

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE

Jointly with

COMMITTEE ON TRANSPORTATION
AND INFRASTRUCTURE

With

COMMITTEE ON CONSUMER AND
WORKER PROTECTION

And

COMMITTEE ON ECONOMIC
DEVELOPMENT

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May 29, 2026

Start: 10:08 A.M.

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HELD AT: Council Chambers - City Hall

B E F O R E: Linda Lee
Chairperson

Shaun Abreu
Chairperson

Harvey D. Epstein
Chairperson

Virginia Maloney
Chairperson

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

Mike Flynn

Department of Transportation Commissioner

Margaret Forgione

Department of Transportation First Deputy
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Commissioner of Budget and Capital Management

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Department of Transportation Deputy Commissioner
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Interim President and CEO of New York City
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A P P E A R A N C E S (CONTINUED)

Jennifer Montalvo
Economic Development Corporation Chief of Staff

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3 SERGEANT AT ARMS: Good morning. Good
4 morning. Welcome to the New York City Council
5 Executive Budget hearing on the Committee on Finance
6 joint with the Committee on Transportation and
7 Infrastructure joint with the Committee on Economic
8 Development, and joint with the Committee on Consumer
9 and Worker Protection- apologies. At this time, no
10 food or beverages are allowed in this room, and
11 please do not approach the dais. Thank you for your
12 cooperation. Chairs, you may begin.

13 CHAIRPERSON LEE: Great. Thank you.
14 [gavel] I always forget to do that. Good morning
15 and welcome to the fourth day of the FY27 Executive
16 Budget hearings. I'm Council Member Linda Lee and
17 today's hearings will begin with the Department of
18 Transportation followed by Department of Consumer
19 Protection, and the New York City Economic
20 Development Corporation. So, we have a very fun day
21 ahead of us. I'm pleased to be joined by my
colleagues who are here with us today, and also
especially our Majority Leader Shaun Abreu who is the
Chair of the Committee of Transportation. And we
have been joined by Council Members Won, Restler,

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3 Louis, and Wong. I think that's it for now. And
4 welcome to Commissioner Mike Flynn. You and your
5 team, thank you all for joining us today for today's
6 hearing and answering our questions. On May 12th,
7 2026, the administration released the Executive
8 Financial Plan for fiscal years 26 to 30 with a
9 proposed FY27 budget of \$124.7 billion. The
10 Department of Transportation proposed fiscal 27
11 budget of \$1.6 billion represents 1.3 percent of the
12 administration's proposed FY 27 budget in the
13 Executive Plan, and this is an increase of \$78.4
14 million or five percent from the \$1.56 billion
15 originally budgeted in the FY 27 Preliminary Plan.
16 This increase results from several actions including
17 from their money added for several new needs
18 including funding for a bus action plan that has
19 additional city funding of \$16.9 million and 70
20 headcount positions in FY 27, \$30 million and 89 new
21 positions in FY 28, \$34 million and 103 position in
FY 29, and \$35 million and 104 positions in FY 2030.
There was also money added for cycling and
micromobility which includes additional city funding
of \$11.2 million and 45 positions in fiscal 27, \$8.6
million and 52 positions in FY 28, and growing to

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3 \$22.8 million and 54 positions by FY 30. There were
4 also several big adjustments due to fuel costs.

5 There was \$10.3 million in FY 26 and \$24.3 million of
6 city funding that was baselined starting in FY 27 for
7 heat, light, and power costs related to the Staten

8 Island Ferry. As of April 26th, DOT's headcount was
9 647 less than their fiscal 26 budgeted headcount. In

10 the Council's Preliminary Budget response, the

11 Council identified a few areas related to DOT where

12 the city could allocate additional resources that

13 would provide either additional revenue or expense

14 savings. The budget response calls on the

15 administration to reflect the annual expense savings

16 of \$5 million from re-estimates of underspending the

17 Bureau of Bridges. The Council also identified

18 \$179.9 million in additional revenue from increased

19 enforcement of truck violations, expansion of the red

20 light camera program and renting space underneath the

21 Brooklyn Bridge, and collection of parking fines. My

questions will largely focus on the automated

enforcement unit camera savings, red light camera

revenue, vacancy reduction, Vision Zero, and

anticipated revenue from franchises. And I now want

to turn it over to my Co-chair for this hearing,

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Majority Leader and Chair Shaun Abreu for his opening
3 statement.

4 CHAIRPERSON ABREU: Thank you, Chair.

5 Good morning and welcome to the Committee on
6 Transportation and Infrastructure. This is a joint
7 hearing with the Committee on Finance on the fiscal
8 2027 Executive Budget for Department of
9 Transportation. My name is Shaun Abreu and I Chair
10 the Committee on Transportation and Infrastructure.
11 I want to begin by thanking the representatives from
12 the New York City Department of Transportation for
13 appearing before this committee, as well as my
14 colleagues, advocates, labor representatives,
15 community organizations and members of the public who
16 continue to engage on transportation issues that
17 affect millions of New Yorkers every single day. I
18 have repeatedly emphasized that effective and
19 efficient transportation is vital for economic
20 growth, social mobility, and commerce.
21 Transportation is not simply about moving people from
one place to another. It is about economic
opportunity, public safety, accessibility, quality of
life, and the overall functioning of our city.
Whether New Yorkers are commuting to work, bringing

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3 their children to school, operating small businesses,
4 or accessing health care and essential services, they
5 depend on a transportation system that is reliable,
6 equitable and safe. Today, we will hear from
7 Department of Transportation on its \$1.64 billion
8 fiscal 2027 Executive Budget. DOT's commitments as
9 presented in the Executive Capital Plan for fiscal
10 2026 to 2030, the Executive Commitment Plan, totals
11 \$13.8 billion, 3.7 percent less than the total for
12 the same period presented in the Preliminary Capital
13 Commitment Plan released in February. The
14 Department's planned commitments comprise 11.8
15 percent of the city's total \$117.14 billion fiscal
16 2026-2030 Capital Commitment Plan. At our
17 Preliminary Budget hearing in March, we pressed the
18 administration to adequately fund the Streets Plan so
19 DOT can accomplish their mandate, and in this
20 Executive Plan, we see additional funding. At our
21 Preliminary hearing, we urged the administration to
include more funding for public realm programs such
as Open Streets so they can expand beyond their
current levels, and in this Executive Plan we see
additional funding. At our Preliminary hearing, we
beseeched the administration to include additional

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3 resources to help fill our potholes after this
4 historic winter, and in this Executive Plan, we see
5 additional funding. At the Preliminary hearing, we
6 implore the administration to include more funding to
7 help reduce the alarming trend of longer waits for
8 street light repairs, and in this Executive Plan we
9 see additional funding. Is this funding going toward
10 improving the specific problematic areas? Is it
11 enough for DOT to accomplish all the basic and
12 necessary functions the agency is supposed to carry
13 out? I look forward to digging into those details
14 today. As Chair, I want this hearing to focus not
15 only on accomplishments, but also on accountability.
16 New Yorkers deserve transparency regarding project
17 timelines, funding decisions, agency coordination and
18 measurable outcomes. Communities across the city
19 continue to raise concerns about dangerous
20 intersections, traffic congestion, delayed street
21 redesigns, accessibility barriers, and the equitable
distribution of transportation resources. These
concerns require serious attention and concrete
action. As Jacob Javits once said, a budget is not
just a collection of numbers, but an expression of
our values and aspirations. I look forward to better

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3 understanding how this year's Executive Budget can
4 ensure DOT will meet legal requirements and more
5 effectively serve communities citywide. Before we
6 begin, I'd like to thank Council staff for their
7 hard work on preparing for this hearing, Adrian
8 DePaul [sp?] to my left, Principle Financial Analyst
9 to the Committee, Dan Kroop, Assistant Director
10 Finance Division, Chima, Deputy Director of Finance
11 Division, Theodore Miller, Committee Counsel, Sierra
12 Townsend [sp?], Committee Counsel, Kevin Kotowski
13 and John Basile [sp?], Senior Policy Analyst, and of
14 course my staff including my- including Jalissa
15 Quigley [sp?], my Deputy Chief of Staff. And with
16 that, I'll now pass it back to Chair Lee.

14 CHAIRPERSON LEE: Thank you, Chair.
15 We've also been joined by Council Member Epstein.
16 And before we get started, just a couple logistical
17 things. As a reminder, just wanted to let everyone
18 know that for this year's Executive Budget because
19 the hearings are delayed and we need to scrunch
20 everything in a shorter period of time. We are
21 doing the public testimony all on one day- should be
fun- on June 10th beginning at 9:30 a.m. So, public

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testimony is June 10th, 9:30 a.m. Join us please
3 because we want to hear back from the public, and so
4 we've been sending out emails and notifications, but
5 if you guys could tell your folks, that would be
6 great as well. And now I will turn it over to
Committee Counsel to swear in their witnesses for
7 their testimony.

8 COMMITTEE COUNSEL: Good morning. Do you
9 affirm to tell the truth, the whole truth and nothing
10 but the truth before this committee and to respond
11 honestly to Council Member questions? Council Member
Flynn?

12 COMMISSIONER FLYNN: [Off mic.]

13 COMMITTEE COUNSEL: First Deputy
14 Commissioner Forgione?

15 FIRST DEPUTY COMMISSIONER FORGIONE: I
do.

16 COMMITTEE COUNSEL: Deputy Commissioner
17 Beaton?

18 DEPUTY COMMISSIONER BEATON: I do.

19 COMMITTEE COUNSEL: Assistant
Commissioner Rodriguez?

20 ASSISTANT COMMISSIONER RODRIGUEZ: I do.

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3 COMMITTEE COUNSEL: And Associate
4 Commissioner Igor Yaroslavsky?

5 CHIEF ADMINISTRATOR OFFICER YAROSLAVSKY:
6 I do.

7 COMMITTEE COUNSEL: You may begin.

8 COMMISSIONER FLYNN: Wonderful. Well,
9 good morning and thanks so much Chair Abreu, CHair
10 Lee, and members of the Committees on Transportation
11 and Infrastructure and Finance. I'm Mike Flynn,
12 Commissioner of the New York City Department of
13 Transportation, and I'm joined today with First
14 Deputy Commissioner Margaret Forgione, Acting Chief
15 Administrative Officer Igor Yaroslavsky, Deputy
16 Commissioner of Transportation Planning and
17 Management Eric Beaton, and Assistant Commissioner
18 for Intergovernmental and Community Affairs, Rick
19 Rodriguez. Thank you for the opportunity to testify
20 on behalf of Mayor Zohran Mamdani on DOT's Fiscal
21 Year 2027 Executive Budget and Fiscal Year 2026-2035
Capital Plan. As Mayor Mamdani announced, this
Executive Budget puts forward a strong budget during
a tough fiscal climate that's balanced while also
protecting the daily services New Yorkers rely on.
And I apologize if I go a little quickly, because I

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3 know we are tight on time. This budget will support
4 DOT to remain focused on our mission to provide for
5 the safe, equitable, and sustainable movement of
6 people and goods and create public spaces that
7 strengthen our communities. We appreciate the Mayor's
8 continued investment in DOT, enabling us to maintain
9 our infrastructure, programs, and essential
10 operations to help all New Yorkers and millions of
11 visitors move around our city. DOT's Executive Budget
12 advances the Mayor's commitment to make New York City
13 transportation safer, more affordable, and more
14 reliable for working families. Through investments in
15 street safety, roadway conditions, transit
16 accessibility, freight mobility, and public realm
17 improvements, DOT continues to deliver core services
18 New Yorkers depend on every day while maintaining
19 strong fiscal stewardship. This budget supports the
20 city's long-term economic vitality by investing in
21 safer streets and faster buses, modernizing critical
transportation assets, and delivering capital
projects efficiently and responsibly. DOT remains
focused on achieving measurable results for New
Yorkers across all five boroughs while supporting the
administration's broader goals of affordability,

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3 accessibility, sustainability, and operational
4 excellence. As I said in March, we are thinking
5 big—and being bold. Less than five months into this
6 administration, DOT is moving with urgency and
7 ambition to make our streetscape the envy of the
8 world. We are advancing major projects, getting
9 shovels into the ground, and raising the bar for what
10 New Yorkers should expect from their streets and from
11 DOT. Our commitment is simple: deliver
12 transformational change that New Yorkers can see and
13 feel. With Mayor Mamdani's partnership and the
14 additional resources committed by this
15 administration, we are positioned to aim higher, move
16 faster, and deliver at the highest level. Because at
17 the center of this work are people. The
18 infrastructure we build and maintain is ultimately
19 about protecting and serving New Yorkers, making
20 streets safer, buses faster, transportation more
21 affordable and sustainable, and public spaces more
welcoming and accessible. That's why we are scaling
up protected bike lanes. It's why we are expanding
protected bus lanes and bus priority. It's why we are
creating more space for pedestrians. And it's why
we're working around the clock to improve the state

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3 of good repair, and safe operations, of all our
4 assets with efficiency and technical rigor: roadways,
5 sidewalks, bridges, traffic signals and streetlights,
6 and the Staten Island Ferry among other things.

7 We're putting people before politics, and laser
8 focused on achieving the on-the-ground results that
9 New Yorkers expect. In March, I reviewed many of our
10 accomplishments of ongoing work from previous years
11 and highlighted our top priorities for my first year
12 on the job. Today, I'll provide updates on a few of
13 those priorities and some of the key changes in our
14 Executive Budget. DOT's FY27 Expense Budget is \$1.6
15 billion, and you can see the more detailed breakdown
16 in the chart in my testimony. Our FY26-FY35 Capital
17 Plan is \$33 billion, and you can see the detailed
18 breakdown in my testimony. This budget provides
19 funding to support critical and innovative DOT
20 operations that make New York safer and more livable.
21 The Mamdani Administration is delighted to make these
investments in bus riders, cyclists, and pedestrians
in this budget, which I'll highlight a bit more in
the testimony. These investments strengthen our
vision to create a transportation system that
provides safe, convenient, and equitable mobility for

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3 all residents and visitors. Starting with fast
4 buses- Building on the Mayor's commitment to deliver
5 faster, more reliable bus service, and the down
6 payment made in the Preliminary Budget, we're
7 thrilled by the level of investment this Executive
8 Budget makes in creating streets that are safer and
9 better for all New Yorkers. This budget provides
10 record levels of funding and resources for bus
11 projects, demonstrating a clear commitment from the
12 Mayor to expand faster, safer, and more efficient
13 mobility options across the city. It adds nearly \$17
14 million and 70 new positions in FY27, growing to \$35
15 million and 104 positions by FY30, and an allocation
16 of more than \$300 million for future capital
17 projects. For too long, critical infrastructure
18 projects have lacked urgency, and we're thrilled by
19 the Mayor's financial and political investment to
20 strengthen our transportation network. This
21 investment is a commitment to improving New Yorkers'
quality of life with reliable and efficient services
that work. Moving on to strengthening bike
infrastructure. As we close out Bike Month, we're
particularly excited by the investments announced to
meet rapidly growing cycling trends. Each day, more

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3 than 600,000 cycling trips are taken in New York
4 City, which is up 64 percent from 2013. Under Vision
5 Zero, we are using every tool available from
6 protected bike lanes to safer street designs to
7 deliver safety for all New Yorkers, no matter how
8 they choose to travel. This budget provides the
9 opportunity for DOT to meet the moment during this
10 time of rapid change on our streets, by adding more
11 than \$11 million and 45 new positions in FY27 alone,
12 growing to nearly \$23 million and 54 positions by
13 FY30, and allocating nearly \$100 million for future
14 capital projects. And just as the Mayor has
15 challenged us to deliver faster and more reliable bus
16 service, this investment challenges us to deliver
17 more bike infrastructure across the five boroughs to
18 ensure that cycling is a convenient and affordable
19 choice available to New Yorkers in every
20 neighborhood. Just this week we announced the start
21 of construction to complete the redesign of
McGuinness Boulevard, which will deliver
parking-protected bike lanes across the entire
corridor from Meeker Avenue to the Pulaski Bridge.
With projects like these, New Yorkers are seeing the
investment in real-time to deliver safe streets for

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3 all New Yorkers. Enhancing public space: As
4 mentioned, safety is our top priority when
5 determining design treatments, and our public spaces
6 are a critical transportation asset supporting
7 social, economic, and cultural exchange at the
8 pedestrian level. This budget includes an additional
9 \$6.4 million of baselined investments starting in
10 FY27 in Open Streets, which transform asphalt into
11 opportunity. This funding helps us meet the strong
12 demand from communities to keep these spaces safe,
13 lively, and welcoming, thereby enhancing quality of
14 life for residents as well as retail sales for small
15 businesses. Expanding Sammy's Law: In March 2026,
16 the Mayor and I committed to reducing the speed limit
17 to 15 miles per hour at every eligible school
18 location across the five boroughs. This announcement
19 marked the largest expansion to date of the City's
20 use of Sammy's Law, which will improve street safety
21 for children and families. We know that lowering
speeds saves lives and that the announcement in March
was just the beginning. So, with a long-term goal of
expanding School Slow Zones to all 2,300 eligible
school locations citywide, this budget also invests
in eight additional positions and \$845,000 in

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3 baseline funding to expand a program that currently
4 delivers approximately 80 School Slow Zones each
5 year, accelerating critical safety improvements in
6 communities across the city. SPEED Taskforce: As the
7 Mayor recently announced, we are advancing the City's
8 commitment to faster, fairer, and more efficient
9 development through the Streamlining Procedures to
10 Expedite Equitable Development, or SPEED initiative.
11 And DOT is doing our part. To address these delays,
12 the Mayor's investment for the SPEED initiative will
13 add eight new positions, including transportation
14 specialists, engineers, preservation experts, and
15 community coordinators to strengthen our capacity to
16 review projects efficiently while maintaining
17 necessary compliance standards. Altogether, this
18 investment provides \$1.5 million in baseline funding
19 to help support critical housing, transportation, and
20 public infrastructure projects moving forward faster,
21 more efficiently, and with the urgency New Yorkers
deserve. As the country continues to face a national
shortage of engineers, we are also grateful for the
Mamdani Administration's investment to hire for
essential roles like these. On resurfacing and
potholes: This past winter was unlike any other in

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3 recent memory, with the city seeing historic snowfall
4 and record freezing temperatures. In return, New York
5 City faced severe roadway conditions caused by repeat
6 freeze-thaw cycles that created an extraordinary
7 number of potholes across the five boroughs. In
8 response, DOT launched an aggressive citywide pothole
9 blitz, deploying crews around the clock to repair
10 streets, restore safe driving conditions, and respond
11 quickly to communities impacted by deteriorating
12 roadways. To cover baseline resurfacing needs, this
13 budget adds \$10 million starting in FY26 and the
14 addition of nearly \$3 million in FY26 to support
15 critical emergency response efforts, covering the
16 substantial costs associated with mobilizing the
17 additional personnel, equipment, materials, and
18 roadway repair operations that were necessary to
19 address that surge in potholes. Thanks to the hard
20 work of our DOT crews, thousands of potholes were
21 repaired across major corridors and neighborhood
streets alike, helping to improve safety, reduce
damage to vehicles, and keep New Yorkers moving
during one of the most challenging winter road
seasons we have seen in recent years. Illuminating
NYC: We're making historic investments in the safety,

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3 reliability, and quality of life of our neighborhoods
4 and plan to start a \$331.5 million citywide program
5 to replace every first-generation LED streetlight
6 fixture across New York City. More than a decade ago,
7 New York led the nation by converting nearly 385,000
8 streetlights to energy-efficient LED technology,
9 dramatically improving visibility, reducing energy
10 use, and lowering emissions. Rather than relying on a
11 costly and inefficient system that waits for lights
12 to fail before responding to complaints, this
13 initiative will launch a coordinated, multi-year
14 replacement program that upgrades fixtures
15 neighborhood by neighborhood, block by block,
16 ensuring streets remain safely illuminated while
17 reducing maintenance delays and long-term costs. With
18 emerging technologies, the program will also
19 modernize the City's streetlight network with new
20 real-time monitoring technology that can immediately
21 identify outages, diagnose problems remotely, and
dispatch crews more efficiently. We're a national
leader in using sustainable street lighting and we
look forward to a comprehensive installation process
citywide. On our savings program: The Executive
Budget reflects DOT's continued commitment to

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3 identify efficiencies and responsibly manage taxpayer
4 resources while maintaining critical transportation
5 and street safety services. We achieved \$6 million in
6 FY27 in savings from lower-than-anticipated Automated
7 Enforcement Unit contract costs, reflecting careful
8 management of program expenditures and operational
9 needs. In addition, the agency identified \$3 million
10 in annual vacancy reductions beginning in FY27
11 through ongoing workforce and hiring management.

12 Together, these initiatives demonstrate DOT's dual
13 ability to not only contribute meaningfully to the
14 City's fiscal strategy through technologies that
15 increase revenue, but also strengthens our mission to
16 advance street safety. Finally, we are continuing to
17 expand contracting opportunities for Minority and
18 Women-Owned Business Enterprises, or MWBEs. In Fiscal
19 Year 2026, we are on track to achieve record-breaking
20 results, with \$470 million already committed toward
21 MWBE participation, representing 33 percent of our
contracted spending as a department. This significant
progress is both a numeric achievement and also
demonstrates our intentional efforts to create
opportunities to build a resilient and diverse
business ecosystem to strengthen communities

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3 citywide. In conclusion, just five short months into
4 the Mamdani Administration, I am proud of the
5 tremendous progress we have made at DOT. We've
6 unlocked the energy, creativity, and drive of this
7 agency and its employees, quickly elevating our work
8 and delivering results. All of this is a credit to
9 the 6,000 employees at DOT who wake up each and every
10 day determined to make our city better. And it's also
11 a credit to the leadership of our mayor. The
12 investments Mayor Mamdani is making through this
13 budget will serve as a catalyst for the work we do
14 now and for many years to come. We will immediately
15 put this new funding to good use: hiring staff,
16 expanding our contract capacity, and purchasing the
17 supplies and equipment we need to scale up every
18 facet of our work. As I said at the March budget
19 hearing, government is a big ship that takes time to
20 turn. But as the agency that runs the Staten Island
21 Ferry, we know a thing or two about that and we're
moving the projects that were stuck in the pipeline.
We're rapidly announcing new ones, and just as
importantly, we're laying the groundwork for even
bigger and more impactful initiatives to save New
Yorkers money, save time, and save lives. In the

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3 months ahead we'll be rolling out big, holistic plans
4 on everything from faster buses to safer streets, and
5 these will be promises we can keep because of the
6 investments made in this budget and in the years
7 ahead. I want to thank the Council for its
8 partnership and for the opportunity to testify today,
9 and we now welcome any questions.

10 CHAIRPERSON LEE: Great. Thank you.
11 Great timing. Okay, so really quickly, let's just
12 dive right in. For the Automated Enforcement Unit
13 camera savings, the Executive Plan, as you mentioned,
14 includes funding reduction of \$6 million in FY27 with
15 \$4 million baselined starting in FY28. How are these
16 savings determined and does DOT anticipate higher
17 revenue from the newer AEU cameras?

18 ASSOCIATE COMMISSIONER YAROSLAVSKY:
19 Thank you for the question, Chair. So, we did a new
20 procurement for our Automated Enforcement Camera
21 Program and through careful negotiation and diligent
project management with the vendor, we were able to
bring down the cost. We now have more detail and
visibility into the cost of the camera program, and
that's just going to bring in more dollars to the
city.

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3 CHAIRPERSON LEE: Okay. Just out of
4 curiosity, how many vendors applied?

5 ASSOCIATE COMMISSIONER YAROSLAVSKY:
6 We'll have to double check that and get back to you.

7 CHAIRPERSON LEE: Okay. And in October
8 2024, Governor Hochul signed into the law the
9 expansion of the existing red light camera program-
10 sorry- allowing the city to quadruple the number of
11 red light cameras, 150 to 600, marking the largest
12 expansion of the program. And the Executive Plan
13 includes \$97.4 million in FY27 and \$230.1 million
14 over the Five-Year Plan. What additional safety
15 enhancements have DOT implemented or will implement
16 within the communities where the additional cameras
17 are in use?

18 ASSISTANT COMMISSIONER RODRIGUEZ: While
19 they're looking at information, a slight point of
20 clarification. It's 600 intersections rather than
21 cameras.

CHAIRPERSON LEE: Okay, thank you.

FIRST DEPUTY COMMISSIONER FORGIONE:

20 Thank you for that question. So, regarding the red
21 light camera expansion, to date we have 450

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3 intersections covered by red light cameras and about
4 600 cameras, because of course, at each intersection
5 we can put a camera on both approaches, and by the
6 end of this year we'll have all 600 intersections
7 completed.

8 CHAIRPERSON LEE: Okay. Sorry, thought I
9 felt a sneeze coming on. Okay. Does DOT have
10 adequate funding for signage specific to the speed
11 cameras?

12 FIRST DEPUTY COMMISSIONER FORGIONE: Yes,
13 we do.

14 CHAIRPERSON LEE: Okay. And I know this
15 is a question that comes up a lot when we're looking
16 at different boroughs, different parts of the city
17 thinking about equity. How does DOT decide when and
18 where to move speed cameras? Like, what's the
19 criteria metrics that you use to place them?

20 FIRST DEPUTY COMMISSIONER FORGIONE: So,
21 DOT is , of course, a data-driven agency in all of
the safety measures that we have. When we're siting
speed cameras we're looking at obviously first and
foremost speeds. We're looking at crashes. We're
looking at the nature of those crashes, and we are
constantly sort of recalibrating our streets to

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3 determine what's happening on them and where the
4 cameras can be most effective.

5 CHAIRPERSON LEE: Okay. And then is it
6 taken into consideration that some parts of the city
7 obviously, you know- because I think sometimes
8 there's- when we're looking at the data, there's some
9 parts of the city that have more crashes, but it's
10 also probably because those are transit desert areas
11 where there's more cars being utilized versus other
12 modes of transportation. And so, just wondering how
13 that's factored into a place, for example, like
14 southeast Queens that has a very high number of red
15 light speed light cameras versus somewhere in Midtown
16 Manhattan?

17 COMMISSIONER FLYNN: I think it's
18 important to note to start that the vast majority of
19 drivers, once they get one violation it doesn't
20 happen again. So, you know, I think in an ideal
21 world we would not get any revenue, you know, from
these programs if everybody's following the law. So,
as First Deputy Commissioner Forgione said, we really
try to follow the data and ultimately our North Star
is moving towards zero traffic fatalities.

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3 CHAIRPERSON LEE: Yeah. No, that's
4 definitely the goal. And actually, that leads to my
5 next question, because if the cameras move around-
6 because I think what happens is that usually drivers
7 become familiar with where certain speed cameras are,
8 and you know, it's usually on some of the apps like
9 Waze, for example, right? So, it sort of notifies
10 you, which is not a bad thing because it'll help
11 people to slow down. But if the new cameras get
12 moved, how is the community notified? Is it done in
13 different- has DOT conducted any analysis
14 specifically on equity whether it's based on racial
15 or economic data related to camera placements, which
16 is sort of what I was getting at?

17 FIRST DEPUTY COMMISSIONER FORGIONE: So,
18 we are able to relocate the cameras. In terms of
19 notifying the community, frankly to be honest, the
20 idea with all of our camera enforcement programs is
21 not that you're aware that there's a camera in any
given spot, and you adjust your behavior. We want
drivers to drive as if they need to comply with all
of the rules and the laws regardless of whether or
not there's a camera. And maybe they should assume

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3 that there could be a camera everywhere, and that
4 will better guide the behavior.

5 CHAIRPERSON LEE: Right. But have you
6 specifically looked at racial economic data in terms
7 of where the cameras get placed?

8 FIRST DEPUTY COMMISSIONER FORGIONE: We
9 have looked at that. I don't have any of that
10 readily available. [inaudible] Commissioner Beaton,
11 go ahead.

12 DEPUTY COMMISSIONER BEATON: Yeah, we did
13 look at that, and as First Deputy said, we could
14 share it after. But we did look to make sure that
15 they're not being either over or underserved in
16 either low-income or non-white communities. We want-
17 you know, we start with the data and doing it where
18 they're most needed, but then we did go back and
19 double check to make sure they're not all in
20 communities of color, or not avoiding communities of
21 color. And we found that they really are distributed
very evenly around the city based on the racial and
economic make-up of the city. And that's part of why
they're effective, I think, because they're not
concentrated in communities, but that they are really
all over the city.

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3 CHAIRPERSON LEE: Okay. I know some of
4 my colleagues will probably have different opinions,
5 but I'll let them ask their questions on that. But
6 what- so going back to my original question. But
7 what additional safety enhancements? I know you
8 spoke about the 450 intersections where the red light
9 cameras have been placed, but what other additional
10 safety enhancements have DOT implemented?

11 COMMISSIONER FLYNN: Right. So, I mean,
12 you know, Vision Zero really drives so many of our
13 investments and design decisions out on the street,
14 and it's become a massive program, and with this
15 historic investment we're seeing in the current
16 budget, it's going to grow even more. So, we have a
17 really broad toolbox and we follow the data. If it's
18 a high-crash corridor or a specific intersection or a
19 particular neighborhood, and then depending on the
20 context, is it a wide street, a narrow street?
21 There's different kinds of traffic on them, right? It
could be redesigning intersections. It could be
speed humps. It could be adding or changing the
traffic signal, stop signs, road diets, reallocating
the space. It's a very broad toolbox.

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3 CHAIRPERSON LEE: Okay. And then is- are
4 the residents adequately informed about the programs
5 or any changes, meaning multiple languages, and of
6 course, reaching out to the disabilities community,
7 for example, and how does that outreach look like?

8 COMMISSIONER FLYNN: We do very robust
9 community engagement. We're always looking to
10 improve upon it, but I think the agencies made really
11 great strides in the last 10+ years in engaging
12 communities across multiple channels, multiple
13 languages, whether it's pop-up outreach or larger
14 scale community workshops, online, social media, and
15 detail the-

16 ASSISTANT COMMISSIONER RODRIGUEZ:
17 [interposing] And just to add on, we have our Street
18 Engagement Teams that go into communities directly to
19 meet where community members are, and we use
20 materials that are translated across the 10-most
21 frequently used languages in the city.

22 CHAIRPERSON LEE: Okay, great. In the
23 Council's budget response, we noted that there were
24 211 red light cameras mounted around the city which
25 accounted for \$38.1 million in revenue or
26 approximately \$150,710 per camera. If the red light

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3 camera's program were to be expanded to 1,325
4 intersections as contained in the state authorizing
5 bill, additional \$199.7 million could be generated
6 annually based on the fiscal 2025 revenue numbers.
7 DOES Dot and the administration support expanding the
8 red light camera program to scale- to the scale
9 prescribed in the state authorizing legislation?

10 ASSISTANT COMMISSIONER RODRIGUEZ: Can
11 you just say the front part one more time? I just
12 want to make sure I have the details crisply.

13 CHAIRPERSON LEE: Yeah, so it's 211 red
14 light cameras mounted currently with roughly \$31.8
15 million in revenue. So, if you take that same sort
16 of, you know, breakdown, if the program were to
17 expand to 2,325 intersections as was in the state
18 authorizing bill?

19 ASSISTANT COMMISSIONER RODRIGUEZ: The
20 state authorizing bill is only for 600 intersections.
21 The 1,350 was the original negotiation point in the
2025-

CHAIRPERSON LEE: [interposing] Oh, okay.

ASSISTANT COMMISSIONER RODRIGUEZ:
negotiations for the reauthorization. That reflected,
I think, a 10 percent of all intersections which is

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3 where that number came from. But we're only
4 authorized up to 600 intersections.

5 CHAIRPERSON LEE: Okay. So, given that
6 it's 600 would that concurrently- in terms of the
7 ratio of the amount of revenue generated, do you
8 foresee that being the same sort of ratio of the
9 revenue that's being generated in proportion?

10 ASSOCIATE COMMISSIONER YAROSLAVSKY:
11 Chair, just to highlight what the Commissioner said
12 earlier. If we generated zero revenue, that'll be a
13 successful program. This is not a revenue-based
14 program, and you know, we're just trying to change
15 drive behavior.

16 CHAIRPERSON LEE: I'm sorry, can you
17 repeat that?

18 ASSOCIATE COMMISSIONER YAROSLAVSKY: Just
19 to highlight what the Commissioner said earlier, if
20 we generated zero dollars in revenue, that will be a
21 successful program. We're never looking at it as a
revenue-based program. It's more about changing
driver behavior.

22 CHAIRPERSON LEE: Agree, but you know, I
think when we're looking for, you know, ways to
generate- it's just- I guess I'm just not asking

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3 about the intent, but it's more about do you foresee
4 that if there's more redlight cameras there would be
5 in theory more revenue.

6 ASSISTANT COMMISSIONER RODRIGUEZ: And to
7 speak at a high level, I think one of the things that
8 we see is in the initial period where installation
9 happens, there is a spike, right? People are
10 unfamiliar. But what we also see is that driver
11 behavior improves. So, I don't think we can say for
12 the status quo number for what you see in your
13 metrics there, that would be indicative of what we
14 would see in a scaler [sic] program.

15 CHAIRPERSON LEE: Okay. I mean, yes, just
16 for the record, I agree. We want to change driver
17 behavior. That's the ultimate goal, but I'm just
18 trying to get a sense since it's a budget hearing,
19 right, of where you think the numbers will land.
20 Okay. Does DOT expect- oh, what neighborhoods have
21 seen the highest increase from camera revenue?

18 FIRST DEPUTY COMMISSIONER FORGIONE: We
19 don't have that information with us today.

19 CHAIRPERSON LEE: Okay. Were cameras
20 moved with the aim of increasing- hold on. What is
21 the error rate- sorry. What is the error rate for

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red light camera violations? Do you have that
3 information?

4 FIRST DEPUTY COMMISSIONER FORGIONE:

5 Sorry, what do you mean by that exactly?

6 CHAIRPERSON LEE: If there are, for
example- if there's a car that mistakenly got this or
7 there's a license plate- I'm just trying to figure
8 out if there are any errors and what that percentage
9 would be and accuracy?

10 FIRST DEPUTY COMMISSIONER FORGIONE:

11 Okay. We have a very robust review process where we
12 have a city employee reviewing each and every
violation before it's issued. We have an extremely
13 high rate. Like, we don't receive them back in
error. We can get you the exact percentages.

14 CHAIRPERSON LEE: Okay. And what is the
15 process actually for the violation review?

16 FIRST DEPUTY COMMISSIONER FORGIONE: So,
17 we have DOT employees in our Traffic Operations
18 Division who have been carefully trained for all the
19 different camera type violations to examine each and
20 every video, obviously looking at it carefully,
21 confirming if it's red light, confirming that in fact
the signal has changed, where the vehicle is in the

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intersection. There's an SOP and a very detailed
3 protocol of how that evaluation is made, and then
4 that person certifies that it is a valid violation
5 before it is issued.

6 CHAIRPERSON LEE: Okay. And so, I think
you're sort of answering my question, but for the
7 record, have any cameras been removed because of
8 technical problems or excessive false tickets?

9 FIRST DEPUTY COMMISSIONER FORGIONE: We
10 would never get to the point of issuing a false
11 ticket. If there's any technical problem with the
12 camera, we would work with the vendor to bring that
13 back online, but if there were any issue we would not
even consider those violations.

14 CHAIRPERSON LEE: Okay, perfect. And how
often are yellow light timings reviewed and adjusted?

15 FIRST DEPUTY COMMISSIONER FORGIONE: How
16 often is it calibrated or checked? Is that the
17 question?

18 CHAIRPERSON LEE: Yes.

19 FIRST DEPUTY COMMISSIONER FORGIONE: I
20 need to confirm that unless any of my colleagues have
21 that.

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3 CHAIRPERSON LEE: Because I know that
4 some traffic lights have longer yellow light timings
5 versus others. So, just wanted to see.

6 FIRST DEPUTY COMMISSIONER FORGIONE:
7 We'll have to get back to you on that.

8 CHAIRPERSON LEE: Okay. And have you
9 done any studies about whether extending the yellow
10 light duration reduces violations or reduces people-

11 COMMISSIONER FLYNN: [interposing] So, the
12 yellow phase is set as basically a ratio of the speed
13 limit. So, whatever speed we expect drivers to be
14 going or that they should be going or staying under,
15 that's what the timing's based on. And so it
16 shouldn't really be a variable thing in terms of the
17 results if that makes sense.

18 CHAIRPERSON LEE: Okay. What engineering
19 alternatives were considered besides enforcement
20 cameras? I know that you explained some of them.

21 COMMISSIONER FLYNN: Yeah, it's not- I
don't think it's really- we don't approach it as an
either/or. I think it's really all of the above, and
I just really want to stress how effective automated
enforcement has been and how we see it, but also that
96 percent of drivers don't get more than two

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3 violations. So, we really- again, from our vantage
4 point, it is a safety tool, and you know, and it's a
5 very effective one. So, we really appreciate the
6 Council's partnership also since we have to go back
7 to the state every few years to get these programs
8 reauthorized.

9 CHAIRPERSON LEE: Right. Okay. So,
10 moving onto the process to obtain traffic calming
11 measures, because I know that this is the case in my
12 neighborhood as well, especially in the parts of
13 southeast Queens in my district where either around
14 schools or, you know, in certain intersections there
15 are very long sort of like streets between the
16 avenues, because it's a very long distance and people
17 speed by. And so in the situation where community
18 members would like four-way stop signs, it seems like
19 the process itself to want to have other traffic
20 calming measures aside from the cameras, right,
21 whether it's a speed bump or four-way stop signs, it
seems like a very arduous process to go through that
many community members are not understanding,
especially if they have the signatures from the
streets and their neighbors to want to get something
like this done. And I know that usually DOT comes

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3 out and does a study and observes, but I think
4 oftentimes the frustration is it's not during the
5 times where kids get let out or where there's a lot
6 of parents in one area, right, especially around the
7 schools. And so just wondering if you could walk us
8 through the process to obtaining other traffic
9 calming measures and what factors does DOT consider
10 in that?

11 COMMISSIONER FLYNN: Sure. I can start.
12 You know, I think- we certainly don't want the
13 processes to feel arduous. I think, you know, we've
14 tried to create good pages on our website that
15 explain these, but always open to feedback about how
16 we can make it easier for the community to let us
17 know, you know, what issues they're facing. The other
18 point I would make is just that, you know, again, we
19 do try to approach these things holistically. So,
20 it's helpful for us to hear from the community what's
21 the issue, what's the challenge, and then we can work
with them to figure out what the right solutions
might be. It may be a speed hump. It may be a stop
sign. It may be a traffic signal. It could be
something else. But if they want to request like a

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specific tool, then we do have, you know, processes
3 for each of those. You can speak a little more.

4 DEPUTY COMMISSIONER BEATON: Right. And
5 the processes all work together. Someone requests a
6 stop sign, and we think it's not appropriate for a
7 stop sign. We don't say, well, sorry, nothing we can
8 do here. If we see speeding, then a speed hump might
9 be appropriate or other traffic calming. We do try to
10 take the concern and find the right treatment. And
11 you know, we definitely hear about the times of day
12 and things. You know, our signal engineers do go out
13 and look at many times of day. It's also helpful
14 when we get feedback. You know, there's a location
15 where it turned that, you know- somewhere Saturdays
16 there was a big little league thing that goes on, and
17 so a weekday check which is usually the busiest time
18 of the city wasn't quite right, but because we heard
19 about that traffic pattern, we could go out and look
20 differently. So, the more information we get, the
21 better we can be responsive to exactly what's going
on there.

CHAIRPERSON LEE: Okay. And the new
initiative that the Mayor had outlined which was the
SPEED initiative, I mean, is this- something like

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3 this, would that be included in terms of helping with
4 the process of getting those things in place?

5 COMMISSIONER FLYNN: Chair, do you mean
6 the state law, to stop super speeders, or-

7 CHAIRPERSON LEE: [interposing] No, no,
8 no. The thing that was in your testimony.

9 COMMISSIONER FLYNN: Oh, the SPEED-

10 CHAIRPERSON LEE: [interposing] SPEED,
11 yeah.

12 COMMISSIONER FLYNN: to speed up
13 affordable housing and other sustainable development?

14 CHAIRPERSON LEE: Yes. Because I know
15 that you were saying- well, I mean in terms of the
16 processes, and it says for example your portion was
17 to hire eight positions. So, is that just for DOT
18 alone? It's not for the other agencies, right?

19 COMMISSIONER FLYNN: Correct, yeah.

20 CHAIRPERSON LEE: Okay. And this is- I
21 know it's for- to help support critical housing, but
it's also transportation public infrastructure
projects moving forward faster. So, I just wanted to
clarify if something like this could also be included
in that, or no?

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3 COMMISSIONER FLYNN: Yeah. So, yes. This
4 is giving us more resources to basically do the
5 traffic studies, essentially, which is sometimes on
6 the critical path for these developments, and you
7 know, it's one important step. So, by having the
8 resources we need on that team, we'll be able to
9 process those reviews a lot faster.

10 CHAIRPERSON LEE: Okay. And if this is
11 sort of alluding to new developments, I would
12 encourage that if this could be done overall, that'd
13 be great, too. In terms of just the overall
14 processes. So, I just wanted to make a note of that.
15 In terms of vacancy reduction, Executive Plan
16 includes baseline funding of \$3 million starting in
17 fiscal 27 from 49 headcount positions. So, what were
18 these 49 positions that were eliminated and how will
19 DOT be able to carry out the functions?

20 COMMISSIONER FLYNN: Sure. I can say to
21 start, you know, that the vacancy reduction was done
in tandem with the ending of the two-for-one hiring
policy. So, while, you know, it's a reduction in
sort of theoretical headcount, it's actually a lot
more helpful for us to have real headcount that we
can allocate, you know, based on the needs. So, in

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the end, this is really a net positive for us. Igor
3 could talk more about the specifics, but that's how
4 kind of we're looking at it.

5 ASSOCIATE COMMISSIONER YAROSLAVSKY:

6 Thank you, Commissioner. So, we looked at all of our
vacancies and looked at longstanding vacancies.

7 There were a couple parts of the agency that just
8 weren't able to hire for a long time. So, to the
9 Commissioner's point, to allow us to enable hiring
10 faster with the reduction of the two-for-one hiring
freeze, we were going to take some vacancies down and
11 hopefully that'll help us speed up hiring for all of
12 our other positions in need.

13 CHAIRPERSON LEE: Okay. And is the
14 entire Office of Sustainable Delivery being
eliminated? If not, what positions remain and what
15 will be the scope of the office?

16 COMMISSIONER FLYNN: No, we're definitely
17 keeping that function. I think we've rebranded it as
18 Sustainable Delivery Unit, as you mentioned. Still a
very important, you know, focus area for us to ensure
19 delivery worker safety and safe behavior and we're-
20 well, yeah, we could talk more about, I guess, the
21 specific headcount, but basically we're focusing the

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3 group more on the policy and regulatory approach
4 needed to get safer outcomes in the delivery bike
5 space versus, you know, an enforcement forward
6 approach.

7 CHAIRPERSON LEE: Great. And I know that
8 you mentioned this earlier with the contractor that
9 you re-bid for a lower cost, and so are there other
10 savings measures like that were you're looking at
11 different consulting contracts or other areas?

12 Because I know some of the agencies haven't looked at
13 actually some of their consulting contracts in years,
14 and so just wondering if you guys have done a review
15 of that.

16 ASSOCIATE COMMISSIONER YAROSLAVSKY:

17 Thank you for the question, Chair. So we're
18 constantly looking at all of our contracts, both
19 professional services engineering contracts and
20 seeing if there's efficiencies that could be made.
21 For contracts that are already in place, it's a
little bit hard because the terms are set. But every
time we rebid we look at ways to do it faster and
better. And to the question you asked earlier, there
were three vendors that bid on the enforcement

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3 contract, and Veer [sic] Mobility was the chosen
4 vendor.

5 CHAIRPERSON LEE: Great. And last
6 question before I pass it off to the Chair. Is DOT
7 looking to use technology training or deployment any
8 differently to find efficiencies in its operations?

9 COMMISSIONER FLYNN: Absolutely, and this
10 is, you know, an important priority for me honestly.
11 I mean, I think it's something that we do as a
12 standard practice, but I really want to take a
13 holistic look across the board at how we can improve
14 our operations and efficiency, technology being one
15 critical piece of that. And you know, we're going to
16 have folks really whose role is specifically focused
17 on efficiency and organizational excellence.

18 CHAIRPERSON LEE: Great. Thank you. And
19 just quickly, we've been joined by Justin Sanchez and
20 Christopher Marte. And Chair, go ahead.

21 CHAIRPERSON ABREU: Thank you, Chair Lee.
This is a question for Commissioner Beaton. Deputy
Commissioner Beaton, in April of last year you
testified under oath to this committee that as it
pertains to the cost of daylighting, 10,000 is a very
round rule of thumb number for a single intersection.

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3 You further emphasized this cost to Streets Block
4 saying the cost of hardened daylighting
5 infrastructure comes at about \$10,000 per location
6 which includes labor and regular maintenance.
7 However, in that same hearing, your submitted
8 testimony to the committee stated universal hardened
9 daylighting would cost in the neighborhood of \$3
10 billion. New York City has 40,000 intersections, Mr.
11 Beaton, at a cost of \$10,000 per intersection, it
12 comes to \$400 million. Is this just a simple case of
13 bad math or a huge disagreement you have with
14 yourself?

15 DEPUTY COMMISSIONER BEATON: So, the
16 \$10,000 was per location. An intersection four
17 corners, each corner can have two sides that are
18 daylit. So, I think that that's the discrepancy is
19 it's not per intersection, it's per location.

20 CHAIRPERSON ABREU: I mean even if you
21 were to multiply that by four, it will still be far
less than the \$3 billion in your testimony, is that
correct?

DEPUTY COMMISSIONER BEATON: Well,--

CHAIRPERSON ABREU: [interposing] Answer
that question, is that correct?

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3 DEPUTY COMMISSIONER BEATON: To get a
4 full number, you would multiply by eight. So, again,
5 these are round numbers, but that's how you get
6 there.

7 CHAIRPERSON ABREU: Are you aware that
8 the previous administration's OMB estimates for Intro
9 1138 which called to daylight 1,000 intersections per
10 year included several large additional costs,
11 including \$8.7 million for hardening barrier
12 materials, \$1.2 million for personnel services
13 including fringe to hire staff, \$5.5 million for
14 annual personnel services, \$780,000 for dry rails,
15 and \$420,000 for signage, \$63,000 in year one, and
16 \$126 in year two for the purchasing of new vehicles,
17 and we still only average to close to just \$17,000
18 per intersection.

19 ASSOCIATE COMMISSIONER YAROSLAVSKY: So,
20 that is an average for one intersection. It doesn't
21 scale up equally, and with every number there's
always outliers. So, to the point Deputy
Commissioner Beaton was making, you can just take one
intersection and extrapolate that linearly.

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3 CHAIRPERSON ABREU: This is an OMB
4 estimate for Intro 1138, which is 1,000 intersection
5 per year.

6 DEPUTY COMMISSIONER BEATON: I think when
7 you're picking a limited number of intersections, you
8 can intentionally look for ones that are more
9 straightforward and cost less. When you're talking
10 universally and doing it at every location in the
11 city, you inherently have to do all the more complex
12 ones, and so we- as Igor said, it doesn't scale
13 exactly the same way.

14 COMMISSIONER FLYNN: I think at the end
15 of the day we're eager to sit down and work through
16 the details and if it's a matter of figuring out
17 what's the most accurate cost, you know, we're happy
18 to be a partner in that.

19 CHAIRPERSON ABREU: I know you are
20 committed, Commissioner, but I have to come after
21 Commissioner Beaton on his information from the past.
You're a good boss. Thank you for coming to his
defense. The previous administration which was no
friend of this policy could only manage to inflate
the cost to \$17,000 per intersection. This is
baffling considering if we apply this number to all

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3 40,000 intersections of the city, the total cost is
4 around 22 percent of that \$3 billion number you and
5 the administration touted- that the previous
6 administration has touted. Are you aware of that,
7 Mr. Beaton?

8 DEPUTY COMMISSIONER BEATON: Yeah. I
9 think we discussed it a little bit here, and as the
10 Commissioner said, we're happy to get into more
11 detail about what it costs and what it takes to do
12 this work.

13 CHAIRPERSON ABREU: Are you aware that
14 Hoboken was able to roll out daylight en masse by
15 starting with low-cost interventions like paint and
16 plastic delineators which can start for as low as
17 \$1,500 per intersection?

18 DEPUTY COMMISSIONER BEATON: We regularly
19 talk to all of our neighbors about what and how they
20 do things, and what they cost in different locations.

21 CHAIRPERSON ABREU: Are you also aware
that Hoboken studied levels of interventions,
including \$2,000 to add some bike rack intersections?

DEPUTY COMMISSIONER BEATON: I cannot
speak to familiarity with every piece of Hoboken.

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3 CHAIRPERSON ABREU: This is information
4 I'm confident in, and it still comes nowhere near the
5 cost that this administration is estimating. Last
6 year, at the daylighting hearing, Council Member Won
7 mentioned that DOT reported to her office that it
8 would cost \$10,000 to daylight an intersection which
9 agrees with the Council's analysis and which she
10 stated public for the record. Do you disagree with
11 your own agency's analysis?

12 DEPUTY COMMISSIONER BEATON: I'm sorry. I
13 wasn't totally following. But we've said it's
14 \$10,000, right? That sounds the same.

15 CHAIRPERSON ABREU: They-

16 DEPUTY COMMISSIONER BEATON: [interposing]
17 I think it's difficult to get into some of these
18 details without everything in front of us. We're
19 more than happy to talk to you and make sure we are
20 all looking at the same cost.

21 UNIDENTIFIED: Can you just clarify, the
\$10,000-

CHAIRPERSON ABREU: [interposing] Sorry.
Sorry, I'm not done with the line of questioning,
Council Member. Even if DOT just did unhardened
universal daylighting at certain intersections, it

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3 only cost the city of Portland \$700-\$800 to erect
4 four signs per an intersection. I understand this
5 administration agrees with prior administration's
6 extremely questionable claim that unhardened
7 daylighting is more dangerous in certain situations.
8 But then, can this administration commit \$400 million
9 to implement universal hardened daylighting in our
10 city? Every New Yorker deserves to feel safe and be
11 safe in the areas where we live and work and play.
12 Our seniors and children deserve to cross our streets
13 without fear, and every New Yorker deserves better
14 from their government. I remain disappointed with the
15 resistance to this measure, but I'm grateful that
16 Commissioner Flynn has committed not only in public
17 conversations but in private conversations that he's
18 really committed to addressing this. Commissioner, I
19 really, really am grateful for your leadership on
20 this. I'm going to let Council Member Won ask
21 questions on this specific issue, and then I'll
transition to other topic areas. Council Member Won?

COUNCIL MEMBER WON: Thank you so much,
Chair Abreu. Getting a little frustrated. Okay, so
why don't we just ask in simpler terms. So, why
don't you explain to us your calculations for how

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3 much intersections cost. Per intersection what is
4 the actual cost? Not four intersections or four
5 street or four sidewalks- however way you want to put
6 it, how much does each intersection cost to daylight?

7 DEPUTY COMMISSIONER BEATON: So, again,
8 we're happy to go through this with you in much more
9 detail.

10 COUNCIL MEMBER WON: Yes, let's go
11 through it in detail now?

12 DEPUTY COMMISSIONER BEATON: I'm happy to
13 go through it in much more detail when we have all
14 the figures in front of us and can be all looking at
15 the same sheet [sic].

16 COUNCIL MEMBER WON: So, you came to
17 this hearing on the budget without the figures in
18 front of you for a budget hearing.

19 DEPUTY COMMISSIONER BEATON: It costs
20 roughly \$10,000 per location.

21 COUNCIL MEMBER WON: So, per location
he's saying that it's not \$10,000 per location,
because he's defining location in a different way
than the way that we define location. What is the
\$10,000 for? Give us the breakdown.

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3 DEPUTY COMMISSIONER BEATON: So, it's
4 about \$10,000 per location which would be about \$10
5 million for a thousand intersections.

6 COUNCIL MEMBER WON: Yes, we understand
7 that which is why we were outside with over 100
8 advocates who have been calling year after year
9 because hundreds of people die due to lack of
10 daylighting with cars turning at intersections which
11 I know, Commissioner, you already know because we've
12 discussed this. Many people have discussed this with
13 you before you took your position, and we understand
14 that it's going to be \$10 million for a thousand
15 intersections. So, help us understand what you mean
16 by location? Do you mean location means four
17 corners? What are you- why are you debunking what
18 \$10 million costs us to daylight.

19 FIRST DEPUTY COMMISSIONER FORGIONE:
20 Maybe I can try to clarify, if I may. So, every
21 intersection, typical intersection has four corners,
right? There's two sides to each of that corner as
the streets come together. So, if you can visualize
that, there are actually eight. As Commissioner
Beaton said, there's eight potential places that you
can do daylighting. So, when we say we can daylight

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3 one corner or one intersection for \$10,000, that's
4 simply one part of the eight, and that may be
5 inadequate, right, in order to truly address safety
6 at that intersection depending on what our engineers
7 feel would be beneficial there. That's why the
8 \$10,000 is over-simplifying the conversation. And it
9 would help- you know, and I know we're trying to take
10 care of some of this here, but if you have time at
11 another time, we'd love to sit there just like with a
12 plan of a few streets and go through that with you.

13 COUNCIL MEMBER WON: So, I have a few
14 follow-up questions. For daylighting, can you help
15 me understand, how do you qualify what you deem as
16 daylightable? Help me understand that. What are your
17 qualifications to determine- because we went from the
18 Mayor Zohran Mamdani, when he was an Assemblymember,
19 he stood with me when a six-year-old was mauled by a
20 car in Astoria, [inaudible] daylighting rally, and he
21 demanded that we daylight every single intersection,
and he's been on record multiple times calling for
universal daylighting. And now he has taken office
and we're now hearing the opposite of that from you
all. So we want to understand, what do you qualify
as somewhere that should be daylit because you are

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3 saying that you no longer believe in universal
4 daylighting, despite all of the times that the Mayor
has gone on record in support of universal?

5 COMMISSIONER FLYNN: Thank you, Council
6 Member. I just want to be clear that we share the
7 same goal of eliminating traffic fatalities and we
8 absolutely see daylighting as a key piece of that.
9 We are all for figuring out and eager to work with
10 you and other partners to understand the most
11 effective and fast way to expand the use of
daylighting. I just want to be clear on the record
about that.

12 COUNCIL MEMBER WON: Okay, so how do you
13 evaluate what locations are appropriate-

14 CHAIRPERSON ABREU: [interposing] Please
wrap up, Council Member.

15 COUNCIL MEMBER WON: for daylighting?

16 COMMISSIONER FLYNN: We've focused on
17 where it can be most effective. So, generally that's
18 where a driver would be able to make a legal turn.
19 That's where the daylighting can be most helpful,
20 right? We want pedestrians to be visible and to be
21 seen, and so if you think about one-way streets, some

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3 corners are more helpful than others for daylighting,
4 and that's what we would want to prioritize.

5 CHAIRPERSON ABREU: Thank you. Alright.
6 We're going to transition now to a few other topic
7 areas. Bus Action Plan- the Executive Plan includes
8 additional city funding of \$16.9 million and 70
9 headcount positions in fiscal 2027 that grows to \$35
10 million and 104 additional positions in fiscal 2030
11 for the Bus Action Plan. How many miles of bus lanes
12 will be built with this funding and how many will be
13 new bus lanes?

14 COMMISSIONER FLYNN: Thank you, Chair.
15 Yeah. So we're thrilled with the level of
16 investment. It's a historic level of investment.
17 It's going to let us bring this program to a historic
18 level of output. While I don't have specific miles
19 for this year because the program is kind of a
20 dynamic thing that we're developing and implementing,
21 we're expecting a historic level of output this year,
significantly more than prior years.

CHAIRPERSON ABREU: Okay. Are you able
to- do you know how much more that would be or-

COMMISSIONER FLYNN: [interposing]
Unfortunately, I don't have exact numbers.

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CHAIRPERSON ABREU: Okay.

3 COMMISSIONER FLYNN: But I think it will
4 be significantly more.

5 CHAIRPERSON ABREU: Than last year?

6 COMMISSIONER FLYNN: It's what we're on
track for.

7 CHAIRPERSON ABREU: Alright. Once you
8 get that information, if you could share that with
9 us, that would be greatly appreciated. On average
10 how much will each bus lane cost to install? Please
be specific.

11 COMMISSIONER FLYNN: Might need a moment
12 for that one.

13 CHAIRPERSON ABREU: Take your time.

14 DEPUTY COMMISSIONER BEATON: It does vary
15 quite a bit. You know, the- just the- for example,
16 the red paint is about \$4 a square foot in round
17 numbers. But different lengths of bus lanes, if
18 there's more intersections, then you don't have the
19 red paint through the intersection, the costs are not
the same for every mile in the city. So, this is a
tremendous investment that the city has gotten us.

20 It's why we are planning it out street by street
21 rather than just saying here's an average, we're

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3 going to use this money to do as many bus lanes as we
4 possibly can.

5 CHAIRPERSON ABREU: Thank you. What is
6 the scope of the new positions, and is DOT hiring for
7 these new positions now?

8 COMMISSIONER FLYNN: Well, it's FY27
9 funding. So, as soon as we get the money we're going
10 to move quickly to staff up as quickly as we can.
11 Tell all your friends. We're going to need a lot of
12 good-

13 CHAIRPERSON ABREU: [interposing] I have
14 some folks in the audience here who are willing to
15 apply for work, not kidding. So, we're definitely
16 going to spread the word.

17 COMMISSIONER FLYNN: Thank you.

18 CHAIRPERSON ABREU: What is the scope for
19 these new position?

20 DEPUTY COMMISSIONER BEATON: So, one of
21 the things that we really did very thoughtfully and
the Mayor funded is that this isn't just more
planners, you know, [inaudible] people to think about
where we should do bus lanes. It includes the
engineers who design them and it includes work
throughout our operations. It includes people for

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new concrete elements and new people for signal
3 timing changes and just all the things that go into
4 making a bus lane successful. So, we were very
5 pleased that it's not just sort of starter money.
6 It's really the money to plan and deliver the entire
program.

7 CHAIRPERSON ABREU: Does any part of this
8 funding go towards public engagement? How much and
9 what specific actions will be taken to engage the
public?

10 DEPUTY COMMISSIONER BEATON: Absolutely.
11 Public engagement is a key part of expanding any
12 project, including bus lanes. And you know, just an
13 example of that as was mentioned before, we have our
14 Street Ambassador on Street Units that go out and
15 meet people at bus stops, go business to business
16 down corridors, and as we're doing more of these
17 projects we want to make sure we're not just
18 spreading that group more thinly and doing less
19 outreach. We're staffing up that group, for example,
20 to do the same amount or more outreach with each of
21 the projects that we do.

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3 CHAIRPERSON ABREU: As a percentage, how
4 much of this funding is dedicated to the
5 implementation of bus lanes?

6 ASSOCIATE COMMISSIONER YAROSLAVSKY:
7 Thank you for the question, Chair. So, as Deputy
8 Commissioner Beaton said, the bus lane can be many
9 different things. I'd say on average it's probably
10 about 50 to 70 percent of it will be for the actual
11 bus lanes and there will be support for all this work
12 and the new need as well.

13 CHAIRPERSON ABREU: When you get the
14 percentage, I would be grateful if you could share
15 that with us. How many new bus shelters would be
16 installed this year, particularly in transit deserts
17 and along high ridership routes?

18 ASSOCIATE COMMISSIONER YAROSLAVSKY: So,
19 we're going to be installing an additional 100
20 shelters this year, and thanks to the investment in
21 this Executive Budget, we're able to install another
22 100 per year for the next two years as well.

23 CHAIRPERSON ABREU: Great. With this
24 funding, will DOT be able to meet the 30 miles of bus
25 lanes as mandated by Local Law 195?

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3 COMMISSIONER FLYNN: As I mentioned,
4 we're working as hard as we can to deliver as many
5 and as much output as we can with the new funding.

6 CHAIRPERSON ABREU: With respect to bus
7 rapid transit- bus rapid transit is a high-capacity
8 bus-based urban transit system designed to combine
9 the speed and efficiency of rail transit with
10 flexibility and lower cost of buses. What factors
11 does DOT consider when deciding to implement BRT?

12 COMMISSIONER FLYNN: Thank you for the
13 question, Chair. Yeah, we're really excited and we
14 know there's things we can learn from other cities
15 around the world and really taking our bus priority
16 efforts to the next level. We're really excited that
17 Flatbush Avenue is in construction as we speak which
18 is really going to be one of the first on-the-ground
19 examples of this type of approach. That's something,
20 you know, in the BRT spirit. I'm trying to remember
21 now, the question was around-

CHAIRPERSON ABREU: [interposing] What
factors did your agency consider when deciding to
implement?

COMMISSIONER FLYNN: That's right. Thank
you. Yeah, so certainly ridership, certainly bus

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3 speeds, but we also want to be looking forward to and
4 think about, you know, what's the potential folks may
5 have seen in the housing announcement- I guess it was
6 yesterday or the day before that the administration's
7 looking to sort of pair transit oriented development
8 and affordable housing with things like BRT or other
9 rapid transits. So, these are all factors that we
10 consider, and we also work closely with our partners
11 at the MTA because they're also a big piece of this.
12 A lot of the focus is on the street design and all
13 that, but the other really important part is how MTA
14 runs the buses and making sure we can maximize the
15 speeds and the throughput.

16 CHAIRPERSON ABREU: Does DOT have a
17 process in place at the moment for BRT approval?

18 DEPUTY COMMISSIONER BEATON: So, we have
19 a Transit Development Unit that works, as the
20 Commissioner said, in very close partnership with the
21 MTA and as part of looking at a corridor, one of the
things that they do is look at all the data, look at
the street design and figure out where these higher
levels of investments are appropriate. So that's
something that we've been starting to look at as part

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3 of the new bus plan, and I think there'll be more
4 details as part of that.

5 CHAIRPERSON ABREU: Thank you. And I'll
6 just state for the record that, you know, my office
7 has sent DOT a letter as well as advocates. I have
8 sent DOT a letter in support of a BRT, bus rapid
9 transit system, along 125th Street which would, you
10 know, touch my district as well as other districts
11 throughout Harlem. It's something that I support,
12 but now the ball is on the court is where I'll leave
13 it, but this is something that for us is very
14 important we want to put on the record. I think it's
15 a great place for thinking big and really making sure
16 that Harlem gets the attention it deserves. I'll
17 move over to cycling and micromobility. The
18 Executive Plan adds funding for cycling and
19 micromobility and includes \$11.2 million and 45 new
20 positions in fiscal 2027, \$8.6 million and 52 new
21 positions in 2028, reaching \$22.8 million and 54 new
positions by fiscal 2030. What will this funding go
towards and how many bike lanes will be installed
because of this funding?

20 DEPUTY COMMISSIONER BEATON: Sure. So,
21 in terms of what it goes towards, it's a little bit

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3 similar to what we talked about with the bus plan
4 earlier where it's both the planners and outreach
5 specialists who can get the project moving, but it
6 also really reinforces the operations around the
7 agency in terms of our ability to deliver. So, it
8 includes money for concrete work. It includes money
9 for our marketing program. Again, we want to be very
10 committed to not just saying we're coming up with a
11 lot of ideas, but to really delivering them.

12 CHAIRPERSON ABREU: On average, how much
13 does it cost to install a bike lane? Do you have
14 that information?

15 COMMISSIONER FLYNN: There's definitely a
16 lot of variables. I think as much or maybe in some
17 ways even more than the bus lanes, because it depends
18 on the specifics of the design of the bike lane, the
19 concrete, you know, islands or traffic signal
20 changes. So, I'm not sure if we have a rough range,
21 or?

DEPUTY COMMISSIONER BEATON: We can get
back to you with the range, but as the Commissioner
said, it's a very wide range, right? A fully
built-out greenway, you know- we did get a lot of

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capital money in this budget as well, but the cost of
3 that is very different from a painted on street lane.

4 CHAIRPERSON ABREU: Yeah, if the agency
5 could come up with some type of breakdowns of, you
6 know, square miles for this type of bike lane versus
7 that type of bike lane, just something for us to have
8 like some baseline of how this stuff gets priced out,
9 that would be very helpful for us and for members of
the public.

10 COMMISSIONER FLYNN: Will do.

11 CHAIRPERSON ABREU: With this funding,
12 will DOT be able to build out the 50 miles of
protected bike lanes of fiscal 27?

13 COMMISSIONER FLYNN: So, you know, again,
14 not able to give an exact number yet, but it is a
15 historic level of investment, and therefore, we're
16 expecting a very substantial increase in the output
of bike lane-

17 CHAIRPERSON ABREU: [interposing] Compared
18 to years past?

19 COMMISSIONER FLYNN: Yes.

20 COMMISSIONER FLYNN: And increasing even
21 more in the future years, right? I didn't mention
that earlier, but part of it is of course is once we

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3 get the funding in July, as we hire up, as we expand
4 these contracts, etcetera, all the things it takes to
5 build these, we're going to do as much as we can this
6 year, but we also expect very significant growth in
7 future years.

8 CHAIRPERSON ABREU: I'm going to ask
9 another set of questions- last set of questions
10 before I pass it on and then I'll come back for more.
11 I have questions on the Knicks and the World Cup.
12 This summer, New York City region will play host to a
13 round of group matches and the final match of the
14 World Cup, and in a few weeks our very own New York
15 Knicks will be playing in the NBA Finals. Has the
16 administration outlined to DOT what their role will
17 be in the upcoming world cup, and what does the scope
18 of the involvement entail?

19 COMMISSIONER FLYNN: Thank you, Chair.
20 Yeah, we're really excited about the World Cup and
21 also about the Knicks- go Knicks- and you know, I
think the mayor has said and I agree that the World
Cup presents an exciting opportunity not only to show
our city off to the world, but to make sure that all
New Yorkers benefit from these. So, that's kind of-
I think DOT's role is two-fold. Number one, we're

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3 really trying to leverage these events, World Cup in
4 particular, to create opportunities for New Yorkers
5 to celebrate and feel like they're a part of the
6 World Cup even if they're not going to see a match
7 in-person. There's been some announcements around
8 that ad there's more to come in the coming weeks
9 around watch parties and that kind of stuff. I think
10 also we had the announcement around the Soccer
11 Streets that we're doing to engage school kids. You
12 know, and then the other side of it is obviously more
13 like the traffic management side, right, I trying to
14 ensure that all this activity doesn't- that it works
15 smoothly and that we put our best foot forward for
16 visitors, but also that it's not inconveniencing New
17 Yorkers how all this stuff is happening. And my
18 colleagues could provide more details, but that's
19 kind of our overall goal.

20 CHAIRPERSON ABREU: Over a month ago the
21 Streets Blog reported that there have been watch
parties that had been cancelled. Is that true? Or
city events that have been scaled down by any chance?

COMMISSIONER FLYNN: Well, you know, what
I'll say is for myself like coming into this role and
realizing that the World Cup was five, six months

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3 away, it's a lot, and so a lot of these conversations
4 and planning have been happening in a very dynamic
5 real-time way. Multiple agencies are involved and
6 there's a lot of different pieces. So, everything's
7 been kind of, you know- it's been dynamic, but we're
8 excited with where we've landed. We think it's going
9 to be a wonderful series of activities and events for
10 New Yorkers.

11 CHAIRPERSON ABREU: Was the DOT's
12 decision to scale down events, or is that a different
13 agency?

14 COMMISSIONER FLYNN: There was no final
15 set of events that was scaled down. We've- it's, like
16 I said, it's a lot of conversations and planning that
17 have been happening in real time.

18 CHAIRPERSON ABREU: Alright, thank you.

19 CHAIRPERSON LEE: Great. Thank you. Just
20 want to recognize we've been joined by Council
21 Members Hanif and Morano on Zoom and also Council
Member Brooks-Powers. And just- as we go into member
questions, just want to remind colleagues of course
if we can keep questions and responses both succinct
because we want to make sure we'll get through
everyone, and of course, if any members wants to go

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3 for round two, let us know. And we have- we're going
4 to start with Council Member Won followed by Council
5 Member Louis.

6 COUNCIL MEMBER WON: Thank you so much,
7 Chair Lee. So, I want to break it down a little bit
8 further. So when it comes to a road, an intersection
9 is usually four corners, and you're repeatedly saying
10 it's \$10,000 for an intersection, but the- then
11 you're saying that the intersection as a location
12 they're an eight-part intersection. So, now you're
13 redefining intersection which we constantly feel like
14 there's a lot of disagreement on. Then it's less than
15 \$3 billion even with that calculation as well, \$3
16 billion. So, in relation to the mayor campaigning,
17 is there are new- are there new dollars added to this
18 current administration for hardened daylighting, yes
19 or no? Because at the last budget hearing you said
20 that the only daylighting funding that you have is a
21 rollover from the Eric Adams administration.

18 COMMISSIONER FLYNN: I mean, I want to
19 start by saying that I apologize if there's been any
20 miscommunication or misunderstanding around how we're
21 defining or how we're laying out the cost. You know,
as I mentioned earlier, we're here in good faith to

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work with you to figure out the best pathway forward
3 on daylighting. On cost- you're asking about cost,
4 Council Member?

5 COUNCIL MEMBER WON: Yeah, has new
6 funding been added by the Zohran Mamdani
administration-

7 COMMISSIONER FLYNN: [interposing]
8 [inaudible]

9 COUNCIL MEMBER WON: for daylighting?
10 Because at the last hearing, the only amount of
dollars for hardened daylighting was from the Eric
11 Adams administration. Are there new dollars added?

12 DEPUTY COMMISSIONER BEATON: So, there
13 was a tremendous amount of money added to our budget.
14 It's primarily being called bus lane and bike lane,
but as part of a lot of those projects we do include
15 hardening daylighting as part of the safety treatment
16 we bring to the corridor. For example, most of our
17 protected bike lanes include hardened daylighting
18 going down the corridor to make sure that there's
visibility for turning vehicles to be able to see
19 cyclists. So, it's not called out as a separate line
20 item, but the city is very much committed to and is
21 funding these safety improvements.

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3 COUNCIL MEMBER WON: So, what is the
4 dollar amount that you're going to set aside for
5 hardened daylighting in your new added budget?

6 ASSOCIATE COMMISSIONER YAROSLAVSKY: So,
7 just to the point that Deputy Commissioner Beaton was
8 making, there's no item and we're not looking at it
9 as one piece. Every time we do a project we'll make
10 sure if daylighting is an appropriate treatment.

11 COUNCIL MEMBER WON: So, then help me
12 understand what specific street design elements are
13 you looking at, and can you help us understand what
14 the criteria is exactly so that we can understand
15 your criteria for your evaluations of which locations
16 you will have hardened daylighting done?

17 COMMISSIONER FLYNN: Sure. And I just
18 want to, you know, start by saying that we're very
19 confident in our ability with the budget that we have
20 now to exceed the prior administration's level of
21 output of hardened daylighting. As Deputy
Commissioner Beaton said, the bike lanes, the bus
lanes, all the other Vision Zero work we do, we're
making hardened daylighting a standard part of our
approach. The nuance is just that there are cases-
you know, we look at the crash data, and there's

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3 other treatments in addition to daylighting that are
4 sometimes even more effective. So, we really value
5 the flexibility to use daylighting and/or other
6 approaches based on the situation.

7 COUNCIL MEMBER WON: So, we would like to
8 understand how many dollars are going to spent for
9 each fiscal year since you gave us a calculation of
10 how much it will cost. In return, we would like to
11 understand how many intersections are in your budget
12 for this fiscal year. I'll turn it over back to the
13 Chair, but I would like to come back for a second
14 round of questioning. Thank you.

15 CHAIRPERSON LEE: Okay, great. Council
16 Member Louis followed by Council Member Wong.

17 COUNCIL MEMBER LOUIS: Thank you, Chair,
18 and good morning, Commissioner to your whole team. I
19 have four questions, so I'm just going to throw them
20 out, and then hopefully you'll be able to respond.
21 So, the administration has made significant
investments in traffic operations, and my first
question targets traffic studies and federal design
standards. I wanted to know- there are significant
communities that are all going through this, but I
wanted to know, despite these significant investments

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3 made by the administration many communities continue
4 to experience year-long waits for traffic studies,
5 signal timing reviews, stop sign requests, and
6 pedestrian safety improvements. I wanted to know how
7 much of- how much this- the increase in funding is
8 dedicated specifically to traffic engineering staff
9 study capacity, and what is the current average
10 timeline from community request to final agency
11 determination for those studies. Also, given that New
12 York City contributes significant local funding
13 towards its transportation network, I wanted to know
14 why is the city continuing to rely so heavily on
15 standards, federal standards specifically that make
16 communities believe that they- communities believe
17 they fail to reflect the realities of dense urban
18 neighborhoods. I wanted to know how is DOT
19 exploring alternatives to methodologies that better
20 account for pedestrian activity, senior population,
21 schools, and houses of worship and transit usage.
That's still for traffic studies. And my last
question in regards to contractor accountability,
utility costs, and cost recovery. I wanted to know-
so my constituents frequently raise questions and
concerns regarding utility contractor street

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3 restorations that fail shortly after work is
4 completed, leaving residents with deteriorated
5 roadways despite recent construction activity. So,
6 how many summonses or enforcement actions did DOT
7 issue in fiscal year 26 against utilities and
8 contractors for defective street restorations? How
9 much money did the city actually recover through
10 those penalties, corrective work requirements and
11 reimbursements, and is DOT seeking additional
12 resources in the budget to strengthen this
13 enforcement function? Thank you. I know that was a
14 lot.

15 COMMISSIONER FLYNN: No, thank you,
16 Council Member. Those are great questions. I'll
17 just speak briefly to I think one of the points and
18 then maybe let the team chime in on some of them. But
19 regarding federal standards, definitely appreciate
20 that point, and I think, you know, we would agree
21 that cities are very different than let's say rural
areas or even suburban. And we really do seek to
maximize our flexibility in how we approach these
things. It's also why we have a great partnership
with organizations like NACTO [sic] that advocates
for city's interests. So, I just wanted to mention

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3 that. I think then there was the funding for traffic
4 engineering staff and the utility cars.

5 ASSOCIATE COMMISSIONER YAROSLAVSKY: So,
6 for traffic operations staff, we already have a
7 robust team that will get signal and other traffic
8 devices. With this budget, we're adding another 20
9 people as part of the-

10 COUNCIL MEMBER LOUIS: [interposing] Okay.

11 ASSOCIATE COMMISSIONER YAROSLAVSKY: bus
12 and bike lanes.

13 COUNCIL MEMBER LOUIS: And those 20 are
14 dispersed citywide?

15 ASSOCIATE COMMISSIONER YAROSLAVSKY: They
16 look at the whole entire city. It's not like they're
17 just going to focus on each distinct piece. They're
18 going to continue to move all the pieces of the
19 traffic operation portfolio forward.

20 COUNCIL MEMBER LOUIS: Thank you.

21 FIRST DEPUTY COMMISSIONER FORGIONE:
Okay. You packed a powerful question, a lot of good
stuff in there. So, I think first and foremost, what
you're getting at is how can we be more responsive to
communities. People believe they have a problem,
and-

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COUNCIL MEMBER LOUIS: [interposing]

3 Correct.

4 FIRST DEPUTY COMMISSIONER FORGIONE:

5 we're taking too long to look into some of these
6 things like traffic signal studies which we do agree
7 that is taking a long time as well as the ability to
8 then if we find a traffic signal is warranted, to
9 put that in a contract. So, we're working really hard
10 to staff up in some of these areas, and also to make
11 sure we have more contracting capacity which we
12 should have this coming year. But what I'd like to
13 urge Council Members, as you see an issue, we want to
14 get with you and your constituents on that issue. We
15 have mobile speed camera units, for example. We can
16 put those out if it falls within, you know, our
17 criteria for that. We can look at some other measures
18 for traffic calming. Some things we can do in the
19 short run. We can even look at a longer-term redesign
20 if that's warranted. But we want to make sure you and
21 your constituents know that's what we're here for. We
will try to address those needs.

19 COUNCIL MEMBER LOUIS: That will be
20 helpful.
21

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3 FIRST DEPUTY COMMISSIONER FORGIONE: And
4 you mentioned MUTCD, this manual for uniform traffic
5 control devices. So that is something that we do
6 need to comply with to retain a federal standard, you
7 know, across the whole country. However, we are
8 being proactive as you mentioned. You mentioned like
9 more pedestrian focus, warrants [sic], and things of
10 that nature.

11 COUNCIL MEMBER LOUIS: Right.

12 FIRST DEPUTY COMMISSIONER FORGIONE: We
13 recently worked with the federal government to be
14 able to use micromobility in our studies which is of
15 course something knew, and we were effective at
16 getting that in, and we would want to keep refining
17 as we go forward.

18 COUNCIL MEMBER LOUIS: We look forward to
19 that. Thank you. Thank you, Chair.

20 FIRST DEPUTY COMMISSIONER FORGIONE: And
21 we do have some- real quick- inspection information.
So the last full fiscal year for fiscal 25 we
conducted 474,000 inspections of permitted work out
in the streets. 88 percent of those inspections
showed that they were in compliance and then they
passed basically our inspections.

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3 COUNCIL MEMBER LOUIS: How many were not
4 in compliance?

5 FIRST DEPUTY COMMISSIONER FORGIONE: That
6 would leave 12 percent.

7 COUNCIL MEMBER LOUIS: Okay.

8 FIRST DEPUTY COMMISSIONER FORGIONE: And
9 that could be something like they're working outside
10 of permitted hours or a street cut was not properly
11 backfilled, something like that.

12 COUNCIL MEMBER LOUIS: Okay. Thank you.
13 Thank you, Chair.

14 CHAIRPERSON LEE: Thank you. Just want
15 to recognize we've been joined by Council Member
16 Krishnan, and before we go to Council Member Wong, I
17 just wanted to give a special shout out to the
18 student in the balcony from PSI 155. Thank you so
19 much for being here today. I know you're from Council
20 Member Rita Joseph's district who I see back there,
21 but thank you so much for coming to observe how civic
participation in city government works. So, thank
you. Okay, so Council Member Wong followed by Council
Member Epstein.

COUNCIL MEMBER WONG: Okay. Thank you,
Chairs. Commissioner Flynn, at the last hearing I was

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3 asking about how can we as the committee, how can DOT
4 improve the safety of pedestrians from e-bike
5 accidents, and unfortunately I got to talk about it
6 again today because yesterday 8:30 there was an
7 e-bike that had a head-on collision with a scooter on
8 Queensboro Bridge and unfortunately both men were
9 killed. I looked at the pictures and I- based upon
10 what I saw, the e-bike involved was a Blade GT2 which
11 has a speed of up to 53 mile per hour. And I asked
12 this before, and here I am again, what can we do as
13 the Finance Committee and what can you do as DOT to
14 enforce speed limits, and why are these high-speed
15 e-scooters be allowed to be on the streets? Please
16 talk about that.

17 COMMISSIONER FLYNN: Yeah. Thank you so
18 much for the question, Council Member. And you know,
19 I want to start by saying yesterday's crash was a
20 tragedy and our hearts are with the victims, their
21 families, and loved ones. You know, I- it's tough too
because pretty recently we were celebrating the
opening of the south outer roadway on the bridge that
separated pedestrians and cyclists. And you know, to
be clear, we do see that as a major step forward in
safety for those cycling over the bridge. But

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3 nevertheless, we clearly have work to do. I know the
4 NYPD investigation is ongoing, but based on the facts
5 as we understand them, one of the riders was using a
6 stand-up e-scooter capable of going over 50 miles an
7 hour which is very much illegal in New York City.

8 so, you know, that- I think it really underscores-
9 and we hear it. And there's a lot of confusion, even
10 myself sometimes. Like, there's so many different
11 kinds of devices. Some are legal, some are not. Are
12 they pedal-assist? Are they throttle, stand-up,
13 sit-down, all of that different classes? To me, what
14 it underscores is that the highest speed devices are
15 not appropriate for New York City streets. And by in
16 large our laws reflect that. The question is how do
17 we get them off our streets, because again the
18 stand-up scooter involved yesterday, it wasn't legal
19 to begin with. So, you know, we work closely with
20 NYPD and we have a good partnership, but clearly it
21 underscores that as these devices proliferate, we
really have even more work to do to get them off our
streets. That's educating consumers, businesses, but
also just confiscating them.

20 COUNCIL MEMBER WONG: Yes, and if this
21 budget is an issue, please talk to the Finance Chair

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3 of this committee of how can we help, because we just
4 don't want to see any more of these fatalities, and
5 it's very unfortunate for we to even talk about this
6 again.

7 COMMISSIONER FLYNN: Absolutely. We
8 appreciate that.

9 COUNCIL MEMBER WONG: Do I have time for
10 one more question? Okay, I'll do round two. Thank
11 you.

12 CHAIRPERSON LEE: Okay, perfect. Council
13 Member Epstein followed by Council Member Morano on
14 Zoom.

15 COUNCIL MEMBER EPSTEIN: Thank you.
16 Thank you, Chair. I'm going to follow up with the
17 Council Member's questions around pedestrian safety.
18 I know you said you do a lot of community engagement
19 when you're making street design changes. How much
20 are you committed to ensuring that the Community
21 Board and local leader's feedback is taken into
consideration when making decisions and changes?

COMMISSIONER FLYNN: Absolutely. We
value the input that we get from communities, from
electeds, from Community Boards and it's one of the
important factors that we take into account.

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3 COUNCIL MEMBER EPSTEIN: I really do
4 appreciate it. Because if a Community Board says we
5 don't want to do something, it sounds like DOT should
6 side with the local electeds and the Community Board
7 in their decisions. Is that what I hear from you,
8 Commissioner?

9 COMMISSIONER FLYNN: I think at the end
10 of the day, we have an important mission to save New
11 Yorkers' lives, and-

12 COUNCIL MEMBER EPSTEIN: [interposing]
13 Right.

14 COMMISSIONER FLYNN: so we're balancing
15 all different factors.

16 COUNCIL MEMBER EPSTEIN: Right, exactly.
17 So we're talking about saving New Yorkers' lives and
18 pedestrians, and I appreciate you listening to
19 communities when issues come up like that. I know you
20 mentioned expansion of bus pilots, and I really
21 appreciate you wanting to do that. It's really
important to expand those bus pilots. Can you- in
lower Manhattan do you- I know we talked about
Madison Avenue. I've talked to you a lot about the
14A bus. Are there any expansions potentially coming
for lower Manhattan at this point?

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3 COMMISSIONER FLYNN: Around buses
4 specifically?

5 COUNCIL MEMBER EPSTEIN: Yes, bus lanes.
6 You talked speeding up buses. You know, this is
7 something I've been working on for many, many years
8 prior to coming to the Council. I'm wondering if you
9 have any proposed projects coming to lower Manhattan.

10 COMMISSIONER FLYNN: We will have the
11 faster buses action plan coming out in the coming
12 weeks, and there'll be a lot of big ideas in there.
13 We're excited to share. We're excited to work with
14 you and other partners-

15 COUNCIL MEMBER EPSTEIN: [interposing]
16 Yeah.

17 COMMISSIONER FLYNN: you know, to
18 basically help flesh out what those projects look
19 like.

20 COUNCIL MEMBER EPSTEIN: Right.

21 COMMISSIONER FLYNN: And we're
prioritizing roots like I said earlier based on
ridership and bus speeds or things like that. So, I
don't- I'm not sure specifically about Manhattan,
but-

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COUNCIL MEMBER EPSTEIN: [interposing]

3 Sure, sure.

4 COMMISSIONER FLYNN: I'm sure we have some
5 ideas there.

6 COUNCIL MEMBER EPSTEIN: Yeah. I would
7 love that, and you know, we talked about the Avenue A
8 bus lane. I'd love to see that expanded as we've
9 talked about before. I want to talk about charging
10 infrastructure. We're talking about to be more
11 environmentally sound, putting publicly available
12 charging infrastructure in place. I've been asking
13 DOT for the last 10 years to make one publicly
14 available charging station in lower Manhattan
15 someplace. Can you commit to making publicly
16 available chargers available in lower Manhattan for
17 people who want to convert to electric vehicles?

18 COMMISSIONER FLYNN: Well, you know, I'll
19 start by just reinforcing, you know, absolutely we're
20 working across with all the levers we have to try to
21 expand EV charging. Starting- you know, with the
starting point being that we want to expand options
for New Yorkers to walk, bike, and take transit, but
we know some folks have to travel by car sometimes,
and we certainly want them to be using electric

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3 vehicles in those instances. So, we're really taking
4 an all of the above approach to EV charging, and that
5 includes on an off street, level two, and fast
6 charging. We're trying to- one thing we're doing is
7 trying to prioritize neighborhoods where we see a lot
8 of for-hire vehicle drivers live, taxi drivers, things
9 like that, and prioritize charging in those areas.
10 But we're definitely rolling it out across the city
11 and I can definitely commit to working with you to
12 figure out the best place to put it in-

COUNCIL MEMBER EPSTEIN: [interposing]

11 Yeah, I'd love to see at least one in lower
12 Manhattan, and I appreciate your working with me on
13 that. I know I'm out of time. So I'll come back
14 later, Chair. Thank you.

15 CHAIRPERSON LEE: Council Member Restler
16 followed by Council Member Justin Sanchez. Is he
17 here? Okay, we'll see if he comes back.

18 COUNCIL MEMBER RESTLER: Thank you so
19 much, Chair Lee and Chair Abreu for your leadership
20 of this hearing, and thank you to the DoT team for
21 joining us today. You know, I will say I generally
feel that we have leadership at City Hall and
leadership in the agency that have the right values

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3 and the right vision. I still think that there are
4 areas where the bureaucracy within the agency is not
5 working well, and I'm really hoping that we're going
6 to start to see tangible progress on those fronts in
7 the weeks and months to come. So I want to highlight
8 a few of those areas in my questioning today. First
9 up is pedestrian lighting. Last year, we passed a
10 Local Law to require DOT to install pedestrian
11 lighting on 300 commercial corridor blocks every
12 year. The law takes effect January 1st of 2027, so
13 this fiscal year. Has DOT added funding for this to
14 comply with this legislation, and are you confident
15 in your ability to be in compliance in this coming
16 year?

17 COMMISSIONER FLYNN: I can just- I'll
18 start out and then maybe First Deputy Commissioner
19 will want to speak about the ped lighting. Yeah, I
20 just want to underscore in so many of the
21 conversations I've had since starting this job, it's
really become clear how important lighting is to New
Yorkers and to Council Members and communities. It's
something that people really feel day-to-day. So,
it's something I can assure you I'm very focused on,

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3 street lighting across the board, but maybe you want
4 to speak to the ped lighting specifically.

5 FIRST DEPUTY COMMISSIONER FORGIONE: Yes,
6 and before I mention that, I also want to mention
7 that we do have significant funding in our budget to
8 replace the LEDs around the whole city which will
9 also include a component that will alert us if any
10 given street light is out or needs attention. So,
11 you know, we're very committed to this area, both
12 keeping up with what we currently have and then
13 making sure we have additional lighting. We are
14 working through with OMB on how we're going to comply
15 with the Council law.

16 COUNCIL MEMBER RESTLER: Just to be
17 clear, there's now additional funding in the budget
18 to comply with the law at this time?

19 FIRST DEPUTY COMMISSIONER FORGIONE:
20 Well, we did a lot of funding for street lighting,
21 and we're going to have to work-

COUNCIL MEMBER RESTLER: [interposing] Do
you have funding in the budget to comply with the
law? Do you have the funding to comply with the law?
It's just a yes or no question.

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ASSOCIATE COMMISSIONER YAROSLAVSKY:

3 We're in active coordination with OMB and City Hall
4 and all funding needs, and-

5 COUNCIL MEMBER RESTLER: [interposing] But
6 you have your Executive Budget. Do you have the
7 funding to be able to comply or not? I just want a
8 yes or no.

9 ASSOCIATE COMMISSIONER YAROSLAVSKY:
10 We're in active coordination.

11 COUNCIL MEMBER RESTLER: That's not a yes
12 or no. Could you please answer the question?

13 ASSOCIATE COMMISSIONER YAROSLAVSKY: We
14 have a significant amount of funding for lighting,
15 and we're evaluating all needs.

16 COUNCIL MEMBER RESTLER: Can you comply
17 with the law with the resources you have?

18 ASSOCIATE COMMISSIONER YAROSLAVSKY:
19 That's exactly what we're evaluating, Council Member.

20 COUNCIL MEMBER RESTLER: Why can you not
21 answer that question if you know what the funding is
that you have in the Executive Budget? It's just-

FIRST DEPUTY COMMISSIONER FORGIONE:
[interposing] Council Member, we're in the planning
stages.

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COUNCIL MEMBER RESTLER: Okay.

3 FIRST DEPUTY COMMISSIONER FORGIONE: And
4 as you noted, there's still more time to comply.

5 COUNCIL MEMBER RESTLER: I just- you
6 sense the frustration in my voice, A, because you're
7 not answering the question, but B, because whenever
8 we have lighting needs across our district, best case
9 scenario is three or four years to address them, and
10 it's often much longer. We identify issues where DOT
11 says these streets are dark. They're un- you know,
12 which leads to major safety conditions which
13 undermines how small businesses do in our community,
14 and yet, we see incredible slowness. I mean, not-
15 I'm sure it's a different portion of DOT, but
16 lighting related. When DOT approves the need for a
17 new traffic light, what's the average time right now
18 from approval to installation of a new traffic light?

16 FIRST DEPUTY COMMISSIONER FORGIONE: It's
17 a number of months. We do have-

18 COUNCIL MEMBER RESTLER: [interposing] How
19 many?

20 FIRST DEPUTY COMMISSIONER FORGIONE: more
21 contracting capacity coming online.

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3 COUNCIL MEMBER RESTLER: Do you track
4 that? Do you have a date? Is there a time set for
5 how long it takes once a traffic light is improved to
6 install it? What's the average time today?

7 FIRST DEPUTY COMMISSIONER FORGIONE: It's
8 about six months.

9 COUNCIL MEMBER RESTLER: Okay. We're
10 getting estimates of even longer. But you understand
11 how frustrating it is for folks in our community. We
12 go to DOT. We say there's major safety issues at a
13 corner. There's crashes at a corner. People are
14 dying at this corner. We finally get a study done.
15 We finally get approval, and then it's six, eight,
16 nine months before there's any change on the ground.

17 COMMISSIONER FLYNN: No, I hear your
18 frustration absolutely, Council Member, and I- you
19 know, I think I speak for everyone that we have no
20 interest in things taking longer than they should.
21 It's something we're very focused on. As First
Deputy Commissioner mentioned, some of it is tied up
in contracts, and we're really glad that we're going
to have additional capacity coming online.

22 COUNCIL MEMBER RESTLER: So, I just- you
know, I'm over time. I didn't even get to ask about

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3 outdoor dining and the morass that that is, but I
4 just- these- just my opening statement is where I'll
5 close. I'm confident in the values. I'm confident in
6 the vision. There are components of the bureaucracy
7 and this agency that are not working well, and they
8 need to be addressed, and we need rigorous
9 leadership, strong focus on fixing these issues or
10 we're not going to see the improvements that we all
11 are committed to seeing in this administration.

12 Thank you.

13 COMMISSIONER FLYNN: Thank you, Council
14 Member.

15 CHAIRPERSON LEE: Thank you, Council
16 Member. Selvena Brooks-Powers followed by Council
17 Member Krishnan. Oh, and I'm sorry, we've been
18 joined by Council Members Banks and also our Deputy
19 Speaker.

20 COUNCIL MEMBER BROOKS-POWERS: Thank you,
21 Chairs, and thank you, Commissioner and Commissioners
for your testimony today. I'm going to ask all my
questions at once. I can repeat anything that you
need me to thereafter. The Executive Plan includes an
additional \$16.9 million of city funding in fiscal
year 27 for the Bus Action Plan. In 2025, DOT

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3 completed nearly 21 miles of protected bus lanes,
4 short of the 30-mile requirement set by the New York
5 City Streets Plan. With this additional funding in
6 place for fiscal year 27, how many miles of protected
7 bus lane does DOT plan to build in the upcoming
8 fiscal year. This Executive Budget also allocates an
9 additional \$3 million for a pothole blitz. We
10 continue to see terrible road conditions in the 31st
11 Council District. Can you share which roads in
12 southeast Queens and the Rockaway peninsula DOT plans
13 to repair with this additional funding? And can DOT
14 provide an update regarding the street lighting along
15 Rockaway Beach Boulevard from Beach 62nd Street to
16 Beach 73rd Street? These lights have been out for
17 months now and cause a major public safety hazard to
18 local residents. And then last, I'm going to pick up
19 on an email exchange that we had with Commissioner
20 Garcia earlier. In my district there are persistent
21 and dangerous pothole conditions at the parking lot
entrance of the Rockaway YMCA on Beach 73rd Street.
The current state of the entrance is unacceptable.
The large potholes pose a significant risk of vehicle
damage and potential physical injury to our youth and
seniors who rely on the YMCA daily or who just cross

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3 that corridor, because we've had a number of crashes
4 at that intersection as well. Could you please
5 confirm if this location is currently on the DOT list
6 for repairs? DOT has also indicated that
7 coordination with DEP is needed to move forward. But
8 we can't wait any longer. So someone has to take the
9 mantle on this. What is the timeline for this joint
10 repair with DEP? And again, I can repeat anything
11 that needs to be.

12 COMMISSIONER FLYNN: Thank you so much,
13 Council Member. I'll just kind of start at the top
14 here. You asked about the Bus Action Plan and bus
15 mileage. One thing I also want to note is that the
16 mileage is kind of comprised of two pieces. So
17 there's the physical design we do to create or
18 upgrade bus lanes, bus ways and the street design,
19 and then there's also the automated camera
20 enforcement from MTA. So you mentioned the mileage
21 from last year. So, you know, our bus program for
this year, it's in active development so I don't have
an exact number, but what I can say is that it's a
historic level of investment that we're seeing
starting in July, and therefore we expecting a
historic level of output this year, significantly

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3 exceeding past years when it comes to mileage and
4 even more in future years in terms of output. I
5 think next you asked about pothole blitz and just
6 generally paving conditions in southeast Queens.

7 FIRST DEPUTY COMMISSIONER FORGIONE: I
8 noted the location that you just provided at the
9 entrance to the parking lot, so we will get out there
10 in the next 24 to 48 hours. We will address that.
11 You asked about pothole repair as the result of the
12 funding. The funding is paying for all of those
13 pothole blitz that we had where we addressed over
14 100,000 pothole conditions, but at this moment in
15 terms of 311 input for potholes, we have only a few
16 hundred. We can keep up with potholes now that we've
17 gotten through the worst of it. So, in general for
18 you or for the whole Council, for the public, any
19 potholes let us know. Call them into 311. You just
20 call us any time and we will have them addressed very
21 quickly. You also mentioned, I think, Auverne by the
22 Sea [sic] the lighting issue, Council Member?

23 COUNCIL MEMBER BROOKS-POWERS: Yes. We've
24 been working on that since- as you know, since last
25 year.

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FIRST DEPUTY COMMISSIONER FORGIONE:

3 Correct. Our Borough Commissioner updated me a few
4 days ago that we're doing everything we can to help
5 the developer and HPD understand exactly what light
6 fixtures need to get installed to the extent that we
7 are even going to provide one that they can use, and
8 then they can purchase more to have them all
rectified and replaced.

9 COUNCIL MEMBER BROOKS-POWERS: I think
10 it's pretty alarming how long it's taking with
11 coordination with sister agencies with something
12 that's a public safety matter. Like, literally with
13 lighting being completely out and for such a duration
of time.

FIRST DEPUTY COMMISSIONER FORGIONE:

14 Okay, we are 100 percent available to assist in any
15 way. Those streets don't belong to us-

16 COUNCIL MEMBER BROOKS-POWERS:

17 [interposing] No, they belong to HPD.

FIRST DEPUTY COMMISSIONER FORGIONE:

18 [inaudible] under our jurisdiction-

19 COUNCIL MEMBER BROOKS-POWERS:

20 [interposing] But there needs to be greater
21 coordination because DOT is still responsible for the

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3 conditions of the streets. I understand because of
4 the urban development that took place it's under HPD
5 right now, but there has to be coordination. There
6 can't continue to be finger pointing between the
7 agencies.

8 FIRST DEPUTY COMMISSIONER FORGIONE: No,
9 I understand and I agree. So we are providing
10 actually several light poles to them in order to
11 really help them understand what has to happen.
12 We'll be on the ground with them at any moment that
13 they need us out there to help figure out the
14 problem.

15 CHAIRPERSON LEE: Great. Thank you.

16 COUNCIL MEMBER BROOKS-POWERS: Thank you.

17 CHAIRPERSON LEE: Council Member Krishnan
18 followed by Council Member Banks.

19 COUNCIL MEMBER KRISHNAN: Thank you so
20 much, Chairs. Good to see you all, Commissioner,
21 First Deputy Commissioner, all DOT team. I just had a
few questions. So, one- and I apologize if this came
up before, too, but as you all know, we've been very
close partners working together along our Open Street
program across the city, especially in Jackson
Heights where we've got the most successful one in my

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3 non-biased opinion. But I just want to get a sense of
4 what funding have you allocated for the program, and
5 how are you envisioning- for the program overall
6 across the city- and how are you envisioning
7 prioritizing Open Streets with the new budget?

8 COMMISSIONER FLYNN: Thank you, Council
9 Member. Yeah, so we're really glad that thanks to
10 the \$6.4 million that we added to the budget, we're
11 able to keep the baseline for the Open Streets. Also
12 excited that we have- I guess last week we announced
13 the launch of the Open Streets season, and we already
14 over 150 initial locations which is about 20 percent
15 more than where we were at this point last year, and
16 still more to come. So, that's great. Yeah, so our
17 intention is really to keep the program growing and
18 actually to keep kind of innovating and thinking
19 across the board with all of our open space and
20 public realm initiatives, how we can support
21 communities, how we can build in even better
structures from operations and maintenance
standpoint.

22 COUNCIL MEMBER KRISHNAN: Great. I'm glad
23 to hear. I'm glad that's a priority, too. And I
24 wanted to mention one thing with that as well, and I

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3 appreciate you and your team, Commissioner, and the
4 Deputy Mayor coming out to visit our Open Street. As
5 you know, and Council Member Wong mentioned this too,
6 it was very, very tragic to read the story about what
7 happened on the Queensboro Bridge with the e-bike and
8 our scooter and our cyclist my real, real concern
9 and you all know it well too is that we can have
10 similar- we've had narrow misses or children hit by
11 mopeds on our Open Street on 34th Avenue which is
12 very successful, and I'm very concerned about this
13 conflict between mopeds that are taking over and
14 creating highway there and a pedestrian space. And
15 so what I'd love to keep working on together is we
16 really need to look at Northern Boulevard as a
17 solution for mopeds which are Class Three motor
18 vehicles. They belong with cars, not with people.
19 And I think to get the Open Street to be successful,
20 we need to really solve this moped situation in an
21 effective way, and that involves looking at other
places for micromobility uses and lanes. And I'd
hope to be able to work with you all on doing so.

COMMISSIONER FLYNN: Thank you, Council
Member. I agree that, you know, the- as we've seen
more proliferation of these two-wheel devices, and

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3 again, some are classified as e-bikes. Some like you
4 mentioned are actually- should be in the road with
5 motor vehicles. This is really an area of focus for
6 us and we know it's very urgent for a lot of New
7 Yorkers as well. So, we're always happy to look at
8 big ideas and figure out how to solve these things.

9 COUNCIL MEMBER KRISHNAN: Well, I look
10 forward to that work together, too, on northern and
11 south. And my last question is on Northern
12 Boulevard, there's- we have a bus lane now which has
13 been very effective and we appreciate your work on
14 that too. The biggest problem we're seeing, and I
15 see it myself, is on the weekends, at night time, so
16 many cars are double-parked and use it as parking
17 lot, basically and it's down miles in front of all
18 the bars there, too. The biggest issue there is
19 enforcement. So, can we work together to actually
20 create an effective enforcement system to make sure
21 that the bus only lanes are for buses.

COMMISSIONER FLYNN: Absolutely. You
know, I think managing our curbs and having, you
know, streets that are efficient and work for
everyone, that's really the next frontier. And
there's so much more we can be doing which is why we

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3 created this Office of Curb Management in the Agency,
4 but certainly the bus lanes specifically, the
5 automated camera enforcement, and you know, whatever
6 tools that we have. We also work closely with NYPD.
7 So, the short answer is yes.

8 COUNCIL MEMBER KRISHNAN: Sure.

9 COMMISSIONER FLYNN: We would love to
10 partner with you.

11 COUNCIL MEMBER KRISHNAN: And we'll
12 follow up on that, too. Thank you. Thank you,
13 Chairs.

14 CHAIRPERSON LEE: Council Member Banks
15 followed by Deputy Speaker Williams.

16 COUNCIL MEMBER BANKS: Thank you, Chair.
17 Good to see you, Commissioner and to your team.
18 Several streets within the gateway aware of my
19 district within the 42nd council district remains
20 under ownership and jurisdiction of HPD. Now, I'm
21 frustrated as well, because I've been in office for
close to three and a half years, or two and a half
years, and we've been getting the same thing, the
same response from DOT that the transition's going to
take place, and we're still waiting. We're still
waiting. So, when are we going to finally get

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3 something done? And I believe this even dates back
4 going five, six, seven, eight, 10 years to my
5 predecessor. We need some solid answers as to when
6 you're going transfer the streets over to DOT,
7 because currently- you know, the streets, there's no
8 alternate side parking. There's sanitation concerns.
9 There's abandonment of cars back there. Our office
10 is constantly getting calls and complaints to deal
11 with those situations. We need DOT- we need you to
12 act. We need DOT, HPD start talking if you're not
13 talking. Figure it out. But we need something done.
14 We can't- I can't leave this meeting today and get
15 the same response we got the last time we spoke. We
16 need some type of action.

17 COMMISSIONER FLYNN: I hear you loud and
18 clear, Council Member. Give an update.

19 FIRST DEPUTY COMMISSIONER FORGIONE:
20 Yeah, so the good news is that something is actually
21 happening right now because the Department of Design
and Construction-

COUNCIL MEMBER BANKS: [interposing]
What's the something? What's the something?

FIRST DEPUTY COMMISSIONER FORGIONE:
What's the big [inaudible]

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3 COUNCIL MEMBER BANKS: What's the
4 something? You said something is happening now.
5 [inaudible] Thank you.

6 FIRST DEPUTY COMMISSIONER FORGIONE:
7 Right, something good is happening, yep, in that
8 they're fixing the streets to comply with DOT
9 standards. So, as you probably know, the streets
10 were built in a way-

11 COUNCIL MEMBER BANKS: [interposing] We
12 did see those, correct.

13 FIRST DEPUTY COMMISSIONER FORGIONE: that
14 we were not going to be able to accept those streets
15 into our ownership unless they were kind of brought
16 up to the proper standards. They're being fixed by
17 DDC. We're talking about it a lot internally. If you
18 like, we can get on a call and understand when that
19 work will be done and exactly the steps for us to
20 then take the streets into our ownership. But we've
21 been working closely to make sure that they're built
in a way that we need them to be built. And so I
think it's finally moving in the right direction.

COUNCIL MEMBER BANKS: So, is there more
work to be done?

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3 FIRST DEPUTY COMMISSIONER FORGIONE: I
4 believe the work is happening-

5 COUNCIL MEMBER BANKS: [interposing]
6 Because I believe it has been completed, because-

7 FIRST DEPUTY COMMISSIONER FORGIONE:
8 [interposing] Okay. I'd have to double-check if it's
9 been fully-

10 COUNCIL MEMBER BANKS: [interposing] Yeah,
11 because of the portion of the work was actually in
12 front of my office.

13 FIRST DEPUTY COMMISSIONER FORGIONE:
14 Okay.

15 COUNCIL MEMBER BANKS: And it was badly
16 needed. And also, when it comes to the actual- the
17 signs. I see a lot of no standing signs that are
18 placed throughout the entire- that particular area.
19 Residents are getting ticketed and construction is
20 done back there.

21 FIRST DEPUTY COMMISSIONER FORGIONE:
Okay.

COUNCIL MEMBER BANKS: And that's another
concern, another issue, because you know, those are
signs that shouldn't be there, you know. Folks should
be able to-

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FIRST DEPUTY COMMISSIONER FORGIONE:

3 [interposing] Right, we want to [inaudible]--

4 COUNCIL MEMBER BANKS: park there without
5 those type of barriers that are there now. So,
6 again, we're looking forward to working with you on
7 this, because the residents- every time I get
8 screamed at, I'm going to scream at you.

9 FIRST DEPUTY COMMISSIONER FORGIONE: Fair
10 enough.

COUNCIL MEMBER BANKS: Thank you.

11 FIRST DEPUTY COMMISSIONER FORGIONE: No
12 problem.

13 CHAIRPERSON LEE: Thank you. Deputy
14 Speaker?

15 COUNCIL MEMBER WILLIAMS: Thank you. I
16 know that the Chair asked some of these questions,
17 but does DOT have a map of both red light and speed
18 cameras where they're, like, located?

19 COMMISSIONER FLYNN: We don't. We don't
20 have a public map. Although I know that a lot of the
21 driving apps have them.

COUNCIL MEMBER WILLIAMS: Okay. So, you
have no- you have a map, it's just not public. But
are you able to share that with the Council?

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3 ASSOCIATE COMMISSIONER YAROSLAVSKY: It's
4 intentionally not shared.

5 COUNCIL MEMBER WILLIAMS: Okay.

6 ASSOCIATE COMMISSIONER YAROSLAVSKY:
7 because we don't want to give the impression to the
8 public that-

9 COUNCIL MEMBER WILLIAMS: [interposing] I
10 mean- I know the public, but can you share it with
11 the Council? I know it's- I know the cameras are not
12 to be shared. Like, I know.

13 ASSOCIATE COMMISSIONER YAROSLAVSKY: We
14 can certainly follow up with you offline.

15 COUNCIL MEMBER WILLIAMS: I know.
16 Because multiple members of the Council have asked,
17 and I know maybe you can't put like street corner,
18 but can you at least even share, like, by zip code
19 how many exist if you can't give location? I don't
20 understand why this is so difficult.

21 FIRST DEPUTY COMMISSIONER FORGIONE: Yeah.
Sorry to sound like we're benign difficult. Council
Member, so as I mentioned earlier, we don't want
people to adjust their behavior-

COUNCIL MEMBER WILLIAMS: [interposing] I
know, I'm not asking for the map to be shared

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publicly. I'm asking if you guys can share it with
3 the Council.

4 FIRST DEPUTY COMMISSIONER FORGIONE: And
5 what- I'll be honest with you. Even internally we
6 don't share things, because they-

7 COUNCIL MEMBER WILLIAMS: [interposing]
8 Okay, can you share how many-

9 FIRST DEPUTY COMMISSIONER FORGIONE:
[interposing] [inaudible] able to get out.

10 COUNCIL MEMBER WILLIAMS: speed cameras
11 and red light cameras are located by zip code? That's
12 not- it has nothing to do with-

13 COMMISSIONER FLYNN: [interposing] We
14 could definitely do some kind of breakdown.

15 COUNCIL MEMBER WILLIAMS: actual
16 location. You can say- or even by Council District.

17 COMMISSIONER FLYNN: Yeah, we can
18 definitely-

19 COUNCIL MEMBER WILLIAMS: [interposing]
20 Council District One has 10 red light cameras and 10
21 speed cameras.

COMMISSIONER FLYNN: Yep. Yes. Council
Member, definitely we can share type of breakdown
like that.

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3 COUNCIL MEMBER WILLIAMS: Can you share
4 the breakdown by the end of the day today? Like,
5 we've- I know multiple people- I'm like- we're kind
6 of like up-

7 COMMISSIONER FLYNN: [interposing] Yeah.

8 COUNCIL MEMBER WILLIAMS: to our wits end
9 with this.

10 COMMISSIONER FLYNN: Understood, yep. I
11 just think that-

12 COUNCIL MEMBER WILLIAMS: [interposing]
13 And largely why I'm asking that question, and I'll
14 get into like questions right now- is because many
15 members feel like the cameras are disproportionately
16 located in certain communities. We have heard that
17 that is not the case, but because we have no
18 anecdotal- anecdotal- we have no actual data that can
19 actually say that. It's kind of like hearsay at this
20 point, and so we would love to know where the cameras
21 are across New York City to be able to say whether or
not they're equitably distributed across New York
City. Okay.

COMMISSIONER FLYNN: Understood, 100
percent.

COUNCIL MEMBER WILLIAMS: Okay.

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3 COMMISSIONER FLYNN: So, I think like
4 just giving- I don't know. I'm not sure exactly what
5 time it is, it's on a Friday. We can aim to try to
6 get you something today, but we'll probably-

7 COUNCIL MEMBER WILLIAMS: [interposing]
8 I'm just adding pressure, you know.

9 COMMISSIONER FLYNN: need a couple work
10 days.

11 COUNCIL MEMBER WILLIAMS: I feel like you
12 guys need deadlines.

13 COMMISSIONER FLYNN: Yeah.

14 COUNCIL MEMBER WILLIAMS: Okay. So, one
15 short racial equity goal was actually to review
16 critical finding fee-based programs by 2028 for
17 potential racial and ethnic disparities. So why was
18 this selected as DOT's only short turn goal? And
19 were other short term goals considered?

20 FIRST DEPUTY COMMISSIONER FORGIONE: so,
21 we-

22 COUNCIL MEMBER WILLIAMS: [interposing]
23 Because this, as you see the theme, right? Like if
24 you have these fee-based programs, red lights, speed
25 cameras, and then you yourself in the racial equity

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plan said that you're going to review these programs,
3 right?

4 FIRST DEPUTY COMMISSIONER FORGIONE:

5 Right. You want to understand. You want some tangible
6 information that supports our statement that they're
not predominantly in one neighborhood-

7 COUNCIL MEMBER WILLIAMS: [interposing]

8 And then in your own racial equity plan that you
9 submitted, you all said that you were going to review
10 the fine and fee based programs. And what do you
mean by that? Do you mean just the automated
11 enforcement programs or other things maybe like
12 outdoor dining?

13 COMMISSIONER FLYNN: I mean, we don't
14 have a whole lot of fine and fee-based programs to be
honest, and those that we do have a lot of times the
15 fees are stipulated in the legislation or the fees
16 are the same across the board irrespective, you know,
17 of the neighborhood or they may be graduated more
18 based on where there's more demand, things like
outdoor dining. So, yeah. I mean, I was saying, we
19 don't have a lot of fine and fee based programs. Many
20 of them, those costs are already stipulated. So,
21 there's not a lot where we're really- we have

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3 discretionary costs, but I'm not sure if that's
4 answering your questions.

5 COUNCIL MEMBER WILLIAMS: I mean, we just
6 wanted to know what critical fine and fee-based
7 programs were, because that's what you all put in the
8 racial equity plan. Okay, I'll just ask one more
9 question and come back for second round. My
10 understanding is that DOT has previously found no
11 racial or ethnic disparities with respect to its
12 automated enforcement programs as well as many of the
13 DOT programs. Were those previous assessments
14 insufficient or inaccurate? Because I don't- it
15 doesn't seem like anybody on this dais has any idea
16 of the racial equity plan that you put forward. So,
17 you all said that you wanted to review the fine and
18 fee-based programs, right, as a means of determining
19 whether or not there are any disparities based off of
20 race and ethnicity in New York City. But previously
21 DOT has said that you didn't find anything. And so
the question is, is that what you might have assessed
in the past was inaccurate which is why you are now
suggesting that this should be something to review,
just want to understand. And again, also based off
of like both community and Council Members who have

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3 said repeatedly that they feel like the cameras
4 specifically are located in primarily communities of
5 color.

6 FIRST DEPUTY COMMISSIONER FORGIONE: So,
7 Council Member, for every- every program I think we
8 want to continually be checking year after year that
9 nothing is going astray and we're not enforcing or
10 providing anything in a way that's hurting one
11 community over another. So, if there seems like
12 there's a contradiction there, it's just that we want
13 to keep checking year after year.

14 COMMISSIONER FLYNN: Yeah. My
15 understanding is that the previous assessments did
16 not find disparities, but these programs are always
17 changing and dynamic. So we do assess them on a
18 regular basis, absolutely.

19 CHAIRPERSON LEE: Okay. Round two. If we
20 could actually switch the clock to two minutes,
21 because I know we're pressed up for time. But for
22 round two we have Council Member one, Won and then
23 Epstein.

24 COUNCIL MEMBER WON: Thank you so much.
25 So, to pivot, I want to go back to with One LIC
26 [sic], through this rezoning, the city committed to

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3 creating a new waterfront esplanade and open space
4 under the Queensboro Bridge by 2031, including \$79
5 million in capital funding. On page 303 of the
6 Capital Plan, all that funding has a planned
7 commitment date of 2031, project ID SEEDHWQ7. Can
8 you clarify the start date for the funding for this
9 project, and will this be funding- will this funding
10 present any delays of the city's complete- commitment
11 to complete the new open space by 2031?

12 ASSOCIATE COMMISSIONER YAROSLAVSKY:

13 Thank you for the question, Council Member. First of
14 all, I want to say that any movement in the Capital
15 Plan does not signify any delay, and we're moving
16 steadfast on the commitments made in the rezoning.
17 Given capital structures, we've had to move some
18 funding around, but we're working with EDC and other
19 partners to make sure that it's moving as quickly as
20 we promised in the points of agreement.

21 COUNCIL MEMBER WON: So, is that a yes or
a no? Is there any funding delays for the city's
commitment?

ASSOCIATE COMMISSIONER YAROSLAVSKY:

There are no funding delays.

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3 COUNCIL MEMBER WON: There are no funding
4 delays to open this park by 2031?

5 ASSOCIATE COMMISSIONER YAROSLAVSKY:

6 There are no funding delays.

7 COUNCIL MEMBER WON: Okay. So we want to
8 see this open by 2031. As Part of One LIC, the city
9 made the following commitments to street safety and
10 public realm improvement projects. One of them was
11 \$1.25 million for a comprehensive lighting study in
12 [inaudible] IBZ to be completed by 2026, \$700,000 for
13 an automated public toilet at Court Square to be
14 completed by 2027, \$250,000 for a study of possible
15 public realm improvements under the Queensboro Bridge
16 ramps to be completed by 2027. Can you clarify
17 whether the funding is commitment to these projects
18 in the Executive Budget?

19 ASSOCIATE COMMISSIONER YAROSLAVSKY:

20 We're fully funded for all the commitments made in
21 the points of agreement in the rezoning, and they're
all moving forward as promised.

COUNCIL MEMBER WON: Okay. Do you know
what page we can find these projects, because we've
been reading every single page and we could not find
it?

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3 ASSOCIATE COMMISSIONER YAROSLAVSKY: I
4 think you might be looking in the Capital Plan, but
5 they're folded into some of our expense reports.

6 COUNCIL MEMBER WON: Okay, thank you.

7 ASSOCIATE COMMISSIONER YAROSLAVSKY: So,
8 that might be the confusion.

9 COUNCIL MEMBER WON: Can I just ask one
10 more question? Okay. On the timeline of these
11 projects funded, so we're seeing that- you are saying
12 on record that the timelines of the commitment will
13 be on the POA. The city also committed \$30 million
14 on pedestrian and cycling infrastructure improvements
15 along the 44th Drive corridor and \$13 million to
16 create an intermodal hub at 21st Street Station with
17 designs, both projects beginning in 2089 [sic] to
18 2029. The capital funds of these projects beginning
19 in 2029 June to June 2032. Can you clarify the start
20 date for the capital funding of the 44th corridor
21 improvements, and will this funding timeline present
any delays to the city's committed timeline to begin
design 28, and do you expect any need for additional
funding to complete these projects?

22 ASSOCIATE COMMISSIONER YAROSLAVSKY:
23 Thank you for the question, Council Member. So,

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3 we're actively scoping the projects which means that
4 we're getting the package ready to transmit to DDC
5 for them to start design. Let me- so, to your last
6 question about other funding needs, no, we feel that
7 what was promised on the POA will be the accurate
8 funding need. We're in preliminary scoping for 44th
9 Drive right now, and then the Center Auverne [sic]
10 Boulevard project will follow after that.

11 COUNCIL MEMBER WON: Okay. Thank you so
12 much for those answers. We're going to follow up in
13 writing with all these questions and the details,
14 especially on the waterfront greenway and everything
15 else, and we'll also follow up for written criteria
16 on how you calculate and evaluate what intersections
17 qualify for daylighting. Thank you so much to both
18 the Chairs.

19 CHAIRPERSON LEE: Council Member Wong?

20 COUNCIL MEMBER WONG: Thank you, Chairs.
21 Really quick answer, please, one line answer. Does
DOT travel around looking for potholes or does it
rely entirely on 311 complaints?

FIRST DEPUTY COMMISSIONER FORGIONE: We
do look for potholes in the course of all of the rest

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3 of our work. They're called in by multiple
4 operational staff.

5 COUNCIL MEMBER WONG: Okay. Thank you.
6 Next, I went to junior highschool is Maspeth and that
7 was 1979. One of the projects was design a Grand
8 Street Bridge, because the city had plans of
9 replacing it. Fast-forward, we're now at 2026. I'm
10 glad to see that in this budget that we have \$326.1
11 million for the reconstruction of the Grand Street
12 Bridge over the Newtown Creek. Question, is this
13 money already here? Because I went to the session a
14 couple of days ago and they said it's federal funds.
15 And my question is, is the money already in place or
16 are you still waiting for it, and what's the timeline
17 for the construction? Thank you.

18 ASSOCIATE COMMISSIONER YAROSLAVSKY:
19 Thank you for the question, Council Member. So, the-
20 we are fully funded for the Grand Street Bridge and
21 it is projected to go to construction in 2029, fiscal
year 2029.

COUNCIL MEMBER WONG: Okay. Thank you.
Thank you, Chairs.

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3 CHAIRPERSON LEE: 79, that's when I was
4 born. Okay, Council Member Epstein followed by Deputy
5 Speaker.

6 COUNCIL MEMBER EPSTEIN: I thank you,
7 Chair. Can I- is the capital plan for Broadway fully
8 funded at this point, the redesign of Broadway?

9 COMMISSIONER FLYNN: Broadway in
10 Manhattan?

11 COUNCIL MEMBER EPSTEIN: Manhattan, sorry,
12 my borough.

13 COMMISSIONER FLYNN: My understanding is
14 that the certain segments of it are funded and moving
15 ahead as capital projects.

16 COUNCIL MEMBER EPSTEIN: Great.

17 COMMISSIONER FLYNN: You mean- when you
18 say the full corridor you mean-

19 COUNCIL MEMBER EPSTEIN: Mean the 34th
20 down to Union Square, the redesign.

21 COMMISSIONER FLYNN: Yes, that's fully
funded.

COUNCIL MEMBER EPSTEIN: That's fully
funded. Is that included- I know you're going to do
two new kiosks in there and those are going to have

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public water and publicly available water fountains,
3 too?

4 COMMISSIONER FLYNN: Yeah, yeah, that is
5 the plan.

6 COUNCIL MEMBER EPSTEIN: We talked about
7 having a publicly available bathroom in that, is that
8 in the new bathroom plan as you anticipate having a
publicly available restroom available?

9 COMMISSIONER FLYNN: I'm not sure. I'd
10 have to check and get back to you.

11 COUNCIL MEMBER EPSTEIN: Yeah. It's
12 something- you know, obviously we talked to- the
13 mayor's talked a lot about. Yeah, especially with
14 Madison Park right there, 23rd/Flat Iron area, we'd
15 really like to see a publicly available bathroom in
that location. I hope that DOT can commit to doing
that.

16 COMMISSIONER FLYNN: Yeah. We understand
17 this administration has been very committed to
18 increasing access to public bathrooms, and so we'll
just have to check on that specific question.

19 ASSOCIATE COMMISSIONER YAROSLAVSKY: And
20 we're in active scoping, so this is the perfect time
21

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3 to have that conversation to make sure that the
4 infrastructure is built for public bathroom.

5 COUNCIL MEMBER EPSTEIN: Yeah, I want- I
6 flagged it for your team. I want to make sure. Since
7 the capital is there, I want to make sure the capital
8 available to do- put that infrastructure in place,
9 including the bathrooms and the water fountains and
10 the bottle filler and all the public amenities that
11 we would need in that part of the city.

12 COMMISSIONER FLYNN: And I'll just- I'll
13 mention on that topic, because I know it is front of
14 mind for many of us, on the public toilets, I
15 believe- you know, the new program that the mayor
16 announced, that EDC should be announcing a selected
17 vendor very soon. So that program's going to be
18 getting off the ground.

19 COUNCIL MEMBER EPSTEIN: Great. And
20 that's like the vendor will determine where in the
21 city, what boroughs, what neighborhoods will have?

COMMISSIONER FLYNN: No, we'll be
working, DOT in some coordination with Parks, to
figure out- to figure that out.

COUNCIL MEMBER EPSTEIN: Okay. Thank
you. With public input, right?

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3 COMMISSIONER FLYNN: Well, yeah. I think
4 based on where we're hearing these kinds of- yeah,
5 these types of needs.

6 COUNCIL MEMBER EPSTEIN: Thank you. Thank
7 you, Chair.

8 CHAIRPERSON LEE: Thank you. Deputy
9 Speaker?

10 COUNCIL MEMBER WILLIAMS: Thank you. Just
11 really quickly, the Streamlined Procedures to
12 Expedite Equitable Development, SPEED, will DOT
13 update travel to mayor responses for newly upzoned
14 neighborhoods like Jamaica or LIC?

15 COMMISSIONER FLYNN: Sorry, Council
16 Member, can you just clarify travel to responses?

17 COUNCIL MEMBER WILLIAMS: Yeah. So, the
18 SPEED effort as I understand it is to really look at
19 communities that are being upzoned, travel demand,
20 etcetera, and so what I want to know is will you
21 update any information for newly upzoned
neighborhoods? Because this is a new thing going
forward for this upcoming fiscal year, but there are
neighborhoods that are recently rezoned. So, just
want to understand if this SPEED effort would apply
to them?

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3 DEPUTY COMMISSIONER BEATON: So, the
4 SPEED effort specifically is about new rezonings and
5 new developments.

6 COUNCIL MEMBER WILLIAMS: [inaudible]

7 DEPUTY COMMISSIONER BEATON: But we're
8 also still committed to what we agreed to of doing a
9 very comprehensive traffic study of Jamaica to make
10 sure that we understand exactly how traffic patterns
11 have changed.

12 COUNCIL MEMBER WILLIAMS: I just want to
13 make sure because we just rezoned and then this
14 effort is new, so just want to make sure. That was
15 the question. Like, are you going to also
16 retroactively look at newly rezoned areas, because we
17 just rezoned it last year.

18 DEPUTY COMMISSIONER BEATON: So, yes, we
19 are studying that area. It's not part of the new
20 funding, but it's part of the work that we do on a
21 normal course of business.

22 COUNCIL MEMBER WILLIAMS: Okay. Back to
23 the racial equity plan. So, the desired outcome of
24 one of DOT's midterm goals was to achieve citywide
25 equity and transportation infrastructure by building
26 and implementing a comprehensive plan to serve 100

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3 percent of underserved communities by 2030. This is a
4 laudable goal, but it does seem very vague and
5 unrealistic, and I just think a lot about my
6 community in my southeast Queens where we have a lot
7 of sidewalks and curbs that contribute to a wide
8 range of things like illegal dumping, flooding,
9 etcetera. So, how can DOT achieve this
10 transportation equity goal in underserved
11 neighborhoods by 2030 if according to another one of
12 its long-term goals, DOT does not expect to build
13 meaningful relationships with those underserved
14 communities until 2036? Essentially, none of the
15 indicators for this outcome relate to any new
16 infrastructure investment that would be needed to
17 achieve a citywide equity and transportation goal for
18 infrastructure. So, we just want to understand like
19 why there's a lack of indicators that match this
20 critical aspect of the outcome.

21 COMMISSIONER FLYNN: Thank you, Council
Member. I mean, I do want to underscore that
transportation equity is central to what we're doing.
I think agency's made great strides, but it's going
to be even more of a priority in this administration.
We've brought on some new senior leadership and we've

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3 kind of reorganized some of our offices to really
4 create one group that can think holistically around
5 long-term planning, how we embed equity in everything
6 we're doing. We take it really seriously. You know,
7 one thing we've done as part of the New York City's
8 Streets Plan, it established for the first time a
9 citywide metric for how we measure transportation
10 equity and how we identify underserved neighborhoods
11 and invest in them, and it's really translating into
12 all of our programs where we're prioritizing our
13 investments in those top tier equity priority
14 neighborhoods. So, I want to underscore that. I'm
15 not sure- you know, I might have to get back to you
16 on specifically the metrics in the racial equity
17 plan, and we're happy to do that.

18 COUNCIL MEMBER WILLIAMS: Yes, I would
19 love for y'all to get back to me, because we're doing
20 a budget hearing now, and if in your goals you set a
21 goal for 100 of underserved communities by 2030 to
have equity in transportation infrastructure, to me
all of those things carry a price, and so we want to
make sure that as we continue towards adoption, that
your agency's budget reflects the resources that can
get you to your goal. And I think based off of what

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3 we've received it doesn't, and that there are
4 indicators that don't really match what you've put
5 forward. So, I hope that as you go towards
6 finalizing your racial equity plan that you make the
7 necessary adjustments to actually achieve your goal
8 versus just writing some things on a piece of paper
9 because it may sound good. Thank you.

10 COMMISSIONER FLYNN: Understood. Thank
11 you.

12 CHAIRPERSON LEE: Thank you. I'm going to
13 ask a question on behalf of Council Member
14 Brooks-Powers, but this is actually an issue I know
15 that is very important to myself as well as the
16 Deputy Speaker and a bunch of other Council Members,
17 on the tractor trailer overnight parking. Because on
18 September 28th, 2023, the Council passed a bill that
19 requires the city to create off-street parking for
20 tractor trailers because this has been a huge issue
21 for us, and it requires DOT, DCAS, DCP to coordinate
on creating that off-street parking by December 31st,
2025 which has already passed. So, just in the
interest of time, where have you identified those
commercial parking- off-street commercial parking
lots, and also can you provide an update on the

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3 timeline as well as how much it's going to cost to
4 build municipal lots. So, where, how long and the
5 cost?

6 DEPUTY COMMISSIONER BEATON: So, yes.

7 Thank you for the question. We've been very aware of
8 the issues with overnight truck parking and the new
9 federal rules that have really put pressure on that.

10 As you mentioned, we did work- we have been working
11 with a lot of our sister agencies around the
12 requirements of that law. So for example, DOT looked
13 at all the land that we owned which includes, you
14 know, public parking lots now as well as other pieces
15 of land that we own, and we determined that we, DOT,
16 don't have space that's appropriate for use in that
17 context, but we are working with our other sister
18 agencies as EDC and others lead that effort. So, we-
19 at the same time, we've recognized that this is a big
20 problem and that's why we've been setting up on the
21 street metered overnight truck parking in industrial
districts where it belongs. That's why the Council
passed another bill really encouraging us to focus on
those areas last year. And so we have been studying
IBZs and other appropriate areas around the city for
where we can provide more of that overnight truck

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3 parking so that it's not showing up in places where
4 it's not appropriate. So, we- while, you know, that
5 particular study is beyond DOT, we are still as an
6 agency very invested in doing a lot of work to
7 provide that overnight truck parking in appropriate
8 places.

9 CHAIRPERSON LEE: How about DCAS, DCP,
10 other agencies private parking lots, I know that have
11 been interested in renting out their spaces. How
12 have those conversations been going? Because we're
13 past the deadline. So I just wanted to get a sense
14 of when.

15 COMMISSIONER FLYNN: Yeah. I think as
16 long as the facilities work functionally. Like,
17 obviously the trucks need a lot of space to be able
18 to maneuver, and so that's a big part of the
19 conversations. That's one of the limiting factors,
20 but as Deputy Commissioner Beaton said, those are
21 active conversations. We're committed to trying to
support this goal. I know I also bring it up every
time I meet with like the Trucking Association of New
York or others, I just really underscore, because we
know this is a big issue for communities.

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3 CHAIRPERSON LEE: Yeah. If you can
4 follow up with the timeline, that'd be great. And
5 then also my last question is just around if you
6 coordinate with NYPD regarding the illegal truck
7 parking enforcement?

8 DEPUTY COMMISSIONER BEATON: Yes. We work
9 with them very closely, and we've worked with them to
10 do blitz's in particular in areas we get these
11 complaints, and we try to work with them to go back
12 over a period of time so that it's not just they got
13 to take it once and then it goes away. But we really
14 try to focus it for a while, and then we work with
15 the Trucking Association and others to provide
16 information on where it is legal, because we do
17 understand that there is a need, and we want to make
18 sure that we're doing both the enforcement and the
19 providing alternatives.

20 CHAIRPERSON LEE: Okay, great. Thank you.

21 CHAIRPERSON ABREU: Thank you. Last set
of questions. Oh, I think I see my former staffer in
the audience. Milo, how you doing? Nice to see you.
I'm going to turn it to just a few questions.

Resurfacing Fifth Avenue- the Executive Plan includes
additional city funds of \$453,000 in fiscal 2026 only

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to resurface Fifth Avenue. What will this funding be
3 used for? Please be specific.

4 ASSOCIATE COMMISSIONER YAROSLAVSKY: So,
5 ahead of the capital project that's happening on
6 Fifth Avenue, we wanted to make sure that the surface
7 has a good riding surface ahead of FIFA and other
8 events. So, that is why there was specific funding
added for expense resurfacing of Fifth Avenue.

9 CHAIRPERSON ABREU: If it's just
10 resurfacing, why isn't this capitally eligible?

11 ASSOCIATE COMMISSIONER YAROSLAVSKY: So,
12 resurfacing by itself is capitally eligible, Chair,
13 but because a capital project is coming up, we didn't
14 want to mess with the capital eligibility of the
larger Fifth Avenue project.

15 COMMISSIONER FLYNN: If we paved it with
16 capital funds, it would basically preclude us from
17 coming back to do the capital streetscape project for
18 a certain amount of time and we didn't want to
preclude it.

19 CHAIRPERSON ABREU: Okay. Regarding
20 public realm, \$6.4 million in city funding was
21 baselined starting in fiscal 27 for public realm
programs. Will this funding just be used to support

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open streets at its current level or will it be used
3 to expand the program?

4 DEPUTY COMMISSIONER BEATON: Yes. So,
5 first, we're very grateful that the funding was
6 baselined. So we're not going year to year anymore
7 and not knowing what's coming up. So, we think
8 that's a really important investment to us to be able
9 to plan. And as the Commissioner said earlier, we do
10 see the program growing. It's bigger at this point
11 this year than it was last year, and it's not
12 constrained by the money, right? We've always been
13 able to do whatever has been needed even if we have
14 to move some money around internally. So we're
15 committed to growing the program, and not just from a
16 money perspective, but providing programming where
17 it's needed. We've been working a lot on process to
18 make sure that partners get paid much faster. I think
19 there's- the money and the long-term planning enable
20 us to be able to do much more in terms of working
21 closely with those partners.

CHAIRPERSON ABREU: So, fair to say it is
expanding?

DEPUTY COMMISSIONER BEATON: Yeah. We
don't turn anyone away because of money.

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3 CHAIRPERSON ABREU: What other plaza
4 programs will receive funding, if any?

5 DEPUTY COMMISSIONER BEATON: So, we- you
6 know, we are committed to expanding our plaza program
7 and we have an applicant-based process for that every
8 year, and as part of that we have our plaza equity
9 funds, or sorry, our public space equity funds,
10 because it goes beyond plazas now, and so we want to
11 make sure that whoever has an idea for a plaza, we
12 can work with them whether to test it short term as
13 an open street, whether to eventually build it up
14 capitally to provide ongoing maintenance support,
15 this is something we're very committed to as an
16 agency.

17 CHAIRPERSON ABREU: And my last question
18 is on street lights. In fiscal 2025 it took DOT an
19 average of 5.3 calendar days to repair street lights
20 which is a 20.5 percent increase from 4.4 days in
21 fiscal 24 and 76 percent slower than the three days
in fiscal 21. It took Con-Ed 22 calendar days on
average to repair street lights, which is 17.6
percent slower than the 18.7 days in fiscal 2024, and
45.7 percent slower than the 50.1 days in fiscal 21.
The MMR indicates that DOT delays were due to

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weather-related outages and coordination issues with
3 utilities during underground infrastructure work. No
4 explanation of the Con-Ed performance decline was
5 included. The Executive Plan has an additional \$1.5
6 million in fiscal 26 only for the street light
7 maintenance. What will this money go towards? Is
8 money going towards already existing contracts for
street light maintenance?

9 FIRST DEPUTY COMMISSIONER FORGIONE:

10 Chair, yes, it is.

11 CHAIRPERSON ABREU: So, this funding is
12 going toward already existing contracts with the
13 vendors is what it sounds like. I'm a little
14 concerned about that. With this money- will this
15 money be directly used to increase coordination times
16 with Con-Ed?

17 FIRST DEPUTY COMMISSIONER FORGIONE: So,
18 we meet with Con-Ed very often. In fact, I met with
19 them this week on various issues. We're constantly
20 talking with them, but what is happening with our
21 street lighting system is that overall it's pretty
aged and we have- when ever we have a Con-Ed issues,
oftentimes it has something to do with the
underground conduit needing to be replaced and that

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is not just changing a bulb, it's more than a quick
3 repair. So, you're raising a valid issue. It is
4 something that we are working on both internally with
5 our contractors and with Con-Ed.

6 CHAIRPERSON ABREU: I mean between now and
7 adoption, is there some way to add resources to focus
8 in on increasing, you know, the coordination, because
9 it's something that we hear, you know, time on end.
10 This is a basic and essential function of the
11 department. If this funding is not being used to
12 coordinate with Con-Ed or just speed up street light
13 maintenance, you know, I then have to ask what is DOT
14 doing differently? Because the current contracts and
15 systems operations in place doesn't seem to be
16 working well.

17 FIRST DEPUTY COMMISSIONER FORGIONE:

18 Right. So, the coordination is not something that we
19 need funding for. Again, it kind of comes back to
20 the physical plant, the infrastructure itself, and
21 we're also looking at advancing some capital projects
for larger areas in each borough where we know that
the street lighting infrastructure is old and needs
to be replaced in order to be reliable. So, that's

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3 kind of the area that we're looking toward in the
4 future.

5 CHAIRPERSON ABREU: And my last question-
6 is there additional monies in the budget for updated
7 street light infrastructure?

8 FIRST DEPUTY COMMISSIONER FORGIONE: Yes,
9 there is. We have received \$331 million in order to
10 replace every LED in the city and then also to
11 provide sensors in every street light that will give
12 us real time information on the functioning of that
13 street light.

14 CHAIRPERSON ABREU: Thank you very much,
15 Commissioner.

16 COMMISSIONER FLYNN: Thank you.

17 CHAIRPERSON LEE: Okay. I think we are
18 actually done for this portion with the Department of
19 Transportation. So, thank you so much, Commissioner.
20 Just want to give a special shout out. You have an
21 amazing First Deputy Commissioner, Margaret, who is
very helpful to a lot of us and has been. So, thank
you so much. Just wanted to give you a shout out,
but not that I don't like the rest of you guys, but
you know what I mean. Thank you so much everyone.

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3 COMMISSIONER FLYNN: Thank you, Council
4 Members.

5 CHAIRPERSON LEE: Okay. And we're going
6 to roll right into DCWP which is next. So, we're
7 just going to take a couple minutes to transition.

8 SERGEANT AT ARMS: Keep it down, please.
9 Quiet, please. We're about to start. We're about to
10 resume. Please have a seat. At this time, please
11 have a seat, please. Thank you very much for your
12 kind cooperation.

13 CHAIRPERSON LEE: Can I start? Oh, we're
14 good. Okay. Hello. Good afternoon everyone and
15 welcome to the second FY 27 Executive Budget hearing
16 for the day focusing on Department of Consumer and
17 Worker Protection. Council Member Lee, I'm joined by
18 our Speaker, Speaker Menin, as well as our Council
19 Member Harvey Epstein, Chair of the Committee on
20 Consumer and Worker Protection. I would like to
21 recognize we've been joined by Deputy Speaker
Williams, Council Member Krishnan, Banks, Wong, and
Pierina Sanchez, and Council Member Schulman. So,
welcome to our Commissioner Sam Levine and your team.
Thank you all for joining us today to answer our
questions. On May 12th, 2026, the administration

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3 released the Executive Financial Plan for FY26 to
4 FY30 with a proposed FY27 budget of \$124.7 billion.
5 The Department of Consumer and Worker Protections
6 proposed FY27 budget of \$78.4 million represents less
7 than one percent of the administration's proposed
8 FY27 budget in the Executive Plan, and this is an
9 increase of \$3.7 million or five percent from the
10 \$74.7 million originally budgeted in the FY27
11 Preliminary Plan. This increase results from several
12 options, mostly from the significant and sustained
13 increase of 77 positions at DCWP in FY27, increasing
14 to 181 positions in 2029. As of April 26th, DCWP's
15 budget headcount was 85 more than their fiscal 26
16 budgeted headcount. Further, the mayor announced
17 plans to double the budget of DCWP in order to
18 strengthen worker protections and enforcement. In
19 addition, DCWP has 19.3 percent vacancy rate that
20 makes it difficult to meet its operational demands,
21 and we're pleased to see that these additional funds
were partially included in the plan. My questions
will largely focus on the mayor's campaign promise
where he pledged to double the agency's budget.

20 Savings from OFE's [sic] estimation of the financial
21 literacy expansion, and the savings that we are

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seeing from discontinuing the cloud migration
3 program. And now, at this time, I will turn it over
4 to Speaker Menin for her remarks.

5 SPEAKER MENIN: Thank you so much, Chair
6 Lee, and I really want to thank our Finance Chair for
7 her great work in holding these hearings, and I want
8 to thank our Consumer and Worker Protection Chair,
9 Council Member Harvey Epstein, for his terrific work
10 on chairing this committee. And I want to thank you,
11 Commissioner and your team, for being here and to all
12 the advocates that have taken time to participate in
13 this budget process. So, this hearing, in
14 particular, is very meaningful to me, as I had the
15 honor of serving as Commissioner of this agency and
16 as Chair of this committee and I've garnered a very
17 deep appreciation over the very many years for the
18 dedicated public servants who carry out this work
19 each and every day. But those experiences also
20 reinforce the importance of rigorous oversight and
21 responsible fiscal management. Our responsibility
today is to ensure that the fiscal year 2027 budget
adequately equips the agency to meet its mission
while delivering transparency, efficiency, and
measurable outcomes for New Yorkers. The mayor

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3 pledged to double DCWP's budget during his campaign,
4 recognizing that the agency needs greater funding to
5 be successful. However, in the Executive Budget, the
6 mayor pledged an additional \$3.7 million to DCWP,
7 bringing the agency's total 2027 funding to \$78.4
8 million under his proposal. We in the Council have
9 consistently warned that insufficient funding could
10 hamper DCWP's ability to investigate complaints and
11 enforce Local Laws. To ensure that the agency has
12 the staffing and operational capacity needed to carry
13 out responsibilities assigned through the Local Laws,
14 the Council is asking for an additional \$32 million
15 for DCWP. I understand certainly that behind every
16 single in the budget there is a real impact on our
17 communities. As we review at the Council, we'll
18 closely examine whether the proposed investments are
19 sufficient to meet current and future needs, whether
20 resources are being allocated equitably, and whether
21 the agency has the staffing, infrastructure and
operational support necessary to succeed. In
particular, I'm concerned about whether the
Department has sufficient staffing for its wide range
of oversight and enforcement responsibilities,
particularly on newer items that stem from Council

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3 initiated laws covering for high vehicles driver
4 deactivation, security guard minimum wages, protected
5 time off, delivery worker laws, and other items. I
6 just want to say, the Council has passed so many
7 important bills in this regard, and so we really want
8 to make sure that the agency then has the proper
9 resources to enforce them, because we've done all
10 this work to pass these laws, but if we don't have
11 the resources to enforce them, we're not really
12 getting the results that we need to do. So, we'll
13 also be looking carefully at how the administration
14 plans to address ongoing challenges, improve service
15 delivery and ensure that taxpayer dollars are being
16 spent effectively and responsibly. New Yorkers
17 deserve a government that is responsive, accountable,
18 and capable of meeting the moment. Today's hearing
19 is an important opportunity to assess where progress
20 is being made, where gaps remain, and where
21 additional actions may be necessary in the future. I
look forward to a productive discussion and working
collaboratively to ensure that this agency has all
the tools and support needed to serve the people of
this city. And I'm now going to turn it over to
Chair Epstein for his remarks.

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3 CHAIRPERSON EPSTEIN: I want to thank
4 you, Chair Lee and Speaker Menin for your leadership
5 on these issues. I know, especially Speaker Mening,
6 you know, your familiarity with these issues both as
7 a Commissioner and the Chair of this is really
8 invaluable. I want to thank the Commissioner of DCWP
9 for joining us today to talk about the Consumer
10 Worker Protection budget for this upcoming fiscal
11 year. You know, as we have heard already and the
12 questions we're talking about is around the
13 additional positions that you're hiring, the needs
14 that the agency will have to ensure that it's fully
15 funded to make sure that the workers and the
16 consumers in New York get the support that they need.
17 You know, we really want to hear about the increased
18 numbers in active workers, consumer protection laws
19 that the Speaker mentioned, and if the proposed
20 budget will ensure that they have enough staffing in
21 place to make sure we follow those needs. You know,
as my personal history, as well as the Speaker, we're
really uniquely able to understand these concerns. I
see this history for New Yorkers. You know, I do want
to thank you, Commissioner Levine, for being here,
your Deputy Commissioner Elizabeth Wugon [sic], Chief

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3 of Staff Carlos Ortiz, and General Counsel Michael
4 Tiger for being here today. We really look forward
5 to this active conversation where over the next to
6 figure out- a few weeks- what our goals are together
7 to ensure that the Committee and the staff and the
8 Speaker and the Council make sure we have enough
9 resources to ensure that you are getting done what
10 you need for New Yorkers. I want to thank my team,
11 the Legislative Division, Sarah Swain [sp?], Natalie
12 Meltzer, my staff, Jackson Fisher Ward [sp?], Jenna
13 Mien [sp?], and our Finance Division, Glen Maritole
14 [sp?], Daniel Krup [sp?], and Chima Obicheri [sp?],
15 who really put this together to make sure that we
16 have a successful hearing. And I'll turn it back
17 over to Chair Lee.

18 CHAIRPERSON LEE: Great. I also want to
19 recognize we have been joined by Council Member
20 Morano on Zoom, as well as Justin Sanchez. So,
21 before we get started, really quickly just wanted to
announce some logistics. So, as you all know, if
you've heard me speak at other hearings, because of
the crunch in timeline for our Executive Budget
hearings, we're going to do public testimony all on
one day, Wednesday, June 10th, starting at 9:30 a.m.

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3 so, please join us that day. We're going to try to
4 make it as fun as we can. So, Executive Budget
5 hearings for the public testimony portion is
6 Wednesday, June 10th, starting at 9:30 a.m. So
7 please make sure to let folks know. And with that,
8 I'll turn it over to Committee Counsel to swear in
9 the witnesses.

10 COMMITTEE COUNSEL: Good afternoon. Do
11 you affirm to tell the truth, the whole truth and
12 nothing but the truth before this committee and to
13 respond honestly to Council Member questions?
14 Commissioner Levine?

15 COMMISSIONER LEVINE: I do.

16 COMMITTEE COUNSEL: Deputy Commissioner
17 Wagoner?

18 DEPUTY COMMISSIONER WAGONER: I do.

19 COMMITTEE COUNSEL: Chief of Staff Ortiz?

20 CHIEF OF STAFF ORTIZ: I do.

21 COMMITTEE COUNSEL: And General Counsel
Tiger?

GENERAL COUNSEL TIGER: I do.

COMMITTEE COUNSEL: You may begin.

COMMISSIONER LEVINE: Well, thank you,
Speaker Menin, Chair Lee, Chair Epstein, and members

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of the Committee on Consumer and Worker Protection.

3 I'm Sam Levine, Commissioner of the Department of
4 Consumer and Worker Protection. Today I'm joined by
5 our General Counsel Michael Tiger, our Chief of
6 Staff, Carlos Ortiz, and our Deputy Commissioner of
7 the Office of Labor Policy and Standards, Elizabeth
8 Wagoner. Thank you for the opportunity to be here
9 today before this committee to testify on the work of
10 our agency and our Executive Budget for fiscal year
11 2027. DCWP is the nation's leading municipal
12 enforcement agency charged with delivering economic
13 justice. We leverage our authority to bring New
14 Yorkers real economic relief and protect them from
15 predatory, deceptive, and unconscionable practices
16 that violate their rights as consumers and as
17 workers. This includes pioneering cutting-edge
18 protections such as the city's Consumer Protection
19 Law, Protected Time Off Law, Fair Work Week Law, and
20 Delivery Worker Laws, including the minimum pay rate
21 for delivery workers. Through licensing more than
45,000 businesses in over 45 industries, DCWP ensures
fair competition and a level playing field for
responsible small businesses that are integral to New
York City's vibrant communities. DCWP also provides

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3 essential services such as free tax preparation for
4 individuals and families as well as tax prep services
5 for self-employed workers in small businesses, and
6 one-on-one financial counseling to ensure New Yorkers
7 keep more of what they earn and plan for their
8 futures. Though it's been just short of six months
9 under my tenure, it's been a privilege to serve as
10 the Commissioner of DCWP, an agency that champions
11 millions of consumers, workers, and families across
12 the city day after day. Today I'll provide the
13 committee with an overview of the Executive Budget
14 for FY27, the work of our agency, and our path
15 forward in continuing to build a fairer and more
16 affordable city for all New Yorkers under Mayor
17 Mamdani's administration. Starting with our budget.
18 For FY27, DCWP's Executive Budget is approximately
19 \$78.5 million with an active headcount of 409 and an
20 authorized headcount of 561, the highest authorized
21 headcount our agency has ever had. This is due in no
small part to the advocacy of our partners, this
council, and of course the immense support and
recognition of our agency's work by our mayor. Mayor
Mamdani's Executive Budget represents the single
greatest investment in consumer and worker rights in

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3 DCWP history. All told, DCWP will be receiving a
4 total of 181 new lines, and \$17.9 million in
5 personnel services by FY29. The breakdown is as
6 follows: In FY27, DCWP will receive 77 lines and
7 \$4.3 million in personnel services. In FY28 we will
8 receive 76 lines and \$7.3 million in personnel
9 services, and in FY29, we will receive 28 lines and
10 the remaining \$6.3 million in personnel services.
11 The new lines we'll be receiving in FY27 will be
12 strategically deployed to immediately begin
13 implementation of major new laws and much needed
14 protections for New Yorkers. Going on to the
15 important work we do. It has been just shy of six
16 months since the start of my tenure and I'm beyond
17 proud of what this agency has already accomplished
18 under the Mamdani administration. Our team has been
19 at the forefront of the administration implementing
20 cutting-edge new mandates, aggressively pursuing new
21 protections, and securing victory after victory for
the people of New York. These range from our
expedited- excuse me- expanded delivery worker laws
including a minimum pay rate for grocery delivery
workers and expanded protected time off law, and soon
to come, deactivation protections for key workforces

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3 and more licenses for our city street vendors. I also
4 want to be sure to emphasize Chair Epstein's
5 much-needed legislation to address the student loan
6 debt crisis in our city. Under Local Law 84, we will
7 be expanding our critical financial empowerment
8 center network by providing student loan debt
9 services which would be essential for New Yorkers. In
10 addition to the new laws and requirements, DCWP has
11 also taken more proactive and innovative steps to
12 strengthen protections for those who make our city
13 run. Earlier this year, tasked with tackling
14 deceptive and predatory practices under the Mayor's
15 Executive Orders, DCWP adopted the strongest
16 prohibition on hotel junk fees in the United States.
17 This rule protects both New Yorkers traveling outside
18 the city and those visiting our city from unexpected
19 and costly fees. With projected savings of up to \$35
20 million a year for New Yorkers, and up to \$31 million
21 a year for visitors. We also proposed rules to
ensure that consumers can easily cancel automatic
renewals and subscriptions. Our Click to Cancel Rule
is estimated to save New Yorkers up to \$162.5 million
a year, according to an analysis by the Roosevelt
Institute. Lastly, we finalized the Shield Rule, a

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3 debt collection rule that provides New Yorkers with
4 the nation's strongest protections against debt
5 collector harassment. In addition to expanded
6 protections under our rules, we also released the
7 benchmarking report and a data-driven enforcement
8 strategy for New York City's Protected Time Off Law,
9 leading and guiding the nation in education and
10 compliance on a cornerstone workplace right. This
11 work to further New Yorker's rights will only
12 continue as we proactively leverage our authority to
13 pursue an ambition agenda delivering on the Mayor's
14 vision. While we have been working to implement and
15 expand protections afforded to New Yorkers, we have
16 also been fighting harder than ever before to
17 vigorously enforce our laws, cracking down on
18 predatory corporate practices to hold bad actors
19 accountable. We started 2026 by launching a robust
20 compliance blitz, sending notices to various
21 industries, reminding them of their obligations under
the law and the repercussions that arise from
noncompliance. This past January, we exposed Uber
and Doordash for deceptive design tricks that made it
harder for consumers to tip delivery workers, driving
down worker pay by more than half a billion dollars

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3 in New York City alone. We have shown major
4 corporations that there are consequences for
5 violating our laws. We are actively seeking millions
6 of penalties in restitution from numerous predatory
7 businesses for exploiting and cheating New Yorkers.
8 These efforts span across our work, delivering real
9 results for consumers, workers, and small businesses
10 alike. For example, we secured \$5 million from three
11 delivery apps for violations of the minimum pay rate,
12 and more than half a million dollars for freelancers
13 ripped off by the production company Splashlight
14 [sp?]. In March, we announced a \$1.5 million
15 settlement with Dunkin and Taco Bell franchisees for
16 violations of the Fair Work Week Law, securing
17 economic justice and fairness for more than 760
18 workers. We took legal action against predatory
19 businesses like Extra Space [sic], Radiant Solar, and
20 Instant [sic] Recovery Corporation, seeking over tens
21 of millions of dollars in penalties for deceptive and
illegal schemes to raise costs for New Yorkers. We
also went after major employment agencies, including
CMP, Golden Rose, and Elanies [sp?] and won almost \$1
million in restitution for individuals who face
exploitation and violations of their rights by these

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3 businesses. In April, we announced a settlement of
4 more than \$875,000 with Hungry Panda for violating
5 New York City's fee cap law in charging small
6 immigrant-owned restaurants thousands of dollars in
7 illegal junk fees, the first action our agency has
8 ever brought under this authority. And most recently,
9 the mayor announced our action against Honda of the
10 Bronx, a used car dealer engaging in widespread
11 deceptive practices. All of this work is a clear
12 reminder that under this administration, there is
13 zero tolerance for companies that violate the law,
14 and that we will fight to bring justice to the New
15 Yorkers that faced abuses. The numbers speak for
16 themselves. Within the mayor's first 100 days, we
17 had already secured nearly \$10 million for New
18 Yorkers, and that number is only growing as we
19 continue delivering real economic justice to
20 consumers, workers, and small businesses across our
21 city. This is just the beginning of a transformative
era, and we look forward to continuing our relentless
fight to bring accountability, affordability and
economic justice to the people of New York. I thank
you for the opportunity to testify today and DCWP's
commitment to championing consumers, workers and

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3 families in this new era of economic justice for all
4 New Yorkers. I would again like to express my
5 gratitude to Mayor Mamdani, to Chair Epstein, to the
6 Speaker, to Chair Lee, to members of this committee
7 and to all of our partners in this room for the
8 steadfast advocacy on our agency's behalf. It really
9 means the world. We are eager to continue our
10 success delivering millions in real economic relief
11 to countless New Yorkers and advancing Mayor
12 Mamdani's agenda for a fairer, more affordable New
13 York City. I look forward to answering your
14 questions.

15 SPEAKER MENIN: Okay, great. Thank you
16 very much. So, we appreciate the testimony today. I
17 want to get a little bit more into the headcount,
18 because I know you said this is the biggest
19 investment that's been made into DCWP. I think our
20 finance team has some concerns about that assertion,
21 because it's our understanding that last year in
terms of where the budget was, both with headcount
and overall amount, that it actually was higher last
year. So we sort of want to get into those numbers.
I'm sure the Chair will get into that as well. Do
you have any comments on that?

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3 COMMISSIONER LEVINE: Sure. I'm happy to
4 explain that, Madam Speaker. Last year's budget was,
5 you might say, inflated by the inclusion of the
6 summer contract for city residents. That was
7 budgeted at \$12 million for FY26. Under the current
8 plan, we are eliminating the program for city
9 residents, effective in FY27. So, that's going to
10 reduce \$12 million and then \$14 million in FY27, \$16
11 million in FY28, and we're plowing that money into
12 our enforcement work. So, if you look at our actual
13 budget for enforcement, it's growing significantly.

14 SPEAKER MENIN: Okay. I guess what we
15 want to get clarity on is you mentioned in your
16 opening statement that the highest authorized
17 headcount of 561, but your active headcount is 409
18 which is lower than 417 this past July. So, we want
19 to understand that.

20 COMMISSIONER LEVINE: Thank you, Madam
21 Speaker. We do have vacancies. We have a vacancy
rate of 16 percent right now. So we have a lot of
hiring to do in FY27. We have vacancies to fill. We
have 77 new lines to hire, and I can tell you if you
go onto our website right now, we have jobs posted.
We're already actively engaging in hiring.

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3 CHIEF OF STAFF ORTIZ: And I would note,
4 too, Speaker that our authorized headcount for fiscal
5 year 26 was 483, but obviously with the Mayor's
6 investment for this fiscal year and moving into
7 fiscal year 29, we're looking at I think overall 40
8 percent increase in the headcount of the agency.

9 SPEAKER MENIN: And how quickly do you
10 think you're going to be hiring?

11 COMMISSIONER LEVINE: We're think we're
12 going to be on pace to hire- I don't have month by
13 month, Speaker, but we are going to be on pace to
14 both close our current vacancies and hire the 77
15 through FY27. We're already moving.

16 SPEAKER MENIN: So, the Council, as you
17 know, is calling on the administration to allocate an
18 additional \$32 million for DCWP's budget to meet the
19 need of the numerous pieces of critical legislation
20 on consumer and worker protection that the Council
21 has passed in recent years. Do you feel that this
additional funding would be sufficient to
appropriately carry out the agency's mission?

COMMISSIONER LEVINE: Well, I haven't had
a chance to look at the details of the Council's
proposal. I learned about it today. I greatly

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3 appreciate the vote of confidence that you have
4 placed in the agency. I know you have particular
5 affection for DCWP as do I, and the vote of
6 confidence by the committee. With respect to the
7 Executive Budget, which I have looked at, we fell
8 confident that with respect to the laws that the
9 Council passed, the new mandates as you referenced
10 Madam Speaker for our agency, that the 181 headcount
11 that the Executive Budget authorized would be
12 sufficient to meet our needs.

13 SPEAKER MENIN: Okay. DCWP issue- well,
14 let me just- before I move on from that. So, you're
15 saying that you do not need any additional funding
16 beyond what is in the Executive Budget?

17 COMMISSIONER LEVINE: We always welcome
18 more resources generally, and I know that the Council
19 is considering new laws including with new
20 responsibilities for DCWP-

21 SPEAKER MENIN: [interposing] Right.

COMMISSIONER LEVINE: and I expect we'll
have follow-up conversations about new needs there.
But with respect to the bills the Council's passed
and that are already being implemented, we worked

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really closely with OMB and City Hall and we feel we
3 have what we need.

4 SPEAKER MENIN: Okay. Earned safe and
5 sick leave time. So, I want to talk a little bit
6 about that. So, DCWP issued compliance warnings to
7 roughly 56,000 New York City employers following the
8 implementation of the earned safe and sick time
9 amendments. What percentage of those employers have
10 achieved compliance and what enforcement actions have
11 been taken against those that have not?

12 COMMISSIONER LEVINE: Well, I appreciate
13 the question. We take a lot of pride in that warning
14 blitz. I'm going to turn things over to my colleague
15 to share a little more. But the goal of that was not
16 to open investigations of all of those thousands of
17 businesses. It's two-fold. One, we wanted to make
18 sure businesses understood their obligation. I don't
19 believe in gotcha [sic] enforcement. I believe in
20 making sure businesses understand their obligations,
21 workers understand their rights. That was the goal
there. But also we wanted to make sure businesses
knew that we were watching, that given the high
volume of complaints over the years we've gotten
about PTO, I wanted businesses to know that we took

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violations really seriously. That's why we followed
3 up with warnings. That's why we followed up with
4 enforcement. With respect to the number of in
5 compliance, I don't think we've investigated every
6 one of those businesses, but I'll turn things over to
my Deputy Commissioner to share more.

7 DEPUTY COMMISSIONER WAGONER: No, that's-
8 echoing everything the Commissioner said, and to
9 generate that list, you know, we're looking at all of
10 the restaurants in the city which obviously is
11 information that DOHMH maintains and, you know,
12 historically can be a high violation industry, and
13 all of our past targets going back years and years
14 and years, every company we've ever investigated in
15 the past also got a letter like that. And you know,
16 as we hear from workers, you know, as the year goes
17 on, we'll be able to look and see, you know, did this
company get a notice of the new laws? There's
18 absolutely no excuse not to be in compliance with the
law.

19 SPEAKER MENIN: And what type of outreach
20 is agency doing particularly for small businesses
21 that might not be aware of the new requirements? How

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3 do we make sure that they are aware? What kind of
4 outreach is happening in that regard?

5 COMMISSIONER LEVINE: This is a key
6 priority for me. I spoke at the National Supermarket
7 Association yesterday about this. We've held online
8 seminars with small businesses. We're also educating
9 workers, but business education is key. We have a
10 Deputy Commissioner for External Affairs here who can
11 add more on these efforts.

12 CHIEF OF STAFF ORTIZ: Thank you. Madam
13 Speaker, I think education is a core component of I
14 think how DCWP wants to approach our work. As the
15 Commissioner mentioned, we don't play gotcha with our
16 laws. We want to make sure we're engaging with folks
17 in an honest discussion. Besides these webinars and
18 what we call DCWP 101 events with business
19 associations and representatives, we also engage in
20 direct outreach to businesses, both through our
21 Community Affairs team, but also our enforcement team
that offers what we call VIP inspections where they
offer any new business a free educational inspection
to help them understand what their obligations are.
We reach thousands of businesses through these

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3 efforts across the year, the calendar year, and it's
4 something we're looking to build upon.

5 SPEAKER MENIN: And how many staff do you
6 have dedicated to enforcement around this topic?

7 COMMISSIONER LEVINE: I'm going to kick
8 that to our Deputy Commissioner.

9 DEPUTY COMMISSIONER WAGONER: So, we
10 actually have our investigators, attorneys and data
11 scientists in the Office of Labor Policy and
12 Standards working on all of our laws. So, our- not
13 including the new lines we've just received, we have
14 54 people in OLPS who work on all of our laws. The
15 biggest area of work for us is three-fold, paid safe
16 and sick leave, which we're now calling the Protected
17 Time Off Law, the Fair Work Week Law, and the
18 Delivery Worker Laws.

19 SPEAKER MENIN: Moving to a new topic,
20 the Fair Act and Housing Affordability. So, since
21 the Fair Act took effect on June 11th, 2025, DCWP has
received over 1,400 complaints related to illegal
broker fees, but it appears only 50 summonses to real
estate brokers, landlords or property managers have
been filed which equates to roughly 3.5 percent of

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total complaints. Can you explain why that is the
3 case?

4 COMMISSIONER LEVINE: Yeah, I'm happy to,
5 Madam Speaker. I'll say briefly that we're- since the
6 Fair Act was enacted, we're now up to 73 summons,
7 \$27,000 in penalties awarded by OATH, \$15,000 awarded
8 in restitution. But there's still a gap as you
9 recognized. The basis for that is two-fold, and our
10 General Counsel can add more to this. One, sometimes
11 we will get- often we will get complaints from folks
12 who are not actually charged a broker fee, but maybe
13 their friend told them they were charged a broker fee
14 or they attempted to charge a broker fee. We will
15 follow up. We will not always be able to follow up
16 and actually reach that broker. So, part of it is
17 just general awareness of the Fair Act, and we're
18 very proud of our outreach campaign on that. Part of
19 that also is just the OATH process. A lot of these
20 cases are moving through OATH and you are seeing the
21 number of recoveries for consumers steadily rising.
Mike, you want to add to that?

20 GENERAL COUNSEL TIGER: No, that's
21 absolutely right. We took- when this law came on
board we took it very seriously and prioritized it,

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3 and I think just to note, this new investment that
4 the Commissioner was talking about by the Mamdani
5 administration is definitely something we are going
6 to- the Fair Act and other rental issues, the issues
7 that arose during the Mayor's Rental Rip Off hearings
8 are definitely a topic that we are going to use when
9 we get these new lines on board to redouble our
10 efforts, especially for the Fair Act.

11 SPEAKER MENIN: Okay. I want to switch
12 gears to financial counseling, and then I'm going to
13 pass it over to Chair Lee. So the percentage of DCWP
14 financial counseling clients achieving a financial
15 goal within their first year dropped from 21.1
16 percent in fiscal year 25 to 17.3 percent in fiscal
17 year 26 which is the lowest rate in at least three
18 years, and well below the agency's directional target
19 to improve this figure. The number of clients served
20 also fell by six percent. Given the administration's
21 stated affordability agenda, what does the fiscal
2027 Executive Budget include specifically for this
program, and what is driving the deteriorating
outcome rates?

22 COMMISSIONER LEVINE: Yeah, well let me
23 start by saying, financial empowerment centers serve

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3 thousands of New Yorkers every year. You know, with
4 respect to the outcomes on the MMR, the timeframe was
5 shortened to a year. Many of our clients are looking
6 for longer-term financial help where we just don't
7 have data. So not all of the benefits that our
8 clients in the financial empowerment centers realize
9 are- come through in that data because it's a longer
10 term estimate. As a general matter, though, Speaker,
11 I completely agree. We want to get more New Yorkers
12 using our financial empowerment centers. We have
13 capacity. We have wonderful partners all over New
14 York City. We want people getting- many of our staff
15 have used these counselors, gotten outstanding
16 results. We want more New Yorkers to benefit. In
17 terms of the budget, I don't know if you have that
18 handy for financial empowerment. We are targeting an
19 increase. It's going to be FY26, it's \$4.8 million.

20 CHIEF OF STAFF ORTIZ: I would also- I
21 appreciate the Commissioner's point about our staff
using our services. We're very proud of the
financial empowerment centers. We've even had two
Commissioners that have had their student loan debt
forgiven through our financial empowerment centres.
Since inception we've increased our savings for New

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3 Yorkers by \$15.6 million and we helped reduce that by
4 \$135 million. So, it's a fundamental program for the
5 agency.

6 SPEAKER MENIN: Okay. Alright. Thank
7 you. I'm going to turn it over to- back to Chair
8 Lee.

9 CHAIRPERSON LEE: Perfect segue. So, the
10 budget reflects savings of \$2 million in fiscal 26
11 from a re-estimation of OFE's [sic] financial
12 literacy expansion. So, can you clarify which plan
13 programs or expansions are being delayed and what the
14 revised realistic timeline looks like?

15 COMMISSIONER LEVINE: Yeah, absolutely.
16 This was purely a function, Madam Chair, of
17 background checks for vendors taking longer than we
18 thought they would.

19 CHAIRPERSON LEE: Got it. So, it's-

20 COMMISSIONER LEVINE: [interposing] We
21 have the exact same goal as we did a year ago.

CHAIRPERSON LEE: Okay.

COMMISSIONER LEVINE: Serving every
school district by the end of FY29. We've had to
delay the expansion by a little bit due to
essentially administrative matter.

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3 CHAIRPERSON LEE: Okay. And what's the
4 estimated timeline or revised timeline I should say?

5 COMMISSIONER LEVINE: It's actually the
6 same for reaching the goal of every school district.

7 CHAIRPERSON LEE: Okay.

8 COMMISSIONER LEVINE: It's by the end of
9 FY29.

10 CHAIRPERSON LEE: Okay. So, the end goal
11 is the same, but it's just the middle part-

12 COMMISSIONER LEVINE: [interposing]
13 Precisely.

14 CHAIRPERSON LEE: that's pushing out.
15 Okay. And the budget reflects savings of \$500,000 in
16 FY27 from discontinuing the agency's cloud migration
17 project. So, just wanted to know what the rationale
18 was for ending it, and does the agency have a plan to
19 modernize its technology infrastructure going
20 forward?

21 COMMISSIONER LEVINE: Absolutely, and
this actually reflects that attempt to modernize. One
of the things we heard loud and clear from OMB and
our outstanding admin division- excuse me, Docs
Division takes this really seriously is we are
in-sourcing more of our services.

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CHAIRPERSON LEE: Okay.

3 COMMISSIONER LEVINE: Bringing expertise
4 in-house. We cancelled a very expensive contract
5 with Sivils [sp?]. We're replacing it with boots on
6 the ground in the building which we think is going to
7 deliver better services for less money.

8 CHAIRPERSON LEE: Okay, perfect. And
9 bringing it in-house staffing wise, what does that
10 look like, and what-

11 COMMISSIONER LEVINE: [interposing] I
12 believe it's just- it's not even very many people.
13 We're going to have nine new folks for our Docs
14 Division, and that's going to be transformational we
15 believe in our ability to modernize our IT
16 infrastructure.

17 CHAIRPERSON LEE: Okay, perfect. Great.
18 And I'm going to stop there to allow for our members
19 to ask more questions, but- oh, yes, yes. I'm sorry.
20 So, we've also been recognized by Council Member
21 Aldebol, Council Member Wilson on Zoom, and Council
Member De La Rosa, and with that I'll pass it off to
Chair Epstein.

CHAIRPERSON EPSTEIN: Thank you,
Commissioner, and thank you all for being here and

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3 the time you put into these issues we care so much
4 about. The preliminary hearing we talked a lot around
5 the wait time that people had when someone had a, you
6 know, an hours issue. It would take them six months
7 before they'd even hear from someone. The
8 investigations would take potentially a year. Based
9 on the funding that you're- were being proposed in
10 the Executive Budget, what would the wait time look
11 like for a regular New Yorker who works at McDonald's
12 and feels like they're not getting their schedules
13 appropriately and there's concerns around that?

14 COMMISSIONER LEVINE: So, the wait time
15 for an ordinary New Yorker is going to depend of
16 course on how much information we get and whether we
17 detect a work violation. I think the deeper problem
18 that you're absolutely right to highlight is what you
19 also said which is six-month backlog of enforcement.
20 What that means is that folks who had their wages
21 stolen in some cases, the employers who stole them
are sitting on that money while workers are being
left holding the bag. Our goal, and more than our
goal, we believe we are now equipped thanks to the
mayor's investment is to take that six-month backlog
and reduce it to zero. And I want to turn things

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3 over to our Deputy Commissioner to say more about
4 that.

5 DEPUTY COMMISSIONER WAGONER: No, that's
6 right. You know, in the metrics that we- that led to
7 the development of the ultimate number, that is
8 explicitly what we're looking at. What would it take
9 to bring it down to zero, and we believe we'll be
10 able to achieve it.

11 CHAIRPERSON EPSTEIN: And so how many
12 investigators are you planning to hire?

13 DEPUTY COMMISSIONER WAGONER: I mean,
14 that's going to be happening over a period of years,
15 but we have 10 vacancies posted today, and so-

16 CHAIRPERSON EPSTEIN: [interposing]
17 Everyone hear that?

18 DEPUTY COMMISSIONER WAGONER: Yep.
19 Anyone watching this hearing, please go online, find
20 the job and apply. The civil service exam is also
21 open right now and closes on June 23rd. So, we're
looking to get it done very quickly to bring new
people on.

CHAIRPERSON EPSTEIN: If you could help
circulate those- that information, I'm happy to be
put in an e-blast, let people know. So if you have

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3 send something over to my team, we're happy to spread
4 the word.

5 COMMISSIONER LEVINE: It would be our
6 pleasure.

7 CHIEF OF STAFF ORTIZ: Thank you, Chair.
8 We blasted our job postings out yesterday to all
9 elected offices so we can make sure we re-up that
10 again.

11 CHAIRPERSON EPSTEIN: Thank you.

12 GENERAL COUNSEL TIGER: There are also
13 consumer protection investigator positions with the
14 same civil service deadline for all those watching at
15 home.

16 CHAIRPERSON EPSTEIN: Okay. So, 10 is
17 going to get you to zero wait time?

18 DEPUTY COMMISSIONER WAGONER: 10 will
19 not, but obviously there's resources coming each
20 year, and so this is really pacing at a rate that
21 will allow us to hire up and absorb new people. You
know, of course, if we have the ability to move
faster and bring on more and we're seeing that, you
know, there would be a benefit to the backlog, we'll
be working with our partners at OMB to show them
those metrics and move forward on a-

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CHAIRPERSON EPSTEIN: [interposing] So-

3 COMMISSIONER LEVINE: [interposing] Oh,
4 I'm sorry.

5 CHAIRPERSON EPSTEIN: I just wanted to
6 know like we're not getting to zero in the fall.
7 We're still- so people are waiting six months to even
8 speak to someone is what we were told, even if they
9 submitted their documents. When are we going to get
10 to a place, what- what day would someone be able to
11 get to like a short wait time? Are we talking about
12 2029? We talking about 2030?

13 DEPUTY COMMISSIONER WAGONER: It is very
14 hard to say, but I would love to try to achieve that
15 I would love to try to achieve that within a year,
16 but we're going to have to see how it goes.

17 COMMISSIONER LEVINE: If I may make two
18 points, Chair. One, just to be clear, our worker
19 protection- OLPS is getting 10 investigators this
20 year, but that's out of a total of 29 new folks which
21 is- I don't know what percentage that is for the
division, but it's a massive increase.

DEPUTY COMMISSIONER WAGONER: It's almost
a doubling of our investigation capacity.

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3 CHAIRPERSON EPSTEIN: So, just to be
4 clear, you have 10 investigators now. You're going
5 to get 10. You'll double the number of
6 investigators?

7 COMMISSIONER LEVINE: 10 investigators,
8 but they're attorneys, there's some clerical, and
9 yeah.

10 DEPUTY COMMISSIONER WAGONER: I believe
11 we have 11 investigators now, so adding 10 more is
12 almost doubling it.

13 CHAIRPERSON EPSTEIN: And then you're
14 going to get some lawyers too, I assume?

15 DEPUTY COMMISSIONER WAGONER: So,
16 supervising investigators which, you know, also
17 increases capacity on that team, lawyers as well, and
18 so it-

19 CHAIRPERSON EPSTEIN: [interposing] How
20 many supervisors, how many lawyers?

21 DEPUTY COMMISSIONER WAGONER: So, we're
starting off with a total staff of 54 before this
addition, and then we'll have 29 afterwards.

CHAIRPERSON EPSTEIN: 29 additional.

DEPUTY COMMISSIONER WAGONER: Additional,
in addition to that.

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3 CHAIRPERSON EPSTEIN: That's with 10
4 investigators, a couple supervisors.

5 DEPUTY COMMISSIONER WAGONER: And then
6 we've got- now, let me see if I can do this.

7 CHAIRPERSON EPSTEIN: Okay.

8 DEPUTY COMMISSIONER WAGONER: We've got-
9 let me see- 10 lawyers, and-

10 CHAIRPERSON EPSTEIN: [interposing] Couple
11 supervisors?

12 DEPUTY COMMISSIONER WAGONER: The rest
13 are going to be data scientists.

14 CHAIRPERSON EPSTEIN: Data scientists.
15 So, they're doing data analysis for folks.

16 DEPUTY COMMISSIONER WAGONER: So, we use
17 our data analytics team on our class-wide cases under
18 all of our laws to take employer data or app data and
19 identify it precisely to count each violation that
20 each worker in the class experienced.

21 CHAIRPERSON EPSTEIN: And so how many
activity litigation cases do you have now then for
your current legal team?

DEPUTY COMMISSIONER WAGONER: So most of
our enforcement work is prelitigation.

CHAIRPERSON EPSTEIN: Sure.

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3 DEPUTY COMMISSIONER WAGONER: And so we
4 have dozens of large class cases that attorneys are
5 handling and in various stages of the process whether
6 that's in the data analytics process or in the
7 settlement negotiations process.

8 CHAIRPERSON EPSTEIN: Could you give me
9 like a general number? Could you- how many cases are
10 in court? How many cases are in negotiations? Like,
11 could we- you know, I'm sure you have that number
12 somewhere?

13 DEPUTY COMMISSIONER WAGONER: We'd have
14 to follow up with you to give you a precise number. I
15 could say today that it's several dozen, but we can
16 definitely get those breakdowns for your office.

17 CHAIRPERSON EPSTEIN: I would appreciate
18 that. And then I am concerned about the backlog, and
19 you know, I know the Commissioner and you are deeply
20 committed to this work. You wouldn't be doing it
21 otherwise. And to say that maybe in a year we might
be in a better position is a little concerning to me
because, you know, this is a priority for all of us,
and I'm wondering if you had more resources staffing
up sooner, like instead of hiring 12- 10

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investigators, you hired 15. Obviously, that backlog
3 would reduce quicker. Is that a fair statement?

4 COMMISSIONER LEVINE: One point I would
5 make, and then I'll turn it over to the Deputy
6 Commissioner is, you know, we do have the- it's a
7 good problem to have, but we're such a lean agency
8 that the same folks who are doing those
9 investigations are interviewing candidates, and
10 they're going to spending a lot of the summer both
11 full steam ahead on their cases and full steam ahead
12 on interviewing candidates and they're going to keep
13 interviewing through the rest of the year. So, the
14 reality is that again, new lines, it's a wonderful
15 problem to have, but it does- there are only so many
16 people we can operate, and we really designed the 181
17 very- OMB would not have authorized that headcount if
18 we didn't show them in granular detail that we have
19 the capacity to bring those folks on. So, I'm not
20 saying- you know, we could have conversations about
21 what additional capacity would mean in hiring, but I
just want to say that there is- there are operational
limits on how many folks we can bring on. You know,
if we could hire a million people tomorrow, we would
not actually be able to close the backlog tomorrow.

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3 DEPUTY COMMISSIONER WAGONER: That's
4 right. Just in terms of the resources to train
5 people. This is the right number to be able to
6 absorb new staff, to have them learn and follow our
7 procedures for investigations and to ultimately
8 continue delivering the high level of service that we
9 offer workers.

10 CHAIRPERSON EPSTEIN: Well, we've heard-
11 you choose one industry, deactivation, right? So,
12 you know, we've heard from the deliveristas that
13 every day 200-300 people are banging down their door
14 about deactivation. So, they don't have capacity to
15 do it. So how do we support them to ensure that
16 they, you know- they could maybe a front line person
17 to limit the number of cases that are coming to you.
18 You do have resources in the budget to help
19 organizations like that who are really on the front
20 lines trying to help?

21 COMMISSIONER LEVINE: We have resources
in the budget to make sure that we are- we have the
staff to meet those needs.

CHAIRPERSON EPSTEIN: Right.

COMMISSIONER LEVINE: We're also working
very closely with outside partners to make sure that

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there's an orderly process, people know their rights.
3 Do you want to talk a little bit about deactivation
4 implementation?

5 DEPUTY COMMISSIONER WAGONER: Sure. And
6 just to first say, WJP and all of our community
7 partners do extraordinary work. They are a critical
8 part of the worker protection infrastructure, and you
9 know, definitely want to see them continue to be
10 supported to do that work so that they can continue
11 to refer us cases so that we can continue to refer
12 them cases on matters outside of our jurisdiction.
13 It's really critical. And we will, you know,
14 continue to work with organizations who are working
15 with delivery workers to make sure they're able to
16 get delivery workers to us so that we can pursue
17 those deactivation matters for them.

18 CHAIRPERSON EPSTEIN: So, you have no
19 money in the budget to give- to subcontract them to
20 do this work. Is that what I hear you saying?

21 DEPUTY COMMISSIONER WAGONER: We do not
manage those contracts, that's right. That runs
through- Carlos should speak to this, but yeah.

CHIEF OF STAFF ORTIZ: Well, that's
correct. The money that we were allocated was for

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3 personnel services and to increase the agency's
4 capacity.

5 CHAIRPERSON EPSTEIN: Right.

6 CHIEF OF STAFF ORTIZ: I recognize your
7 point and in full agreement that over the past 10
8 years the agency has had historic disinvestment, but
9 that's why we're incredibly excited with what the
10 mayor has done. Obviously, with the support of the
11 Council and our allies that you're bringing up in
12 this conversation, too, Chair, to bring us to a place
13 where we can meet our mandates and hopefully grow
14 even further as new mandates come.

15 CHAIRPERSON EPSTEIN: I mean, I do care.
16 I care about the street vendors, and they- they may
17 not come to DCWP right away. They may need an
18 organization like the Street Vendor Project to ferret
19 out what's an appropriate case to come to. They have
20 the relationships. It'd be great to see funding from
21 the agency. It just says we know we're going to have
to enforce these laws, but we know these are really
culturally competent organizations who are on the
ground who are going to be able to figure out what
should come to us and what shouldn't. Shouldn't

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there be resources from your agency to go directly to
3 them?

4 CHIEF OF STAFF ORTIZ: Well, I would say,
5 Chair, that that partnerships exists and will only
6 grow, and we plan to work closely with Street Vendor
7 Project and our new Executive Director for Street
8 Vendor Services will to go directly to street
9 vendors, to go to the places where they're vending to
10 ensure that they understand about what services and
11 licenses are available by the agency. So, that's our
12 current PS allocation is, and again, we look forward
13 to having these conversations if we're going to need
14 more resources eventually.

15 CHAIRPERSON EPSTEIN: Yeah. I mean,
16 [inaudible] but Carlos, you wouldn't disagree that
17 they need resources too, right?

18 CHIEF OF STAFF ORTIZ: I- no, thank you.
19 Thank you, Chair. Sorry, I was distracted. I
20 wouldn't disagree that I've had conversations
21 directly with WJP and other organizations. I know
that they have conversations directly with the
Council themselves over discretionary funding. So, I
understand that those [inaudible] too. I just can

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3 only speak to our budget and our resources and what
4 we've been allocated.

5 COMMISSIONER LEVINE: And I would just add
6 to that, Council Member- Chair, right, we do not give
7 money for those organizations, but I will say though
8 is that I really believe that it is symbiotic in a
9 way. We are working closely, for example, with
10 Street Vendor Project to get the word out this summer
11 about getting off the wait list and getting a
12 license. That is going to provide a real value
13 proposition for the Street VEndor Project to all the
14 vendors out on the street. Similar with Workers
15 Justice Project, NYWJ [sic], they're going to work
16 with their members to explain to them deactivation
17 protections. We're going to work with NYCHA and WJP.
18 I think the more that we partner closely with these
19 organizations, the more that they're going to be able
20 to offer value to their members, and I hope that
21 creates a virtuous cycle. These organizations gain
more visibility and reach and that we can do the
same.

CHAIRPERSON EPSTEIN: Commissioner, I
couldn't agree more with that statement, and I- you
know, I just would say that- I know we have

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3 colleagues that have questions. But I'd love to see
4 if there's a way we can get them direct funding to do
5 that, because you know, I've heard directly from all
6 of them whether it's Worker Justice Project like you
7 mentioned or the Street Vendor Project we just talked
8 about who, you know, there are more members coming to
9 them than they have their resources to handle, and
10 While you'll be the agency in power to rep- to
11 protect their members as well as all the consumers
12 out there, there's a- there's not as many resources
13 that they can turn to to be able to do this work and
14 we'd love to see the administration play a vital role
15 in getting those resources to them.

16 COMMISSIONER LEVINE: I hear you on that,
17 and to be clear, and I think I speak for everyone
18 here, we could not do our job. We could not do the
19 worker protection we've done without partners like
20 WJP and NYCWA sic. I totally agree on the vital role
21 these organizations play.

CHAIRPERSON EPSTEIN: And thank you.
I'll turn it back over to Chair Lee.

CHAIRPERSON LEE: Great. Just also want
to recognize we've been joined by Council Member
Ariola online and we- and Tiffany Cabán, hello. So,

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we are going to start with Deputy Speaker followed by
3 Council Member Banks.

4 COUNCIL MEMBER WILLIAMS: Thank you.
5 Hello. Just a macro question around the racial
6 equity plans. So, how does DCWP define equitable
7 enforcement, and what metrics does the agency use to
8 determine whether enforcement practices are being
applied fairly across communities?

9 COMMISSIONER LEVINE: Well, I would make
10 two points because I think this is a critically
11 important issue. The first is that we know that some
12 of the worst economic abuses are targeted at New
13 Yorkers of color, Black and- primarily Black and
14 Brown New Yorkers and immigrant New Yorkers. That is
15 why I am fully committed not only to continuing to
16 vigorously enforce our laws, but making sure that our
17 enforcement actually reflects where abuses are
18 happening throughout our city. There have been
19 studies not in New York, but nationwide that
20 consumers of color, for example, are less likely to
21 report violations to government agencies. What does
that mean? It means the government agencies are less
likely to hold accountable those who prey on
communities of color. That is not acceptable. My

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3 commitment at DCWP is to make sure we're serving
4 everyone in New York City, especially those being
5 harmed the most by these abuses, and that is why we
6 take so much pride in our outreach efforts. We are
7 aiming to do the two events a day, more than 700
8 events every year. We go to every borough, every
9 community. And that I say to every group, if you
10 don't feel comfortable filing a complaint with the
11 government, you can go to Worker Justice Project. You
12 can go to Make the Road, go to another group, file a
13 complaint with us. It is critical that we not only
14 kind of sit in our downtown office waiting for
15 complaints, that we go out in the community and make
16 sure that we're serving people who are most targeted
17 by economic predation.

18 COUNCIL MEMBER WILLIAMS: So, back to the
19 racial equity plans, though, like what goals has DCWP
20 put forward that matches what you just said?

21 COMMISSIONER LEVINE: Well, a key goal-
and this came up in the Core report that came out
very recently is on youth financial empowerment. You
know, the fact of the matter is, we're the beginning
of summer. We know that a lot of young New Yorkers
are going to have their first jobs, and they're

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3 instantly going to be targets for predatory fin [sic]
4 tax, predatory actors are going to try to separate
5 them from their paychecks. One of the points that
6 was made by Core was that DCWP should really step up
7 its financial empowerment work, especially its youth
8 financial empowerment work including in partnership
9 with Kids Rise. I could not agree more with that.
10 We're never going to have the resources to take down
11 every bad actor, even with the Council's generous
12 proposal this morning. So that's why I think it's
13 really important to empower people in school banking,
14 which was another Core recommendation. It's something
15 we are implementing. Youth financial empowerment,
16 we're going to reach every school district by the end
17 of FY29. So, I thought the Core report was right on
18 point in terms of our goals and how we're going to
19 meet them over the years to come.

20 COUNCIL MEMBER WILLIAMS: And just to go
21 back to equitable enforcement, because you answered
that question by primarily talking about workers, but
businesses- so, has DCWP conducted any geographical
or demographical [sic] analysis of where violations,
inspections, and enforcement actions are concentrated
citywide? So, that's what I'm talking about.

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COMMISSIONER LEVINE: I see- I apologize.

3 COUNCIL MEMBER WILLIAMS: Because for me,
4 because I think about budget equity. We're at a
5 budget hearing. What I want to know and I'm always
6 interested in is where is the city also generating
7 revenue?

COMMISSIONER LEVINE: Yes.

8 COUNCIL MEMBER WILLIAMS: Are you only
9 generating revenue in certain communities over
10 others? And so that is sort of the source of my
11 first question, coupled with the other one about if
12 you have any geographical or demographical [sic]
13 analysis of where violations are occurring across New
14 York City?

15 COMMISSIONER LEVINE: I don't have it at
16 my fingertips. I do believe we have pretty good
17 analyses of where we're seeing violations throughout
18 the city, but I also want to be clear and you know,
19 repeat what I said earlier. I don't believe in
20 gotcha enforcement, especially with the small
21 businesses. We've seen an exodus of small businesses
last year under the final year of the Adams
administration. We're really trying to reverse that.
I was very proud that Mike's team, the General

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3 Counsel team, returned more than half a million
4 dollars to immigrant-owned small businesses. First
5 enforcement action in our history to do that- who
6 were ripped off by Hungry Panda, a delivery app. So,
7 I'm happy to get you additional data on where
8 enforcement is, and I-

9 COUNCIL MEMBER WILLIAMS: [interposing]

10 Yes, I would love to- similar- I asked DOT a similar
11 question. Like, if you do have a map-

12 COMMISSIONER LEVINE: [interposing] Yeah.

13 COUNCIL MEMBER WILLIAMS: of where you're
14 primarily finding certain businesses across New York
15 City, that would be helpful. Thank you.

16 COMMISSIONER LEVINE: I am happy to see
17 what we can get you on that. I think we do- I think
18 we do have that. We will follow up.

19 CHAIRPERSON LEE: Okay, great. Council
20 Member Banks?

21 COUNCIL MEMBER BANKS: Thank you, Chairs
and Commissioner to your team. When it comes to
Local Law 168 which went into effect on May 27th,
just recently, which requires tax preparers to
provide consumers with itemized feed and disclosures
before and after services are rendered. Want to know

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3 what steps has DCWP taken to educate preparers and
4 consumers about these new requirements to ensure
5 compliance with the law.

6 COMMISSIONER LEVINE: Yeah, we take this
7 incredibly seriously. It's- you know, we see so much
8 predation in the tax prep space. It's one reason why
9 we were so aggressive this year in promoting our free
10 tax prep and doing a warning blitz, I think the first
11 in our history to every licensed tax prep provider in
12 the city that we are looking at for violations.
13 Mike, do you want to share more on our
14 implementation?

15 GENERAL COUNSEL TIGER: No. It's a very
16 important topic and something that we always have our
17 ear to the ground on. You know, we had a case
18 against Rocket Tax last year.

19 COUNCIL MEMBER BANKS: Right, yeah, okay.

20 GENERAL COUNSEL TIGER: That, you know-
21 and we're always looking for compliance in that- for
that settlement. And we're always looking for new
targets. You know, one of the great things, we have
a consumer services unit that is our ear to the
ground for all consumer complaints, and we look at
the trends, both in terms of who are potential

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3 targets in this, using tax prep in all our
4 categories. Like who are individuals businesses that
5 see are repeat violators of the laws and rules we
6 enforce, and what are the new scams that we didn't
7 even know about but people on the street are telling
8 us. So, we always encourage people to go directly to
9 our website and file complaints. That's really the
10 grift for how we determine how we're going to direct
11 our enforcement.

12 COUNCIL MEMBER BANKS: Thank you.

13 COMMISSIONER LEVINE: Council Member, I
14 would also-

15 COUNCIL MEMBER BANKS: [interposing] Thank
16 you for that response. Let me just get my questions
17 out and then you can-

18 COMMISSIONER LEVINE: [interposing] Sorry.

19 COUNCIL MEMBER BANKS: You can chime in
20 on the next one if you want. While tax season is
21 technically over, many New Yorkers continue to file
extensions, amendments on their returns and they
utilize the tax preparation services throughout the
year, has DCWP already begun consumer outreach
regarding Local Law 168? And if so, what has the

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3 outreach looked like and what lessons has the agency
4 learned thus far?

5 COMMISSIONER LEVINE: Yeah. I'll ask
6 Carlos to describe a little bit of some of the
7 specific outreach, but if I may just a brief point,
8 public service announcement for everyone. Our New
9 York City free tax prep serves over 100,000 New
10 Yorkers every year. No fees. No fines. No nothing
11 except tax help.

12 COUNCIL MEMBER BANKS: Right.

13 COMMISSIONER LEVINE: Is available
14 year-round.

15 COUNCIL MEMBER BANKS: But there's a large
16 percentage of folks who don't take advantage of that-

17 COMMISSIONER LEVINE: [interposing]
18 Absolutely, Council Member.

19 COUNCIL MEMBER BANKS: [inaudible] yes.

20 GENERAL COUNSEL TIGER: And Council
21 Member, I was going to mention that I know we're
updating our educational materials for businesses as
well, and we should be distributing those soon so
they can understand their obligation under the law.

COUNCIL MEMBER BANKS: Okay. And then on
the educational materials, we're hoping that they're

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3 obviously multilingual. Obviously, the- you talked
4 about the public awareness campaigns, and what
5 partnerships are you going to be forming to develop
6 to ensure that both consumers and tax preparers
7 understand their rights and the obligations of Local
8 Law 168?

9 CHIEF OF STAFF ORTIZ: Well,
10 traditionally, you know, our outreach model is based
11 on deep ties with local community-based organizations
12 being able to plug into their regular membership and
13 convenings of community members. So, I think we're
14 going to activate those again. You know, typically
15 throughout the tax season we hit hundreds of events
16 to help educate consumers and that even starts before
17 the tax season. So, I think we're going to plug into
18 similar aspects and working with also business
19 associations and their representatives. I think it's
20 been a trusted model for us in our outreach.

21 COUNCIL MEMBER BANKS: Excellent. And
what will compliance monitoring look like with Local
Law 168? What enforcement tools are available to
address violations, and has the agency identified any
implementation challenges that may require additional

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3 staffing, resources or legislative changes moving
4 forward?

5 COMMISSIONER LEVINE: I think we have
6 thanks in part to the law and to the investment by
7 the mayor. I actually think we have strong authority
8 and capacity to take these on. One technique we've
9 done in the past which has been effective is sweeps
10 where we do a broad prep [sic], because precisely for
11 the reason you said. Most New Yorkers are still
12 using private preparers.

13 COUNCIL MEMBER BANKS: Correct.

14 COMMISSIONER LEVINE: Many of them are
15 breaking the law. You know, when we do a sweep we're
16 sending a message that we're looking across the
17 marketplace. You want to add to that?

18 GENERAL COUNSEL TIGER: Right and there
19 are two ways we can conduct this. We have a Field
20 Enforcement Division. People are out in the street
21 every day as we're speaking going to business, making
sure they're complying with the consumer face- mostly
consumer-facing laws and rules of the city. And so
we have people around tax seasons, we have sweeps of
those and making sure that tax preparers are
complying with the specific laws and rules that they

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need to comply with. Then we have lawyers, you know,
3 back in the office-

4 COUNCIL MEMBER BANKS: [interposing]
5 Right.

6 GENERAL COUNSEL TIGER: who are looking at
those complaints, like I mentioned before, Council
7 Member, and saying which businesses should we be
8 taking a deeper look into.

9 COUNCIL MEMBER BANKS: Okay. Well, thank
you for your responses and looking forward to
10 continue working with you. Thank you.

11 COMMISSIONER LEVINE: Thank you.

12 CHAIRPERSON LEE: Thank you. We have
13 Council Member Pierina Sanchez followed by Council
Member Krishnan.

14 COUNCIL MEMBER SANCHEZ: Thank you,
15 Chair, and good morning. First, I just want to start
16 with expressing how exciting it is to see the
17 agency's trajectory these last six months. I think
18 any mayor, any executive envisions a commissioner
like you when they win office, coming in with a track
19 record of success, but also an ambitious vision for
20 the agency and a readiness to roll up your sleeve
21 with the team that is there. I just want to

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3 congratulate you on everything that you guys are all
4 doing together for New Yorkers. I'm going to do the
5 thing where I ask all my questions up front and then
6 hope that there's time for a response.

7 COMMISSIONER LEVINE: Okay. We'll take
8 notes.

9 COUNCIL MEMBER SANCHEZ: Thank you. So,
10 to start, DCWP- I mean, I'm biased. You are my
11 favorite. You're one of my favorite agencies. Don't
12 tell HPD. You've just been such a fantastic partner
13 on reforming the street vending system in New York
14 City. Special shout out to Carlos Ortiz and everyone
15 back there. We have really reframed this problem
16 together in New York City, and I appreciate it. So,
17 my first question here is, you know, while I
18 appreciate- I'm very- was very happy to see
19 significant investments for the implementation of
20 street vending reform. I remain concerned that the
21 piece that DCWP has around processing 10,500 new
general vendor licenses is still too low. I
understand that there's only six new staff that are
going to be added for fiscal year 27. So, I just
want to understand the plans for processing these new
applications per Local Law 54 with this staffing.

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3 Question two, the new licenses that are being made
4 available in January will be the first change to the
5 general vendor cap since 1979. So, the questions are
6 when the new wait list opens, how will DCWP
7 prioritize the new general vendor licenses? Do you
8 have a sense of the criteria the agency will be
9 using? And how can we ensure that licenses are
10 getting to the hands of the street vendors who have
11 been waiting for decades? And the third one on
12 street vending is outreach. The Chair touched on
13 this a bit regarding Street Vendor Project and our
14 partners on the ground, but I suppose my question is
15 whether there's any dedicated staff within the agency
16 across the 189 new lines that you mentioned in your
17 opening specifically for outreach? And then, as you
18 know, Commissioner, I am ecstatic about the Click to
19 Cancel rule and that the momentum you- the agency has
20 on this policy. You know, I speak for myself and I
21 know many New Yorkers who are just so freaking
annoyed by companies that make it impossible to leave
subscriptions, that harass you even after you're
gone, but really trap New Yorkers into subscriptions
that they don't need. So, just a status update on
what- where we are with the proposed rules and is

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there any staffing associated with implementation of
3 that new rule. Thank you.

4 COMMISSIONER LEVINE: Okay, thank
5 you, Council Member.

6 CHAIRPERSON LEE: Two seconds to spare.

7 COMMISSIONER LEVINE: That was great. I'm
going to run through each one and we'll see how I do,
8 okay, and Carlos can back me up. Alright. Licensing
9 staffing- we are confident we have the capacity in
10 our licensing division to hit the ground running this
summer on getting the general vendor licenses out the
11 door. We have an extremely efficient licensing
12 division, and I'll just say, you know, average wait
13 time of four minutes when you're in the office, four
14 days for processing. Typically most- above 90 percent
15 of licensees now apply online. We recognize many
street vendors are going to prefer the in-person
16 option, and that is why we asked for and received six
17 new lines for FY27. We are confident we're going to
18 be able to meet those needs to continue- you know,
outstanding, I think the best in the city for
19 licensing service to our smallest small businesses
20 and our newest licensees. With respect to the wait
21 list and how to prioritize. We're going to be

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3 releasing rules on that in the next couple weeks. I
4 could say as a general matter, Council Member, we're
5 going to start with about the 9,000 folks who are
6 already on the wait list which was closed in 2016.

7 Once we process those applications, we move on to
8 creating a new wait list and we'll start processing
9 those applications. We're going to put out the rule
10 soon, but my commitment is to make sure this process
11 is predictable, people understand it, people know

12 that even if they don't get a license in the first
13 tranche, they know where they are in line. And

14 that's really important to us. With respect to
15 outreach, we really want to go big this summer. And

16 Carlos will be able to add to this I think after I
17 get through the questions. I know we're meeting with
18 you in a couple days about this. We've been working
19 with Street Vendor Project, with the Office of Street

20 Vending, the Small Business Services. We know that
21 this is a community not used to being helped by the
city. Usually when they interact with city officials,
it's police or other enforcement. We want to reach

out to our street vendors with licenses and with

information on how to obtain licenses. So, we are

dedicating staff to outreach on that and Carlos can

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3 share more. Last, but definitely not least, we're
4 incredibly excited about the Click to Cancel rule as
5 I share your enthusiasm. It is a proposal right now.
6 We are the first city in America to propose a rule
7 like this. We're very excited about it. We received
8 a lot of comments. I don't know the exact number,
9 but I think one of the most interesting comments is
10 from the Roosevelt Institute which estimated that
11 this could save New Yorkers up to \$160 million every
12 year. That is the scale of tricks and traps we are
13 facing. So, we're extremely excited. The next step
14 will be. We're going to make a decision about
15 whether to adopt the rule and make it final. Do you
16 want to add a little bit to the outreach portion?

17 CHIEF OF STAFF ORTIZ: Yes, thank you,
18 Commissioner. I think we're already developing plans
19 for how to meet street vendors where they are
20 including by identifying high traffic areas where
21 vendors are conducting their business activity. Our
Community Affairs team is six members right now, but
they burn a lot of shoe leather. I think they're- I
personally believe they're the best outreach team in
the city, and our overall External Affairs Division
often contributes as well to helping out outreach

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3 initiatives. So, I think we plan to be out there
4 extensively over the course of the summer, also
5 working with agency partners too to make sure that we
6 have boots on the ground to accomplish our goals.

7 COUNCIL MEMBER SANCHEZ: Thank you.
8 There you go.

9 CHAIRPERSON LEE: Thank you, Chair,
10 chairs. Okay, next we have Council Member Krishnan
11 followed by Council Member Wong.

12 COUNCIL MEMBER KRISHNAN: Thank you,
13 Chairs. Commissioner, Deputy Commissioner and all the
14 whole team, thank you all so much for all your great
15 work at DCWP and your leadership. Proud to see all
16 that you're doing and to partner together. Deputy
17 Commissioner, First Deputy Commissioner, Carlos
18 Ortiz, also a constituent in Jackson Heights, too.
19 So I appreciate you all. You're paying close
20 attention to the issues there from street vendors to
21 taxi cab drivers, everything else. I just have a
quick question. So, one is, you know, we've talked a
bit about having the resources that you all need for
the new legislation that we've passed. And so I just
want to make sure. We've talked a lot about street
vendor implementation. Very glad to hear that. I

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3 know, Commissioner, we've spoken a bunch about taxi
4 drivers, the deactivation bill that we passed and how
5 important that is. So, I just want to make sure you
6 all feel that you have what you need for the number
7 of cases that will come in, the lookback period, and
8 how that will be raised. You feel good with what
9 you've got to unveil that program?

10 COMMISSIONER LEVINE: I do, Council
11 Member. I really appreciate the question. I think it
12 was probably apparent from the last hearing we had
13 that my biggest concern actually going into the
14 summer was how we're going to make sure we can meet
15 the Council's mandate on the outstanding bill you
16 championed on for-hire vehicle deactivation later in
17 the year, at the end of the year, delivery worker
18 deactivation. I do feel confident. Liz's team is
19 working very hard to put an infrastructure in place.
20 You know, we're going to see what the volume is. If
21 it spikes much higher than we think, you know, we
might have to revisit it, but at this point, based on
our projections of staffing, we do have confidence we
can meet those needs.

20 COUNCIL MEMBER KRISHNAN: Great. And can
21 you say a bit more about- is it going to be a new

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3 staff, set of staff attorneys hired that would be
4 focused on this in particular, or how- what would
5 that staffing look like?

6 COMMISSIONER LEVINE: I'm going to turn
7 that over to our person in charge of that.

8 DEPUTY COMMISSIONER WAGONER: Sure.
9 Right now, we're very focused on rule-making and
10 being sure we can get a rule out that lays out some
11 of the key details of how apps are required to handle
12 the various- their various obligations under this
13 law. We are looking to staff this law the way we have
14 successfully enforced many of our laws with
15 investigators trained to do the initial intake work,
16 who often are able to successfully resolve a case
17 without attorney involvement, and then moving to
18 attorneys when that's not possible. And we believe
19 that we're going to be able to be able to start
20 successfully handling those cases.

21 COUNCIL MEMBER KRISHNAN: Great. Very
glad to hear it. And Commissioner, I'll just say,
too, any way that we can partner together, you know,
to get the word out too in districts where there's
obviously high, you know, driver/resident
populations, you know, partner with us, my office,

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3 with NYTWA [sic]. Very happy to find any ways to get
4 the word out there.

5 COMMISSIONER LEVINE: We would love to do
6 that. We're eager to get the word out. NYTWA's [sic]
7 been a great partner in this and we'd love to work
8 with you further.

9 COUNCIL MEMBER KRISHNAN: Absolutely.
10 Well, thanks for your leadership and I know Carlos
11 will follow up separately too on a couple of quality
12 of life issues too in the district, and we want to
13 [inaudible] with you all, too. So, appreciate your
14 partnership there, too.

15 COMMISSIONER LEVINE: Thank you.

16 CHIEF OF STAFF ORTIZ: Thank you, Council
17 Member.

18 COUNCIL MEMBER KRISHNAN: Thanks.

19 CHAIRPERSON LEE: Thank you. Council
20 Member Wong followed by Council Member Cabán.

21 COUNCIL MEMBER WONG: Thank you, Chairs.
In my district there's a big problem of unlicensed
tow trucks, and the problem is this, whenever there's
an accident, the police is no longer required to show
up at the scene. So we have these tow trucks that
pop out of nowhere quite often with fake plates and

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3 with a combination of coercion and threats, they were
4 able to convince many of these drivers to let their
5 cars be towed away without- they don't know. The
6 drivers don't know that they're fake, unlicensed or
7 with fake licenses. So, this is only my fifth month
8 at the job and I'm hearing like over a dozen of these
9 complaints that their cars got towed away to some
10 backyard shop and they're being extorted on hundreds
11 of thousands of dollars in storage fees and in
12 repairs that they did not expect. So, can you talk
13 about what is being done and how could your increase
14 in headcount be able to step up your enforcement of
15 checking their licenses? Thank you.

16 COMMISSIONER LEVINE: I'm very happy to,
17 Council Member. I'm going to frame it up and then
18 turn things over to our General Counsel including
19 our- including our recent enforcement action against
20 one of these unlicensed companies. Let me just start
21 by saying this is a huge problem across the city, big
problem in Queens. The- and one thing I really want
to stress is, you know, we always- we want to educate
consumers about this. We want to educate New Yorkers
to use licensed tow providers, but one thing I always
say to people is it is not on consumers to get this

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3 right. You've just been in a car accident. Your car
4 just broke down. You can't realistically expect
5 people to go to dcwp.gov and see if- .nyc.gov and see
6 if they're licnesed. So, my big focus is on making
7 sure these unlicensed tow companies are held
8 accountable. The onus has to be on the tow companies
9 to stop operating illegally on our streets, not on
10 consumers to do their own due diligence when they're
11 in some of the hardest moments of their lives.

12 GENERAL COUNSEL TIGER: Yeah, we take
13 this very seriously. I mean, this is one of our core
14 license categories that we get the most complaints
15 about. Not just about unlicensed activity. In fact,
16 often it's from licensed actors who are overcharging.
17 The Council has very wisely set very strict limits on
18 how much tow companies can charge consumers, because
19 it is such a precarious time for consumers as the
20 Commissioner was alluding to and as you are
21 referencing. So, we look through those complaints.
We choose which ones are getting the most complaints
and we focus our enforcement in that direction. We
filed a case against Instant Recovery as the
Commissioner alluded to in his opening testimony. We
always have several major open tow investigations

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3 ongoing. As far as unlicensed activity, that is a
4 little trickier because it's out on the street in
5 real time. That's something that we're partnering
6 with the New York Police Department to figure out
7 what the best next steps are, and I will say it's
8 very important if you are getting complaints from
9 constituents, we're all ears, and there's a lot of
10 different avenues that you can approach.

11 Individuals, you know, despite what the Commissioner
12 said, can always go to DCWP, but you and your staff
13 we're always- Carlos, my team, we always want to hear
14 what are the companies, because actually individual
15 names with individual facts on the ground will always
16 help sharpen our investigations.

17 COUNCIL MEMBER WONG: Yeah, I'll share
18 the list with you based on the info I collected from
19 my constituent complaints.

20 GENERAL COUNSEL TIGER: Great, thank you.

21 COUNCIL MEMBER WONG: Thank you.

COMMISSIONER LEVINE: Thank you, Council
Member.

COUNCIL MEMBER WONG: Thank you, Chair.

CHAIRPERSON LEE: Thank you. Council
Member Cabán followed by Council Member Aldebol.

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3 COUNCIL MEMBER CABÁN: Thank you. Hello.
4 You guys are my favorite agency. I don't- I don't
5 need to couch it. My colleague over there, you can
6 tell everybody. Also, thank you for-

7 CHAIRPERSON EPSTEIN: [interposing] I will
8 tell everybody now.

9 COUNCIL MEMBER CABÁN: I stand by it,
10 whatever. Also, glad to see that you had Amazon
11 cough up, what, close to \$10 million in unpaid
12 tickets. So I was happy to see that. Not going to be
13 surprised that I want to ask about the Delivery
14 Protection Act and sort of what that will cost moving
15 forward. I know that- I heard testimony that you feel
16 good about your ability to enforce the many laws that
17 we have already passed and the ones that are coming
18 into effect, but we want to do more. I think that,
19 you know, we share the same ambition in being able to
20 do more. We also know that there's just so much that
21 we get in return in terms of raising revenue and
putting money back in people's pockets. So, you
know, at the hearing on Delivery Protection Act, you
testified that you support the bill. Do you feel
ready to- should it pass- enforce the licensing
process and requirements that would come along with

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3 that? Do you- with the numbers that you have, is
4 that enough to enforce that bill, for example, or do
5 you need more?

6 COMMISSIONER LEVINE: Well, thank you,
7 Council Member. We enthusiastically support the
8 bill. I mean, just yesterday we were discussing
9 before this hearing the Supreme Court case around a
10 company that tried to force for-hire vehicle- excuse
11 me, last mile delivery workers into arbitration. This
12 was in another state, but it just shows the scale of
13 the worker exploitation we see all over the United
14 States. Your bill would put a stop to that in New
15 York City. With respect to the lines we need to
16 enforce it, I believe we estimated we would need 19
17 lines. That was not included in the Executive Budget
18 since it's still-

19 COUNCIL MEMBER CABÁN: [interposing] Okay.

20 COMMISSIONER LEVINE: hasn't passed.

21 COUNCIL MEMBER CABÁN: Because we want to
pass that soon.

COMMISSIONER LEVINE: Yeah, us too.

COUNCIL MEMBER CABÁN: So, it sounds like
you could use some more money.

COMMISSIONER LEVINE: Yes.

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3 COUNCIL MEMBER CABÁN: Okay, that sounds
4 good. I also want to ask, because again, we share
5 the goal in being as ambitious as possible. You guys
6 are very good at what you do. I know that there may
7 be limits on what you can say about potential
8 legislation or legislation that hasn't even come
9 before you yet. But what do you see as other
10 potential areas of expanded regulation that you are
11 currently concerned with? And to give you a
12 not-so-surprising or shocking example, would you
13 support expanding the- what is already a successful
14 Fair Work Week Law, and would you have the resources
15 to do that, or do you need more?

16 COMMISSIONER LEVINE: Well, without
17 commenting on any specific bills-

18 COUNCIL MEMBER CABÁN: [interposing] Yeah.

19 COMMISSIONER LEVINE: of course, since
20 we're talking generally- look, I think it is
21 absolutely a problem, especially with the advent of
algorithmic scheduling where, you know, AI-
algorithms are deciding without any regard to the
fact that workers have real lives and have families-

COUNCIL MEMBER CABÁN: [interposing] Yeah.

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3 COMMISSIONER LEVINE: and have second
4 jobs, when people need to be a on shift. It is not
5 fair to tell a parent the morning of that they have
6 to show up to work. We have nation-leading
7 protections for retail, for fast food. What I love
8 about the protections in New York City is that it
9 doesn't matter what the algorithm spits out. At the
10 end of the day, if you're a fast food worker, you get
11 two weeks' notice. If you're a retail worker, you
12 get 72 hours notice. I'd be very interested in
13 having conversations with you, conversation with the
14 rest of the admin about expanding those rights to
15 other industries. There's no reason workers should
16 have to toil at the mercy of an algorithm that takes
17 no account for the full lives that they lead.

18 COUNCIL MEMBER CABÁN: Thank you. Yeah,
19 you need more money. That's the takeaway. Thank
20 you.

21 CHAIRPERSON LEE: Council Member Aldebol?

18 COUNCIL MEMBER ALDEBOL: Thank you,
19 Chairs, and you know, I just want to echo what
20 everyone else has said. You are certainly a lean,
21 mean, fighting machine. I do have a question about
community outreach and outreach to businesses and to

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workers, and are you expanding staffing? And given
3 all the worker protection laws and consumer laws, are
4 you expanding enough to have capacity to be able to,
5 you know, educate consumers, workers, and businesses
6 on what their obligations are and what their rights
are?

7 COMMISSIONER LEVINE: I appreciate the
8 question. I'll turn it over to our Deputy
9 Commissioner for External Affairs.

10 CHIEF OF STAFF ORTIZ: Thank you,
Commissioner. Traditionally, our- on average every
11 year, we hit about 600 outreach events. I think this
12 year we're aiming to hit about 760, two per day.
13 We've been doing that through our expansion that we
14 had toward the end of last year and our community
affairs team, but also we're receiving an allocation
15 of three additional positions under this new needs
16 that we receive in the administration. We've also I
17 think dramatically improved our ability to connect
18 with New Yorkers over social media, digital media,
press. I think we want to- following the direction
19 of our Commissioner, making sure that New York City
20 workers, consumers, small businesses understand the
21

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3 role of this agency and how we can serve them. And
4 we only make that grow over the years to come.

5 COUNCIL MEMBER ALDEBOL: I have a
6 question about security guard compensation. The new
7 Local Law requires private sector security guard
8 employers to meet government contract wage standards.
9 What outreach is DCWP conducting to ensure that
10 employers are aware of and prepared for these
11 requirements before the effective date of the law?

12 COMMISSIONER LEVINE: Well, I appreciate
13 the question, Council Member. We were very proud as
14 an administration to support this bill, to support
15 the Council override. Not only is this going to be a
16 critical milestone for security guards, but it's
17 going to open the door to other potential efforts by
18 the city to raise private sector minimum wages. You
19 know, with respect to otureauwch, the minimum wage
20 portion of the bill, the law, takes effect I believe
21 January 1st. Our plan is to partner closely with
the- in particular 32BJ to make sure- and I know
they're going to be very active in getting the word
out. We want to work with them closely to get the
word out. And we're going to be enforcing the law
aggressively to make sure that even if workers might

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not know, we'll have partners out there who can make
3 sure to bring violations to our attention so we can
4 hold those employers accountable.

5 COUNCIL MEMBER ALDEBOL: Do you have a
sense of how many security guard employers will fall
6 under the law?

7 COMMISSIONER LEVINE: I'm sorry, could
8 you repeat that?

9 COUNCIL MEMBER ALDEBOL: Do you have a-
do you have an idea how many security guard employers
10 fall under the law?

11 COMMISSIONER LEVINE: I once knew that. I
12 don't know if I have that number at hand.

13 COUNCIL MEMBER ALDEBOL: I once knew it,
14 too.

15 COMMISSIONER LEVINE: Do it in January,
but-

16 COUNCIL MEMBER ALDEBOL: [interposing]
17 It's been a while.

18 DEPUTY COMMISSIONER WAGONER: We don't
have it, but we'll have to- we'll get back to you
19 with that number.

20 COUNCIL MEMBER ALDEBOL: Okay.
21

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3 COMMISSIONER LEVINE: I think
4 approximately-

5 COUNCIL MEMBER ALDEBOL: [interposing] I'm
6 sure 32BJ knows.

7 COMMISSIONER LEVINE: I think
8 approximately the industry represented about 70,000
9 workers last number I checked, but I think this is
10 something as we implement that will ensure that we
11 have full understanding of the universe of the
12 industry.

13 COUNCIL MEMBER ALDEBOL: Okay, thank you.

14 CHAIRPERSON LEE: Okay, great. Thank
15 you. I'm going to pass it back to Chair Epstein.

16 CHAIRPERSON EPSTEIN: Thank you all.
17 Just so I'm clear, so labor and policy standards is
18 getting 27 positions and general counsel is getting
19 25 positions, is that right?

20 COMMISSIONER LEVINE: I believe it's 29
21 for labor and policy and-

22 GENERAL COUNSEL TIGER: [interposing] and
23 20 for general counsel.

24 CHAIRPERSON EPSTEIN: Okay. 20 for
25 general counsel?

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3 COMMISSIONER LEVINE: 20 for general- do
4 you want me to go through the division breakdown?

5 CHAIRPERSON EPSTEIN: Yeah, and what jobs
6 are they? You know, are they lawyers, paralegals,
7 investigators, researchers?

8 COMMISSIONER LEVINE: Sure. So, it's 20
9 for GC, I think lawyers-

10 CHAIRPERSON EPSTEIN: [interposing] Only
11 lawyers?

12 GENERAL COUNSEL TIGER: No, it's lawyers
13 and investigators in the- it's lawyers and
14 investigators in the first fiscal year, and out
15 fiscal years there'll be additional clerical support
16 staff added.

17 CHAIRPERSON EPSTEIN: So, how many
18 lawyers? How many investigators?

19 GENERAL COUNSEL TIGER: The current plan
20 is of those 20, 17 lawyers at different levels of
21 seniority.

CHAIRPERSON EPSTEIN: 17 lawyers, some
supervisors I assume in that mix, and then three
investigators?

GENERAL COUNSEL TIGER: Yes.

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3 CHAIRPERSON EPSTEIN: And you think
4 that's the appropriate mix?

5 GENERAL COUNSEL TIGER: Yeah, I think
6 based on- I think this really gives us a chance to
7 thrive as we move forward.

8 COMMISSIONER LEVINE: What we're seeing,
9 Council Member, unsurprising is as we take on bigger
10 firms like Extra Space, a publicly-traded firm, these
11 are serious companies with serious lawyers, and we
12 need to be sure that in settlement negotiations that
13 they don't go, well, we could take them to court.
14 For that we simply need-

15 CHAIRPERSON EPSTEIN: [interposing] You
16 got to lawyer up.

17 COMMISSIONER LEVINE: We got to lawyer
18 up.

19 CHAIRPERSON EPSTEIN: Okay. Okay, so
20 that's good. And then you have- you don't have your
21 projections, because you just want to see how the
staffing goes?

COMMISSIONER LEVINE: I'm sorry, can you
say that again?

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3 CHAIRPERSON EPSTEIN: So, you don't-
4 because you have 20 for this year, but you don't have
5 projections what you're going to do next year?

6 GENERAL COUNSEL TIGER: I mean, I think we
7 do have a sense. I don't- I'm a little hesitant
8 because obviously as the year progresses, there may
9 be decision made to-

10 CHAIRPERSON EPSTEIN: [interposing] You
11 may shift some staffing.

12 GENERAL COUNSEL TIGER: May shift things
13 around. So, I think we do have a general sense. I
14 don't think that's necessarily ready for discussion,
15 because I don't want to like-

16 CHAIRPERSON EPSTEIN: [interposing] Yeah,
17 I appreciate that.

18 GENERAL COUNSEL TIGER: [inaudible] right
19 now.

20 CHAIRPERSON EPSTEIN: Okay. And then
21 Office of Labor Policy and Standards, you said-
what's 29, 10 investigators we said.

DEPUTY COMMISSIONER WAGONER: Right. So
I've written down since you asked me the questions.

CHAIRPERSON EPSTEIN: Yay.

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3 DEPUTY COMMISSIONER WAGONER: So, we've
4 got 11 lawyers, 10 investigators and e-data
5 scientists, and that includes the supervisory staff
6 in each category.

7 CHAIRPERSON EPSTEIN: Great. And you
8 think both in both sections of the Department that is
9 going to get you in a sufficient place to deal with
10 any backlog and all these future, you know, issues
11 that are coming forward? You know, we have 10,000
12 potential Uber/Lyft deactivations coming down the
13 pike. We're having 2,000 new potential street vendor
14 licenses, not to mention laundry workers, not to
15 mention security guards, not to mention every other
16 thing that we're going to do, you know. Council
17 Member Caban talked about Last Mile. you know,
18 there's like things that are coming- that might be
19 coming forward. I want to be clear that do you think
20 there will not be a backlog when consumers and
21 workers are coming to your office, we're not going to
tell them wait six months now when we're staffed up.

COMMISSIONER LEVINE: That's our
projection at this point, Chair. You know, I'll say
those numbers we just rattled off of course for FY
27, there are additional confusions for all of my

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3 colleagues here in FY28 and then further in FY29, but
4 again, we're going to- this isn't going to be- we're
5 going to be continuously evaluated in this. If
6 delivery protection passes, I hope it does, we're
7 going to have additional needs for lines. We're going
8 to be monitoring the student loan market place. We
9 might need additional OTPS outreach there. So, we're
10 going to be monitoring this. We could see a big
11 spike, an unexpected spike. You know, we've already
12 seen an increase in worker complaints in 2026. That
13 is going to make it harder to close the backlog, but
14 again, we have accounted for that in this budget. But
15 we have to be monitoring our complaints as we will
16 be, and we have to be monitoring our backlog as we
17 are, and of course monitoring the new laws that are
18 coming online.

19 CHAIRPERSON EPSTEIN: And can you just
20 update us? You know, I mean, obviously I'm pushing
21 to give you more money, so here you go. But I would
just be concerned that we get past the budget and
then we see in the summer or in the fall that you've
hired up and there still is a backlog, you know,
where- you know, in January there's a backlog because
you've hired up and you trained people. So, I'm just

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3 concerned. Can we get ongoing updates about where
4 staffing is, making sure that if there is that
5 six-month backlog or it's been reduced to three
6 months, or?

7 COMMISSIONER LEVINE: Certainly.

8 Certainly. And the goal again is to see that backlog
9 fall. And again, it's a little bit like going uphill
10 because the complaints are rising. So we need to
11 hire faster than the complaints are rising and deal
12 with the backlog. And with respect to certain laws
13 like deactivation, as you mentioned, there's going to
14 be a lookback period. So the thousands of workers
15 who are deactivated over the last six years- six
16 years you're going to be able to have those six or
17 five, seven- seven years going to be able to have
18 those deactivations revisited. So, we made the best
19 projection we could based on the numbers we see now,
20 and you know, that's going to change to some degree
21 in a couple months, and we're happy to keep updated
on it.

CHAIRPERSON EPSTEIN: I'd appreciate that.

19 CHIEF OF STAFF ORTIZ: Yes, Chair, just
20 to echo the Commissioner, we're happy to provide you
21 updates there, and then also we have other periods in

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the budgetary cycle like the November Plan where we
3 can always come back and discuss more with OMB our
4 new needs.

5 CHAIRPERSON EPSTEIN: Thank you. And so
6 grocery store delivery services like Instacart, you
7 know, you gave- granted temporary exemption for
8 minimum wage payments through July 2026. Are you
9 guys prepared to ensure full compliance with that in
July?

10 COMMISSIONER LEVINE: Yes, we are, and
11 it's my expectation that the delivery apps will be as
well.

12 DEPUTY COMMISSIONER WAGONER: Yes,
13 absolutely. So, we are getting reports from
14 Instacart. We're already monitoring their wage
15 payments, their work time, trip time, and on-call
16 time, and just for the record, you know, no full
17 exception, right? They are required to pay the full
18 minimum pay rate for all trip time and will be
required soon to pay for all on-call time as well.

19 CHAIRPERSON EPSTEIN: And what kind of
20 staffing you think that's going to require on your
21 behalf?

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3 DEPUTY COMMISSIONER WAGONER: I mean,
4 luckily on this- in this area, you know, it is
5 already part of laws that we're enforcing in the
6 minimum pay rate. So we already have structures in
7 place to analyze the reports that we get from apps,
8 and so that fits in neatly with work that we're
9 already doing to monitor Uber, to monitor DoorDash,
10 and we are already doing that with Instacart, too.

11 CHAIRPERSON EPSTEIN: So, you don't
12 expect a flood over the summer of new complaints?

13 DEPUTY COMMISSIONER WAGONER: You never
14 know when you're going to get a flood, you know? I
15 mean, an app can change a certain procedure in a way
16 that confuses workers, whether or not it's legal, but
17 you know, one of the benefits of the structure of
18 these laws is that we're able to watch and get the
19 data reporting from the apps on a monthly basis so
20 that we're not only relying on complaints from
21 workers, but also able to watch and identify issues
through those reports.

CHAIRPERSON EPSTEIN: So, you know, with
the new street vendor licenses there's going to be
some penalties associated with that, and I know
mostly DSNY is going to be doing enforcement. And

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3 what role do you think you're going to play in
4 coordination with DSNY on that level of enforcement,
5 and what role do you think you'll play in the new
6 licensing scheme on the enforcement side?

7 COMMISSIONER LEVINE: Our real role is to
8 stand side by side with the street vendors and help
9 them, help bring them out of the shadows into the New
10 York economy with licenses. So, certainly I can see
11 a role for us educating people along with SVP, along
12 with Council Members who I know are interested in
13 this, but in terms of day-to-day enforcement, for
14 example the sanitation code, we're going to leave
15 that to DSNY and Health.

16 CHAIRPERSON EPSTEIN: Yeah. I mean, I'm
17 worried about people not knowing, right? So, I'm
18 worried about your role and ensuring that the small
19 businesses understand to avoid the enforcement. You
20 know, nothing to speak against my district or some
21 people in my community. I can see someone not liking
a new vendor on street corner and calling every day,
and I want to make sure those vendors don't get to a
place where they could have enforcement issues.

22 COMMISSIONER LEVINE: Well, if someone
23 doesn't have a license, that would be our

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3 responsibility. But again, our goal, the reason our
4 administration reversed the last administration to
5 endorse this bill is we want people to get licenses.
6 We want small businesses to thrive. So, you know,
7 again, we have a statutory responsibility to make
8 sure folks are licensed, but at the end of the day,
9 the orientation of our agency is squarely on the side
10 of the street vendors who the council decided and we
11 agreed it's long overdue they get the licenses.

12 CHIEF OF STAFF ORTIZ: And Chair, I would
13 mention as well, I think a lot of the resources that
14 you're talking about, you know, the vision of street
15 vendor services at SBS is actually- they're revamping
16 their website to include a lot of education material.
17 That has included feedback from individual agencies
18 like the DCWP, DOHMH, and DSNY to ensure that vendors
19 understand kind of the rules of the road, including
20 mapping that's out there, as well as plain language
21 descriptions of their restrictions on the street.

18 CHAIRPERSON EPSTEIN: You know, I
19 mentioned this earlier, I'll just flag again this
20 kind of outreach it'll be critical to avoid these
21 common enforcement issues, and I- you know, I would
love to see the administration commit to some of

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3 those resources to these organizations who are going
4 to help prevent people from getting these fine and
5 fees and be affected by enforcement.

6 COMMISSIONER LEVINE: Absolutely, and I'm
7 happy to go with you in our district to some of our
8 local street vendors to get the word out.

9 CHAIRPERSON EPSTEIN: Great. We'll
10 schedule that. I'm happy to do it.

11 CHIEF OF STAFF ORTIZ: Chair, certainly
12 heard on this issue you're raising about funding, so
13 we'll make sure to raise that with our colleagues at
14 OMB and City Hall.

15 CHAIRPERSON EPSTEIN: Yeah. So, I just
16 want to go back to junk fees. What are you seeing
17 now on junk fees based on the Executive Order? Where
18 are you seeing violations? Kind of, how are those
19 moving forward? Are you seeing a spike since the
20 enactment?

21 COMMISSIONER LEVINE: We're paying more
attention to it, I think is how-

CHAIRPERSON EPSTEIN: [interposing] Okay.

COMMISSIONER LEVINE: Let me put it this
way, I think in the past, you know, we looked at
different categories, employment agencies,

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immigration services providers, etcetera, etcetera.

3 Now we're sort of creating a new category the way
4 we're thinking about it. Who are charging unlawful
5 fees? So, we did a warning blitz with employment
6 agencies. We did a warning blitz with used car
7 dealers. We did a warning blitz with immigration
8 service providers. We did the warning blitz and the
9 rule with hotels. And I can tell you now, you know,
10 we also co-chair the Junk Fee Taskforce. We just
11 held a meeting yesterday on this with other agencies,
12 and I don't want to get ahead of the mayor or other
13 agencies, but I can tell you other agencies are doing
14 a really thoughtful job of identifying junk fees that
15 frankly we wouldn't necessarily have visibility into,
16 but because say department- well, name any
17 departments- that our sister agencies have deep
18 visibility into and understanding of their
19 authorities. So I'm very optimistic about the
20 trajectory on this. We're working very hard both on
21 enforcement and rule-making. I think Mike wants to
add some more.

19 GENERAL COUNSEL TIGER: Yeah, just some
20 additional color to add to that, Chair and Council
21 Members. As the Commissioner alluded to, this has

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3 been sort of not always labeled as a junk fee, but
4 core to our work over the last several years. We've
5 brought three cases recently at OATH over the last 18
6 months against licensed employment agencies for
7 charging illegal advance fees. What are those?

8 Those are just junk fees by another name. Similarly,
9 we have great laws passed by this council,

10 supplemented by our rules, on financing disclosures
11 and what can be charged by used car dealerships. We

12 call them second-hand automobile dealers. And we are
13 constantly bringing cases where that's a core part of
14 the investigation. We actually have a major trial

15 ongoing right now at the Office of Administrative
16 Trials and Hearings against a major dealership,

17 Victory Mitsubishi. We of course pass the- as the
18 Commissioner alluded to- the hotel junk fee rule.

19 We're monitoring the complaints. I'm always talking
20 about the consumer complaints. Please give us

21 complaints. We're monitoring complaints. We're
filing our first summons under that rule imminently.

So, this is something that we're always looking at,
we've always looked at traditionally, and this has

been very helpful to name this exact sort of concept
and to really like focus our work. And let me just

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underscore, the Executive Order is very helpful in
3 doing that, and also looking forward to the different
4 types of junk fees and pricing violations that may
5 not exist. This really transcends just narrow junk
6 fees, but sort of the ideas that we've been talking
7 about, about surveillance pricing, dynamic pricing,
8 sort of the new generation of how consumers are
9 harmed on a day-to-day basis. And so we have our-

CHAIRPERSON EPSTEIN: [interposing] You're
10 getting in front of our hearing in a couple weeks.

11 GENERAL COUNSEL TIGER: I'm sorry. You
12 got me going, and I just- it's like our ear to the
13 ground on that. So we're looking for trends and sort
14 of this commitment by the admin is this type of
15 issue, junk fees, pricing. These are things that we
16 are going to dedicate resources to now in a way
17 that's really going to result in dividends for New
18 Yorkers.

CHAIRPERSON EPSTEIN: Yeah. I appreciate
19 that, and hopefully you'll have the resources you
20 need to be doing that work. So, summer- it's sounds
21 like you've moved forward with not extending their
contract to do student loan work in our city for
general New Yorkers.

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3 COMMISSIONER LEVINE: For city residents.
4 We're continuing the program for city employees.

5 CHAIRPERSON EPSTEIN: And then who's
6 picking up that support to ensure the city residents
7 who have student loans? Anyone on the dais, anyone's
8 got student loans- how are people going to be able to
9 access the services? What kind of outreach you're
10 doing in communities to make sure people are aware of
11 this issue?

12 COMMISSIONER LEVINE: This is a very high
13 priority for us, and I think we've been- I've been
14 having conversations with our folks every day or
15 almost every day on this for weeks now, especially
16 our financial empowerment folks. Number of points-
17 first, we- our financial empowerment centers not only
18 provide- our counselors are not only trained on
19 student loans. They're trained on credit card debt,
20 auto debt, all manners of debt. One push we're
21 really going to make this summer, so to speak, is
pushing more New Yorkers into our financial
empowerment centers. We do have capacity there. And
again, we can provide- those are one-on-one
personalized in-person services, and they could
provide really- our financial empowerment centers can

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3 take a holistic look at New Yorkers' financial
4 health, not just student loans, but credit card,
5 medical debt, etcetera to put people on a firmer path
6 forward. We're also working this summer to make sure
7 there's no abrupt disruption to people's accounts.

8 We want to make sure that people continue to be
9 served into the summer and that then we can
10 transition them into vital services. But the fact of
11 the matter is, and this is why I think Intro 177 was
12 so critical, we are facing a huge cliff in New York
13 City with the Trump administration's, I think,
14 reckless treatment of- and callous treatment of
15 student loan borrowers. It is critical that we double
16 our efforts to get the word out around resources that
17 the city is available. That is something our
18 outreach team is working very hard on. It's also
19 critical we work with partners in the state. I've
20 talked to you in the past about working with DFS.
21 That is something that we are planning to do. Stay
tuned on that. About making sure we're reaching the
most- the people most likely to face default. We're
also- we've had meetings with EDCAP [sic]. The state
I think in a very wise move significantly expanded
funding for EDCAP to expand those services. EDCAP to

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us is not a rival at all. It is a complement. I
3 really think this requires an all-hands-on-deck
4 response by the city and the state, because the
5 federal government isn't here to help. It's here to
6 make people's lives worse.

CHAIRPERSON EPSTEIN: I appreciate
7 hearing that. I know we've talked about this before,
8 and we'd love to partner in doing those kind of
9 outreach events whether they go to financial
10 empowerment centers- some of our offices just getting
11 the word out.

11 COMMISSIONER LEVINE: Yeah.

12 CHAIRPERSON EPSTEIN: And I hope that we
13 can start doing that in the next few weeks.

14 COMMISSIONER LEVINE: Absolutely. I
15 think we've had conversations already about that.

16 CHAIRPERSON EPSTEIN: And the last thing
17 I want to talk about is docketing and wondering kind
18 of- are you- how many cases are you docketing,
19 judgements for workers? What does that look like? Is
20 that being successful or not? Are people getting
21 their money back? Like is the docketing power and
authority working for the agency?

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3 COMMISSIONER LEVINE: Carlos stole my
4 table of contents, so it's taking me a minute. Do
5 you want to jump in on there, Liz?

6 DEPUTY COMMISSIONER WAGONER: Sure.
7 Thankfully, it's a power we very rarely need to use.
8 We have a very, very high rate of collection in the
9 Office of Labor Policy and Standards on our worker
10 protection cases. We- this is in part because we
11 settle virtual- almost all of our cases settle, and
12 they settle with very strong terms to ensure that
13 companies actually pay. We require companies to sign
14 a Confession of Judgement in almost all of our
15 settlements, and always when there's a payment plan.
16 And so that ensures we're able to obtain the money
17 for workers.

18 CHAIRPERSON EPSTEIN: Do you have any
19 cases where you've had to docket judgements?

20 DEPUTY COMMISSIONER WAGONER: We have,
21 and have had some success in actually collecting
them. I'm hesitating only because some even come from
before that law went into effect.

COMMISSIONER LEVINE: Yeah, I mean, I
think- I think this is an important tool. Thank you
for in your prior role sort of leading the charge to

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3 get us docketing authority, and I think that it
4 hasn't come up all that often, but it is valuable
5 when it has happened.

6 CHAIRPERSON EPSTEIN: Alright, right.
7 Well, I want to thank you, and Chair, I'm finished my
8 questions. Thank you.

9 CHAIRPERSON LEE: Okay. And with that, I
10 think we are done with this portion of this hearing.
11 So, thank you so much, Commissioner and to everyone
12 on your team, and we're just going to take a couple
13 minutes to transition over to EDC. Thank you.

14 COMMISSIONER LEVINE: Thank you, Chairs.

15 CHIEF OF STAFF ORTIZ: Thank you very
16 much.

17 COMMISSIONER LEVINE: Thank you to the
18 Council.

19 [break]

20 CHAIRPERSON LEE: Okay. Good afternoon
21 everyone, and welcome to the third FY27 Executive
Budget hearing for the day focusing on New York City
Economic Development corporation. I'm Council Member
Linda Lee and I'm pleased to be joined by our
Speaker, Julie Menin, as well as Chair Virginia
Maloney, Chair of the Committee on Economic

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3 Development. And we have been joined today by our
4 Deputy Speaker, Council Member Brewer, Council Member
5 Thomas-Henry, and I think that's it for now. Okay.
6 So, welcome to our interim President and CEO Jeanny
7 Pak and to your team, and I just have to say this
8 from the record, a sister from another mister. As a
9 fellow Korean, it's very- we don't see this often
10 where there's Korean-American women especially who
11 are in positions like this. So, very happy to see
12 you in this role. So, I just wanted to say that.

13 PRESIDENT PAK: Thank you so much.

14 Likewise.

15 CHAIRPERSON LEE: Thank you all for
16 joining us today to answer our questions. And on May
17 12th, 2026 the administration released the Executive
18 Financial Plan for fiscal 26 to 2030 with a proposed
19 FY27 budget of \$124.7 billion. The Economic
20 Development Corporation's proposed FY27 budget of
21 \$60.5 million represents less than 0.1 percent of the
administration's proposed FY27 budget the Executive
Plan. Although EDC manages a large portfolio of
assets on behalf of the city which generate revenue
not capture in the funding pass-through, the
Department of Small Business Services. And this is

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3 an increase of \$29.9 million or 97.9 percent from the
4 \$30.6 million originally budgeted in the FY27

5 Preliminary Plan. This increase results from several
6 actions, but is driven primarily by the addition of
7 \$20 million for the city-backed insurance program and
8 the rollover of \$7.1 million for the Cannabis Impact
9 Fund. As one of the primary drivers of economic

10 growth in our city, now is a critical time for EDC to
11 ensure that we are maximizing return from programs
12 that generate tax revenue so that we are able to

13 provide the many critical services that our agencies
14 undertake and that we are developing initiatives to
15 help address the affordability crisis New Yorkers are

16 facing. I commend the administration on the inclusion
17 of the city-backed insurance program, as we have long
18 heard from affordable housing developers and

19 advocates about the barrier that rising insurance
20 costs have created on developing more and maintaining
21 existing affordable housing developments. We are

excited to hear more about the vision of this program
and how the funding included in this plan will play

into the mayor's broader housing plan. And now I
want to turn it over to Speaker Menin for her opening

remarks.

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3 SPEAKER MENIN: Thank you so much, Chair
4 Lee, and I want to thank Chair Lee and Chair Maloney
5 for conducting this important hearing. Good morning
6 to interim President and CEO Pak, and I want to thank
7 you and the rest of the EDC staff for being here this
8 afternoon. The EDC is a key player in fostering
9 economic growth, developing workforces and improving
10 the sustainability of our city holds a vital role in
11 ensuring that these many benefits are spread
12 equitably across all of our communities. I do want to
13 say at the outset that I have- and I've been speaking
14 about this for several months- am concerned about the
15 job loss that's happening in our city. The fact that
16 we have lost about 27,000 jobs compared to the job
17 growth that we have seen each and every year in the
18 prior four years, and I think this is something that
19 has to be addressed, and it's something that we are
20 deeply concerned about. Today, I want to explore
21 some of the key allocations that are included in
EDC's fiscal 2027 Executive Budget and Capital
Commitment Plan. As you know, the administration has
also included \$70 million for the program to create a
system of publicly funded grocery stores. I do want
to be clear that the Council absolutely agrees that

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3 grocery prices are too expensive, and we must lower
4 the price of groceries. That's one of the many
5 reasons why we have introduced bills to ban dynamic
6 pricing around grocery prices as well as surveillance
7 pricing. So that's something that we are very
8 committed to. Today, we want to hear from the
9 administration about how the impacts of this specific
10 proposal would impact bodegas and other small grocery
11 stores that are in close proximity to the planned new
12 stores. So, we want to understand that impact from
13 EDC as well as the impact on workers at those
14 businesses so we can better understand and ensure
15 that bodegas, grocery stores, and workers at those
16 stores are not adversely impacted. In addition, I'm
17 looking forward to learning about how the addition of
18 \$100 million over the next three fiscal years for the
19 city backed insurance program will help to reduce
20 property and liability insurance premiums which is
21 something that we have been very focused on at the
council on the insurance angle and our new Insurance
Accountability Office. So, we want to understand the
impact on affordable and rent stabilized housing, and
so we're looking forward to hearing your testimony in
that regard. So, once again, I want to thank the

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3 Chairs for their leadership and the EDC team for
4 being here, and we look forward to a very productive
5 hearing. So, let me pass it back to our Finance
6 Chair.

7 CHAIRPERSON LEE: Great. Thank you. And
8 I will pass it to Chair Maloney.

9 CHAIRPERSON MALONEY: Thank you. I'm
10 honored to Chair the Committee- Council's Committee
11 on Economic Development and to be joined by our
12 Finance Chair Lee as well as Speaker Menin for this
13 important conversation. We're going to be hearing
14 today from the Interim President of NYC EDC on the
15 fiscal 2027 Executive Budget, including the Executive
16 Capital Commitment Plan. As we move towards budget
17 adoption, it's important that EDC's investments
18 reflect its core priorities of growing innovation
19 sectors, delivering sustainable communities, and
20 strengthen this city's future economy. This
21 committee looks forward to discussing how the
Executive Budget is going to advance those goals and
how the investments will translate into tangible
benefits for New Yorkers. The largest investment
included in this plan is for the city backed
insurance program supported by \$20 million in fiscal

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3 year 2027, increasing to \$40 million in 2028 and
4 2029, totalling \$100 million over three years. For
5 too long affordable housing developers and providers
6 have been constricted by rising insurance costs with
7 insurance premiums having more than doubled since
8 2017. So, this investment targets one of the highest
9 operating costs for developers and comes at a
10 critical time. We look forward to hearing more
11 details about the program, how it will be structured
12 to drive premiums down. The Executive Capital
13 Commitment Plan covers fiscals 2026 to 2030 and
14 includes \$3.5 billion for EDC. That's a 16.8 percent
15 decrease from the fiscal year 2027 Preliminary
16 Capital Commitment Plan we discussed in March. That
17 plan has a 10-year commitment and includes \$7.1
18 billion. Only a small increase of \$4.8 million from
19 the Preliminary Plan. So, this change reflects a
20 stretching of funds that were originally allocated
21 within the next five years out to the 10-year plan,
and we're interested in hearing why these timelines
have changed, whether any critical projects that EDC
funds like Hunts Point Produce Market or Inwood
Greenway will be impacted by those changes. And
third, the plan includes the \$30 million allocated

3 for city backed grocery stores. Since our first
4 hearing, two of the five sites have now been
5 identified, and we'd like a lot more detail on how
6 these stores will operate, the criteria for site
7 selection, the timeline for getting these up and
8 running, and how they will balance minimizing
9 taxpayer subsidy while delivering on the promise of
10 making essential household groceries more affordable.
11 I want to thank the Interim President Jeanny Pak for
12 being here, as well as the Chief of Staff, Jenn
13 Montalvo, as well as the rest of EDC staff for coming
14 here and testifying, and I want to thank everyone's
15 who's been incredibly responsive to our many
16 requests. We would not have been able to analyze the
17 city's budget at such a detailed level without EDC's
18 partnership. So, I commend your leadership in this
19 interim period. And I also want to thank the Finance
20 Staff, Spencer Coon [sp?], Hector German [sp?],
21 Daniel Krupp [sp?], Emry Edev [sp?], Chima Obicheri
[sp?] for their work preparing for this hearing, and
the committee staff, Alex Polonof [sp?], William
Hungyang for their support, as well as my own staff
that put in a lot of effort, Sophie Secor [sp?],
Isabella Saldono [sp?], Anne Kaveri Kutageri [sp?]

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3 for all their hard work to prepare. And I'll now
4 defer back to the Finance Chair.

5 CHAIRPERSON LEE: Thank you. And before
6 we begin the testimony, just wanted to remind
7 everyone that for this year's budget hearings we're
8 doing all the public testimony on the same day on
9 Wednesday, June 10th, beginning at 9:30. So, please
10 make sure to sign up for the public testimony portion
11 which again is Wednesday, June 10th beginning at
12 9:30. And I will now turn it over to Brian Sarfo, our
13 Committee Counsel, who I would also love to thank for
14 all of his hard work sitting here and keeping me in
15 check. Okay. Take it away.

16 COMMITTEE COUNSEL: Good afternoon. Do
17 you affirm to tell the truth, the whole truth and
18 nothing but the truth before this committee and to
19 respond honestly to Council Member questions?
20 Commissioner Pak? And oh- you may begin.

21 PRESIDENT PAK: Thank you very much.
Good afternoon, Speaker Menin, Chair Lee, Chair
Maloney, and members of the Economic Development and
Finance Committees. Well, we are back here again and
I'm still here. My name is Jeanny Pak and I continue
to serve as the Interim President and CEO of New York

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3 City Economic Development Corporation as well as the
4 Chief Financial Officer. I am here with my Chief of
5 Staff, Jennifer Montalvo, and I'd just like to begin
6 to say in the two months since I last testified
7 before you at the Preliminary Budget hearing, EDC has
8 continued advancing our work to make our city more
9 affordable and livable. Together with the Mayor and
10 Deputy Mayor Julie Su, EDC is reimagining economic
11 development with a focus on economic growth that both
12 expands economic pie for all New Yorkers and ensure
13 the pie includes and elevates working people who have
14 previously and historically been left behind. Before
15 I jump into our projects, I want to zoom out quickly
16 and give a sense of where our economy is. Despite
17 continued national and international headwinds, New
18 York City's economy remains resilient. Labor force
19 participation is at an all-time high. Real estate and
20 citywide vacancies continues to improve. Venture
21 capital investment in our city reached its strongest
quarter in five years, and the city continues to
attract more college graduates with one in four New
Yorkers or 2.1 million residents who live in New York
City between the ages of 18 and 34. Yet, we know we
are continuing to face real challenges as well as the

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3 increasing pressure of affordability. We know that
4 far too many New Yorkers feel the city they love is
5 becoming more and more unaffordable. For this reason,
6 EDC takes a forward-looking approach to economic
7 growth and development. We will continue to use every
8 tool in our toolbox to build a more economically just
9 New York City. Today, I'll use my time to share a
10 handful of updates on work that has seen significant
11 progress since March. These initiatives are advancing
12 mayoral priorities on affordability and represent
13 major wins for the city and working people. Public
14 groceries: Mayor Mamdani has been clear, the working
15 people of this city should be able to afford the
16 basic needs and services this city has to offer, and
17 that includes healthy food and groceries. Today, as
18 the result of rising cost of rent, gas, bills, and
19 food, more and more New Yorkers can't afford everyday
20 healthy groceries. Making sure working people can
21 buy fresh affordable groceries is a key part of the
mayor's affordability agenda. In March, I shared that
EDC was working closely with the administration on the
public groceries initiative to increase food access
to fresh healthy food at a price New Yorkers can
afford. That work has continued and intensified and

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3 has led to two major announcements to date with
4 concrete milestones toward realizing this vision. In
5 April, I stood with the mayor in East Harlem as he
6 announced La Marqueta as the first site for NYC
7 Groceries. As one of the city's six public markets
8 operated by EDC, La Marqueta supports more than 20
9 small businesses and 120 workers, including
10 restaurants, art vendors, and community
11 organizations. Now, as a future Manhattan site for
12 NYC Groceries, La Marqueta will further benefit the
13 East Harlem community by offering affordable food to
14 working-class New Yorkers. The 9,000 square foot
15 store will be constructed from the ground up with a
16 significant community outreach and input to ensure it
17 reflects the diverse cultures of El Barrio and is
18 expected to open in 2029. And just last Monday, I
19 joined the mayor again, this time in Hunts Point in
20 the Bronx to announce the second NYC grocery store.
21 This one will be at the Peninsula, the redeveloped
site of the former Spofford Juvenile Detention
Center. EDC is leading the transformation of the
site into a campus of dignified living, a place where
Bronxites can afford to live, work, and play. The
peninsula development includes 740 units of 100

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3 percent affordable housing, a childcare center,
4 30,000 square feet for commercial light industrial
5 businesses providing good paying jobs, and over
6 50,000 square feet for community, cultural, and
7 recreational open space. With this new NYC grocery
8 store, they will now have access to healthy
9 affordable food right in their backyard. This 20,000
10 square foot store will be the first NYC Groceries
11 site to open, expected by the end of 2027. Along with
12 the peninsula, the mayor also announced an online
13 portal for private property owners to recommend sites
14 for future NYC grocery stores in Brooklyn, Queens,
15 and Staten Island. The portal created by EDC will
16 support early identification and screening of
17 potential sites and inform next steps and timeline
18 for three other NYC Groceries locations. I'm
19 incredibly proud of EDC's work on NYC Groceries
20 initiative. This is what public investment should
21 look like, making sure that benefits and the
prosperity of our city reach working people who need
it most. Beyond our long-term stewardship and
advancement of the sites where these two stores will
be located, our team has been working tirelessly to
develop this initiative and ensure that the basic

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3 needs of working people and families are met. Public
4 restrooms: In March I shared that EDC has released
5 the RFP for modular restrooms across the city to
6 expand access to public bathrooms, one of the mayor's
7 first 100 days commitments. This \$4 million pilot
8 program will make sure that more New Yorkers will
9 have more access to public bathrooms. Bathrooms are
10 basic public infrastructure and access to them should
11 be easier. We anticipate an update on the RFP soon.

12 Housing: EDC views housing production as an essential
13 economic infrastructure. Affordable housing enables
14 workers and New Yorkers to live near jobs, to raise
15 their families, build roots in the community. It
16 supports economic mobility and underpins the
17 neighborhood vitality across the five boroughs, but
18 today New York City is facing an existential
19 affordability and housing crisis. As the Mayor has
20 said, New York cannot remain a city of opportunity if
21 the people who make this city run are priced out of
it. At EDC we're advancing affordable housing
development across the city and that includes going
after the structural costs that are driving up the
price of housing. Insurance is one of them with the
price of insurance tripling since 2017. This April

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3 we announced the first city-backed insurance program
4 to help New Yorkers stay in their homes, give
5 building owners the support they need to make
6 repairs, and building affordable housing more
7 affordable. The insurance program will reduce the
8 cost of property and liability insurance for
9 affordable and rent stabilized housing. EDC is
10 partnering with HDC and HPD to develop and execute
11 the insurance program which aims to issue new
12 insurance policies for 20,000 units of housing next
13 year, and 100,000 homes by 2030. Additionally, the
14 city expects a five to seven times return measured in
15 city capital subsidy savings. Lower insurance costs
16 help to increase property level income which supports
17 larger property level loans and reduces the subsidy
18 capital required in new construction and preservation
19 deals. This program uses the city's purchasing power
20 to lower insurance premiums for affordable housing
21 and rent stabilized apartments, helping our
investments reach more New Yorkers and is a key part
of the city's housing plan. World Cup: Finally, in
just 13 days our city will welcome the world for the
2016 FIFA World Cup. As I am sure you have all seen,
the mayor has been making a number of announcements

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3 to activate our city during the 39-day tournament,
4 ensuring working people, New Yorkers, and tourists
5 alike enjoy all that the five boroughs have to offer,
6 and EDC continues to play a big role from free fan
7 fests, watch parties, and fan zones at our public
8 markets on our biggest campuses, including the
9 already-announced Staten Island University Hospital
10 Community Park, and more locations to be announced
11 very soon, to the Dress the City Campaign that will
12 show off host city's soccer jerseys, inspiring New
13 Yorkers to get into the game. EDC is working
14 tirelessly to ensure the World Cup kicks goals for
15 working people this summer. I know some of you are
16 ferry riders, and I hope you all get the chance to
17 see five wrapped NYC ferries which we unveiled last
18 week, each with a borough-specific wrapping,
19 showcasing the energy, diversity and pride of our
20 city. They will be on our harbor this summer as part
21 of the World Cup festivities. The World Cup is a
tremendous opportunity for us to promote New York
City as a place to live, visit, and conduct business.
As I said in March, this is a rare moment to show a
global audience of tourists, companies, investors,
and delegations that there's no better place to do

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3 business than New York City. As I mentioned, these
4 are just a couple of EDC's most notable highlights.
5 Across all of our work, we are proud of our
6 partnership with the City Council to improve the
7 lives of our neighbors, increase affordability,
8 expand opportunity, and ensure New York City remains
9 a global hub of business, culture, and innovation. I
10 want to thank you for the opportunity to speak with
11 you today, and we welcome any questions you have.

12 CHAIRPERSON LEE: Thank you. Really
13 quickly want to recognize we've been joined by
14 Council Members Riley, Council Member Morano on Zoom,
15 Council Member Farías, and Council Member Epstein.
16 And Speaker Menin, go ahead with your questions.

17 SPEAKER MENIN: Thank you. Okay, thank
18 you very much for the testimony. I mean, I really
19 want to start with something that I referred to in my
20 opening statement which is I'm deeply concerned about
21 the job loss in New York City from the past year, and
in this testimony I didn't hear anything about job
creation at all. What is EDC's plan to focus on job
creation and job retention? So, it's not only about
creating new jobs, it's also making sure that we're
retaining the jobs that currently exist in the city.

3 PRESIDENT PAK: Yeah, thanks for that
4 question. You know, we understand the headwinds
5 that's happening nationally and globally and New York
6 City is affected as all the other major cities in the
7 United States. But we do know that New York City is
8 resilient, and from 9/11 to the financial crisis to
9 coming out of COVID, it has proven to be an
10 incredibly resilient city primarily because, you
11 know, this is New York City and we have the best
12 talent in the world and the greatest infrastructure.
13 So, we are comforted by a few statistics that I'll
14 share with you. We have an economic group that puts
15 out a monthly snapshot. It came out today, so
16 hopefully you'll be able to see it. But a couple of
17 things are- labor participation is at an all-time
18 high. Our commercial leases have had the highest two
19 consecutive quarters since 2019. VC [sic] investments
20 are the highest since 2021. Our unemployment rate is
21 fairly low at 5.6 percent, although BIPOC is higher
at 7.3. So that's something that we are committed to
looking at and addressing. And tourism, transit
ridership, all are doing well, and why is that? I
mean, we have the top talent of- top destination for
talent. We have over a million of college student

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3 and recent college graduates which are an incredible
4 pull. Year over year, New York City actually has
5 increased jobs by 28,000, and 5,000 since- in 2026
6 year-to-date. So, this is more than other comparable
7 metros such as Miami, D.C., Boston that actually have
8 had decreased jobs, and New York City has increased
9 jobs. This is on par with like Dallas. So, we're not
10 doing worse than Dallas. We're doing about similar
11 to Dallas, but we're doing a lot better in terms of
12 jobs from our comparable cities. And you know, what
13 is EDC doing? We believe New York City is an
14 innovation economy. We have a dedicated business
15 development group that works closely with business
16 generators, that people are interested in coming, as
17 well as businesses that are thinking of growing here
18 in New York City. we want to retain. Like you said,
19 we want to retain companies. So, Amex committing to
20 10,000 jobs in the World Trade Center, Anthropic
21 doubling their size. These are all great commitments
and it's proof New York City is a great place to
thrive.

19 SPEAKER MENIN: Okay. I just have a
20 couple of responses on that, because you referred to
21 9/11, and certainly after 9/11- and I served for many

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3 years on the Board of the Lower Manhattan
4 Redevelopment Corporation. We launched specific
5 programs to retain businesses. I mean, that is why
6 many businesses ended up staying in lower Manhattan
7 and moving to lower Manhattan. My concern is that in
8 particular with what is happening around AI, we're
9 going to see increased job displacement, and if we do
10 not put in plans in place right now to retain
11 companies here and to also attract new companies, I'm
12 very concerned about that. I'm concerned around
13 media and entertainment, that you have job loss to
14 other states. And we're seeing in the financial
15 sector where there are now more jobs in the financial
16 sector in the state of Texas than there are in New
17 York. That's truly shocking. We used to have triple
18 the number not that long ago. And so again, I'm just
19 urging EDC to start putting in place those plans to
20 make sure that we are fully prepared to retain these
21 businesses and to attract new businesses. And last
thing I will mention is, you know, you talked about
tourism. The tourism numbers are not great. We know
that Broadway year to year is down. Hotel occupancy
year to year is down. So, I just- we see all the
warning signs, and it's incumbent upon us as

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3 government then to put in plans in place to deal with
4 that.

5 PRESIDENT PAK: Yeah, we appreciate that.
6 We appreciate your observations there. We are
7 working hard every day. Again, I think- we have a
8 dedicated business development team. We also have an
9 innovations- industry group that focus on- you know,
10 as like, New York City while it's stable businesses
11 such as finance and tech, it is also an innovations
12 economy. So, we want to make sure that we're
13 growing, like, the next generation of companies, and
14 we're doing that especially with Green Economy [sic],
15 Tech AI, Life Science, etcetera. So, we are
16 committed to growing that. And also, I think what is
17 really clear to us that we want to make sure that
18 these are good paying jobs and that they're accessing
19 people who normally don't have access to these jobs.
20 Part of that is through a lot of the programs that we
21 have like the finding founder fellowship. We also
have a lot of sort of industrial-related construction
programs that ensures that other people who small
businesses have not been part of these large
construction jobs such as Construct NYC. Waterfront
Pathways is another program that we have that makes

3 sure that our maritime work addresses a lot of new
4 companies coming into the industry. Because
5 industries are always and constantly changing. So, we
6 are focused on that. And I guess the other piece of
7 this is affordability piece that part of economic
8 growth is ensuring that the people that live and work
9 here can afford New York City and that they stay here
10 and that they're not going to leave New York City
11 because it's too expensive. And so we're very
12 focused, as you might imagine, on the affordability
13 part of it.

11 SPEAKER MENIN: And let me just be
12 clear, we totally agree with that. We are all in on
13 building more affordable housing. It's one of the
14 reasons we announced our small lots program to build
15 35,000 new units of housing, and that sort of gets to
16 this issue. I know there are several topics that we
17 all want to ask about. On the affordable groceries
18 plan, like to be clear as I said in my testimony, we
19 completely agree that grocery prices are extremely
20 high and that we have to figure out what we can do
21 about that, which is why we're very focused on
funding food pantries. We're very focused on funding
a number of organizations that are currently doing a

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3 lot of work in this space in New York. As I
4 mentioned, we're focused on banning surveillance
5 pricing, dynamic pricing. So we're getting sort of
6 to the root causes across the city that are causing
7 for rise in prices. We're focused on creating an
8 insurance accountability office to lower insurance
9 costs for small businesses, grocery stores, and
10 others that are again paying four to five times the
11 national average on insurance. So, I guess one of
12 the questions I have about the administration's plan
13 is how were these various- the two sites, how were
14 they selected, and how many competing businesses,
15 grocery stores, bodegas are in those surrounding
16 areas of the two sites that have been selected?

17 PRESIDENT PAK: Yeah, so-

18 SPEAKER MENIN: [interposing] And what
19 will be the impact on them?

20 PRESIDENT PAK: Thank you for that
21 question, and we appreciate all that you're doing for
the- you know, helping the food affordability. It is
a crisis here in New York City, and you know, NYC
Grocery is just one lever that we're using to reach
the same goal which is making food more affordable.
New York City- NYC Groceries is focused on, you know,

3 fresh, healthy foods and everyday groceries to be
4 affordable. We're not going to- it's going to be a
5 regular grocery store, but we're not going to
6 discount everything. So, we're focused on fresh,
7 healthy foods and everyday groceries. How we selected
8 the sites is we prioritized public sites. That was
9 first and foremost. And so we did an inventory of
10 all the public sites. We also wanted to make sure
11 that from the city's measure that it was- did not
12 have enough grocery stores per capita. There's a
13 specific DCP measure. And we also wanted to make
14 sure that it was going to be able to be constructed
15 and online fairly quickly. It isn't going to take,
16 you know, a decade. So, we were committed to opening
17 all five stores by the end of 2029 with the first one
18 opening by the end of 2027. So, the first site that
19 we announced which will be open by 2029 is La
20 Marqueta. That is a city site, and we've been up
21 there. It has a public market there. It has other-
sort of it's like a eight-block site which has all
the different uses, and one of it- and it's being
renovated and reimagined, and one of it is an empty
lot, and that empty lot was going to be a farmer's
market. So there was going to be city dollars going

3 into that to convert it to a farmer's market, and
4 through our discussions, we realized that this would
5 be a great place for NYC Groceries. So, this
6 peninsula site is- so that's a ground-up construction
7 so that's very specific. That's why it's not going
8 to be open until 2029. The peninsula, as you know, is
9 the former Spofford Juvenile Detention Center. It's a
10 development that the EDC and the city's been working
11 on for some time. It's going to 704 units of housing.
12 A lot of it's going to be family housing. It's in
13 three phases, and we're pretty much through phase one
14 and about to launch phase two. But phase three,
15 contemplated, which is not going to happen for
16 several years, is- was going to have a grocery store.
17 It was required to have a grocery store. So, there's
18 a real shortage of grocery stores up there. There's
19 not really any one- any grocery store close by. So,
20 we decided that we were going to accelerate that
21 grocery store that was going to be online for-
constructed in phase three and bring it today, and
that's- and it was also a space that was ready to be
tenant- to fit out into a grocery store. It was sort
of like poised for kind of a perfect location and
structure for a grocery store, and so we selected

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3 that one as a second site that we announced, but
4 it'll be the first one open by the end of 2027.

5 SPEAKER MENIN: But how much are the
6 groceries going to cost?

7 PRESIDENT PAK: Well, the grocery- you
8 mean in terms of the discount?

9 SPEAKER MENIN: Yeah.

10 PRESIDENT PAK: Okay. So, how we're
11 doing this is that we're going- in the summer we're
12 going to put out an RFEI for third-party operator,
13 City Grocery operator, and through that structure
14 they're going to be operating a grocery store like a
15 normal grocery store, and we're going to have in that
16 RFEI a core basket of goods that will be discounted.
17 What we're offering the operator is the city paying
18 the tenant fit-out. This is a substantial cost that
19 the grocery operator would normally have to pay.
20 They are not going to have to pay rent and they're
21 not going to pay property tax. So, we're going to
ensure that that subsidy directly goes to the food
affordability of those core baskets, and then we're
going to work out all the details. Once the RFP
comes out, you'll see, you know, some of the details

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and then ongoing negotiations with the city operator.
3 It might be one. It might be multiple.

4 SPEAKER MENIN: A couple of questions.
5 So, what are the basket of goods that will be
6 covered? What's included in that?

7 PRESIDENT PAK: So, we're still working
8 that out, but the focus is fresh, healthy foods and
9 every day groceries. So, think bread, milk, meat,
chicken, eggs.

10 SPEAKER MENIN: And how-

11 PRESIDENT PAK: [interposing] Produce.

12 SPEAKER MENIN: Given that I understand
13 the concept of they're going to not have to pay rent
14 and there'll be reduced cost, but given that they're
15 not going to be able to volume purchase which other
16 grocery stores are able to, how will they- these
government-run stores be able to drive the cost down
in that regard on the purchasing side.

17 PRESIDENT PAK: So, these are going to be
18 city- these are going to be city- these are going to
19 be third-party operators that already have grocery
20 stores that they run. So, whatever model that they
21 have to operate, they will still be operating through

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3 that model. It's not going to be like a separate
4 model.

5 SPEAKER MENIN: Okay, understood. And
6 then how many New Yorkers will be they be able to
7 reach? Like, in other words, Hunts Point and the La
8 Marqueta site, what does EDC's projection say in
9 terms of the reach of each of their respective
10 stores?

11 PRESIDENT PAK: I'm sorry, can you say
12 that-

13 SPEAKER MENIN: [interposing] Yes, yeah.
14 So, for the Hunts Point and the La Marqueta site,
15 what is the reach that EDC is estimating? I mean,
16 how many New Yorkers are going to be able to shop
17 there, purchase a basket of goods? Like, what is the
18 actual reach?

19 PRESIDENT PAK: Yeah, we're not going to
20 limit it. It's going to be like a regular grocery
21 store so people can come and shop, and so, it'll be
people for the neighborhood with people who are
coming from other places as well. We want to
increase the foot traffic, because as you said, you
know, we want the neighborhood to thrive through the
New York City Grocery Store being located there.

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3 SPEAKER MENIN: And what is EDC's plan to
4 support pre-existing bodegas that are in the area,
5 small grocery stores that have been there for years?
6 How is EDC going to support those businesses so
7 they're not driven out of business.

8 PRESIDENT PAK: Yeah, so as I mentioned
9 that we did select neighborhoods that really had a
10 shortage of grocery by city's measures. So, because
11 part of it is- part of the goal is food affordability
12 as well as food accessibility. So, before we
13 announced the grocery store initiative a few months
14 ago, we did reach out to bodega associations and the
15 National Supermarket Association to inform them of
16 our initial plan. Once each site has been announced,
17 La Marqueta and then now peninsula, we have met with
18 the bodega owners in the area, and we'll continue-
19 and same thing happened- is happening with peninsula,
20 and we will continue to do that during the
21 development of the grocery store initiative when it
opens and throughout the operations. So, we really
want to work with the bodega owners to make sure. I
would say that- again, this is [inaudible] grocery
store, but the core basket of goods is going to be
set and limited. It's not really- some of the stuff

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3 that the bodega owners offer we're not going to have.
4 And some of the largest profiting items, we're not
5 going to have discounted. So, I think that there's
6 going to be- we're hoping that we can even like
7 direct traffic to bodega owners from with more foot
8 traffic, because there's not going to be as much as
9 an overlap as people might think. So, but we are
going to find ways to try to support them and we're
going to work through that.

10 SPEAKER MENIN: Okay. I know other
11 members have a bunch of questions on that, so I'm
12 going to move topics to city-backed insurance. So, I
13 just want to better understand, because we're very
14 interested in the issue of insurance and lowering
15 insurance costs. This is incredibly important. As I
16 mentioned in the opening statement, we're creating an
17 Insurance Accountability Office to try to drive down
18 the price of insurance whether it be for homeowners,
19 renters, small businesses. So, my understanding is
20 that the insurance program that was announced will be
21 run and managed by HPD. Can you explain what the
benefit is in having EDC administer the contract, but
you're not managing the program?

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3 PRESIDENT PAK: Yeah. Thank you for that
4 question. This has been a program that have- we've
5 been working with HPD and HDC for actually a few
6 years now, and so we're really excited that this is
7 now happening and funded. So, the relationship, it's
8 a three-way effort, and we're working very closely
9 with HPD and HDC. HPD because they have the housing
10 stock and they are building affordable housing. HDC,
11 because they're the bond finance arm for the
12 affordable housing. And EDC is involved because we
13 have a lot of investment and transactional expertise
14 through our strategic investments group, and so this
15 is kind of what they do every day. And so it was a
16 really good synergy. So, we're actually going to be
17 doing this sort of transacting and executing of the
18 insurance program.

19 SPEAKER MENIN: And what methodology is
20 being utilized to determine the appropriate funding
21 level for the program?

22 PRESIDENT PAK: So, \$100 million has been
23 allocated. It's going to be rolled out and scaled up
24 starting in \$20 million and then \$40 and \$40 in the
25 subsequent years. And so we think that that is going
26 to provide about 20,000 units in the first year and

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3 over 100- about 100,000 by 2030. We are also hoping-
4 again, the city is going to be like an investor, and
5 we're hoping it might attract other investors and so
6 we can scale that up as time goes on. So, it's going
7 to be an insurance provider, but that doesn't mean
8 it's like a closed investment. Other- we're hoping
9 other investments come in so we can scale it up.

10 SPEAKER MENIN: Okay. And two last
11 questions and I'm going to pass it over to Chair Lee.
12 So, for the program, how is it determined that the
13 program would be able to provide assistance for
14 20,000 homes by 2027 and 100,000 by 2030?

15 PRESIDENT PAK: I can get back to you the
16 actual calculator, but the idea is that, you know,
17 insurance costs have ballooned like 20 to 30 percent
18 over the last few years, and we analyzed it and it's
19 largely due to overhead and profit and also, you
20 know, EDC in the city has the lowest cost of capital.
21 So, those things combined allow us to offer lower
premiums. So, we estimated that it could do 20,000
units and then 100,000. What that will also do is
provide savings, so to speak, for the HPD subsidy
five to seven times, because you can- because it's
going to be less costly to bring us affordable

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housing. To build affordable housing, you'll need
3 less city subsidy for those HPD sites.

4 SPEAKER MENIN: Okay. And then lastly,
5 the program is only funded through fiscal 2029. So,
6 what happens to homes that are covered under the
insurance program after that time?

7 PRESIDENT PAK: So, this is just- this is
8 like an investment. So, it'll continue on, and
9 again, we're hoping that through this investment
10 we'll track the rest to scale up. So, but it's not
11 like it's going to be depleted. It's only- it's
12 serving as like a- like a captive, you know? So,
it's there. The principle is not being used.

13 SPEAKER MENIN: Okay.

14 PRESIDENT PAK: And in fact, you know,
we're hoping there's going to be some return.

15 SPEAKER MENIN: Okay. Thank you. I'll
16 pass it over to Chair Lee.

17 CHAIRPERSON LEE: Great. Thank you,
18 Speaker. Really quickly, just going into some of the
19 savings, because I know that in FY27's Executive Plan
20 it included savings of about \$2.1 million over the
21 next four years, and this is largely, I think, from
the termination of a marketing contract in favor of

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3 doing the work in-house versus external. And so a lot
4 of the marketing contract, I believe, was focused on
5 business attraction and development through programs
6 such as REAP, which is Relocation and Employment
7 Assistance, and RACE, which is the Relocation
8 Assistance Credit for Employees. And these
9 businesses, you know- the programs can help attract
10 businesses and employees through the relocation
11 incentives. And so, just wanted to know who was it
12 contracted with and if in-house, are you hiring
13 additional staff to do that, and why did EDC
14 determine that the marketing work could be done
15 in-house versus externally?

16 PRESIDENT PAK: Yeah. Thanks for that
17 question. I think, you know, we have a whole
18 marketing team, external affairs team as well as a
19 business development team. And so I think we thought
20 that the expertise from the marketing contract that
21 we had, we sort of understood what we needed to do
and we could bring it in-house. We also have like a
lot of- as everyone is, you know, relying more on
social media. So, there's a lot of activity related
to LinkedIn especially and other avenues to get the
word out there. But in terms of those specific

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incentives, we have very targeted outreach through
3 our Biz Dev team for companies that have shown
4 interest or companies that we- we have partnerships
5 with these generators that generate interest in
6 bringing businesses to New York City.

CHAIRPERSON LEE: Okay. So, I'm assuming
7 most of that is going to be towards staffing. Is any
8 ad buys included and-

9 PRESIDENT PAK: [interposing] Say it
10 again.

11 CHAIRPERSON LEE: Most of it's probably
going to staffing I'm assuming. Are there any ad
12 buys, and also I'm assuming multiple languages
13 hopefully, because we know, you know, our small- our
14 businesses in New York are very diverse in terms of
the languages spoken.

15 PRESIDENT PAK: Yeah. A lot of it's
16 going in-house. We do still have a marketing budget
17 and we are- we do buy specific ads through LinkedIn
18 or paid LinkedIn posts, I guess, to reach out to a
19 larger audience. And I think specifically- I'll have
20 to get back to you about the multiple languages, but
21 that's- we appreciate that way. I think that's a
great idea.

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3 CHAIRPERSON LEE: Okay. No, only because
4 just for my former work in the nonprofit sector, the
5 language is very important and key, and I know that
6 there's a lot of- you know, for example even local
7 media that a lot of folks pay attention to and may
8 spread the word through their friends and family
9 networks that way to say, hey, there's this program
10 out there. So, just wanted to put that out there.

11 PRESIDENT PAK: Yeah, that's great.
12 Thank you.

13 CHAIRPERSON LEE: May 2024 report titled
14 New York City Small Business Recovery, Patterns of
15 Growth in a Changing Economy showed that at the time
16 New York State had over 183,000 small businesses,
17 more than ever before, and showed substantial
18 recovery from the drops seen during COVID. And over
19 the last two years economies have changed drastically
20 on the local, national, and global levels. And so do
21 you track the number of small businesses located in
the city? If not, is that something that the
corporation is willing to track and if yes, what is
the current number of small businesses and what are
the trends that you're seeing.

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3 PRESIDENT PAK: I'll have to get back to
4 you if we track those small businesses, and if we
5 don't, we can look into tracking them. We do work
6 very closely with SBS as well as we are very focused
7 on small business. They're sort of the backbone of
8 the economy here, and they are good, you know, paying
9 jobs for people. And we- what we do is- we have
10 programs to promote small business and support small
11 businesses, but we also use our assets to tenant out
12 for small businesses, specifically - for example,
13 Brooklyn Army Terminal [sic], many of those small
14 business or manufacturing and industrial companies,
15 and we are very focused on ensuring that we provide
16 them tenant space.

17 CHAIRPERSON LEE: Great. And just my last
18 questions around revenue. Do you conduct any
19 analysis on the efficacy of incentive programs like
20 RACE and REAP on tax revenue for the city?

21 PRESIDENT PAK: We do track, I think the
usage- I have to get back to you exactly, but we do
track on sort of- like, we look backwards and see
like how many companies use RACE or REAP, where they-
what those companies were to see if people are using
it and what they're using it for, and where it's like

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3 successful or not. Yes, we have a strategy group
4 that does all that analysis.

5 CHAIRPERSON LEE: Okay. And have you
6 considered expanding existing marketing, business
7 attraction for these programs?

8 PRESIDENT PAK: So, we were involved in
9 sort of advising City Hall on sort of potential
10 incentive programs and so we'll continue to play that
11 role. We haven't done it like recently, but we
12 continue to play that role with City Hall.

13 CHAIRPERSON LEE: Okay. And then do the
14 businesses tend to be smaller, larger in size that
15 benefit from REAP and RACE?

16 PRESIDENT PAK: I think it's smaller to
17 medium.

18 CHAIRPERSON LEE: Smaller to medium,
19 okay.

20 PRESIDENT PAK: But I think it's on a
21 case by case basis.

22 CHAIRPERSON LEE: Okay. And the main
23 city-funded subsidy, for example, for Amazon HQ2 was
24 the REAP program and it would have cost the city up
25 to \$1.4 billion in tax subsidy.

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3 PRESIDENT PAK: Yeah, that's the
4 exception.

5 CHAIRPERSON LEE: Yeah. Since REAP is an
6 as-of-right program, the city would not have had the
7 authority to limit or condition the use of this tax
8 break by Amazon or any other large company. So, does
9 EDC think an open-ended tax break like that is wise
10 use? Are you looking into that or any of the other
11 programs?

12 PRESIDENT PAK: Again, I think we provide
13 the statistics and look at it. We- and we offer that
14 up. It's not in our sort of decision-making power to
15 decide on that, but we do analyze it and provide- you
16 know, as you know, we have IDA which is a
17 discretionary tax incentive program, and so we
18 really- we really look at those very specifically and
19 analyze those to see that it's making sense for the
20 communities in the city.

21 CHAIRPERSON LEE: No, that's great. I
love data. So, anything you guys have to inform
that-

PRESIDENT PAK: [interposing] Yeah.

CHAIRPERSON LEE: would be wonderful.

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3 PRESIDENT PAK: We'd be happy to share,
4 and I'll get back to you on the size of the
5 companies, but I might have- I'm not really sure. I
6 think it varies.

7 CHAIRPERSON LEE: Okay. Perfect. Chair
8 Maloney, I'm passing it over to you.

9 CHAIRPERSON MALONEY: Thank you so much,
10 Chair Lee. Thank you for your testimony and for the
11 work that you have been carrying forward over the
12 past several months. We spoke about some of the
13 economic trends and the import of investment in
14 programs like RACE and REAP that are helping to bring
15 businesses and keep employers here in New York. How
16 are you looking at market uncertainty and thinking
17 about new programs in this economic environment to
18 address some of the concerns that Speaker Menin
19 raised about creating jobs here in New York?

20 PRESIDENT PAK: Yeah. I think- you know,
21 as I said, we have a group that looks at I see how
effective they are, and again, who's using it, like
where they're going, etcetera. What types of
industries- and so we can provide as a resource. We
don't make the policy decisions on these as-of-right
incentives. And we focus on the IDA benefits that we

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3 provide for the discretionary benefits that are
4 significant and meaningful.

5 CHAIRPERSON MALONEY: So, with the
6 savings of \$2.1 million, that's directed just at the
7 marketing. The actual programs are not expected to
8 be decreased?

9 PRESIDENT PAK: Correct.

10 CHAIRPERSON MALONEY: Great. And just
11 having been an EDC alum can't overstate how important
12 it is to have those intentional strategy investments
13 and programs that are trying to create jobs here in
14 New York. I appreciate hearing about everything
15 you've been doing and especially over the past couple
16 of months as the interim president, but wanted to at
17 least touch on the fact that we don't have a
18 permanent president in EDC. In December of last
19 year, the former CEO and President Kimball [sic]
20 announced he was going to be departing. We're now
21 almost at June, six months, and I'm wondering- I
know, I have a full confidence in the abilities of
the acting leadership, but as we're talking about
long-term economic growth, how are you to plan for
those multi-year conversations without the formal
authority of being deemed the president.

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3 PRESIDENT PAK: Yeah. Thank you. We
4 appreciate that question. Yes, it's been a few
5 months now, and it's really been a privilege of a
6 lifetime. I did not expect to serve this role, and
7 it's been a tremendous experience. I've had a real-
8 it's been a real pleasure, and it's been a great
9 experience for me to work with all the EDC teams. As
10 you know, it's an incredibly talented group of
11 individuals that have such enormous specialities in
12 such a diverse number of areas. I've also really
13 been able to work closely with Deputy Mayor Julie Su
14 and her team, as well as the mayor. So, we really
15 have not stopped. We have completely moved forward
16 not only in the sort of of everyday work of managing
17 224 assets and 60 million square feet and all of the
18 programs that we do have in terms of innovation
19 industries and workforce development and our whole
20 capital team, NYC ferries- I mean, I could go on and
21 on and on. The economic monthly snapshot- but we are-
have also done a tremendous amount for the mayor's
new initiatives such as the modular bathrooms and NYC
Groceries which is an incredible, incredible
initiative that really has pulled together all the-
everything great about EDC, between real estate

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3 transactions to strategy to asset management. And
4 yeah, so it's- we haven't stopped. We continue to
5 move forward and we continue- and ultimately, the
6 President is the Mayor's decision, and so we look
7 forward to his decision.

8 CHAIRPERSON MALONEY: Have you received a
9 timeline, or an update-

10 PRESIDENT PAK: [interposing] I have not.

11 CHAIRPERSON MALONEY: on where we are with
12 filling-

13 PRESIDENT PAK: [interposing] No, I have
14 not.

15 CHAIRPERSON MALONEY: vacant role? No?

16 PRESIDENT PAK: It's all business. We
17 just do business.

18 CHAIRPERSON MALONEY: And how regularly
19 are you receiving direction from Deputy Mayor Su or
20 from the administration?

21 PRESIDENT PAK: Oh, we work very closely
with Deputy Mayor Su. We're constantly working with
her multiple times a week. We have meetings and
ongoing conversations. And then the Mayor has also
been very involved in the NYC Grocery stores
initiative, so we work with him directly as well.

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3 CHAIRPERSON MALONEY: Do you have any
4 sense of the causes for delays?

5 PRESIDENT PAK: No.

6 CHAIRPERSON MALONEY: And is it impacting
7 day-to-day morale at all in EDC's offices?

8 PRESIDENT PAK: No. I think, again, it's
9 an incredibly special group of people that are really
10 committed to the mission of what they're doing, and
11 so they stay- everyone's staying focused and really
12 trying to move. In fact, you know, everyone's so
13 passionate about what they're working on that it's-
14 they just continue moving forward at the speed that
15 they have normally done.

16 CHAIRPERSON MALONEY: Well, we're all
17 eager to see this position filled, but you also seem
18 great.

19 PRESIDENT PAK: Thank you.

20 CHAIRPERSON MALONEY: I want to move onto
21 what was already mentioned, the city-backed
insurance. On the expense side, this is the biggest
shift from the Prelim Budget of now, and I'm
encouraged by- I've got it actually printed out, the
Block by Block Plan, and you know, housing
affordability is a top priority of the Council, as

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3 well. So, I appreciate the effort to address one of
4 the highest costs which is an insurance. When we're
5 talking about the criteria for which homes are going
6 to receive insurance- city-backed insurance through
7 the program, what's the selection criteria?

8 PRESIDENT PAK: Yeah, thank you. That's
9 an important question. We thought about this a lot.
10 It's sort of- if you look at the pool of affordable
11 homes where there are new affordable homes or
12 existing stock, we didn't want to have the best
13 performing, so to speak, and we didn't want to be the
14 intro of last resort. We want to sort of take the
15 middle block. So, let's call it the middle 60
16 percent. That's- that is where we're- that's the
17 stock that we will be insuring. And so HPD will be
18 looking at their portfolio and sort of their pipeline
19 for bringing affordable housing, and they'll direct
20 us in terms of what- but that's the criteria. It's
21 sort of the middle group.

CHAIRPERSON MALONEY: And so how will
limiting participation to that kind of subset of
owners impact the overall risk pool?

PRESIDENT PAK: So, that's why we're
picking that sort of middle selection, because we're

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3 not taking on any extra risk. What we're doing is
4 we're offering this lower cost, because we're not
5 having the overhead and the profit and the cost of
6 capital that the insurance companies have. So it's
7 not about taking on more risk or liability. It's just
8 about doing it more efficiently because the city
9 doesn't have the same situation as these private
10 insurers.

11 CHAIRPERSON MALONEY: The report, and you
12 mentioned this before, how we hope that this is going
13 to reverse cost trends and then ultimately subsidize
14 the insurance program. I'm just wondering if you
15 could speak a little bit more to how this will
16 reverse cost trends.

17 PRESIDENT PAK: So, we're hoping that
18 this sort of sets a standard and becomes in- what
19 we're really hoping is that it's going to be able to
20 leverage other investors to be part of this insurance
21 solution. And also, we're- we expect that it's going
to help reduce the subsidy needed to bring on HPD
housing which will allow us to bring more housing.
So, for example, about \$500 and \$700 million savings
brings about an additional 2,000 units of affordable
housing.

3 CHAIRPERSON MALONEY: So, in the case
4 that there were something like a Hurricane Sandy
5 which caused billions of dollars in damage, would the
6 city be liable for claims relating to those types of
7 damages, or if it's, you know, any damage related to
8 the distress of the building? Just to understand the
9 operations.

10 PRESIDENT PAK: Yeah. Thank you for that.
11 That's an important question. We are going to look
12 for the re-insurance market. This is typically what
13 insurance providers do. They re-insure sort of
14 certain risks, and so we're going to tap into the
15 re-insurance market for those, like, catastrophic
16 sort of- we haven't made the decision exactly, but
17 that's an option for us for that very reason.

18 CHAIRPERSON MALONEY: The question comes
19 at trying to secure the city from potentially as you
20 said, having higher risk for, you know, a budget
21 deficit down the line if an event were to happen in
the city-

PRESIDENT PAK: [interposing] Exactly,
and that's where the re-insurance market I think can
be really effective, and so we're going to be

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insuring- looking into that. That's part of the whole
3 plan for the insurance program.

4 CHAIRPERSON MALONEY: My last question on
5 the insurance, is- the Executive Plan includes \$20
6 million in FY27 and then \$40 million following. Does
7 that include the cost for staffing and operating the
8 programs?

9 PRESIDENT PAK: Yes, we're going to have
10 a third-party operator. So there'll be a minimal
11 cost to- for that operator. Yeah, so that'll be
12 included in the \$100 million.

13 CHAIRPERSON MALONEY: And would that
14 operator be responsible for conducting inspections or
15 determining risks at each of the sites that we're-

16 PRESIDENT PAK: Yeah, there's going to be
17 a- you know, there's going to be an actuary who's
18 going to help us sort of assess the risk. So that
19 has been procured, and then we'll have to work out
20 the actual agreement, but it's not like the city or
21 EDC is going to be assessing the risks for these
housing. It's going to be experts.

CHAIRPERSON MALONEY: Thank you. I had
one question on the five-year versus the 10-year
Capital Plan that I alluded to in my opening remarks,

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and then I'm going to turn to Chanel Thomas-Henry.
3 But the five-year Capital Plan decreased over \$700
4 million in the Executive Budget, while the 10-year
5 plan remained unchanged. I'm wondering if you can
6 speak to why a substantial amount of funding was
7 extend into the out-years and if at all there are any
8 impacts of sequencing of some of the projects that
are really important that EDC manages?

9 PRESIDENT PAK: Yes. Thank you. So this
10 is a normal regular exercise that OMB has each agency
11 do for the 10-year Capital Plan, and they need to
12 smooth out or stretch out the capital costs each of
13 the years. And so, those projects that were
14 selected, either that they- they didn't need to be in
15 the timeline that they were, so they were able to
16 stretch it out. Or it's a very- it's a very fluid
17 capital plan. So if we need it, we can always pull
18 that money forward. It's not like set in stone, so
it's very flexible. But in terms of just putting out
the plan, they need to just smooth it out, and they
do this with all the agencies.

19 CHAIRPERSON MALONEY: So, there's no
20 impact on-

21 PRESIDENT PAK: [interposing] No.

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CHAIRPERSON MALONEY: the timeline of
3 completion of those major projects?

4 PRESIDENT PAK: No. It's not like it's
5 going to delay it in any way.

6 CHAIRPERSON MALONEY: Great. And also no
7 projects are being prioritized over others or-

8 PRESIDENT PAK: [interposing] No.

9 CHAIRPERSON MALONEY: no shifts on that
front?

10 PRESIDENT PAK: No. If it's approved,
11 then we're- we can sort of move it as it needs to be
moved.

12 CHAIRPERSON MALONEY: Thank you. I'm now
13 turning it to Council Member Chanel Thomas-Henry.

14 COUNCIL MEMBER THOMAS-HENRY: Thank you,
15 Chair. So, I've been doing a series of business
16 tours, and I had the privilege of visiting a few
17 cannabis businesses. So, in the Executive Budget it
18 rolls over \$7.1 million from fiscal year 2026 to
19 fiscal 27 for the Cannabis Impact Fund, because no
20 loans were distributed this fiscal year as the
21 program transitioned. While I appreciate the
expansion of eligibility, what specific challenges
caused the delay, and what assurances can you provide

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3 that these funds will reach businesses expeditiously
4 in 27?

5 PRESIDENT PAK: Yes. Thank you. So, we
6 structured the cannabis loan fund into two phases.
7 The first phase was about \$1.4 million. There's
8 about like 200 or so businesses that had these
9 licenses. They were sort of justice-involved
10 individuals were the owners. And that we provided 14
11 loans, about 80 applied. Phase two is sort of
12 expanding like you- and the cap on that loan was
13 about \$100,000. We've expanded in phase two to 540
14 businesses that are eligible and so far we have had
15 about 60 apply. Again, it's a rolling sort of
16 application, and we're estimating- and the cap on the
17 size of those loans are \$500,000. So, they're higher
18 loan amounts. We're expecting that we're going to be
19 providing loans starting in the fall of this year and
20 through like 2028. So, it's going to be sort of an
21 ongoing program, and about 26- we're estimating
about- projecting about 26 loans will be given out on
that.

19 COUNCIL MEMBER THOMAS-HENRY: Okay. And
20 how is EDC tracking where the dollars go
21 geographically? Like, can you provide data on

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3 whether communities that were most impacted by
4 cannabis enforcements, including communities of
5 color, specifically in Queens, Brooklyn and the
6 Bronx-

7 PRESIDENT PAK: [interposing] Yes.

8 COUNCIL MEMBER THOMAS-HENRY: are
9 receiving a proportionate share of those dollars?

10 PRESIDENT PAK: Yeah, we can provide that
11 information for you, yeah.

12 COUNCIL MEMBER THOMAS-HENRY: Okay. The
13 RISE program- so the Executive Budget includes
14 additional funding for the RISE program which helps
15 businesses adopted innovative climate-resilient
16 technology. How is EDC ensuring that small
17 businesses in climate-vulnerable neighborhoods like
18 Corona and East Elmhurst in my district are aware of
19 and able to access these resources, particularly
20 those that may lack the capacity to navigate complex
21 application processes? And kind of piggybacking off
what Council Member Lee said, the language barrier
often times.

PRESIDENT PAK: Yes. So, this is a
federally-funded program, and in the implementation
of how the RISE program works, I'll have to get back

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3 to you on that, because I'm not familiar exactly how
4 it's implemented for small businesses.

5 COUNCIL MEMBER THOMAS-HENRY: Okay.

6 PRESIDENT PAK: But I know it's for small
7 business to promote climate resilience.

8 COUNCIL MEMBER THOMAS-HENRY: Chair, if
9 it's okay, I do want to ask before my time expires-
10 Council Member Epstein had to leave but had a
11 question. Do you mind if I ask his question?

12 CHAIRPERSON LEE: Sure, go ahead.

13 COUNCIL MEMBER THOMAS-HENRY: Innovative
14 East- Innovation East was approved in 2025. Is EDC
15 looking at this project to do this project at all,
16 or?

17 PRESIDENT PAK: Okay. I'm sorry, say it-

18 COUNCIL MEMBER THOMAS-HENRY: Innovation
19 East-

20 PRESIDENT PAK: [interposing] Yes.

21 COUNCIL MEMBER THOMAS-HENRY: was
approved in 2025. Again, this is Council Member
Epstein. Is EDC looking at that project, and are
they- if you are looking at it, is it the same plan
or have any alterations been made of the plan?

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3 PRESIDENT PAK: There's no alterations to
4 the plan.

5 COUNCIL MEMBER THOMAS-HENRY: But you are
6 still looking for moving it forward?

7 PRESIDENT PAK: Yes.

8 COUNCIL MEMBER THOMAS-HENRY: Thank you.

9 CHAIRPERSON LEE: Okay. Council Member
10 Brewer?

11 COUNCIL MEMBER BREWER: Thank you very
12 much. On the insurance, I mean- may he rest in peace,
13 Dick Ravage [sp?] and now it's on [inaudible]. They
14 have the Milkford [sp?] program. Why are we not just
15 using that insurance which is supposed to be
16 affordable housing?

17 PRESIDENT PAK: I think we believe that
18 having it be city-backed creates efficiencies that
19 the private sector can't create, can't benefit from,
20 which is the overhead and profit margin as well as
21 the cost of capital. I think Milford did have, but
it was not successful. So, we came in and came up
with a solution with city capital.

COUNCIL MEMBER BREWER: Okay. I'd like to
hear more about that.

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3 PRESIDENT PAK: Or city tax levy, sorry,
4 not capital.

5 COUNCIL MEMBER BREWER: I want to hear
6 more about that from John, but okay. The other
7 question I have is just in terms of AI- I know you
8 heard it about from the Speaker, but what- I mean,
9 I'm supportive generally, but I know that the person
10 who's doing most is David Greenfield who has a large
11 nonprofit working with people who are trying to get
12 food, and he trains every single Friday. He has a
13 massive training for his employees on AI, mandated.
14 So, my question is what are we doing as a city to try
15 to do something similar so that people are part of
16 the solution and not left behind?

17 PRESIDENT PAK: Yeah, I think this is
18 something- AI is something that we are keeping a
19 close look at. We do have at EDC some programs,
20 probably not on the scale that would be incredibly
21 impactful, but we do have some library programs that
are educating people to get to communities through
the libraries. We have AI Nexus [sic] which is
helping some small businesses, you know, learn about
AI and how it impacts their businesses. So, we are

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3 doing some of that, but it's something that we need
4 to keep a close watch on and dynamically-

5 COUNCIL MEMBER BREWER: [interposing] So,
6 you don't have any training money to do what David
7 Greenfield's doing for Met Council?

8 PRESIDENT PAK: We don't have that right
9 now.

10 COUNCIL MEMBER BREWER: Okay. In terms of
11 specific issues- South Street Seaport, they need John
12 Street lots, what are you doing about that?

13 PRESIDENT PAK: Yeah, so we have a close
14 partnership with South Street Seaport and we're
15 always looking to help them, you know, with any
16 opportunities or issues that they have, so we'll
17 continue to work with them.

18 COUNCIL MEMBER BREWER: They need the
19 lot.

20 PRESIDENT PAK: Yeah, we'll be talking to
21 them about it. We haven't worked with that in
particular, but we have a very good relationship with
them, and we constantly help them with the
opportunities that they have.

COUNCIL MEMBER BREWER: Okay. And same
thing with Pier 15 and Pier 19- why do we need a

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3 Pier 19? What's going on with the piers in the South
4 Street Seaport?

5 PRESIDENT PAK: I'll have to get back to
6 you about Pier 19.

7 COUNCIL MEMBER BREWER: Okay. We don't
8 like Pier 19. We want to keep Pier 15 and Pier 16,
9 because that helps the South Street Seaport Museum.
10 That's a historic area. It's not meant to be
11 something else.

12 PRESIDENT PAK: Understood.

13 COUNCIL MEMBER BREWER: I'm not going to
14 give up on the South Street Seaport Museum. It
15 wouldn't be there if I hadn't fussed, and I will
16 continue. The Bloomingdale Library, that's your
17 project.

18 PRESIDENT PAK: Yes.

19 COUNCIL MEMBER BREWER: But we would like
20 it to be- it's on city-owned land. Why can't it be
21 100 percent affordable?

22 PRESIDENT PAK: So, if it's 100 percent
affordable, it would be in the HPD pipeline which-

23 COUNCIL MEMBER BREWER: [interposing] We'd
24 like it to go to HPD and get it away from EDC.

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3 PRESIDENT PAK: So, part of the strategy
4 of bringing housing online faster is using the
5 mixed-income model so we can cross-subsidize.

6 COUNCIL MEMBER BREWER: I'm familiar with
7 it. I'm from Manhattan.

8 PRESIDENT PAK: So, and as you know,
9 there are only certain areas where this kind of
10 works, and this is one of those areas, and it's
11 important for us to bring housing stock on fast. As
12 you know, there's a real housing shortage, so the
13 decision was made that this was going to be this sort
14 of mixed-

15 COUNCIL MEMBER BREWER: [interposing]
16 Okay, it's not going to- there may be other issues
17 that come up, so it may not happen as you think. And
18 then-

19 PRESIDENT PAK: [interposing] Understood.

20 COUNCIL MEMBER BREWER: you'll at some
21 point get back to me about my beach?

22 PRESIDENT PAK: Yes. There was a study
23 that was done in 2015, and we're continuing to look
24 at it. It didn't- I think the study came back that
25 it didn't- we weren't ready for it, but we'll
26 continue to look at it and work with you.

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3 COUNCIL MEMBER BREWER: I want to be able
4 to go to the water, you know that. Okay, thank you.
5 I could go on and on, but I'll stop.

6 CHAIRPERSON LEE: Okay. I just had a
7 really quick question on behalf of Council Member
8 Paladino who is watching online. Just in terms of
9 the grocery stores, can you just- I'll ask them all
10 at once. And I think you actually answered some of
11 these, but for the record I just wanted to note her
12 questions. She was asking about the prices and what
13 they're going to be, which I know you said were
14 certain percentages. And then are you going to be
15 carrying name brands? If not, what can we expect to
16 see on the shelves? Are people going to have the
17 vast amount of options that we have in our grocery
18 stores now? And I think you sort of answered that
19 question, but if you could again just for the record.

20 PRESIDENT PAK: Yeah, a lot of that's
21 going to be worked out when we have the third-party
22 grocery operator, but basically it is- how we're
23 envisioning that it's going to be like a regular
24 grocery store with this core basket being discounted.

25 CHAIRPERSON LEE: And mostly focused on
26 fresh foods, healthy items, those types of-

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3 PRESIDENT PAK: [interposing] And
4 everyday groceries.

5 CHAIRPERSON LEE: Okay. And not going to
6 overlap. There's going to be items with bodegas, at
7 bodegas that are not going to be there, and grocery
8 store items that are not going to be in those, but
9 they can still get elsewhere in the local
10 supermarkets, right?

11 PRESIDENT PAK: Say that again.

12 CHAIRPERSON LEE: So, in other words,
13 your- it's- there's going to be some overlap in
14 items, but a lot of them are- because they're mostly
15 focused on fresh items, healthy foods, a lot of it
16 is- you know, in other words, the local stores and
17 bodegas are still going to be carrying things that
18 that supermarket will not.

19 PRESIDENT PAK: Yeah, so, yes. There'll
20 be things that were not- will not be offering in the
21 NYC Groceries that are big in bodegas like lottery
tickets, tobacco products, alcohols, things like
that. But we will only be discounting a core basket
and sort of- as we understand the sort of
highly-profitable items for bodegas are not going to
be discounted.

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CHAIRPERSON LEE: Okay, prefect.

3 COUNCIL MEMBER BREWER: I was- I used to
4 buy live chickens at that location. I don't want to
5 tell you what happened to them after I purchased
6 them, but at that location. Thank you very much.

7 CHAIRPERSON LEE: And then just really
8 quickly, how will you be keeping prices down if
9 they're name brand? I'm assuming it's because of the
10 tax breaks and incentives that are going to go back
11 into the lowering the cost. But if you could clarify
12 that question?

13 PRESIDENT PAK: Yeah, so the- again, the
14 tenant fit out the grocery store. We're going to
15 have to pay for that. They're not going to have to
16 pay for rent or for property tax. So, and we're
17 going to- because it's city-controlled, we're going
18 to ensure that that subsidy, so to speak, for lack of
19 better word, it's going to go directly into the sort
20 of- the discounted basket.

21 CHAIRPERSON LEE: Okay, great. And her
last question was just- and I think the Speaker
actually asked a very similar question about whether
you're taking into consideration the mom and pop

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stores around the neighborhoods and partnering with
3 them?

4 PRESIDENT PAK: Yes. So, we've had
5 extensive outreach once a site has been announced and
6 we'll continue to do so, both- again, it doesn't
7 stop. Once we open the grocery store, we'll still
8 have engagement as well as throughout the operations.
It's going to be an ongoing relationship.

9 CHAIRPERSON LEE: Okay, perfect. And
10 with that- actually, Gale, did you want to ask more
11 questions before we-

12 COUNCIL MEMBER BREWER: [interposing] I
13 just want to talk about Life Sciences. I know- I'm
14 really impressed with your program that works with
15 young people who are getting into the business.
16 That's a great program. I know West Side Strategies
17 runs it. So, my question is, is there a cut to Life
18 Sciences in terms of what you're doing? How do you
19 see that as a growing industry and bringing hopefully
20 people who are from CUNY or other backgrounds that
21 wouldn't necessarily get in? How are you looking at
that?

20 PRESIDENT PAK: Yeah. So, I think you're
21 referring to the Life Science Internship program-

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3 COUNCIL MEMBER BREWER: [interposing] I
4 am.

5 PRESIDENT PAK: which is a very
6 [inaudible] it's like we're going in our 10th year.
7 So, we're-

8 COUNCIL MEMBER BREWER: [interposing] I'm
9 aware.

10 PRESIDENT PAK: super excited about that.
11 And so we have it this summer. And we continue to
12 have Life Science programs as well- both in terms of
13 capital that we've had, but also in these workforce
14 development, including the Life Science Internship.
15 But also we have IDA benefits that we've allocated
16 specifically for Life Science companies, and so our
17 IDA team is open for business for Life Science
18 companies to come.

19 COUNCIL MEMBER BREWER: So, was there a
20 cut to the budget for Life Sciences, or is it
21 maintained the same?

22 PRESIDENT PAK: There hasn't been- well,
23 this- we had a Life Science expansion fund that we-

24 COUNCIL MEMBER BREWER: [interposing] Yes.

25 PRESIDENT PAK: It was part of our Chief
26 Savings Officer fiscal 26, but we still have

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3 \$500,000. That was specific- again, as you know, EDC
4 does not get a lot of city tax levy, so for us to
5 find something was really hard, but we sort of
6 restrategizing about that fund anyway because it had
7 been an investment, and then we did [inaudible] loan,
8 and we only had like three we had given, and only two
9 now, and so we're trying to rethink that. Again, we
10 have- we still have \$500,000, but we thought that
11 would be sort of where we could cut, not cutting, you
12 know, these internship programs. And also, we have
13 SPARC [sic] coming. So, we're- that's a huge life
14 science campus, as you know, and so we are going to
15 be putting on a [inaudible] for East 73rd this
16 summer, so I hope you'll be looking forward to that,
17 and then phase two of SPARC which will have a lot of
18 commercial life science after East 73rd.

19 COUNCIL MEMBER BREWER: Okay. And then
20 just quickly, how do you work with CUNY, with Ken
21 Adams, or anybody else? In other words, we all are
saying CUNY should be the bedrock to help get, as the
Speaker said, a workforce, etcetera, etcetera. So,
how do you work- obviously, SBS works. Other
agencies work. But how does EDC work if at all with
CUNY?

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3 PRESIDENT PAK: Yeah, we have a lot of
4 partnerships with CUNY including these Life Sci
5 internships programs because that's a feeder.
6 There's a lot of other type programs like that where
7 we access CUNY students. But for example, SPARC,
8 we're working very, very closely with CUNY, because
9 that's going to be their campus. So, teammates with
10 them like every single week to make sure that that
11 campus is meeting their needs.

12 COUNCIL MEMBER BREWER: Okay. So, that's
13 the main program that you work with with CUNY?

14 PRESIDENT PAK: Yeah, we have other
15 programs, but that's the largest one right now.

16 COUNCIL MEMBER BREWER: Alright, thank
17 you.

18 CHAIRPERSON LEE: Okay, great. Sorry,
19 just for the record, we were joined earlier by
20 Council Member Banks and Justin Sanchez. And I'm
21 passing it back to you, Chair Maloney.

CHAIRPERSON MALONEY: Thank you. I want
to turn back to the questions about grocery stores
that were alluded to earlier by a few of my
colleagues and reiterate how important addressing the
food insecurity in our city is, especially with SNAP

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3 cuts, and through this budget process have seen so
4 many organizations asking for funding to fill in that
5 gap. I wanted to go back to the site selection,
6 particularly for La Marqueta where it sounds like the
7 two criteria- one is whether or not it's a public
8 site that you already have access to, and then if
9 it's a food desert. Are those the two primary
10 criteria for deciding locations?

11 PRESIDENT PAK: I- another part of it is
12 that it can be built and online before 2029.

13 CHAIRPERSON MALONEY: Okay.

14 PRESIDENT PAK: So, it's sort of like
15 development-ready.

16 CHAIRPERSON MALONEY: So, La Marqueta I
17 believe has multiple full-service supermarkets that
18 are within one mile from the location. I- the USDA
19 definition of a food desert is 500 people living more
20 than one mile away from a supermarket. So, just
21 wanted to speak to if there could have been a higher
need area to prioritize as the first market?

PRESIDENT PAK: Yeah, thank you.

CHAIRPERSON MALONEY: And why are we
choosing that location?

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3 PRESIDENT PAK: Yeah. We had to balance
4 a bunch of things. From the DCP measure of enough
5 grocery stores for a neighborhood, it did rank quite
6 low. So, for the per capita that lives up there,
7 it's a very dense neighborhood that we- it did
8 qualify.

9 CHAIRPERSON MALONEY: Okay. And the
10 construction timeline for that site will be 2029?

11 PRESIDENT PAK: Yes.

12 CHAIRPERSON MALONEY: I want to also talk
13 about some of the alternative programs to address the
14 issue of food security. So, there's Fresh, which
15 provides tax and zoning incentives for private
16 supermarkets, Groceries To Go which gives a 50
17 percent discount for fresh produce, of course the
18 traditional food pantry, and if we looked at as a
19 city government at these alternative options, and
20 also how far \$30 million would go through these other
21 avenues?

PRESIDENT PAK: Yes. so these are all
complementary programs. They do serve different
purposes, and you know, I can go through the Fresh
program if you want, but- because that's run by IDA.
but the idea of the NYC grocery stores is that it's

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3 city-controlled, and so that the subsidy they're
4 providing through the tenant fit-out, no rent and no
5 property tax by the third-party operator is going to
6 go directly- because we control it, we're sure that
7 it's going to go directly to the food affordability
8 of the core basket. That's- and also we want to
9 create these like pleasant, dignified places to shop
10 and good paying jobs for workers there. So, all that
11 combined, it's one sort of effort to create food
12 affordability and accessibility throughout the city.
13 That sounds like not the only solution. All the
14 other ones that you have mentioned are also- we're
15 all working together to sort of meet those goals,
16 having different priorities or levers.

17 CHAIRPERSON MALONEY: And the \$30 million
18 for the La Marqueta build-out, that's just the
19 construction, not the actual operation, is that
20 right?

21 PRESIDENT PAK: Correct. But again, the
operation is going to be done by the third-party
operator. So, we're giving the sort of subsidy for
that ground-up construction to the operator to pass
on the subsidy for the core basket.

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3 CHAIRPERSON MALONEY: Most models, if not
4 all models, for public grocery stores in the United
5 States operate at a deficit. So there's, of course,
6 the capital expenditure to get the grocery store up
7 and running. But then what is the projection of the
8 ongoing cost? Are we expecting these will turn a
9 profit? That the rent and tax abatements will allow
10 it to continue without needing further capital
11 assistance? If you could just speak to the economics
12 once the grocery store is up and running?

13 PRESIDENT PAK: Yeah. Again, these are-
14 we're putting in an RFEI this summer, so these things
15 are going to be worked out, but the goal is for this
16 to be self-sustaining operations with- again, with
17 the subsidies that I spoke about, and we're going to
18 look at exactly how the subsidies are going to be
19 structured for these core basket goods. it's - the
20 key thing that we really care about- one of the
21 things that is priority to care about is that there
are meaningful savings, and there are- not only
meaningful savings for these core baskets, but
they're stable, because as you know, food prices can
fluctuate. So we want people to be able to budget.
They're going to know when they go to an NYC grocery

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3 store how much the eggs are, how much the milk is,
4 how much the bread is, and so they can budget each
5 week and manage their finances that way.

6 CHAIRPERSON MALONEY: And it sounds like
7 the stores will be open to all New Yorkers.

8 PRESIDENT PAK: Yes.

9 CHAIRPERSON MALONEY: So what is to
10 prevent higher income shopper from clearing out all
11 the subsidized groceries?

12 PRESIDENT PAK: Everyone is welcome to
13 NYC Groceries.

14 CHAIRPERSON MALONEY: And will- I suppose
15 is there a proforma about how these grocery stores
16 will remain profitable or revenue neutral, not
17 require additional subsidies?

18 PRESIDENT PAK: Again, we're still
19 working all of those details out, and you know, when
20 we put out the operator RFP this summer, you'll see
21 some of that information.

22 CHAIRPERSON MALONEY: Will the RFP
23 include a performance benchmark for these grocery
24 stores?

25 PRESIDENT PAK: Yeah. I mean, the key to
26 that is that they need to make- that they're

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3 requiring them to ensure that the food is affordable
4 for the core basket as well as that they have good
5 paying jobs and it's a pleasant good experience.

6 CHAIRPERSON MALONEY: And it will it be
7 requirement that they're self-sustaining?

8 PRESIDENT PAK: We're going to still work
9 out exactly how the subsidy is going to work, because
10 we have to ensure that these are sort of long-term
11 viable and that the subsidy is meaningful for New
12 Yorkers.

13 CHAIRPERSON MALONEY: One of the other
14 things I want to look at is just the history of other
15 public grocery stores in the United States. So,
16 there's- and I guess, have you all looked at those
17 examples? What are we doing differently here to make
18 this pilot more successful?

19 PRESIDENT PAK: I don't know all the
20 models, but I know the team has looked at it. I think
21 one of the key things is that we're looking at a core
basket. We're not offering everything. Although
it's going to be a regular grocery store, we're
having a third party operate who has experience in
running grocery stores to manage all the things that
are important to run a grocery store, including

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3 inventory, purchasing, etcetera. So, those are the
4 things that we made sure that we were incorporating
5 so that they were successful.

6 CHAIRPERSON MALONEY: The examples I saw
7 show that it costs- for 250 grocery stores globally
8 through the Defense Commissary Agency was \$1.4
9 billion per year in federal appropriations for zero
10 revenue. Another one in St. Paul had zero
11 competition nearby but was still a \$400,000 federal
12 subsidy.

13 PRESIDENT PAK: Yeah. So, that's the-

14 CHAIRPERSON MALONEY: [interposing] I
15 guess I'm getting at, like, the long-term-

16 PRESIDENT PAK: [interposing] Yeah, yeah.

17 CHAIRPERSON MALONEY: operations of this,
18 particularly if we're putting forward a really large
19 capital investment. We want it to be a sustainable
20 solution that's going to- yeah, a sustainable
21 solution.

22 PRESIDENT PAK: Yeah. Yes. That's the
23 commissary model, so we did look at that model.
24 We're not basing our NYC Groceries on a commissary
25 model. Again, everything in that store is discounted.

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3 CHAIRPERSON MALONEY: So, this is a
4 smaller subset of groceries that will be-

5 PRESIDENT PAK: [interposing] Core basket.

6 CHAIRPERSON MALONEY: On the \$30 million
7 for the 9,000 square foot buildout, that's roughly
8 four times the cost of standard New York City retail
9 construction. So, can you speak a bit more about why
10 we expect it to be so expensive?

11 PRESIDENT PAK: So, this is a ground-up
12 construction on an empty lot under sort of the
13 railway there, and this is part of an entire
14 reimagination and re-envisioning of La Marqueta which
15 spans eight blocks. So, the team looked it at very
16 closely, and you know, budgeted that amount for city
17 capital.

18 CHAIRPERSON MALONEY: So this is a more
19 complex site than others.

20 PRESIDENT PAK: Correct.

21 CHAIRPERSON MALONEY: For a pilot, did we
look at taking on a less-complex site that would cost
less?

PRESIDENT PAK: We inventoried, you know,
so many sites. It's hard to even explain how many
sites we looked at, and again the criteria was- we

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3 had multi-pronged criteria which was all the things
4 we talked about, making sure it didn't- like, for the
5 city's measure didn't have enough food accessibility,
6 that it was dense, that it had transportation, and
7 that it could be brought online by 2029 which a lot
8 of the city sites, the developments, are not going to
9 be available by 2029. So, that was really important
10 because we want to get these up and running.

11 CHAIRPERSON MALONEY: Did you look at
12 leasing existing grocery stores?

13 PRESIDENT PAK: So, we have a private site
14 portal that's open right now for Brooklyn, Queens and
15 Staten Island, and so we encourage private owners to
16 fill out the form to submit their property, and it
17 can be a former grocery store, a grocery- like, you
18 know, we're open to it. But again, it's going to-
19 NYC Grocery store is going to have its own look and
20 feel, so we want to make sure it's uniform across the
21 five stores. So, we will still have some input.

22 CHAIRPERSON MALONEY: And on the budget,
23 the original plan was 30- or sorry, \$70 million for
24 all five boroughs, \$30 million going to La Marqueta.
25 How are we going to get to five with that budget
26 allocation?

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3 PRESIDENT PAK: So, the peninsula for
4 example is a tenant fit-out, so it's not a ground-up
5 construction, and we anticipate with this private
6 site portal that we will also have sites that are
7 sort of ready to go that are already built out in
8 terms of the base infrastructure.

9 CHAIRPERSON MALONEY: I think those are
10 all my questions on grocery stores. Back to the
11 Chair.

12 CHAIRPERSON LEE: Can I- can I just ask a
13 follow-up? So, when you say third-party vendors are
14 going to be bidding on the RFIs and the RFPs, which
15 type of groups are you talking about? Like, who
16 would be viable?

17 PRESIDENT PAK: Current grocery store
18 operators.

19 CHAIRPERSON LEE: Current grocery store
20 operators, okay. So, like Food Bazaar or whoever it
21 is could also bid on those to operate.

PRESIDENT PAK: Yes.

CHAIRPERSON LEE: Okay. Because I do
have a couple of friends that are in that sort of
industry, and so they were saying that the buildout
compared to what they would pay is more. Obviously,

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3 there's different reasons for that. But so that's
4 why they were just wondering, you know, how this is
5 going to sort of compete with some of their stores
6 that are in the communities. I don't know if they're
7 necessarily right next to La Marqueta or some of the
8 other ones, but I think that there were some concerns
9 that they had expressed about that in terms of how
10 this would impact the local grocery store companies.
11 So, I just wanted to reiterate that point that I
12 think there is that sort of concern out there
13 especially when you look at the cost. And so, yeah,
14 just wanted to uplift that point that you had brought
15 up, Chair.

16 CHAIRPERSON MALONEY: Understood.

17 CHAIRPERSON LEE: Yeah. Thank you.

18 Okay. Sorry, before we go into more questions, I
19 think Council Member Chanel Thomas-Henry- you had a
20 few more questions, right?

21 COUNCIL MEMBER THOMAS-HENRY: Yes.

CHAIRPERSON LEE: Okay.

COUNCIL MEMBER THOMAS-HENRY: Thank you,
Chair. New York City ferry: so, the mayor recently
announced that this summer the ferry would be
increasing weekend trip frequency and opening

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3 additional summer routes and offering reservable
4 seats. Will ticket prices be changing at all during
5 the World Cup or over the summer to account for costs
6 associated with the increased frequency?

7 PRESIDENT PAK: No.

8 COUNCIL MEMBER THOMAS-HENRY: Okay. And
9 does the reserve seat option come with additional
10 cost to passengers?

11 PRESIDENT PAK: That's the Rockaway
12 Rocket, but that's always been more than the regular
13 ferry pass.

14 COUNCIL MEMBER THOMAS-HENRY: Okay.

15 PRESIDENT PAK: To specific service. And
16 I would just say, I would add to that that it's
17 increased service, but also we're going to be using
18 larger vessels, so we want to make sure that we're
19 really accommodating the greater excitement for NYC
20 ferries over the summer.

21 COUNCIL MEMBER THOMAS-HENRY: Okay. And is
there any funding for increased frequency or new
routes? I'm just going to plug Willet's [sp?] Point,
for instance.

PRESIDENT PAK: So, Willet's Point, we
have committed to studying Willet's Point as a ferry

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3 stop for our ferry forward vision plan report. So,
4 and we made that commitment to the Borough President
5 as well as some other community members. So, we'll
6 get back to you on some of the outcome of that.

7 COUNCIL MEMBER THOMAS-HENRY: Will any
8 service be available during this increased frequency
9 since there is a Fan Fest in that vicinity?

10 PRESIDENT PAK: There's nowhere to land
11 or dock, so we can't offer service we don't- we don't
12 already have a landing. We can just increase the
13 services to places where we have landing already.

14 COUNCIL MEMBER THOMAS-HENRY: Got it. Do
15 you have any idea of like costs to actually increase
16 the land- put a landing there?

17 PRESIDENT PAK: I think it's site by site,
18 and so that's what we're going to study.

19 COUNCIL MEMBER THOMAS-HENRY: Got it.
20 And World Cup: how were the Fan Fest activities and
21 locations determined?

PRESIDENT PAK: So, we worked closely with
the World Cup Czar and City Hall through the World
Cup Czar determined those. I think it was sort of
maximum benefit. also, you know, cost was a
consideration, be we are also having some activities

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3 on our own sites, and those are the public markets as
4 well as our largest campuses. So, we'll be having
5 watch parties and fan fests and cultural and
6 community programs.

7 COUNCIL MEMBER THOMAS-HENRY: Housing, so
8 you know housing is a priority across the board. We
9 had a wonderful tour of the brand new Willet's Point
10 today.

11 PRESIDENT PAK: Yes.

12 COUNCIL MEMBER THOMAS-HENRY: And so on
13 20 acres we're able to plan out for 2,500 units of
14 affordable housing. The school, the soccer stadium
15 and alike, there are an additional 40 acres on that
16 site.

17 PRESIDENT PAK: Yes.

18 COUNCIL MEMBER THOMAS-HENRY: what do you
19 think it would take to get the city to take a closer
20 look at that immediately for future development?

21 PRESIDENT PAK: Yeah, thank you for that.
We're really excited about everything that's going on
in Willet's Point related to the housing, 2,400
units, the soccer stadium, school, the public realm,
etcetera. So, phase three has not been budgeted for
as you know, or contemplated. There are a bunch-

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3 there's a lot of private owners on that site, so we
4 would have to figure that out, but we're happy to
5 open that discussion with you. It's sort of a long
6 term- as you know, phase one, phase two was
7 [inaudible] decades. So-

8 COUNCIL MEMBER THOMAS-HENRY:

9 [interposing] Day [sic] Street will not take that
10 long, okay?

11 PRESIDENT PAK: Yeah, we're happy- I mean,
12 it's a phenomenal project, phenomenal development.
13 We're happy to have more continued conversations for
14 phase three.

15 COUNCIL MEMBER THOMAS-HENRY: And Chair,
16 if I may have one more question? Your public markets,
17 La Marqueta, for example, what is the process for EDC
18 to look of creating additional public markets in
19 other districts?

20 PRESIDENT PAK: Yeah. Just so you
21 understand, these markets exist for a very long time
and EDC has taken over the management for it. We
didn't create these markets on our own.

COUNCIL MEMBER THOMAS-HENRY: Okay.

PRESIDENT PAK: So, but I think, you know,
again, we're happy to have any conversations if

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3 you're interested in exploring that option for your
4 district.

5 COUNCIL MEMBER THOMAS-HENRY: Definitely
6 am, but thank you.

7 CHAIRPERSON LEE: Great. And of course,
8 Chair Maloney.

9 CHAIRPERSON MALONEY: I had one more
10 question on retail markets. EDC has three exiting
11 retail markets that you operate, is that right?

12 PRESIDENT PAK: Retail markets or public
13 markets?

14 CHAIRPERSON MALONEY: Public.

15 PRESIDENT PAK: We actually operate six,
16 but three we directly manage.

17 CHAIRPERSON MALONEY: And those operate
18 at a loss right now, I believe, of \$3.6 million in
19 FY25.

20 PRESIDENT PAK: Correct.

21 CHAIRPERSON MALONEY: So, that included
no direct subsidy to the food in those markets, and
we're still operating at a loss?

PRESIDENT PAK: Yes.

CHAIRPERSON MALONEY: So, can you speak
to the differences in design between those retail

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3 markets and the public grocery stores and how EDC
4 will minimize the operating subsidies in these new
5 grocery stores.

6 PRESIDENT PAK: Yeah, these are very
7 different- although they're both food-related, these
8 are very different. These are for small businesses,
9 sort of diverse businesses, culturally-relevant
10 businesses for that neighborhood and sort of bringing
11 these foods and these vendors there. It's- you know,
12 it has a- it's a kind of community place for people
13 in the neighborhood to go. And so a lot of the
14 projects and tenants that we have in EDC assets are
15 not market rate. We want to support these small
16 businesses. We want to support these communities,
17 and so that's what the public markets are. NYC
18 Groceries is not about, like, supporting small
19 businesses. It's about running a grocery store and
20 bringing food availability. It's a very different
21 model.

18 CHAIRPERSON MALONEY: Can you speak to the
19 affordability of the products in the existing retail
20 markets, if there's any subsidy and how those are
21 going to compare to the prices in the New York
22 Grocery stores?

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3 PRESIDENT PAK: So, how we operate the
4 public markets is that we give discounted rent for
5 the tenants, for the people who have their food
6 markets in the public markets, and that's how we
7 support the small businesses and what they're doing.
8 We do not monitor their pricing. We just provided
9 discounted rates, tenant rights for them.

10 CHAIRPERSON MALONEY: So, it sounds like
11 those are more about food security

12 PRESIDENT PAK: Exactly. Well, it's also
13 about bringing sort of those small business
14 culturally-relevant from the neighborhood. In Lar
15 Marqueta you'll see a lot of different kinds of
16 stalls there. And so it's important for the
17 neighborhood and it's like a nice gathering area.

18 CHAIRPERSON MALONEY: Thank you. So
19 switching gears, I want to talk about the World Cup
20 since my colleague brought it up and acknowledge a
21 lot of the great work that's been done since our
prior hearing. I was on the- one of the ferries with
the wrap for the boroughs and loved that experience
and the cultural map and a lot of the efforts to get
small businesses included in tourist activities while
they're here. And I did want to circle back on some

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3 of the questions we had about the contract with the
4 host committee. And my understanding from our prior
5 hearings is this is on a reimbursement basis, and EDC
6 can see how those funds are being spent. And at the
7 time, we didn't have a lot of details, so I'm
8 wondering if you could give us a little bit more of
9 breakdown of how the \$20 million is being distributed
10 to- how it's being spent by the host committee, and
11 then the additional \$15 million that had been added
12 in 2027 Preliminary Plan.

13 PRESIDENT PAK: Yeah, so the \$20 million
14 has already been spent and that was for like a lot of
15 the planning, transportation logistics, the sort of
16 cultural and tentative plan for the- all the activity
17 that's happening right now. The \$15 million is being
18 spent now, and the scope of services there is really
19 for these fan fests and these villages, as well as
20 for marketing, like the Dress the City. Just you'll
21 see- you know, see so much going on, Dressing the
City for the World Cup- and also for these- for some
community and cultural programming across the five
boroughs.

22 CHAIRPERSON MALONEY: I also want to
commend the administration for making it more

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3 affordable to go to the cup. So the work to reduce
4 the cost of NJ [sic] transit and also including the
5 bus service at a lower cost, and part of that was
6 securing 1,000 tickets at \$50. The news outlets say
7 that this did not come at any cost to the taxpayers
8 and was released directly from the host committee.
9 So, I just wanted to get your comment on the record
10 on that.

11 PRESIDENT PAK: Yes, that's right. That is
12 not part of the \$15 million that's coming through
13 EDC.

14 CHAIRPERSON MALONEY: And onto the
15 ferries. We see there's an additional \$38 million
16 across FY29 to 2031 to support reconstruction of the
17 34th Street ferry landing. Is that considered
18 critical to improving safety for passenger and
19 operators, is that correct?

20 PRESIDENT PAK: Yes, the 34th Street
21 landing has always been a popular landing and it's
22 been very crowded and [inaudible] and sort of safety
23 and accommodation. Also, our recent ferry
24 optimization has increased- the way we've optimized
25 the way the boats go from station to station has

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increased the need for greater capacity at that site.
3 So, that's what it will be addressing.

4 CHAIRPERSON MALONEY: Do you know the
5 scope of the work and the timeline for the
6 reconstruction?

7 PRESIDENT PAK: The timeline, not yet.
We'll get back to you.

8 CHAIRPERSON MALONEY: And will the work
9 be conducted during lowest ridership months to reduce
10 disruption?

11 PRESIDENT PAK: We're going to stage it so
12 that it does have the least disruption, but we'll get
back to you the specifics on that.

13 CHAIRPERSON MALONEY: Sure. And a
14 follow-up which we can cover then, is will riders be
15 able to continue utilizing the stop while the
construction is underway?

16 PRESIDENT PAK: Yes, we're not going to
17 close the stop.

18 CHAIRPERSON MALONEY: Okay, great. And
19 will there be any impact on ferry ridership or
revenue levels?

20 PRESIDENT PAK: We're hoping- during
21 construction, we hope not, because we're going to try

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3 to stage it accordingly. We don't want it to impact
4 ridership. Ridership is incredibly important for us,
5 but we're also hoping that with the completion of the
6 construction that it'll increase ridership because
7 there'll be more people that will be able to que
8 [sic] there.

9 CHAIRPERSON MALONEY: Thank you. And on
10 the cost side, do you have any information you can
11 share on ridership trends? I know ridership is up, I
12 believe. But that as well as the per-passenger
13 subsidy that we expect for this year?

14 PRESIDENT PAK: Yes. So, ridership was at
15 an all-time high when as we've had a little bit of a
16 hit because of the terrible cold winter that we had.
17 I don't know if you had- we had to stop service a
18 couple of days because there was ice. But ridership
19 is still very high. It's a really beloved, very
20 popular way of people going from place to place, and
21 we want to continue to be that way. The Rockaway
Rocket has become more and more popular as well. So,
we're really excited about how the ferry has done.
The price per subsidy is about- the price for subsidy
per passenger is about \$8.33, and it's lower than any
other ferry passenger across the country as well as

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3 the Long Island Railroad or Metro North. So, we're
4 really proud of that. It's down 30 percent since the
5 start of the ferry. So we've worked really hard to
6 make sure that that price per subsidy has gone down,
7 and we're running the ferries financially efficient.

8 CHAIRPERSON MALONEY: And do we expect
9 that the shifting cost of fuel to have an impact on
10 that per passenger subsidy, or an increase in cost
11 this coming summer in particular?

12 PRESIDENT PAK: Yeah, we do have a fuel
13 hedging strategy. So, some of that we've hedged and
14 mitigated, but I will have to get back to you on
15 exactly the impact.

16 CHAIRPERSON MALONEY: One of the
17 questions I have is I believe in fiscal year 2025
18 there was an operating deficit of roughly \$15
19 million. Is that correct?

20 PRESIDENT PAK: An operating-

21 CHAIRPERSON MALONEY: [interposing] Or the
operating deficit of the ferry.

PRESIDENT PAK: So, the ferry technically
runs at a deficit and it's subsidized by other
revenue, and that is some of our rental revenue that
we get for some of the assets that we manage at EDC

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3 directly goes to subsidize that ferry. I don't know
4 if that's what you're referring to. So, there's not
5 a deficit because we subsidize it.

6 CHAIRPERSON MALONEY: The deficit prior
7 to tapping into EDC's cash reserves.

8 PRESIDENT PAK: No, the- I'm not sure what
9 you're referring to, but again, we- this subsidy is
10 there as a stable source of revenue, and again, it's
11 part of our maritime assets and our 42nd Street
12 assets that subsidize the revenue that we get from
13 those rental properties subsidize the ferry. So,
14 don't- so the deficit is basically the subsidy, but
15 we don't have an additional deficit over that.

16 CHAIRPERSON MALONEY: Okay. And is there
17 an effort to look at increasing New York City ferry
18 revenues to try to help that, decrease that subsidy?

19 PRESIDENT PAK: We're always looking to
20 increase the financial efficiency of NYC ferry. I
21 think the increased ridership- there are other ways
of like- wifi sponsorship, etcetera, that other ways
for us to increase the ferry revenue. Ultimately, it
is going to be all transit is subsidized, and so we
are realistic in understanding that it's such a

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3 beloved form of transit for New Yorkers that it will
4 require subsidy.

5 CHAIRPERSON MALONEY: Earlier this year, I
6 know there were efforts to acquire a corporate
7 sponsor. Did EDC receive any submissions or
8 proposals for private entities to be a corporate
9 sponsor and sort of help with that revenue subsidy
10 issue?

11 PRESIDENT PAK: Yeah. So, we're always
12 looking for partnerships to help NYC ferry. We did
13 receive some submissions that did not like have a
14 maximum benefit for what they were offering, and so
15 we decided not to go with any of the submissions.

16 CHAIRPERSON MALONEY: And have you
17 received revenue from ferry sponsors in the past, and
18 if so, how much?

19 PRESIDENT PAK: We've [inaudible] inside
20 the ferries, etcetera, and it's about \$300,000. In
21 2025, it was about \$300,000.

CHAIRPERSON MALONEY: And is that
continuing?

PRESIDENT PAK: Yes.

CHAIRPERSON MALONEY: My last question is
around AI and tech. In January 2025, there was the

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3 Artificial Intelligence Advantage Report that EDC
4 recognized New York City as the applied AI capital of
5 the world with 40,000 AI-ready workers, active
6 investors, over 2,000 AI start-ups. Do you have an
7 updated figure on how we're performing in terms of AI
8 readiness?

9 PRESIDENT PAK: We will have to get back
10 to you on that. I don't have that right now.

11 CHAIRPERSON MALONEY: And as a follow-up,
12 would love to hear what steps EDC took to accomplish
13 some of the priorities that were outlined in that
14 report around fostering new business creation and
15 partnership to build this AI ecosystem, developing a
16 diverse AI-ready workforce to power the future
17 economy and apply- or position New York as a global
18 leader for applied AI. So, would love to follow up
19 with the key steps that EDC has taken to achieve the
20 priorities outlined in your report, any programming
21 to train workforces on the development of AI-ready
skills and any city funds being deployed to bolster
the AI workforce or help develop AI-related
businesses.

22 PRESIDENT PAK: We'll get back to you on
that. Thank you.

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3 CHAIRPERSON MALONEY: Thank you. Back to
4 the Chair.

5 CHAIRPERSON LEE: Thank you. And a
6 hearing would not be complete without Council Member
7 Restler. So, I'm going to toss it to him, and then I
8 just have a couple last questions after, but- no, no,
9 no, go, go, go.

10 COUNCIL MEMBER RESTLER: Okay. Thank
11 you, Chair Lee, for making me laugh and for doing
12 such a great job leading these hearings. It's great
13 to join you and Chair Maloney. Thank you to the EDC
14 team for being here as well. I'll say one nice thing
15 first which is not what I- I don't do that at every
16 hearing. I am very grateful to Jennifer Sun [sp?]
17 and some of her colleagues for joining us in Dumbo
18 recently to try to help us better manage tourism in
19 the neighborhood and EDC's willingness to kind of be
20 a creative partner and go outside of what might be
21 its traditional roles to try and help address needs
and issues in our community is appreciated. Some
other city agencies that were asked to help declined.
So, we appreciate EDC for stepping up and working
with us, and I really want to thank you for that.

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3 PRESIDENT PAK: We love Jennifer Sun as
4 well.

5 COUNCIL MEMBER RESTLER: She's great and
6 she's really done- I've been really appreciative.
7 Other thing I will say just to put a marker down, I
8 am deeply concerned about jobs in New York City, and
9 as I look across my district on the kind of
10 waterfront in Brooklyn, downtown Brooklyn, the office
11 market is just incredibly weak, and we need to be
12 developing new economic development strategies to
13 revitalize downtown Brooklyn and Dumbo, where we have
14 buildings that are 80 percent vacant right now. So,
15 we're working on a white paper ourselves with some
16 expert help, but really want to make this a priority
17 partnership opportunity with EDC in the months to
18 come where we try to ensure that our communities are
19 really dynamic 24/7, live/work communities. They're
20 just filling up the live part right now. Onto my
21 topic of choice, maybe my favorite issue to raise
with my friends at EDC is Stop the Chop. I know
you're surprised. You know, we have a socialist
mayor who has committed his support for Stopping the
Chop and we'd love to start to see the elimination of
non-essential helicopter travel from the city's

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3 helipads. Last year, the Ryder Cup was in New
4 Jersey, I think, and we had helicopters going- or no,
5 it must have been Long Island. The Ryder Cup was in
6 Long Island, excuse me. I don't follow golf. But I
7 did experience it because there were helicopters
8 leaving every five minutes from the city's helipads
9 going over- very low over our community and making it
10 impossible for people to have a conversation outside
11 on the street, on their stoop and their backyard.

12 Are we expecting similar amounts of extremely
13 disruptive helicopter travel for the World Cup?

14 PRESIDENT PAK: So, the World Cup is eight
15 games here. We have- EDC runs two heliports in
16 Midtown and then downtown Skyport. The Midtown has
17 special permits so it can be only open for certain
18 hours. The Downtown we worked very closely with the
19 community members to reduce those hours, and so- it's
20 a public-

21 COUNCIL MEMBER RESTLER: [interposing] I'm
aware of the changes that have been made and they
have really not helped in my community where we
continue to get an enormous amount of incoming where
people struggle in Brooklyn Ridge Park, they struggle

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just to be in their own property because of the
3 extreme noise that's created by helicopters. So, I-

4 PRESIDENT PAK: [interposing] Yeah. It's a
5 public- it's a public- the Downtown Skyport is a
6 public heliport, so we cannot not allow people to
land.

7 COUNCIL MEMBER RESTLER: Not allow people
8 to land. You could regulate the type of travel that's
9 happening from the heliport. You don't need to allow
10 folks to go to the Hamptons or JFK on helicopter
rides. You don't need to allow tourism trips from
11 there. I certainly have no problem with people
12 taking a helicopter if they need to- for health
13 reasons or if there's some sort of public benefit
14 like news helicopters or NYPD helicopters. But the
idea that we pollute our environment, it's the
15 equivalent of 40 cars idling on the street, one
16 helicopter above ground, and then create such extreme
17 noise that people can't have conversations. You
know, so the- the top one-tenth of one percent can
18 get to the Hampton's faster or get to JFK faster, I
19 find that deeply offensive. So, I strongly support
20 the banning of all non-essential travel from the
21 heliports that you all control, and I'm trying to

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3 understand can we do anything to limit the helicopter
4 activity out for the World Cup, and are there other
5 ways that EDC is looking at limiting these types of
6 really egregious and disruptive helicopter activity
7 from your helipads?

8 PRESIDENT PAK: Yeah. This is under FAA
9 purview, but I would say that just looking at- we
10 hear your concerns. And just looking ahead, we are
11 looking to EV tolls, and so we have- hopefully the
12 pilot will get by the end of this year, and the FAA
13 will approve like EV tolls. And I don't know if you
14 came to our demonstration, but they're very, very
15 quiet. I mean, all electric-

16 COUNCIL MEMBER RESTLER: [interposing]
17 Yeah. I mean, I haven't flown in one, but I saw them
18 on the east side not too long ago with some of my
19 friends- you know, Botcher and Powers and others were
20 out there. What, should I not- were you out there,
21 too? No? No. She couldn't make it. Chair missed it,
but she- but I'm glad to hear that they're quieter
and they're better for the environment. If that all
works, God bless. I don't have any objection. But
what I do have an objection to is the status quo and
our insistence on maintaining it and allowing for

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3 these incredibly disruptive helicopters to pollute
4 and disrupt our communities all day, every day, I
5 think is really bad policy, and I think we're
6 favoring the extreme elite at the expense of
7 everybody else, and I think we should stop it. I
8 think we should discontinue this helicopter activity
9 immediately, and once the EV tolls are ready, bring
10 them in and let the rich people travel around that
11 way.

12 PRESIDENT PAK: Understood

13 COUNCIL MEMBER RESTLER: Thank you.

14 CHAIRPERSON LEE: Thank you. Really
15 quickly, a couple of follow-ups. Earlier you
16 mentioned the grocery store site submission form is
17 open for applications. So, how are you planning on
18 incentivizing the private owners to possibly use
19 their sites, or their- you know, if they have
20 properties or if they have land, how would you
21 incentivize them to apply?

18 PRESIDENT PAK: Yeah. So we are getting
19 the word out there, so please, you know, help us get
20 the word out there. We are doing a big marketing
21 campaign. So, we've had quite a lot of- you can see
how many people have gone on and looked at it. So,

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3 it just opened, so we're still gathering information,
4 but that's how we're getting the word, just by
5 marketing and also direct emails, because we know a
6 lot of these property owners and brokers to ensure
7 that the word is getting out there.

8 CHAIRPERSON LEE: Perfect. And just my
9 last question, because I'd be remiss coming from the
10 nonprofit sector without bringing up the capital
11 projects that run through EDC from the nonprofit
12 perspective. Because I think we got awarded city
13 funds in- I say we because I still feel like I'm part
14 of the nonprofit community, but got awarded funding
15 in 2018, and they literally I think just got their CP
16 like a month ago, right? And so when I think about
17 the fact that these organizations need the space and
18 the renovation and the funding to provide services to
19 the community, not for a for-profit benefit or
20 reason, plus you know, I think with cost- like, if
21 we're talking about savings and just cost, the fact
that all that time has passed, you know. The cost
has gone up. The funding hasn't, right? And so what
ends up happening is the scope of work has to
continually decrease, and it just, you know, is a
drain on the nonprofit organizations where they have

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3 to take out high interest loans. So, the total cost
4 of the projects end up costing the city more, and so
5 I'm just wondering from your perspective if there- I
6 get that there's regulations and that there's
7 processes that need to happen and checks and balances
8 with OMB, but back then when I was still at my
9 organization I have to say EDC was great in the sense
10 that they- the staffers we were working with at EDC
11 felt really bad for us, because a lot of it was not
12 on us. Like, we were submitting all the paperwork,
13 it's just that the process itself is so cumbersome a
14 lot of times. And so I'm just wondering from your
15 perspective if there are ways that we can look at
16 perhaps- not foregoing regulation but also
17 streamlining some of it so that it doesn't take as
18 long for these groups to get their funding. So, I
19 just wanted to get your thoughts on that.

20 PRESIDENT PAK: Yeah, that's through our
21 funding agreements which is a fantastic group, and
they work really closely as you said with the
nonprofits and applicants, and I think, you know,
people really- nonprofits want to go through EDC
because we take that very tailored approach and we
try to move things on very quickly. There's very

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3 strict rules with these grants. It's on a
4 reimbursement basis. There's so much paperwork as
5 you can imagine, and has to go through OMB and OMB
6 Counsel. So there is a lot of process, but yes, you
7 know, we recognize that it can be a hardship for
8 nonprofits. I mean, EDC has a lot of capital
9 projects that we do on behalf of our assets as well
10 as DOT parks and libraries, and so we're not in a
11 dissimilar situation, and so we really work hard to
12 building a very close relationship with OMB so we can
13 move these CPs as much as we- as fast as we possibly
14 can, but as you can imagine, it is a process with
15 limited staff on their side. So, but we will
16 continue to look at that and try to make sure that-
17 we understand the burden it has on nonprofits.

18 CHAIRPERSON LEE: Yeah, and if there's
19 any sort of taskforce or group internally that can
20 look at this periodically, I think that'd be great
21 because it's just- I just- I cannot tell you how
badly I feel because these organizations are just
trying to do good work on the ground and then they
get stuck with all this paperwork and then can't do
things. So, I ended up having to be a professional
fundraiser or event planner because I had so many,

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3 you know- like I had- it's like, okay, we just did a
4 capital campaign and then we're doing another one,
5 and the community is like, didn't we just submit- you
6 know, didn't we just give you guys donations for
7 capital campaign? I'm like, yeah, but you know,
8 there's all these extra costs. And so would love to
9 have that feedback if you could.

10 PRESIDENT PAK: Yeah, we'd be happy to
11 work on that.

12 CHAIRPERSON LEE: Okay, perfect. And I
13 think- does anyone have any other questions? Yeah.
14 [inaudible] Well, if you think of more we can always
15 submit after and then ask for follow-up. So, and I
16 think with that we are done with- what are we on, day
17 four of hearings? So, I can gavel out, but thank you
18 so much.

19 CHAIRPERSON MALONEY: Thank you.

20 PRESIDENT PAK: Thank you.

3
4 C E R T I F I C A T E

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6
7 World Wide Dictation certifies that the foregoing
8 transcript is a true and accurate record of the
9 proceedings. We further certify that there is no
10 relation to any of the parties to this action by blood
11 or marriage, and that there is interest in the outcome
12 of this matter.



18 Date July 25, 2026

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