

1 COMMITTEE ON FINANCE JOINTLY WITH THE COMMITTEE ON  
2 GENERAL WELFARE AND THE COMMITTEE ON CULTURAL  
3 AFFAIRS, LIBRARIES AND INTERNATIONAL INTERGROUP  
4 RELATIONS 1

5 CITY COUNCIL  
6 CITY OF NEW YORK

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9 TRANSCRIPT OF THE MINUTES

10 Of the  
11 COMMITTEE ON FINANCE JOINTLY WITH  
12 THE COMMITTEE ON GENERAL WELFARE  
13 AND THE COMMITTEE ON CULTURAL AFFAIRS,  
14 LIBRARIES AND INTERNATIONAL  
15 INTERGROUP RELATIONS

16 ----- X

17 May 10, 2021  
18 Start: 10:10 a.m.  
19 Recess: 4:17 p.m.

20 HELD AT: REMOTE HEARING (VIRTUAL ROOM 2)

21 B E F O R E: Daniel Dromm,  
22 Chairperson for Committee on  
23 Finance  
24 Stephen Levin,  
25 Chairperson for Committee on  
General Welfare  
James G. Van Bramer,  
Chairperson for Committee on  
Cultural Affairs, Libraries and  
International Intergroup Relations

26 COUNCIL MEMBERS:

27 Adrienne E. Adams  
28 Alicka Ampry-Samuel  
29 Diana Ayala  
30 Selvena N. Brooks-Powers  
31 Robert E. Cornegy, Jr.  
32 Laurie A. Cumbo  
33 Darma V. Diaz  
34 Oswald Feliz

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COUNCIL MEMBERS (CONT.):

3

Vanessa L. Gibson  
Barry S. Grodenchik

4

Karen Koslowitz  
Farah N. Louis

5

Steven Matteo  
Francisco P. Moya

6

Keith Powers  
Helen K. Rosenthal

7

James G. Van Bramer  
Stephen T. Levin

8

Mark Treyger  
Brad Lander

9

Mark Gjonaj  
Francisco P. Moya

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James Gennaro  
Rafael Salamanca

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A P P E A R A N C E S

Steven Banks  
Commissioner of the New York City Department of  
Social Services

Gary Jenkins  
HRA Program Administrator

Joslyn Carter  
DHS Administrator

Ellen Levine  
DSS Chief Program Planning and Financial  
Management Officer

Rosine Ferdinand  
Deputy Commissioner, Office of Budget  
Administration Finance

Patrick Distefano  
Deputy Commissioner of Finance at NYC Department  
of Social Services

David Hansell  
Commissioner of the New York City Administration  
for Children's Services

Winette Saunders  
First Deputy Commissioner

Michael Moiseyev  
Deputy Commissioner for Finance

Tony Marx  
CEO of New York Public Library

Dennis Walcott  
CEO of Queens Library

Linda Johnson  
CEO of Brooklyn Public Library

Gonzalo Casals  
Commissioner of Cultural Affairs for the City of  
New York

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

6 Sheelah Feinberg  
7 Deputy Commissioner

8 Phillippa Shao  
9 Director of Finance

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SERGEANT BIONDO: Thank you.

SERGEANT POLITE: Recording to the Cloud all  
set.

SERGEANT BIONDO: Thank you.

SERGEANT PEREZ: Backup is rolling.

SERGEANT BIONDO: Thank you. Sergeant Hope.

SERGEANT HOPE: Thank you. Good morning and  
welcome to today's New York City Council Remote  
Executive Budget hearing for the Fiscal Year 2022.  
Today's hearing is led by the Committee on Finance  
jointly with the Committee on General Welfare and the  
Committee on Cultural Affairs, Libraries and  
International Intergroup Relations.

At this time, would all panelists please turn on  
your videos. I repeat, all panelists, please turn on  
your videos. Thank you. To minimize disruption,  
please place all electronic devices to vibrate or  
silent mode. Thank you.

If you wish to submit testimony, you may do so at  
[testimony@council.nyc.gov](mailto:testimony@council.nyc.gov). I repeat,  
[testimony@council.nyc.gov](mailto:testimony@council.nyc.gov). Chair, thank you for your  
kind cooperation. Chair, we are ready to begin.

CHAIRPERSON DROMM: Thank you very much. Good  
morning and welcome to the City Council's third day

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of hearings on the Mayor's Executive Budget for  
Fiscal 2022. 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 Stephen Levin. We are also joined by Council  
Members Levin, Adams, Grodenchik, Louis, Matteo,  
Darma Diaz, Rosenthal, Koslowitz, Moya, Lander,  
Powers, Ampry-Samuel, Gibson, Feliz and Brooks-  
Powers.

The Fiscal 2022 Executive Budget for HRA and DHS  
has grown significantly since the Fiscal 2021 Adopted  
Budget. The HRA's Fiscal 2022 Executive Budget  
totals \$11 billion and is \$926.9 million larger than  
the agencies Preliminary Budget and \$420.6 million  
larger than the current Fiscal 2022 Budget. For DHS,  
the Executive Budget totals \$2.2 billion, which has  
grown by \$777.3 million since January but it is still  
\$681 million less than the current Fiscal 2021  
budget.

For HRA, the increase was largely attributed to  
the \$168 million received in federal funding for  
HRA's rental assistance program and a \$503.5 million  
net increase in city funding for Medicaid. For DHS,  
the budget increase was due to the additional federal

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funding received to aid in the city's COVID-19  
response which included funding for shelter sites,  
stabilization bed sites and Safe Haven sites.

With the additional funding received, the two  
agencies have been able to put funding back into some  
of the city's key programs like rental assistance  
voucher programs, including city FHEPS, food  
assistance programs, outreach, drop in and reception  
services and family shelter operations. By  
increasing funding to these vital social programs and  
services, the city is taking the necessary steps to  
addressing the needs of the thousands of New Yorkers.  
However, no new funding was added to several of HRA  
and DHS's long standing safety net programs, despite  
the ongoing increase in unemployment and the economic  
impact of COVID-19.

In the Preliminary Budget response, the Council  
identified several areas of concern. None of which  
were addressed in DHS or HRA's executive plans.  
Including \$37 million to improve client service and  
benefit access and to address individuals pushed off  
programs due to pandemic relief support. \$20 million  
in baseline funding to support smaller, non-EFAP  
providers on an ongoing basis and funding

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1  
2 stabilization bed sites and the Shelter De-densified  
3 program in Fiscal 2022.

4 I look forward to learning from DSS on how we can  
5 address these budgetary concerns and better support  
6 these vital programs in the Fiscal 2022 Adopted  
7 Budget. Thank you to Julia Haramis, Frank Sarno and  
8 Dohini Sompura from the Finance Division for the  
9 preparations of today's hearings.

10 I will now turn it over to Chair Levin for his  
11 opening statement. Chair Levin.

12 CHAIRPERSON LEVIN: Thank you very much Chair  
13 Dromm. Good morning everybody. I am Stephen Levin,  
14 Chair of the Committee on General Welfare. I want to  
15 thank all of you for joining me for the Fiscal '22  
16 Executive Budget hearing for the General Welfare  
17 Committee held jointly with the Finance Committee.  
18 This is my daughter Francis.

19 The city's Proposed Fiscal 2022 Executive Budget  
20 totals \$98.6 billion. Of which approximately \$13.2  
21 billion or over 13 percent funds Department of Social  
22 Services encompassing between Human Resources  
23 Administration and the Department of Homeless  
24 Services. The recent influx of federal pandemic aid  
25 is a significant once in a generation opportunity for



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1 the city to make meaningful and lasting changes to  
2 policies that we have long sought to change but found  
3 ourselves limited in achieving because we did not  
4 have the funding. We won't likely get another chance  
5 to do this again. The city needs to step up and make  
6 sure that we are being aggressive and using the  
7 federal support to uplift the city's most vulnerable  
8 residents.  
9

10 We need to do all that we possibly can to get  
11 people permanently housed and to provide all people  
12 with the safety net benefits that they need and  
13 deserve.

14 The Council's budget response made it clear that  
15 protecting the city's social safety net and serving  
16 our most vulnerable residents is one of the Councils  
17 top priorities. And while the Executive budget is  
18 balanced and the budget maintains the essential  
19 benefit programs administered by HRA and shelter  
20 administered by DHS, more can and should be done and  
21 we need to think more deeply about where we can most  
22 effectively allocate city resources, especially  
23 during these uniquely challenging times.

24 I was disappointed to see that most of the  
25 Council's recommendations in the budget response were

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not included in the executive plan. Insufficient  
funding was added for emergency food. No funding was  
added to increase rental assistance vouchers to fair  
market value. No funding was added to increased  
domestic violence shelter capacity. No funding was  
added to directly include HRA client service and  
benefit the administration or to address clients  
pushed off benefits due to pandemic relief support  
that are still in need of assistance.

No funding was added to address the  
underreporting of abuse in protective service due to  
the pandemic and no funding was included for  
stabilization bed sites in Fiscal '22. Before I  
welcome the Commissioner, I would like to acknowledge  
my colleagues who are here today. They were  
previously acknowledged by Chair Dromm.

I would also like to thank the General Welfare  
Committee staff for their work at putting this  
hearing together today. Finance Analyst Julia  
Haramis and Frank Sarno. Dohini Sompura Unit Head,  
Aminta Kilawan Senior Counsel, Crystal Pond Senior  
Policy Analyst and Natalie Omary Policy Analyst.

I would also like to thank my Chief of Staff  
Jonathan Boucher. I would like to thank my

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Legislative Director Nicole Hunt and now Commissioner  
Banks, our Counsel will swear you in. Thanks.

COMMITTEE COUNSEL: Thank you. My name is  
Stephanie Ruiz and I am Counsel to the New York  
City's Committee on Finance. Before we begin, I want  
to remind everyone that you will be on mute until you  
are recognized to speak. At which time, you will be  
unmuted by the Zoom host. If you mute yourself after  
you have been unmuted, you will need to be unmuted  
again by the host.

Please be aware that there could be a delay in  
muting and unmuting, so please be patient. During  
the hearing, if Council Members would like to ask  
questions, please use the Zoom raise hand function  
and you will be called on to speak. We will be  
limiting Council Member questions to five minutes  
including responses.

I will now administer the affirmation to the  
Administration witnesses. Do you affirm that your  
testimony will be truthful to the best of your  
knowledge, information and belief? Commissioner  
Banks?

STEVEN BANKS: Yes, I will.

COMMITTEE COUNSEL: Mr. Carter?

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2 JOSLYN CARTER: Ms. Ruiz, if I may help? I am  
3 likely to be the only one testifying, so I think we  
4 will be okay.

5 COMMITTEE COUNSEL: Okay, we were administering  
6 the affirmation for any questions that might come up  
7 and responses received.

8 STEVEN BANKS: Okay.

9 COMMITTEE COUNSEL: Okay.

10 JOSLYN CARTER: Yes, I am.

11 COMMITTEE COUNSEL: Thank you Ms. Carter. Mr.  
12 Jenkins?

13 GARY JENKINS: Yes, I will.

14 COMMITTEE COUNSEL: Thank you. Ms. Levine?

15 ELLEN LEVINE: Yes, I will.

16 COMMITTEE COUNSEL: Thank you. Ms. Ferdinand?

17 ROSINE FERDINAND: Yes, I will.

18 COMMITTEE COUNSEL: Thank you and Mr. Distefano?

19 PATRICK DISTEFANO: Yes, I will.

20 COMMITTEE COUNSEL: Thank you. Commissioner  
21 Banks, you may begin when ready.

22 STEVEN BANKS: Uh, thank you very much. Good  
23 morning and I want to thank the Finance and General  
24 Welfare Committees and in particular Chairs Dromm and  
25 Levin for giving us this opportunity to testify about

1 the Department of Social Services FY22 Executive  
2 Budget and our work to improve services for New  
3 Yorkers in need.

4  
5 I also note at the outset that this is my eighth  
6 budget cycle with the Council and I appreciate the  
7 support that you have provided to us as we have  
8 proceeded over these last seven plus years.

9 My name is Steven Banks, I am the Commissioner of  
10 the New York City Department of Social Services. And  
11 in this capacity, I oversee the Human Resources  
12 Administration and the Department of Homeless  
13 Services. And joining me today is First Deputy  
14 Commissioner of DSS Molly Murphy, HRA Program  
15 Administrator Gary Jenkins, DHS Administrator Joslyn  
16 Carter, DSS Chief Program Planning and Financial  
17 Management Officer Ellen Levine, and our Chief of  
18 Staff Scott French.

19 In my testimony today I want to highlight major  
20 facets of the Executive Budget for our agency, which  
21 reflect our efforts to address income inequality,  
22 fight poverty and homelessness and help New Yorkers  
23 in need get back on their feet.

24 At the outset, I want to highlight policy changes  
25 at the federal level that will benefit New Yorkers

1 served by our agency, including: support from the  
2 American Rescue Plan, a \$1.9 trillion relief package  
3 that includes \$12.6 billion in direct aid for New  
4 York State and \$5.98 billion in direct aid for New  
5 York City. The package includes funding for enhanced  
6 unemployment benefits, direct cash payments,  
7 nutritional programs like a pandemic EBT administered  
8 by the state and SNAP. The American Rescue Plan also  
9 includes a critical appropriation of additional rent  
10 relief to bring the total funding for New York State  
11 to \$2.4 billion for the Emergency Rental Assistance  
12 Program, ERAP.  
13

14 At the State level, DSS has worked closely with  
15 the State Office of Temporary and Disability  
16 Assistance and the Legislature to ensure that our  
17 clients can access ERAP. As part of the State budget  
18 process, the Legislature enacted legislation to  
19 implement the federal ERAP initiative. The framework  
20 for the rent relief program provides help for  
21 households that include a member who has qualified  
22 for unemployment or has had a drop in income, or  
23 other financial hardship due to COVID and  
24 demonstrates a risk of experiencing homelessness or  
25

1 housing instability and has a household income at or  
2 below 80 percent of the Area Median Income.  
3

4 New Yorkers, including New York City residents  
5 can access this funding through a statewide portal  
6 that is being created by OTDA and we expect that  
7 portal to be live by the end of this month. To help  
8 New York City residents apply for and receive this  
9 essential rent relief, DSS is using federal funds  
10 allocated to us in the federal relief appropriations  
11 to procure outreach and application systems from  
12 community-based organizations in all five boroughs.

13 The final state budget also included an excluded  
14 workers front, which will provide critical support to  
15 New Yorkers who may not be eligible for pandemic  
16 related benefits due to their immigration status.  
17 And just last week, with our continuing advocacy on  
18 this issue, Senator Kavanagh, the Chair of the Senate  
19 Housing Committee, has introduced Senate 6573 to  
20 require the State to permit DSS to set the rent  
21 levels for the State FHEPS rent supplement program at  
22 the Fair Market Rental levels as determined by the  
23 federal Department of Housing and Urban Development.  
24 And to reimburse us for the payment of these levels  
25

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1  
2 in accordance with traditional public assistance  
3 funding streams.

4 In addition, prior to enactment of the State  
5 budget, by an overwhelming margin, the Senate and  
6 Assembly passed legislation to make permanent our  
7 COVID-19 waiver allowing clients the option to have a  
8 telephone interview to apply and recertify for Cash  
9 Assistance, without the need to go to one of our  
10 offices. This change will provide Cash Assistance  
11 clients with the same option that SNAP clients have  
12 had since 2016, following our obtaining of a waiver  
13 from the Obama Administration to make it possible for  
14 all clients to choose to apply and recertify for SNAP  
15 by phone without the need to travel to an office to  
16 do so.

17 Since receiving our temporary State Cash  
18 Assistance waiver during the pandemic, 85 percent of  
19 Cash Assistance applications have been submitted  
20 online with about 162,000 interviews conducted by  
21 telephone. The bill is currently on the Governor's  
22 desk and we are continuing to work with the  
23 Legislature to ensure it is signed, which will  
24 dramatically improve the client experience.



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In terms of an overview of the Budget, an important component of our overall recovery in the city has been an infusion of federal funds, most recently as part of the American Rescue Plan as well as other COVID-related relief. As Chair Dromm indicated, these federal funds were added to the DHS and HRA budgets in the Executive 2022 plan to bolster key priorities, such as in Legal Services for Tenants, Anti-Hunger Programs, Rental Assistance, Street Homeless programming, among others. This additional federal investment will allow us to more quickly rebound from the pandemic-related fiscal belt tightening over the past 14-months, and these investments also allow programs that are key elements of agency goals to remain in place while the local economy improves. However, these federal funds are time-limited, and therefore it is critical for the city to have a strong recovery overall.

In terms of the HRA/DSS budget, the FY21 budget is \$10.6 billion, \$7.9 billion of which are city funds, and that consists of 12,781 positions, of which 9,309 are city-funded. The FY22 budget is \$11 billion and \$8.46 billion are city funds, with 13,618 positions, of which 10,133 are city-funded. The

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DSS/HRA budget increases between FY21 and FY22 by  
\$421 million in total funds and \$584 million in city  
funds, primarily as a result of Medicaid funding  
adjustments, including a shift of funds from Health +  
Hospitals to the Medicaid budget to cover new  
Medicaid initiatives, including the Upper Payment  
Limit, as well as enhanced Federal Medical Assistance  
Percentage savings from the State.

The DSS/HRA budget increased by \$927 million in  
total funds and \$619 million city funds between the  
January and Executive Plans due primarily to the  
Medicaid adjustments as well as additional funding  
for rental assistance and federal funding for  
services and programs during the pandemic.

The DSS/HRA City-funded headcount is higher in  
FY22 than in FY21 due to a one-time vacancy savings  
that occurred in FY21. The primary initiatives  
funded in the FY22 HRA/DSS Executive Budget are as  
follows: Housing Anti-Discrimination Initiative, \$2  
million in total and City funds in FY22 and the  
outyears were added to expand enforcement of housing  
discrimination laws, including the source of income  
discrimination law within our Source of Income  
Discrimination Unit. Access to Counsel in Eviction

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Cases, \$23 million in total funds in FY22 and the  
baseline, were added to fully fund universal access  
to legal services for tenants facing eviction. This  
brings the based-lined amount to \$166 million in  
completing our commitment for the Implementation and  
Right to Counsel. Case Management Services \$3.5  
million in total and City funds in FY21 and \$10.7  
million in total and City funds in FY22 were added  
for case management services for families who  
formerly experienced homelessness and who have  
transitioned to permanent housing through our cluster  
conversion initiative.

Information Technology \$8.98 million in total and  
\$4.6 million in city funds in FY21 and \$42.9 million  
in total funds \$25 million in city in FY22 for  
maintenance and support of the DSS/HRA and DHS  
information technology operations. Food Assistance,  
\$32 million in FY22 in total funds to fund the  
Pandemic Food Reserve Emergency Distribution and 13  
positions including \$4.9 million in the baseline to  
fund EFAP and the Office of Food Policy.

HASA Housing \$47.9 million in total and \$34  
million in city funds in FY22 to support HASA  
emergency housing costs. Janitorial and Security

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Prevailing Wage \$13.5 million in total and \$7.1  
million in city funds in FY21 and \$23.8 million in  
total funds \$12.5 million city in FY22 for prevailing  
wage increases for janitorial and security services.  
Master Lease \$4.7 million in total and city funds in  
FY22 for master lease units and support services.

Immigrant Affairs \$2 million in total and city  
funds in FY21 for Low Wage Worker Legal Services and  
\$2.6 million in total and City funds for other  
initiatives, including Action NYC, Know Your Rights,  
We Speak and Rapid Response. The Indirect Cost Rate  
\$8.3 million in total funds in FY21 and the outyears  
to fund the indirect cost rate restoration for not-  
for-profit providers which will provide financial  
stability for hundreds of nonprofits as they continue  
to partner with the city on a recovery for all of us.

Rental Assistance \$161 million in FY21 and \$168  
million in FY22 in total funds for the additional  
projected costs of city rental assistance programs  
which are added to the rental assistance budget to  
true up projected expenditures for new shelter move  
outs in the coming years and the ongoing actual costs  
for clients who moved out in prior years. This  
brings the FY22 budget for City-funded rental

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assistance to \$325 million and we will continue to  
move out as many clients as possible and true those  
numbers up as needed with OMB.

The Hart Island Capacity Study, HRA is procuring  
a vendor to continue operating Hart Island as the  
City's public burial grounds in the next fiscal year  
as well as a vendor to evaluate the ongoing capacity  
for burials on the Island. The FY22 Executive Budget  
includes \$112,000 in FY21 and \$426,000 in FY22 in  
total and city funds for this capacity study of Hart  
Island. Additional funds will be added to operate  
the burial ground on the Island when the RFP process  
we are currently conducting is complete.

HRA Clean-Up Corps, \$29 million in total funds in  
FY22 to fund HRA Clean Up Corps, part of a New Deal-  
style Citywide jobs initiatives. We also have  
Savings Initiatives, to further support our budget  
through savings, HRA/DSS will leverage several  
efficiencies to maximize resources. These savings  
include initiatives such as the Enterprise Licensing,  
a \$3.1 million reduction in total in city funds in  
FY21 for the adjustment associated with a realignment  
of the Microsoft Enterprise Licensing Agreement  
citywide, utilizing capital funding where possible.

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And the Executive Budget also includes COVID related savings, Carfare a reduction of \$11.3 million in FY21 due to Carfare expenditures less than expected during COVID 19. JTP and DCAS, JTP and Sanitation, a reduction of \$226,000 in FY21 for JTP DCAS. And \$1.3 million for JTP Sanitation due to lower than expected expenditures due to the pause in referrals during COVID. Child Support Processing \$833,000 in FY21 savings due to the impact of COVID-19 on court activities.

For DHS/DSS the FY21 budget is \$2.8 billion, of which \$1.2 billion are city funds. The budget supports 2,101 positions including 2,044 which are city funded. The FY22 budget is \$2.2 billion and \$1.3 billion in city funds, 2,158 positions are supported, of which 2,102 are city-funded. The DHS budget decreases by \$681 million in total funds from FY21 to FY22, primarily due to Federal COVID relief funds that were added in FY21.

For example, there is \$615 million in FEMA funds in FY21 primarily related to the pandemic hotel sheltering program. There are also Corona Relief Funds and pandemic ESG funds in the FY21 budget. The FY22 budget will be adjusted for FEMA impact as the

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COVID crisis develops and health guidance is updated.

This decrease in FY22 to the Federal revenue in FY21 is partially offset by the American Rescue Plan funds added in FY22 to support programs including the Journey Home, Street Outreach, Safe Havens and Street Medicine.

Additional funding may be added in FY22 depending on the COVID related program needs, as determined by the public health guidance. New DHS funding in FY22 includes EAF Revenue, \$85 million of city funds in FY21 and FY22 for an EAF Revenue Shortfall related to New York State changes in eligibility requirements. Healing New York Expansion \$101,000 in FY21 and \$96,000 in total city funds expand Healing NYC program. DHS IT Maintenance \$1.3 million in total in city funds in FY22. Janitorial Prevailing Wage Adjustment \$5.9 million in total in city funds in FY21 and the outyears. The DHS part of the Clean-Up Corps is \$3 million in total funds in FY22. Journey Home \$76.9 million in total funds in FY22 to reserve the Journey Home programs, including safe havens, street outreach and street medicine.

Street Outreach Programming \$4.6 million in total funds in FY21; \$15.2 million in total funds in FY22

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and \$9.4 million in total funds in FY23 and the  
outyears for street outreach at subways and rapid  
response. And the Indirect Cost Rate increase \$9.6  
million in total funds in FY21 and the outyears to  
fund the restoration of indirect cost rate in not-  
for-profits. The investments presented here as well  
as the reforms made over the last seven years, do  
provide a framework on which to build to continue to  
support New Yorkers in need in future  
Administrations.

Looking back at our work over the last seven  
years, much of which has been accomplished through  
our collaboration with you in the City Council, we  
see many lessons learned that we hope can help inform  
future social services policy in New York City.

In 2014, when I presented our first Executive  
Budget to the City Council as Commissioner. The  
presentation provided a summary of our services as  
well as an analysis of program inefficiencies that we  
inherited from previous administrations. In  
particular, our analysis seven years ago identified  
policies and procedures in need of improvement and we  
set out to reform those programs so that they would  
prevent homelessness instead of causing it; that



1 families and individuals would have access to the  
2 public benefits to which they are entitled instead of  
3 being subjected to punitive polices, that duplication  
4 and inefficiencies would be eliminated, that  
5 unnecessary financial penalties and sanctions would  
6 be avoided, and that employment programs would be  
7 more effective in alleviating poverty and fighting  
8 income inequality.  
9

10 We have continued to build on those reforms we  
11 set out to accomplish in FY15 and the progress that  
12 we have made is reflected in the following key  
13 initiatives, among many more that we have implemented  
14 which are listed in the attached appendix:

15 First, increased access to public benefits and  
16 assistance by ending a one-size-fits-all approach to  
17 service delivery. In particular, we implemented  
18 technology initiatives to streamline administrative  
19 processes; eliminated counter-productive case  
20 sanctions, reduced unnecessary fair hearings by  
21 cutting the number of hearing requests in half. Let  
22 me repeat that. We cut the number of hearing request  
23 in half. We closed Center 71, the Intensive Services  
24 Center, which served as a punitive way to cut off of  
25 assistance who needed help still. We eliminated WEP,

1 the unpaid Work Experience Program, which required  
2 clients to work for no compensation in jobs that  
3 provided no valuable work experience and instead  
4 implemented new employment programs that emphasize  
5 education and training, including an option to count  
6 four-year college participation; We Reached full  
7 implementation of our right-to-counsel program in  
8 eviction cases, with support from the Council.  
9

10 Under this program, coordinated by HRA's Office  
11 of Civil Justice and in partnership with legal  
12 service providers, vulnerable New Yorkers facing  
13 eviction are eligible for free legal representation,  
14 regardless of zip code, immigration status or with a  
15 waiver income level. The positive results of these  
16 efforts have been clear, with residential evictions  
17 by city marshals down by 41 percent between 2013 and  
18 2019, while nationwide evictions were on the rise  
19 during that time. And the percentage of tenants  
20 facing eviction in court with legal representation  
21 was 38 percent in 2019, up from 1 percent in 2013 and  
22 even more importantly during the pandemic we have  
23 been able to assign counsel in virtually every case  
24 heard in court for the last year.

We launched the largest municipal commitment to-  
date to build supportive housing by making the  
commitment to develop 15,000 new units in 15 years,  
through the 15/15 initiative. Through the ongoing  
New York New York and the 15/15 initiative, there  
have been 12,545 supportive housing placements from  
DHS shelter, from January 2014 through February of  
this year.

Through Fair Fares, in partnership with you in  
the Council, we designed a 21st Century government  
benefits program framework that was responsive to New  
Yorkers' needs and built a model for future social  
services delivery. Over 223,000 New Yorkers have  
enrolled in the program and eligible clients can be  
enrolled online through Access HRA, and then receive  
their Fair Fares MetroCard by mail without ever  
having to visit an office.

Moreover, the required eligibility documentation  
is simple and straight-forward, which benefits both  
the clients and our dedicated agency staff. Modern  
and agile program frameworks like this, along with  
the effective blueprint we developed in pioneering  
remote access to SNAP via Access HRA, stood us in  
good stead as the pandemic hit and service delivery

1 changed, And we continue to advocate with the State  
2 for permission to permanently provide remote Cash  
3 Assistance applications to improve client access.  
4 And the streamlined eligibility process and criteria  
5 for our Fair Fares program would greatly improve the  
6 client experience if these kinds of changes were made  
7 at the federal and state levels for Cash Assistance,  
8 SNAP and Medicaid programs.  
9

10 We also transformed HASA by ensuring New Yorkers  
11 with HIV are able to receive housing, transportation  
12 and nutritional support through HASA for All. Prior  
13 to 2016, New Yorkers with HIV, in addition to meeting  
14 income eligibility requirements, needed to be  
15 clinical/symptomatic with HIV illness or AIDS to  
16 receive these critical supports. Today, we  
17 administer a program grounded in science and  
18 compassion that permits individuals to obtain  
19 services upon an HIV diagnosis making them eligible  
20 for an Emergency Shelter Allowance, which includes a  
21 monthly transportation and nutrition allowance as  
22 well as a 30 percent income contribution cap toward  
23 rental costs for public assistance recipients. These  
24 changes advance our goals towards individual viral  
25 load suppression and achieving decreased disease

transmission rates once and for all to end the  
epidemic.

In terms of homelessness, New York City and  
jurisdictions across the country has seen the very  
real results of changes in our economy, particularly  
exponentially increased income inequality and past  
choices made in New York City, Albany and Washington.  
The shelter census increased by 115 percent between  
1994 and 2014, including growing nearly 40 percent to  
more than 51,000 in just three years between 2011 and  
2014, following the end of the Advantage rental  
assistance program as a result of State and City  
cuts.

From 1994-2012, the city suffered the loss of  
150,000 rent-stabilized units, or 16 percent of the  
total rent-regulated stock. From 2005-2015, rents  
increased by 18.4 percent whereas incomes increased  
by only 4.8 percent. While the city's overall rental  
vacancy rate of 3.5 poses problems for people of all  
incomes, renters only able to afford an apartment  
costing \$800 or less must search in a market with a  
vacancy rate of just 1.15 percent in 2017, down from  
1.8 percent in 2014.

As we testified at the March Preliminary Budget hearing, we have called upon the state to support shelter services and outreach by restoring the State's traditional 50/50 cost split for single adult shelters in New York City, outreach workers, safe havens, stabilization beds and the cost of homeless services for the overnight MTA initiative. Despite the fact that a Consent Decree enforcing the State Constitution obligates both the state and the city to provide shelter to single adults experiencing homelessness, the state has steadily reduced its support for single adult shelters and services in New York City from 50/50 to a mere nine percent.

Additionally, the state provides zero dollars to support the 600 homeless outreach workers and more than 3,000 safe haven and stabilization beds that the city has funded and that have enabled more than 4,000 people to come off the streets and subways and remain off since 2016.

Simply put, the state must return to paying its fair share for life-saving services for single adults experiencing homelessness. Even as the overall DHS shelter census and the number of children and adults in family shelters have been reduced significantly as

we will discuss at the end of this testimony, there  
are record numbers of people in the DHS single adult  
shelters.

In addition to the ongoing affordable housing  
crisis, one of the drivers of the single adult DHS  
census growth is the state's failure to invest in  
reentry services to prevent discharges from state  
prisons to DHS shelters. Tragically, history is  
repeating itself. Just as State  
deinstitutionalization from State mental health  
facilities without sufficient community mental health  
services has contributed to modern day mass  
homelessness for single adults, now state  
decarceration without sufficient community reentry  
services is resulting in a state prison to shelter  
pipeline.

Against this backdrop, we want to highlight in  
closing the progress we have made on our commitments  
to address 40 years of federal, state and city policy  
failures by focusing on the four pillars of the 2017  
Turning the Tide plan, prevention first, providing  
social services, permanent rehousing programs,  
transforming the haphazard approach to providing  
shelter and addressing street homelessness.

1  
2 First and foremost, breaking the trajectory of  
3 growth in the DHS shelter census. After nearly four  
4 decades of an ever-increasing DHS shelter census in  
5 our city, we have finally broken the trajectory of  
6 growth, holding the DHS census essentially flat year  
7 over year for the first time in more than a decade at  
8 approximately 60,000 in 2017, 2018, 2019 and then  
9 reversing the growth trend with the DHS census now  
10 below 50,000, which is less than the DHS census when  
11 the Administration began.

12 Significantly fewer children and adults in family  
13 shelters; with our investments in prevention and  
14 rehousing, we have driven down the number of children  
15 and adults residing in shelter on any given night.  
16 From a peak after the Advantage program ended of  
17 43,208 in December 2014 to 27,463 yesterday, which is  
18 a decrease of nearly 15,750 people and the lowest  
19 number of that Families with Children Census since  
20 2012.

21 In particular, there are 15,630 children in  
22 family shelters, a decrease of 9,860 children since  
23 there were 25,490 children in shelter in 2014. And  
24 whereas there were 18,812 unique families with  
25 children who applied for shelter in the 12 months



1 before January 1, 2014, there have been 9,778 unique  
2 families with children who have applied for shelter  
3 in the last 12 months. This trend has been in place  
4 well before the pandemic began but has accelerated  
5 while the eviction moratorium has been in place,  
6 demonstrating the impact on homelessness when the  
7 eviction machinery stops. Just as the elimination of  
8 the Advantage Rental Assistance program and the  
9 resulting exponential increase in family homelessness  
10 illustrated the folly of fighting homelessness with  
11 no permanent housing.  
12

13 Ending the 21-year Giuliani cluster program; We  
14 have ended the use of more than 2,800 cluster units  
15 as shelter, reducing citywide cluster use by over 75  
16 percent, and we have been converting hundreds of  
17 cluster units into permanent affordable housing for  
18 families experiencing homelessness. In January 2016,  
19 at the high point of the cluster program, the city  
20 was using 3,650 cluster units to shelter families.  
21 We are on track to be completely end this program by  
22 the end of this year. We have provided permanent  
23 housing to more than 165,000 New Yorkers using our  
24 social services tools. We have helped more than  
25 165,000 New Yorkers exit shelter and transition to

1 permanent housing to avoid shelter altogether or  
2 avoid shelter altogether, using rental assistance and  
3 rehousing programs.  
4

5 We have also streamlined a number of housing  
6 assistance programs into one, to make it easier for  
7 clients and landlords alike to secure housing  
8 opportunities and we operate an aggressive, dedicated  
9 unit at DSS to combat Source of Income  
10 discrimination, to ensure landlords are not  
11 unlawfully closing doors of opportunity. We have  
12 ended the use of more than 260 shelter sites,  
13 shrinking the DHS footprint by 41 percent by phasing  
14 out these 260 shelter sites that did not meet our  
15 standards and replacing them with a smaller number of  
16 borough-based shelters located as close as possible  
17 to the anchors of life, like schools, jobs, health  
18 care, houses of worship and family support networks.  
19 With 89 shelters sited and 46 already operating, with  
20 an average of nearly 230 days between community  
21 notification and the actual opening. We have helped  
22 thousands of New Yorkers come off the streets and  
23 subways. More than 4,000 people experiencing street  
24 homelessness have come inside from the streets and  
25 subways and remain off through our HOME-STAT program,

COMMITTEE ON FINANCE JOINTLY WITH THE COMMITTEE ON  
GENERAL WELFARE AND THE COMMITTEE ON CULTURAL  
AFFAIRS, LIBRARIES AND INTERNATIONAL INTERGROUP  
RELATIONS 35

1  
2 by tripling the number of outreach workers from 200  
3 to 600. Increasing five-fold the number of low  
4 barrier safe haven and stabilization beds from 600 in  
5 2014 to more than 3,000 today, with more than 1,200  
6 added during the pandemic and even more beds on the  
7 way.

8       And during the MTA's overnight shutdown over the  
9 past year, we have helped more than 800 people come  
10 off the subways and remain inside. These critical  
11 steps are the result of our focused efforts and the  
12 aggressive reforms set out in our Turning the Tide  
13 plan. As the first comprehensive plan to address  
14 homelessness presented by an administration, we have  
15 worked to address the haphazard system that built  
16 over 40 years and brought program accountability and  
17 oversight to support New Yorkers experiencing  
18 homelessness. However, we know there is much more  
19 work to be done to end the homelessness crisis that  
20 has built up over four decades. We are making  
21 tangible impacts through our focused efforts on  
22 prevention first, providing permanent housing and  
23 decent shelter and addressing street homeless. But  
24 again, there is much more to be done. We do believe  
25 though, that this model that we have built is a

1 foundation for future Administrations to further  
2 develop and continue to make progress.

3  
4 For your information, we have included in an  
5 appendix a full list of all the DHS and HRA reforms  
6 that we have talked about over the years at these  
7 hearings.

8 With that, we look forward to our continued  
9 partnership with you for the remainder of this year,  
10 and we deeply appreciate your support that has made  
11 all of the things that I described in this testimony  
12 possible. I appreciate your recommendations. I  
13 appreciate your constructive criticisms and most of  
14 all, I appreciate your commitment to our clients over  
15 the last seven plus years and I look forward to  
16 taking questions this morning.

17 CHAIRPERSON DROMM: Thank you Commissioner. I  
18 want to say that we have been joined by Council  
19 Members Ayala, Treyger and Cumbo and I am going to  
20 start off with some questions and then turn it over  
21 to my Co-Chair Stephen Levin in a few minutes.

22 So, looking at the Executive – and I also want to  
23 say Commissioner, thank you. It's been a pleasure  
24 working with you first when I was Immigration Chair  
25 and you come in with your testimony. I think those

1 are the days when we had Legal Aid and also over  
2 these last eight years, when I attended Finance  
3 hearings and now as the Chair of the Finance  
4 Committee. So, thank you for all the work that you  
5 have done also.  
6

7 STEVEN BANKS: Thank you very much. It's been a  
8 pleasure to work with you as well and don't forget  
9 IDNYC, which is one of our earliest reforms.

10 CHAIRPERSON DROMM: Yes, absolutely.

11 STEVEN BANKS: 1.7 million have got cards.

12 CHAIRPERSON DROMM: Yeah, it's really incredible  
13 work. So, thank you.

14 STEVEN BANKS: Yeah sure.

15 CHAIRPERSON DROMM: I am looking at the Executive  
16 Budget. The Council sees a concerning amount of  
17 insufficient funding in the key safety net area such  
18 as public assistance, food assistance and protective  
19 services. How does HRA's Fiscal '22 Budget support  
20 all the needs of low-income city residents during  
21 this pandemic and post pandemic? And can you point  
22 to specific investments in HRA's budget that  
23 addresses our needs during and post pandemic?  
24  
25

1 STEVEN BANKS: Thank you for that question. Let  
2 me give you a top line and provide an opportunity for  
3 back and forth with you.

4 I think if you look at the budget that I  
5 presented in the – at the Preliminary Budget stage,  
6 it was a very grim budget. Because we didn't know  
7 whether we would be getting federal funding. The  
8 budget we are now presenting to you is still a tough  
9 budget because that federal funding is one time. But  
10 it does provide key support in several of our areas.  
11 It's important for people to remember that we operate  
12 entitlement programs.

13 So, for example, cash assistance is an  
14 entitlement program, SNAP is an entitlement program.  
15 And as Hunger Free America and others have  
16 continuously cited, the SNAP program is a critical  
17 tool in fighting hunger and it provides a tremendous  
18 return economically in terms of the city.

19 So, one of the things we have done is to make  
20 sure that we can manage an historic increase in cash  
21 assistance and SNAP and we did that by repurposing  
22 1,000 staff, more than 1,000 staff to build upon our  
23 staffing to make sure that we could have the front  
24 line staff that we need to provide those benefits.  
25

1  
2 Similarly, we kept the commitment to continue to  
3 roll out the right to counsel, which although there  
4 is a moratorium in place, the lawyers that we funded  
5 at the – you know our partners at the Legal Services  
6 community have been on the frontlines helping resolve  
7 cases as they have been brought during the pandemic  
8 and are going to be there in place when that  
9 moratorium is lifted and until it is lifted up until  
10 August 31<sup>st</sup> now unfortunately, they will play a key  
11 role in working with us to get the federal rental  
12 assistance funds from the federal government.

13 One of the things I wanted to highlight in the  
14 testimony at the beginning was that our budget is not  
15 occurring at a vacuum. It is occurring against the  
16 background of \$2.4 billion, \$2.4 billion in federal  
17 funding for ERAP the Emergency Rental Assistance  
18 Program. That New York City residents will have  
19 access to. We are able to use those funds for  
20 outreach in the community. We have let out an RFP  
21 for \$22 million, to provide CBO's to help people get  
22 that rental assistance.

23 So, keeping a roof over your head is one of the  
24 core goals of this budget and by providing lawyers,  
25 by continuing our rent arrears programs of city funds

1 and state funds, which have doubled and providing  
2 access to the federal funds. That's a key thing to  
3 meet that basic need. That's key, serious  
4 investments to make that basic need.  
5

6 Similarly, a commitment to fighting hunger. So,  
7 making sure people get their SNAP benefits. That's  
8 first and foremost. Similarly, the budget in  
9 contrast of Preliminary Budget provides additional  
10 funding for EFAP, which I know has been a long  
11 standing priority of this Committee. We finally got  
12 baselined amounts several years ago. We added  
13 additional funds working with the Mayor's Office of  
14 Food Policy to be able to add additional funds on an  
15 equity basis. We will be working with the Mayor's  
16 Office of Food Policy and the Office of Economic  
17 Opportunity to do a study of supply gaps in  
18 particular community, so we can target the additional  
19 EFAP dollars to the most impacted communities.

20 In addition we are continuing into the Fiscal  
21 Year, the pandemic relief funding which we were  
22 purchasing fresh produce and food staples and  
23 delivering those to people, to our food pantries.  
24 So, there is an investment in areas where there is  
25 the greatest need for additional food and then there



1  
2 is the overall investment in fresh produce and shelf  
3 staples to make sure those are available.

4 Federal funds have also been used to increase and  
5 support our rental assistance, local ongoing rental  
6 assistance budgets and that's an important component  
7 of the improvements. We have also got an investment  
8 in job training through the clean-up corp. And  
9 that's an important investment to help people get  
10 back on their feet, get back into the job market.  
11 And get the skills and work experience not like WEP,  
12 these are actual day jobs, only a limited WEP.

13 So, I think that gives you a sense of overall and  
14 then of course there is all the investments in trying  
15 to address street homelessness and keep those people  
16 safe in our shelter system.

17 CHAIRPERSON DROMM: So Commissioner, since the  
18 onset of the pandemic, there has been a considerable  
19 increase in the number of cash assistance SNAP and  
20 Medicaid recipients in this city. In the Council's  
21 budget response, we called on the Administration to  
22 add \$37 million to HRA's budget to improve client  
23 service benefits and access and to address  
24 individuals programs due to the pandemic relief  
25 support but nothing was added in the Executive plan.

1  
2       So, can you explain why there was no funding  
3 added to increase the increased need in assisting  
4 clients on public assistance? And I hear you are  
5 saying that you are adding money to programs but  
6 getting access to those programs, client access is  
7 vital to ensuring that those who need it get it.

8       STEVEN BANKS: Totally, I completely understand.  
9 So, let me go through a few of the items that you  
10 raised. I appreciate that question because it really  
11 gets to the heart of what we have been trying to do  
12 at the agency.

13       So, first and foremost, we work with OMB every  
14 year in terms of the estimate of our public  
15 assistance budget. Our caseload has been going  
16 prepandemic. We have a significant increase and so,  
17 we have funds in the budget to be able to use to make  
18 sure we can – by the actual entitlement benefits.

19       Secondly, because of the increased need, we  
20 wanted to provide additional staff. And so, our  
21 basic staff for SNAP and cash is about 2,800 staff  
22 and we reassigned or redeployed more than 1,000 staff  
23 as I talked about in prior hearings. So, that's a  
24 pretty significant increase in the numbers of staff  
25 involved in providing the benefits.

1 We think critically keeping access to clients  
2 being able to use telephone interviews instead of  
3 having to come into offices, is a great improvement  
4 on the client experience. I have said this before,  
5 before the pandemic hit, we had gotten a waiver from  
6 the Obama Administration to enable telephone  
7 interviews for SNAP and if you went into one of our  
8 SNAP centers before the pandemic, you would find a  
9 relatively empty waiting room. Because people are  
10 able to come in if they want to come in or able to  
11 use the telephone.  
12

13 In contrast to the cash assistance waiting rooms,  
14 which are prepandemic. We are crowded and we have  
15 been seeking the same waiver before the pandemic from  
16 the state to be able to give clients the option, not  
17 forced, client option to be able to use the telephone  
18 for cash assistance interviews. We got that waiver  
19 during the pandemic and we think it is critically  
20 important to keep that in place to improve client  
21 access and to improve the client experience and also  
22 to improve the experience of our staff to not have  
23 crowded waiting rooms, so people could use the  
24 telephone.  
25

We have also invested in our capital budget for one number. That will be up during this fiscal year, to enable a more streamline way for clients to be able to contact us and to use our Infoline and that's coming as a result of planning in a place prepandemic and it is coming in place.

I want to set the record straight though in terms of the impact of federal benefits on the receipt of cash assistance and SNAP benefits and Medicaid. Obviously, there is a lot of challenges out there in terms of people navigating the various federal, state and local programs that we administer. But uhm, state OTDA and the Department of Health have clarified that unemployment compensation, the Federal Pandemic Unemployment Compensation so-called FPUC, supplement of \$300 a week as well as the \$600 and now \$1,400 economic impact payments. Those are all excluded from considerations as income for the purposes of calculating SNAP, cash and heat benefits as well as Medicaid.

In addition to any lump sum that a client gets under the Federal Pandemic Unemployment Compensation Program. If it is received retroactively is also

1 excluded as income and is therefore not subject to  
2 any of the lump sum rules.

3  
4       However, the state treats state unemployment  
5 benefits as income in calculating benefits  
6 eligibility and that was true prior to the pandemic  
7 and is continued. So, these are very critical  
8 federal benefits and we have been waiting for a  
9 federal partner for I think for many of us, for  
10 years. We have a federal partner and these dollars  
11 are exempt from consideration, except for the state  
12 unemployment benefits which the state continues to  
13 include.

14       I think the people that we have always been  
15 concerned about who were excluded from these federal  
16 funds, were those who were excluded based upon  
17 immigration status and those individuals are covered  
18 by the state program that the legislature pushed very  
19 hard for. That's in the last state budget to create  
20 the essential worker fund to deal with that gap.

21       So, I understand the suggestion that the city  
22 should put in additional funds to deal with the  
23 potential impact of federal funds but as you can see,  
24 the basic federal funds are exempt.

CHAIRPERSON DROMM: So Commissioner, the 1,000  
people that you mentioned that were redeployed into  
the public administration program area, are they  
going to stay there or are they going to go back to  
the original area? And if they stay there, are you  
going to cover the areas that they came from?

STEVEN BANKS: Look, this is you know, we are  
like so many agencies in the city both public and  
not-for-profit. This has been a challenging period  
of time to cover needs.

During the pandemic, we knew there was this need.  
We knew that hiring was not going to be possible and  
to meet the dramatic increasing need, not to mention  
the budgetary constraints that we had. So, that's  
why we did the reassignments. Because we have to  
continue to handle a very high volume of  
recertifications, under the federal waivers that we  
had gotten recertifications were pushed out into  
future months and now they are all coming due over  
the summer and we have to process those  
recertifications. Those redeployed staff will  
continue to do that work and we will work with OMB in  
terms of what we do in terms of our vacancies.

I think one of the very important benefits for  
HRA/DHS – I am sorry, HRA/DSS in the Executive Budget  
was that the lines, those critical staff lines that  
had been removed in the Preliminary budget because of  
the uncertainty of federal funding are restored now  
going forward in the Executive plan.

So, we will be working with OMB in terms of that  
restored hiring but we are not going to re-reassign  
the reassigned staff until we can make sure we are  
covering our cash and SNAP benefit delivery.

CHAIRPERSON DROMM: So, when you say you are  
going to work with OMB, uhm, is that including that  
you are going to try to get 1,000 new hires there or  
what specifically are you talking about?

STEVEN BANKS: I mean, there is headcount  
restored between the Jan plan, at the January Plan  
and the Exec budget and we will be working with OMB  
on the case rehiring. Those positions are important  
and we appreciated the support in the budget that  
they would be restored.

CHAIRPERSON DROMM: Okay, thank you. Federal  
funding in DHS's current Fiscal '21 Budget totals  
\$929 million, including \$616 million in FEMA funds,  
\$225 million in ESG funds, \$75 million in care CORF

1 funds and \$14 million in ARP local aid. Federal  
2 funding covers the de-densify hotels, isolation  
3 hotels, stabilization beds and street outreach and  
4 other expenses. Does DHS Fiscal '22 Budget  
5 accurately reflect spending for the de-densify  
6 hotels, the isolation hotels, stabilization beds and  
7 street outreach?  
8

9 STEVEN BANKS: Accurately, it accurately reflects  
10 what our current understanding of the need is but let  
11 me break that down. I appreciate the components of  
12 your question.

13 So, in terms of our funding for street outreach  
14 and safe haven beds and stabilization beds, the  
15 funding there supports what our public commitments  
16 have been. That we would – first of all, we made a  
17 commitment right before the pandemic to increase the  
18 number of low barrier beds and from the number that  
19 we had at the time to more than 3,000 and we did  
20 that. We added 1,200 in the middle of the pandemic  
21 and then a commitment was made in the state and the  
22 city by the Mayor to add another 1,000. And the  
23 budget does support that continued increase of low  
24 barrier beds. The budget does support the kinds of  
25 increased outreach staff that we have. We expect to



1  
2 go beyond the increase that is already reflected in  
3 our work from 200 to tripling to 600. That's what  
4 helped us bring in more than 4,000 people who have  
5 remained off the streets. But we will be for  
6 example, taking over outreach at PINN station. The  
7 outreach at PINN station had been the MTA's  
8 responsibility and we are taking it over and  
9 providing further investments in both the BRC work  
10 and our own staffing work at that location.

11 In terms of the de-densification efforts, you  
12 know that now is largely supported by FEMA and for as  
13 long as the health guidance is that we will be using  
14 some commercial hotel space for those purposes, we  
15 will be seeking FEMA reimbursement for that. And as  
16 we get FEMA reimbursement, we will certainly adjust  
17 the budget as needed going forward in the FY22.

18 CHAIRPERSON DROMM: And do you have a plan if the  
19 FEMA funding expires, if and when the FEMA funding  
20 expires?

21 STEVEN BANKS: Look, we are now dealing with an  
22 administration that believes that science is  
23 important. And so, we have a high degree of  
24 confidence that we will work with the federal  
25 government in terms of the continued need for these

1 kind of services for as long as frankly, FEMA  
2  
3 determines that it is needed. It's a very different  
4 world than we had when I testified last year at the  
5 Executive Budget, where people didn't believe in  
6 science who were running the federal government.

7 CHAIRPERSON DROMM: Well, thank goodness for  
8 that. New York State recently extended the eviction  
9 moratorium until August 31 and is expected to start  
10 distributing \$2 billion in rental assistance as you  
11 mentioned before for tenants that will cover up to a  
12 years' worth of unpaid rent and utilities. How much  
13 of the total state rental assistance will be  
14 available to help New York City residents stay in  
15 their homes?

16 STEVEN BANKS: So, again, thank you for that  
17 question because I think there is a lot of  
18 misunderstanding about exactly these dollars. So,  
19 the city gets a direct allocation. The state gets a  
20 direct allocation. The city allocation would have  
21 been a relatively small amount of money because it is  
22 based upon a federal funding formula. And the state  
23 legislation gave localities like New York City that  
24 get a direct allocation, the option to participate in  
25

the statewide program, thereby opening up for New  
York City residents the entire state allocation.

So, we see our main role in the city now to make  
sure that we have outreach in place and application  
assistance in place and the federal funding allows us  
to be able to contract with not-for-profits to do  
that. We have a pending procurement to do that. We  
are working with OTDA, we do expect the OTDA state  
portal to be up by the end of the month and we are on  
target to get our outreach programs in place. We are  
working with the State Office of Court Administration  
on communication to tenants in Housing Court now  
facing eviction, because that is one of the  
priorities in the state legislation to reach tenants  
in Housing Court now to prevent them from being  
evicted. And I think we are preparing ourselves for  
the kind of effort that's needed to connect New York  
City residents both landlords and tenants to the  
state portal to get access to these funds. I think  
the state legislation provided great clarity in terms  
of eligibility based upon the federal rules. And  
that we are in good position to get maximum access to  
the state portal.

CHAIRPERSON DROMM: Can you just tell me about  
the eligibility and what's the maximum a household  
can receive in rental arrears and utility arrears?

STEVEN BANKS: So, uh, the maximum uh, the  
maximum is 12 months. It's not an amount of money,  
it's 12 months rent arrears or utility arrears. And  
then you can receive three months in ongoing rent if  
you pay more than 30 percent of our rent to income.  
I am sorry 30 percent of your income to rent.

Uhm, I mean the basic eligibility criteria as a  
general matter, is a household has to have income  
below 80 percent of the area median income. You  
know, for a family of four that's \$95,440 and then  
you know, on or after March 13, 2020, a member of the  
household has to receive unemployment benefits or  
appearance of a reduction in income, in court  
incurred significant costs or experienced other  
financial hardships directly or indirectly due to  
COVID and you have to be obligated to pay rent at  
your primary residence.

Under the state legislation, the first 30 days of  
the portal being open prioritizes people with 50  
percent AMI and then particular groups of vulnerable

1 clients and then after that period of time, it is a  
2 more generalized accessibility.  
3

4 CHAIRPERSON DROMM: Commissioner, finally before  
5 I turn it over to Council Member Levin, Chair Levin,  
6 when do you think that people will be able to apply  
7 and when do you think they will begin to receive the  
8 assistance?

9 STEVEN BANKS: Uh, again, the state reports to us  
10 that the bill is expected to be open by the end of  
11 this month and we are preparing as soon as we learn  
12 what the portal link is, we are prepared to push that  
13 information out. We have a number of ways of doing  
14 that. I think you know I hold a weekly community  
15 call. We provide a weekly community information. We  
16 use social media to get information out. Website and  
17 not-for-profits that we are going to contract with,  
18 the communication to the tenants. And I would expect  
19 over the course of the summer, people begin to  
20 receive the funds. And that is one of the reasons  
21 why it was so important to have the extension of the  
22 eviction moratorium to give that critical additional  
23 time to the funds to come in. To benefit both  
24 tenants and landlords during the summer.

CHAIRPERSON DROMM: Okay, thank you very much and  
now I am going to turn it over to Chair Levin.

CHAIRPERSON LEVIN: Thank you very much Chair  
Dromm. Thank you Commissioner for your testimony and  
I will uhm, as a few questions and then turn it over  
to my colleagues who have questions as well.

Commissioner, I wanted to ask about street  
homelessness you know, as it stands right now. You  
know, I think there is a common perception out there  
that street homelessness has increased in recent  
months. I hear this a lot and I wanted to ask if  
there are any metrics that you are seeing that would  
indicate that street homeless that are more people  
living on the street right now then there were you  
know a year ago, two years ago? And why street  
homelessness continues to persist as it does in New  
York City? What else could we be doing  
programmatically? How can we, if funding was not  
limited, what more could we be doing to address it?

STEVEN BANKS: Thank you for that question. I  
have to say that I appreciated the element of your  
question that talk about perception and I think  
that's very important here. You know this morning I  
read somewhere that the shelter census has never been

1 this high for DHS. It was limited to DHS. It wasn't  
2 looking at all the different things and as I just  
3 testified at the beginning of this hearing, the  
4 shelter census is less than at the level when the  
5 administration started for DHS and I think the  
6 comment that I read talked about family homelessness  
7 was a record high. It's at 2012 levels.

9 So, to me, the way that people at our agency come  
10 to work every day. We say to ourselves no matter  
11 what level DHA shelter census is at; we need to  
12 reduce it. We need to get people connected to  
13 housing. And it is the same in terms of street  
14 homelessness. We can see tangible metrics in terms  
15 of the numbers of people who have come off and  
16 remained off. That more than 4,000 is an actual  
17 number based upon actual human beings.

18 One of the things that we did back in 2016 is we  
19 said we weren't going to just look at numbers, we are  
20 going to create a by name list. Then Council Member  
21 Espinal had a piece of legislation that requires us  
22 to post on our website, the by name list of people  
23 who we are working specifically with to bring off the  
24 streets. I think you know because you understand  
25 this issue you know much better than many, many

1 people that there are people who are transient, they  
2 are on the street for a brief period of time and when  
3 they reconnect and they are off the street and then  
4 there are people that are experiencing long-term  
5 street homelessness.

6  
7 And our outreach teams, we doubled and then we  
8 tripled and now we are outreach workers because we  
9 think the best way to get people to come in off the  
10 streets is to rebuild trust. And that's how the  
11 4,000 people come off. I think that you do, you say,  
12 you know what is the pathway forward. I think trust  
13 is the key and that's why more outreach we think is a  
14 key component.

15 Housing is obviously a key because the state of  
16 being unsheltered is the state of not having shelter.  
17 And so, whether it is more supportive housing, which  
18 is coming online or more safe haven stabilization  
19 beds are coming on line. I think those are keys.  
20 Because if you look at the numbers of people just in  
21 the - who come in from the subways. 800 people who  
22 have come in and remained off. That's directly  
23 related to us adding more beds to be able to bring  
24 such people off and each one of those people is a  
25



1 human being who came in because we gave them a  
2 resource that they hadn't been offered previously.

3  
4 And so, I think the changes were made over the  
5 last year. Changing into shelter intake instead of  
6 saying from the subway, you go from the platform to  
7 Bellevue. Instead, making placements directly into  
8 stabilization beds from the subway have helped. So,  
9 you know to sum up your question, I think it's a  
10 combination of decent sheltering options, permanent  
11 housing options and outreach workers to build trust.  
12 And it is focusing on each individual as a human  
13 being and not getting distracted by hyperbole.

14 CHAIRPERSON LEVIN: For the outreach staff, one  
15 thing that I have heard is that outreach agencies,  
16 the not-for-profits that we contract with are finding  
17 it challenging to hire MSW's or licensed clinical  
18 social workers to be paired with an outreach staff.  
19 Obviously, not everybody going out and doing outreach  
20 needs to have an MSW but within the structure of that  
21 system, there ought be people with the expertise to  
22 have that qualification but what I am hearing is  
23 that's for a number of reasons pay scale being one  
24 issue. But the people are coming out of the social  
25 work schools in New York City are not opting for a

1 career track that involves that type of work. How  
2 are you guys looking at this issue of social workers  
3 within that ecosystem?  
4

5 STEVEN BANKS: Social Workers are important in  
6 our broader ecosystem. We have them as you know in  
7 families with children shelters playing that key  
8 role. We have social workers to be in the outreach  
9 teams who are licensed social workers. So, they play  
10 a key role.

11 Having said that, social workers now have lots of  
12 options because it is a really important profession  
13 and they are in great demand for many different kinds  
14 of jobs. And these are challenging jobs and there  
15 are other challenging jobs that social workers may be  
16 opting for. You know, in my remaining time here, I  
17 will certainly work the providers and take a look at  
18 what more we can potentially do in this area.

19 CHAIRPERSON LEVIN: Okay, I mean, I have heard  
20 that they have staff lines open without qualified  
21 candidates applying for.

22 STEVEN BANKS: Well, I know that you know look,  
23 there have been challenges here that predate the  
24 pandemic but it is also particular challenging to  
25 hire in the pandemic. This is hard work. These are

1 in my view heroes and sheroes who out in the field  
2 24/7 at a period of time when nobody was on the  
3 streets. And they were with them, our staff as well  
4 and it is a hard job. Hiring for them is challenging  
5 but I will keep the comment that I just made to you  
6 and talk to the providers about what options there  
7 are here.  
8

9 CHAIRPERSON LEVIN: Uhm, let's see. Uhm, there  
10 was recently an article by Morella Iberic[SP?] in  
11 Gothamist that identified the number of safe haven  
12 and stabilization beds that have been increased in  
13 recent months in the last year or so during COVID.

14 Uhm, we're showing a hiring rate of uptake from  
15 people on the street. Is there data that you could  
16 share with us about that? Obviously, I think that  
17 that's important data. I think it was said you know  
18 around 30 percent uptake on stabilization or safe  
19 haven beds as opposed to 10 percent for general  
20 intake beds.

21 I realize that that might not be how you quantify  
22 it but how are you looking at that issue and how can  
23 you quantify that, the rate of uptake?

24 STEVEN BANKS: Well, let me go back to basics  
25 though. We set out more safe haven and stabilization

1 beds as part of the nine day review, and we increased  
2 them significantly tripling them until we got to  
3 December 2019 when we announced we were going to take  
4 the number to 3,000. And then we said we will take  
5 the number to 4,000.  
6

7 We are doing all that because we believe that low  
8 barrier beds like safe havens and stabilization beds  
9 are an important ingredient of building that trust  
10 and bringing people inside. Having said that, there  
11 are some people for whom a shelter placement is that  
12 ingredient but we think by giving our outreach  
13 workers more options in terms of safe havens and  
14 stabilization beds that we can make the breakthroughs  
15 that we are seeing, we are now making with these -

16 CHAIRPERSON LEVIN: What's the plan - actually we  
17 can just get the details on that. So, safe havens,  
18 how many safe havens are in existence right now?

19 STEVEN BANKS: Approximately 1,200.

20 CHAIRPERSON LEVIN: With the plan -

21 STEVEN BANKS: Hang on a second, let me just  
22 finish the numbers so we can have all the facts out  
23 there. Approximately 1,200 best or safe havens that  
24 we have operating now. Approximately 1,500 are  
25 stabilization beds and then the balance are those

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1 respite beds in churches and so forth that you know  
2 would work with new individuals in districts that  
3 open.  
4

5 CHAIRPERSON LEVIN: The balance to where to  
6 4,000?

7 STEVEN BANKS: To get to the 3,000 that we have  
8 now.

9 CHAIRPERSON LEVIN: To get to the 3,000, okay.

10 STEVEN BANKS: Where we are now. In terms of our  
11 pipeline, we should get to the safe haven and another  
12 almost 1,000 safe havens over the course of this  
13 fiscal year; the fiscal year we are about to enter to  
14 FY22.

15 CHAIRPERSON LEVIN: Okay. So, we have 1,200 safe  
16 havens, 1,500 stabilizations and around 300 respite  
17 beds and then we are adding 1,000 new safe haven beds  
18 in FY22. Are we adding any new stabilization beds in  
19 FY22?

20 STEVEN BANKS: Look, our goal is to get to 4,000  
21 and the mixture between safe havens; I don't want to  
22 mislead you, the difference between safe havens and  
23 stabilization is going to add to 1,000.

24 CHAIRPERSON LEVIN: So, all of those beds,  
25 stabilization beds, safe haven beds are attached with

1 some level of services from the provider? Is that  
2 right?

3  
4 STEVEN BANKS: Yeah, they all are but I want to  
5 just say in your back and forth with me, I believe we  
6 have mutually muddied the record, with no fault of  
7 either of us. We have got about 3,000 combination  
8 safe havens and primarily safe havens and  
9 stabilization beds now and a couple hundred respite  
10 beds. We are adding a 1,000 more low barrier beds,  
11 most of which are going to be safe havens and the  
12 balance will be stabilization beds. But the key is  
13 we are going to end up with a system that was 600 low  
14 barrier beds when we started at the 90-day review to  
15 a system of 4,000 low barrier beds.

16 CHAIRPERSON LEVIN: Yes and is that the number  
17 that we think is the right number?

18 STEVEN BANKS: We have been very nimble and  
19 flexible, right? We thought originally getting to  
20 2,800 - I am sorry, getting to 2,000 was the right  
21 number and when we got to the fall of 2019 in  
22 conversations with the Mayor we new we needed - you  
23 know what, we need another 1,000 to keep bringing  
24 people in.

1           So, we committed to add another 1,000, which we  
2  
3       have done and now we are committing to add yet  
4       another 1,000, which we think will continue to bring  
5       people in who are experiencing long-term street  
6       homelessness.

7           CHAIRPERSON LEVIN: Yeah, I just, I think it  
8       would be helpful being that this is our last  
9       Executive Budget hearing together, if we are laying  
10      out for – you know I definitely am going to have the  
11      successor. You may be here next year but –

12          STEVEN BANKS: Tell my wife.

13          CHAIRPERSON LEVIN: Which ever way it goes, where  
14      do we think as a policy the numbers should be on  
15      these low threshold beds?

16          STEVEN BANKS: So, here is why I think we should  
17      continue to drive to adding the beds we are adding  
18      but don't forget the other element to this is safe  
19      haven, I am sorry, supportive housing. Uhm, where we  
20      can, getting a client directly off the street into a  
21      supportive housing bed is an important goal. It  
22      doesn't work for every client, [INAUDIBLE 1:12:12].  
23      It also doesn't work that at that moment, we have got  
24      the availability.

1           So, having a system of low barrier, safe havens  
2  
3   in stabilization beds is an important part of the  
4   program but the two have to work together permanent  
5   housing and transitional housing. I mean, I wouldn't  
6   want to build a system you know, I wouldn't want  
7   someone in some future administration to build a  
8   system of 10,000 safe haven and stabilization beds to  
9   the exclusion of having enough permanent housing.  
10   Because we already experienced that when the  
11   Bloomberg Administration tried to operate a shelter  
12   system only approach to shelter and took away  
13   permanent housing.

14           So, I think it is important to measure the number  
15   of low barrier beds against the numbers of supportive  
16   housing units that are going to be coming online  
17   under both the state and city programs.

18           CHAIRPERSON LEVIN: Hmm, hmm. I mean, there are  
19   uhm, there are plenty of people in single adult  
20   shelter though who won't qualify for supportive  
21   housing. Uhm, and what options are available then  
22   for them in terms of permanent housing?

23           STEVEN BANKS: I mean we are moving people out.  
24   I know there are obviously issues here. You know  
25   that we have sought a state legislation. I made a



1 request to the state on these points. But we are  
2 using rental assistance to enable people to move out  
3 of shelters.  
4

5 CHAIRPERSON LEVIN: Okay, I want to ask about the  
6 single adult shelter system. I am sorry, I have kids  
7 crying in the background here.

8 STEVEN BANKS: That's okay. Your daughter is  
9 adorable, bring her back on the screen.

10 CHAIRPERSON LEVIN: I don't think you would want  
11 to hear it right now but -

12 But for the single adult shelter system, you  
13 mentioned because we have seen during our mutual  
14 tenures in this Committee and in your agency, that  
15 progressive increase in the single adult shelter  
16 census and uhm, you know despite your best efforts,  
17 that has continued to grow. In some sense that's  
18 been offset in terms of the overall shelter census by  
19 the decrease in the family census or leveling off and  
20 then this past year the decrease.

21 I know you mentioned the lack of discharge  
22 planning from state DOC as a contributing factor.  
23 What other issues are contributing to that increase  
24 in single adult shelter census and what are we doing  
25 about it?

STEVEN BANKS: I mean, as I indicated, obviously  
homelessness is associated with not having housing.  
So, all of these trends occur against a housing  
affordability crisis in the city. Whether it is  
families or single adults. It's particularly hard  
for single adults given the lack of units that exist  
in the market place for single adults. Studios, one  
bedroom at the lowest end apartment.

You know the vacancy rate is calculated through  
the HPD Housing Vacancy Survey, the HVS survey you  
know shows an extraordinarily low vacancy rate,  
barely over one percent for apartments renting below  
\$800 a month. Which would be an affordable apartment  
for someone working a minimum wage job. And so,  
that's like the overarching challenge in terms of  
housing affordability for single adults.

In terms however of other factors in the  
population, there is a supportive housing challenge  
given the need for the individuals in the shelter  
system to move into supportive housing. That number  
moving out 12,000 you know nearly 12,500 placements  
into supportive housing is a large number of  
placements. But you know, we still have one unit for  
every four or five people looking for one but the way

1 that both the state pipeline and the city pipeline  
2 are oriented is all of the various investments are  
3 going to start to hit. And they will have a great  
4 benefit at the beginning of the next administration  
5 when all of these different pipelines start to hit.  
6

7 I think the other factor though is a real one  
8 that I talked about. I said this you know when I  
9 used to testify when I wasn't a governmental official  
10 about the deinstitutionalization crisis where it was  
11 critically important to get people out of state  
12 mental health facilities and give them the ability to  
13 live in the least restrictive environment. But the  
14 promise of that initiative was at the community-based  
15 services and they've never really been there those  
16 kind of community based services. And we are seeing  
17 history repeat itself with decarceration.

18 I mean from everything I have done in my  
19 professional life, having people be in cages for  
20 indefinite periods of time because of the kinds of  
21 things that people were charged with, bringing them  
22 home is critically important or bringing them home to  
23 no place is not a public policy.

24 CHAIRPERSON LEVIN: Well, to follow-ups on that.  
25 Uhm, a little over a year ago I had met with - at the

1  
2 time Former Deputy Commissioner Jackie Brey when she  
3 was at the Office of – it was the Tenant Office in  
4 the Mayor’s Office that she was doing before she was  
5 gone off and done COVID. She is doing testify, she  
6 is doing PPE procurement. She is doing vaccines.  
7 She is kind of doing – I follow her all that she is  
8 doing, good things in the city. One issue that she  
9 had brought up to me is the idea of pursuing some  
10 type of zoning framework for SRO type housing to be  
11 able to be built in the city for single adults that  
12 where you can building affordable housing that is  
13 available for single adults that are you know at or  
14 below the poverty line. Is there any movement on  
15 that idea?

16 STEVEN BANKS: I mean, I think that’s something  
17 that should be looked at. I think as we both know  
18 and just for the record, you know, the availability  
19 of SRO housing, single room occupancy housing  
20 particularly in the west side of Manhattan, in  
21 Chelsea, in the upper west side, in Midtown. The  
22 availability of that housing sort of delayed somewhat  
23 the impact of deinstitutionalization in New York City  
24 because people would live what were then described as  
25 marginalized in marginal housing. But it turns out

1 that housing was actually very important as a  
2 resource and it was eliminated through other housing  
3 policies that promoted gentrification.  
4

5 You know, I think you know this and said this  
6 before, there was a time when the Legal Aid Societies  
7 office when I was there and served Chelsea and the  
8 village from the west of Broadway to the river was  
9 the largest legal aid civil office because of the  
10 large numbers of low income people that lived in that  
11 community.

12 In fact, those clients don't live there anymore  
13 because that housing was eliminated. And so, that's  
14 been an historic driver I think of single family  
15 homelessness. The elimination of a kind of housing  
16 in which people could live and that's frankly been  
17 replaced by shelter beds. And I think that needs to  
18 be looked at going forward.

19 CHAIRPERSON LEVIN: Uhm, I have two more  
20 questions then I am going to pass it over to my  
21 colleagues and then I will come back and do a second  
22 round.

23 One issue you mentioned is around, you said that  
24 looking for housing for a single adult at \$800 is  
25 very difficult. We have been back and forth about

1 the city FHEPS rate and this is something you know we  
2 had a hearing on this back in I think 2017.

3 Obviously a major source of frustration for me. I  
4 have a piece of legislation that has 40 co-sponsors  
5 and the official position of the DeBlasio  
6 Administration is that they are opposed to increasing  
7 the city FHEPS rate to FMR. I had OMB tell me in the  
8 Preliminary Budget hearings that everything is  
9 working just fine and that there is no problems here.  
10 That the voucher is great.

11  
12 What data that we got from your agency showed  
13 that prior to the pandemic, in any given month, about  
14 four percent, five percent of city FHEPS voucher  
15 holders were landing a city FHEPS apartment. Over  
16 the course of that entire calendar year, about 20  
17 percent of voucher holders were landing an apartment.

18 Street Easy came out with data just a couple  
19 weeks ago showing that throughout the city during the  
20 second half of calendar of 2020, there were about  
21 72,000 units in New York City that were available at  
22 the Section 8 levels. That was a significant  
23 increase from prior to the pandemic and that was  
24 actually the thrust of their article was a lot of  
25 apartments because of the depression and the housing

1 market are now available for Section 8 holders. And  
2 so, I asked the economist that wrote that if she  
3 could run the City FHEPS numbers. She came back and  
4 said, at those numbers, at the City FHEPS rates, it's  
5 564 apartments came back available during that same  
6 time period.  
7

8 So, comparing apples to apples, we are looking at  
9 564 compared to 72,000, which is what would happen if  
10 we passed this legislation. So, you know, a huge  
11 increase in the number of units available for people  
12 to move out of shelter. Uhm, I know we have been  
13 working on getting that state FHEPS rate increased so  
14 that we will have a standard that is uniform across  
15 the board and that's the hope. My question is, you  
16 know, what's the position right now on that  
17 legislation? What's the administrations position on  
18 that legislation?

19 And two, uhm, what's the plan if we don't get  
20 that state FHEPS increase? Which by the way, we are  
21 just asking to be able to use the money that we are  
22 getting from the state anyway as we see fit. So,  
23 there is no reason why they should deny our request  
24 to do that but what's the plan if we don't get that  
25 because you know the status quo, just based on the

1 data that I have gotten back, uhm, you know is not,  
2 it's not sustainable. We have to increase this  
3 voucher to FMR or Section 8 levels if we want to see  
4 it be successful. We can't continue and also, there  
5 is just a kind of you know moral issue here because  
6 we can't just give people vouchers that are really  
7 ineffective. I mean, really ineffective. I mean,  
8 just gosh, I mean 564 apartments available in the  
9 city based on those numbers is just you know  
10 staggering.

12 So, what's the plan? How can we get this done?  
13 We got to get this done. It's going to have a budget  
14 impact but we have got to get it done this year  
15 please.

16 STEVEN BANKS: So, thank you first of all for  
17 your support and for that Speakers support in pushing  
18 for the increase of the state FHEPS level to the FMR.

19 I appreciate what you have done. I appreciate  
20 what he has done. You know look, both the Mayor and  
21 I have been on record. You know that I have a formal  
22 request pending and now there is legislation to back  
23 that up that's been introduced by Senator Kavanaugh.

24 We are increasing the State FHEPS, right? I know  
25 going back to when Deputy Mayor Hartzog was the OMB



1 Director, both she and I have testified previously of  
2 the cost shift from the city and state danger. If  
3 the city increases alone without the state FHEPS  
4 increasing.

6 CHAIRPERSON LEVIN: Can you speak a little bit  
7 more about that? What do we think the cost shift  
8 would be?

9 STEVEN BANKS: In the hundreds of millions of  
10 dollars because it doesn't take any great analysis to  
11 say if the State FHEPS benefit level is less than the  
12 City FHEPS benefit level, landlords will accept the  
13 City FHEPS benefit level and not the State benefits  
14 level. I think that's just a common sense thing.  
15 It's not casting dispersions on anybody. But I think  
16 it does, it bears mentioning again what I said at the  
17 beginning of this testimony. The state used to pay  
18 for 50 percent of the cost of providing services to  
19 single adults experiencing homelessness. They now  
20 pay nine percent and zero percent for any of our  
21 street services. And there is a real danger that New  
22 York State is going to continue to withdraw from  
23 providing support for a socially safety net in New  
24 York City.

1 They did it with EAS. Only in New York City is  
2 there a New York City contribution to the emergency  
3 assistant families. Only in New York City is there a  
4 contribution for TANF. It's supposed to be a federal  
5 block grant. New York City now pays 15 percent of  
6 those costs. New York City pays 15 percent of the  
7 EAF costs. We pay 91 percent of the single adult  
8 shelter costs.  
9

10 CHAIRPERSON LEVIN: How much of City FHEPS are we  
11 paying?

12 STEVEN BANKS: 100 percent. We created City  
13 FHEPS to deal with the gaps in the State FHEPS  
14 program.

15 CHAIRPERSON LEVIN: But we had the link before.  
16 The link was -

17 STEVEN BANKS: That also. The link programs and  
18 the original CFEPS, those are all city funded  
19 programs. The link program originally the first one,  
20 was only a time limited one time only kind of state  
21 investment and then there has been limited additional  
22 state dollars in those programs. So, there is a real  
23 concern here.

24 CHAIRPERSON LEVIN: This is a big - this is kind  
25 of a big story that does not seem to get - I haven't

1 seen this reported. It doesn't get a lot of  
2 attention. So, if you know, if any reporter is out  
3 there and wants to do a year by year analysis of  
4 state contribution, maybe you guys should like put  
5 that on your website as to like exactly, you have a  
6 budget analyst go through and look at the state  
7 contribution over the last 15 years and show it on a  
8 graph that shows how low it has gone.  
9

10 STEVEN BANKS: I appreciate that. I mean  
11 honestly one of the challenges here is that there is  
12 so much public focus on that the city should do more.  
13 That the state disinvestment is totally lost. That  
14 we are making up for them. I mean, I said this a  
15 number of times when I testified -

16 CHAIRPERSON LEVIN: I mean, it's pretty dulling.  
17 Sorry to interrupt but it is pretty dulling for the  
18 Governor to get up there or the MTA and cast  
19 dispersions at how the city is addressing  
20 homelessness. I am not saying that the city's - I am  
21 not even saying the city has done a great job but  
22 it's pretty gulling with the backdrop of their  
23 disinvestment to cast dispersions at how the city has  
24 done it.  
25

1 STEVEN BANKS: You are absolutely right and let's  
2 just say, what is the FMR? The Fair Market Housing  
3 Rent? It's set by HUD. That's the Federal  
4 Department of Housing Urban Development. The  
5 Governor was the secretary of HUD. HUD FMR is the  
6 gold standard for setting rent levels. The fact that  
7 the state rental assistance program is not set at the  
8 FMR and therefore if the city sets the rent level for  
9 its own program at the FMR, the result in even more  
10 state disinvestment is something that is very  
11 troubling if you want to actually end homelessness,  
12 as opposed to continuing to have these struggles over  
13 who is responsible.  
14

15 The city has taken on a lot of responsibilities  
16 that the state has given up on because we don't want  
17 to abandon individuals who need help. Why are we  
18 providing all these outreach services with zero state  
19 reimbursement? Because we actually want to help  
20 individual human beings.

21 So, here, we created City FHEPS as an analog, as  
22 a supplement to the state program because we didn't  
23 think the state program went far enough. But setting  
24 the rent level at different levels means there will  
25 be no state program anymore, only a city program.

1           So, you asked me what's the plan, if the state  
2  
3 doesn't go alone? You know this as well as I do,  
4 bargaining with Albany is not very successful if you  
5 say, Albany please do this but if you don't, we will  
6 do it ourselves.

7           We are in a fight. Join the fight. Help us,  
8 push. This is an outrage that for years this has  
9 been this kind of disinvestment.

10          CHAIRPERSON LEVIN: Yeah, yeah, well, I agree, I  
11 agree. Right now, we have this opportunity; I mean,  
12 I really do encourage anybody that's listening, that  
13 cares about this to encourage the state to grant the  
14 request from the city. Again, we are not asking for  
15 new money, we are just asking to be able to use the  
16 money that's been allocated to the city in this  
17 current state budget to make up that gap so that we  
18 can move forward.

19          Okay, I am going to turn it over to my colleagues  
20 and then I have a whole slew of questions on a second  
21 round.

22          STEVEN BANKS: As you are leaving, I don't want  
23 to just for the record because there is a record, we  
24 are obviously pushing for an increase in the State  
25 FHEPS rent levels. But I do think that it's not a

1 full representation of the record to not also  
2  
3 acknowledge the tens of thousands of people that have  
4 moved out of shelter with rental assistance and also  
5 the analysis that we provided you and I don't want to  
6 get in a back and forth because we have a common goal  
7 with the state. I don't want to get in a back and  
8 forth but actually the data showed that 81 percent of  
9 the unique families with children that we gave  
10 vouchers to, actually moved out of the system, if not  
11 with vouchers, through some other means.

12 CHAIRPERSON LEVIN: I know, there is a whole -  
13 STEVEN BANKS: Hang on a sec. There has been a  
14 lot of misinformation about this. When somebody is  
15 given a voucher, that doesn't mean that's the only  
16 way you can move out of shelter. And then, what we  
17 found when we gave you that analysis was of the 19  
18 percent who remain in shelter, 28 percent, only 28  
19 percent of that 19 percent were still eligible for  
20 vouchers.

21 I don't think it is a great back and forth in  
22 this hearing to do that because I just wanted for the  
23 record, push back a little bit on what you are saying  
24 but I couldn't agree with you more that the main goal  
25 here is to get the state to take on the proper

responsibility and then all of these programs will  
operate in a different way.

CHAIRPERSON LEVIN: Alright, I turn it over to my  
colleagues. Thanks.

COMMITTEE COUNSEL: If Council Members have  
questions, please use the raise hand function in  
Zoom. [INAUDIBLE 1:33:01-1:33:08].

Please wait for the Sergeant at Arms to tell you  
when your time begins. The Sergeant will then let  
you know when your time is up.

We will now hear from Council Member Grodenchik  
followed by Council Member D. Diaz.

SERGEANT AT ARMS: Time starts now.

COUNCIL MEMBER GRODENCHIK: Thank you. Good  
morning Commissioner and good morning. Thank you to  
the Chairs. It's been an honor to serve on this  
Committee and this will be my last hearing on the  
budget as well.

How are you this morning Commissioner?

STEVEN BANKS: I am well thank you. How are you?

COUNCIL MEMBER GRODENCHIK: I am doing well.

STEVEN BANKS: You and I have been through the  
worst together in Albany as well.

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COUNCIL MEMBER GRODENCHIK: Yes, well, it's a big  
state and what can I say. Listen, I know that we  
have made progress on emergency food but I have to  
say that I don't think it's enough and you are  
probably not surprised to hear me say that.

You know the amount of money that we spend out of  
the emergency food budget is not even a rounding era  
in the HRA budget and I want to thank Chair Levin and  
Chair Dromm. They have been champions along with me  
on this issue. You know, my district alone during  
this crisis, we have opened up five new pantries  
including one at Martin Van Buren High School. So,  
the need is great. It was great before the pandemic  
but it is - I know we have done a lot of work to feed  
people in the city. I am concerned though because I  
hear from providers and I am sure I am not the only  
Council Member who does. I am sure we all do, that  
there just isn't enough food in the system and we  
have the money in the budget. As was said earlier in  
this hearing, this is a historic and I think Chair  
Levin said, probably a once in a generation ability  
to do something about hunger and about the other  
needs that we have.

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1  
2 And I would just like to hear the administrations  
3 response. We are only going up a little over \$3  
4 million in funding that's proposed. I know we have  
5 supplemented that funding but we can't depend upon  
6 that. We really need to build it into a baseline  
7 budget.

8 STEVEN BANKS: Thank you as always for focusing  
9 on food. You and I work together to have a  
10 significant baseline achievement and I appreciate  
11 your efforts there.

12 Look, in terms of the FY22 Budget, we added  
13 additional funds into EFAP itself to better address  
14 food gaps particularly in impacted neighborhoods. 25  
15 in particular we were focused on and then the PFRED  
16 program with the fresh produce and the shelf staple  
17 items. There is a separate allocation there in order  
18 to address additional emergency needs and directly  
19 deliver to our providers and others fresh produce and  
20 shelf staples.

21 I think as you know we have added more than 100  
22 food providers to our EFAP network over these last  
23 years and the combination of an additional targeted  
24 funding to particular impacted communities of that  
25 EFAP money with the fresh produce and shelf staple

1 money I think will make a difference. But I also  
2 want to just highlight another thing that's so  
3 important here when talking about food.

4 I mean emergency food is just that, emergency  
5 food and as you know you have been to soup kitchens  
6 and pantries and we have been together on occasions  
7 over the years. So many of the people coming in sort  
8 of mid-month to the end of the month our SNAP  
9 recipients for whom the benefit didn't cover the  
10 whole months' worth of need. And they are coming in  
11 mid-month because the benefits don't cover the needs.  
12 And they don't cover the needs because the federal  
13 benefit level is set by something called the Thrifty  
14 Food Plan. Which goes back for years about what a  
15 typical American family is supposed to purchase in  
16 terms of their food purchases.

17 And the Biden Administration has made an  
18 announcement that they are reevaluating the benefit  
19 standard, the SNAP and that they are focusing on  
20 trying to address that by September. And I think  
21 that will have a dramatic impact. I am not saying to  
22 you that we have analyzed the exact impact and  
23 therefore the funding is reflective of that. I just  
24 want to highlight that fighting hunger comes in two  
25

1 ways. Through entitlement program, which is SNAP and  
2 through an emergency food program which is EFAP and  
3 then PFRED on top of it. And so, we have put in  
4 dollars into EFAP and to the base and not just one  
5 time money and then we have got the PFRED money to  
6 deal with the current crisis.  
7

8 But as always, we will talk to you in the budget  
9 process and see what other changes could be made but  
10 the long term solution here to address hunger is to  
11 make sure people who are entitled to federal food  
12 stamps don't run out of the benefit half way through  
13 the month.

14 COUNCIL MEMBER GRODENCHIK: I appreciate that  
15 Commissioner. You know, I view New York City as my  
16 house, all of it. Uhm, and when someone is in my  
17 house, I think that the first thing we offer them is  
18 something to eat and we want to make sure - my  
19 philosophy anyway, I know we have a lot of problems  
20 but this is one issue and I think we all agree and  
21 all my colleagues agree —

22 SERGEANT AT ARMS: Time expired.

23 COUNCIL MEMBER GRODENCHIK: That nobody should go  
24 hungry. So, I appreciate that. I hope we will get  
25 to the recommended levels that the Council asked for.

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I would like to get to more frankly but I know that  
we have limits to what we have to spend. So, thank  
you for your concern and your caring.

STEVEN BANKS: Thank you.

COUNCIL MEMBER GRODENCHIK: Thank you Chairs.

COMMITTEE COUNSEL: We will now hear from Council  
Member Diaz followed by Council Member Adams.

SERGEANT AT ARMS: Time starts now.

COUNCIL MEMBER DIAZ: Good afternoon. Thank you  
Chairs for bringing the two Committees together. As  
many of you know, I have been 13 years within the DHS  
system. I walk away with a sour taste in my mouth  
and I was trying to contain myself and not ask any  
questions but several of your statements  
Commissioner, you know just kind of hit home. I  
would like to know what you can share with us. What  
percentage of individuals, families coming into  
shelter are from out of state?

STEVEN BANKS: Uh, a relatively small number and  
what we find is the following: If the family  
presents with an address from out of state, if you  
dig deeper and that's actually one of the benefits of  
having HRA and DHS together. If you dig deeper,  
typically these are families that have a connection

1 to New York City. They had an HRA case. They left,  
2 didn't work, they came back. People have no  
3 connection to New York City. A very, very small  
4 number.  
5

6 COUNCIL MEMBER DIAZ: Okay, about how much are we  
7 spending monthly or yearly on storage fees to  
8 families in shelter or individuals in shelter?

9 STEVEN BANKS: I will have to get you that number  
10 but just as a matter of policy, the families who are  
11 in shelter are entitled to a state benefit for  
12 storing their belongings while they are in shelter.  
13 During our administration, we promulgated some new  
14 rules to make sure that the amount of stuff that was  
15 stored didn't constitute an amount that would be an  
16 inappropriate amount. But the basic benefit is a  
17 state allowance and we provided consistent with the  
18 state regulations.

19 COUNCIL MEMBER DIAZ: Okay, the reason I am  
20 asking - with what's happening in the 37 Council  
21 District, storage facilities are pushing families to  
22 get rid of their excess and that has become madness  
23 for me. Within walking distance, across the street,  
24 around the corner, we are picking up bulk and it's  
25 leading to the storage facility.

1  
2       So, I am asking you to please revisit your  
3 conversations because my district should not be a  
4 dumping ground. That's one and then to my - yes sir.

5       STEVEN BANKS: I would be happy to talk to you  
6 about that. I know that there are storage facilities  
7 that are proliferating. As you know, our rule is  
8 making sure that people who want to store their stuff  
9 get funds to do so but within the guidelines and we  
10 will follow up with you and see exactly what's  
11 happening in your district. Thank you for flagging  
12 that issue.

13       COUNCIL MEMBER DIAZ: Thank you. Then my next  
14 one is, I am close to COVID, I was positive. I spent  
15 ten days within the City COVID Relief Program and  
16 there I encountered having to look at a microwave but  
17 not having access to it and that brought me back to  
18 the advocating for families in shelter, especially  
19 the single adults in shelter not having access to  
20 where they can warm up their food.

21       When I called management, I was told it was a  
22 corporate conversation. I am severely uncomfortable  
23 that we are giving dollars to a bad behavior. You  
24 know, which we had this conversation here about  
25 mental health and we have to secure to provide the

1 best services. A warm meal to me is the foundation  
2 of starting your day.  
3

4 Can we have further discussion on how we correct  
5 that horrible situation for individuals that are  
6 living in these conditions?

7 STEVEN BANKS: So, first of all, as I understand  
8 what you are saying, I am glad you are here. I am  
9 sorry for your troubles. I understand you were in  
10 one of the COVID hotels provided.

11 COUNCIL MEMBER DIAZ: Yes, yes.

12 STEVEN BANKS: Test and Trace program as opposed  
13 to the hotels that are administered through our  
14 various programs.

15 COUNCIL MEMBER DIAZ: Right.

16 STEVEN BANKS: Look, I think we made a commitment  
17 to phase out the use of commercial hotels and I see  
18 my good friend Council Member Adams who if we hadn't  
19 made that commitment would have made us make the  
20 commitment. But we wanted to make it and I  
21 appreciate her support in helping us make it.

22 But you know, I am happy to tell you in terms of  
23 families with children, that there are half the  
24 number of families with children in commercial hotels  
25 that there used to be. And our commitment is to

bring that down to zero and we are driving that,  
continuing to drive that number down. Remember it is  
a plan that gives us I think until 2023 to complete  
the total phase out of commercial hotels, which have  
been used in New York City going back off and on  
through the 1960's and we have been able to cut in  
half the numbers of families that are in commercial  
hotels.

For single adults, we have people in COVID hotels  
because of the De-density Initiative and we also have  
some single adults in hotels in employment programs  
that proceeded the pandemic. But that is all part of  
our plan to ultimately phase out the use of  
commercial hotels -

SERGEANT AT ARMS: Time expired.

STEVEN BANKS: We are continuing to open new  
borough based shelters that will enable us to get out  
of hotels entirely.

COUNCIL MEMBER DIAZ: If I may, I think perhaps I  
think I will articulate my base question, which is  
what can we do to ensure that individuals that are in  
hotels have access to a gadget, if it has to be a  
gadget, where they can warm their food if they should  
need to?



1 STEVEN BANKS: Right.

2  
3 COUNCIL MEMBER DIAZ: My personal experience has  
4 highlighted it but you know, years of advocating for  
5 that basic ability is insane to me.

6 STEVEN BANKS: Right, for single adults we  
7 provide food served in the same way that in a  
8 congregate shelter. So, it would be provided to the  
9 single adults in a shelter. Food is provided that  
10 way in a hotel setting for single adults and for  
11 families with children. They do have access to  
12 microwaves but again, I want to highlight something I  
13 have said at many prior hearings. Our goal is to get  
14 out of hotels for families with children. Sooner  
15 than we get out of hotels for single adults and we  
16 have already reduced the numbers of families by half  
17 but we wont be satisfied until we have no families in  
18 commercial hotels.

19 COUNCIL MEMBER DIAZ: I would like you to appease  
20 me and tell me you will walk with me to the whole  
21 family hotels because they are out there. They are  
22 not giving families the accessibility they should  
23 have.

24 STEVEN BANKS: We will follow up with you on  
25 whatever is going on.

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2 COUNCIL MEMBER DIAZ: Thank you.

3 STEVEN BANKS: And see if we can address it. I  
4 appreciate it and I do remember when you worked in  
5 the shelter system. I recall a meeting with you at  
6 11, 12:00 at night.

7 COUNCIL MEMBER DIAZ: That's what we do.

8 STEVEN BANKS: I appreciate your dedication.

9 COUNCIL MEMBER DIAZ: Thank you. Thank you for  
10 allowing me to go over as well.

11 COMMITTEE COUNSEL: We will now hear from Council  
12 Member Adams.

13 SERGEANT AT ARMS: Time starts now.

14 COUNCIL MEMBER ADAMS: Thank you so much and I  
15 think we got a couple minutes before afternoon, so  
16 good morning to my friend Commissioner Banks. Good  
17 to see you.

18 STEVEN BANKS: Good to see you to Council Member.  
19 Always good to see you. I prefer to see you in  
20 Queens but I a happy to see you this way too.

21 COUNCIL MEMBER ADAMS: I agree, I agree. It's  
22 good to see you. Just briefly Commissioner, it's  
23 been such as tough year for us throughout this entire  
24 pandemic. I am still going to focus of course on my  
25 district and Southeast Queens in general. We are

1 getting there and still the proliferation you know of  
2 sheltering and using hotels for sheltering. Of  
3 course it's still, it's a hot button item still for  
4 Community Board 10, Community Board 12 as well.

5  
6 You just mentioned to my colleague to Council  
7 Member Diaz, we are looking to move everyone in 23  
8 out of hotels. I believe that's what you said. You  
9 said something else earlier about end of the year and  
10 I got really excited but we were talking about  
11 something else I think.

12 STEVEN BANKS: I think so.

13 COUNCIL MEMBER ADAMS: Okay. For 2023 now, my  
14 concern is the violence that we have seen over many  
15 months you know particularly in the hotels and  
16 sheltering facilities. I have seen it escalating in  
17 my own district as well. We know the NYPD is not  
18 involved in DHS outreach perse anymore but can you  
19 tell us how peace officers are being used in general  
20 in hotels that are used for purposes of sheltering  
21 and how - what is the percentage of increase in  
22 violence in particular hotels within the areas?

23 STEVEN BANKS: So, thank you for your question  
24 and again, as I said in response to Council Member  
25 Diaz, thank you for your partnership over these

1 years. Again just for context, the plan was to get  
2 out of cluster by the end of this calendar year. We  
3 are on target to do that and to get out of commercial  
4 hotels which dates back to the 1960's by the end of  
5 2023 because we need the shelter space to be  
6 available to replace. In your district and I have  
7 said this to you privately and publicly, because of  
8 the hotels around that part of Queens, you ended up  
9 with twice as many people being sheltered in that  
10 Community Board but then had come from the Community  
11 Board. And so, we made a concerted effort to begin  
12 to phase out hotels. Obviously we have to replace  
13 the baseline hotels with enough shelter beds for with  
14 people who come from that area. So, I know it was a  
15 challenge at the beginning when we were both getting  
16 out of hotels and opening some new things but it is  
17 all aimed at bringing that area of Queens into  
18 balance in terms of people who have come,  
19 experiencing homelessness from the area and then have  
20 an opportunity to be sheltered close to their schools  
21 and their houses of worship and healthcare and jobs  
22 and so forth.

24 In term of shelter security, I will have to look  
25 at the exact facilities in your district, but

1 typically, that is contracted security by the  
2 provider and there are – we fund the providers to  
3 have sufficient security to be able to deal with  
4 incidents. In terms of family shelters, serious  
5 incidents have been you know, rough, essentially flat  
6 and if you look at the MMR, incidents have been  
7 essentially flat.  
8

9 But again, just as I said, you know if we got one  
10 person in a situation, we want to try to address it.  
11 We know there is more we can do and we will certainly  
12 look at it with you at the facilities in your area.  
13 But systemwide, serious incidents have been – serious  
14 violent incidents have been essentially flat.

15 COUNCIL MEMBER ADAMS: Commissioner, thank you.  
16 How many peace officers are currently working with  
17 DHS?

18 STEVEN BANKS: It's around, I want to say around  
19 five-. I will get you the exact number, it's in  
20 excess of 500 but remember, we are focusing on DHS  
21 deployment in particular locations and providers  
22 contract for security in the other locations.

23 COUNCIL MEMBER ADAMS: I see, okay. Okay, I  
24 think that's going to end it. And again, I look  
25 forward to your continued partnership. Particularly

1 in my district to expeditiously get these folks into  
2 proper homes that they deserve preferably supportive  
3 housing that they deserve and we look forward to  
4 continuing to work with you to do that. Thank you  
5 Commissioner.  
6

7 STEVEN BANKS: I appreciate your support and help  
8 has helped us get 165,000 people connected to  
9 permanent housing with our social services tools  
10 which we really appreciate.

11 COUNCIL MEMBER ADAMS: Absolutely, thank you.

12 CHAIRPERSON DROMM: Okay, thank you. I don't  
13 believe that there are any further Council Member  
14 questions. Am I correct Council?

15 COMMITTEE COUNSEL: Yes, that's correct Chair.

16 CHAIRPERSON DROMM: Okay, thank you very much.  
17 This will conclude this portion of today's hearing.  
18 Thank you to DSS for being here. We will now move on  
19 to -

20 CHAIRPERSON LEVIN: Oh, go ahead sorry. I was  
21 going to ask some more - sorry Danny, what were you  
22 saying?

23 CHAIRPERSON DROMM: I am sorry, okay. It's time  
24 to move on to ACS because they are scheduled for  
25 noon. Did you want to ask a wrap up question or?

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CHAIRPERSON LEVIN: Yes, if that's okay. Okay,  
Commissioner I just had - sorry Danny, I will do the  
lightening round here.

CHAIRPERSON DROMM: Okay.

CHAIRPERSON LEVIN: Commissioner, I just want to  
talk about FEMA funding for a minute here. Earlier  
this year, FEMA reimbursement was increased to 100  
percent. Retroactively the matching city share of 25  
percent is no longer required. Did we see FEMA  
funding added to the Executive Budget and how are we  
doing the retroactive reimbursement.

STEVEN BANKS: Okay, obviously we were pleased  
that FEMA funding was increased to 100 percent.  
There were three moving parts that doesn't make this  
a one part question. Moving part number one is  
remember FEMA even at 100 percent does not cover all  
of our costs because they do not cover wrap around  
services. That is ultimately a city cost.

Issue number two, is the FEMA reimbursement  
process is iterative, meaning it's not like you  
submit an invoice and then you immediately get  
reimbursed. There is an iterative process with FEMA,  
with OMB and us in terms of how to make claims and  
the process for claiming. But we fully intent to

1 take advantage of the additional 25 percent for the  
2 basic rent and services that we are paying as opposed  
3 to the wrap around services which are not reimbursed.  
4 But we will address this. We are not in a position  
5 yet to identify exactly how much FEMA is going to  
6 give us because as I said, the claiming process is an  
7 iterative one and you know, for those of you that  
8 were around during Sandy for example, it took years  
9 before everything was chewed up at the end of the  
10 day.  
11

12 CHAIRPERSON LEVIN: Okay, uhm, what's DHS's plan  
13 around the de-densifying hotel program in FY22? When  
14 do we expect the FEMA funding to expire and then  
15 what's the plan moving forward from there?

16 STEVEN BANKS: I mean, I think the - I don't want  
17 to articulate a particular date that the FEMA might  
18 expire on. I think that that is its own - we are  
19 ashamed about when the federal government will want  
20 to phase out that kind of funding. You know, I think  
21 as you know, we are required by State Office of  
22 Temporary and Disability Assistance to work with them  
23 on a return to shelter, current shelter plan and we  
24 have said very clearly publicly, the Mayor said it, I  
25 have said it. That we will be guided by working with



1 the Department of Health and Mental Hygiene in terms  
2 of what the sign shows in terms of when we could  
3 return to congregate shelters.  
4

5 I am also cognizant that last week, the governor  
6 made a whole range of announcements about the  
7 resumption of different kinds of activities including  
8 24 hour subway services, indoor dining, a whole range  
9 of things and we have to be ready for what those  
10 directors are going to be with respect to our  
11 operations. I know the Mayor is certainly focused on  
12 July reopening of a whole range of activities in  
13 terms of you know, summer of New York City.

14 So, you know the bottom line is we are continuing  
15 to work with the health experts and follow the  
16 guidance. We followed the health expert guidance  
17 initially in terms of the de-densification effort  
18 that saved lives and we will follow the guidance in  
19 terms of when we should phase that out.

20 CHAIRPERSON LEVIN: What percentage of DHS single  
21 adult clients have received the vaccine? And what's  
22 the process for vaccination?

23 STEVEN BANKS: I mean, our clients like any New  
24 Yorkers can go and get a vaccine anywhere. We have  
25 created a process for vaccinations, to provide

1 vaccines. We had a fixed site initially before the  
2 Johnson & Johnson was available for clients and now  
3 we have mobile vaccinations as a result of the -that  
4 we added to our mobile testing. I think overall,  
5 we've got in excess of 11,000 people have been  
6 vaccinated staff and clients. I think that includes  
7 about 5,000 clients but I want to just have a note of  
8 caution. We didn't say only single adult clients  
9 could come to us in vaccination. We have a range of  
10 clients coming to us.  
11

12 CHAIRPERSON LEVIN: But single adults are the  
13 ones in congregate settings. So, that's why I am  
14 concerned.

15 STEVEN BANKS: If I could just finish though even  
16 the lightning round.

17 CHAIRPERSON LEVIN: Hmm, hmm.

18 STEVEN BANKS: One of the reasons why we de-  
19 densified the congregate shelters originally, was not  
20 just to protect the single adults which was to deal  
21 with community spread overall. And so, the focus on  
22 overall vaccinations in the city, overall city  
23 atmospheric because that's what you know I think is  
24 really important to keep in mind and if everybody is  
25 looking for an exact number of people vaccinated, you

1 know that didn't stop the state from making a whole  
2 lot of things now open to the public in respect to  
3 levels.  
4

5 CHAIRPERSON LEVIN: Right but I see there being a  
6 difference even between subway and uhm, restaurant  
7 and congregate shelter. Because congregate shelter,  
8 I mean, just from everything I have heard from  
9 epidemiologists around the spread of COVID for the  
10 last 14 months has been that time - your time spent  
11 around an infected person is a contributing factor to  
12 whether or not you can get infected.

13 And so, congregate shelter, you are sleeping  
14 there for eight hours a night next to a person and  
15 you are within six feet of a person in a congregate  
16 setting. So, that's my concern. Mask wearing, I  
17 mean, you are not - who is sleeping with a mask  
18 really, honestly? And so, that's my concern. I mean  
19 are people who are unvaccinated going to be in a  
20 congregate setting then?

21 STEVEN BANKS: We have people who are  
22 unvaccinated in a congregate setting currently. You  
23 know, we didn't de-densify all of the congregate  
24 shelters. We de-densified down to 50 percent because  
25 that was the guidance at the time. But again, I want

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1  
2 to just be careful in back and forth with you. I am  
3 a social services official. I am not a health  
4 official and we were guided by the health guidance in  
5 terms of what we did and we will be guided on a  
6 continuing basis with the health guidance. I think  
7 that's really the important thing here, that we  
8 relied upon the Department of Health to get the kind  
9 of assistance we needed. And they gave us excellent  
10 support and assistance at the beginning, in the  
11 middle and now during this.

12 CHAIRPERSON LEVIN: Okay, so how are - with there  
13 being how many thousand? 12,000 single adults in de-  
14 densification hotels and that being spread all around  
15 the city, what's the - how are we operating a  
16 vaccination regime for those same universe of  
17 clients.

18 STEVEN BANKS: The same as we did for testing.  
19 We have a contract with a vendor. We do rotating.  
20 We have administered 55,000 tests and we added a  
21 vaccine to pass it into the testers and they run  
22 circuit through all of our both hotels and our  
23 shelters.

24 CHAIRPERSON LEVIN: Okay.

25

2 STEVEN BANKS: And that testing regime ran on.  
3 It's produced a positivity rate less than the city  
4 overall of barely over one percent and we are going  
5 to continue with the testing regime and we added a  
6 vaccine capability as soon as the Johnson & Johnson  
7 vaccine became available because it was a one shot.  
8 And then obviously we had the pause and we have  
9 started it again.

10 CHAIRPERSON LEVIN: Okay, so and that's going to  
11 be continuing throughout the summer?

12 STEVEN BANKS: That's what our plan is.

13 CHAIRPERSON LEVIN: Okay, with the Johnson &  
14 Johnson?

15 STEVEN BANKS: Our issues have always been  
16 eligibility, supply and once we had eligibility and  
17 supply, we have been doing that.

18 CHAIRPERSON LEVIN: Okay because those aren't  
19 issues now right?

20 STEVEN BANKS: They are not issues now.

21 CHAIRPERSON LEVIN: Got it. What does – how does  
22 – Is DHS looking to do anything around converting  
23 distressed hotels for stabilization beds that's being  
24 a permanent part of the DHS portfolio?

25

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1 STEVEN BANKS: I am not sure I am following your  
2 question, so correct me if I answer a different  
3 question. I thought you were asking about converting  
4 hotels into permanent housing.  
5

6 CHAIRPERSON LEVIN: Yeah, yeah.

7 STEVEN BANKS: So, we are working with providers  
8 to look for the opportunity to convert distressed  
9 hotels into either stabilization beds or permanent  
10 housing.

11 CHAIRPERSON LEVIN: Okay, so there are both  
12 options. So, there is okay and the stabilization bed  
13 being in that kind of broader 4,000 portfolio. So,  
14 that's where your -

15 STEVEN BANKS: Yeah and either our RFP for Safe  
16 Haven low barrier type beds or RFP for permanent  
17 housing social services permanent housing. Either of  
18 those vehicles can be used to convert distressed  
19 hotel into either a safe haven stabilization bed site  
20 or supportive housing.

21 CHAIRPERSON LEVIN: So, that later option, that  
22 is then, that program is going to be part of the HRA,  
23 DSS portfolio? Or that's part of the HPD portfolio  
24 in terms of - because it is permanent housing. So,  
25 who is kind of the agency overseeing that?

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1 STEVEN BANKS: As you know, we have developed  
2 many permanent housing programs at the Department of  
3 Social Services.  
4

5 CHAIRPERSON LEVIN: CASA and supportive housing  
6 but this is not, this is not technically supportive  
7 housing.

8 STEVEN BANKS: We will work with providers to  
9 convert a distressed hotel into any kind of housing  
10 that would make sense, supportive or light touch  
11 social services makes a lot of sense to us. We have  
12 operated light touch social services permanent  
13 housing programs over the last several years in  
14 addition to supportive housing and a distressed hotel  
15 may be a very good environment to provide those kind  
16 of housing -

17 CHAIRPERSON LEVIN: Hmm, hmm. Uhm, sorry, just  
18 to be clear, ACS isn't due to begin until 1:00 p.m.  
19 So, we have a little bit of time here to get through  
20 our questions. I am sure that's exactly what you  
21 wanted to hear but we have you here.

22 STEVEN BANKS: Are you talking to the Chair or to  
23 me?

24 CHAIRPERSON LEVIN: Both but I do have questions  
25 to get through. Are we looking at shelter allowance

1 has stayed flat for a long time. Are we looking to  
2 use federal dollars? Is there an opportunity to use  
3 federal dollars to increase shelter allowance?  
4

5 STEVEN BANKS: You would have to speak to the  
6 governor about that because the shelter allowance is  
7 set by the state. In fact, there is a statute that  
8 requires the governor, or excuse me, that requires  
9 the Commissioner of the Department of Social Services  
10 to provide a rent allowance, a shelter allowance  
11 that's sufficient to raise children in a home.

12 I don't think you could find a home for \$400 in  
13 New York City for a family of three.

14 CHAIRPERSON LEVIN: No.

15 STEVEN BANKS: So, this goes directly to the  
16 point we talked about before in terms of state  
17 disinvestment into core safety net social services.  
18 I know there will probably be some response about all  
19 the things they do but it takes you back to this  
20 basic question. Is \$400 enough money for a family on  
21 public assistance to rent an apartment or we  
22 consigning a generation of families to end up losing  
23 their housing and ending up in the shelter system?



2 CHAIRPERSON LEVIN: Does the city have standing  
3 to sue the state to live up to their statutory  
4 obligation in that instance?

5 STEVEN BANKS: Well, the Legal Aid Society  
6 brought such a lawsuit in 2015 challenging the  
7 shelter allowance and entering into a settlement that  
8 is binding until 2022.

9 CHAIRPERSON LEVIN: Okay and what was that  
10 settlement? That that's what raised it to \$400?

11 STEVEN BANKS: That's what set the current FHEPS  
12 rates.

13 CHAIRPERSON LEVIN: Okay but FHEPS is not – but  
14 not everybody that receives the shelter allowance is  
15 getting a FHEPS voucher.

16 STEVEN BANKS: But the FHEPS program was created  
17 to bridge the gap between the fact that you can't  
18 rent an apartment for \$400 in New York city if you  
19 are a family of three on public assistance.

20 CHAIRPERSON LEVIN: Right, but it's not  
21 available. FHEPS is limited, State FHEPS is limited  
22 by – not everybody that's receiving public assistance  
23 qualifies for a FHEPS voucher right?

24 STEVEN BANKS: That's exactly the point. The  
25 state is – the state position is it's discharging its

1 obligation to provide a shelter allowance that's  
2 adequate to raise children in a home by having the  
3 FHEPS program. Which as you are correctly pointing  
4 out, covers a fraction of the numbers of people who  
5 actually need to have a shelter allowance that's  
6 adequate to raise children in a home.  
7

8 CHAIRPERSON LEVIN: Alright, so I don't know if  
9 that's really - okay, well, I mean, that's Legal Aid  
10 is not you know, is not speaking on behalf of the  
11 city.

12 So, I mean, there's a problem here and -

13 STEVEN BANKS: There is a whole range of case law  
14 about what the city has standing to sue or does not  
15 have standing to sue.

16 CHAIRPERSON LEVIN: Okay.

17 STEVEN BANKS: I thought the case Legal Aid will  
18 have to challenge the rent allowance in 2015 was an  
19 important case to bring.

20 CHAIRPERSON LEVIN: Right, even if you know  
21 concluding in 2022, for instance the settlement  
22 allows for State FHEPS to be raised to FMR. That  
23 doesn't address still the universe of people that are  
24 stuck with a shelter allowance that is - and they are  
25

not able to qualify for that State FHEPS. The State  
FHEPS is not an entitlement, is that right?

STEVEN BANKS: It's an entitlement if you need a  
narrower range of eligibility criteria than simply  
being on public assistance and having a higher rent  
level. Remember that there was the imposed  
requirement that you have an eviction proceeding.  
That you got a waiver during COVID that actually that  
waiver was granted.

But I think your point is an excellent point  
which is the underlying, one of the underlying  
drivers of family homelessness. Not just in New York  
City but across the state is the gap between rent and  
income. And so, if your rent level is higher than  
\$400 your ability to avoid losing your home is going  
to be severely compromised.

But going back to our original conversation about  
the nine percent that's paid for in terms of shelter  
costs for single adults. In terms of the fact that  
now New York City is the only jurisdiction in the  
state that has to make a contribution of federal TANF  
benefits and to federal DAF benefits. I would urge  
everyone to look at the right level of government to  
raise the state public assistance shelter allowance.

1  
2 CHAIRPERSON LEVIN: Okay, uh, one other question  
3 about rental assistance is that in the Executive  
4 Budget, DSS added federal funding of \$161 million in  
5 Fiscal '21, \$168 million in Fiscal '22. How is that  
6 funding being used? What is that going towards?

7 STEVEN BANKS: It's being used to support our  
8 rental assistance budget. Remember in the absence of  
9 this federal dollars, the city had a five plus  
10 billion dollar budget gap. And so, working with OMB,  
11 different kinds of city activities that would be  
12 appropriate for federal funding were identified and  
13 our rental assistance program was one of them. And  
14 obviously, the budget approach is fill gaps with  
15 federal dollars now and focus on a strong recovery so  
16 that ultimately city dollars can again support these  
17 programs.

18 Because we were facing before this federal  
19 funding came, dramatic potential cuts in our budget  
20 and so, the federal funds were identified as a way to  
21 fill those gaps and give us in the case of rental  
22 assistance, actually the ability to continue to  
23 increase our federal, our city rental assistance  
24 budget. Which has steadily increased during my time  
25 here.

2 CHAIRPERSON LEVIN: So, then it's not for  
3 anything new programmatically. It's for offsetting  
4 our budget deficit?

5 STEVEN BANKS: Right but again, as we have said  
6 in every one of these hearings, we are under no limit  
7 from OMB in terms of the numbers of people we can  
8 move out. I know this has come up in prior hearings,  
9 where every year when the fiscal year ends is a  
10 truing up of how much we actually need.

11 CHAIRPERSON LEVIN: Sure.

12 STEVEN BANKS: For more funding as -

13 CHAIRPERSON LEVIN: We are only limited by the  
14 effectiveness of the voucher, which we talked about.

15 STEVEN BANKS: Yes, but talk to the tens of  
16 thousands of people who have moved out with the  
17 voucher, they will tell you -

18 CHAIRPERSON LEVIN: We will leave it at that.

19 STEVEN BANKS: Obviously, the people who haven't  
20 been able to use it, I am concerned about that which  
21 is the reason why we have gone to the state to  
22 increase the state levels.

23 CHAIRPERSON LEVIN: Uhm, okay, HRA headcount in  
24 redeployments. Access to uhm, to public assistance.  
25 So, due to the pandemic, the city has seen a

1  
2 considerable increase in new applications for cash  
3 assistance and SNAP and HRA deployed considerable  
4 staff from other areas to address the need.

5 As of the preliminary plan you indicated that  
6 approximately 916 people were still redeployed to  
7 help with cash assistance and SNAP administration.

8 In the Council's Budget response, we called on the  
9 administration to add \$37 million to HRA's budget to  
10 improve client services and benefits and access but  
11 we do not see anything added in the executive plan.

12 Can you give us an update on the volume of cash  
13 assistance and SNAP applications and recertifications  
14 since the Preliminary Plan?

15 STEVEN BANKS: The numbers of applications have  
16 leveled off. We still have the higher underlying  
17 caseload for both cash and SNAP and that's why we  
18 have continued to redeploy the staff that we  
19 previously assigned at the height of the pandemic.  
20 We need to have that level of staffing to address the  
21 recertifications that are coming due.

22 So, again, we have an excess of 1,000 people who  
23 are reassigned or redeployed in order to help with  
24 this. And that's on top of the underlying 2,800  
25 staff handling cash and SNAP issues going forward.

1  
2 By the way, the telephone, continuing the  
3 telephone cash assistance option, we think is  
4 extremely important to our ability to manage the case  
5 load going forward, so that we can have our staff  
6 focus on client services as opposed to dealing with  
7 crowded waiting rooms, which is a reflection of  
8 people having to go into an office to do that. Which  
9 everyone on this Zoom call, could do by simply making  
10 a telephone call for any other kind of thing that we  
11 do other than cash assistance.

12 And I think we demonstrated during the pandemic,  
13 the importance of having a client option to use the  
14 telephone.

15 CHAIRPERSON LEVIN: Have there been any changes -

16 STEVEN BANKS: A requirement not an option. Not  
17 a requirement but an option.

18 CHAIRPERSON LEVIN: Have there been any changes  
19 to HRA's redeployment plan since the preliminary  
20 plan?

21 STEVEN BANKS: I think we have added some more  
22 people back if I have got the - I am just not sure if  
23 I am caught in the middle of the number you are  
24 looking at but I believe we have added some more  
25 since that number because that would have reflected a

1 lower operating point than some of the people we  
2 added back.  
3

4 We knew we were going to have to as the terms in  
5 which we got the SNAP recertifications pushed out.  
6 We had to resume recertifications for the June period  
7 of time. And so we have begun to move people back  
8 over and above the number that you probably have  
9 before you. We can give you an exact number at some  
10 point, close in the time period.

11 CHAIRPERSON LEVIN: So, our staffing levels as we  
12 anticipate them for the six months of FY22, are they  
13 reflected in the Executive Budget as proposed?

14 STEVEN BANKS: Let me kind of deconstruct that.  
15 I have to take that question a part a little bit.

16 CHAIRPERSON LEVIN: Okay.

17 STEVEN BANKS: The number of positions that were  
18 vacant in the Executive plan that we are not going to  
19 be able to fill that we couldn't fill before, we  
20 cannot fill positions of that magnitude quick enough  
21 to meet the need for the beginning of the  
22 recertification process. So, that's why we are  
23 continuing to add, reassign staff to fill that need.  
24 We will work with OMB to bring on a process to fill  
25



1 those vacancies but until we have the people that we  
2 need in place, we continue to just reassign staff.

3  
4 CHAIRPERSON LEVIN: Uhm, I am sorry, I am jumping  
5 around here a little bit. I apologize.

6 CHAIRPERSON LEVIN: It is a lighting round.

7 CHAIRPERSON LEVIN: Lightening round yes. Uhm,  
8 uh, just back to the vouchers for a second. So,  
9 DSS's budget of \$329 million in federal stimulus  
10 funds from the American Rescue plan. And I know that  
11 we talked about how you know that's going to be used  
12 to offset budget deficits. But have we looked at how  
13 many years of an FMR increase that would actually  
14 cover?

15 STEVEN BANKS: Here is where I urge you not to  
16 think of it that way.

17 CHAIRPERSON LEVIN: Okay.

18 STEVEN BANKS: Because the FMR increase is  
19 permanent. The stimulus money is one time. So, it's  
20 like if you and I went out and said, you know what, I  
21 just got \$1 million. I will take on \$1 million a  
22 month obligation and that \$1 million was only one  
23 time. You wouldn't do that in your own home finance  
24 management and how can the agency be asked to do  
25 that?

2 If someone wants to tell me that I could have  
3 this money forever at the federal level, there is a  
4 lot of things we could think about spending it on but  
5 it's one time money and it was meant to fill a five  
6 plus billion dollar hole in the city's budget process  
7 because of the collapse in the local economy. The  
8 property tax revenue. All of these things. I know,  
9 look, I am an agency. We deal with human beings and  
10 the answer I gave you is a very nonhuman being answer  
11 but it happens to be true. That is we were blowing  
12 our budget every year at this agency you would be  
13 having oversight hearings about why we are  
14 overspending our budget every year.

15 CHAIRPERSON LEVIN: Understood. Okay, uhm,  
16 source of income discrimination. Uhm, it remains an  
17 ongoing challenge for voucher holders when applying  
18 for an apartment. Despite legislation and the work  
19 of the Commission on Human Rights, landlords continue  
20 to discriminate against low-income residents who rely  
21 on rental assistance.

22 It is vitally important that people are able to  
23 utilize vouchers without experiencing source of  
24 income discrimination. Has HRA, DSS seen an increase  
25 in housing discrimination cases? How many - let me

1 put it this way, how many DSS – how many housing  
2 discrimination cases has DSS received source of  
3 income discrimination cases has DSS received in the  
4 last year?

6 STEVEN BANKS: So, there are two – I am sorry, I  
7 am just looking at my notes for this particular issue  
8 but I can tell you we filed three major cases to  
9 address landlord discrimination. And hang on one  
10 second Chair.

11 CHAIRPERSON LEVIN: Okay.

12 STEVEN BANKS: I knew it would be the last place  
13 I looked. So, first of all, one of the budget adds  
14 to our baseline is additional funding for our source  
15 of income discrimination unit and that includes both  
16 lawyers for litigation and handling complaints and  
17 also testers. Because that's how we operate a  
18 combination of litigation and testers that I think we  
19 have a good partnership with the City Human Rights  
20 Commission where they are taking administrative  
21 complaints. We have the ability to bring lawsuits  
22 and we have. So, we got three major cases, two of  
23 them have been settled.

24 Last year, for example 2020, we received 482  
25 inquiries to us about source of income

1 discrimination. 213 of them were actual source of  
2 income discrimination issues. 53 of them gave us  
3 enough ability to try to address the situation and in  
4 half of those, we were able to reverse the  
5 discrimination by getting the person the housing and  
6 in the areas where we did not reverse the 24 cases  
7 where we could not reverse the behavior, we referred  
8 those cases for enforcement and for further testing.  
9 And again, I think that this just highlights the two  
10 different things we do. We handled individual  
11 inquiries to try to determine if it is source of  
12 income discrimination or if there is enough  
13 information for us to intervene. If we can  
14 intervene, we do and try to turn a no into a yes.  
15 And then we take the information for affirmative  
16 cases that we bring.

18 One of the things our staff constantly does is we  
19 are reviewing adds to issue seize and desist  
20 directions to people who have adds out there that say  
21 no vouchers and that sort of thing. And then we use  
22 our testers to determine the kinds of experiences the  
23 clients report, which is I called them and they never  
24 called me back when I said I was going to pay with a

1 government voucher and that's why we have the testers  
2 and the lawyers to do these things.

3  
4 Of the remaining inquiries, they were sort of  
5 like not - 160 of them were like nonspecific where we  
6 couldn't actually intervene with a particular  
7 landlord or particular apartment. They are  
8 generalized complaints. They are real. We gave  
9 those people advise about how to handle the matter in  
10 the future and to come back to us if they experienced  
11 the same thing again with specifics so we could turn  
12 a no into a yes.

13 We got 269 other inquiries within that 482. 192  
14 of them were just involving basic you know public  
15 benefits questions and 22 of them involved you know  
16 housing court actions that people were involved in.  
17 46 were just, can you help me find an apartment? I  
18 am not sure how to do it. Can you refer me to an  
19 apartment? So, we think it is a valuable service  
20 because it is helping us bring major cases and the  
21 two of the three cases that we brought, two of them  
22 have been settled with landlords agreeing to change  
23 the behavior and brokers agreeing to change the  
24 behavior and beginning to rent apartments to our  
25 clients.

1  
2       So, we are going to continue to do this. We  
3 think that the fact that we are doing it is  
4 ultimately a way to, along with the Human Rights  
5 Commission, to stop this kind of pernicious behavior.

6       CHAIRPERSON LEVIN: Uhm, okay I am going to move  
7 around here to HRA headcount vacancy reductions.  
8 Since Fiscal '21's Preliminary Plan, HRA has  
9 commutatively taken an 811 position one year vacancy  
10 reduction for Fiscal '21 plus a 1,000 position  
11 baseline reduction starting in Fiscal '21. These  
12 reductions have largely been allocated to general  
13 administration program areas as a placeholder while  
14 the agency determines how to allocate them.

15       When will the vacancy reductions be allocated to  
16 specific program areas? And which program areas will  
17 see the largest impact?

18       STEVEN BANKS: I mean, I think anyone at the  
19 agency would tell you the following. That I have  
20 attempted to spare. We have attempted to spare our  
21 frontline cash and SNAP staff these kind of  
22 contractions as much as possible and given the fact  
23 that the plan just came out in the last couple of  
24 weeks, we are early on the calendar of hearings now.

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1 We are still working through with OMB how to proceed  
2 with the restoration of positions.

3  
4 CHAIRPERSON LEVIN: Okay. Uhm, is that something  
5 that we could then follow up on prior to voting on  
6 the budget? Is there like by the end of this month  
7 we have a better sense?

8 STEVEN BANKS: I am not sure we will but we will  
9 stay in contact with you.

10 CHAIRPERSON LEVIN: Okay and can you say for sure  
11 that frontline staff, that frontline positions won't  
12 be affected or are you not able to say that at this  
13 point?

14 STEVEN BANKS: I mean we have a whole agency full  
15 of frontline positions beyond simply cash and SNAP.  
16 So, we have to evaluate a lot of different needs.  
17 And these again are vacancies. We are not talking  
18 about - I wouldn't want any of our staff listening to  
19 this thinking about layoffs or anything of that  
20 variety. We are talking about vacancies and which  
21 vacancies to fill.

22 CHAIRPERSON LEVIN: Right, I think that our  
23 question is, so a lot of these were from last Fiscal  
24 Year. So, these are - I mean they are from FY21, so  
25 they are uhm, these reductions proceeded this current

1 plan but still haven't been allocated. Is that how  
2 you are looking at them?  
3

4 STEVEN BANKS: Yeah, I mean obviously yes. In  
5 the interim we you know we have been managing through  
6 the pandemic and there have been tremendous  
7 challenges that we have had all around. And as you  
8 saw what we did at the agency. We didn't just  
9 prolong our lot in life. We did reassignments in  
10 order to maintain our most critical services that  
11 obviously presents a challenge all across our agency.  
12 Because the staff that we are reassigning are  
13 performing critical, essential services as well. But  
14 we needed them for these frontline functions.

15 CHAIRPERSON LEVIN: Hmm, hmm. When comparing the  
16 actual headcount in March 2021 to the fiscal '21  
17 budgeted headcount, at adoption last year. So,  
18 comparing those two numbers, your adopted headcount  
19 and your March '21 in real life headcount, there was  
20 a 15 percent vacancy rate with significant vacancies  
21 across many of HRA's program areas. What's the  
22 agencies plan for either filling these positions or  
23 taking further vacancy reductions and are there  
24 savings that can be achieved in Fiscal 2022 and in  
25



1 the outyears from that vacancy rate? Is that  
2 something that you are looking at and factoring in?

3 STEVEN BANKS: No but remember the period of time  
4 you are looking at there was a citywide hiring  
5 freeze, which brings that it a high vacancy rate.

6 And then initially there was a - one position could  
7 be filled for every three vacancies and now that's  
8 been changed to one position for every two vacancies.

9 So, the creation of the vacancy rate is in direct  
10 relationship to the citywide hiring freeze, which was  
11 adopted because of the tremendous budget hole that  
12 the city overall was facing and we, like any agency  
13 were you know subject to the same hiring limitations.

14 CHAIRPERSON LEVIN: I am going to move onto food  
15 assistance. Uhm, sorry, just one note here that  
16 Finance Staff is telling me that it has been in  
17 double digits for years at this point though. So,  
18 that there is a kind of greater issue potentially  
19 there outside of COVID.

20 STEVEN BANKS: Well, I think one of the things to  
21 look at over years is we added a lot of staff for  
22 different functions and if you go back to the budget  
23 that I inherited from a prior administration, there  
24 were huge staffing PEGs that were agreed to by the  
25

1 prior administration that we had to work through with  
2 OMB over the course of most of this administration to  
3 attempt to restore in one way or another to meet  
4 basic needs.  
5

6 I think you will remember from my first budget  
7 hearings, I said that we were going to repurpose 500  
8 administrative positions to frontline staff positions  
9 in order to address the frontline staff PEG that my  
10 predecessor had agreed to.

11 So, we spent most of this administration trying  
12 to address an underlying PEG that was imposed in a  
13 prior administration.

14 CHAIRPERSON LEVIN: That's fair enough. I  
15 appreciate that. Moving on to food assistance. In  
16 the budget response, the Council called on the  
17 Administration to increase EFAP by baselined by \$10  
18 million to meet the increased need. The executive  
19 plan has a baseline increase of \$3.6 million. At the  
20 same time, HRA has indicated that the number of  
21 clients served by EFAP providers between July and  
22 December of 2020 nearly doubled when compared to that  
23 same time in 2019. What do we think I mean, \$3.6  
24 million does not cover that full doubling of that  
25

2 case load. What do we think the \$3.6 million will  
3 cover and how was that number arrived at?

4 STEVEN BANKS: I mean, it was arrived at taking  
5 an equity approach and we focused on the 25 most  
6 underserved neighborhoods identified or focused on by  
7 the Mayor's Office of Food Policy, Office of Economic  
8 Opportunity and HRA and the increases enabling us to  
9 focus on those 25 underserved neighborhoods. And  
10 also to look at some incremental increase potentially  
11 in another 85 underserved neighborhoods. That's a  
12 significant portion of our service delivery but also,  
13 remember that there is you know \$27 million in  
14 funding for fresh produce and for shelf staple items  
15 and those will be delivered to our providers as well.

16 CHAIRPERSON LEVIN: Uhm, is HRA hearing that from  
17 EFAP providers that there is a shortage of food at  
18 pantries throughout this fiscal year?

19 STEVEN BANKS: Look, it's been a - it is a hard  
20 year for New Yorkers who are hungry. It's been a  
21 hard year for providers. It's been a hard year for  
22 our staff and we are making this projection based  
23 upon where we think things will be throughout the  
24 year. I think as you know, in a joint process with  
25 Council, the Mayor added additional funding for food

needs at different points during the fiscal year.

And we will continue to monitor it closely. This  
funding EFAP baseline money is targeted for very  
specific equity and capacity building needs and the  
PFRED money is targeted to get particular items to  
the food pantries so that they are not out there  
buying them on their own. It's an addition fusion of  
\$27 million.

CHAIRPERSON LEVIN: Okay, so moving on to PFRED  
then. Starting in February the program - and we are  
going to have a whole hearing on food I think next  
month, so I don't want to belabor this stuff right  
now necessarily but this is for budget.

Starting in February, the program shifted away  
from providing fresh produce to only providing shelf  
stable items, which makes it very much in line with  
the EFAP. The range of produce or the range of  
products through EFAP. When will fresh produce be  
reintroduced?

STEVEN BANKS: Uh, very shortly and then that  
will continue in FY22.

CHAIRPERSON LEVIN: Okay, why was that done? Why  
was it a -

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1  
2 STEVEN BANKS: You know, just part of the process  
3 of getting the right food supplies available to us  
4 and it's going to be restored very soon.

5 CHAIRPERSON LEVIN: Okay. Uhm, okay, there is a  
6 whole bunch of stuff that we want to talk about with  
7 PFRED and having access to local produce and so, I  
8 think that we will address that at the hearing next  
9 month. So, I think that we will take the time to do  
10 that then.

11 Uh, let's see a couple more questions just about  
12 uh, DHS. Uhm, on Journey Home Safe Havens, uhm,  
13 there is funding that was allocated in '21, '22 with  
14 a decrease seeming to be in '23 of \$58 million in  
15 outyear funding. Uhm, how does that uhm, what is  
16 that for? Why is there a decrease in the outyear  
17 funding?

18 STEVEN BANKS: Right, that's the issue that we  
19 talked about before, which is that the federal funds  
20 are time limited and obviously the hope is to start a  
21 city recovery who will replace these with city  
22 dollars but just to you know to reiterate what I said  
23 before. There is a commitment one way or the other  
24 to have these 4,000 beds. We know that we need them.

1  
2 CHAIRPERSON LEVIN: But there is a headcount  
3 increase of 35 associated with it. So, I mean, is  
4 there a commitment that in addition to like that that  
5 35 headcount is not going to be reduced?

6 STEVEN BANKS: Right, I mean some of that  
7 headcount though is very much focused on the current  
8 times we are in and making sure we have sufficient  
9 rapid response to be able to respond to online calls  
10 and other things that are coming to us.

11 CHAIRPERSON LEVIN: Sure, but there is never  
12 going to be like a - there is always going to be a  
13 need for the headcount.

14 STEVEN BANKS: Right but I just want to emphasize  
15 that's not a provider issue. Our support for our  
16 providers continues to be strong. This is simply a  
17 question of whether or not you would need the  
18 additional city staff on an ongoing basis. It may  
19 turn out that we do, it may turn out that we don't  
20 and the budgeting reflects that.

21 CHAIRPERSON LEVIN: On the - so this anticipated  
22 increase of 1,000 beds between safe haven and  
23 stabilization beds, is that increase fully reflected  
24 in the executive '22 budget?

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2 STEVEN BANKS: I am only pausing because in the  
3 back and forth between the federal money and the city  
4 tax levy, there may – I have to get back to you on  
5 that. I mean, the dollars are there to bring these  
6 beds online but the sort of sustaining of them, there  
7 is that interplay between federal dollars and city  
8 tax revenue. Which is why I am hesitating to answer  
9 because I was thinking more in the outyears.

10 CHAIRPERSON LEVIN: Okay and then moving to  
11 street outreach, and this is my last couple of  
12 questions here. DHS budgeted \$15.2 in federal  
13 stimulus funding for street outreach programming in  
14 Fiscal '22 including an additional 18 headcount. Of  
15 this, 9.4 is baselined. Notably the governor  
16 announced that MTA will resume 24 hour service in May  
17 2021 and so this will certainly affect DHS's outreach  
18 and end of line service. What are the position  
19 titles of the 18 headcount funding coming through  
20 this adjustment?

21 STEVEN BANKS: These are typically – I have to  
22 just check but typically in this area of outreach,  
23 it's the community coordinator type positions.

24 CHAIRPERSON LEVIN: And then what is DHS's plan  
25 to address the MTA resuming 24 hour service?

1  
2 STEVEN BANKS: Look, we think the end of the line  
3 initiative with BRC staff and DHS staff and the  
4 ability to make placements directly from the station  
5 and not some people intake and to have additional  
6 stabilization beds available has made it possible for  
7 the more than 800 people to come in and remain inside  
8 and we are going to continue that effort.

9 Just because the subways aren't shutdown for a  
10 couple of hours doesn't mean we shouldn't be at the  
11 end of the line trying to build trust and persuade  
12 people to come inside.

13 CHAIRPERSON LEVIN: Uhm, I am going to ask and  
14 this will be my last question.

15 STEVEN BANKS: This is your actual last question?

16 CHAIRPERSON LEVIN: This is it. This is the last  
17 one.

18 STEVEN BANKS: Oh my goodness.

19 CHAIRPERSON LEVIN: The last budget question. I  
20 mean, well we are going to have plenty of hearings  
21 between now and the end of the year, so don't worry.  
22 Hopefully, we will have them in person. That would  
23 be nice.

24 Does DHS have like a with regard to like street  
25 outreach programs, a tool akin to child stat or



1 CompStat? I prefer not to use the CompStat example  
2 but Child Stat which has been well utilized by ACS.  
3 Where they do a deep dive on a specific case from  
4 soup to nuts, see how it reflects program you know,  
5 program areas, gaps in service. You know it was  
6 definitely kind of reconstituted by Commissioner  
7 Hansel in recent years. Is that something that like  
8 we have looked at in terms of street homelessness?  
9

10 STEVEN BANKS: Yes, I mean remember, we created  
11 something called the by name list. That means that  
12 we expect to know everything about each person and we  
13 have a process of reviewing cases in which people  
14 within that are in the greatest need and we have a  
15 focus on why can't we offer something more to that  
16 person? So, there is a very - the by name list  
17 changes everything from looking at numbers to looking  
18 at people. And I believe that when we move from  
19 looking at numbers to looking at people, that's how  
20 we had the success of moving more than 4,000 people  
21 from streets and subways. Off of them, who have  
22 remained off. Because every night there are people  
23 who come off. They may stay off; they may go back.  
24 We made the gold standard. Not oh, did you get a  
25 placement tonight? The gold standard is have we been

1 able to connect with you to give you something to  
2 come in off the streets and remain off the streets  
3 and that's the gold standard we look at constantly in  
4 terms of numbers but also people.  
5

6 And you know Stat is Stat but that was the idea  
7 of Home Stat. That we would create a by name list.  
8 That we would hold ourselves accountable, each human  
9 being on that list and not just numbers.

10 CHAIRPERSON LEVIN: Okay but I mean is it a tool  
11 where you can do like a deep dive on an individual  
12 case as a kind of, as a diagnostic tool?

13 STEVEN BANKS: Yes. Like, for example, you know  
14 when we look at our clients that are in the greatest  
15 need, did we offer the right things to that  
16 individual? Is there something else we can offer  
17 that individual?

18 CHAIRPERSON LEVIN: Okay, are you saying like,  
19 Dave for example, like you know Dave who has been on  
20 42<sup>nd</sup> Street for eight months. Like, okay, let's take  
21 a deep dive into Dave's case and figure out why you  
22 know and using that as kind of a springboard to talk  
23 about -

24 STEVEN BANKS: That's exactly what I am  
25 explaining to you and part of looking into Dave's

1 case maybe is there another agency that has a service  
2 that we can connect Dave to that would make it more  
3 likely that we would succeed next time when we bring  
4 him inside. Or to bring him inside the first time.  
5

6 So, there is a very much person by person  
7 approach. That is the change. We went from numbers  
8 to people and then diving into what can be done for  
9 each particular person.

10 CHAIRPERSON LEVIN: Okay. Alright, well that's  
11 it for me here Commissioner. I want to thank you for  
12 our - we did like 16 hearings, budget hearings  
13 together I think. We didn't have a Preliminary  
14 Budget hearing last year and we didn't do a  
15 Preliminary Budget hearing with you in 2014 because I  
16 think we started right before the Exec.

17 STEVEN BANKS: April Fools Day.

18 CHAIRPERSON LEVIN: April Fools but you were  
19 there for that Executive hearing. So, okay, so 16  
20 hearings together. I appreciate our time working  
21 together on these important issues and I think that  
22 we have done some good. I thank your entire staff  
23 who is obviously extremely dedicated and in it for  
24 the right reasons. And have I think made this city a  
25 more responsible, a more compassionate place for the

1 people most in need and have set this city up for a  
2 long-term trajectory. In which hopefully one day we  
3 can say that we have, if not eradicated homelessness  
4 and uhm, extreme poverty and the suffering that comes  
5 with that. That we have limited it to as much as we  
6 possibly can and so, that's our hope that one day we  
7 can get there and I think that this administration  
8 has done a lot towards moving us in that direction.

10 STEVEN BANKS: I appreciate those comments. I  
11 appreciate the collaborative work we have had  
12 together and as I said at the end of the prepared  
13 testimony, I appreciate the recommendations, the  
14 collaboration and the results that we have got.

15 And I leave with kind of two feelings. One, I  
16 know and you heard in the beginning of the testimony,  
17 that we made tremendous structural reforms. But we  
18 have made tremendous structural reforms with  
19 something that built up over 40 years.

20 And so, to me, the optimist in me, says you know,  
21 we built a firm foundation for these reforms in the  
22 future because you know WEP is no longer a part of  
23 the discussion when we come before you for example.  
24 The idea that people in shelter need permanent  
25 housing is no longer a debatable proposition. The

1 idea that people need lawyers in housing court to  
2 keep from being evicted is not a debatable  
3 proposition. But I could go on and on and on and  
4 people really are benefiting from each of those kinds  
5 of significant structural changes, the HASA change.  
6 That you can get HASA without having to be sick  
7 enough that we would actually give it to you to try  
8 to keep you from becoming sick.  
9

10 CHAIRPERSON LEVIN: I want to say that when you  
11 started, when we started in these positions, the  
12 legal services budget for anti-eviction legal  
13 services was \$6 million in the city.

14 STEVEN BANKS: It's \$166 million today because we  
15 actually believe in a right to counsel. But you know  
16 those are the things that I can see and reflect on  
17 that we all together in our team here have done. But  
18 to me the frustration continues to be that reform is  
19 large. It has an impact on tens of thousands of  
20 people but you could still walk into any one of our  
21 offices or call us on the phone any day of the week  
22 and still have a challenge. Because we literally  
23 have been building the plane while we are flying the  
24 plane. I do believe what I said in the testimony  
25 that we have created a foundation for others to build

2 on. I hope they won't undue the good things and I  
3 hope they will improve upon the things that we have  
4 tried to do.

5 CHAIRPERSON LEVIN: One last thing Commissioner.  
6 I want to thank your frontline staff who have done  
7 amazing work during this pandemic and have often  
8 times not you know had the luxury of working from  
9 home but have to have gone in and been out there on  
10 the frontlines during the pandemic and I just want to  
11 express my appreciation for all the work that they  
12 do.

13 STEVEN BANKS: I appreciate that. In that first  
14 hearing, you may recall I mentioned all of the  
15 different unions that represent our staff here and  
16 all the different leaders and they have been true  
17 partners in the change with me. We couldn't have  
18 done it without them but I appreciate you focusing on  
19 that they are the real heroes and sheroes of this  
20 horrible period in the history of New York City. And  
21 you know, we are an agency in which if there is a  
22 fire, we are running into the fire, not away from it.  
23 And that's who comes to work here and they dedicated  
24 their lives to this work. We have had losses, we  
25 have had suffering but people have always been

1 focused on the human being as much as the numbers and  
2 I appreciate as you said, the frontline staff and the  
3 labor unions that have been such critical partners in  
4 all of this. And the managers who have had to put up  
5 with me for seven plus years. All those late night  
6 emails and late night telephone calls and so forth.  
7

8 But at the end of the day, it's about serving  
9 people and I appreciate it Chair Dromm. I appreciate  
10 it Chair Levin and I am going to turn it over to my  
11 dear colleague and friends David Hansell who I know  
12 just was hoping that we would finish early and then  
13 he could start early and have even more time to  
14 testify.

15 CHAIRPERSON LEVIN: Thanks Commissioner.

16 CHAIRPERSON DROMM: Thank you very much. And  
17 again with apologies to Chair Levin for thinking we  
18 were behind time before. This will conclude this  
19 portion of today's hearing. Thank you to DSS for  
20 being here. We will now move on to the  
21 Administration for Children's Services. I ask my  
22 colleagues who will be joining us for ACS's portion  
23 of the hearing to remain in the Zoom with your  
24 microphone muted until we are ready to begin. Just  
25

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1 give us a couple of minutes and we will be starting  
2 at about three or four minutes. Thank you.

4 [SHORT BREAK 2:46:07-3:00:51].

5 SERGEANT AT ARMS: Okay, so we are ready.

6 CHAIRPERSON DROMM: Thank you very much. Good  
7 afternoon and welcome to the City Council's third day  
8 of hearings on the Mayor's Executive Budget for  
9 Fiscal '22. My name is Daniel Dromm and I Chair the  
10 Finance Committee. We just heard from DSS and we  
11 will now hear from the Administration for Children's  
12 Services. We are joined by the Committee on General  
13 Welfare Chaired by my colleague Council Member  
14 Stephen Levin.

15 We are also joined by the following members:  
16 Ampry-Samuel, Ayala, Darma Diaz and Salamanca. Okay,  
17 I am going to - in the interest of time, I am going  
18 to forego an opening statement but I would like to  
19 turn it over to Chair Levin for his statement. Chair  
20 Levin.

21 CHAIRPERSON LEVIN: Thank you very much Chair  
22 Dromm. Sorry, bear with me for one moment. Okay,  
23 good afternoon everybody. I am Stephen Levin; I am  
24 Chair of the Councils Committee on General Welfare  
25 and this is the Fiscal '22 Executive Budget hearing



1  
2 for the Administrations for Children's Services or  
3 ACS. I want to welcome back the ACS Commissioner  
4 David Hansell and his staff, his team.

5 In today's hearing, we will hear testimony from  
6 ACS on its proposed \$2.65 billion dollar budget for  
7 Fiscal '22, which is \$28 million greater than the  
8 Fiscal '21 budget, Adopted Budget.

9 ACS's budget does not yet reflect all federal  
10 stimulus aid that it may receive including new  
11 childcare block grant or CCBG from the American  
12 rescue plan. A federal stimulus is a critical  
13 opportunity for ACS and I want to make sure that the  
14 city is maximizing it's application of federal  
15 stimulus funding to key priorities.

16 I apologize, I have a two-year-old in the  
17 background who is making some noise here. Uhm, this  
18 should include more funding for Fair Futures which  
19 provides coaches, tutors and critical supports for  
20 foster youth ages 11-21. The program sought \$2.7  
21 million in state rollover funding added at Exec but  
22 the Council called for \$20 million to be baselined.  
23 I look forward to hearing how ACS will prioritize  
24 Fair Futures and work with OMB to continue to use

essential supports for young people particularly with  
the foster care RFP on the horizon.

Childcare vouchers are another key concern.

Access to childcare essential – this is not planned;  
this is totally coincidental. Access to childcare is  
essential to an equitable path forward toward  
recovery in the city's workforce particularly for  
women. The Executive Budget includes a \$6.5 million  
new need for 22 new ACS staff to assist with voucher  
eligibility. However, it is not yet clear how many  
new vouchers will be added for families.

Additionally, the budget will ask \$4 million in  
funding for a special childcare funding vouchers or  
SCCF which provides childcare to low-income families.  
The Council called for \$19.8 million to be added.  
ACS is working with OMB and the state to expand its  
voucher system for high need families using CCBG  
revenues. And I look forward to hearing from the  
Commissioner about the future of voucher based  
childcare as we emerge from the pandemic.

ACS is foremost a child welfare agency and we  
know that primary prevention works to keep our  
children and families safe and healthy. This is why  
the Council called for an investment of \$4 million to

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1 expand the Family Enrichment Centers or FEC's to all  
2  
3 11 high need community partnership neighborhoods.

4 Although the Executive Budget did not include  
5 this, I am hopeful that we can build on this program  
6 at adoption. It has been a pleasure to work with  
7 Finance Chair Danny Dromm for the past four years and  
8 a privilege to serve as the Chair of the General  
9 Welfare Committee. This is my eighth and final  
10 budget hearing with ACS. Eighth and final Executive  
11 Budget hearing in addition to the eight Preliminary  
12 Budget hearings. I truly hope that the  
13 Administration goes big on what is possible and meets  
14 the moment by addressing some of the longstanding  
15 needs with federal revenue.

16 Together, we can help children and families  
17 recover from the hardships of the COVID-19 pandemic.  
18 I would like to thank Committee Staff for all their  
19 hard work in preparing for today' hearing. Senior  
20 Financial Analyst Daniel Kroop, Unit Head Dohini  
21 Sompura, Deputy Director Regina Poreda Ryan, our  
22 Finance Director Latonia McKinney, Committee Counsel  
23 Aminta Kilawan, Policy Analyst Natalie Omary and  
24 Crystal Pond, my Chief of Staff Jonathan Boucher and  
25 my Legislative Director Nicole Hunt.

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1  
2 And now, I would like to hand it back over to  
3 Chair Dromm before the Committee Counsel reviews some  
4 procedural items and swears in the Commissioner.  
5 Thank you all.

6 CHAIRPERSON DROMM: Thank you Chair Levin and it  
7 has been a great 12 years. We are same of the same  
8 class coming in in the City Council and it has been  
9 great to work with you. And also with Commissioner  
10 Hansell, it's great to see you. Thank you, it's been  
11 great to work with you on so many projects and I  
12 still have that picture of you on my desk, so I just  
13 want you to know that.

14 Anyway, I am going to ask Committee Counsel to  
15 swear in the witnesses and then testimony will be  
16 given. Thank you.

17 COMMITTEE COUNSEL: Thank you Chair. Before we  
18 begin I want to remind everyone that you will be on  
19 mute until you are recognized to speak. At which  
20 time, you will be unmuted by the Zoom host. If you  
21 mute yourself after you have been unmuted, you will  
22 need to be unmuted again by the host.

23 Please be aware that there could be a delay in  
24 muting and unmuting, so please be patient. I will  
25

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now administer the affirmation to the Administration  
witnesses.

Do you affirm that your testimony will be  
truthful to the best of your knowledge, information  
and belief? Commissioner Hansell?

DAVID HANSELL: I do.

COMMITTEE COUNSEL: Thank you. First Deputy  
Commissioner Saunders?

WINETTE SAUNDERS: I do.

COMMITTEE COUNSEL: Thank you and Deputy  
Commissioner Moiseyev.

MICHAEL MOISEYEV: I do.

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

DAVID HANSELL: Thank you very much. Good  
afternoon, Chair Levin, Chair Dromm, members of the  
Committees on General Welfare and Finance. And I  
think perhaps a future member of the City Council. I  
am David Hansell, I am Commissioner of the New York  
City Administration for Children's Services. And  
with me today are Winette Saunders, our First Deputy  
Commissioner and Michael Moiseyev, our Deputy  
Commissioner for Finance.

2 We very much appreciate the opportunity to  
3 testify before the Committees today. I know, as you  
4 have said that this is ACS's last budget hearing with  
5 you both of you as Chairs, and of course my final  
6 Budget hearing as a member of the DeBlasio  
7 Administration. And so, I want to particularly thank  
8 both of you and your colleagues for your tireless  
9 commitment to children and families, and for being  
10 such valuable partners in our work to protect  
11 children and support families.

12 I also want to start on a celebratory note by  
13 acknowledging that 2021 marks ACS's 25th anniversary.  
14 We have come a long way as an agency, rethinking and  
15 reshaping the ways in which we have served children  
16 and families over the past 25 years. I am grateful  
17 to have been a part of this work over the past four  
18 years as Commissioner. I am inspired every single  
19 day by my colleagues within ACS and our partners and  
20 colleagues, including parents, youth, provider  
21 agencies, attorneys, advocates and of course, members  
22 of the City Council.

23 Together we are building a system that  
24 strengthens and supports families, that removes  
25 barriers for parents and caregivers to access what

1 they need to keep children safe and well and that  
2 invests in the potential of all of New York City's  
3 children.  
4

5 Today, I will update you on the critical  
6 investments that New York City and ACS have made to  
7 achieve these goals and I will highlight the exciting  
8 new investments that we are making to further enhance  
9 our ability to support children and families,  
10 particularly at this pivotal time as the city moves  
11 forward with pandemic recovery.

12 We are proud of the many reforms we have made in  
13 our child protection work, which have enhanced our  
14 ability to conduct high-quality child protective  
15 assessments that identify what safety concerns may be  
16 present, so that we can quickly connect families with  
17 needed resources and supports, while minimizing more  
18 intrusive interventions.

19 Race equity remains a critical lens for this  
20 work. As you know, we had been urging the State to  
21 require implicit bias training for mandated  
22 reporters, such as teachers, doctors, social workers,  
23 just like the requirement we have in place for all  
24 ACS staff. It is crucial to guard against implicit  
25 biases that may influence our perceptions and

2 interpretations, and we want to make sure that when  
3 mandated reporters contact the Statewide Central  
4 Register, their reports are objective and based on  
5 true child safety concerns and not influenced by a  
6 family's race, ethnicity, or other factors.

7 I am happy to share with you that as required by  
8 the new state budget, the State Office of Children  
9 and Family Services will be updating its mandated  
10 reporter training to include implicit bias training.  
11 And OCFS is now required to implement implicit bias  
12 procedures when screening SCR reports. And we are  
13 really thrilled to see this change go into effect, as  
14 it represents one more step towards a more equitable  
15 system.

16 As we work to curb unnecessary investigative  
17 involvement with families, ACS is continuing to  
18 expand our CARES program. Which is our alternative,  
19 non-investigatory child protection response to those  
20 reports where there is no immediate or impending  
21 danger to children or allegation of serious child  
22 abuse.

23 Through CARES, specially trained child protection  
24 staff partner with families to assess child safety  
25 and family needs and to identify supportive services



1 when they are needed. Since November of last year,  
2 we have added seven new CARES units and expanded to  
3 all five boroughs and we are on track to have 32  
4 CARES units citywide by the end of this year. It  
5 remains essential that that our frontline child  
6 protective staff are equipped with the necessary  
7 experience, skills, and supports to conduct high-  
8 quality safety assessments and respond to family  
9 needs.  
10

11 During my time as Commissioner, we focused on  
12 lowering our CPS caseloads and improving CPS  
13 retention. After years of moving in the wrong  
14 direction, we are now seeing fewer CPS leave the  
15 agency after a short time in service. We have  
16 equipped all CPS with smart phones and tablets and  
17 implemented the Safe Measures dashboard, which helps  
18 CPS and their supervision team track and manage key  
19 case milestones and metrics. By enhancing our  
20 technology, CPS can be even more responsive to the  
21 families they serve, can quickly locate resources and  
22 information for families, and of course, this  
23 technology has been even more critical during the  
24 pandemic.  
25

2 As Commissioner, I have also focused on building  
3 ACS's culture as a learning organization so that we  
4 can continually address challenges and improve our  
5 work. We have dramatically expanded continuing  
6 professional development for CPS through our  
7 Workforce Institute and the James Satterwhite  
8 Academy, in partnership with CUNY. We have also  
9 implemented and continued to build a safety-focused  
10 culture in our child protective practice and when  
11 reviewing critical incidents, using a nationally  
12 recognized approach that draws from the same  
13 knowledge base and critical incident protocols as  
14 other safety-critical industries like healthcare that  
15 they use to improve their systems.

16 And through this approach, we have promoted a  
17 culture of openness among staff and managers and  
18 established shared agency-wide accountability, all of  
19 which strengthens our investigative practice and the  
20 child welfare system as a whole. The jobs of our  
21 frontline staff are among the most difficult in the  
22 city and it is imperative that our staff receive the  
23 specialized training they need to do their complex  
24 work. We are particularly excited to move forward,  
25 after a pause due to COVID-19, with our state-of-the-

1 art simulated training sites that will allow staff to  
2 train in apartments and courtrooms that replicate a  
3 real-world environment.  
4

5 A new class of 100 CPS are joining ACS later this  
6 month, actually two weeks from today, and they will  
7 get to experience these new training sites for  
8 themselves. Working with our team of practice  
9 experts and skilled actors to experience what the  
10 day-to-day work is like prior to going out into the  
11 community to work with families.

12 And later, these sites will be used not only for  
13 onboarding new CPS and Youth Development Specialists,  
14 and provider staff, but also to work with them to  
15 build their expertise throughout their careers. The  
16 Executive Budget includes the funding for our  
17 successful CPS Mentorship program, which we launched  
18 in 2020 in collaboration with DC37 and Local 371.  
19 This important program gives newly hired CPS the  
20 opportunity to receive additional support and helpful  
21 insights from more senior CPS colleagues who will  
22 serve as mentors and who understand what it is like  
23 to be new to this challenging job.

24 Mentors build important leadership skills and are  
25 compensated for their efforts to provide this support

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1 to new CPS. We initiated the program with 120  
2 mentors and we plan to add an additional 120 in  
3 Fiscal Year '22. As we grow this program, we expect  
4 it to further enhance morale, by allowing staff to  
5 discuss challenges in a supportive peer environment.  
6 We think it will help keep our attrition low and it  
7 will benefit our long-term growth of our experienced  
8 frontline employees. And all of this in turn, helps  
9 us better carry out our important mission of making  
10 sure children are safe and families are supported.

12 Just last month in April, we acknowledged  
13 National Child Abuse Prevention Month with a month-  
14 long series of virtual events to celebrate ACS and  
15 community-based prevention provider staff and to  
16 highlight the array of services we have available to  
17 support New York City children and families. We were  
18 also able to celebrate an important victory at the  
19 state level. The reversal of proposed cuts to  
20 prevention services that would have further reduced  
21 the state's share of prevention services  
22 reimbursement and that would have harmed our ability  
23 to offer essential supports to families that have  
24 become especially critical during the pandemic. We

1 are grateful to our state legislators who worked  
2 tirelessly to stop these cuts.

3  
4 Throughout the pandemic, our prevention providers  
5 have continued delivering services virtually and in-  
6 person to families. And these services included  
7 concrete goods like food, clothing and diapers, as  
8 well as mental health counseling, substance abuse  
9 treatment, homemaking services and many, many more.

10 I am especially proud of the prevention continuum  
11 that we have grown and strengthened during my time as  
12 Commissioner. We recently took additional steps to  
13 build an even stronger portfolio of services for  
14 families with teens who are experiencing challenges  
15 with behavior, substance misuse, mental health or  
16 other crises that place the young person at risk of  
17 out-of-home placement or justice system involvement.

18 Through the procurement of our Family  
19 Assessment Program, ACS and five community-based  
20 partners, Children's Aid, Children's Village,  
21 Community Mediation Services, JBFCS and New York  
22 Foundling, are positioned to help parents meet the  
23 common challenges of raising young adults through  
24 targeted adolescent services that range from family  
25 support and resource navigation to more intensive,

evidence-based models that offer in-home therapy,  
skill-building to increase behavioral control and  
support to restore positive family interaction.

When reflecting on ACS's history, these facts  
always bear repeating as the significant markers of  
reform. About 20,000 families with roughly 41,000  
children are served annually through our prevention  
services to support and strengthen families and keep  
children at home. At the same time, there are fewer  
than 8,000 New York City children in foster care, the  
lowest number in decades and a number that has  
decreased each year of my tenure as Commissioner.

We honor that progress and the hard work it took  
to achieve and we are strongly recommitted to our  
efforts to both ensure that foster care is always the  
last resort intervention and that children in our  
care are placed in safe, loving homes with  
opportunities to flourish and meet their goals. When  
children must come into foster care as a necessary  
safety intervention, we are intensely focused on  
placing them with relatives or other trusted adults  
with whom the child has a connection.

So far this fiscal year, more than half of the  
children who have entered foster care as a result of

1 abuse or neglect were placed with kinship caregivers.

2  
3 By continuously strengthening our work to identify  
4 and support kinship caregivers, we have been able to  
5 achieve an overall increase in the proportion of the  
6 city's foster children who are with kinship  
7 caregivers from 30 percent in 2017 to more than 42  
8 percent last year.

9 And as you know, ACS has been aggressively  
10 implementing a Foster Care Strategic Blueprint that  
11 has produced significant measurable results. In  
12 addition to fewer children in foster care, we have  
13 reduced length of stay in foster care. We have  
14 increased kinship placement and kinship guardianship.  
15 We have increased foster home recruitment and we have  
16 expanded programming for older youth. We will soon  
17 release our RFP for new foster care contracts to  
18 begin on July 1, 2022. We are using the  
19 transformational opportunity of this RFP to build on  
20 our success and to scale best practices and proven  
21 strategies to achieve the best possible safety,  
22 permanency and well-being outcomes for New York City  
23 children and families.

24 We intend to implement a shared framework across  
25 prevention and foster care services that aims to

2 shorten stays in foster care and provide greater  
3 support and stability to families during  
4 reunification following foster care.

5 And finally, we are working with New York State  
6 to align New York City with the implementation of the  
7 federal Family First legislation this September,  
8 which includes new assessment and court processes to  
9 limit residential care to youth to those who have a  
10 clinical or a therapeutic need for a higher level of  
11 care. And to enhance the residential care continuum  
12 to meet those needs through the creation of Qualified  
13 Residential Treatment Programs or QRTPs.

14 Supporting youth in foster care is critical to  
15 the work we do to ensure that youth in care receive  
16 the support and services they need. The Mayor and ACS  
17 remain committed to the Fair Futures program, which  
18 has provided critical coaching and tutoring services  
19 to thousands of youth in foster care. There is a  
20 \$2.7 million amount of state funds in the Executive  
21 Budget for the continuation of the program, which is  
22 a top priority for ACS. We look forward to working  
23 with the City Council to ensure that the Adopted  
24 Budget contains sufficient funds to continue the full  
25 implementation of this program.



1           During my time as Commissioner, ACS has  
2  
3 collaborated with youth advocates, our partner  
4 agencies and the Council to usher in a new era of  
5 juvenile justice reform with Raise the Age. New York  
6 City now serves youth who are arrested for crimes  
7 they are alleged to have committed at age 16 or 17.  
8 They are now served in our juvenile justice  
9 continuum, which has increasingly meant community-  
10 based services and links to therapeutic supports. As  
11 we work to divert young people from justice-system  
12 involvement, through programs in our continuum and  
13 in partnership with our sister city agencies, we must  
14 also ensure that our juvenile justice environments  
15 are tailored to support the youth in our care.

16           For the two secure detention facilities that ACS  
17 manages, Horizon in the Bronx and Crossroads in  
18 Brooklyn. This means continuing the critical capital  
19 projects that will enhance our youth-centered  
20 environment and help ensure the facilities are safe  
21 and secure for both youth and staff. To that end,  
22 the Executive Budget adds \$94.6 million to our  
23 capital budget, for a total of \$336 million committed  
24 to renovations at Horizon and Crossroads, which will  
25 provide the essential and comprehensive upgrades that

both of our detention facilities require to become  
safe and state-of-the-art facilities for youth.

This work will include critical infrastructure  
upgrades to HVAC, electric, safety and security  
systems, as well as food service upgrades. But it  
will also programming, vocational, educational,  
medical, mental health and family visiting spaces,  
all of which will help us better meet the needs of  
youth, including the older population we are now  
serving since Raise the Age. And we look forward to  
keeping the Council updated as this work progresses.

Currently, we are focused in both detention and  
Close to Home on supporting youth to successfully  
complete the school year and plan for the summer.  
Like other New York City students, the students in  
detention and Close to Home, are now participating in  
blended learning schedules, with a mix of in-person  
and remote learning. In addition to the academic  
program provided by the Department of Education, ACS  
is continually adding supports and educational  
enrichment opportunities for youth beyond the regular  
school day. For example, to support youth during the  
pandemic, we have partnered with organizations like  
the Center for Community Alternatives and The Kite to

1 offer an array of tutoring services for youth in  
2 secure detention. And with Tier NYC, to provide  
3 similar tutoring and support services for youth in  
4 Close to Home.  
5

6 In partnership with those organizations, CUNY,  
7 CCA and The Kite, youth in secure detention and Close  
8 to Home, have accessed specially created college and  
9 career exploration content during the pandemic. And  
10 youth have also participated in college prep and  
11 college credit-bearing courses through CUNY College  
12 Now and Kingsborough Community College.

13 We offer enrichment and skill-building  
14 opportunities for youth in our care, which is crucial  
15 to positively engage youth. We have planning well  
16 underway to offer a full array of enriching  
17 opportunities for our youth this summer. We are  
18 excited to once again offer the Children's Defense  
19 Fund Freedom School, a six-week summer literacy and  
20 enrichment course. And we have begun to share  
21 information and facilitate the enrollment of youth in  
22 the Summer Youth Employment Program across our  
23 juvenile justice continuum.

24 ACS's newest division, which I established my  
25 first year as Commissioner, represents the future we

1 hope to realize in child welfare. We want all  
2 families to have access to concrete resources that  
3 address the effects of poverty, social isolation and  
4 the stresses of parenting. To feel connected to  
5 strong communities that support them in times of need  
6 and to be armed with actionable information about  
7 child safety. After a highly successful three-year  
8 demonstration project, we recently completed an RFP  
9 process and issued awards for our three Family  
10 Enrichment Centers in East New York, run by Good  
11 Shepherd Services, Hunts Point in the Bronx run by  
12 Graham Windham and Highbridge in the Bronx run by a  
13 coalition of Bridgebuilders and Children's Village.  
14

15 The FECs have been co-designed with local  
16 families and community members since they were first  
17 developed in 2018, starting with each community  
18 naming their own FEC. Today, Parent Leaders co-  
19 design and share concrete supports and resources with  
20 families and community members, who in turn, bring  
21 their knowledge, passion and talents to the FECs.  
22 Grassroots planning is at the root of this model,  
23 which helps to set it apart from a traditional social  
24 service program. These community hubs have proven  
25 crucial throughout the pandemic, providing community

members concrete goods as well as both an in-person  
and virtual community to prevent social isolation.

In addition to the three FECs, we have 11  
Community Partnership Programs or CPPs, which  
leverage existing services and help to connect the  
service dots, so that families are aware of and can  
better access, the full continuum of supports in  
their neighborhoods. The CPPs have also been  
invaluable throughout the pandemic, providing  
families with concrete resources and supports they  
have desperately needed.

Through the FEC and Community Partnerships  
models, we aim to disrupt the historic racial  
disproportionality that we have seen in child  
welfare, with Parent Leaders, FEC staff and Community  
Ambassadors working to connect family members to the  
unique type of family support that they need, when  
and how they need it.

Our goal is to reduce this disparity and decrease  
families' interaction with child welfare through  
primary prevention supports. And there is perhaps no  
greater primary prevention service than child care,  
which enables families to work while their children  
are safely cared for in a developmentally appropriate

1 and stimulating learning environment. After more  
2 than a year of stress, disruptions and economic  
3 uncertainty, it is critical that New York City  
4 families and especially our most vulnerable families,  
5 have enhanced access to child care.  
6

7 So we are implementing a bold new plan to  
8 increase access to low-cost, federally-funded  
9 childcare vouchers for thousands of additional  
10 families, with a number of measures to expand access  
11 and eligibility. The Executive Budget includes \$2.5  
12 million in CTL for FY22 to support ACS's  
13 administrative costs needed to process the  
14 applications for what we believe will be thousands  
15 more families. We are eager to fully leverage  
16 federal childcare funds to enable more families to  
17 receive federally funded subsidized childcare. Our  
18 multi-part plan includes seeking New York State  
19 approval first of all to increase the income  
20 eligibility from 200 percent to 265 percent of the  
21 federal poverty level. Also at the lower end, to  
22 eliminate the requirement, which believe it or not  
23 exists in State law, that a family must earn at least  
24 minimum wage to qualify for subsidized childcare  
25 assistance. And to increase the length of time an

1 eligible family can continue to receive childcare  
2 from 12 months to 24 months, without having to go  
3 through the recertification process.  
4

5 We are also seeking state approval to use federal  
6 Childcare Block Grant funding for a demonstration  
7 project that will target childcare vouchers to high  
8 need families, targeting the eleven community  
9 districts in neighborhoods that are supported by our  
10 Family Enrichment Centers and our Community  
11 Partnership Programs. All community districts and  
12 neighborhoods that have been heavily impacted by  
13 COVID-19.

14 We also want to assure that families most in need  
15 of childcare have access. We have restored  
16 prioritization for post-transitional childcare  
17 vouchers, so that low-income families transitioning  
18 off other public assistance benefits can continue to  
19 receive uninterrupted childcare. Also, we are  
20 prioritizing vouchers for families who are homeless  
21 and for families who have recently participated in  
22 our child welfare programs. Including for example,  
23 families who have adopted a child from foster care or  
24 who have received preventive services. We are very  
25 excited that income-eligible families who have been

1 receiving childcare when their child welfare cases  
2 are open, will be able to continue to receive  
3 childcare after reunification, adoption, KinGAP and  
4 after prevention services end.  
5

6 We are also expanding childcare access to include  
7 families participating in an approved substance abuse  
8 treatment program. We know that many families rely  
9 on home-based providers and we will be increasing the  
10 rate for those providers who participate in at least  
11 ten hours of training annually. We anticipates that  
12 this plan will enable thousands more New York City  
13 families to receive federally funded childcare  
14 vouchers. These vouchers can be used for either  
15 center-based or home-based childcare options.

16 The Executive Budget also adds funds to our  
17 budget for additional staff to carry out expansion  
18 and enrollment activities, making sure that families  
19 are supported through the application process.  
20 Making sure that applications are determined as  
21 quickly as possible, so that families can have  
22 childcare arrangements in place when starting work or  
23 other activities. And making sure that providers  
24 receive training and assistance to help ensure they  
25 are timely reimbursed for their services.



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I have mentioned some the key investments that we  
are excited to see in the Executive Budget and I will  
now share some further budgetary details. In  
summary, our FY22 Executive Budget is \$2.69 billion,  
including \$983.9 million in City Tax Levy funding.  
We received new need adjustments to our FY22 budget  
including a total of \$69.7 million in CTL. And the  
highlights of our new needs are the following:  
Funding for enhanced operational capacity, as I  
mentioned, to support our planned expansion in  
childcare access. With additional enrollment and  
eligibility staff to support CCBG funded childcare  
for families, as well as resources to market  
childcare in the communities that are part of our  
proposed demonstration project. There is also  
funding for us to be able to comply with a new state  
mandate to track childcare time and attendance by the  
hour, rather than as part-time or full-time.

This funding will enable us to add staff capacity  
to support providers with training, to ensure  
payments are processed timely and to perform related  
quality assurance activities. Our Executive Budget  
includes funding as I mentioned, to partially fund  
the Fair Futures program with \$2.7 million in FY22

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2 from prior year state revenue. It includes funding  
3 to address the budget gap in FY22 that's created by  
4 the federal elimination of our federal IV-E waiver  
5 and the end of the federal transition funding. It  
6 also includes funding to stabilize our residential  
7 care providers through a more predictable funding  
8 methodology.

9 Beginning back in FY20, our residential providers  
10 have received a higher rate to help offset budget  
11 uncertainty, due to federal and state funding  
12 structures that reimburse providers based on the  
13 number of children in their care each day, something  
14 that fluctuate wildly. This allocation was baselined  
15 at \$9.8 million CTL starting in FY22 and helps  
16 providers address staffing, turnover and other basic  
17 infrastructure issues, which in turn improves agency  
18 stability and the quality of services for children in  
19 their care.

20 There is funding in our budget for the CPS  
21 Mentorship program, which as I mentioned gives newly  
22 hired CPS the opportunity to receive additional  
23 support and insights from more senior CPS, who will  
24 serve as their mentors. And it includes, as I  
25 mentioned, funding in our capital budget for

1 renovations at Horizon and Crossroads, to support  
2 upgrades to infrastructure and to enhance programming  
3 and recreation areas for youth.

4  
5 In addition to the city's important investments  
6 in our programs and services, we were pleased, as I  
7 had mentioned, that the final enacted state budget  
8 did not contain any of the devastating cuts that were  
9 initially proposed. And including it reversed the 20  
10 percent across the board cut to many of our services,  
11 including prevention, adoption subsidy and detention.

12 We know many state legislators, many City Council  
13 members, and many providers and advocates worked hard  
14 in Albany to reach this result and we are thankful  
15 for their support and efforts.

16 And importantly, the state budget also included  
17 implementing legislation for the federal Family First  
18 Prevention Services Act and we will continue to work  
19 with OCFS and our child welfare partners to implement  
20 the new requirements.

21 In conclusion, I am immensely proud of the  
22 progress we have made at ACS over the past four years  
23 but just as proud of the fact that we continue to  
24 remain laser-focused on opportunities to better serve  
25 children and families. We are grateful to the City

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2 Council for your continued support and advocacy on  
3 behalf of New York City children and families. I  
4 feel personally privileged to have worked throughout  
5 my tenure with Chair Levin and Chair Dromm and Chair  
6 Dromm if I could digress for a minute. You and I  
7 have actually known each other for many decades and  
8 worked together and I have always admired you  
9 tremendously as an exemplary public servant, whether  
10 as a teacher or an elected official.

11 And I know that you and your colleagues all share  
12 a strong personal connection and dedication to this  
13 work. And so, we look forward to sharing more  
14 details with you about ACS's 25th Anniversary  
15 celebrations this summer. And we very much hope that  
16 you will all join us for the festivities. Thank you  
17 and my colleagues and I are happy to take your  
18 questions.

19 CHAIRPERSON DROMM: Thank you very much  
20 Commissioner and yes, it has been a pleasure working  
21 with you and yes, we have known each other for a long  
22 time now. So, thank you, it's been a pleasure,  
23 especially working with you in the capacity.

24 So, we have some questions Commissioner and I  
25 want to ask some questions and then Stephen, Council

1 Member Levin will ask some and then we have Council  
2 Members I believe who are also going to ask  
3 questions.  
4

5 The ACS budget allocates over \$650 million for  
6 child protective and prevention services. The  
7 Council has been concerned since the beginning of the  
8 pandemic that child abuse and neglect cases were  
9 going unreported due to the decrease contact children  
10 were having with mandated reporters like teachers.  
11 Does ACS Fiscal '22 budget adequately fund programs  
12 proposed at pandemic recovery for children and  
13 families?

14 DAVID HANSELL: Thank you very much for that very  
15 important question Chair Dromm. The short answer is  
16 yes and let me give some context. When the pandemic  
17 started back in March of 2020 when the schools  
18 closed, when the city went into essentially lockdown  
19 for a period of time, the number of reports that went  
20 to the state central registry, they got referred to  
21 ACS for investigation. Dropped quite significantly  
22 by about 50 percent initially. And that, while it  
23 was concerning, very concerning, it was not really  
24 surprising. The schools closed and typically about a  
25 quarter of our reports come from educators from the

2 schools. And of course, for a period of time young  
3 people were not seeing doctors, therapists, coaches,  
4 other people who are mandated reporters as you  
5 mentioned and have an obligation to report possible  
6 abuse or neglect.

7 So, those are the reasons we think why that  
8 happened but it was concerning. I am happy to say  
9 that that actually changed fairly quickly and really  
10 by the summer of 2020, summer of last year, we were  
11 back to approaching normal levels of reporting. But  
12 we were concerned about whether that meant there were  
13 children who were isolated at home not coming to the  
14 attention of other service systems and not being  
15 reported when they might have been in some danger.

16 Now, first of all, we monitored sort of other  
17 information sources like, you know, emergency room  
18 reports, things like that and we did not see any  
19 evidence of that and we didn't see any evidence of  
20 that with regard to you know any shift in the  
21 proportion of reports we were receiving that were  
22 more serious.

23 So, we actually don't have any data to suggest  
24 that was happening in New York City but we also  
25 wanted to make sure that it wasn't happening, so we

1  
2 also tried to compensate for the reduction in  
3 supports by doing a few things. We worked very  
4 closely with our other, our city agency partners and  
5 other service systems who were continuing to see  
6 children to make sure that they were aware of their  
7 obligations.

8       So, we work closely with the schools on guidance  
9 about child welfare in the context of remote  
10 learning. We worked very closely with the homeless  
11 system. We worked very closely with the hospitals  
12 and the healthcare system to make sure that you know  
13 they were appropriately reporting when children might  
14 be in trouble. We also wanted to make sure that New  
15 Yorkers were aware that anyone who has concern about  
16 a child can report and actually interestingly, during  
17 the pandemic, one of the things that we saw was a  
18 proportional increase in reports coming not from  
19 mandated reporters but from other kinds of reports,  
20 community members, family members, neighbors,  
21 friends.

22       So, people you know, in the community around  
23 children were being vigilant about child safety and  
24 were alerting the SCR when they thought a child might  
25

1  
2 be in danger. So, that was I think a very important  
3 development.

4 So, we did quite a bit to make sure that children  
5 were safe. We of course continued to conduct our  
6 child protective investigations when we needed to  
7 24/7, including going into the community. Our CPS  
8 never stopped working in the community. Never  
9 stopped interacting with families in person when that  
10 was necessary and increasingly the work they were  
11 doing with families, was helping families meet the  
12 kind of concrete needs I talked about in my  
13 testimony. Food, housing, childcare, helping kids  
14 with remote learning at home where they were having  
15 you know trouble doing that, connecting with their  
16 school.

17 So, we continue to do all that work. I am happy  
18 to say that as I said, we are now back to the point  
19 where our reporting that's coming from both mandated  
20 and nonmandated reporters is back much closer to  
21 normal levels and yes, the budget for FY22 does give  
22 us a sufficient level of funding to make sure that we  
23 will be able to continue to meet the needs of New  
24 York City families, to maintain caseloads that are  
25 reasonable and allow our CPS to devote enough



1 attention to every family they work with. So, I am  
2 confident we will have the resources going forward to  
3 meet the needs as the city emerges from the pandemic.

4 CHAIRPERSON DROMM: Do you expect any money from  
5 the feds, from the federal stimulus plan and if you  
6 do, could that be used to fill any budget gaps moving  
7 forward?  
8

9 DAVID HANSELL: Yes we do antici- we receive some  
10 relatively small amounts of money through the earlier  
11 stimulus packages for some of the emergency expenses  
12 that we incurred and Deputy Commissioner Moiseyev can  
13 speak in detail if you would like the numbers. But  
14 you know, we obviously, we and our providers incurred  
15 emergency expenses for PPE and technology and things  
16 like that. We receive some federal stimulus  
17 reimbursement for that.

18 Additional reimbursement is going to the state  
19 and we don't yet know and the most significant  
20 component of federal reimbursement will be for  
21 childcare. There was a very, very substantial  
22 allocation of additional childcare money in both the  
23 CARES Act that was enacted in December and the  
24 American Rescue Plan that was enacted more recently.

Both of those have resulted in significant additional  
childcare funding going to the state.

The State Office of Children Family Services has  
not yet indicated how much of that money will be  
coming to ACS or to New York City. So, we don't yet  
know how much federal childcare money we will be  
receiving. We expect it will be substantial and we  
are certainly doing planning on that assumption but  
we still don't know and we are very anxious to hear  
from the state what kind of childcare funding we will  
be receiving so we can make sure that we are fully  
utilizing it to meet the childcare needs of children  
and families in New York City.

CHAIRPERSON DROMM: So, Deputy Commissioner, can  
you get us those numbers that the Commissioner is  
referring to?

MICHAEL MOISEYEV: Absolutely. Thank you. So,  
in December, we received \$1 million from the CARES  
Act for PPE, cellphones, tablets, laptops, food and  
household supplies to support the safety and  
wellbeing of children and families.

We also received \$3.8 million in connection with  
a Department of Justice Grant that provided onsite  
nurses and other medical staff, online tutoring for

1 youth, and again technology including laptops,  
2 tablets, as well as large video screens to promote  
3 prosocial programming opportunities and educational  
4 engagement and once again PPE.  
5

6 CHAIRPERSON DROMM: Thank you and the budget also  
7 includes a new need of \$6.5 million in Fiscal '22 to  
8 expand voucher eligibility by adding 22 baseline  
9 staff. How will these new staff assist families in  
10 assessing childcare and how many new vouchers will be  
11 added?

12 DAVID HANSELL: Well, we are very excited about  
13 that as I said in my testimony. I talked in some  
14 detail about the ways in which we hope to expand  
15 eligibility and access. We don't have a precise  
16 number but we absolutely think the plan as I outlined  
17 in the testimony, has the potential to add thousands  
18 of additional families. Perhaps and this is an  
19 estimate, perhaps something in the 10,000-15,000  
20 range of additional families to our federally funded  
21 childcare system in New York City. Obviously, that  
22 will require more administrative support. We have to  
23 help families through the eligibility process. We  
24 have to make sure that we are determining eligibility  
25 and granting them access and their benefits as

1 quickly as possible. And we have to make sure we are  
2 assuring program quality and program integrity in all  
3 of the eligibility functions that we perform.

4 So, that funding will basically be used to fund  
5 the administrative support for the thousands of  
6 additional families that will qualify for federally  
7 subsidized childcare through the various expansions  
8 that we are proposing.

9 CHAIRPERSON DROMM: Okay, another new need, a  
10 response to the withdrawal of federal Title IV-E  
11 waiver. As a result, the city is backfilling \$54.9  
12 million next year.

13 So, why isn't that adjustment baselined? And can  
14 any additional federal stimulus funds be used instead  
15 to close the gap?

16 DAVID HANSELL: Great questions. Let me say a  
17 little bit about, so the programmatic background to  
18 that and then I will turn to Deputy Commissioner  
19 Moiseyev who can talk to you about the baselining  
20 issue and how we have discussed that OMB.

21 Just as the background, New York City had a very  
22 innovative waiver from the federal government, which  
23 is known as a Title IV-E waiver, that allowed us to  
24 basically use our federal funding in some very  
25

2 innovative ways to try to you know improve services  
3 for children in foster care. It was very successful.  
4 As a result of it, we were able to reduce length of  
5 stay and care very significantly.

6 But our waiver, actually like every waiver in the  
7 country ended a couple years ago. The legislative  
8 authority from Congress for those waivers ended. So,  
9 it had to end. We knew we were going to face a big  
10 cliff when that happened. This is back I think in  
11 2019. We actually and I take some pride in saying we  
12 were instrumental working especially with our  
13 colleagues in Los Angeles in advocating to congress  
14 for two years of transitional funding because we knew  
15 that cliff was going to be a problem and we got two  
16 years of transitional funding for all the  
17 jurisdictions across the country. I think there were  
18 20 some of them whose waivers were ending.

19 That has sustained us through Fiscal Year '21 but  
20 now that transitional funding is also ending. So,  
21 now that cliff that managed to postpone for quite a  
22 while is going to hit us in FY22. And that's why we  
23 have this need. And so, we have worked with OMB to  
24 make sure that that cliff is not in any way going to  
25 require us to you know reduce any of the programming

1 we are providing in our foster care program or  
2  
3 undermine the innovations we want to put in place  
4 through our new RFP. And let me turn to Deputy  
5 Commissioner Moiseyev to just talk about how we have  
6 worked with OMB to make sure that's the case.

7 MICHAEL MOISEYEV: Absolutely. Thanks  
8 Commissioner. So, yes, we have a commitment to  
9 continue programming at current levels. OMB was able  
10 to identify \$54.9 million in city funding to  
11 basically backfill this hole. So, essentially it  
12 swaps in \$54.9 million in the city funding in lieu of  
13 well, a federal baseline that's no longer going to be  
14 there.

15 We are going to work very closely with OMB to  
16 look at the outyears and see what can be done. We  
17 have a joint commitment to continue programming at  
18 these levels and we will keep you informed.

19 CHAIRPERSON DROMM: Okay thank you and just  
20 quickly because we are, we are running late. I just  
21 want to talk a little bit about DOE's District 79  
22 which operates passages and in partnership with ACS.  
23 So, what in-person instruction is currently happening  
24 at Horizon and Crossroads? And does the Executive

Budget include any new funding to support the in-  
person teaching?

DAVID HANSELL: Yeah, let me say a little bit and  
then I will turn to First Deputy Commissioner  
Saunders to provide more detail. And I will say,  
uhm, I am delighted that First Deputy Commissioner  
Saunders who as you know, just moved into her new  
role about a month ago, is going to take on a very  
large amount of responsibility in overseeing our  
juvenile justice programs and our secure detention  
programs in particular, which is very much in keeping  
with her background. And so, she has already gotten  
very engaged in that.

Department of Education as you know Chair Dromm,  
provides all education programming for kids in secure  
detention and Close to Home as you mentioned, through  
District 79. And basically, the young people who are  
both in detention and Close to Home, are receiving  
the same educational services as young people in the  
community.

So, when DOE moved from remote to hybrid, our  
programs did as well. So, all of our young people  
now are receiving a hybrid instructional program of  
some in person education and some remote. In

1 detention, all young people have Chrome Books and so,  
2 on the days when they are learning remotely, they are  
3 using their Chrome books to connect with their  
4 teachers. And there is an equivalent counterpart for  
5 the kids in Close to Home are also using tablets for  
6 their remote days.  
7

8 So, they are all in hybrid currently. But the  
9 commitment is as DOE moves more and more towards in-  
10 person education in the community, it will also do so  
11 for the young people in our juvenile justice program.  
12 And we do have the funding that we need to make sure  
13 that remains the case and the Department of Education  
14 does as well.

15 First Deputy Commissioner Saunders, anything you  
16 would like to elaborate on?

17 WINETTE SAUNDERS: No, I just would like to just  
18 add that we work very closely with DOE. As you  
19 mentioned, we have hybrid model, which provides both  
20 educational services in person and via virtual  
21 platform. Our students receive in-person services  
22 and attend virtually through the DOE issued Chrome  
23 Books.

24 But ACS has made efforts to also provide all of  
25 our youth with tablets so that they can also do



1 additional programming. Aside from the virtual  
2 programming that we do with their tablets, that ACS  
3 provides, we also have been implementing in-person  
4 programming you know in concert with the guidance  
5 that we receive from the Department of Health and  
6 Mental Hygiene.  
7

8 CHAIRPERSON DROMM: Okay and just finally, let me  
9 ask, are you able to meet the mandates in students  
10 IEP's?

11 DAVID HANSELL: Uhm, we certainly are and First  
12 Deputy Commissioner Saunders, can you speak to the  
13 details how to do that?

14 WINETTE SAUNDERS: Well, what I would say is the  
15 IEP's I have administered by DOE and we do all that  
16 we can to support DOE with all of the services that  
17 they provide our young people. But that is  
18 definitely a question that DOE would be most  
19 responsible for as they employ, institute the IEP's  
20 for young people.

21 CHAIRPERSON DROMM: Do you know whether or not  
22 they have been able to do it?

23 WINETTE SAUNDERS: I am not clear on that but I  
24 am sure that we could ask DOE to respond to that.

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CHAIRPERSON DROMM: Okay, that would be great and  
if you can get that information and share it with us,  
I would appreciate it.

DAVID HANSELL: We will certainly do that.

CHAIRPERSON DROMM: Okay, thank you. I am going  
to turn it over to Chair Levin.

CHAIRPERSON LEVIN: Thank you very much Chair  
Dromm. Give me one moment to bring up questions.  
Okay, Commissioner, thank you so much. Deputy  
Commissioner Saunders, thank you. Deputy  
Commissioner Moiseyev, nice to see you as well, thank  
you. And I want to express my gratitude for the  
member of the cultural community for their patience  
here. We will try to get our questions out quickly  
here. I know that we have two more colleagues that  
want to answer questions.

So, Commissioner, I just want to ask about Fair  
Futures. It's been a key priority for the Council  
and myself since it was first funded in FY20. The  
FY22 Executive Budget adds only \$2.7 million for the  
program. The Council has called for \$20 million in  
our Preliminary Budget response to be baselined. We  
know that we need at least \$12 million to continue  
the program. Can you tell us the mix of city and

1 state funding for Fair Futures in Fiscal '21? And  
2  
3 can we restore the city funding in Fiscal '22 as a  
4 first step to baselining the \$20 million.

5 DAVID HANSELL: Thank you for the questions. I  
6 will turn to Deputy Commissioner Moiseyev on the  
7 funding. I will just say that I do want to reiterate  
8 what I said in my testimony because it is so  
9 important and it is important to us. Fair Futures is  
10 a top priority for ACS. It's a program, you know we  
11 began implementing it just about a year and a half  
12 ago in November of 2019 with the first year funding  
13 that we received and so, in the year in a half its  
14 been an existence. We think it has shown tremendous  
15 benefit. It has served thousands of young people in  
16 foster care. We are really delighted we are the  
17 first jurisdiction in the country to provide  
18 dedicated coaches to all youth in foster care from  
19 age 11 to age 21.

20 And we think the program frankly has been so  
21 successful that as we indicated in the concept paper  
22 that we issued some months ago in anticipation of our  
23 forthcoming foster care RFP. You know, we indicated  
24 that we are interested in really making it a core  
25 part of our foster care model.

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2 So, we remain very committed to it. I can say  
3 that the Mayor remains committed as well. And as I  
4 said in the testimony, we look forward to working  
5 with you and other Council Members to make sure that  
6 the Adopted Budget fully funds the implementation of  
7 the program going forward. And that will be to come  
8 and let me turn to Michael to give you the breakdown  
9 on the funding streams.

10 MICHAEL MOISEYEV: Thank you Commissioner. In  
11 Fiscal Year '21, Fair Futures is funded with \$2.7  
12 million in city levy and \$9.3 million in state  
13 preventive revenue. That's a little bit of a one  
14 time situation. It stems from programs originally  
15 funded back in FY20; it was funded at \$10 million  
16 exclusively with city funds. And we were able to  
17 begin claiming on the program. At the time, it  
18 wasn't clear how much we would get but claiming has  
19 been pretty healthy on it. And so, we were able to  
20 combine both reimbursements for Fiscal Year '20 and  
21 reimbursements for Fiscal Year '21 to kind of  
22 maximize the FY21 support for it.

23 So, it's currently at \$2.7 and \$9.3 but long-term  
24 the mix is really more like about 45 percent state,  
25 55 percent city once the one time money is done.

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2 CHAIRPERSON LEVIN: And can we commit that no  
3 child – no foster youth who is currently in the  
4 program will lose their coach as of July 1<sup>st</sup>? Is  
5 that a commitment we are willing to make right now?

6 DAVID HANSELL: We have spoken with our foster  
7 care agencies and told them to anticipate continuing  
8 services. Not to layoff staff but to anticipate that  
9 the program will continue.

10 CHAIRPERSON LEVIN: Okay because yeah, that an  
11 important part in terms of capacity and some  
12 continuity within the services. Making sure that  
13 coaches are not out looking for other jobs.

14 DAVID HANSELL: Absolutely.

15 CHAIRPERSON LEVIN: Uhm, uh, I want to ask about  
16 vouchers. Obviously the pandemic has laid bear how  
17 central childcare is to the city's economy and its  
18 workforce, especially for working mothers. The  
19 budget is missing \$4 million for STCF vouchers and  
20 the Council has called for \$19.8 million. How many  
21 more vouchers can we expect from this possible  
22 voucher expansion and possible CCBG revenue, new CCBG  
23 revenues and what's the vision for the future of  
24 SCCF? Is that being phased out? How do we ensure  
25 that – because as you know, SCCF replaced CCBG seven

1 years ago. So, here we are now transitioning back to  
2 CCBG, which is fine if it has you know similar  
3 qualifications, criteria and is a long-term funding  
4 model but what is the future of SCCF?  
5

6 DAVID HANSELL: Yeah, well let me sort of speak  
7 to our programmatic vision for childcare vouchers and  
8 then Deputy Commissioner Moiseyev can talk through  
9 the numbers that sort of go with the ups and downs in  
10 SCCF funding over the years, which have been sort of  
11 significant. It's been kind of a roller coaster as  
12 you know.

13 So, you know, the reason SCCF was created in the  
14 first place; well, I guess there were two. One is,  
15 that at that time, there were constraints on how much  
16 money the city had, federal money to provide  
17 vouchers. But the other is, that there were and  
18 continue to be some eligibility requirements for  
19 federally funded childcare. That means some families  
20 that need it, don't qualify for it. And so SCCF was  
21 created really in a sense to compensate for that and  
22 make sure there was a source of childcare vouchers  
23 for families who didn't qualify for federally funded  
24 vouchers.

2 That number has gone up and down over the years  
3 based on the city's fiscal situation and year by year  
4 negotiations between the Mayor and the Council.

5 Our feeling is that you know, we want to maximize  
6 the federal childcare block grant revenue that the  
7 city receives to provide as much childcare to  
8 families who need it as possible. For two reasons,  
9 one is that's in the city's fiscal interest. If we  
10 can serve families with federally funded childcare  
11 that saves city tax levy resources for other things.

12 And second, frankly it provides more stability  
13 for families. SCCF, as you just pointed out, goes up  
14 and down. We don't want families to have to worry  
15 year by year whether they are going to have  
16 continuity in childcare and the federal funding  
17 actually has pretty much gone up and up and all  
18 indications are in the Biden Administration, it's  
19 likely to go up quite significantly.

20 So, our sort of broad conceptional approach is to  
21 make as many families as we reasonably can eligible  
22 for federally funded childcare to basically relieve  
23 the burden on CTL funded SCCF vouchers. That's why  
24 we are proposing all the things I mentioned in my  
25 testimony, expanding income eligibility. Expanding

1 the categories of families who are prioritized for  
2 childcare, extending certification periods, which  
3 reduces the number of families who lose childcare  
4 because of the churn every year when they have to  
5 recertify.  
6

7       So, we think by doing that, we will as I said, we  
8 don't have a precise estimate but definitely  
9 thousands and our rough estimate is probably  
10 somewhere between 10,000 and 15,000 additional  
11 families will become eligible for federally  
12 subsidized childcare. And our hope is that that will  
13 reduce the need for SCCF vouchers.

14       And in fact, as you know very well Chair Levin,  
15 we have talked about this a number of times. When  
16 the SCCF funding was reduced last year, we made it  
17 our priority to basically transfer as many families  
18 as we could who were receiving SCCF funded vouchers,  
19 city funded vouchers onto federally funded vouchers,  
20 so there was no lapse in their childcare.

21       And we were successful in doing that as you know  
22 for thousands of families. So, we want to continue  
23 to do that as much as possible but there will remain  
24 some federal you know limitations on eligibility.

25 And so, probably there will remain a need for SCCF



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1 vouchers as well. And I would anticipate that again,  
2 as it has been in past year, this is an issue that  
3 the Mayor and the Council will want to discuss as  
4 part of the Adopted Budget negotiations to determine  
5 what the ultimate level of SCCF voucher funding  
6 should be in the Adopted Budget.  
7

8 CHAIRPERSON LEVIN: Okay, uhm, thank you  
9 Commissioner. So, now just because SCCF had a – was,  
10 I think it was funded in the actual SCCF line at \$4  
11 million last year. Is that proposed to go down to  
12 zero or how is that being – how is the phase out,  
13 phase in handled?

14 DAVID HANSELL: I will ask Deputy Commissioner  
15 Moiseyev to respond to that.

16 MICHAEL MOISEYEV: Sure, sure, sure thing. In  
17 FY21, there was one time funding of \$4 million that  
18 is not there in FY22 amount. There was also a  
19 baseline of \$7.1 million and that continues in all  
20 years. And as the Commissioner said, its gone up and  
21 down over the years. That's a baseline that used to  
22 be \$27 million.

23 CHAIRPERSON LEVIN: Right.

24 MICHAEL MOISEYEV: That in terms of the services  
25 providing vouchers, it's still essentially the same.

1 It's just CCBG basically swapped out the CTL but it's  
2 the same family as receiving the same services.

3 So, it's \$7.1 baselined and then \$4.0 million one  
4 time in FY21.

5 CHAIRPERSON LEVIN: Okay and then the remainder  
6 was made up. In other words, are we – and then so  
7 what are we anticipating; I am sorry to my friends in  
8 the libraries, I see that they are waiting. What's  
9 the – so than what's the anticipated CCBG funding for  
10 vouchers then in FY22?

11 DAVID HANSELL: Well, the only –

12 CHAIRPERSON LEVIN: What's the total universe?  
13 Sorry, what's the total universe between SCCF  
14 baseline and CCBG?

15 DAVID HANSELL: Michael?

16 MICHAEL MOISEYEV: Sure, in terms of the vouchers  
17 for FY21, we are at 5,500 for what used to be the  
18 SCCF universe that's now kind of the combined SCCF  
19 CCBG universe. And of that 5,500, 1,500 in FY21 are  
20 SCCF and about 4,000 are CCBG. The CCBG will  
21 continue but the majority of the SCCF will continue  
22 as well because they are supported by that \$7  
23 million. The \$4 million that does not continue into  
24 FY22 would support around 545 vouchers.

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CHAIRPERSON LEVIN: Right, no, no what I am asking is for FY22 Proposed FY22, what's the total dollar amount anticipated between for vouchers for nonmandated vouchers combining your SCCF, your 7.1 SCCF plus your CCBG, your new CCBG? What's the total universe of funding on nonmandated vouchers?

MICHAEL MOISEYEV: I may have to come back to you only because it is a little tricky on how we talk about CCBG because are we talking about CCBG as the part of CCBG that backfills SCCF or more broadly? Because CCBG supports other types of vouchers as well.

CHAIRPERSON LEVIN: Uhm, okay, well let's sorry, I have my son returning here. Let's come back to it. We will talk about it offline here.

DAVID HANSELL: Yeah, we can certainly provide you a detailed breakdown on the voucher budget.

CHAIRPERSON LEVIN: Okay. Sorry, just a couple more questions here. The new foster care RFP will be released this spring. What's the current timeline and will the RFP have more or less funding that it has currently under the current RFP? And is there going to be pay parity between for case managers and CPS?

2 DAVID HANSELL: So, the budget – sorry, the RFP  
3 is due to be released very shortly. We said later  
4 this spring, which we hope later this month or early  
5 next month. We unfortunately can't talk about it in  
6 detail obviously because we are in the sort of black  
7 out period prior to release. So, we can't talk about  
8 the details of what's in the RFP but we certainly as  
9 we developed it and I think as our concept paper  
10 demonstrated, we are absolutely committed to making  
11 sure that there are you know ample levels of funding  
12 that will enable the agencies to recruit and retain  
13 the caliber staff that they need.

14 CHAIRPERSON LEVIN: Okay, well, uhm, once it is  
15 out we will have to talk about it further and it  
16 might warrant a hearing once it – once it is released  
17 can you talk about it publicly? Is that possible?

18 DAVID HANSELL: We can, we can certainly talk  
19 about what's in it.

20 CHAIRPERSON LEVIN: Yeah.

21 DAVID HANSELL: And then there are some limits  
22 you know about how much but yes we can certainly  
23 discuss it with you once it is released.

24 CHAIRPERSON LEVIN: Okay.  
25

2 DAVID HANSELL: We go through a process as we  
3 always do where we you know, we offer forms to answer  
4 questions, any questions that potential proposers  
5 have. So, there is a whole process that we will go  
6 through once it is released to take questions and to  
7 respond to them and add any clarifications that are  
8 necessary.

9 CHAIRPERSON LEVIN: Great, great. Okay, last  
10 question about the foster care pilots that got pegged  
11 last year. These were part of the foster care  
12 taskforce kinship recommendations that funded I think  
13 it was \$2.8 million that got removed in a PEG. Are  
14 we going to see that restored?

15 DAVID HANSELL: Yeah, I think there were two  
16 items. One was kinship and the other I think had to  
17 be with I think family time.

18 CHAIRPERSON LEVIN: Yeah.

19 DAVID HANSELL: Between parents and children in  
20 foster care and both of those you know were and  
21 continue to be very high priorities for us. I talk  
22 about kinship in my testimony. I think you know we  
23 actually have made great strides in the area of  
24 kinship, both at the CPS stage, in the initial  
25 involvement with families but also, through the work

2 that our foster care agencies do once a child is in  
3 foster care becomes a responsibility to make sure  
4 that we are continuing to actively look for kinship  
5 resources for them. So, that I think is moving very  
6 well and similarly our visitation, our family  
7 visiting work has remained a priority and certainly  
8 will be under the new foster care model.

9 So, our focus on those things has not changed at  
10 all. The Executive Budget doesn't have funding to  
11 restore those two items but you know, those are  
12 certainly things that if the Council wants to discuss  
13 with the Administration as part of the Adopted Budget  
14 allegations, we would be happy to talk about it.

15 CHAIRPERSON LEVIN: Okay, alright, you could  
16 expect that to probably come out of Council's budget  
17 negotiating team as priority or frustration. Okay,  
18 uhm, alright thank you very much Commissioner. These  
19 are all my questions. I know that we have our  
20 colleagues here waiting. So, I want to thank you for  
21 your time. It's been really fantastic working with  
22 you and we will continue working together for the  
23 rest of this year.

24 I just want to thank you and your entire team at  
25 ACS and as I said to Commissioner Banks, I want to

1 thank the frontline staff at ACS who have worked  
2 straight through this pandemic in really trying  
3 circumstances. And so, I just want to make sure that  
4 they know that the Council appreciates the amazing  
5 work they do.  
6

7 DAVID HANSELL: Thank you very much Chair and I  
8 appreciate that. I could not be prouder of the work  
9 that our staff has done and I will pass along your  
10 appreciation, which I think will be very meaningful  
11 for them.

12 CHAIRPERSON LEVIN: Thank you so much  
13 Commissioner and again, my apologies to I see  
14 Presidents Marx and Walcott and Johnson. Thank you  
15 guys for your patience. I can't wait to bring my  
16 kids back to the library soon. So, I look forward to  
17 it. Soon right? Is it opening soon? Today? Just  
18 told me today, so alright looking forward to it.  
19 Thank you. Thank you Commissioner.

20 DAVID HANSELL: Thank you.

21 CHAIRPERSON LEVIN: Thank you Chair Dromm.

22 CHAIRPERSON DROMM: Let's go to Council Member  
23 questions.

24 SERGEANT AT ARMS: Stephanie, you are on mute.  
25

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COMMITTEE COUNSEL: Thank you. If any Council  
Members have questions for the agency, please use the  
Zoom raise hand function and you will be added to the  
queue. Council Members, please keep your questions  
to five minutes including answers.

Please wait for the Sergeant at Arms to tell you  
when your time to begin and the Sergeant will let you  
know when your time is up. We will now hear from  
Council Member Salamanca followed by Council Member  
Adams.

SERGEANT AT ARMS: Time starts now.

COUNCIL MEMBER SALAMANCA: Thank you. Thank you.  
How are you Commissioner?

DAVID HANSELL: Good Council Member thank you.

COUNCIL MEMBER SALAMANCA: I want to follow up on  
our conversation that we had at the last, the first  
budget hearing. I asked first how many adolescents  
do we currently have the Horizon Detention Center as  
of today?

DAVID HANSELL: I will ask First Deputy  
Commissioner Saunders on that. I know we have a  
total of 105 young people in both centers. Actually,  
we currently have 32 young people at Horizon.



1  
2 COUNCIL MEMBER SALAMANCA: Okay and at the last  
3 budget hearing, I asked what's the total cost to  
4 housing daily? And I was told that I would think  
5 your agency would get back to me. I have yet to hear  
6 back from your agency.

7 DAVID HANSELL: Ah, so, I think we had actually  
8 gotten a question from the Committee which we  
9 responded to but I have the information for you now,  
10 so let me give it to you.

11 COUNCIL MEMBER SALAMANCA: Yes please. Thank  
12 you.

13 DAVID HANSELL: I can give you the exact details.  
14 First of all, the average length of stay for a young  
15 person in secure detention today is 33 days. The  
16 daily cost per young person in secure detention last  
17 year 2020 was \$2,142 per day.

18 And so, the average cost for any individual and  
19 this the average obviously, there is a tremendous  
20 variation. Most young people are in and out of  
21 detention in a very short period of time. There are  
22 a small number who remain longer. The average that I  
23 said is 33 days. So, the average cost for a young  
24 person's stay in secure detention is about \$71,000.

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1  
2 COUNCIL MEMBER SALAMANCA: Wow, wow, okay. Uhm,  
3 and then Commissioner, finally, I know we had spoken  
4 about the double and triple parking in front of the  
5 Horizon Detention Center. Uhm, it's gotten a little  
6 better but it needs to get much better. It needs to  
7 improve you know. The employees there that are  
8 triple parking, parking on a sidewalk are putting  
9 peoples lives at risk because of their parking  
10 behavior. And I really hope that you can continue to  
11 you know bring this up and really address this issue.

12 DAVID HANSELL: We will certainly do that and I  
13 am sorry that it continues to be an issue. We have  
14 really tried very hard. I mentioned earlier that our  
15 new First Deputy Commissioner Winette Saunders is  
16 going to be very focused on detention and I can tell  
17 you that the parking situation at Horizon is one of  
18 the issues on her plate. And she is already very  
19 focused on both making sure that we are doing  
20 everything we can to make sure that our staff there  
21 comply with parking requirements and also, to see if  
22 we can find a better solution in the community, in  
23 the neighborhood that are parking solutions. So, I  
24 promise you, we are very focused on that and First

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1 Deputy Commissioner Saunders in particular will be  
2 personally focused on that.

3  
4 COUNCIL MEMBER SALAMANCA: Alright, thank you  
5 very much. Thank you Mr. Chair.

6 COMMITTEE COUNSEL: We will now hear from Council  
7 Member Adams.

8 SERGEANT AT ARMS: Time starts now.

9 COUNCIL MEMBER ADAMS: Thank you so much. Good  
10 afternoon Commissioner. Good to see you again.

11 DAVID HANSELL: You to Council Member, thank you.

12 COUNCIL MEMBER ADAMS: Thank you. Commissioner,  
13 similar to my colleague Council Member Salamanca, I  
14 am going to ask you – the first question is going to  
15 be about the number of youth detainees at the  
16 Sheltering Arms in South Ozone Park in my district.  
17 Does anyone have a number, current number of youth  
18 residents?

19 DAVID HANSELL: Give us a minute and we will see  
20 if we can find it for you. If not, we will get back  
21 to you on it.

22 COUNCIL MEMBER ADAMS: Thank you. Okay, while  
23 you are looking for that number, I will just continue  
24 to speak while the clock is ticking. To my  
25 knowledge, there are ten beds at the facility. The

1 facility has been open for approximately five years,  
2 maybe a little longer. We have had a few a wall  
3 events there. There has been a financial impact on  
4 the community prior to its opening and that residents  
5 put fences up. Tried you know, their security  
6 measures increased around their homes, cameras etc.  
7

8 And to my knowledge, Raise the Age did not  
9 significantly affect intake at this particular  
10 facility. So, that's why I am asking about the  
11 numbers right now. I don't believe that this  
12 facility has ever maxed out or never filled you know  
13 the spaces that were allotted. So, do we have a  
14 number yet?

15 DAVID HANSELL: We are working on but if you  
16 would like Council Member, we want to maybe talk  
17 generally about sort of our capacity issues and Close  
18 to Home and what our plan is in that regard. Would  
19 that be helpful?

20 COUNCIL MEMBER ADAMS: Sure.

21 DAVID HANSELL: Okay. Thank you. So, first of  
22 all, I appreciate the question very much and we did  
23 actually, in fact it was not long I think after I  
24 started as Commissioner. There were a couple of a  
25 wall incidents at that facility. I actually remember

1 meeting with then Borough President Katz to discuss  
2  
3 it.

4 I am happy to say I think that that has not been  
5 the case recently. I don't believe we had any  
6 security issues there for quite some time and we  
7 worked very hard with Sheltering Arms to make sure  
8 that would be the case. They took it very seriously.  
9 We took it very seriously and uhm, I think they put  
10 in place a lot of additional protections to make sure  
11 that that would continue to be a safe facility  
12 internally and for the community, which is very  
13 important to us.

14 In terms of the overall capacity, uhm, the  
15 challenge for us is that we don't of course make the  
16 decision about whether children get placed in Close  
17 to Home or young people get placed in Close to Home.  
18 That's a decision made by the courts. When a young  
19 person is arrested and then adjudicated for having  
20 committed what would be a crime if they were an adult  
21 but it is not considered a crime because they are a  
22 juvenile, the court makes a decision about whether  
23 that young person is going to be placed in Close to  
24 Home and for how long.

2       So, we don't have control over the population.  
3       So, we basically have to make sure we have enough  
4       capacity to serve all young people that may get  
5       placed by the courts. And in particular of course,  
6       when raise the age started, we didn't really know  
7       what different you know, we didn't know with 16 and  
8       17-year-olds coming in, how much difference that  
9       would make.

10       I am happy to say that it has not resulted in a  
11       very large increase in young people coming into Close  
12       to Home. In fact, we have continued what had been  
13       the case even before Raise the Age, which is the  
14       number of juveniles being arrested in New York City  
15       was dropping. The number of juveniles being placed  
16       in our Close to Home program is dropping, which is  
17       very much what we want to see. We want to keep young  
18       people out of the juvenile justice system whenever we  
19       can.

20       So, that's continuing to be the case. So, we are  
21       approaching the end of our current Close to Home  
22       Contracts next year and next year we will be issuing  
23       an RFP to renew the Close to Home program and as part  
24       of that, we are looking at what we think the future  
25       capacity of this needs to be. And we will be issuing

1 a concept paper this fall that will kind of layout  
2 what our expectations are with regard to the overall  
3 capacity of the program. And that would impact - and  
4 of course, whether that particular facility continues  
5 depends on whether they respond to the RFP and  
6 whether they are successful or not. So, we don't  
7 even know what the future of the program will be.

8  
9 But we will be going through that process and  
10 there will an opportunity for both the community and  
11 Council Members to comment on the concept paper and  
12 give us feedback on that. So, there will be an  
13 opportunity to do that and I do have the number for  
14 you.

15 COUNCIL MEMBER ADAMS: Yes.

16 DAVID HANSELL: There are six.

17 COUNCIL MEMBER ADAMS: Okay, that's exactly what  
18 I thought. Yeah, in the very directs of that, I knew  
19 we would get to because to my knowledge, that  
20 particular facility has never gone above eight, ten,  
21 maybe maximum ten. So, my question was coming back  
22 to where you just landed. What you were looking for  
23 as far as future projection for consistency low  
24 occupancy numbers like that year after year after  
25 year. In my estimation, that's extremely exclusive.

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1 Taking a look at where we are on a budget level right  
2 now in the city. Taking a look at where we are as  
3 far as RFP contracts right now.

4 So, I would definitely implore you to take a look  
5 at those numbers.

6 SERGEANT AT ARMS: Time expired.

7 COUNCIL MEMBER ADAMS: And keep in mind that this  
8 particular facility has been consistently low as far  
9 as the numbers of youths. If there is some way to  
10 consolidate that, I would love to. Personally, I  
11 would love to see the space that this facility is  
12 housed on become some kind of intergenerational  
13 community center. Rather than house future five  
14 youth at an 18 bed facility space in the  
15 neighborhood.

16 So, that's my take on it and I appreciate your  
17 testimony today.

18 DAVID HANSELL: Thank you very much. I  
19 appreciate your point and we will certainly be  
20 looking at sort of the capacity we are going to need  
21 into the future.

22 COUNCIL MEMBER ADAMS: Thank you.

23 CHAIRPERSON DROMM: Okay, I believe that that's  
24 going to be it. Counsel, am I correct that there are  
25



2 no further Council Members that want to ask  
3 questions?

4 COMMITTEE COUNSEL: Yes, that's correct Chair.

5 CHAIRPERSON DROMM: Okay, thank you. So, thank  
6 you again Commissioner Hansell. As I said at the  
7 beginning, I really deeply appreciate our  
8 relationship, our friendship and all the work that  
9 you have done and all the folks at ACS have done  
10 particularly during this pandemic. It's been  
11 fantastic working together with all of you. Thank  
12 you again.

13 DAVID HANSELL: Thank you very much Chair Dromm.

14 CHAIRPERSON DROMM: And this will conclude the  
15 portion of today's hearing. Thank you ACS for being  
16 here. We will now move onto the three library  
17 systems. I ask that my colleagues who will be  
18 joining us for the libraries portion of the hearing  
19 remain in this Zoom with your microphone muted until  
20 we are ready to begin, which we are going to go right  
21 into if Chair Van Bramer is here.

22 CHAIRPERSON VAN BRAMER: I am here yes, thank  
23 you.

24 CHAIRPERSON DROMM: Okay, great. Are you ready  
25 Chair?

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1  
2 CHAIRPERSON VAN BRAMER: Ready to go, thank you.

3 CHAIRPERSON DROMM: Okay, good afternoon and  
4 welcome to the City Councils third day of hearings on  
5 the Mayor's Executive Budget for Fiscal 2022. My  
6 name is Daniel Dromm and I Chair the Finance  
7 Committee. We previously heard from ACS and now we  
8 will hear from the three library systems.

9 We are joined by the Committee on Cultural  
10 Affairs, Libraries, International Intergroup  
11 Relations Chaired by my colleague Council Member Van  
12 Bramer. And Council Member Van Bramer will - let me  
13 introduce our colleagues and then he will make a  
14 statement.

15 So, we are joined now by bear with me, Council  
16 Member Adams, Ampry-Samuel, Ayala, Brooks-Powers,  
17 Cornegy, Diaz, Gjonaj, Koslowitz, Moya and Levin.  
18 And in the interest of time, I will forgo an opening  
19 statement but I would like to now turn it over to  
20 Chair Van Bramer for his statement.

21 CHAIRPERSON VAN BRAMER: Thank you very much  
22 Chair Dromm and thank you to the three Presidents and  
23 CEO's of our library systems. I know that there is a  
24 little bit of a delay but that's because there are so  
25

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many important Executive Budget hearings going on as  
you all understand.

Today is a really big day for our three public  
library systems where over 50 branches throughout the  
city opened for more extensive services. And it was  
exciting out there this morning. Dennis Walcott at  
the Astoria Branch, I stood outside and watched folks  
line up to go and be the first to enter the Astoria  
Library at 10 a.m. where of course they were able to  
sit for the first time and use the computers and  
browse the collection. And at the same time that all  
that was happening, there was a virtual story time  
being completed by the children's librarian.

So, congratulations to all three systems and to  
all of your incredibly talented and courageous staff  
for making that happen. Obviously, this afternoon,  
we will be discussing the Fiscal Year 2022 Executive  
Expense and Capital Budget for all three systems.  
For FY2022 the Admin is proposing a \$405.2 million  
subsidy for the systems. And the FY22 Executive  
Capital Commitment Plan, which covers 2021-2025  
includes \$943.5 million for the library systems.

Ten year capital strategy, which is released  
every two years provides \$996.5 million and \$22,231

1 for capital construction. Now since the beginning of  
2 COVID-19, our three library systems quickly pivoted  
3 their work to providing online virtual services and  
4 programs when neighborhood branches were closed. And  
5 the three systems have also worked very closely with  
6 the Administration to offer vital services to city  
7 residents.  
8

9 Obviously the 2020 Census outreach could not have  
10 been as successful as it was without our three  
11 library systems helping out and serving as a Health +  
12 Hospitals COVID-19 test and tracing sites where I,  
13 myself was tested several times. It also worth  
14 noting that I was vaccinated, received both shots in  
15 Flushing Library and was really, really proud of our  
16 public library systems for coming through. Of  
17 course, they opened many months ago for limited  
18 services and grab and go services.

19 So, our libraries have never been closed  
20 throughout this pandemic. They have always been  
21 open, always there for our communities as they always  
22 have been. Now, the Preliminary Plan we believe, I  
23 believe certainly, did not adequately fund our three  
24 library systems, as they recover from the economic  
25 impacts of the COVID-19 pandemic.

To ensure that the city is well equipped to manage the recovery from this pandemic, the Council called on the Administration and our response to the Mayor's Preliminary Budget to increase funding for libraries. And I am disappointed that the Executive Budget does not include an additional \$22.2 million in expense funding and the additional \$156.4 million in capital funding that our response provided.

Of course, I would also argue that the public library systems deserve even more than that but that is a good start. But the Admin did not include that funding.

So, I am anxious to hear from the three public library system Presidents and CEO's about where they are now. The exciting news with today's reopening's of 53 branches I believe it was throughout the city for in-person library services. Their continued phased plans to further reopen to the public and how this Council, which has always been a champion of libraries for decades and decades, can continue throughout this budget negotiating process to secure the funding necessary so that you call can do the amazing work that you do.

1 We are all talking about New York City coming  
2 back or recovering and I think all of us know that  
3 New York City doesn't ever fully come back unless our  
4 public libraries are well funded, they are open, they  
5 are strong. Our public library employees are  
6 protected and serving the public.  
7

8 And so, I want to thank all of the members from  
9 our Committee who are here. I see Council Member  
10 Gennaro and Council Member Moya and Council Member  
11 Adams, who of course is a big lover of libraries as  
12 am I. Council Member Darma Diaz and Council Member  
13 Brooks-Powers. I don't know if Chair Dromm mentioned  
14 all these wonderful folks. Council Member Gjonaj and  
15 I want to thank the staff from my staff including my  
16 Legislative Director Jack Bernatovicz, my Chief of  
17 Staff Matt Wallace and of course our Committee  
18 Counsel Brenda McKinney who is here. Our Legislative  
19 Policy Analyst Cristy Dwyer and Principal Financial  
20 Analyst Aliya Ali and I know Linda Johnson has some  
21 time constraints, so I will stop it there and hand it  
22 back to the Chair. I look forward to your testimony.  
23 Thank you.

24 CHAIRPERSON DROMM: Thank you very much. I think  
25 we are actually going to go to Counsel.

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2 CHAIRPERSON VAN BRAMER: Okay.

3 COMMITTEE COUNSEL: Thank you. Before we begin,  
4 I want to remind everyone that you will be on mute  
5 until you are recognized to speak. At which time,  
6 you will be unmuted by the Zoom host. If you mute  
7 yourself after you have been unmuted, you will need  
8 to be unmuted again by the host.

9 Please be aware that there could be a delay in  
10 muting and unmuting, so please be patient. During  
11 the hearing, if Council Members would like to ask any  
12 questions, please use the Zoom raise hand function  
13 and you will be called on to speak. We will be  
14 limiting Council Member questions to five minutes,  
15 including responses.

16 Now, we will proceed with testimony from  
17 President Marx, President Walcott and President  
18 Johnson. You may begin when ready.

19 LINDA JOHNSON: Thank you all and not to worry  
20 about my time constraints. There is no higher  
21 priority than this and Chairman Van Bramer, thank  
22 you. Well said, it is a very exciting day for all of  
23 us being able to resume some more extensive library  
24 services than we have had in place since July.

25

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1 Good afternoon, I am Linda Johnson. I am  
2 President and CEO of Brooklyn Public Library. And  
3 thank you all for the opportunity to testify on  
4 Fiscal Year 2022 Executive Budget.  
5

6 We are grateful to you and your Committees, to  
7 Speaker Johnson and Majority Leader Cumbo, and the  
8 entire City Council, for your longstanding commitment  
9 to New York City's libraries. It is hard to believe  
10 that this will be our last budget hearing with you at  
11 the helm, and we'd like to thank you for your many  
12 years of service and devotion to our libraries. Your  
13 leadership is especially crucial as our city begins  
14 to recover from this unprecedented crisis.

15 Today, my colleagues and I ask the city's support  
16 for its libraries so we can continue to help millions  
17 of New Yorkers reclaim their lives. Our Fiscal Year  
18 '22 Tri-Library expense request is actually quite  
19 simple. Reject the Proposed \$10.34 million cut to  
20 our libraries and restore the Council's \$11.9 million  
21 investment in our systems. All told, more than \$22  
22 million of our collective operating funding is at  
23 stake.

24 Together, our three systems have already absorbed  
25 PEGS totaling \$4.3 million in the current year.



2 Taking on \$22 million in further cuts will reduce  
3 service levels and jeopardize our ability to meet the  
4 needs of our patrons at a critical juncture.

5 I am thoroughly disheartened to report that once  
6 again, libraries were passed over for inclusion in  
7 the city's ten-year-capital plan. Needless to say,  
8 this outcome continues to disappoint all of us.

9 Though the Executive budget did allocate \$20 million  
10 for each system, a welcome addition, it simply  
11 doesn't come close to meeting the needs we identified  
12 in our ten-year plan proposals.

13 The Council can make this right by pushing for an  
14 additional \$150 million capital allocation in this  
15 year's budget. \$50 million for each system to  
16 compensate for the lack of funding in the ten-year  
17 plan. It has been an extraordinarily challenging  
18 year and our library systems never stopped supporting  
19 New Yorkers. I speak for all of us when I say that  
20 we are incredibly proud of our staff for finding  
21 creative ways to provide vital services. Brooklyn  
22 Public Library staff produced more than 9,000 free  
23 virtual programs, attended by well over one million  
24 patrons, from resume support to grief support groups

2 to homework help, and we fully intend to sustain our  
3 virtual momentum even as we resume in-person service.

4 For the half a million New Yorkers without  
5 broadband at home, we kept the Wi-Fi on at our  
6 collective 217 locations, so that patrons sitting  
7 outside could tune into our programs, complete their  
8 homework, look for job opportunities and connect with  
9 loved ones. In Brooklyn, we have now installed  
10 antennas on the rooftops of 33 branches to extend a  
11 reliable Wi-Fi signal 300 feet in every direction.

12 Eager to help our city through the crisis, our  
13 systems partnered with the city, offering 11 branches  
14 in total to serve as Learning Labs so that  
15 kindergarten through eighth grade students could  
16 participate in remote learning and after-school  
17 services.

18 We also offered a selection of cooling centers  
19 and served as polling locations. Alongside the New  
20 York City Test and Trace Corps, we hosted COVID  
21 testing and PPE distribution sites and have now  
22 shifted to helping people access vaccines, making  
23 appointments and like Flushing Library in Queens,  
24 serving as Vaccination Centers. When it became  
25 possible in July of 2020, our systems safely welcomed

2 patrons back to our branches for grab-and-go lobby  
3 service. For nearly a year, patrons have been able  
4 to pick up and return hardcopy materials in person.

5 In Brooklyn, all of our available locations have  
6 been open for grab-and-go service and have seen more  
7 than 600,000 visits. With the weather getting  
8 warmer, libraries are again offering outdoor  
9 services. In partnership with the Department of  
10 Transportation, Brooklyn Public Library recently  
11 received 5,000 pounds of outdoor furniture to create  
12 reading rooms outside more than 25 branches across  
13 the borough. Brooklyn Public Library Outdoors is  
14 offering traditional library services right on the  
15 sidewalk, including library card sign up and book  
16 browsing and borrowing.

17 Ten branches will soon pilot outdoor laptop loans  
18 for patrons to use on site, paired with our enhanced  
19 Wi-Fi. Popular outdoor programming is resuming,  
20 including Storytime and Ask a Tech, as well as voter  
21 registration and education. Our newest program,  
22 Whispering Libraries, allows patrons and passersby to  
23 listen to curated poetry, music and oral histories.  
24 And our Children's Librarians have created Story

2 walks, which will allow families to read children's  
3 books together outside.

4 In addition to our vast array of outdoor and  
5 virtual offerings, I could not be more excited to  
6 report that today, all three library systems are  
7 expanding indoor service at 53 locations across the  
8 city. As of this morning, patrons are able to browse  
9 our shelves, sign up for library cards, use computers  
10 and printers and catch up with their local librarians  
11 and library staff at 13 Brooklyn Public Library  
12 locations, 14 Queens Public Library locations and 26  
13 New York Public Library locations across Manhattan,  
14 the Bronx and Staten Island.

15 New York Public Library's research collections  
16 will also be accessible by appointment. Of course,  
17 we are taking every precaution to ensure the safety  
18 of our staff and our patrons, following all social  
19 distancing protocols and using time limits to ensure  
20 as many patrons as possible can take advantage of  
21 these services.

22 We are working hard to expand indoor, in-person  
23 service at additional locations in the coming weeks.  
24 With the exception of branches under construction or  
25 being used by the city, all libraries throughout

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Brooklyn, Queens and New York, will be open for book  
browsing, computer use and more by mid-July. This is  
a milestone in our city's reopening and recovery.

Mr. Chairman, just a few days ago, you and I cut  
a ribbon on the plaza at Central Library, having  
completed the most extensive restoration and  
renovation in the branch's history. As I said then,  
there could not be a better time to begin welcoming  
people back inside the Library. In the wake of the  
pandemic and in the midst of the Black Lives Matter  
movement, the mission of our libraries is more urgent  
than ever. To welcome New Yorkers of every race,  
age, gender, class and physical ability and to  
provide them with the educational resources and  
technology they need to participate in and advance a  
democratic society.

As you will hear next from my colleague, Dennis  
Wolcott, libraries located in every neighborhood and  
trusted by every generation, are uniquely positioned  
to help rebuild a more equitable, more cohesive New  
York and we must have your continued support to meet  
that challenge. Thank you.

CHAIRPERSON VAN BRAMER: Mr. Walcott, do you want  
to start?

1 DENNIS WALCOTT: Thank you Chair and first before  
2  
3 I go into my testimony, I want to take this  
4 opportunity to thank Chairs Dromm and Van Bramer for  
5 your leadership. You guys have been outstanding as  
6 well as the entire Committee and Speaker Johnson.  
7 Your support of libraries has just been over the top.  
8 It's been there for us at all points and time and our  
9 greatest advocates as well as helping us receive the  
10 funding that we deserve.

11 So, I just want to personally on behalf of Linda  
12 and Tony to say a thank you for service. I actually  
13 wore a shirt and tie on your behalf today. That way  
14 we could stay formal. So, for those who thought I  
15 would be tieless, I thought on the occasion of this  
16 being your last hearing as respective Chairs going  
17 over our budget that you at least deserve a tie and  
18 also shoes as well, not sneakers. So, I just wanted  
19 to cross that message.

20 So, a lot of it you have heard already in our  
21 presentation both with Chair Van Bramer visiting  
22 Astoria today and what Linda had to say. I will not  
23 repeat it. I started out my day also at a library  
24 and I tell you, it was really exciting seeing someone  
25 sitting at a computer. I mean, you walk in and the

1 person is there doing his work, talking to staff,  
2 staffing being anxious and nervous with our next new  
3 step in opening and it was just a great experience  
4 and as you can tell, I am pumped up. I am looking  
5 forward to after this hearing to go visit other  
6 libraries as well because that's what we are here  
7 for. That's our business. That's our business of  
8 service and being part of the public and as you  
9 heard, today we open 53 of our neighborhood libraries  
10 across New York City and in addition to the services,  
11 it's just a safety net for people. Plain and simple.  
12 People feel comfortable. It's the communities living  
13 room and we want to make we continue to provide that.

14  
15 But a reduction as Linda indicated and also the  
16 Chairs indicated, will be devastating to us in  
17 serving the public in that way. A reduction of this  
18 magnitude would be devastating with significant  
19 impact on our ability to deliver critical services.  
20 Our staffing levels are barely enough to operate all  
21 of our branches six days a week. If these cuts were  
22 to go through more than 100 full time positions  
23 potentially it would be eliminated.

24 With the loss of those positions, our hours of  
25 operation across the city would be reduced. Putting

1 universal six day service in danger. Our ability to  
2 maintain robust collections for our customers will be  
3 severely hampered and e-books and e-magazines  
4 continue to gain a popularity. We will not have the  
5 ability to meet the customer demand.  
6

7 We will not be able to make critical emergency  
8 repairs to our buildings resulting in closures and  
9 costly capital projects and as we look to the future,  
10 knowing that libraries are the backbone of every  
11 community, how can we truly have a recovery if all  
12 these libraries are facing potential steep cuts.

13 Amy, who uses the 125<sup>th</sup> Street library Tony's  
14 network in Harlem, told us that she moved to New York  
15 City right before the pandemic, so that her ability  
16 to take advantage of our free e-book lending helped  
17 her a great deal with her schoolwork during the  
18 lockdown.

19 Christina, who uses the Brower Park library in  
20 Brooklyn, explained that during a year spent almost  
21 exclusively at home, e-books and audiobooks allowed  
22 her and her family to travel again, and she thanked  
23 the library workers for unlocking access to  
24 enchanting gardens, historical figures, how-to  
25 manuals, language lessons and poetry.



2 Lorraine, who uses the Peninsula library in Far  
3 Rockaway, shared how she was not able to see her four  
4 young grandchildren due to the pandemic. Because of  
5 libraries though, she was able to order books for  
6 delivery to her home, connect with her grandchildren  
7 virtually, play dress-up and read the books to them.  
8 These stories are just a few examples, a few examples  
9 of the tremendous importance of libraries to the  
10 people and communities that we serve.

11 And as we prepare for the city's full reopening  
12 and the immediate increase in demand for services  
13 this summer and fall, it would be unconscionable to  
14 have these services drastically reduced as a result  
15 of the potential funding cuts we would face. At a  
16 time when people like Amy, Christina, Lorraine and  
17 countless others in our communities need us most.

18 Therefore, we respectfully urge you to work with  
19 the Administration during budget negotiations to  
20 reverse these cuts that have been proposed to the  
21 libraries, as well as reauthorize the Council's  
22 Library Initiative at last year's funding level, at  
23 at least minimum.

24 And I just want to say one other point and I will  
25 flip the script for a second and ask Council Member

2 Van Bramer the Chair, when you walked into Astoria,  
3 what did you see sir? You saw plexiglass. You saw  
4 security guards. They were there to keep the  
5 customers and the staff safe. Throughout all of our  
6 libraries, you will see some form of security and  
7 plexiglass and protection that did not exist before  
8 the pandemic. Extra costs that we the system have  
9 born as a result of the monies that we have to make  
10 sure that all are safe.

11 These cuts will hurt us seriously and impact us  
12 into future years and we urge your support and  
13 advocacy as we continue to try to get the additional  
14 money that we deserve. And it's not for us, it's for  
15 the public. It's for the communities. It's to make  
16 them available for people to have the services they  
17 need from our great libraries.

18 And with that, I will turn it over to Dr. Tony  
19 Marx, the President and CEO of the New York Public  
20 Library.

21 TONY MARX: Thank you Mr. President and Deputy  
22 Mayor and Chancellor sir. First, I just want to join  
23 in a special thanks to Danny and Jimmy. If I can be  
24 informal for a minute. I mean, really you have done  
25 such amazing work to carry us all over the line year

2 in, year out to make sure that libraries and  
3 education and the life blood of the city continues.

4 So, thank you. Thank you to the Council as a  
5 whole. To Corey, to the Speaker, to everyone. To  
6 all the staff that's made all this possible. I will  
7 be brief. You have already heard from my colleagues  
8 more eloquent than I can be as always.

9 Just I want to say a little bit more on the  
10 capital front. Not only did we pivot to digital and  
11 remote services as well as now we have had in library  
12 physical services since July, now expanding those  
13 dramatically today and going forward in the months  
14 ahead towards full reopening in every branch being  
15 open.

16 That meant that as soon as we were closed though,  
17 we pushed to restart our projects, our capital  
18 projects. And the city ultimately has permitted us  
19 to move forward with our top priorities. Those  
20 include the renovations at Carnegie branches like  
21 Melrose, Fort Washington, 125th St, Hunts Point and  
22 Port Richmond.

23 Others include the completion of New Amsterdam,  
24 Bloomingdale, Roosevelt Island, earlier this year,  
25 very exciting. We are also continuing the

2 construction of a brand new addition to our list of  
3 branches for the Charleston branch on Staten Island  
4 to be completed this year. And you know, we plan to  
5 continue with all of our infrastructure projects  
6 because they are essential but they are only possible  
7 because of sustained funding as part of the city's  
8 ten-year capital plan.

9 And you have heard or disappointment that we were  
10 not in that plan again. While we greatly appreciate  
11 the \$20 million in capital funding that's been  
12 allocated by the Mayor in the Executive Budget, two  
13 specific projects. We noticed that we note that half  
14 of that money is eaten before we even start by the  
15 shortfalls produced by our work with DDC.

16 So, the reality is that we need respectively \$426  
17 million for NYPL. \$198 million for Brooklyn and \$435  
18 million for Queens. That's over \$1 billion in new  
19 capital needs. And that includes on just the NYPL  
20 side. Pressing needs for complete renovations at  
21 Hudson Park, Hudson Park, Edenwald, West New  
22 Brighton, Francis Martin, Spuyten Duyvil and Countee  
23 Cullen as well as the necessary continuing good  
24 repairs. Again, we are mindful of the shortfalls  
25 that come with our work, with our partnership with

DDC and as a result, we are requesting an additional  
\$50 million in capital support for the coming Fiscal  
Year.

We have seen the impact of your support for our  
capital plans time and time again over the years with  
metrics like circulation and program attendance going  
through the roof and you have heard about how that  
has continued and been so essential during the  
pandemic. Just think about the experiences we have  
all had in a reopened Stapleton, Washington Heights  
and Van Cortlandt branches. Obviously, we need to  
continue the conversation. We need to continue our  
efforts. New Yorkers all deserve not just branches  
that don't leak, that don't require constant sort of  
band aid repairs that turn out to be more expensive  
than keeping them renovated, they deserve the respect  
of an inspiring space that libraries have to be and  
should be and are in so many of our neighborhoods but  
are not in too many. And it's time really to get  
this work done.

More generally, as we emerge from obviously one  
of the darkest periods that many of us have lived  
through, I will just remind you that we quickly  
pivoted to digital and remote services. Just in New

2 York Public Library alone, 7.4 million e-book lens.

3 Free access to critical information, resources and  
4 programs as Linda pointed out, really robust  
5 attendance in those programs online, really  
6 incredible innovation.

7 Webinars, classes, book clubs, live tutoring.

8 For researchers, 3.7 million data base requests, we  
9 provided more than half a million pages through our  
10 scan and deliver. So, you could just ask for a  
11 document that you couldn't get access to. All of  
12 this was lifelines. Lifelines for students,  
13 lifelines for New York's working families and  
14 lifelines for our researchers. That's what the  
15 libraries have always been for and we continued  
16 throughout.

17 Now, we look to and are excited about the  
18 restoration of physical services and bringing  
19 everyone back together. Because we know that so many  
20 of our patrons were not able to take full advantage  
21 of what we could offer digitally. That you know we  
22 need to double down, we need to continue to invest  
23 digitally because we have seen the power of it and  
24 the reach of it but we have also seen the limits of  
25 that, not least because of the digital divide as my

1 colleagues have already noticed. We have to provide  
2 physical as well as digital and we need to do more of  
3 that now. That means balancing the innovations of  
4 digital and health and safety accommodations in  
5 outdoor programming and virtual programming with the  
6 need to reconnect with our patrons and to manage our  
7 footprint at the habit stands strong. We depend on  
8 your support for all of that.  
9

10 Look, the library systems, the public libraries  
11 of New York are no strangers to supporting the city  
12 through crisis, right? Think about the great  
13 depression, 911, the 2008 financial crisis. Think  
14 about LaGuardia's naming patients and fortitude  
15 outside of the building I am currently sitting in.  
16 And we are here again to be central to the recovery  
17 because we must. But we know that this recovery is  
18 going to be different than those. So much of the  
19 awful tragedy, trauma, fear, that have adversely  
20 impacted New Yorkers has focused on people at the  
21 bottom rungs of the economy, people of color. More  
22 precisely than almost anything we have seen in our  
23 lifetimes.

24 We need to double down to help restore those New  
25 Yorkers to the place of security in every aspect of

1 that word. And the libraries are the place that  
2 takes front and center to provide space and learning  
3 and opportunities because those are essential  
4 securities for people.  
5

6 We have always been here to ensure that and we  
7 will do more now because we have to, because we are  
8 committed to. But we need the resources to do that.  
9 We need your help. We need your support. We look to  
10 you as a partner to guarantee yet another historic  
11 and unique recovery for the city we all call home.

12 Thank you for everything you have done and  
13 everything you will do. Mr. Chairman.

14 CHAIRPERSON DROMM: Thank you very much to all  
15 three Presidents of the library system in New York  
16 City. I deeply appreciate your service and it has  
17 been a great four years working with you as the Chair  
18 of the Finance Committee. And even previously when I  
19 was on the Libraries and Cultural Affairs Committee  
20 as well. So, thank you to all of you.

21 I know that you mentioned in your testimony a  
22 little bit about capital but I just want to double  
23 down on it. In the face of COVID-19, several of the  
24 city's capital projects and construction programs  
25 were put on pause. How are the library systems



2 coordinating with OMB, DDC and EDC as it begins to  
3 restart capital projects and have do all plans,  
4 schedules and estimates been updated for the  
5 outstanding projects?

6 DENNIS WALCOTT: So, I will start. As a matter  
7 of fact over the weekend, I went out to take a look  
8 at one of our major projects in Far Rockaway and  
9 that's moving along. Last week, I went to Glendale,  
10 which is wrapping up its capital project and that's  
11 moving along. We have a couple of little things to  
12 take care of there. So, we have been working in  
13 conjunction with DDC and OMB as far as some of the  
14 monies that are necessary but also, we have been  
15 working with them as far as moving projects along as  
16 well. And so, again, we are behind a year and we are  
17 trying to play not catchup just to deal with where  
18 the reality is at this particular point and time  
19 knowing that also, some construction crews may be  
20 impacted who are doing the jobs as a result of COVID  
21 as well.

22 So, we have been working collectively with DDC  
23 and OMB to make sure the projects are funded but as  
24 Tony and Linda indicated, a number of them still have  
25

1 shortfalls and we have to respond to those  
2 shortfalls. And I will defer to my colleagues.

4 LINDA JOHNSON: Sure, I will step in. You know,  
5 it's been uneven, it depends project by project the  
6 kind of progress or the impediments that we have had  
7 to deal with. In some cases as I mentioned, we were  
8 able really to make terrific strides, the central  
9 phase one project which opened on Thursday and which  
10 will be open to the public for additional service  
11 today. That actually is ahead of schedule because as  
12 the library was closed, we were able to work at a  
13 faster pace than we would have been able if we had  
14 had people using the building during the  
15 construction. And the same thing is true for Sunset  
16 Park and for Brooklyn Heights, where we were able to  
17 resume fairly quickly after the shutdown because you  
18 know because of the sort of the either the use in the  
19 case of both of those libraries. There is affordable  
20 housing that's connected to those projects and  
21 therefore those projects were given the green light.

22 There are others that were not fully enclosed  
23 that were able to proceed as well but there are some  
24 libraries of course that are under construction that  
25 have not resumed and that are way behind. And of

1 course, the shortfalls that exist on all these  
2 projects are magnified by the delays because of the  
3 scarcity of materials that have gone – that have  
4 arisen during the pandemic as people are shifting the  
5 use of material for different types of projects.

7 TONY MARX: I will chime in to reiterate that you  
8 know everything is back on you know in process.  
9 Everything is moving as expeditiously as we can. We  
10 do have DDC shortfalls. We always do. We have more  
11 of them because we lost a year. That is a systemic  
12 problem we all have discussed over the years, that  
13 you know continues to be an issue. We hope to find  
14 better resolution on.

15 We are proud the Bloomingdale, Roosevelt Island,  
16 New Amsterdam were able to open. I am sorry,  
17 Bloomingdale and New Amsterdam are undergoing the  
18 renovations and they will be ready by mid-Summer.  
19 The five Carnegies are going ahead and I shouldn't  
20 leave out the fact that on June 1<sup>st</sup>, we will open our  
21 largest branch after a complete gut renovation. The  
22 formerly mid-Manhattan Library across the street at  
23 55<sup>th</sup> Avenue and 40<sup>th</sup> Street will reopen as the really  
24 quite magnificent Niarchos Foundation Library.

1  
2 CHAIRPERSON DROMM: Okay, thank you and do you  
3 have to roll any projects out to a later year to  
4 ensure that critical projects continue to move  
5 forward? And if so, which factors were considered in  
6 making these decisions?

7 TONY MARX: Sorry.

8 DENNIS WALCOTT: I was trying to unmute and it  
9 wouldn't unmute. I think Linda was having the same  
10 issue it looked like. Yeah, so there are several we  
11 have to roll out and again depending on how the  
12 shortfall being played out to us by DDC and OMB. And  
13 a number is just rolling out because of the pending  
14 of one year delay because of the pandemic as well.  
15 But we can give you specific projects. But for  
16 example Chair, like Jackson Heights, we still have in  
17 our forefront as far as next steps are concerned,  
18 obviously it is just going to be further behind as a  
19 result of some of the delay but no, we are pretty  
20 good with where we are. It's just some of them are  
21 definitely going to be delayed and then having the  
22 money set aside in the future.

23 CHAIRPERSON DROMM: Let me just [INAUDIBLE  
24 4:56:28] because President Walcott mentioned Jackson  
25

1 Heights and Elmhurst. Can you give me a quick update  
2 on that? Also, where do we stand with that?

3  
4 DENNIS WALCOTT: Uh, Jackson Heights – hold on I  
5 am getting my sheet as we speak. Why don't I let  
6 Linda go and I can give you a more concrete answer  
7 Chair.

8 LINDA JOHNSON: I was just going to echo what my  
9 colleagues had said about the delays that we are  
10 going to experience on certain branches because of  
11 the pandemic and because of the interruption in the  
12 construction.

13 CHAIRPERSON DROMM: Thank you. Mr. Marx, did you  
14 want to say something?

15 TONY MARX: No, same, same.

16 CHAIRPERSON DROMM: Okay and I will come back to  
17 President Walcott in a moment. Let's just talk a  
18 little bit about the ten year capital strategy. At  
19 the library, the ten year capital strategy provides  
20 \$996.5 million in Fiscal '22 - '31 for capital  
21 construction and reconstruction projects. Is this  
22 sufficient funding to cover all the infrastructure  
23 needs? And if not, how much additional capital  
24 funding is needed to ensure that the systems are able  
25 to complete reconstruction of branches? Increase

1 accessibility for people with disabilities and  
2 upgrade the technology infrastructure to improve  
3 online and computer access. President Johnson or  
4 President Marx maybe or if President Walcott is ready  
5 to go back to Jackson Heights.  
6

7 TONY MARX: Sorry, I think yeah, so we believe  
8 that we are not getting sufficient funding in the ten  
9 year capital plan to keep the momentum of  
10 construction going and that's why we proposed the \$50  
11 million for each system to sort of create a bridge to  
12 help keep that momentum going. But look, the truth  
13 is I think amazing work has happened. You have all  
14 seen in branches that you care about but there is  
15 still too many areas of frustration. Too many  
16 branches that we haven't touched or really gotten to  
17 fully. You know and the ten year is not getting us  
18 there, so that's why we have come back to ask for a  
19 way to bridge that gap.

20 LINDA JOHNSON: I think the way the ten year  
21 capital plan allocations have allowed the libraries  
22 move forward is to have a plan for full renovations  
23 of libraries that frankly aren't up to standards,  
24 either because they are not safe. They are in  
25 disrepair; they are not hospitable to technology.

1 And that in fact, the last time we were included in  
2 the capital plan, each of us identified and then went  
3 about renovating five libraries in our case you know  
4 from what we will call a gut renovation. In some  
5 cases a complete rebuilt and it makes an enormous  
6 difference as you all know in those neighborhoods but  
7 five out of 62, it just is not sufficient. The money  
8 that we need ongoing year in and year out, just to  
9 maintain the smaller projects that are required to  
10 keep the buildings you know warm in the winter, cool  
11 in the summer, dry during rain. Those are essential  
12 and we each have a substantial footprint in our  
13 boroughs. In our case, over 110 – over 1.1 million  
14 square feet and \$20 million which we currently are  
15 looking at for our capital allocation this year  
16 doesn't even begin to take care of the buildings for  
17 the problems that we have identified much less for  
18 the emergencies that we know you know, will plague us  
19 at some point during the course of the year.

21 DENNIS WALCOTT: And I am ready to respond to  
22 Jackson Heights. So, OMB restarted the project in  
23 January of 2021. A request for proposal to provide  
24 architectural services was released by DDC on  
25 03/26/21. Proposals from consultants received April

9<sup>th</sup> of '21. So, the candidates of those RFPs are  
being reviewed right now and the total funding  
obligation is presently \$20 million, \$29,713.  
\$29,713 so we are moving along with Jackson Heights.

CHAIRPERSON DROMM: Okay, that's good news.  
Thank you and just before I turn it over to Chair Van  
Bramer, I am just a little confused. Was the capital  
request for \$50 million for each library. I think I  
heard someone say \$20 million.

TONY MARX: 20 is what we have been offered,  
although that at least half has been eaten up by DDC  
shortfalls. We calculate our Tri light system needs  
as \$1 billion. Not having gotten that in the ten  
year capital plan or been in the ten year capital  
plan though we managed that with banks back in 2016,  
we said as a compromise, \$50 million each will at  
least allow us not to lose the momentum while we  
continue to you know work to get back into the ten  
year capital plan in the way, in the full way that we  
need to be.

LINDA JOHNSON: I will said for Brooklyn, we had  
\$40 million in shortfalls on existing projects. So,  
that's again as I say not to take care of emergencies



1 or unanticipated problems. That's just shortfalls on  
2 existing capital projects.

3  
4 CHAIRPERSON DROMM: Okay, thank you. Let me turn  
5 over - just before I turn it over to Chair Van  
6 Bramer, I want to say we have been joined by Council  
7 Member Gennaro and I believe Cornegy was here as  
8 well. Chair Van Bramer.

9 CHAIRPERSON VAN BRAMER: Thank you very much  
10 Chair Dromm and thank you to our three Presidents and  
11 CEO's for their gracious remarks. And thank you Tony  
12 and Dennis for wearing your ties in honor of the  
13 occasion of our last Executive Budget hearing  
14 together.

15 LINDA JOHNSON: Might I interrupt Mr. Chairman.  
16 I want to disclose a secret and that is that my  
17 colleagues, the gentlemen wearing ties were having a  
18 significant closet crisis in anticipation of the  
19 hearing today. And I can say honestly for the first  
20 time, that is a 180 degree switch.

21 CHAIRPERSON VAN BRAMER: Well, I just want to say  
22 that Chair Dromm and I had a different closet crisis  
23 in our lives but many years ago and no matter where  
24 you are just get rid of the closets all together and  
25 celebrate who you are.

2 So, but you reminded me that – because I had not  
3 been focused on this. I joined the staff of the  
4 Queens Public Library in January of 1999 and  
5 immediately began work on drafting the testimony for  
6 then Director Gary Strong in what would be the  
7 Preliminary Budget Hearing in March of 1999. And I  
8 have been at every Preliminary and Executive Budget  
9 hearing since then, 23 straight years.

10 So, it is important and I just want to mention  
11 Wendell Foster was the Chair of this Committee in  
12 1999, the late Reverend and Council Member Foster and  
13 of course, now State Senator Jose Serrano became the  
14 Chair of the Committee and then Dominique  
15 Brackia[SP?] and I have been the Chair of the  
16 Committee all 12 years that I have been in the  
17 Council and of course, libraries have become my  
18 life's work.

19 LINDA JOHNSON: Well, regardless of where you  
20 land Mr. Chairman, you will have to join us next year  
21 I think.

22 CHAIRPERSON VAN BRAMER: If I am not on a beach  
23 in Puerto Rico or something. I will Zoom in to watch  
24 the hearing. But I just want to say, look, the idea  
25 that we would cut funding for our public libraries,

1 in this budget is the definition of insanity and  
2 self-harm. Because what you all represent, what your  
3 staff represent, what our public libraries represent,  
4 is hope and a bridge to the future and a just  
5 recovery for everyone and what I saw at – and just a  
6 snip at the Astoria branch this morning where a group  
7 of seniors, who I think desperately wanted to get  
8 back to the library. Who wanted and were immediately  
9 on the computers but also talking to those library  
10 workers and to one another and browsing a bit. And  
11 we must give you the tools and the resources to  
12 succeed on behalf of all of our people.

14 So, I just also want to ask this one question,  
15 which I believe I know the answer to but I want to  
16 see unequivocally for the record that some people are  
17 aware that there is a giant federal stimulus package,  
18 a lot of funding has sort of flowed through the state  
19 and the city. But correct any misconceptions that  
20 people may have that libraries are somehow flowing  
21 with extra federal dollars here and that you don't  
22 need this city's support.

23 TONY MARX: Absolutely the case Mr. Chairman. I  
24 mean we saw a significant deficit last year. We  
25 managed to come into to get our budget squared with

1 remarkable amount of belt tightening and cutting. We  
2 were lucky to do that without having to layoff any of  
3 our full time staff who are our you know, what makes  
4 the libraries strong and keeps us going.

5 But now as we are now facing the threat of cuts,  
6 in a period when the city is deservedly looking to us  
7 to further reopen and we couldn't be more excited and  
8 ready and know how important that is. And we have  
9 learned how much that we have to do digitally and  
10 remotely that we cannot simply remove because people  
11 have come to depend on that and we have found ways to  
12 people we weren't reaching.

13 So, we have - we took a hit last year. We took a  
14 serious hit. We belt tightened. We got it together.  
15 We delivered for the city. Now we need to continue  
16 to do that both physically and digitally and are  
17 facing cuts at a moment when the opportunity and the  
18 learning that we provide every New Yorker, the space,  
19 the respect that we provide. The safety that we  
20 provide in effect. The security to be who you want  
21 to be and who you want to become, that is under  
22 threat just when we are reopening. The city is  
23 reopening and we are primed to move. That's what  
24 this hearing is about.

1  
2 DENNIS WALCOTT: And just to add to what Tony  
3 said, I mean and Linda talked about this in her  
4 testimony as well. I mean, our services now are  
5 expected in a variety of different ways. So, we have  
6 increased the expectation of the public as far as  
7 being able to reach those and they may not be able to  
8 come into our doors but at the same time, the demand  
9 for those who will be coming in our doors is still  
10 the same.

11 And in addition to that as I indicated, the type  
12 of supports and protections we have both for our  
13 staff and our public, is also increasing. And I  
14 think it's just weird and it's unfortunate that while  
15 the city is awash in money, thanks to what happened  
16 in Washington. Thanks to the Majority Leader, thanks  
17 to the President and making sure dollars are flowing  
18 in to New York, we have not benefitted from that at  
19 all. If anything Linda, Tony and I are going to make  
20 some very difficult decisions and we are going  
21 through that internal process right now if we don't  
22 get that money. And so, the expectation that we are  
23 awash in dollars is far from correct. It is so  
24 wrong.

1 LINDA JOHNSON: Yeah, let me just be really  
2 clear. We have actually seen a reduction in both  
3 state and federal money over the course of the last  
4 year.  
5

6 DENNIS WALCOTT: Yeah, that's a great point  
7 Linda, I mean, you will get us into our normal CBO  
8 discussions of commiserating with each other and the  
9 challenges and you know, we want to do great things  
10 and we continue to serve the city in a variety of  
11 ways that we had not served the city before and that  
12 will continue. But at the same time, we got to deal  
13 with reality and the reality is that we are going to  
14 have to make some difficult choices over the next  
15 month if those dollars aren't restored. And the  
16 dollars are there to be restored to the New York  
17 Public Libraries throughout the five boroughs.

18 TONY MARX: Can I just give an example Mr.  
19 Chairman. I mean -

20 CHAIRPERSON VAN BRAMER: Sure.

21 TONY MARX: We kept all of our full-time folks  
22 because that's essential for maintaining the  
23 expertise that the library and the citizens depend  
24 upon. We did unfortunately early on have to let go  
25 of first furlough and then let go our part-timers.

2 Simply, we could not maintain that and there wasn't  
3 the work to be done. So, here we are, we are ready  
4 to reopen. One of the really important things we  
5 need to do is to restart our page program. This is  
6 essential for us. You know these are not only is it  
7 essential for the library to have these high school  
8 and college students coming and working at the  
9 library, it's essential for that work. It's  
10 essential for the future of the library because  
11 today, something like 600 of our employees started in  
12 stages.

13 But it is even more essential because it's the  
14 quintessential pipeline program for youth to not only  
15 to end up working at the library as so many have but  
16 to be ready, prepared to go into marketing or finance  
17 or any of the other areas we can train them for.  
18 Just that is very much on the cutting block if we  
19 can't get the support from the city and that's just  
20 unthinkable at this juncture.

21 CHAIRPERSON VAN BRAMER: Well, we can't allow  
22 that to happen. As I think Linda mentioned, shooting  
23 for all of our public library branches to be open in  
24 some form by mid-July. Of course this budget that we  
25 will adopt, will formally take effect on July 1<sup>st</sup> and

1 how could we in any good conscience reduce the  
2 support for our public library systems, just as you  
3 are returning to a full service in terms of the  
4 number of libraries that are serving the public.  
5

6 While all of our libraries are already serving the  
7 public in ways that people never imagined you would  
8 serve the public.

9 And so, I know as I mentioned obviously the  
10 Council has stood firm and requested the restoration  
11 of any cuts and then additions and of course the  
12 capital budget numbers that we have put in our  
13 response to the Mayor and obviously, you know where I  
14 stand on this and I believe that the Council is very  
15 united in support of libraries. And I know we will  
16 fight because the people of all of our districts  
17 deserve and need their public libraries and you all  
18 do life saving work and the staff of those libraries  
19 which I thanked everyone at the Astoria branch this  
20 morning. Because people don't understand just how  
21 library workers are frontline workers as well and are  
22 really, really so critical to New York. And you  
23 know, this will be our last budget, both the Speaker,  
24 the Finance Chair and myself. And what better way to  
25 leave the Council than to leave our public libraries



1 healthier and more well-funded than we have ever had  
2 them. And I hope that that's our legacy collectively  
3 and obviously, I am certainly going to work towards  
4 that and I know the staff I see, Nathan Toth. And  
5 you know a lot of those folks care about libraries  
6 just as much as we do right? And we really care  
7 about these project and I know Regina is on the call  
8 and so many other folks.  
9

10 So, I don't want to take up too much more time.  
11 I know we have culture coming up and several members  
12 have questions but just know that we know that  
13 cutting your funding is the definition of insanity  
14 and we cannot do that to all of you. And yes Dennis,  
15 I did shave in anticipation of the celebratory and  
16 historic nature of this hearing.

17 CHAIRPERSON DROMM: Thank you very much and I  
18 wore my tie.

19 CHAIRPERSON VAN BRAMER: You did.

20 CHAIRPERSON DROMM: I did, yes I did. And now we  
21 are going to go to Council Member questions.

22 COMMITTEE COUNSEL: If any Council Members have  
23 questions for the libraries, please use the Zoom  
24 raise hand function and you will be added to the  
25 queue. Council Members, please keep your questions

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1 to five minutes including answers. Please wait for  
2 the Sergeant at Arms to tell you when your time  
3 begins. The Sergeant will then let you know when  
4 your time is up. We will first hear from Council  
5 Member Gjonaj followed by Council Member Ayala.  
6

7 SERGEANT AT ARMS: Time starts now.

8 COUNCIL MEMBER GJONAJ: Let me first thank Chair  
9 Dromm and Van Bramer for this very important hearing  
10 and being so passionate about our public libraries.  
11 I too will echo their comments that the Council and  
12 many of the members and colleagues will be fighting  
13 for full restoration of the New York Public Library  
14 to last years budget at a minimum.

15 My question to present Marx and I am sure as you  
16 heard the name, he knew what the question was going  
17 to be. And it is a three part question. West  
18 Chester Square Library, West Chester Square Library,  
19 West Chester Square Library.

20 TONY MARX: Councilman, I appreciate the  
21 question. I have been looking forward to it. So,  
22 let me tell you what the latest is as of well, just  
23 the latest.

24 So, the lot separation application has been  
25 approved by the Department of Finance. DCAS is in

1 communication with the Huntington Free Library to  
2 finalize the land ownership transaction. DDC is  
3 currently in the process of finalizing the bid  
4 documents and are projected for release this summer.  
5 DDC anticipates the contract to be awarded by the end  
6 of 2021 and they make it clear to us that this is a  
7 priority project for the city and that City Hall is  
8 coordinating with all city agencies involved to get  
9 to that schedule and that outcome.

11 COUNCIL MEMBER GJONAJ: Well, thank you President  
12 Marx. You know we have heard this for the last few  
13 years that by the summer, by the summer and it has  
14 been one ordeal after another. So, you feel  
15 confident that we will have an agreement in place  
16 that at least addresses the acquiring of the property  
17 by this summer?

18 TONY MARX: That is my understanding and the  
19 commitments I have gotten from City Hall. I am  
20 looking for – I am going to go out to West Chester  
21 Square next week, actually this week, I think. Uhm  
22 and just you know be there and we have to make this  
23 happen. City Hall says they are committed. It is  
24 happening. We are going to hold their feet to the  
25 fire.

1  
2 COUNCIL MEMBER GJONAJ: I would be more than  
3 happy to join you because I think we will be  
4 celebrating our 10<sup>th</sup> anniversary on the Huntington  
5 Library. It's a decade overdue. I think it calls  
6 for at least a cup of coffee but Presidents Marx,  
7 whatever you can do to help assure us that we will be  
8 a priority on this library.

9 TONY MARX: Yes sir. Yes sir, we feel we are as  
10 frustrated and as embarrassed that this has dragged  
11 on way too long and luckily the community has its  
12 library but it is simply not sufficient by any  
13 stretch and it has been long overdue to get a new,  
14 great new library West Chester Square. We hope that  
15 we believe that City Hall will stick to their word.

16 COUNCIL MEMBER GJONAJ: Thank you.

17 TONY MARX: And Danny, I see we have been joined  
18 by another member or another -

19 CHAIRPERSON DROMM: A member of the family.  
20 Thank you. We have also been joined by Council  
21 Member Rosenthal. And now we will go to other  
22 Council Member questions. Thanks.

23 COMMITTEE COUNSEL: We will now hear from Council  
24 Member Ayala.

25 SERGEANT AT ARMS: Time starts now.

1 COUNCIL MEMBER AYALA: Yes, I am sorry, I am  
2 using the wrong computer and my sound is not the best  
3 quality either but you know I just wanted to kind of  
4 hear about you know any efforts that are being made  
5 in my district. I have three branches that all  
6 obviously been closed because of COVID but we  
7 continue to stay closed because of capital work  
8 that's anticipated beyond COVID restrictions.

9 My issue is that I don't know you know what  
10 [INAUDIBLE 5:19:05] you know the New York Public  
11 Library has in my district at this moment. And I  
12 would love to hear because you know I happen to  
13 represent the poorest Congressional District. I have  
14 children who have had you know difficulty accessing  
15 you know the internet and so, you know I would love  
16 to know what efforts have been made to really engage  
17 with the 8<sup>th</sup> council district and what that looks  
18 like on your end.

19 TONY MARX: Give me just a minute Council Member,  
20 sorry. I know that our plan as we have announced is  
21 that half of our grab and go's starting today have  
22 browsing and computer use in the weeks to come. We  
23 will go to all of our grab and go's and start to move  
24 into additional branches and our aim is to have all  
25

2 branches that are not under construction by, I think  
3 we have said by mid-June, by mid-July at the latest.

4 So, to have them all open for business, obviously  
5 particular services will cut in in particular ways  
6 but let me just if I can, let me just come back to  
7 you with an update on the particular ones in your  
8 branches. Give me just a minute, I am working on  
9 that. Maybe Mr. Chairman, can we continue and I will  
10 come back to it, if that's alright.

11 CHAIRPERSON DROMM: Yes, of course. Council  
12 Member Ayala, do you have any other questions? So,  
13 let's go to our next Council Member while he is  
14 pulling up that information.

15 COMMITTEE COUNSEL: Chair, it doesn't appear that  
16 any other Council Members have raised their hand.

17 CHAIRPERSON DROMM: Oh, okay, okay.

18 TONY MARX: I don't want to hold things up Mr.  
19 Chairman, I am getting that for you but if we don't  
20 get it in time, I will certainly get it directly to  
21 the Council Member. I am happy to be in discussion  
22 with her.

23 I know that 125<sup>th</sup> Street, that one could get a  
24 complete renovations. That's one of our Carnegies.  
25 It's one of our biggest projects that we have

1 restarted. That one is happening. Mott Haven with  
2 its renovation should open in the coming I think  
3 months, so opening soon. Uhm, and I know that  
4 Aguilar[SP?] the construction is happening.  
5

6 So, we are making real progress on those  
7 important renovations in your district. Please.

8 SERGEANT AT ARMS: Council Member, you are still  
9 muted.

10 COUNCIL MEMBER AYALA: I know, I was asking to be  
11 unmuted. You know, no, I appreciate. I know that  
12 the buildings need, you know these buildings need  
13 serious capital investment. I understand that. My  
14 issue is the fact that there has been absolutely no  
15 presence from the you know the New York Public  
16 Library in my district and look, I don't know if  
17 that's just my impression of it. So, I am happy to  
18 hear from you all about any efforts that you are  
19 making to engage with my constituency.

20 You know, I haven't seen any pop up. I haven't  
21 heard of any you know events, any online  
22 opportunities for engagement at all the whole  
23 pandemic. And so, I would love to be able to - I  
24 want to make sure that program, you know, as I have  
25 said, we are a very high need community. I love the

2 public library. I grew up in the public library.

3 You know that they have the same opportunity that I  
4 did you know growing up and that they have equal  
5 access to these spaces. I don't think that is - you  
6 know I don't know who the one is to put them all in  
7 construction at the same exact time and completely  
8 eliminate the option of having access to one of these  
9 spaces in the community but you know, I didn't even  
10 know about the South Bronx about to closed.

11 And so, our constituents reached out to me and  
12 said, "is it true that they are closing?" And so, we  
13 reached out and I'm like, "no they are doing  
14 construction" but it would have been nice to know  
15 that and I think that at least if there was a way to  
16 put up you know maybe a mobile van outside. Not all  
17 kids have access to the internet and not all kids are  
18 engaging in that way.

19 TONY MARX: Absolutely Council Member, I totally  
20 agree. Look, we were delighted to have the resources  
21 to get at some of these, particularly the 125<sup>th</sup>  
22 Street and the Mott Haven and Agular, those were so  
23 important.

24 We recognize that that community without you  
25 know, we tried to make sure that there were other



1 branches within proximity but obviously it is not  
2 always ideal but we are delighted with the  
3 renovations. We are, as we now reopen, we are going  
4 to do more outdoor programming. We are going to have  
5 the library mobiles out. I would like to discuss  
6 with your office how we can make sure that we have  
7 robust programming because it is particularly the  
8 neighborhoods that you mention amongst others that we  
9 want to double down and focus on because we know how  
10 much has been lost in those neighborhoods in this  
11 last year. So, I would very much welcome that  
12 conversation.  
13

14 COUNCIL MEMBER AYALA: And I would appreciate  
15 that.

16 TONY MARX: Thank you.

17 COUNCIL MEMBER AYALA: Thank you.

18 CHAIRPERSON DROMM: Chair Van Bramer.

19 CHAIRPERSON VAN BRAMER: Thank you very much. I  
20 know we are wrapping up here and just want to once  
21 again thank all of you for everything you do for our  
22 city and this is not of course the last hearing that  
23 we will have together. My hope is that in the fall  
24 or winter, we will be able to convene again in City  
25 Hall and then truly have that last library hearing

1 that I get to Chair and you know, that will be  
2 obviously a pretty emotional day for me but so, this  
3 one is important and even more important of course is  
4 that we deliver a good result at budget adoption for  
5 our public libraries and that doesn't even entertain  
6 a cut for public libraries. Instead, it provides you  
7 the resources that you very much need and deserve.  
8

9 So, I am just grateful to each of you for what to  
10 do. I happy that the closet crisis that Tony and  
11 Dennis participated in was much more short-term than  
12 the one that I had in my life but grateful to all of  
13 you and to my colleagues, so I will pass it over to  
14 Chair Dromm I think to finish up or whoever is going  
15 to gavel us out.

16 TONY MARX: Danny, we can't hear you.

17 CHAIRPERSON DROMM: We are not going to gavel  
18 out, we are going to continue right on but we are not  
19 going to be with our library Presidents any longer.  
20 We are going to move onto DCLA. So, this will  
21 conclude this portion of today's hearing. Thank you  
22 libraries for being here. We will now move onto  
23 Department of Cultural Affairs. I ask my colleagues  
24 who will be joining us for the DCLA portion of the  
25 hearing to remain in this Zoom with your microphone

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1 muted until we are ready to begin. And I believe our  
2 Commissioners are here. Yes, I see Commissioner  
3 Casals is here along with members of the Department  
4 of Cultural Affairs.  
5

6 Good afternoon and welcome to the City Council's  
7 third day of hearings on the Mayor's Executive Budget  
8 for Fiscal 2022. My name is Daniel Dromm and I Chair  
9 the Finance Committee. We previously heard from the  
10 three library systems and now we will hear from the  
11 Department of Cultural Affairs. We are joined by the  
12 Committee on Cultural Affairs, Libraries and  
13 International Intergroup Relations Chaired by my  
14 colleague Council Member Jimmy Van Bramer.

15 Let me just introduce my colleagues who are here  
16 with us today. Council Member Adams, Ayala, Moya,  
17 Gjonaj and Brooks-Powers are here and in the interest  
18 of time, I will forego an opening statement but I  
19 would like to turn it over to Chair Van Bramer for  
20 his statement.

21 CHAIRPERSON VAN BRAMER: Thank you very much  
22 Chair Dromm and Commissioner Casals, good to see you  
23 as always and let's get right into it. So, today we  
24 are discussing the Fiscal Year 2022 Executive Expense  
25

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Budget for the Department of Cultural Affairs which  
stands roughly at \$170 million.

COMMITTEE COUNSEL: My apologies Chair Van  
Bramer. I have to swear in the witnesses before we  
begin.

CHAIRPERSON VAN BRAMER: Oh, fair enough.

COMMITTEE COUNSEL: Yeah, before we start, I will  
just go over a few procedural items. So, I want to  
remind everyone that everyone will be muted until you  
are recognized to speak. At which time, you will be  
unmuted by the Zoom host. If you mute yourself after  
you have been unmuted, you will need to be unmuted  
again by the host. Please be aware that there could  
be a delay in muting and unmuting, so please be  
patient.

I will now administer the affirmation to the  
Administration witnesses. Do you affirm that your  
testimony will be truthful to the best of your  
knowledge, information and belief? Commissioner  
Casals?

GONZALO CASALS: I do.

COMMITTEE COUNSEL: Deputy Commissioner Feinberg?

SHEELAH FEINBERG: I do.

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COMMITTEE COUNSEL: And Finance Director Shao?

She needs to be unmuted.

PHILLIPPA SHAO: Yes, I do.

COMMITTEE COUNSEL: Thank you. So, we will  
proceed with Chair Van Bramer's opening and then  
following that with the Commissioners statement.  
Thank you.

CHAIRPERSON VAN BRAMER: Great, thank you. So,  
as I was mentioning, where you are standing right now  
Commissioner Casals and your department, so, the  
Council also felt that the Preliminary Plan to not  
adequately fund our city's cultural organizations as  
they try to recover from of course what has been a  
just brutally devastating season for the arts and the  
cultural sector, that we both represent and the Mayor  
has certainly been doing a lot more and speaking a  
lot more on this sector over the last couple of  
weeks. But the Executive Budget still did not  
include the one year funding of \$20.2 million that  
supports critical programs, including the CIGS and  
our cultural development fund recipients and in our  
budget response, the Council called for that funding  
to be restored.

2 It is also unfortunate of course to say the  
3 least, that Executive Budget cuts are still there for  
4 our cultural sector including Create NYC funding, as  
5 well as other cultural funding. And at a time when  
6 we are talking about the importance of culture and  
7 the arts and artists to a recovery and a come back  
8 for the City of New York, how in the world could we  
9 be proposing any cuts to the cultural sector?

10 It doesn't make any sense. It's not right and  
11 this funding needs to be restored and in fact, of  
12 course we should be increasing funding for cultural  
13 and the arts as all of our organizations and arts  
14 groups and museums and theater companies try and  
15 reopen fully and be the drivers of what will be a  
16 recovery for the City of New York.

17 So, we are very concerned and anxious to hear  
18 from the Commissioner about that and of course there  
19 was another \$32 million in initiative funding  
20 including CASA and cultural immigrant initiative and  
21 others that need to be restored. And of course, we  
22 will be curious about the new federal stimulus  
23 funding, the \$25 million that the Mayor was pleased  
24 to announce most recently and how this will be  
25 distributed and in what ways this will seek to help

1 but of course, you can't add \$25 million while  
2 cutting another \$20 plus million. That's actually  
3 not the way to help the cultural sector recover and  
4 lead this economic recovery. The cultural community  
5 does so much more than simply drive tourism to this  
6 city. But since the Mayor is certainly talking a lot  
7 about that, it's important that we put our money and  
8 resources where our mouths are and fully fund and  
9 truly fund culture and the arts.

11 So, interested to hear from the Commissioner on  
12 all of those things and of course the capital budget  
13 as well. But needless to say, I support the arts and  
14 I support a very, very robust budget for the  
15 Department of Cultural Affairs and we will be working  
16 towards that. And I want to thank Chair Dromm and  
17 all of the Committee Staff and all of the Staff who  
18 helped put this together.

19 So, thank you very much and we will turn it back  
20 I think to General Counsel or the Counsel to take us  
21 through the next portion of the testimony.

22 COMMITTEE COUNSEL: Thank you Chair. At this  
23 time Commissioner Casals can begin with their  
24 testimony.

1  
2 GONZALO CASALS: Thank you very much. Uh, I lost  
3 my testimony. Good morning Chairs Van Bramer and  
4 Dromm and members of the Committees. I am Gonzalo  
5 Casals, Commissioner of Cultural Affairs for the City  
6 of New York, here to testify on the Mayor's proposed  
7 Fiscal Year 2022 budget for my agency. I am joined  
8 today by Deputy Commissioner Sheelah Feinberg and  
9 Director of Finance Phillippa Shao.

10 I will start with an overview of the numbers.  
11 Mayor de Blasio's Proposed FY22 Executive Budget  
12 currently allocates \$144.9 million in city funds to  
13 the Department of Cultural Affairs. This includes  
14 \$109.5 million for operating and energy costs at  
15 organizations on DCLA property. \$28.5 million for  
16 the Cultural Development Fund. And \$7 million for  
17 agency operations and other programs.

18 In addition to these city figures, the FY22  
19 budget also includes \$25 million in federal relief  
20 funding for the City Artist Corps, which I'll discuss  
21 more in a moment. As you know, these figures do not  
22 include any one time additions typically added at  
23 budget adoption, like City Council initiatives and  
24 member items. By comparison, at this point in last  
25 year's budget process, at the height of the pandemic,



1 the agency had an allocation of \$137 million. We  
2 look forward to working with the Council towards  
3 adopting a budget that invests in our cultural  
4 community as it continues to recover and reopen.  
5

6       Returning to the City Artist Corps announced by  
7 Mayor de Blasio last week, this program will include  
8 an additional \$25 million in federal aid to support  
9 artists working in New York City. This historic  
10 commitment will provide relief for our artists and  
11 inspiration and empowerment for all New Yorkers. As  
12 the Mayor said last week, "we want to give artists  
13 opportunity and we want the city to feel the power of  
14 our cultural community again."

15       After a year full of enormous losses and  
16 challenges, the Artist Corps is one component of the  
17 city's larger effort to support an equitable recovery  
18 for all by supporting the cultural sector. It builds  
19 on the New Deal-inspired City Cleanup Corps, which  
20 will put thousands of New Yorkers to work on the  
21 recovery of our city.

22       The Artist Corps will bring cultural experiences  
23 to every corner of New York City. The presence of  
24 the culture in communities correlates to a stronger  
25 social fabric, better health and public safety, and

1 improved education. Let me share a couple of  
2 examples on how artists have provided crucial support  
3 to their communities.  
4

5 We saw artists organize for their communities in  
6 the worst of the pandemic. The North Bronx  
7 Collective, led by artists like Alicia Grullón,  
8 established a mutual aid network to feed and support  
9 their neighbors. Similarly, Queens, artists Xenia  
10 Diente and Jaclyn Reyes working with the Laundromat  
11 Project built on their connections in the Little  
12 Manila community to provide relief.

13 In the protests that followed the murder of  
14 George Floyd, artists spearheaded murals across the  
15 city that brought people together in common cause.  
16 Their art distilled, shaped and amplified collective  
17 calls for racial justice. One such mural, on Centre  
18 Street in Lower Manhattan, was designed in a  
19 collaboration between artists Tijay Mohammed, Sophia  
20 Dawson and Patrice Payne. Dozens of artists,  
21 including Tats Cru collective, brought the mural to  
22 life.

23 Once the city started reopening, music and  
24 performances began to fill the streets. These gave  
25 New Yorkers a chance to participate in cultural

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1 programming in safe, outdoor settings and it helped  
2 show the world that New York City was as alive and  
3 vital as ever. Open Culture NYC, created thanks to  
4 legislation sponsored by Chair Van Bramer, and I have  
5 to say personally thank you so much for that. Has  
6 greatly expanded opportunities for public  
7 performances even further.

9 New York City Public Artist in Residence with the  
10 Commission on Human Rights, Amanda Phingbodhipakkiya,  
11 distilled a range of powerful emotions and support  
12 into I Still Believe in Our City. This campaign was  
13 installed on bus shelters, in subways, on billboards  
14 and was even featured on the cover of Time Magazine.  
15 It expresses solidarity with Asian and Pacific  
16 Islander communities in New York City and in the face  
17 of rising bias attacks.

18 These all show the importance of artists who live  
19 and work here. They bring together people and make  
20 our city brighter, better and healthier. They spark  
21 necessary conversations and help us make sense of our  
22 experiences amid unprecedented upheaval. Along with  
23 their neighbors, New York artists have been  
24 devastated by the pandemic in so many ways. The City  
25 Artist Corps will invest in their important

1 contributions to our communities, while bringing the  
2 transformational benefits of art and culture to all  
3 New Yorkers.

4 We're still working out details of the program  
5 and we're looking forward to rolling it out in the  
6 weeks ahead. This program builds on the long term  
7 investments that this Administration and the City  
8 Council have made in our cultural sector over the  
9 last seven years. Before the pandemic, support for  
10 culture was at an all-time high and it has remained  
11 strong even under the budgetary uncertainties of the  
12 past year.

13 The cultural groups and artists that receive  
14 support every year from DCLA are the backbone of NYC  
15 cultural community. They are hubs for social  
16 connection and engagement. We believe that these  
17 historic levels of supports and our efforts to build  
18 diversity, equity and inclusion into everything we do  
19 have laid the groundwork for a cultural recovery that  
20 will touch New Yorkers in every community in our  
21 city. With this final budget under the de Blasio  
22 Administration, we continue to invest in what makes  
23 our city great.

1           The road to a full, equitable recovery will be  
2  
3 long. But we're excited to work with the City  
4 Council to make sure our record of investments in  
5 culture continue to help the sector recover and in  
6 turn, empower our arts and culture community to drive  
7 the city's resurgence in the months ahead.

8           Thank you for the opportunity to present this  
9 testimony. I am happy to answer any questions you  
10 may have.

11           CHAIRPERSON DROMM: Thank you very much. Let me  
12 start off with some questions about the capital  
13 projects. How many active capital projects does DCLA  
14 currently have and how many of these projects are  
15 currently with cultural organizations?

16           GONZALO CASALS: I cannot tell you. Apologies  
17 for that. The total number of active capital  
18 projects but all capital projects that have been  
19 started before the pandemic and that have been put on  
20 pause are back again to reactive.

21           CHAIRPERSON DROMM: Okay. Can you give me the  
22 number of the total after the hearing?

23           GONZALO CASALS: Yes, of course.

24           CHAIRPERSON DROMM: Okay, thank you. During the  
25 height of the COVID-19 pandemic, there was a

1 statewide halt on capital projects. Were you able to  
2 continue working on those projects Commissioner while  
3 the pandemic was happening? Or are those projects  
4 just now coming onboard?

6 GONZALO CASALS: The projects after the peak of  
7 the pandemic, the city started to prioritize with  
8 capital projects needed to come back first. And of  
9 course it was given priority to public health and  
10 related capital projects and capital projects in  
11 hardest hit areas.

12 But then little by little the pause is starting  
13 to be released and by late fall, early winter last  
14 year most capital projects were back active.

15 CHAIRPERSON DROMM: Okay, thank you. In Fiscal  
16 2019, the Department committed \$216.9 million or 54.8  
17 percent in its annual capital plan of \$395.7 million.  
18 In Fiscal 2020, the agency committed \$126.5 million  
19 or 43.3 percent of those annual commitments then of  
20 \$292 million. Why did the agencies commitment rate  
21 decrease between Fiscal '19 and Fiscal '20 and what  
22 steps are being taken to improve its capital  
23 commitment rate?

24 GONZALO CASALS: I am going to apologize; I  
25 wasn't the Commissioner at that moment and that's

1 information I could find out from you after the  
2 hearing. But I must say and probably you know this  
3 better, is that in the next year, we did not, in  
4 FY20, we did not put any capital money on the budget  
5 and it was mostly due to COVID pandemic.  
6

7 CHAIRPERSON DROMM: Okay, thank you. So, we will  
8 follow up with you on that other information. Let's  
9 talk a little bit about the Cultural Development  
10 fund. Through its cultural development fund, the  
11 agency utilizes a democratic peer panel review  
12 process to distribute grants to cultural  
13 organizations throughout the city. What was the  
14 average award size for small and large organizations  
15 in Fiscal 2021?

16 GONZALO CASALS: I could tell you at the  
17 beginning that 50 percent of our grantees are what we  
18 call small organizations and by that, we mean  
19 organizations under \$250,000. We are doing a whole  
20 process now because we realize that even though we do  
21 a peer panel process and even we try to become much  
22 more equitable in where we need to be with the funds.  
23 After myself have done a few years research, we  
24 realized that those funds could be matched but are  
25

distributed and could be impacting in a more  
significant way those smaller organizations.

What we implemented already for this fiscal year  
is the access to those smaller organizations to  
multiyear grants, which makes a huge difference in  
terms of planning year in and year out.

We have also removed restrictions in terms of how  
much reporting they need to do to the data program  
and we are looking for work to probably by fiscal  
year '23 to have a much, a process for applying and  
for reviewing grants that would be so much more  
equitable than what we have now.

CHAIRPERSON DROMM: So, obviously I think you  
know that it is a priority for the Council and I know  
you as well through all the work that you have done  
in the community. That we prioritize low-income  
neighborhoods. That we prioritize people of color  
organizations in terms of receiving those funds as  
well. Can you just comment a little bit more on  
that? I know that you said something about it but is  
that - am I correct to assume that?

GONZALO CASALS: Yes, by all means and with the  
results at the very onset of the pandemic, the agency  
did a survey which the highlights of the results did



1 not surprise anyone but it just helped us use the  
2 data to figure out how we prioritize the funds that  
3 both the Council and the Administration had put  
4 together. And yes, smaller organizations; smaller  
5 organizations that usually are organizations led and  
6 serving by POC communities, artists, teaching  
7 artists. The performing arts of course had been the  
8 hardest hit of our sector and in the funding for this  
9 fiscal year, we made sure that as with the funds, we  
10 prioritize those organizations.  
11

12 But what I was mentioning to you is the way you  
13 select peers that you just mentioned. You know the  
14 way you train them. The amount of time that you give  
15 them in order to review those grants. All that tends  
16 to of course have an impact on the result of these  
17 grants and we work - my staff for the last three  
18 years has been extremely careful in reviewing the  
19 whole process. A process that everybody in the  
20 country thought that it was perfect and really we are  
21 finding you know some of these sort of details and  
22 problems to it and getting ready to change it.

23 CHAIRPERSON DROMM: I just want to say we have  
24 been joined by Council Member Koslowitz as well and  
25 just on the follow-up, the last question on the Tier

1 Panel process. Was it modified in Fiscal '21? And  
2 if so, can you describe the change?  
3

4 GONZALO CASALS: Yeah, so a couple of – there  
5 were like three changes that were very important.  
6 One, is for the longest there was this debate that  
7 uhm, smaller organizations should not receive a  
8 multiyear grant. And those that were proposing that  
9 is as you receive multiyear grants, the opportunities  
10 that you have from moving from one amount to other  
11 year to year the reviews because you get the same  
12 amount on a multiyear grant year after year.

13 Others said that you know, they probably get a  
14 smaller amount and know that they can count on it for  
15 many years. So, we find that in a year like this, we  
16 thought it was important to give the opportunity to  
17 receive multiyear grants to our cultural  
18 organizations including this moment.

19 The other big change that was extremely well  
20 received by the sector was that in order to apply for  
21 DCLA, we were asking cultural organizations to fill  
22 the arts survey cultural development, which is an  
23 amazing tool that collects a lot of information not  
24 only for the city but for the country as a whole.  
25

1  
2 Just because of the scale of arts and culture  
3 that happen in this country. But you know for  
4 smaller organizations, it would take a lot of time  
5 right? In a moment that they are writing a lot of  
6 organizations. So, we made it optional for those  
7 organizations that could do it and again, a lot of  
8 people were very happy to see that.

9 On the third one in particular that probably is  
10 going to be only for this year or probably the next  
11 year, is the opportunity to provide a change of scope  
12 given that many of these organizations had to apply  
13 in February for projects that needed to happen in the  
14 later year without knowing that the pandemic was  
15 going to disrupt so much of our city.

16 CHAIRPERSON DROMM: Yeah, it really had an  
17 impact. Okay, thank you for that as well. Let me  
18 talk a little bit about Weeksville Heritage Center.  
19 As part of the Fiscal 2020 Budget, the city announced  
20 that the Weeksville Heritage Center would begin the  
21 process of entering the city's cultural institutions  
22 group, becoming the first organization to do so in a  
23 generation. What is the total funding allocated to  
24 Weeksville in the Fiscal 2022 Executive Budget?

2 GONZALO CASALS: I don't know off of the top of  
3 my head but Weeksville is CIG now and the paperwork  
4 was signed a few weeks before I became Commissioner.  
5 I was sad that I didn't get to sign such a historical  
6 document myself. But Weeksville is in the area of  
7 many of the smaller CIGs and probably is around  
8 \$600,000 a year.

9 CHAIRPERSON DROMM: Did you provide support to  
10 Weeksville as they came into the CIG?

11 GONZALO CASALS: Yeah, I mean, we tried to and  
12 personally myself, my staff, we always try to be of  
13 assistance to cultural organizations and try to  
14 support their operations and we have been in  
15 communications with Weeksville as they also were  
16 looking for new leadership.

17 CHAIRPERSON DROMM: And did the pandemic impact  
18 the organizations operations at all do you know?

19 GONZALO CASALS: I mean, that's good for almost  
20 every cultural organization that I know and if not  
21 all of them. And actually, I did mention Chair  
22 Dromm, that we did a survey back in April last year.  
23 We follow up with a survey in February, we are about  
24 to get the results in sort of a draft that I just  
25 saw. Obviously, you know the results are not very

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1 optimistic and I must tell you that probably all the  
2 sectors in New York City, the arts and culture sector  
3 has been the one that was hit the most.  
4

5 CHAIRPERSON DROMM: Yeah, I think you joined the  
6 agency at a very difficult time not knowing what was  
7 going to happen and good luck with that moving  
8 forward. I really appreciate all the work that you  
9 do. I am going to turn it over to Chair Van Bramer  
10 to ask some questions and then some Council Member  
11 questions.

12 CHAIRPERSON VAN BRAMER: Thank you very much Mr.  
13 Chair and Commissioner Casals. I think it is kind of  
14 cool that you are actually not that far from each  
15 other.

16 GONZALO CASALS: We are a block away.

17 CHAIRPERSON VAN BRAMER: A lot of Jackson Heights  
18 apartment energy going on here.

19 GONZALO CASALS: Actually, Chair Van Bramer, as I  
20 told you because you guys were late, I was able to go  
21 and pick up the dry cleaners so Chair Dromm, Tony  
22 says hi.

23 CHAIRPERSON DROMM: Okay, I will see Tony later.

24 CHAIRPERSON VAN BRAMER: So, Commissioner, I  
25 wanted to just talk about a couple of things. Number

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1 one, the \$20.2 million that was adopted, was part of  
2 the adopted budget last year, which was a needed  
3 infusion to so many of our cultural organizations and  
4 groups. That money is not yet included in this  
5 budget and this is obviously left to negotiation here  
6 in the final couple of weeks. But are you having  
7 discussions internally with the Deputy Mayor and the  
8 Mayor about the importance of that money being put  
9 back into the budget?  
10

11 GONZALO CASALS: Yeah, I mean I think you  
12 mentioned it in your initial statement right. The  
13 Mayor has been saying for a long time but in  
14 particular in the last weeks or month, that there is  
15 no recovery of New York City without the recovery of  
16 the cultural sector.

17 And I could just tell you a lot of initiatives  
18 that both my agency and the Mayor's Office of Media  
19 and Entertainment which work together very closely  
20 have been doing working with City Hall and the Mayor  
21 to make sure again everything - the moment we can  
22 just bring everything back. Arts and culture is  
23 ready to bounce back.

24 So, we are having a lot of conversations you know  
25 to support arts and culture at this level. That one

1 of the reasons of the follow up survey was to make  
2 sure that we have data that will inform the budget  
3 and to inform the priorities of that budget and I am  
4 sure you receive as everybody else with a lot of  
5 enthusiasm that as part of the stimulus money coming  
6 from the federal government, there was a portion of  
7 that dedicated to artists who have been the hardest  
8 hit in our sector.  
9

10 CHAIRPERSON VAN BRAMER: We are of course pleased  
11 when there is any infusion to the budget for culture  
12 and the arts and our sector but I am sure you would  
13 agree that the infusion of \$25 million from the  
14 federal and stimulus packages is good. But  
15 certainly, losing the \$20.2 million at budget  
16 adoption at last year is not an acceptable outcome.

17 GONZALO CASALS: Absolutely, but if you look at  
18 the budget last year and this year, at the same time,  
19 we are five percent higher without counting the \$25  
20 million that's dedicated to artists. We were pretty  
21 much at this level if not five percent higher than  
22 last year and it's a little bit - I am preaching to  
23 the choir here. It's a little bit you know, what  
24 historically has happened, the Administration working  
25 in collaboration with the Council to make sure that

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1 at Adoption arts and culture are supported at the  
2 level that it needs to be supported.  
3

4 CHAIRPERSON VAN BRAMER: Yes.

5 GONZALO CASALS: And I am confident with your  
6 leadership and working with us, we are going to get  
7 to a result as last year or prior years.

8 CHAIRPERSON VAN BRAMER: So, two things as we get  
9 to the \$25 million.

10 GONZALO CASALS: Yeah.

11 CHAIRPERSON VAN BRAMER: I hear you say that we  
12 are at a roughly five percent above where we were at  
13 this point not including the \$25 million. I would  
14 urge the city not to include the \$25 million toward  
15 this budget because I certainly don't want anyone to  
16 think that oh, we got this extra money, so we are all  
17 good right? We are still looking at a relatively  
18 significant deficit if that money is not restored,  
19 the \$20.2 million.

20 GONZALO CASALS: Absolutely, absolutely and I  
21 made sure to clarify that with the Mayor and the  
22 budget director.

23 CHAIRPERSON VAN BRAMER: Good, thank you  
24 Commissioner Casals. And so to speak of the \$25  
25 million, which some folks are thrilled with and



1  
2 others have some concern about how this funding will  
3 be distributed and who will make those decisions and  
4 to get to what we were just talking about, how it  
5 might impact sort of the overall funding picture.

6       So, I realize there was just an announcement and  
7 now you are sort of standing it all up. But how much  
8 more clarity do we have today as opposed to last week  
9 when the Mayor made the announcement on how the  
10 funding will be distributed? Who will make those  
11 decisions? When will those grants be awarded and  
12 that kind of thing.

13       GONZALO CASALS: So, let me tell you a couple of  
14 things and probably I am preparing myself. I am  
15 probably telling you new stuff. Number one, the idea  
16 what makes this fund different to the rest is that we  
17 want to put the funds in the pocket of artists and we  
18 want to put the decision of what to do with those  
19 funds in the hands of the artist and not the cultural  
20 organizations. This is a plan that's dedicated to  
21 artists.

22       Number two is of course as every public dollar  
23 that we give is not just for the artist. It is for  
24 the artist to provide some service to New Yorkers,  
25 which is the reason why my agency exists and how we

1 are able to distribute funds to cultural  
2 organizations and now to artists.

3  
4 So, the artists, in exchange to those funds, the  
5 artists are going to have to have some kind of public  
6 engagement during the summer and the fall of this  
7 year.

8 And then, the third part that I just mentioned  
9 is, we want to move really fast. Artists have been  
10 hurting for way too long. And I would just argue  
11 that the cultural sector in general have entered this  
12 pandemic already in a precarious way, even with a  
13 public funder like the City Council and the City of  
14 New York you know, at the level that nobody else in  
15 the country does. But we really want to be able to  
16 move forward really quickly and that's what holding  
17 things up a little bit. We are trying to figure out  
18 what's the best mechanism to get those funds out.  
19 So, we can have summer and a fall full of artistic  
20 cultural experiences.

21 CHAIRPERSON VAN BRAMER: Yeah, so I think there  
22 is another question that's sort of out there in some  
23 people's minds and I was hoping you would address it.  
24 Obviously, we know that culture never truly closed  
25 and we are now sitting in a situation where given the

1 stimulus funding there, we appear to be in a better  
2 financial situation than many of us had anticipated.  
3 But to anyone who might say Commissioner Casals that  
4 you know, do culturals really need that money because  
5 you know so many theaters were closed and folks  
6 weren't able to produce? What would you say to  
7 anyone asking that particular question?

9 GONZALO CASALS: How much time do you have?

10 CHAIRPERSON VAN BRAMER: As much time as you  
11 need.

12 GONZALO CASALS: A lot of things I would say. I  
13 would reinforce your idea that culture never closed.  
14 And it is not only that culture never closed on  
15 people to online. Culture never closed because they  
16 expanded their admissions to be an amazing city  
17 partner with the city, with the City Council, with  
18 the neighborhoods to really provide the basic needs  
19 that New Yorkers needed at the peak of the pandemic  
20 and continue to need.

21 Early voting sites, vaccination centers, as  
22 popular as you know the [INAUDIBLE 6:00:51]. Lending  
23 a parking lot like the Bronx Zoo you know to station  
24 ambulances that had to be brought from out of the  
25 city in order to cope with the need of the city. A

1 lot has happened in the last year but also as we are  
2 seeing that corporations and real estate are deciding  
3 if New York is still viable or not for their  
4 business. Culture is here and it is going to stay  
5 here forever and culture is what defines the profile  
6 of the City of New York. And back when we did the  
7 cultural plan in 2017, 96 percent of New Yorkers  
8 responded that arts and culture was a priority in the  
9 lives. When a similar survey was done at the peak of  
10 the pandemic last year, the numbers were only 286,  
11 ten percent, ten points.

12  
13 When you ask the same question in the rest of the  
14 country, the number in good years is 50 percent. And  
15 in times of crisis they are up to 40. So, arts and  
16 culture in New York are inexplicably connected. And  
17 again, there is no recovery of the City of New York.  
18 We have the recovery of the cultural sector.

19 CHAIRPERSON VAN BRAMER: So -

20 GONZALO CASALS: Unlike before and it is a little  
21 bit more in our hands as cultural leaders but also, I  
22 am amazed how the cultural community came together  
23 and developed collective leadership because while we  
24 want to reopen and we want to go back at the same  
25 time, we don't want to be caught at the same

2 precarious level that we were should another crisis  
3 come our way.

4 CHAIRPERSON VAN BRAMER: Yeah, no, I think that  
5 we agree that there is no recovery, certainly not a  
6 just recovery without the culture and the arts and  
7 artists leading the way and now is the time to invest  
8 in this sector. If you say those words and you  
9 believe that we need to get back to having 66 million  
10 tourists in the city at some point and we need to  
11 have the theater community thriving and we need to  
12 have artists flocking to the city, not fleeing the  
13 city. Than we need to invest in the arts and culture  
14 sector and that means this budget, which is the  
15 opportunity to make a statement, an affirmative  
16 statement in terms of what we value and who we value  
17 and who we are as a city.

18 So, certainly my hope that all of us working  
19 together will deliver a very substantial increase in  
20 funding for the Department of Culture Affairs and the  
21 culture sector. Empowering artists to do what they  
22 do best, which is make all of our lives better.

23 So, with that, thank you Commissioner Casals and  
24 this is our one and only budget done together and I  
25 wish your tenure as Commissioner was different so far

1  
2 in the sense that we could be at City Hall together  
3 for these hearings and we would have had a chance to  
4 run into each other at numerous cultural events and  
5 Gala's and things. That wasn't to be but I certainly  
6 hope that the next several months will bring us all  
7 together in person, certainly celebrating a very  
8 successful budget and then hopefully, safely at City  
9 Hall and at some really terrific cultural events over  
10 the summer and in the fall. So, thank you.

11 GONZALO CASALS: Chair Van Bramer, now as I bike  
12 to work a couple days a week, I pass by your house.

13 CHAIRPERSON VAN BRAMER: Oh really.

14 GONZALO CASALS: Yeah, hollering at you.

15 CHAIRPERSON VAN BRAMER: Well, thank you.

16 CHAIRPERSON DROMM: Thank you very much and I can  
17 claim you as a constituent which is even better.  
18 Thank you very much Commissioner Casals. We  
19 appreciate that. I don't see any Council Member  
20 questions at this time.

21 There may be some follow up questions that we  
22 will write to you about if necessary but we look  
23 forward to working with you as we move through the  
24 budget process.

2 So, let me just read this. This will conclude  
3 today's hearing. Thank you to DCLA for being here  
4 today. I would also like to thank Council Member Van  
5 Bramer for his help and work on this hearing as well.  
6 Thank you Council Member, I should say Chair at this  
7 hearing.

8 Before we close, I would like to remind the  
9 Finance Committee, members that will be meeting  
10 remotely again tomorrow at 10 a.m. where we will hear  
11 from the New York Police Department.

12 As a reminder to the public, the Committee will  
13 be holding a remote hearing for public testimony on  
14 the Executive Budget on Tuesday May 25<sup>th</sup> at 10 a.m.  
15 If you would like to testify at that hearing, please  
16 register at [www.council.nyc.gov/testify](http://www.council.nyc.gov/testify) and  
17 information about how to access the Zoom meeting will  
18 be emailed to you.

19 You may also submit written testimony through  
20 that registration website or by emailing  
21 [testimony@council.nyc.gov](mailto:testimony@council.nyc.gov). And that concludes today's  
22 hearings. Thank you to everybody. Thank you to the  
23 staff. Thank you to my Counsel, to Stephanie Ruiz,  
24 to Nathan Toth and to everybody who – Aliya Ali,  
25 everybody who has been working so hard on this.

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2 Thank you. We will see you tomorrow. Take care  
3 now. [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 June 15, 2021