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COMMITTEE ON FINANCE

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES
Of the
COMMITTEE FINANCE

December 20, 2018
Start: 10:24 a.m.
Recess: 10:55 a.m.

HELD AT: Committee Room- City Hall

B E F O R E: DANIEL DROMM
Chairperson

- COUNCIL MEMBERS:
- ADRIENNE E. ADAMS
 - ANDREW COHEN
 - ROBERT E. CORNEGY, JR.
 - LAURIE A. CUMBO
 - VANESSA L. GIBSON
 - BARRY S. GRODENCHIK
 - RORY I. LANCMAN
 - STEVEN MATTEO
 - FRANCISCO P. MOYA
 - KEITH POWERS
 - HELEN K. ROSENTHAL
 - JAMES G. VAN BRAMER

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

Ken Godiner
First Deputy Budget Director of the New York City
Mayor's Office of Management and Budget, OMB

Charles Brisky
Deputy Director for Expense and Capital Budget
Coordination at the New York City Mayor's Office
Of Management and Budget, OMB

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[gavel]

CHAIRPERSON DROMM: Okay, good morning and welcome to today's Finance Committee meeting. My name is Council Member Daniel Dromm and I'm the Chair of the Committee. We've been joined by the Chair of the Subcommittee on Capital Finance, Vanessa Gibson, Council Member Rory Lancman, Council Member Jimmy Van Bramer, Council Member Adrienne Adams, Council Member Steve Matteo and Council Member Barry Grodenchik. Today the Committee will be voting on 24 items; a fiscal 2020 preliminary budget extender, an expense budget modification, a revenue budget modification, a transparency resolution, and 20 Article XI property tax exemptions. Let's start with a preconsidered introduction that would extend certain charter mandated deadlines for several submissions and hearings concerning the 20... the fiscal 2020 preliminary budget. Notably this bill would extend the Mayor's submission of the preliminary budget and the draft ten-year capital strategy to no later than February 7th, 2019. The Mayor's submission of the preliminary management report to no later than February 21st, 2019 and the council's budget response to April 16th, 2019. The full list of changes can be

1 found in the preconsidered introduction and
2 accompany... accompanying committee report. Next are
3 the budget modifications. The first modification is
4 an expense budget modification that represents
5 movements of approximately 572 million dollars of
6 funding between and within city agencies to implement
7 expense budget changes which were reflected in the
8 fiscal 2019 November financial plan. The second is a
9 revenue budget modification that recognizes 506
10 million dollars of new revenues in fiscal 2019 and
11 authorizes the appropriation of that new revenue and
12 an adjustment to the general reserves to increase the
13 budget stabilization account by 520 million dollars
14 to prepay 2020 debt service. Next is the transparency
15 resolution, which sets forth the new designation and
16 changes in the designation of certain organizations
17 receiving local and youth discretionary funding and
18 funding pursuant to certain initiatives in the
19 budget. Organizations appearing in the resolution
20 that have not yet completed the prequalification
21 process conducted by the Mayor's Office of Contract
22 Services, the Council or another entity are
23 identified in the attached charts with an asterisk.
24 As with all transparency resolutions, Council Members
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2 will have to sign a disclosure form indicating
3 whether or not a conflict exists with any of the
4 groups on the attached list. If any Council Member
5 has a potential conflict of interest with any of the
6 organizations listed, he or she has the opportunity
7 to disclose the conflict at the time of their vote.
8 As a reminder, please disclose any conflicts you may
9 have with the proposed subcontractors used by the
10 organizations sponsored by discretionary funding.
11 These disclosures must be made before the sub... before
12 the subcontractor can be approved. Benjamin Smith
13 from the General Counsel's Office is here and can
14 assist you with any questions or concerns regarding
15 disclosures. Last, we have the 20 Article XI
16 exemptions. The first is Langsam I in Council Member
17 Cabrera's district in the Bronx which would receive a
18 partial 30-year exemption to reserve 51 units. The
19 second is Langsam 2 in Council Member Gjonaj's
20 district in the Bronx which would receive a partial
21 30-year exemption to preserve 48 units. The third is
22 Langsam 3 in Council Member Diaz's district in the
23 Bronx which would receive a partial 30-year exemption
24 to preserve 48 units. The fourth is Langsam 4 in
25 Council Member Cabrera's district in the Bronx which

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2 would receive a partial 30-year exemption to preserve
3 33 units. The fifth is Langsam 5 in Council Member
4 Cabrera's district in the Bronx which would receive a
5 partial 30-year exemption to preserve 62 units. The
6 sixth is Langsam 6 at 2733 Morris Avenue in Council
7 Member Cabrera's district in the Bronx which would
8 receive a partial 30-year exemption to preserve 37
9 units. The seventh is Langsam 7 at 1249 Tinton Avenue
10 in Council Member Salamanca's district in the Bronx
11 which would receive a partial 30-year exemption to
12 preserve 13 units. The eighth is Langsam 8 at 14,
13 1411 Townsend Avenue in Council Member Gibson's
14 district in the Bronx which would receive a partial
15 30-year exemption to preserve 16 units. The ninth is
16 Langsam 9 at 1630 Macombs Road in Council Member
17 Cabrera's district in the Bronx which would receive a
18 partial 30-year exemption to preserve 51 units. The
19 tenth is Langsam 10 at 1988 Newbold Avenue in Council
20 Member Diaz's district in the Bronx which would
21 receive a partial 30-year exemption to preserve 51
22 units. The eleventh is Langsam 11 at 2816 Jerome
23 Avenue in Council Member Cabrera's district in the
24 Bronx which would receive a partial 30-year exemption
25 to preserve 52 units. The twelfth is Langsam 12 at

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2 3510 Decatur Avenue in Council Member Cohen's
3 district in the Bronx which would receive a partial
4 30-year exemption to preserve 48 units. The
5 thirteenth is Langsam 13 at 2265 Davidson Avenue in
6 Council Member Cabrera's district in the Bronx which
7 would receive a partial 30-year exemption to preserve
8 42 units. The fourteenth is Langsam 14 at 464 East
9 159th Street in Council Member Salamanca's district
10 in the Bronx which would... which would receive a
11 partial 30-year exemption to preserve 30 units. The
12 fifteenth is Langsam 16 at 19-25 East 213th Street in
13 Council Member Cohen's district in the Bronx which
14 would receive a partial 30-year exemption to preserve
15 65 units. The sixteenth is 55 East Mosholu Parkway
16 North in Council Member Cohen's district in the Bronx
17 which would receive a partial 30 exemption to
18 preserve 44 units. The seventeenth is 3240 Henry
19 Hudson Parkway East in Council Member Cohen's
20 district in the Bronx which would receive a partial
21 40-year exemption to preserve 107 units. The
22 eighteenth is 1425 Macombs Road in Council Member
23 Gibson's district in the Bronx which would receive a
24 partial 30-year exemption to preserve 37 units. The
25 nineteenth is 3630... to 38 West Gun Hill Road in

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2 Council Member Cohen's district in the Bronx which
3 would... which would receive a partial 30-year
4 exemption to preserve 44 units. The twentieth is
5 Cooper Square Senior Housing in Council Member
6 Rivera's district in the Bronx which would receive a
7 partial 35-year exemption to preserve 150 units. All
8 of the Council Members in the relevant districts are
9 supportive of these actions. There are... those are all
10 of today's items and we'll now turn to Ken Godiner,
11 First Deputy Director of OMB and Chuck Brisky, Deputy
12 Director of OMB to answer questions on the budget
13 modifications. Did you want... did you want to make a
14 statement first or do you want to just go straight
15 to... [cross-talk]

16 KEN GODINER: We're, we're ready for
17 questions, thank you... [cross-talk]

18 CHAIRPERSON DROMM: For questions, okay.
19 Oh yes and Counsel would you swear them in please?

20 COMMITTEE CLERK MARTIN: Do you affirm
21 that your testimony will be truthful to the best of
22 your knowledge, information and belief?

23 KEN GODINER: I do.

24 CHAIRPERSON DROMM: Okay, so we have a
25 question about Thrive, this mod includes a relatively

1
2 small number of new needs, but it does include an
3 additional million dollars for Thrive, given the
4 variety of the new needs made to OMB by all... and the
5 many city agencies why did you choose to include
6 additional funding for the Thrive initiative?

7 KEN GODINER: The money that's included
8 in this budget is to enhance outreach, we think its
9 vital that New Yorkers know the services, the mental
10 health services that are available to them, this
11 money is, is dedicated to that purpose and that's,
12 that's why we choose to spend the money.

13 CHAIRPERSON DROMM: And what's the total
14 for the Thrive initiatives?

15 KEN GODINER: The total for all Thrive
16 citywide?

17 CHAIRPERSON DROMM: Yeah.

18 KEN GODINER: I believe... I believe its
19 850 million.

20 CHAIRPERSON DROMM: And what is the
21 additional one million and 13 new positions for and
22 why is this increase so essential?

23 KEN GODINER: As I said the, the
24 positions that are being funded here are for
25 additional Thrive outreach staff, this is to, to get...

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2 to make sure that we have outreach staff deployed in
3 underserved areas and these staff will assist Thrive
4 in achieving its mission in providing vital mental
5 health support and assistance to New Yorkers who need
6 it.

7 CHAIRPERSON DROMM: And I have some
8 questions on body cameras. The police department will
9 receive, I think its 4.6 million dollars for new
10 staff and 12.5 million for cabling upgrades and
11 facility work through new needs in, in this budget
12 modification, why does the NYPD need additional
13 staff?

14 KEN GODINER: There are... the principle
15 add here is for 97 people at the NYPD, these are
16 civilians who work to support the body camera
17 program, that is for staff to review the camera
18 footage, attorneys to help fulfil FOIL requests and
19 assist with the day to day functioning of the body
20 cameras, you know the body worn camera program is a...
21 it's a new function and it will require daily
22 analysis, monitoring and responses to what we assume
23 will be a large number of FOIL requests. We are... we
24 have expanded the number of patrol officers wearing
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2 the cameras so likewise the, the amount of footage
3 increases.

4 CHAIRPERSON DROMM: So, can you provide
5 the Council with a list of those titles?

6 KEN GODINER: Yes.

7 CHAIRPERSON DROMM: Okay. A, a camera
8 person defames recently, and the department halted
9 the camera rollout, what, what other adjustments have
10 been made to the body worn camera program?

11 KEN GODINER: As far as I know the
12 program is, is back on, on schedule in terms of
13 rollout but we can get back to you with more
14 information.

15 CHAIRPERSON DROMM: Okay and what is the
16 all-in budget for the camera for fiscal 2019?

17 KEN GODINER: Well I, I know that... no, I
18 don't know the all in, let me get back to you with
19 that.

20 CHAIRPERSON DROMM: Okay. Alright, we're
21 going to... New York City school support services, the
22 budget mod adds four... 34.2 million to the DOE's
23 budget for custodial services, this modification
24 recognizes that not all of the expected efficiencies
25 planned when the New York City school support

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2 services was created have been achieved including
3 greater than expected staff cost. Further DOE
4 estimates that the program needs an additional 17
5 million to cover its cost for fiscal '19, a shortfall
6 that we were already aware of last year. So, why has
7 the OMB still not fully funded this program?

8 KEN GODINER: So, in this plan we
9 increased funding for, for NYCE's by 37.7 million
10 dollars. We believe that... you know we will fund this...
11 we will fund... forget it, scratch we will... we will
12 fund this program sufficiently to make sure the
13 schools are safe, well maintained and clean. The 37.7
14 million dollars addresses many of the, the needs that
15 we saw in this program, we are in a continuing
16 dialogue with DOE regarding the sufficient funding
17 levels to maintain the cleanliness, cleanliness,
18 safety and, and, and a high level of maintenance to
19 the schools, we are in the discussion with that,
20 should we... together with DOE to decide if additional
21 funding is needed to maintain those levels, we will
22 address that as we roll into the preliminary budget.

23 CHAIRPERSON DROMM: So, you'll get back
24 to us as soon as those discussions... [cross-talk]

25 KEN GODINER: We will indeed.

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2 CHAIRPERSON DROMM: Okay. And why hasn't
3 it still been fully funded?

4 KEN GODINER: We believe that, that the
5 funding that we've given them as so far is
6 sufficient, but we are in discussions with DOE, the...
7 I know that there's some discussion about whether
8 additional funds are needed, we will be looking at
9 how... where we are in the budget year to date as part
10 of the preliminary budget process and whether or not
11 we need to add additional money. As you know when we
12 initially restructured the custodial process which we
13 all thought was a terrific breakthrough we're
14 dedicated to finding efficiencies under the new
15 system and so we're looking with DOE to see whether
16 additional money is actually needed or the... or... some
17 or all of that money the people have discussed or
18 whether there's additional efficiencies that can be
19 reached without effecting cleanliness, maintenance
20 and safety of schools.

21 CHAIRPERSON DROMM: Oh, I believe that
22 not all the efficiencies were achieved prior, prior
23 to this, are you still expecting additional savings?

24 KEN GODINER: We expect... we expect DOE to
25 continuously look at this program as they... you know

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2 while it, it feels like it's been out a long time
3 with 1,300 schools we expect them to take a school
4 bus school approach to make sure that each school has
5 enough money to, to keep a high level of cleanliness
6 and, and safety and remain well maintained but that
7 to the extent there are additional funds that, that
8 we feel there's efficiencies that can be reached
9 we'll... we're constantly looking for them to, to be
10 boring down on that and trying to make the, the
11 operation the most efficient it can be.

12 CHAIRPERSON DROMM: And so why were there
13 greater staff costs?

14 KEN GODINER: I'm sorry?

15 CHAIRPERSON DROMM: Why were there
16 greater staff costs than expected?

17 KEN GODINER: Well one of the issues has
18 to do with the... that we added money for... in this plan
19 was to deal with fringe benefit costs for the local
20 94 folks at the schools that were a little higher
21 than anticipated and they're paid by the... under the
22 prevailing wage. We also... we also added money here
23 to, to support new schools that were put in and
24 expanding such as programs such U-Pre-K and lead
25 testing which add to costs.

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2 CHAIRPERSON DROMM: HPD administers the
3 city tax levy and federal community development block
4 grant funds and the fiscal 2019 November plan added I
5 think 30... yeah, 30 million dollars in federal block
6 grant funds for the operating budget for NYCHA, what
7 is the intended use for these funds and will these
8 funds be used towards infrastructure investments and
9 repairs?

10 KEN GODINER: So, the additional money is
11 used for the lead programming including the testing
12 where approximately 135,000 residential units which
13 is expected to be completed by next year and that's,
14 that's the primary use of those additional monies.

15 CHAIRPERSON DROMM: Okay, any of my
16 colleagues have questions? Nope, seeing none... thank
17 you for coming and then we're going to move to the
18 vote.

19 KEN GODINER: Thank you.

20 CHAIRPERSON DROMM: Okay, thank you very
21 much. Yeah, we just need to wait for the Clerk to
22 come, he's in the other room. Alright, we've now been
23 joined by our clerk, Billy Martin and I want to wish
24 everybody happy holidays and a happy and healthy new
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2 year and I'm going ask Billy to call the.. call the
3 roll.

4 COMMITTEE CLERK MARTIN: William Martin,
5 Committee Clerk, roll call vote Committee on Finance,
6 all items are coupled, Chair Dromm?

7 CHAIRPERSON DROMM: I vote aye.

8 COMMITTEE CLERK MARTIN: Gibson?

9 COUNCIL MEMBER GIBSON: Permission to
10 quickly explain my vote?

11 CHAIRPERSON DROMM: Yes.

12 COUNCIL MEMBER GIBSON: Thank you, thank
13 you Mr. Chair and I first and foremost want to thank
14 the staff particularly on the Langsam property items,
15 there are lot, a lot in the borough of the Bronx, a
16 lot of preservation of affordable housing but I
17 specifically wanted to recognize the Langsam
18 properties item number eight which is 1411 Townsend
19 Avenue, 58 units of affordable housing that we're
20 preserving in the Mount Eden section of my district
21 as well as 37 units in the 1425 Macombs Road which is
22 right near my district office and I've had a long
23 relationship with Langsam properties they are long
24 time owners in our district and I am grateful that
25 this extension of an additional regulatory agreement

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2 for the next 30 years will preserve rents at an
3 average AMI of 50 to 55 percent of the AMI going to
4 up to anywhere from 70 to 80 and that truly is
5 affordable in a district that continues to change in
6 terms of keeping families in their homes for the next
7 generation so I'm grateful to Langsam for their
8 efforts particularly in all parts of the Bronx as you
9 recognized in the West Bronx and the Northwest Bronx
10 and I'm grateful for their partnership in the
11 district so I am thankful, asking all of my
12 colleagues to vote in the affirmative on these items
13 and I also want to wish all of my colleagues a happy
14 holiday season, merry Christmas and we look forward
15 to working together in the new year. Thank you, I
16 vote aye on all.

17 COMMITTEE CLERK MARTIN: Cohen?

18 COUNCIL MEMBER COHEN: [off mic] Aye.

19 COMMITTEE CLERK MARTIN: Cornegy?

20 COUNCIL MEMBER CORNEGY: [off mic] Aye.

21 COMMITTEE CLERK MARTIN: Lancman?

22 COUNCIL MEMBER LAN
23 COUNCIL MEMBER AN: [off
mic] Aye.

24 COMMITTEE CLERK MARTIN: Van Bramer?

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COUNCIL MEMBER VAN BRAMER: [off mic]

Aye.

COMMITTEE CLERK MARTIN: Grodenchik?

COUNCIL MEMBER GRODENCHIK: [off mic]

Aye.

COMMITTEE CLERK MARTIN: Adams?

COUNCIL MEMBER ADAMS: [off mic] Aye.

COMMITTEE CLERK MARTIN: Moya?

COUNCIL MEMBER MOYA: [off mic] Aye.

COMMITTEE CLERK MARTIN: Powers?

COUNCIL MEMBER POWERS: Aye.

COMMITTEE CLERK MARTIN: Matteo? By a
vote of 11 in the affirmative, zero in the negative
and no abstentions, all items have been adopted by
the Committee.

CHAIRPERSON DROMM: And we'll keep the
vote open for another ten minutes.

COMMITTEE CLERK MARTIN: Continuation of
roll call, Committee on Finance, Council Member
Rosenthal?

CHAIRPERSON DROMM: Yeah, you have to
sign Helen.

COUNCIL MEMBER ROSENTHAL: I vote aye on
all.

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COMMITTEE CLERK MARTIN: The vote now currently stands at 12 in the affirmative. Continuation of roll call, Committee on Finance, Council Member Cumbo?

COUNCIL MEMBER CUMBO: I vote aye.

COMMITTEE CLERK MARTIN: The final vote, all items in today's agenda for the Committee on Finance have been adopted by a vote of 13 in the affirmative, zero in the negative and no abstentions.

CHAIRPERSON DROMM: Okay and with that this meeting is adjourned at 10:55 a.m.

[gavel]

C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date

January 15, 2019