about how it wants to do its next procurement.
14 So, at ACS are not intending to re-Early Learn
15 contracts while they are still under our management
16 responsibility, and our--our expectation is that after
17 we extend them and transfer them DOE may want to
18 extend them further so that they will have ample time
19 to consider how best to do a procurement. We know
20 that they through the work they've done around Pre-K
21 For All a few years ago that we think they have
22 really great sensitivity to our community concerns
23 about how important it is that providers who have
24 deep roots in the community provide services to young
25 people there, how important it is to have services

1 that are geographically accessible to families in the
2 communities. So, you know, we think they're as
3 sensitive to those issues as we are, but we certainly
4 are going to make sure that as we do the transfer and
5 we're already doing this that we will share all of
6 our knowledge and experience with them, everything
7 we've learned about the program that, you know, they
8 can really hit the ground running when they take it
9 over. [background comments]

11 DEPUTY COMMISSIONER VARGAS: Yeah, I mean
12 where there's--this is a dynamic process, and we
13 continue to share lessons learned with--with our
14 colleagues at DOE and, you know, what we see is a
15 tremendous desire to--to learn, and to do what's best
16 for the communities that we're serving and to make
17 sure that we're addressing any issues that might have
18 come up in the past through the work that we've done.

19 CHAIRPERSON LEVIN: Okay. Different from
20 ASC, Department of Education does not--is not required
21 to do a formal concept paper. However, we believe
22 and I think a lot of the advocates believe that from
23 a formal concept paper process would be very
24 advantageous to this or very beneficial to this--to
25 this process in allowing for meaningful input from

1
2 the overall provider and advocacy community before
3 the RFP were to go out. Is ACC encouraging
4 Department of Education to voluntarily put out a
5 concept paper to allow for that type of input?

6 COMMISSIONER HANSELL: I think that's
7 probably a question you should address to them. As
8 you—as you acknowledged, it is certainly our practice
9 any time we do a, you know, a new or significant
10 procurement, we do go through the concept paper
11 process. We think it's a good process. It gives us
12 valuable input that helps us avoid potentially making
13 mistakes once we get to the actual procurement
14 process and we've certainly shared the process we use
15 with DOE, but I would not want to speak for them in
16 terms of what their intentions are, and or even, you
17 know, we understand that they are under some
18 different procurement rules, but we don't know the
19 details of that. So, I think that's probably and
20 issue that you address directly with them.

21 CHAIRPERSON LEVIN: Maybe if you'd share
22 with them that it's a beneficial process when—when
23 ACS does it--

1
2 COMMISSIONER HANSELL: [interposing] We
3 have certainly done that, and we can—we can reiterate
4 that.

5 CHAIRPERSON LEVIN: Okay. one thing about
6 pay parity just to kind of make—just to fill this in
7 a little bit, the—the agreement between the Day Care
8 Council and 1707 I believe allowed for the UPK
9 teachers in—in a—in a not-for-profit setting to get
10 to the same pay parity as a—as a DOE placed UPK
11 teacher? Is that right?

12 COMMISSIONER HANSELL: That's correct.

13 CHAIRPERSON LEVIN: But it's our
14 understanding that after that process by 2020, it
15 will only be to the starting salary of a DOE UPK
16 teacher. So, a—a community based UPK teacher will—
17 will only get—even if they've been there for five
18 years will only get to that starting salary. So,
19 there will still be a disparity between—or
20 essentially two different trajectories for—for—for
21 compensation based on where they're placed. Is that—
22 is that correct?

23 DEPUTY COMMISSIONER VARGAS: Yes, that's
24 correction.

1
2 CHAIRPERSON LEVIN: And then parity
3 between Early Learn teachers and UPK teachers is also
4 an issue that's not resolved, right?

5 DEPUTY COMMISSIONER VARGAS: So, the-
6 that's correct. So, but I do want to add, though,
7 that I think this administration has made great
8 strides on an issue that has been longstanding in the
9 Early Childhood space--

10 CHAIRPERSON LEVIN: Uh-hm.

11 DEPUTY COMMISSIONER VARGAS: --and so we
12 have seen really historic commitments on the Early
13 Childhood side from this administration, and, you
14 know, that gives us--that gives us some hope that
15 Early Childhood, you know, investments are a priority
16 for this administration.

17 CHAIRPERSON LEVIN: Uh-hm, and I think
18 that that's absolutely true, and, you know, the
19 Universal--truly Universal Pre-K has been
20 revolutionary really, but I'm--I'm concerned that as
21 time goes on, you know, a lot of these programs and--
22 and those teachers are really hanging on by threads.
23 I imagine you don't have the data, but it would be
24 interesting to see of what percentage of Early Learn
25 teachers are qualifying for benefits like SNAP

1 benefits, Medicaid, or-or even public assistance. I
2 don't know if you have that, but that would be
3 something to-to take a look at because I wouldn't be
4 surprised if-if there are-if there are teachers
5 within the-within the Early--Early Learn system that
6 are actually, you know, not even making enough to-or
7 making, you know, making so little in salary that
8 they're-that they need to rely on-on-on-on benefits,
9 and that's really not, you know, that's not where we
10 want to be as a city, and that could only happen in
11 partnership that requires, you know, it requires
12 leadership from-from the Administration. Moving over
13 to vouchers, so as Early Learn moves over to DOE,
14 vouchers remain the-the-remain at ACS and are totally
15 within the jurisdiction of ACS. Can you speak a
16 little bit about what the plan is on how to ensure
17 that the voucher programs whether they're mandated or
18 non-mandated vouchers are serving parents better?

20 COMMISSIONER HANSELL: Let me, yes say a
21 couple of things high level, and then I'll turn it to
22 Deputy Commissioner Vargas, but we are very committed
23 to that. We think the Voucher Program, as I said in
24 the testimony actually serves more children, almost
25 twice as many. Probably a little more than twice as

1
2 many children as—as the Early Learn Program does and,
3 you know, it really embodies the city's commitment to
4 make sure that low-income and vulnerable families
5 have access to the kind of childcare that they need
6 in order to work, in order to participated in
7 services, in order to achieve greater stability and
8 self-sufficiency. So, as we think about the future
9 of the Voucher Program, the two big areas that we are
10 focused on is—of course, one is access to making sure
11 that with the resources we have, as many of the low-
12 income vulnerable families in the city that are
13 eligible for voucher services are able to access
14 them, and second to make sure that the quality of
15 services that they receive is as high as it can be.
16 We know, and there's increasing body of research that
17 tells us that quality is very, very important when it
18 comes to childcare of all kinds, and that its impact
19 on longer term outcomes for children, the impact of
20 childcare on longer term outcomes for children is
21 very much dependent on the quality of care that they
22 receive, and services that are provided in voucher
23 programs are not by definition provided in the kind
24 of centers that Early Learn services are. So, it's
25 particularly important that we're providing the kind

1 of training and supports to those who are providing
2 childcare services through the Voucher Program so
3 that they can maintain a level of quality. So, those
4 are really our two big areas of focus, and we can
5 talk about some of the specific things. We're
6 looking, you know, to models from other
7 jurisdictions. We're looking to—the research, what
8 the research tells us about best practices, and—and,
9 of course we're talking with the state, which
10 oversees the funding for the program, the funding
11 from the program. It's mostly federal but passes
12 through the state to see how we can make sure that we
13 can retain the—the funding that we need in order to
14 do the kind of quality improvements that we'd like to
15 do in the program.

17 CHAIRPERSON LEVIN: I'm sorry. Sorry,
18 going back to the pay parity issue, I think I was
19 mistaken. I believe now—I was just corrected—that
20 the—that the pay parity is by 2020 there will be—
21 there will be parity across the CVO system, but that
22 will not be at parity with the UFT salary?

23 DEPUTY COMMISSIONER VARGAS: [pause] I
24 want to get back to you just to confirm that.

25 CHAIRPERSON LEVIN: Okay, okay.

DEPUTY COMMISSIONER VARGAS: I'd like to
get back to you on that one.

CHAIRPERSON LEVIN: In the Fiscal 2014
Budget--this is going back before any of your times,
but this is an issue that has come up time and again.
There was a peg back when there were pegs of \$5.2
million to enforce the eligibility process for post-
transitional childcare. Basically, when somebody
transitions off of public assistance, there's 12
months where they're able to retain their childcare
after the 12-month period. Up to Fiscal 14 they were
able to maintain that childcare, but that was--that
was a subject of a peg back when the fiscal situation
for the city was a little bit worse off. Do you a--we
haven't looked at this in a little while. Is--are you
interested in taking another look at whether that
might be appropriate to--restore back to where--where
it was prior to--to Fiscal--to Fiscal 14 because my
sense is that now that we're--now that we have UPK
across the board, I mean that restoration would
actually be less than \$5.2 million.

COMMISSIONER HANSELL: Well, first of all
as you've acknowledged that predates us. So, we'd
have to do some research on that, which we're happy

1 to do and see what—what happened at that point, and—
2 and—and, you know, what was in place before the peg
3 and after the peg. I mean it sounds like what you're
4 referring to is the issue, which I think is an
5 important one of what happens to family and—and as I
6 think as you know, Chair Levin and many of you know,
7 in—in my Pre-ACS life, I spent many years
8 administering public assistance programs including at
9 HRA, and I know that one of the big concerns for
10 people or families that need public assistance is the
11 cliff that they may face where all of a sudden they
12 start to lose eligibility for other benefits that
13 they need like childcare and SNAP and—and Medicaid in
14 order to maintain economic stability without cash
15 assistance, and that's why federal law requires a
16 one-year transitional childcare entitlement for
17 people needing cash assistance and it sounds like the
18 city had previously extended that further. We're
19 certainly concerned about the cliff effect, and we
20 know that many of the—many of the families that we
21 work with in our Child Welfare System, Juvenile
22 Justice System, and others are families that
23 experience economic instability. So, we're certainly
24 interested in looking at anything that could help us
25

1
2 to ameliorate that instability for families. So,
3 happy to take a look at that history and see if
4 there's something that make sense for us to—to think
5 about in that regard.

6 CHAIRPERSON LEVIN: Okay, two more
7 questions and then I'll turn it back to my
8 colleagues. One, with—one question on Raise the Age,
9 COBA has testified at a hearing that that they—that
10 they don't feel that they have the qualifications
11 necessarily to work with youth, and we're happy to
12 see that 371 is going to be working as part of the
13 program moving forward. My concern is that if they
14 testify that they're not qualified to work with
15 youth, how would they be qualified to train new staff
16 coming on to provide the training if they don't
17 really feel that they're qualified to do the work
18 themselves.

19 COMMISSIONER HANSELL: Well, first of
20 all, I don't want to intrude on the conversations
21 that are going on between the Department of
22 Correction and COBA because I know they're having
23 discussions about exactly these issues, and so I
24 certainly don't want to speak for either the agency
25 or the union. I would say, though, that the young

1
2 people we're talking about the 16 and 17-year-olds
3 who will be in our system are now on Rikers. So,
4 COBA is serving those young people under a different
5 set of rules and in a different legal category for
6 sure, but they are working with and serving those
7 young people. So, from, you know, all the
8 conversations at least we've had with our Department
9 of Correction colleagues, they feel confident that
10 they will be able to identify the right staff through
11 work and—and with us to provide the training that
12 they need.

13 CHAIRPERSON LEVIN: Okay, and then, sorry
14 one more question on vouchers and then I'll turn it
15 back over to my colleagues. So, we're disappointed
16 that the SECF funding was not baselined, disappointed
17 for ourselves, disappointed for the families that—and
18 so disappointed for your staff because they've done a
19 lot of work in getting SECF up and running and going
20 through a very long and very outdated and, you know,
21 old waiting list that there's been a tremendous
22 amount of work. So, just to—we should really get
23 that off of the year-to-year funding and baseline it
24 so that all of the work that they have done is not

1 for naught. So, that's, you know, my editorializing
2 for today.

3
4 COMMISSIONER HANSELL: Well, first of all
5 thankyou for acknowledging the work of our staff.

6 CHAIRPERSON LEVIN: They worked really
7 hard.

8 COMMISSIONER HANSELL: They have worked
9 really hard. We are very proud of the fact that
10 fully committed all of the new SECF funding in Fiscal
11 Year 17 that we have fully committee all the SECF
12 funding in Fiscal Year 18--

13 CHAIRPERSON LEVIN: Uh-hm.

14 COMMISSIONER HANSELL: --and appreciate
15 your comment and, you know, this is something that I
16 would imagine we'll have further conversations with
17 the Council about between now and the adoption of the
18 budget.

19 CHAIRPERSON LEVIN: Okay. Have you
20 looked at just--I think it was part of the state
21 budget that allows for additional--a rate increase on--
22 on--on vouchers for additional services that a--the
23 providers could qualify for? For instance, CPR
24 training or things like that that allow for rate
25 increases? Is that something that--that you'd

1 explore? I think it requires the ACS to-to implement
2 or sign off on that?
3

4 COMMISSIONER HANSELL: Yes, the-and I'll
5 speak to this and-and Deputy Commissioner Vargas who
6 know it more detail than I do can-can elaborate, but
7 the State actually has just--

8 COMMISSIONER HANSELL: Okay.

9 CHAIRPERSON LEVIN: --implemented. They
10 issued some emergency regulations last month. They
11 just last week issued new guidance to us and the
12 other Social Services districts about how to
13 implement it. There are some new state requirements
14 that will be mandates on entities that provide
15 childcare services using federal money, and then
16 there is an option to local districts like New York
17 City to enhance rates in exchange for doing some
18 additional training and other things with regard to
19 those-those providers. We've just gotten that
20 guidance. So, we'll-we'll do an analysis of it, and
21 we will decide how we and when we want to implement
22 that in New York City. Some of it will have to be
23 implemented. Some is mandate. Some of it was regard
24 to the potential enhanced rates as an option. As
25 with every enhanced funding option, we went through

1 this previously, there are costs and benefits. It
2 provides more funding per child, but also means that
3 with a fixed allocation we can fund services to fewer
4 children. So, it's a complicated analysis, but we
5 are going to do that, and we will certainly get back
6 to you and the provider community once we've decided
7 how to move forward on that date.

9 CHAIRPERSON LEVIN: Thank you very much.

10 CHAIRPERSON DROMM: Thank you, and we
11 will now have questions from Council Members Lander,
12 Gjonaj, Holden and Adams, and that will be it for
13 this hearing for this portion.

14 COUNCIL MEMBER LANDER: Thank you, Mr.
15 Chair and thanks very much to you and your team.
16 I'll just associate myself with the general notes of
17 praise for some of transmission and change that
18 you've made at the agency, which I've also heard from
19 practitioner and--and the not-for-profit that do so
20 much work in the field. I want to ask a question
21 about the relationship following on what Chair Levin
22 asked around the Early Learn transition and how we're
23 thinking about sort of the broader birth to 5 set of
24 connections. Part of the goal here as I understand
25 in the expansion the Pre-K and 3-K is really thinking

1 about this as sort of birth to 5 continuum kids need
2 and we want everybody to show up for kindergarten
3 ready to learn. Obviously families need a different
4 range of supports, you know, about like our first
5 interactions or through Nurse/Family Partnership.
6 That's over here at DOHMH. You know, we want
7 everybody to get Pre-K and everyone does get Pre-K
8 now. We'd love everyone to get 3-K, but we're
9 targeting that first in neighborhoods that are lower
10 income, which makes sense, and then in between
11 there's a need to target and focus the right services
12 to help people have the supports they need, but on
13 the other hand we got three different agencies and
14 multiple different programs. So, either in the
15 context of the Early Learn transition or otherwise
16 are we sort of making sure that we build that
17 continuum of services in a really thoughtful way that
18 provides that base of supports across the birth to
19 five continuum.
20

21 COMMISSIONER HANSELL: That's a very good
22 question. You know, I think—I think it is sort of
23 the disconnection that you've identified, which is
24 part of the rationale for the transition, right, like
25 removing Early Learn to DOE. So, we'll have not just

1 a birth to five, but a birth through grade 12
2 continuum because, you know, ultimately our real goal
3 for Early Learn Programs for Head Start programs for
4 all our early education is to create gains for
5 children that persist and put them in a better
6 position in elementary school and beyond, and so I
7 think that's one of the key rationales for
8 integrating the Birth to Five System. With the K-12
9 System. I guess I would also say that, as I
10 mentioned earlier that I think the Department of
11 Education has built a lot of expertise around
12 community connections, community relationships
13 through the Pre-K initiative over-over the last four
14 years or so, and I think that-that has already stood
15 them well in terms of the initial implementation of
16 3-K for All, and should stand them well with regard
17 to taking over responsibility for Early Learn because
18 I think they have a much better understanding as a
19 result of the work they've done in the last four
20 years about what resources exist in communities
21 educational and otherwise and how to make sure that
22 those connections remain intact. So, you know,
23 they're well positioned to-to take it on from that
24 perspective, but I also say the fact that we're no
25

1 longer going to run the program doesn't mean that we
2 won't continue to work with them where we can [bell]
3 to help to ensure that those relationships remain in
4 place.
5

6 COUNCIL MEMBER LANDER: Mr. Chair, can I
7 ask just a second question, and I'll—I'll drill down
8 on this at the hearing that we have with DOE, you
9 know, in the next month I guess. I think would be a
10 good time. So, my—my second question, and thank you,
11 Mr. Chair, is how you're thinking about the kind of
12 questions of—of a fair sharing of the programs and
13 facilities that you're building across the city, and
14 I'll just speak to this from the example of my
15 example of my district. We used to have in parts the
16 two Boys Town limited secure facilities, which I
17 really valued that we had them in the neighborhood.
18 They were small. They fit in really well. We were
19 sort of in some way doing our part to be part of the
20 Juvenile Justice system. Those two facilities were
21 closed as a result of that incident that led to an
22 investigation, but to my knowledge, you know, there
23 isn't something yet to replace them. So, I don't
24 think we're doing our fair share right now in my
25 district in Park Slope to be part of your system of

1
2 services, and I think we should be. So, how are you
3 looking at that question of what's a fair sharing,
4 and making sure that we're spreading out the
5 resources and services and opportunities to meet the
6 needs of all kids including in neighborhoods that
7 don't have as much of it.

8 COMMISSIONER HANSELL: Uh-hm. A great
9 question. Let me say a couple things and then I'll
10 ask Deputy Commissioner Franco because he's really
11 overseeing the siting in the Close to Home Program
12 over the last few years. It is something we—we—we
13 take very seriously and think about and there are
14 really two—so there are two fundamental underlying
15 things that we're looking at. One is Fair Share.
16 One is making sure as the city does and is obligated
17 to do with any new siting facilities to make we're
18 thinking about equitable distribution of all city
19 facilities across—across neighborhoods and—and
20 communities, and so to do that, of course, we have to
21 think not just about Close to Home, we have to think
22 about everything we're doing, and everything the city
23 is doing. With regard to Close to Home specifically,
24 though, the premise of Close to Home is close to
25 home. We want to make sure that the young people

1 that are moving through that system are staying as
2 close to their families and as close to their
3 communities as possible so that their transition back
4 will be as seamless as possible. So, we are also
5 thinking about how we can site on the new Close to
6 Home facilities which we will need as much as
7 possible in or close to the communities from which
8 young people are coming so that we can truly achieve
9 the goal of that program. Felipe, do you want to
10 elaborate on that?
11

12 DEPUTY COMMISSIONER FRANCO: Yes. I mean
13 the—the first set of Close to Home facilities they
14 were started six years ago kind of responded to the
15 market and to the availability of resources available
16 to the providers that are actually wanted to
17 establish them. I think what the Commissioner is
18 talking about, though, we have an opportunity as we
19 think about Close to Home to think about it in two
20 ways. Close to Home is not just about facilities and
21 I think he did talk about the enormous amount of work
22 that New York City has done within the last six years
23 to reduce the likelihood of kid to be in placement in
24 Close to Home. We have reduced those—reduced those
25 numbers by 51% and as the Administration we have been

1 getting the support to think more and more about
2 community alternatives, which we talk about
3 community-alternative to placement and detention, but
4 actually are grounded in the community helping young
5 people succeed in school and in their homes without
6 actually having to come to Close to Home, and that's
7 why one of the reasons that we—we can actually
8 undertake the mandate of Raise the Age without any
9 support from the state is actually again we reduced
10 the capacity by 51%. We're kind of poised to take on
11 some of these kids. I think as the Commissioner said
12 moving forward we should be really starting to think
13 about engaging the community and to building the new
14 facilities, and—and how we build them to really
15 respond to the six or seven neighborhoods that
16 actually account for 95% of all the placement in the
17 Juvenile Justice System.

19 COUNCIL MEMBER LANDER: This is not a
20 question just a comment and I'll—I'll hand it over.
21 I guess I'd ask that you think about how to report to
22 us in ways that show that that last thing is true,
23 and I appreciate all of the other points. Obviously
24 if we're siting facilities in a way that keeps kids ,
25 specific kids, genuinely close to their—able to go to

1 schools and in their networks, then that's great.

2 One thing that I know has happened over time for
3 example in all shelter systems is like that may have
4 been the rationale originally, but over time people
5 wind up far from home, but still concentrated in low-
6 income communities, and that's neither Fair Share nor
7 actually achieving the results of keeping specific
8 kids close to their homes. So, I think if you don't
9 have them in place, if you could think about how
10 you're tracking that in ways to make sure it stays
11 true both for your own purposes and—and for ours.

12
13 DEPUTY COMMISSIONER FRANCO: Yes, and I
14 think just very, very quickly I mean every young
15 person that is adjudicated in the Juvenile Justice
16 System in New York City we actually at ACS have an
17 Intake Unit that actually looks at their needs, and
18 the risk, as the Commissioner mentioned before,
19 particularly based on needs we may determine which
20 one of the market built homes is the right one to
21 meet their particular needs, and then the second
22 factor that we always take into consideration is
23 proximity to home, and actually we keep track with
24 the statistics, and we could report those to you.

CHAIRPERSON DROMM: Thank you. Council
Member Gjonaj followed by Council Member Adams.

COUNCIL MEMBER GJONAJ: Thank you,
Chairs. Just a question for further explanation on
the \$51.3 million. Is that going solely to Raise the
Age and Close to Home? [background comments, pause]

DEPUTY COMMISSIONER PARRISH: Yes, yes.

COUNCIL MEMBER GJONAJ: And I am very
supportive of both programs. What are the number of
participants? I believe it's 110 from Rikers Island.
Is there another number I'm now aware of?

COMMISSIONER HANSELL: Yes, well, there--
there are a number of numbers. So, there is the
number of young people who are currently in our two
juvenile detention facilities, and these numbers
change on a daily basis.

COUNCIL MEMBER GJONAJ: What are they
roughly today or--?

DEPUTY COMMISSIONER FRANCO: Yeah, I mean
at--we actually in our volume in terms of census it's
about 40 kids today.

COUNCIL MEMBER GJONAJ: How many?

DEPUTY COMMISSIONER FRANCO: Forty.

COUNCIL MEMBER GJONAJ: Forty kids in--

2 DEPUTY COMMISSIONER FRANCO:

3 [interposing] It's in both facilities.

4 COUNCIL MEMBER GJONAJ: --the Juvenile
5 Justice Center?

6 COMMISSIONER HANSELL: In the two
7 Juvenile Justice Detention facilities--

8 COUNCIL MEMBER GJONAJ: [interposing]
9 Right.

10 COMMISSIONER HANSELL: --Crossroads and
11 Horizon.

12 COMMISSIONER HANSELL: In addition--

13 COUNCIL MEMBER GJONAJ: [interposing] Uh-
14 hm.

15 COMMISSIONER HANSELL: --of course, we
16 have a number of--a larger number of young people in
17 our Close to Home program. Some of them in
18 placements. Some of them under our aftercare
19 supervision. The total number of young people in
20 that program today is--

21 DEPUTY COMMISSIONER FRANCO:

22 [interposing] Yeah, actually it's like earlier in the
23 week we were at 160 something. That will get you
24 back to your number of kids in Close to Home sites,
25 and about 45 kids in after care.

1
2 COUNCIL MEMBER GJONAJ: There's 25 kids
3 in--?

4 DEPUTY COMMISSIONER FRANCO: After care/

5 COUNCIL MEMBER GJONAJ: After Care.

6 COMMISSIONER HANSELL: And then, Council
7 Member, just to be clear, the third number, which is
8 where you started is I think the number or 16 and 17-
9 year-olds who are currently on Rikers Island who as
10 of October 1st will have to transfer off Rikers
11 Island into our-our facilities. Again, that number
12 fluctuates up and down. It actually has been going
13 down, and I don't want-I can't speak for our
14 Correctional colleague. We can get you a current
15 number on that, but, of course, the real number is
16 what it will be on October 1st and we don't know yet
17 exactly what that will be.

18 COUNCIL MEMBER GJONAJ: So, my numbers
19 are roughly 350 in the entire system.

20 DEPUTY COMMISSIONER FRANCO: Yeah, I mean
21 I think it's important to keep in mind that again New
22 York City has done a really job of defining the
23 Juvenile Justice System not by those kids who are
24 waiting for trial in detention or pre-adjudication or
25 are in placement. So, I mean I don't have the

1 numbers in front of me, but there's actually a
2 significant number of young people who are in the
3 Juvenile Justice System who actually are going
4 through the process of probation that is more like-
5 more-much larger than the number that we are talking
6 about, and actually what has been happening in the
7 last six or seven years is that the number of kids in
8 placement as the Commissioner mentioned before in
9 detention and in placement gets smaller, the number
10 of kids are actually being successfully managed in
11 the community by our parents and the Department of
12 Probation has increased percentage wise.

14 COUNCIL MEMBER GJONAJ: I'm not going to
15 dispute that. Certainly the investment in our youth
16 is important to me and to this-to the Council, but
17 when I do the math it equates to about \$146,000
18 [bell] per child, and I'm not sure that investment
19 actually trickles down into the children. It could
20 be eaten up by overhead and other expenses. Every
21 dollar that we invest in our children is wise or our
22 youth is a wise and smart investment. I'm just
23 afraid that these dollars aren't really going to
24 those children, \$146,000 per child I can't even
25 understand the waste.

1
2 COMMISSIONER HANSELL: Uh-hm. Well, I-I
3 will tell you this, and we've looked at this
4 analysis. When we—prior to 2012, when Close to Home
5 was initiated, the young people who now come into our
6 system went into Upstate state facilities where they
7 were in prison. They were in jails absolutely and
8 one of the—the rationales, not the strongest. The
9 strongest rationale was it was much better for young
10 people, but one of the rationales for the state in
11 deciding to work with us to implement Close to Home
12 is that it would be cheaper to have young people in
13 our system in New York City than it cost to send them
14 Upstate, and that has absolutely proven true. So,
15 the state and the city are actually saving a
16 substantial amount of money by having them housed
17 and—and served within our Close to Home program
18 rather than in the pre-Close to Home system. The
19 other thing I would say is I think you have weigh the
20 cost of the program against the cost of what would
21 happen if young people did not move through the
22 program, ended up committing crimes potentially,
23 ended up, you know, with other poor outcomes that
24 would cost society a lot more money than this program
25 does.

1
2 COUNCIL MEMBER GJONAJ: Once again, I'm
3 supportive of both Close-Close to Home and the Raise
4 the Age. I probably voted for it in the Assembly if
5 you recall last year. [laughter] I just want to
6 point out that mu question is when I look at the
7 dollar amounts-

8 COMMISSIONER HANSELL: Uh-hm.

9 COUNCIL MEMBER GJONAJ: --that are
10 associated for 350 youth, the number is astronomical.

11 COMMISSIONER HANSELL: Yes.

12 COUNCIL MEMBER GJONAJ: I just point out
13 that \$146,000 is unimaginable that so-that it could
14 cost so much.

15 COMMISSIONER HANSELL: Yes.

16 COUNCIL MEMBER GJONAJ: It's certainly a
17 much needed concentration of investing in our youth,
18 and making sure they stay out of the system--

19 COMMISSIONER HANSELL: Uh-hm.

20 COUNCIL MEMBER GJONAJ: --and hopefully
21 never return back into the system or fall prey to it.
22 It's just unimaginable that it's \$146,000.

23 COMMISSIONER HANSELL: Well, we're happy
24 to break that number down for you in any way that
25 helps you understand where that investment is going.

1
2 COUNCIL MEMBER GJONAJ: I really would
3 like to look into that with you. Thank you.

4 COMMISSIONER HANSELL: Certainly.

5 CHAIRPERSON DROMM: Thank you very much.
6 We have Council Member Adams, and then a closing
7 statement by Council Member King, and I see the Chair
8 of our Fire and Emergency Management is already here.
9 So, we have that hearing following this.

10 COUNCIL MEMBER ADAMS: Good afternoon,
11 Commissioner.

12 COMMISSIONER HANSELL: Good afternoon.

13 COUNCIL MEMBER ADAMS: Thank you all so
14 much for your testimony here today. We really
15 appreciate you being here. As one who has a Close to
16 Home facility in my district, I just wanted to
17 revisit an issue, and an unfortunate worse case
18 scenario that did occur last month, and some of you
19 were there at the Southeast-Ozone Park Civic Center
20 meeting last month where one youth did—two youth left
21 the property, a 15-year-old and a 17-year-old left
22 the property. The 15-year-old was shall we say
23 restored to the property. Has the 17-year-old been
24 restored to the property at this this time?
25

1
2 DEPUTY COMMISSIONER FRANCO: Yes, Council
3 Member both of them I mean the six—the—the younger
4 youth actually was returned to the property within
5 hours by the NYPD, and the other one was returned
6 back to the facility within days by our
7 investigative—investigative consultants in
8 collaboration with NYPD.

9 COUNCIL MEMBER ADAMS: Excellent. Thank
10 you very much, and—and the fact that I didn't know
11 that goes to my second point because at that meeting
12 that night we spoke about continuity and
13 communication between Sheltering Arms, yourselves and
14 the community. So, we still need to tighten up the
15 communication around the situation of these Close to
16 Home facilities especially given, you know, given now
17 we've got Raise the Age. I—I guess I just need to
18 know is there an intake plan right now concerning
19 individuals coming in under the Raise the Age
20 Initiative? Is there an intake plan for these youth
21 to come into existing facilities right now? I guess
22 also for—for my edification I need to know is there a
23 difference between Close to Home facilities and
24 quote/unquote "juvenile detention sites."
25

1
2 COMMISSIONER HANSELL: Well, let me say a
3 couple of things, and then I'm sure Deputy
4 Commissioner Franco can elaborate. Let me start by
5 saying first of all I very much appreciate your
6 concern Council Member and we take every incident
7 like this, and there are very few of them, but we
8 take them all very seriously and—and I—and we have
9 tried to do that here and certainly if there was any
10 kind of communication breakdown with you about the
11 follow-up on this I apologize. We'll make sure that
12 we share that information with you in the future. I
13 mean the good news is that the number of young people
14 who have AWOL'd from Close to Home has dropped
15 dramatically over the five years of the program. It
16 happens much more rarely than it did, and as I
17 mentioned, and this really goes to your question part
18 of what we are receiving funding for in the budget is
19 to ramp up our work with NYPD so that we're in even a
20 better position when it does happen. There were
21 situations where it does happen—to respond
22 immediately and aggressively to find the young people
23 and make sure that they are returned to the facility.
24 On your second question, we are planning to meet the
25 need for additional capacity in a few ways. One is

1 we do have some unused capacity right now in the
2 program because so many—fewer young people who have
3 been coming in so far. [bell] So, some of the young
4 people who will be placed were—and it's—the
5 placements are made by the court, not by us, but when
6 the Family Court places them in Close to Home, into
7 placement some of them will be going into the
8 facilities we currently have and then we're looking
9 at our need to expand by working with our—our
10 providers to establish new facilities. So, there's a
11 range of ways in which we'll be building the capacity
12 that we need to accommodate the larger number of
13 young people that we anticipate will be coming into
14 the program in the future.

16 COUNCIL MEMBER ADAMS: Okay, thank you
17 very much. Just quickly, my other concern also in—in
18 giving the—the scenario around the incident was that
19 there was an issue of confidentiality of infraction.
20 Now, give the Close—the—the Raise the Age Initiative
21 that's coming up and some of the—one of my colleagues
22 mentioned there is a differential of disclosure, if
23 you will. So, how will that be handled? Will—will
24 we be able to know what those infractions are from
25 the youth that are coming via the Raise the Age

1 Initiative or will it be consistent with what we
2 dealt with—with surrounding the Close to Home where
3 we are not privy to that information as far as
4 specific infracture issues.
5

6 DEPUTY COMMISSIONER FRANCO: I mean to
7 answer your question and—and, you know, you and I
8 should continue to talk after—after the hearing. As—
9 as you know, if you ever need any kind of information
10 in terms of the distribution of the type of young
11 people who get—who get placed in I mean with the
12 secure we can make that other level, and I think as I
13 mentioned before, the number of people who get placed
14 in—young people who get placed in Close to Home are
15 only those that actually are adjudicated by the
16 Family Court. There's a significant number of young
17 people that actually have committed serious felonies
18 that actually are considered juvenile offenders. They
19 actually don't get placed in Close to Home. They
20 actually stay well under the—and we also present
21 secure facilities. But more importantly whenever we
22 have a young person in Close to Home, we protect
23 their identity. We strongly believe in the
24 confidentiality of their records, and we want to give
25

1
2 them an opportunity to have a new life. That's why
3 they're in the Family Court.

4 COMMISSIONER HANSELL: And I will say
5 this is not just our choice. This actually required
6 by State Law. There are State Law protections for
7 confidentiality of kids in the system, many of who
8 are also technically considered to be in foster care.
9 So, we have to follow the State requirements of that
10 disclosure and non-disclosure--

11 COUNCIL MEMBER ADAMS: [interposing]
12 Right.

13 COMMISSIONER HANSELL: --of personal
14 information about them.

15 COUNCIL MEMBER ADAMS: Right, that much
16 was understood. I just wanted to know if there was
17 going to be a differentiation made between the
18 individuals coming from one place or another, one
19 scenario or another. That's all. I understand all
20 of that.

21 COMMISSIONER HANSELL: Uh-hm.

22 COUNCIL MEMBER ADAMS: Okay, thank you.

23 COMMISSIONER HANSELL: Thank you.

24 CHAIRPERSON DROMM: Well, Council-Council
25 Member Adams raises a good point about notification.

1
2 What is the process for that and how many Council
3 Members have Close to Home facilities?

4 DEPUTY COMMISSIONER FRANCO: On--on the
5 first one, we actually are working with you site, and
6 actually based on your feedback in the development--
7 you know, actually you know the agency well. They
8 immediately actually went and talked to the
9 neighbors. They actually within a couple of days,
10 they actually was meeting with you and the civic
11 association. What we're actually putting in place,
12 actually beginning tomorrow with close-by neighbors.
13 It's actually an automated system. If there's ever an
14 incident that actually we're required to report to
15 everyone, their agency will immediately text
16 everyone. So, actually that would be I think an
17 outreach effort after talking to you--to the neighbors
18 in your community. We're actually looking at
19 implementing similar measures in all the other--I mean
20 with the secular sites across the city. There's only
21 three more of them, one in the Bronx, and one
22 Brooklyn.

23 CHAIRPERSON DROMM: Those Council Member
24 know of their sites?

1
2 DEPUTY COMMISSIONER FRANCO: Yes, they
3 do, but we can make sure that we reach out to them.

4 CHAIRPERSON DROMM: Okay, thank you.
5 Okay, Council Member King to close us out.

6 COUNCIL MEMBER KING: I'm just going to
7 give you something. Don't—you don't have to give me
8 an answer now because I want to respect the time of
9 my colleagues, but I do like to know if you can send
10 to the Committee ACS, how ACS is going to be
11 participating in training? When the DOC is supposed
12 to be getting the materials that they have? How ACS
13 is participating in that same train? And I'd like to
14 know what assurances has ACS received from—from the
15 number of people who are going to be trained from DOC
16 and assurances of the amount of hours that they're
17 going to be putting in. What is that training
18 supposed to look like? So, you can get that to us at
19 a later date. As we discussed earlier, Council
20 Member Dromm and I support it. I had asked you in
21 regards to getting us information to where all our
22 cluster home sites are, where are our foster? (sic)
23 If the members get an idea to know what ACS
24 facilities in, you know, in their districts so they
25 don't have wait for an incident to happen and learn

1 that this house is that, and this is that in their
2 district as well, and I end up saying this: As I
3 started the goal is making sure that you're able to
4 deliver on October 1st. Whatever that looks like, I
5 would ask you to stay in constant communications
6 with—I know you all meet on Wednesdays all the agency
7 coming together formally in this, but keeping us and
8 the Council abreast of if there are any challenges.
9 So, come, as I say, we don't want to come here
10 September 29th, and you say well, because something
11 didn't happen on June 27th we were able to move forth
12 on October 1st. So, if you're having any challenges
13 from now until then, please keep us in the loop so
14 that we can help to uncover any challenges that you
15 may be having. Again, I want to thank you for your
16 testimony, and your commitment to making sure all of
17 ACS is functioning in the great team effort. Thank
18 you so much.

19
20 CHAIRPERSON DROMM: Thank you, Chair King
21 and Chair Levin has a statement as well.

22 CHAIRPERSON LEVIN: Oh, I just want to
23 thank you as well, Commissioner and your entire team
24 and for working very closely with our committee, the
25 General Welfare Committee and with Juvenile Justice

1
2 Committee under Chair King's leadership. It's-it's
3 been greatly appreciated the level of engagement, and
4 working through these very difficult issues, but
5 there's a lot of work still left to be done, but we
6 appreciate the spirit of working together.

7 CHAIRPERSON DROMM: Hear, hear.

8 COMMISSIONER HANSELL: Thank you all very
9 much.

10 CHAIRPERSON DROMM: Thank you very much.

11 Okay, we're going to take a 5-minute break and then
12 we'll start with the Committee on Fire. [pause]

13 [gavel] Okay, we will now resume the City Council's

14 hearing son the Mayor's Executive Budget for Fiscal

15 17. The Finance Committee is joined by the Committee

16 on Fire and Emergency Management chaired by Council

17 Member Borelli. We've also been joined by Council

18 Member Fernando Cabrera, and Council Member Alan

19 Maisel, and I think other members will join us

20 shortly. We've just been—we just heard from the

21 Administration for Children's Services, and now we'll

22 hear from Daniel—Daniel Nigro, Commissioner for the

23 Fire Department. In the interest of time, I will

24 forego making an opening statement, but before we

1 hear testimony, we'll open the mic to my Co-Chair,
2 Council Member Borelli.

3
4 COUNCIL MEMBER BORELLI: Council Member,
5 also, in the interest time, it being drawing close
6 and closer to later hours, I will also forego.

7 CHAIRPERSON DROMM: Wow, you are
8 definitely impressive here. Thank.

9 COUNCIL MEMBER BORELLI: I am and I know
10 it. (sic)

11 CHAIRPERSON DROMM: That's all right
12 because we do have briefings downstairs and other
13 things going on as well. I'm going to ask counsel to
14 swear in the panel.

15 LEGAL COUNSEL: Do you affirm to tell the
16 truth, the whole truth, and nothing but the truth in
17 your testimony before this committee and to respond
18 honestly to Council Member questions?

19 We do.

20 CHAIRPERSON DROMM: Great. Commissioner,
21 thank you, and would you like to start?

22 COMMISSIONER NIGRO: Thank you. So, good
23 afternoon Chair Borelli and Chair Dromm and all of
24 the Council members present. Thank you for this
25 opportunity to speak with you today about the

1
2 Executive Budget for Fiscal Year 2019 for the Fire
3 Department. I'm joined this afternoon by First
4 Deputy Commissioner Laura Kavanagh; Chief of
5 Operations, John Sudnik; Chief of EMS, James Booth;
6 Assistant Commissioner for Budget and Finance Steven
7 Rush; and Assistant Commissioner Nafeesah Noonan. I
8 would like to acknowledge at the outset of this
9 hearing great losses suffered by this department.
10 Since I appeared before this committee in March,
11 three brave members of the department died while
12 serving our city and our country: Fire Marshal
13 Christopher Tripp Zenitis; Firefighter Christopher
14 Raguso, both members of the Air National Guard were
15 killed on March 15th when their helicopter crashed in
16 Iraq. Lieutenant Michael Davidson died on March 22nd
17 after suffering critical injuries while operating at
18 fire in Harlem. Their names will forever be linked
19 with service, honor and above all else bravery. The
20 Fire Department has always received great support
21 from Mayor de Blasio and the Executive Budget for
22 Fiscal Year 19 is no exception. This budget
23 continues to fund the department at levels that will
24 enable us to effectively serve the people of New York
25 and it funds initiatives that will help us improve

1 the level of service that we provide. Included in
2 this budget is funding for FY19 and FY20 for Phase 2
3 of the Fire Fighter Candidate Tracking System, which
4 provide analytical tools for the Department to assess
5 the candidate's screening process and more easily
6 track candidates as they progress through the various
7 stages of the recruitment and hiring process. The new
8 system will lead to an application process that flows
9 more smoothly for both the department and the
10 candidates. This funding will also be used to develop
11 a candidate portal. This feature will allow
12 candidates to see appointments, mentorship
13 programming, view their progress through the process,
14 and communicate with their assigned investigator. As
15 this committee is aware, under my administration we
16 have put a great deal of resources into our
17 recruitment process creating a program that has
18 produced the most diverse group of firefighter exam
19 test takes in the history of the department, and we
20 will continue improving that effort in future
21 campaigns. But simply recruiting quality candidates
22 is not enough. We recognize that the application
23 process to be a firefighter is longer, and more
24 involved than for many other jobs. This funding will
25

1
2 create a better candidate experience and help us to
3 complete that process in as streamlined a manner as
4 possible. He 2019 Executive Budget also funds an
5 assessment and validation of our EMS Physical Agility
6 Test. The Physical Agility Test measures a
7 candidate's ability to perform the essential
8 functions of an FDNY EMT or Paramedic that are
9 physical in nature. The realities of this physically
10 demanding work led us to undertake a review of our
11 own testing facilities and with the New York City
12 Housing Authority's Resident Engagement Unit to
13 schedule presentations with tenant associations--
14 [background comments]—excuse me. Demanding work led
15 us to undertake a review of our own testing
16 procedures to ensure that our EMTs and Paramedics can
17 perform the physical aspects of the job. This
18 funding will allow us to engage experts to conduct a
19 professional assessment. The Fire Department also
20 received funding in this Executive Budget for a
21 Civilianization Program, which will fill
22 administrative non-field assignments currently
23 staffed with uniformed personnel with appropriate
24 civilian staff allowing the uniformed personnel to be
25 redeployed to the field. We are still in the process

1 of identifying specific areas where this program will
2 apply, but we believe that it will allow us to more
3 effectively utilize our uniform workforce and
4 ultimately save money for the taxpayer. Following a
5 number of serious fires over the last few months, we
6 have proactively enhanced our already aggressive
7 outreach program to educate members of the community
8 about fire safety. FDNY Fire Safety teams educate
9 the public on critical life saving strategies that
10 focus on fire prevention. They work with community
11 groups, elected officials, schools, senior centers
12 and our fellow city agencies placing the special
13 focus on the city's most vulnerable populations and
14 at-risk communities. The Fire Safety Education Unit
15 conducted approximately 3,300 education presentations
16 in the first four months of this year. That's a 54%
17 increase in presentations over the same period in
18 2017. Approximately 156,000 New Yorkers attended
19 such a program. We also have a larger number of
20 events planned for the near future. We are
21 coordinating with NYC Emergency Management on several
22 upcoming fire safety and emergency preparedness
23 events throughout the Bronx in May and June. We are
24 currently working with the Department of Youth and
25

1
2 Community Development to coordinate visits for 2,000
3 young New Yorkers to 55 firehouses around the city in
4 June with the goal of teaching fire and life safety.
5 We will also be hosting our popular citywide open
6 houses in firehouses and EMS stations across the city
7 on June 16th and 17th. This year we'll be our fourth
8 annual event and we will be placing a focus on fire
9 safety and distributing 25,000 free smoke alarms. We
10 know that we can amplify our message by working with
11 partners. To this end we are currently in the
12 process of coordinating meetings with a large number
13 of clergy and faith based groups. We already work
14 with the these groups throughout the year, and we
15 know that training members of the clergy in fire
16 safety and giving them materials to distribute at
17 their house of worship will help spread our message
18 to congregations across the city. We're also working
19 with the Department of Education to explore a great
20 number of opportunities to educate both students and
21 parents about fire safety. We target schools that we
22 have identified as having a high percentage of fire
23 deaths or injuries in their geographic area, and
24 conduct presentations and distribute educational
25 materials. We are coordinating with the Department

1 for the Aging to broaden our outreach to senior
2 focused facilities with the New York City Housing
3 Authority's Residential Engagement Unit to schedule
4 presentations with tenant associations in the NYCHA
5 developments. These events are in addition to our
6 regular ongoing Fire Safety Initiatives. For
7 example, whenever a fatal fire occurs, we dispatch a
8 team of fire safety educators to the immediate area
9 of the incident within 48 hours to perform public
10 outreach. These teams emphasize fire safety themes
11 related to the cause of the fire, if known, and make
12 fire and carbon monoxide alarms available to members
13 of the public at no cost. They subsequently set up
14 presentations with the local community board and
15 attended several meetings to discuss fire safety.
16 Another regular event is our Change Your Clocks,
17 Change Your Batteries Campaign, which takes place
18 twice a year. For the entire week in which Daylight
19 Savings takes place, we send fire safety educators to
20 45 locations across the city to distributed
21 approximately 40,000 batteries free of charge. We
22 conducted similarly broad outreach each year during
23 Fire Prevention Week in October. To supplement all
24 of our in-person outreach, FDNY's Bureau of Public
25

1 Information has drastically augmented our social
2 media presence in recent years. Since December 2017
3 Fire and life safety messaging on FDNY's social media
4 has been viewed 17 million times. That represents a
5 49% increase from the same period last year. We have
6 filmed and published 24 public safety announcements
7 including ones that are part of the Close Your Door
8 Campaign that we launched in the wake of a fire in
9 the Bronx that resulted in the death of 13 people.
10 To date, the PSAs have garnered two million views.
11 We recently completed on 18 additional PSAs, which
12 will be published on social media between now and the
13 end of the year. Fire safety messaging is shared to
14 Twitter multiple times each week, and to Instagram
15 and Facebook on a regular basis. We share messaging
16 specific to the current season or upcoming holiday as
17 well as consistent fire safety messaging that doesn't
18 change regardless of the time of year. We have many
19 partners in our fight to make New York City as safe
20 as possible, but none more important than the people
21 of this city. It is our privilege to serve them. We
22 thank the Committee and the entire City Council for
23 its ongoing support for our mission. I would be
24

1 happy to take your questions at this time. Thank
2
3 you.

4 CHAIRPERSON DROMM: Thank you,
5 Commissioner. Appreciate you coming in and giving
6 testimony. I do have some questions and then I'm
7 going to turn it over to Chair Borelli. I want to
8 talk a little bit about citywide savings. The
9 Financial Plan Recognizes the number of savings of
10 the Fire Department including the decrease of
11 \$250,000 in Fiscal 19 and in the out-years for
12 overtime laborers. Can you expand on how you arrived
13 at this savings for overtime laborers?

14 ASSISTANT COMMISSIONER RUSH: Working in
15 consort and this is in the civilian area--

16 CHAIRPERSON DROMM: [interposing] Can you
17 just identify yourself for the record?

18 ASSISTANT COMMISSIONER RUSH: Steven
19 Rush, Assistant Commissioner for Budget and Finance.
20 Working with the Office of Management and Budget,
21 we've been looking at civilian overtime areas, and
22 areas outside of Dispatch and Inspection Services
23 where we are going to put additional overtime caps in
24 and provide the personnel with comp time in lieu of
25 cash overtime where legally permissible. So, we're

1
2 working—that's a whole program I'm working on, and
3 instructions will be going out to the units within
4 the next two weeks.

5 CHAIRPERSON DROMM: So, do civilian staff
6 waive their overtime? Do they choose to do that?

7 ASSISTANT COMMISSIONER RUSH: There's a
8 contractual agreement with the unions that above a
9 certain amount overtime if they are in a category
10 that are exempt from the Fair Labor Standards Act,
11 they are entitled to comp time not cash. We will be
12 more strictly enforcing that requirement going
13 forward.

14 CHAIRPERSON DROMM: Okay and how many
15 staff have waive their compensation, their overtime
16 compensation?

17 ASSISTANT COMMISSIONER RUSH: We are the
18 ones that provide the waivers. A lot of them do
19 accept cash, and probably about—probably about 200
20 cash waivers. However, we'll be tightening those
21 numbers up as we go forward. In other words, they'll
22 be getting—they'll get comp time if they indeed need
23 to work overtime instead of a cash overtime.

24 CHAIRPERSON DROMM: And what do you mean
25 those numbers to be in the future?

1
2 ASSISTANT COMMISSIONER RUSH: In terms
3 of--?

4 CHAIRPERSON DROMM: You said 200 have
5 waived it so far or--?

6 ASSISTANT COMMISSIONER RUSH: Yeah, we'll
7 be reducing those numbers as we go forward.

8 CHAIRPERSON DROMM: Okay. In the same
9 citywide savings there's a decrease of \$62,144 in
10 Fiscal 2019, \$160,000 in Fiscals 2020, \$456 in Fiscal
11 21, and in the out-years from savings of procurement
12 reform. Is this due to procurement tracked-contract
13 delays? If so, what contracts are currently delayed?

14 ASSISTANT COMMISSIONER RUSH: I think
15 what the--what the city has implemented is the--the
16 passport system that expedites contract processing so
17 that contracts will be procured---will be processed
18 more quickly. The vendors will have--will get on
19 board more quickly. The hope is that we will then
20 have more efficiency in the process, and bidders will
21 recognize that and reduce their pricing.

22 CHAIRPERSON DROMM: Okay. Let's talk a
23 little bit about Healing New York City. Back in
24 March, the Mayor and the First Lady announced a \$22
25 million expansion of the city's plan to combat

1
2 opioid—the opioid epidemic. As part of the larger
3 initiative, the announcement stated that EMS will
4 distribute 500,000 Naloxone—I hope I said it right—
5 kits annually at homes they visit in response to an
6 overdose call. The Leave Behind Program will launch
7 by the end of summer of 2018. Since neither the
8 Preliminary or the Executive Financial plans indicate
9 additional funding for this, was funding in FDNY's
10 budget already set aside for this program?

11 ASSISTANT COMMISSIONER RUSH: The
12 Department of Mental Health Services has provided the
13 kits for the Fire Department, or will be providing
14 them I should say.

15 CHAIRPERSON DROMM: So, we'll see that in
16 their budget then?

17 ASSISTANT COMMISSIONER RUSH: That's
18 correct. That's my understanding.

19 CHAIRPERSON DROMM: Uh-hm. Okay, and how
20 did you arrive at the number of 5,000?

21 ASSISTANT COMMISSIONER RUSH: I think
22 that number was derived by the Department of Health
23 and with the Mayor's Office.

24 CHAIRPERSON DROMM: Okay. I have a
25 question about LGBTQ staff. How many of the

1
2 Department' staff is LGBTQ? Do you do data
3 collection on that?

4 COMMISSIONER NIGRO: We do not.
5 Certainly we have an active group within the
6 Department. We have an LGBTQ Coordinator in the
7 Department, but we do not keep that as a-as a
8 category statistic, no.

9 CHAIRPERSON DROMM: Well, that's
10 interesting. I didn't know that there was an LGBTQ
11 group. Can you just tell me a little bit more about
12 that?

13 COMMISSIONER NIGRO: Well, Laura can
14 expand on it. We did it with the recruitment starting
15 with the recruitment, but-

16 DEPUTY COMMISSIONER KAVANAGH: So, it
17 started with recruitment to help us tailed some of
18 our recruitment programs towards that community
19 particularly because people may not always be willing
20 to give up that information, and so Brook who is our
21 Coordinator helps facilitate that and will record
22 that information if the candidate is comfortable so
23 that we can direct that candidate towards particular
24 services, and the she also goes out and does-and puts

25

1
2 together recruitment events that are specific to the
3 LGBT community.

4 ASSISTANT COMMISSIONER RUSH: Is that
5 Brook?

6 DEPUTY COMMISSIONER KAVANAGH: Yeah,
7 Brook.

8 CHAIRPERSON DROMM: Okay, good I'm
9 familiar—I know Brook.

10 DEPUTY COMMISSIONER KAVANAGH:
11 [interposing] She's been here full-time. (sic) Yeah,
12 and I would say she also carries over all those. It
13 started as a recruitment effort. She does a number
14 of training programs internally to help current
15 staff. So, the position has sort of expanded.

16 CHAIRPERSON DROMM: Is there a goal—is
17 there a group within the Fire Department similar to
18 Goal in the Police--

19 DEPUTY COMMISSIONER KAVANAGH: It's
20 called Fire Flag.

21 CHAIRPERSON DROMM: Fire Flag?

22 DEPUTY COMMISSIONER KAVANAGH: It's an
23 Affinity organization.

24 CHAIRPERSON DROMM: I know one of the
25 original founders of it Jean Walsh==

1
2 DEPUTY COMMISSIONER KAVANAGH: Yeah.

3 CHAIRPERSON DROMM: --who comes around
4 quite often. How many members do you know are in
5 that group?

6 DEPUTY COMMISSIONER KAVANAGH: They have
7 not been able to give us hard figures. I go to their
8 events. I think I'd say at a few dozen give or take,
9 but I think there are a number of members like when
10 we march in the parade we have a pretty large
11 contingent and who are not officially a part of Fire
12 Flag, but who do attend.

13 CHAIRPERSON DROMM: Some of the
14 legislation that I've passed in regard to the
15 Department of Ed and also some of the social service
16 agencies required the collection of data, voluntary
17 but required of the agency to at least ask people of
18 they wanted to participate voluntarily. Is that
19 something that your department would be open to?

20 DEPUTY COMMISSIONER KAVANAGH: Yeah, I
21 think we'd be open to that especially if it's
22 voluntary.

23 CHAIRPERSON DROMM: Because I think in
24 many ways sometimes when you put that out there, it
25 sends a message as well that it's okay for people who

1
2 are applying or however you wanted to implement it
3 either—I don't know what type of internal surveys you
4 do--

5 DEPUTY COMMISSIONER KAVANAGH:

6 [interposing] Yeah.

7 CHAIRPERSON DROMM: --but, you know, on
8 an application or putting it out there. However you
9 collect that data, I think it would be very helpful
10 and—and we really--

11 DEPUTY COMMISSIONER KAVANAGH:

12 [interposing] We'd be okay with that.

13 CHAIRPERSON DROMM: --urge you to
14 consider that. Yeah.

15 DEPUTY COMMISSIONER KAVANAGH: We already
16 have the ability to collect that information, but we
17 need to, you know, begin to enforce it and encourage
18 our recruiters to have people fill out that area if
19 they competent to fill it out.

20 CHAIRPERSON DROMM: Well, that's good.

21 DEPUTY COMMISSIONER KAVANAGH: But we do
22 have the ability to collect it. It's one of our
23 fields.

24 CHAIRPERSON DROMM: So, it's—so is it on
25 the application already or--

1
2 DEPUTY COMMISSIONER KAVANAGH: It's in
3 our computer, our Tablet application. We can update
4 it to our paper, but we have already been thinking
5 about encouraging our recruiters to encourage the
6 interest to complete that portion of the application.

7 CHAIRPERSON DROMM: Okay, that's great-
8 great news. I'd love to follow up with you on that.
9 Okay. I'm going to have staff reach out to you.
10 Alright, Fire and Safety Education. You know, I had
11 a terrible fire in my district about a week ago last
12 Saturday in Elmhurst, and 23 people were living in a
13 single-family home. One person—it was originally
14 reported like, you know, 11 people went to Elmhurst
15 Hospital. One was in serious condition, and then the
16 next day it was reported that one had actually died
17 that they found a body in the attic. So, I know that
18 folks were out doing some fire safety education
19 subsequently, subsequent to that, but my question is
20 really about how often do you do that, and do you do
21 it in different languages? Because I think that's
22 really crucial to reaching the people that are most
23 affected by this.

24 COMMISSIONER NIGRO: You know, we
25 certainly do. Following any fatal fire within 48

1 hours we send a team out. They do fire safety
2 education in the communities and we do it in the
3 appropriate language. So--

4
5 CHAIRPERSON DROMM: Okay, and then--so
6 last week we passed the bill so that's going to be
7 implemented even further going down the road or that's
8 something you've already done.

9 COMMISSIONER NIGRO: No, we've--we've been
10 doing that for that years, and I think we have--we--we
11 do it in many languages. We have the capacity to do
12 it in the many languages that people in our city
13 speak, and that's part of what we've been doing over
14 the course of many years.

15 CHAIRPERSON DROMM: How many FDNY staff
16 are part of that program?

17 COMMISSIONER NIGRO: The Fire Safety
18 Education several dozen.

19 CHAIRPERSON DROMM: So, the--the program
20 includes presentations at local schools?

21 COMMISSIONER NIGRO: They also do--Fire
22 Safety Education does that, and I might add that many
23 of our members I find out--I don't know myself, do it
24 voluntarily at the schools in their neighborhoods or
25 where their children go. I would say that most

1 public schools in our city get these presentations
2 informally by members of the department when they
3 have members in those schools, but our active fire
4 safety education staff does thousands of these each
5 year.
6

7 CHAIRPERSON DROMM: They do thousands.

8 Do you keep an accurate record of the number or--?

9 COMMISSIONER NIGRO: We do. I think last
10 year 8,000 presentations directly reached 750,000
11 people in the city. Not all of them were in schools.
12 They're in various forums, but some are--are also in
13 schools. Schools was 1084.

14 CHAIRPERSON DROMM: Thank you, and I know
15 you're always cooperative in terms of, you know, we
16 have an Asian Lunar New Year celebration, and usually
17 people will come out and do that education day as
18 well. So, EMS. According to Local Law 2507, the EMS
19 Battalions are bursting at the seams with personnel
20 and while most of the stations are designed to hold
21 five or six trucks, they now hold 10 or more trucks.
22 At the Queens Battalion, 54 specifically, dozens of
23 members are without lockers and a designed for five
24 or six units now houses about a dozen units. How
25

1 much would it cost to upgrade Queens Battalion 54 to
2 have lockers for all of its members?
3

4 COMMISSIONER NIGRO: Well, I'm not aware
5 that we have stations that members don't have
6 lockers. I'll let Jim talk to that.

7 CHIEF BOOTH: [off mic] Good afternoon,
8 Sir. I'm the Chief of the EMS. My name is James
9 Booth. Station 54 is in Springfield Gardens. We
10 have a plan going forward to address locker needs--

11 CHAIRPERSON DROMM: [interposing] Is your
12 mic on? Because I'm not hearing you.

13 CHIEF BOOTH: [on mic] I'm sorry, sir.
14 We have a plan going forward to address locker needs
15 in ambulance stations that are being either
16 rehabilitated, newly built or existing ambulance
17 stations. So, we have a plan going forward to
18 address those needs.

19 CHAIRPERSON DROMM: And what about the--
20 the issue with the trucks? They hold five to six
21 trucks, but they have--they hold five or six--five to
22 six trucks, but often times it's 10 or more that are
23 three.

24 CHIEF BOOTH: The ambulance stations are
25 obviously designed to hold a certain number of

1
2 ambulance-ambulances, but as the needs of system
3 expands, the needs to co-locate ambulances in
4 existing facilities has grown greater. So, that's
5 where we're at with that.

6 CHAIRPERSON DROMM: So, I know that at
7 Elmhurst Hospital for example, it seems to me that
8 there is room for about maybe two or four if I'm not
9 mistaken, but there's always a lot more ambulances
10 there. Is that one of the-the stations that you're
11 looking at in terms of some improvements? I also
12 know that there were complaints about the driveway
13 getting in and out of the Elmhurst Hospital station?

14 CHIEF BOOTH: I can't speak specifically
15 to Elmhurst, sir, but I'll tell you when we look at
16 ambulance staffing and we look at the deployment of
17 ambulances, we do take into consideration our impact
18 on the community and our neighbors. So, I will
19 specifically look into 46 for you.

20 CHAIRPERSON DROMM: Okay, thank you. I
21 appreciate that. Translation services. When FDNY or
22 EMS respond to emergencies, and there are no English
23 speakers at the location, how does the department
24 communicate with New Yorkers it needs to serve?

1
2 COMMISSIONER NIGRO: Well, we can speak
3 from the Fire and EMS point of view. The Chiefs can-
4 can talk to that.

5 CHIEF SUDNIK: On the apparatus, we have
6 cards, laminated cards that we'll try to train.
7 Obviously, it's-it's not all-all encompassing, but
8 try to get some kind of coordination between the-the
9 two languages, English and whatever language that
10 we're talking about. We try to translate that
11 emergency communication. We have laminated cards on
12 the fire trucks.

13 COMMISSIONER NIGRO: And these are based
14 on the predominate languages we may find in
15 particular neighborhoods for each unit.

16 CHAIRPERSON DROMM: I think the Police
17 Department is-is tutoring a program with cell phones
18 that can also be used as translations. Do you have
19 something like that similar?

20 DEPUTY COMMISSIONER KAVANAGH: We are
21 actually in conversation with NYPD and also the CTO's
22 Office, the Chief Technology Officer to develop
23 something. We have one additional barrier they
24 don't, which is our HIPAA Rules, but we are trying to
25

1 design something around that for the future. So, we
2 are working on that now.

4 CHAIRPERSON DROMM: Okay, but the-

5 DEPUTY COMMISSIONER KAVANAGH: We also-I
6 should mention we also use Language Line.

7 CHAIRPERSON DROMM: That's what I was
8 going to ask next because that is good. That also is
9 helpful.

10 DEPUTY COMMISSIONER KAVANAGH:
11 [interposing] It's an acute language line, yeah for
12 the EMTs at least.

13 CHAIRPERSON DROMM: Okay, thank you. I'm
14 going to turn it over to Chair Borelli.

15 CHAIR BORELLI: Thank you, and I just
16 want to thank you, Commissioner and your agency for
17 sending some responses from our last budget hearing.
18 That's-that's well appreciated by our staff who
19 sometimes doesn't get those things in time, and I
20 think they're happy about it. On the question of
21 overtime, the budge adds \$44 million for overtime
22 costs due to unanticipated events. Besides the
23 Nor'easters of hurricane deployments, are there any
24 other situations that added to some of the overtime
25 costs?

1
2 COMMISSIONER NIGRO: Well, that was the
3 two large unanticipated events. I think here—here in
4 New York we have weekly unanticipated events. There
5 is some room in the budget to cover that. I don't
6 know approximately how close we are this year to
7 being on target. Do you know, Steve?

8 ASSISTANT COMMISSIONER RUSH: On the
9 overtime the \$44 million was threefold. It was Fire,
10 EMS and civilian. The civilian on the Fire side of
11 it, which is obviously the biggest part of the
12 budget, at least one-third of that overtime was due
13 to out-unforeseen events. The other was due to lower
14 availability due to medical leave and light duty
15 issues, and the vacancies that we still continue to
16 have because we're not come up to the full head count
17 yet.

18 CHAIR BORELLI: Speaking of the
19 vacancies, when do you anticipate another class of
20 firefighters going in and another class of
21 lieutenants, et cetera?

22 COMMISSIONER NIGRO: The next class of
23 firefighters will be sworn in on—with also a class of
24 EMTs on June 11th. The next group—

1
2 CHAIR BORELLI: [interposing] Will you
3 have another class before the summer?

4 COMMISSIONER NIGRO: Excuse me.

5 CHAIR BORELLI: Will you do another class
6 then before the summer?

7 COMMISSIONER NIGRO: No, June 11th will be
8 the class that begins fire-

9 CHAIR BORELLI: [interposing] Okay.

10 COMMISSIONER NIGRO: --probies and EMT
11 probies. Promotions we are not scheduled yet in any-
12 in any of our ranks, but I'm sure within a few months
13 we will have another round of promotions.

14 CHAIR BORELLI: Do you guys seek any
15 reimbursement from the federal government for some of
16 the overtime costs from the--the deployments, and if
17 so, do we actually get the money?

18 COMMISSIONER NIGRO: We do.
19 Specifically, Steve.

20 ASSISTANT COMMISSIONER RUSH: There were
21 three deployments this year for Hurricanes Harvey,
22 Irma and Maria, and that cost the city of New York
23 for the Fire Department at least over \$11 million,
24 and we are currently working with federal--FEMA on
25

1 that reimbursement. It takes a while, but the money
2 is set up as an accrual in this year's budget.

3
4 CHAIR BORELLI: Turning to EMS, what
5 method does the department use in order to come to
6 the optimal level of span of control at one out of
7 five?

8 COMMISSIONER NIGRO: Well, I think this
9 is a question which comes up at least since I came
10 back over there.

11 CHIEF BOOTH: Overtime, right?

12 COMMISSIONER NIGRO: The span of control
13 that is always spoke about relates to span of control
14 at operations, and that operations the department's
15 the Deployment Policy meets what is the target.
16 Administrative span of control is sort of a misnomer.
17 There is no set formula for administrative span of
18 control, a certain number of officers for a certain
19 number of members, but certainly at an operation we
20 understand the importance of span of control, and we
21 believe that our deployment is within recognized
22 guidelines.

23 CHAIR BORELLI: It also includes \$15.2
24 million to cover EMS revenue shortfall that you guys
25 are experiencing. Are you anticipating that

1
2 shortfall in the out-years? Is this a trend, and if
3 so, what's the long-term plan?

4 ASSISTANT COMMISSIONER RUSH: The
5 Medicaid revenue is where the shortfall is occurring.

6 COMMISSIONER NIGRO: Right.

7 ASSISTANT COMMISSIONER RUSH: That's in
8 consort with HHC, H&H. Those monies are collected.
9 There has been a shortfall. We are working on other
10 program to increase revenue, but we do anticipate
11 this will be at risk in FY19.

12 CHAIR BORELLI: I mean is there a plan,
13 though? Is there a contingency plan to--?

14 ASSISTANT COMMISSIONER RUSH: We're
15 working with Office of Management and Budget in and
16 the Health and Hospitals Corporation on--on new
17 revenue streams for the city (sic) and annual
18 collections?

19 CHAIR BORELLI: Okay, the current plan
20 also includes \$1.5 million for the EMS Academy. Is
21 there a long-term plan for Fort Totten or will that
22 remain the academy for the long-term future or--?

23 COMMISSIONER NIGRO: Well, as you know,
24 there was a comprehensive study done recently by DDC,
25 and which involves Fire and other agencies, and what

1
2 needs to be done out of Fort Totten, and the
3 department has proposed extensive changes to our
4 facilities at Fort Totten going forward, but as yet,
5 that plan is simply—the study I should say is simply
6 that, a study, and hasn't been acted on yet or
7 decided upon.

8 CHAIR BORELLI: Is it ruled out to move
9 to another location or is that a possibility?

10 COMMISSIONER NIGRO: Is what ruled out?

11 CHAIR BORELLI: Is it—is it totally ruled
12 out of the equation that the EMS Academy would move
13 to a new location at some point?

14 COMMISSIONER NIGRO: We have not
15 discussed moving—moving the academy anywhere else?

16 CHAIR BORELLI: Okay. So, in your
17 response, you mentioned the Staten Island Squad for a
18 new company would be about \$3.8 million, and you also
19 gave a different number. [pause]

20 COMMISSIONER NIGRO: Okay. I think the
21 most accurate number a new squad company is slightly
22 over \$8 million, and--

23 CHAIR BORELLI: [interposing] I'm reading
24 from your response.

COMMISSIONER NIGRO: --and an upgrade
from an engine to a squad is a little more than \$4
million--

CHAIR BORELLI: Right.

COMMISSIONER NIGRO: --and this is with
OT costs and every--fringes, et cetera.

CHAIR BORELLI: Right, so the total to
upgrade will be \$3.8 million?

COMMISSIONER NIGRO: Well, I think the
new calculation is with overtime \$4.3 million.

CHAIR BORELLI: Okay.

COMMISSIONER NIGRO: That's converting as
an engine to a squad.

CHAIR BORELLI: I'm just reading from
your response--

COMMISSIONER NIGRO: [interposing] And
not building--

CHAIR BORELLI: --so thank you for that.

COMMISSIONER NIGRO: Yeah, I know we've
since discovered that we've under-estimated. That is
not the construction of a new house. That's using an
existing facility to house that unit.

1
2 CHAIR BORELLI: Which—which according to
3 the last time there was availability at existing
4 firehouses?

5 COMMISSIONER NIGRO: We believe there is
6 availability in existing Fire Department facilities
7 on Staten Island.

8 CHAIR BORELLI: So, I mean how long will
9 it take—would it take should you give the order to
10 upgrade a company to a squad? How long would it take
11 to actually convert it and train the manpower or will
12 transfer the manpower in?

13 COMMISSIONER NIGRO: Certainly, if we
14 convert from an engine to a squad there is—we can—the
15 additional training. I don't know. John is—I don't
16 think we've done a study on how long it would take.
17 Certainly not very long. Let's put it that way.

18 CHIEF SUDNIK: Yeah, I mean there's
19 process in place. You'd first have to identify the
20 firefighters that that would want to work in—in that
21 company that are interested in that company and
22 identify the fire officers, and then there would be a
23 training component involved, and once that's all set
24 in place it would be—they have the capability to
25 train pretty quickly. There's a, you know, a

1 process, a training program that they all go through
2 that we—we currently refresh or refresh our
3 firefighters or upgrade our firefighters in the
4 special operations tactics and procedures. So, if I
5 had to come out with an estimate, probably about a
6 year.
7

8 CHAIR BORELLI: Uh-hm. So, just—just go
9 through. I know you guys have answered this
10 question, though, once before, but just how do we
11 assess the need of a squad company in—in different
12 areas? Is it call volume population? What is it?

13 COMMISSIONER NIGRO: Well, I think the
14 biggest factor would be reports of operational
15 difficulties where the presence of a squad would have
16 made a substantial difference or the lack of a squad
17 resulted in—in certain problems. So, which is why,
18 of course, it—it wasn't at the top of our list to say
19 this is what we really need to get done because we
20 have not had reports of operational difficulties
21 because of that. That being said, we do recognize
22 the abilities of squad companies, and if we didn't we
23 wouldn't have them at all, and—and that's the truth.
24 But, response time is part of it, how many calls we'd
25 get on Staten Island that would actually not

1 necessarily result in the--the sending of a squad, but
2 the use of a squad. You know, they separate the two
3 things. If a squad for 400 times, but only used 30,
4 that's--that's a big difference.
5

6 CHAIR BORELLI: The fact that the squad
7 that responds from Park Slope is almost never used,
8 is that a factor in the decision making process?

9 COMMISSIONER NIGRO: I think the, you
10 know, the squad and--and as we know with the
11 statistics the--a rare--I shouldn't say rarely, but it--
12 it is not frequent that Squad 1 reaches an operation
13 in time to be of use. That's correct.

14 CHAIR BORELLI: But that's a result of
15 the distance not--

16 COMMISSIONER NIGRO: That's a result of
17 the distance.

18 CHAIR BORELLI: If money wasn't an issue,
19 if it was a net zero gain, would you located a squad
20 on Staten Island, or would you not?

21 COMMISSIONER NIGRO: Yeah, I'm trying to
22 think of another instance where money is not an
23 issue, but, you know, of course, when money is not an
24 issue, those decisions are a lot easier.
25

1
2 CHAIR BORELLI: Moving to the Bureau of
3 Fire Prevention, you have a headcount of 593 civilian
4 staff. Out of those, how many have the title of
5 Inspector?

6 COMMISSIONER NIGRO: Do you know that,
7 Steve?

8 ASSISTANT COMMISSIONER RUSH: There are
9 approximately 350--

10 CHAIR BORELLI: [interposing] In total?

11 ASSISTANT COMMISSIONER RUSH: --with the
12 Inspector series.

13 CHAIR BORELLI: Okay. They're all in the
14 Bureau of Fire Prevention or they're scattered in
15 different units?

16 ASSISTANT COMMISSIONER RUSH: Mainly in
17 the Bureau of Fire Prevention. There are some--some
18 that are participating in task forces that they
19 Mayor's Office has established based on various
20 events that have gone on over the years.

21 CHAIR BORELLI: And--and what is the
22 attrition rate for the inspectors? Do they stick
23 around for awhile?

24 ASSISTANT COMMISSIONER RUSH: I think the
25 attrition rate of the Office of Civilian is in--in the

1 neighborhood of 4 to 5% per year. So, we are having
2 a class that will be graduating, the largest class
3 ever of inspectors of 48 in 118.

4
5 CHAIR BORELLI: So, the starting salary
6 is \$45,000. When--when do you foresee the next salary
7 negotiation for inspectors?

8 ASSISTANT COMMISSIONER RUSH: I believe
9 the contract negotiations with DC37, the parent for
10 the--the union is at 25073621--2507 I should say are
11 underway now so--

12 CHAIR BORELLI: So, then DOB, 75% of DOB
13 inspectors have vehicles, but fire inspectors have
14 one care for every seven inspectors. Is there any
15 plans to add vehicles to the inspector force?

16 COMMISSIONER NIGRO: I think we have
17 over, you know, we consistently add vehicles, and we
18 will continue to add vehicles as we add inspectors,
19 but having every inspector with a vehicle has not
20 been a necessity for getting our work done.

21 CHAIR BORELLI: What is the average
22 caseload for an inspector per--per week or per day?
23 However you guys track it?

24 COMMISSIONER NIGRO: Depending on--it
25 depends on the area of--of fire prevention. The

1 biggest area, which we call the district offices they
2 generally accomplish about eight inspection stops per
3 day. Now, they may not get into all of those
4 buildings, but they generally accomplish,
5 historically accomplish about eight inspections per
6 day, and it varies based on the—how complex the
7 inspections are in other bureaus of fire prevention.

9 CHAIR BORELLI: So, if there's a new
10 construction project, and it requires an inspection
11 of—of say a sprinkler or a smoke alarm system, how
12 long is the wait usually for the inspection?

13 COMMISSIONER NIGRO: Again, I think these
14 things vary. I don't think there's a set time. They
15 vary depending on the area, what type of inspection
16 it is that we're talking about, but we've
17 consistently added inspectors to cover, and you say
18 there's a class of 48 coming out. We have the
19 largest list now that we've had to my recollection
20 ever. So, it would give us the ability finally to
21 hire additional inspectors, and that's what the
22 department has been doing.

23 CHAIR BORELLI: Is there any plans to
24 allow contractors or architects or whomever to upload
25

1 plans online rather than having to physically come
2 Metro Tech?

3
4 COMMISSIONER NIGRO: Not that I'm aware
5 of. To upgrade-for contractors to upload to send it
6 to us electronically?

7 ASSISTANT COMMISSIONER RUSH: There is a
8 major \$30 million project called Fires to upgrade our
9 Legacy System for inspections in buildings called
10 FMs, and that will roll out beginning this fall, and
11 then Phase 1 of this rollout will include the ability
12 for contractors, architects, et cetera to start
13 submitting plans online.

14 CHAIR BORELLI: So, sprinklers and
15 standpipes are supposed to be inspected every five
16 years I believe. What is the percentage of sprinkler
17 and standpipes systems that actually get inspected
18 every five years?

19 COMMISSIONER NIGRO: We'll have to get
20 that for you. I-I don't know. I don't think we have
21 that here.

22 ASSISTANT COMMISSIONER RUSH: I don't-I
23 don't-we get backlog reports, but I don't believe we
24 have any major backlogs in sprinkler standpipes.
25

1
2 CHAIR BORELLI: But is it 100%--is it
3 100% of--

4 ASSISTANT COMMISSIONER RUSH: No, there's
5 no where it's 100%. There's cancellations. It's a
6 witness based test. The department has to be there
7 as well, and lots of times there could be
8 cancellations, and has to be rescheduled.

9 CHAIR BORELLI: How much revenue per
10 inspector do you on average generate if you did a
11 little math?

12 ASSISTANT COMMISSIONER RUSH: I think
13 Fire Prevention likes to send me memos that always
14 says it about 3 to 1.

15 CHAIR BORELLI: Okay.

16 ASSISTANT COMMISSIONER RUSH: I mean
17 that's probably in the ballpark.

18 CHAIR BORELLI: So, if you're--if you're
19 saying that there are more inspections that could be
20 happening and it's a revenue positive bureau, and I
21 guess just we--why aren't we just constantly hiring
22 more people?

23 ASSISTANT COMMISSIONER RUSH: No, I mean
24 there is a limited count. There is not an unlimited
25 number of inspections to accomplish. There is a

1
2 count base that we carry in our system at least that
3 we know of the accounts. It's a matter of having the
4 headcount to accomplish those, and we've had
5 historically trouble filling the lines. This is the
6 biggest class we're having that should bring us up to
7 headcount. We'll probably have another class in the
8 fall then. So, then we should be close to where we
9 should be assuming that there are no additional needs
10 that are identified.

11 CHAIR BORELLI: Is-is-has there in the
12 past been any discrepancy based on borough. I'm-I'm
13 sure, you know, a big high profile project is getting
14 inspected, but some of, you know, now that you're
15 talking about sending people by bus and train, are
16 there some outlying buildings, you know, in the outer
17 boroughs somewhere?

18 ASSISTANT COMMISSIONER RUSH: I-I
19 couldn't answer that.

20 CHAIR BORELLI: Is this a creative way to
21 pay for a squad if we raise some revenue by having
22 more inspectors are getting ready--

23 COMMISSIONER NIGRO: [interposing] Well,
24 I think as Steve was trying to say is, you know, the-
25 the point of our inspections is to meet what the

1 regulations call for, which in the most part we're
2 doing. So, in--increasing the number of inspections
3 unless we want to change the rules and say we'll
4 inspect you twice as often as we do now and we'll
5 increase the fines in that way, I don't know if
6 that's a direction the city wants to go in to--to make
7 our inspections really a--a penalty for people doing
8 business in the city any more than it is already.

10 CHAIR BORELLI: Yeah, I certainly agree
11 with you there, but--but if the number of standpipes
12 and sprinklers are not at 100%--excuse me one second.
13 So, I--I pulled this from an FDNY document. There
14 were--in Fiscal Year 16 there were 42,000 new
15 accounts for. This is just going back to the initial
16 construction inspections. There were 42,000 new
17 accounts. There were 19 inspectors dedicated to this
18 particular unit, and only 13,000 inspections were
19 done or 14,000, and that's--is this--is this the norm?

20 COMMISSIONER NIGRO: I have no idea what
21 document you're referring to. So I have no idea how
22 to answer the question.

23 CHAIR BORELLI: It's Fire Alarm and
24 Central Station Inspection Unit Summary.

25 COMMISSIONER NIGRO: Created by--?

1
2 CHAIR BORELLI: You guys.

3 COMMISSIONER NIGRO: Oh, you guys is a
4 pretty broad--

5 CHAIR BORELLI: [interposing] Yeah, sure.

6 COMMISSIONER NIGRO: --statement. I'm--
7 I'm not sure it wasn't created, you know. You know,
8 Chairman, I-it's kind of very specific where we are
9 now that I don't have the documentation in front of
10 me to-to answer that question. I think what you're
11 saying is there's like 39,000 inspections that could
12 have been done that weren't done.

13 CHAIR BORELLI: Yeah, about that. Yeah,
14 but that's not a-that's not a number like 10%, you
15 know 5%, 15%. That's-that's an overwhelming
16 majority. I mean it's-it's like, you know, 25% are
17 being done. I-I guess my point is, is there-I
18 understand what you're saying and I-I share your
19 sentiment that you don't want to be in the-the
20 revenue generating business where we're nickel and
21 diming every single person, but when the bulk of the-
22 of the people that are registering and asking for
23 inspections are not getting done, it just seems to me
24 that--

25

1
2 COMMISSIONER NIGRO: [interposing] I'd
3 have to verify that. That seems like an incorrect
4 statement that the bulk of people needing inspections
5 are not getting them done. I, off the—I—I couldn't
6 agree with that.

7 CHAIR BORELLI: Okay. [background
8 comment] Civilianization just moving on, the FY 2019
9 Budget include funding to civilianize the
10 department's positions that are civilian in nature,
11 but are currently held by uniformed staff. In 2004,
12 the Comptroller's Office recommended the FDNY
13 Civilianizing a number of positions of various units
14 in the department. How many positions has the FDNY
15 civilianized since 2004? How much savings has it
16 generated, and what do we anticipate going forward?

17 COMMISSIONER NIGRO: What was—what was
18 that in 2000 and what year did you say? Just going
19 forward I think that the--

20 CHAIR BORELLI: Yeah.

21 COMMISSIONER NIGRO: --what we plan to do
22 is civilianize—it's approximately 70-94 positions
23 that are currently staffed by uniformed members of
24 the department with civilians. These are positions
25

1 that don't require the--the skills and abilities of
2 firefighters and fire officers.
3

4 CHAIR BORELLI: And what would be the--the
5 cost savings in the out-years from that, roughly?

6 COMMISSIONER NIGRO: Do you have that,
7 Steve?

8 ASSISTANT COMMISSIONER RUSH: The way
9 it's been addressed with the Office of Management and
10 Budget because we do have a tight overtime budget
11 next year, the overtime savings that will accrue from
12 this savings--from this program when it's fully
13 implemented and will be over \$9 million. That's not
14 reflective because our overtime target is
15 incorporating those savings for next Fiscal Year. In
16 addition with outside of our budget there will be
17 opposite the offset is civilian salaries we have to
18 pay, but there will also be the savings in the fringe
19 area of the budget where firefighters are much more
20 expensive than civilians.

21 CHAIR BORELLI: The people currently
22 doing the jobs of these future civilians, what titles
23 do they have in the department?

24 ASSISTANT COMMISSIONER RUSH: It's mostly
25 firefighters.

1
2 CHAIR BORELLI: So, just to civilianize
3 them, what will these firefighters be doing? Going
4 back to firehouse?

5 ASSISTANT COMMISSIONER RUSH: If they're
6 full duty, they'll be returning to the firehouse. If
7 they're light duty, and eligible for retirement, they
8 would be retired. [background comments]

9 CHAIR BORELLI: Council Member Cabrera.

10 COUNCIL MEMBER CARRERA: Thank you so
11 much, Mr. Chair. Commissioner welcome. I only have
12 a couple of quick questions here, and I want to focus
13 on Counseling Services. You have—sorry. According
14 to a briefing here, 22 counselors, the full-time
15 licensed clinicians and glad to see that you have 8
16 chaplains. Where are these counselors located?

17 COMMISSIONER NIGRO: We have our main
18 offices on Lafayette Street in Manhattan. We have
19 other offices in various locations both in and
20 outside the city, and counselors are at those
21 locations, not all—not everyone I don't think is a
22 full-time employee these counselors that you're
23 mentioning.

24 COUNCIL MEMBER CABRERA: Oh, okay. So,
25 how many are full-time? Would you happen to know?

1
2 COMMISSIONER NIGRO: I don't have that
3 number right here.

4 COUNCIL MEMBER CABRERA: Okay, how many-
5 well, let me backtrack here. So, how many are like
6 stationed in the Bronx, Queens the Outer Boroughs,
7 ore do they all come to-do they all have to come to
8 Manhattan to get this counseling.

9 COMMISSIONER NIGRO: I think like you say
10 the-the main office is in Manhattan and the branch
11 offices are-there's one on Long Island that I'm-
12 there's one on Staten Island, I believe, and Middle
13 Town.

14 COUNCIL MEMBER CABRERA: Middle Town.

15 COMMISSIONER NIGRO: Up in Upstate.

16 COUNCIL MEMBER CABRERA: Okay.

17 COMMISSIONER NIGRO: And Queens at Fort
18 Totten.

19 COUNCIL MEMBER CABRERA: Okay. How many-
20 how many people-how many of-of your firefighters and
21 EMS, EMT are-have received services?

22 COMMISSIONER NIGRO: I wouldn't know.
23 Cumulatively or to receive services at any given
24 time?

1
2 COUNCIL MEMBER CABRERA: Any given time,
3 how many—if you would do a count head for last year,
4 how many went to receive mental health services?

5 COMMISSIONER NIGRO: [background comments]
6 We probably could, but we also have peer counselors,
7 which is a much larger number of members who are
8 trained to do that type of work, retirees that do
9 peer counseling.

10 COUNCIL MEMBER CABRERA: How many groups
11 of those groups do you have of those peer counselors?

12 DEPUTY COMMISSIONER KAVANAGH: So there
13 are about 100 uniformed. Some retired, some active
14 who are trained peer counselors. Some of those are—a
15 handful of them are full time. The rest are called
16 in for a particular event. So, either a member can
17 call themselves and ask for a peer counselor, but
18 also when we have major events, the death of a member
19 in the line of duty or the death of a child in a
20 fire, the peer counselors are actually dispatched to
21 the firehouse. So, they may touch hundreds or
22 thousands of members depending on how many events
23 they have that year where they feel they need to
24 reach out to the field.

1
2 COUNCIL MEMBER CABRERA: How are you able
3 to assess the mental health status of your members?
4 Like do you do surveys? The reason I'm asking is
5 there were a couple of newspaper articles giving
6 [bell] attention—I'm done already? Wow. [laughs]
7 That was fast. There were a couple of newspaper
8 articles drawing attention to this issue, which I
9 think is important. I mean as you know, you're
10 dealing with critical incidents alongside of police
11 officers. I can't think of anybody else in this city
12 that is in a more stressful situation and events, and
13 I've been to a few of those events, and I—I
14 experienced that, and I know that the tendency is
15 that people don't like to talk about their problems.
16 So, I'm just curious as to how--

17 COMMISSIONER NIGRO: [interposing] Well,
18 all of our members get annual medical and part of
19 that annual medical includes that—that piece where
20 screening is done, and certainly all of our members
21 are aware that at any time that they need the
22 services of the Counseling Unit, it is available to
23 them.

24 COUNCIL MEMBER CABRERA: Alright, I would
25 love to see some creative ways because I know it's

1 available, and I'm glad that it's there. You should
2 be definitely commended for that, but it's been my
3 experience that people who work--first responders
4 overall the tendency is I'm strong, I can handle it.
5 I don't want to be seen as weak. I don't want that
6 to affect future promotions, and I would hope that we
7 could come up with some creative way. I'm happy to
8 hear that--

10 COMMISSIONER NIGRO: [interposing] Well,
11 thankfully, Post-9/11 that has been changing in--in
12 the department where that was the norm, you know,
13 where firefighters, EMTs and Medics would never ask
14 for help. They've learned that that is not a
15 detriment, and--and most of us know that help is
16 available and one should ask for help when it's
17 needed, and they do.

18 COUNCIL MEMBER CABRERA: Okay. I've run
19 out of time. Hopefully in the future we could talk
20 more about this. Thank you so much.

21 CHAIRPERSON DROMM: Just to follow up,
22 did you ask about chaplains?

23 COUNCIL MEMBER CABRERA: Yes, I--I've just
24 run out of time. So, you know.

1
2 CHAIRPERSON DROMM: Well, okay, Pastor,
3 than you.

4 COUNCIL MEMBER CABRERA: Okay, you know,
5 I've been a pastor. You know, I had to ask about
6 the--the Chaplains are full-time right?

7 COMMISSIONER NIGRO: No.

8 COUNCIL MEMBER CABRERA: No, they're not
9 full time? Oh, wow.

10 COMMISSIONER NIGRO: They're not.

11 COUNCIL MEMBER CABRERA: Are there part-
12 time?

13 COMMISSIONER NIGRO: Some work as many
14 hours you would think they are, but they're not.
15 They're--

16 COUNCIL MEMBER CABRERA: Okay.

17 COMMISSIONER NIGRO: They work part-time.

18 COUNCIL MEMBER CABRERA: And do--do you
19 see a need for more at this moment?

20 COMMISSIONER NIGRO: You know, we're
21 always looking at and--and we really value our--our
22 chaplains. They're a wonderful addition to the
23 department, but right now I don't think we have a
24 plan to add any.

1
2 COUNCIL MEMBER CABRERA: You know one of
3 the most that are close with this, one of the most
4 critical research that I received on one on happiness
5 and second dealing with trauma, is having that
6 spiritual aspect option to be able to tap into. You
7 know, whether it's dealing with purpose and meaning
8 of life that honestly often we don't get it in the
9 other branches that are very helpful, and much
10 needed. And sometimes your members see things that
11 the public—the public at large will not see whether
12 somebody committed suicide from a 12-story building,
13 et cetera, that sometimes it's hard to find answers,
14 and I would love to encourage you to have as many
15 chaplains as possible.

16 COMMISSIONER NIGRO: Thank you.

17 COUNCIL MEMBER CABRERA: Thank you so
18 much. Thank you so much, Mr. Chair or both chairs
19 for the extra time.

20 CHAIRPERSON DROMM: Thank you. Chair
21 Borelli.

22 CHAIR BORELLI: Before I call on Council
23 Member Brannan, I just want to point out the
24 statistics I mentioned were the number of new fire
25 prevention information management systems account for

1
2 Fiscal Year 2016, and then the number of inspections
3 performed on those accounts. So, that's—that's where
4 that number came from.

5 COMMISSIONER NIGRO: Okay, we'll have to
6 look at that. Thank you.

7 CHAIR BORELLI: Appreciate it. Thank
8 you. Council Member Brannan

9 COUNCIL MEMBER BRANNAN: Thank you,
10 Chair. Commissioner, I'd get in trouble if I didn't
11 ask you every time I saw you about the possible
12 restoration of the Fifth Man, if that was in any
13 conversations with OMB, what the price tag might be
14 for that? If that's on your radar.

15 COMMISSIONER NIGRO: Right now we have an
16 agreement to—I think we've just added the fifth
17 firefighter in—in five additional units. We're up to
18 15. Next February I believe we'll add five more.
19 We'll be up to 20. That's the—the Labor Agreement
20 that we're operating under. I'm sure the UFA will go
21 into negotiations and talk more about the addition of
22 the fifth firefighters. The department does not
23 disagree that, you know, five firefighters are of
24 benefit, but we have had no op—you know, we operate
25

1 fine with our staffing now, and we have no operating
2 difficulties.
3

4 COUNCIL MEMBER BRANNAN: Is there a—a
5 goal to have it fully restored by a certain—to all
6 the engines by a certain time?

7 COMMISSIONER NIGRO: I believe that the—
8 currently it's at 20—20 units. Any further movement
9 from that would have to be negotiated in this round
10 between the UFA and the City.

11 COUNCIL MEMBER BRANNAN: Thank you.

12 CHAIRPERSON DROMM: Okay. So that's it
13 then and we thank this panel for coming in. We
14 appreciate you coming in and giving the testimony,
15 and let me just say that this concludes our hearing
16 for today. This Finance Committee will resume
17 Executive Budget hearings for Fiscal 19 tomorrow,
18 Wednesday, May 16, 2018 at 10:00 am. In this room.
19 Tomorrow the Finance Committee will hear from the New
20 York City Housing Authority and the Department of
21 Transportation. As a reminder, the public will be
22 invited to testify on Thursday, May 24th the last day
23 of budget hearings at approximately 4:00 p.m. in this
24 room. For any member of the public who wishes to
25 testify, but cannot make it to the hearing, you can

1
2 email your testimony to the Finance Division at
3 financetestimony@council.nyc.gov and the staff will
4 make it a part of the official record. Thank you,
5 and this hearing is now adjourned. [gavel]

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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 May 20, 2018