



The City of New York
Office of Management and Budget
255 Greenwich Street • New York, New York 10007-2146
Telephone: (212) 788-5900 • Email: HartzogM@omb.nyc.gov

Melanie Hartzog
Director

**TESTIMONY OF KENNETH GODINER, FIRST DEPUTY DIRECTOR, MAYOR'S
OFFICE OF MANAGEMENT AND BUDGET OF THE CITY OF NEW YORK TO THE
CITY COUNCIL, JOINTLY WITH THE SUBCOMMITTEE ON CAPITAL BUDGET**

May 8, 2018

Thank you, Speaker Johnson, Chair Dromm, Subcommittee Chair Gibson, members of the Capital Budget Subcommittee, Finance Committee, and Council, for the opportunity to testify today.

My name is Kenneth Godiner, First Deputy Director of OMB. I am joined at the table by OMB Assistant Director Paul Tymus. And OMB staff is here to assist me in answering questions.

I am here today to testify about the City's Fiscal Year 2018-2022 Executive Capital Plan. In my testimony, I will focus on the changes made since the Preliminary Plan.

The Executive Capital Plan for Fiscal Years 2018-2022 authorizes agencies to commit \$82 billion, an increase of 3.0 percent over the Preliminary Capital Plan. The authorized commitments in Fiscal Year 2019 are \$19.1 billion. Almost three-quarters of Plan commitments support government operations and infrastructure projects. The balance of funds are committed to schools and housing.

The Council has expressed an interest we share in right sizing the Capital Plan to reflect realistic project timelines. To address this issue, since the Preliminary Plan we moved projects from Fiscal Years 2018 and 2019 into the out years of the five-year plan. By redistributing these projects, we reduced the Fiscal Years 2018 and 2019 Capital Plan amounts by \$6.4 billion - a decrease of 15 percent from Preliminary Plan. This is a reduction of \$4.8 billion, or 22 percent, in Fiscal Year 2018, and \$1.6 billion, or eight percent, in Fiscal Year 2019.

Additionally, we have taken significant steps to reduce appropriations as the Council recommended. Since the Preliminary Plan, we proposed nearly \$5.8 billion in rescindments from prior Capital Budgets. By eliminating these appropriations from prior capital budgets, we present a better reflection of the Capital Plan in its current state.

Going forward, we will reassess the Capital Plan as necessary to both distribute projects appropriately throughout the five-year plan, and propose rescindments.

As we discussed at the last hearing on the Capital Plan, design-build authorization is one of the most effective tools used by New York State to accelerate its capital program. For years we have worked together to persuade the State that the City should also have access to this project

delivery method. In connection with the State's Fiscal Year 2019 Enacted Budget, we were finally granted the authority to use design build on a select group of projects. This means BQE construction and Rikers Island closure projects will be completed 12 to 24 months faster, and at a lower cost. Thank you for your continued partnership, support, and advocacy around this issue as we push for design-build authorization for all City capital projects.

Another effective way to expedite capital projects is through the City's Capital Project Scope Development, or "CPSD," program. This project assessment technique is used to improve project scoping, identify potential issues, explore and prioritize design alternatives and, identify true construction costs for planned commitments. This helps City Agencies make informed decisions earlier in the capital process, and helps control costs as a project evolves.

CPSD is typically used for projects that have unique legal or technical challenges, impact multiple stakeholders, or involve complex construction. Since the program's inception, 20 different agencies including the Parks Department, the Department of Transportation, and the NYPD, have used CPSD to assist with capital project planning. In Fiscal Year 2019 we added \$5 million to the CPSD program, bringing its budget to nearly \$35 million.

Now, I would like to highlight some of the capital investments we made since the release of the Preliminary Capital Plan.

Pursuant to the state budget requirement, we funded the MTA's Subway Action Plan with \$164 million in capital. This brings the City's capital contribution to the MTA 2015-2019 Capital Plan to \$2.6 billion.

To help protect New York City pedestrians and cyclists, we are investing an additional \$103 million to install an estimated 3,000 permanent security barriers.

We moved \$58 million from out years to accelerate heating systems upgrades at 20 NYCHA developments. With these investments, the total capital funding this administration has contributed to NYCHA is \$2.2 billion.

We also invested \$553 million in a number of projects that will help maintain our sewer system and ensure a high-quality water supply.

We invested \$300 million to make improvements to the NYC Ferry system. These funds will be used to nearly double the fleet size, and increase existing ferry capacity. We will also build a second homeport to house the newly expanded fleet.

We are investing an additional \$38 million in neighborhood infrastructure as part of the East Midtown Rezoning Plan. These improvements will help prepare the area for new development by increasing sidewalk space, improving the transportation corridor, and expanding plazas for office workers and visitors.

We acknowledge the importance of working in partnership with the Council in the capital planning process. We have heard and responded to your concerns, though we know there is more

work to do. As we move toward Adoption, we look forward to continuing a dialogue about how to have our shared values reflected in the Capital Plan.

In conclusion, this capital plan reaffirms our commitment to making strategic capital investments that will benefit the City and its residents for generations to come.

And now I look forward to taking your questions.

Thank you.

Commissioner Jacques Jiha, Ph.D.

FY19 Executive Budget Hearing Testimony

May 8, 2018

Good afternoon. Thank you, Chair Dromm and members of the Finance committee, for the opportunity to testify today.

My name is Jacques Jiha, and I am the commissioner of the Department of Finance.

I am joined today by First Deputy Commissioner Michael Hyman, as well as other senior members of my staff.

I am glad to report that the city's finances are in very good shape. Through April, City revenue for FY18 totaled \$54.1 billion. That represents a 9.1% increase over the same period last year, largely attributable to a 22.3% increase in personal income-tax revenue. A large portion of the personal income-tax-revenue increase stems from a 2008 tax-law change. For years, the IRS allowed cash-basis hedge funds to defer the receipt and the recognition of certain management and incentive fees from

offshore funds, thereby allowing hedge funds to grow deferred income from those funds, tax-free.

Congress put an end to that practice with the enactment of IRC section 457A in 2008, but gave the hedge-fund industry until December 2017 to recognize, for tax purposes, the fees earned or deferred before January 1, 2009. Some hedge-fund managers waited until the deadline to recognize and pay taxes on the fees.

Other factors that contributed to the increase in personal income-tax revenue are a big bump in Wall Street bonuses and an increase in capital gains, which boosted estimated payments by as much as 44.5%.

Put another way, we are not likely to see a repeat of this year's personal income-tax performance. It's a one-time windfall

brought about by a confluence of factors. As such, we have to remain cautious in our approach to the budget.

While there is no evidence of a softening city economy on the horizon, there are enough warning signs to warrant caution, including increasing oil prices, volatile financial markets, and rising interest rates. We will remain vigilant, and will brief you on any important new developments.

When I appeared before this committee in March, I described an agency with an ambitious agenda, focused on serving the residents, visitors, and businesses that support New York City's robust and diversified tax-revenue base.

In the nine weeks since the preliminary hearing, we have made progress on a number of key initiatives, several of which we will share with you today.

The first is an effort to help New Yorkers who are at risk of losing their homes because they are struggling to pay their property taxes.

As you know, under existing law, the Department of Finance is required to offer property owners who are delinquent on their property taxes a payment agreement that allows them to put as little as zero down and make payments for a term of up to ten years. Liens cannot be sold on properties that are covered by an active payment agreement.

The agreements are available to all property owners regardless of income, circumstances, or property class. However, the current agreements do not take into account taxpayers' ability to pay and, as a result, are not sufficient to help homeowners who are experiencing economic hardship or living on a fixed income.

Furthermore, the agreements require that owners pay all of their newly incurred charges as they become due each quarter. Consequently, the default rate on these agreements is as high as 50%.

Once an owner defaults, he or she is ineligible for a new agreement for 5 years, unless there are extenuating circumstances, such as a job loss or death in the family—or, unless the owner somehow manages to pay 20% of the defaulted agreement.

Given the high default rate, there are a growing number of owners claiming “extenuating circumstances” so that they may receive another agreement and keep their property out of the tax-lien sale.

Working with the Council, we will soon introduce legislation to allow eligible homeowners to defer their delinquent and/or future property-tax payments.

Should this program become law, there would be several types of payment agreement available.

One, for seniors, would allow the Department of Finance to collect deferred property taxes when the home is sold or transferred to a new owner.

Other agreements would be tied to income—for example, homeowners facing hardships would have to pay no more than 8% of their income for either a fixed period of time determined by the homeowner, or until the situation improves.

The property-tax deferral and repayment program will be open to condominium and class-1 homeowners, earning \$50,000 or less.

This program will help homeowners avoid the tax-lien-sale process, which is our last resort to collect delinquent property taxes and charges.

As you know, over the last three years, we have succeeded in reducing the number of properties in the lien sale by communicating more frequently and more urgently with homeowners. For instance, the 90-day at-risk pool has averaged about 23,000 properties, compared to an average of 26,700 in the three years prior—a decrease of 14%.

This trend is also reflected in the number of tax liens that are actually sold. We will not have the results for this year until the

summer, but over the past three years, we have averaged a total of about 3,900 liens sold, compared to an average of about 5,000 liens sold in the preceding three years—a decrease of 22%.

We have also made significant progress on another priority: Making it easier for people who pay bail to receive their refunds at the conclusion of the trial.

As soon as someone becomes a surety—that is, a person who pays bail—we send them a brochure describing the process in detail, with information on how and when they can get their refund. We have also increased our efforts to locate and contact sureties who do not request their refunds. As a result of our more active outreach strategy, the total dollar amount of bail refunds issued has increased by 81%.

We have also reduced the convenience fee charged for cash-bail payments from 7% to 2.49%, which is in line with fees charged for other City services.

In summary, we have taken steps to improve a process that often places a heavy financial burden on the very New Yorkers who can least afford it.

And we will continue to improve our services for the millions of New Yorkers who come into contact with the Department of Finance each year, including the many drivers who will, at some point, receive a parking ticket.

It is not fun to see that orange envelope on your windshield.

However, if you do get a ticket and think that it was not justified, you now have someone in your corner.

As of last month, our parking-summons advocate, Mr. Jean Wesh, is on the job, identifying and resolving systemic issues regarding parking infractions.

New York is one of only two major cities in the country with an office devoted to advocating on behalf of parking-ticket recipients, and I look forward to sharing with you the reform proposals that will be put forward by the office of the Parking Summons Advocate.

While we are on the subject of parking, I would like to update you on upcoming changes to our stipulated fine and commercial abatement programs, which will achieve a number of goals for the City while making it easier for businesses to deal with their parking violations.

Fifteen years ago, large commercial fleet owners and drivers would contest nearly every parking ticket they received, successfully challenging many summonses. To reduce the administrative and financial burden placed on the commercial vehicle industry and the City by this practice, DOF instituted the Stipulated Fine and Commercial Abatement programs beginning in 2003. The programs require participants to voluntarily notify the City of all of their vehicles, supply a single point of contact to respond to parking-ticket reports, waive their right to contest summonses, and pay outstanding parking-summons balances regularly in exchange for reduced fines for certain violations.

DOF developed the programs' fine schedules to be cost-neutral to participating businesses. Discounted rates were established based on the frequency with which certain tickets were dismissed by administrative law judges.

There are now 1,647 participants in the Stipulated Fine program, composed primarily of trucks making deliveries, and 967 participants in the Commercial Abatement program, composed primarily of service vehicles. In FY17, 1.1 million violations were issued to vehicles enrolled in the programs, accounting for 43% of the 2.6 million parking violations issued to commercial vehicles citywide.

Since the programs were implemented, the City's needs, priorities, and enforcement technologies have changed. Changes to these programs are needed now to ease congestion while addressing growing consumer-delivery demands.

Hence, DOF is updating the fine schedule that program participants pay in order to more strongly discourage certain traffic violations. We will

- Increase now deeply discounted fines: The existing fine schedule discounts to \$0 several violations that contribute to traffic congestion, encouraging disregard for these traffic rules. Our latest reform proposal adjusts many fines and ensures all violations are at least \$25. DOF further proposes fines for double parking and no standing-commercial meter zones be increased to \$60.
- Equalize fine schedules across programs: Currently, the Stipulated Fine and Commercial Abatement programs have two different fine-reduction schedules. Making all fine reductions the same for each program will equalize treatment across various industries.

These changes will generate more than \$11 million for the City in FY19, but more importantly, they will encourage businesses

to comply with the law, which should begin to address some of the City's congestion issues.

We continue to review every area of our work in order to improve efficiency and better serve our customers.

For example, after reviewing our costs associated with debit and credit card transactions, I am delighted to report that we will lower the convenience fee that we charge our customers.

This means that customers who pay their property and business taxes, parking tickets, and ECB debt will soon pay a convenience fee of 2%, reduced from the current 2.49%.

Finally, as I said in March, we are laying the groundwork for several major initiatives, including the One Account model, which will allow New Yorkers to interact with the department using a single account, and our new Call Center, which would

give customers a direct line for questions about all business-tax services and personal benefits, including the Rent Freeze program and the veterans-tax-exemptions programs.

And so, in conclusion, we have made significant progress on our agenda, and we will continue to provide updates to the council in the coming months.

We are proud of where we stand and how far we have come as an agency, but we know that we have much work ahead of us.

And so we welcome and remain grateful for your continued partnership.

If you have concerns or ideas about how we do our work, please, let us know.

We are your eager partners, and we look forward to continuing a very productive relationship with the Finance committee.

Thank you and I am happy to take any questions.



**Hearing before the New York City Council
Committee on Finance jointly with the Committee on Parks & Recreation
Oversight: Fiscal Year 2019 Executive Budget
May 8, 2018**

Testimony By: Mitchell J. Silver, FAICP, Commissioner

Good afternoon, City Council Finance Committee Chair Dromm, City Council Parks Committee Chair Grodenchik and members of the Council Finance and Parks Committees. I am Mitchell Silver, Commissioner of the New York City Department of Parks and Recreation, and I am joined here today by a number of our senior staff. Thank you for inviting me to discuss the Fiscal Year 2019 Executive Budget for NYC Parks.

I'd like to begin by outlining some key facts and figures that help illustrate the scale and diversity of what we do at NYC Parks. We are the steward of over 30,000 acres – 14 percent of New York City's land mass – including 10,000 acres of natural areas. We oversee nearly 4,500 individual properties, ranging from parks and playgrounds to community gardens and Greenstreets.

Spring marks the beginning of "prime time" for our parks, when our city's green and open spaces truly come alive, giving New Yorkers opportunities to lead happier, healthier lives -- and we've been busy, delivering results and improvements in a smarter and faster way. In just the last 5 weeks since I testified at the Council's Preliminary Budget Hearing, we have held 13 ribbon cuttings and ground-breakings, for projects which total \$55.7M in capital investment in neighborhoods throughout the city. These have included locations such as Ranaqua Park in the Bronx, and Marcy Playground in Brooklyn, where we unveiled some fantastic upgrades made possible with a generous donation from the actor Tracy Morgan, a Brooklyn native, towards our "Creative Courts" initiative. We also broke ground on transformative capital projects at Longfellow Gardens in Brooklyn and Travers Park in Queens, and re-opened the beautiful Alice Aycock Pavilion on the East River. On the first day of Spring, we held a "CPI Ribbon-Cutting Relay" –five ribbon-cutting ceremonies in five playgrounds across the city, one in each borough, during an exciting all-day sprint across the city. As a result of this administration's signature park equity effort, the Community Parks Initiative, Hilltop Park in Brownsville, formerly known as Saratoga Ballfields, is benefiting from new basketball courts and outdoor fitness equipment. We fixed drainage issues at Harlem's MLK Park, and installed new ADA-accessible play equipment at Lyons Square in the Bronx. In Queens, Grassmere Playground received a new spray shower for kids to enjoy, while adults can use the brand-new fitness equipment. Our project in Arrochar Playground in Staten Island has transformed an uninviting slab of asphalt into a vibrant and exciting space that neighborhood residents can all enjoy.

As Commissioner for NYC Parks, I like to call ourselves the agency of "fun, health, and happiness," but we take our work seriously, since parks and open space are so vital to the quality of life for New Yorkers. To that end, we announced with Mayor de Blasio that Central Park will become completely car-free beginning this June, we opened the *world's* first public outdoor squash court at Hamilton Fish Park, and we brought the old-school classics back at our annual "Street Games" event – an all-day festival enjoyed by kids and adults alike. Our parks are for people, and as New Yorkers shake off their winter doldrums and get outside to enjoy their local parks, they will get to enjoy the benefits provided by the many accomplishments NYC Parks has delivered over the recent weeks, months and years.

During the Preliminary Budget hearing, I was pleased to present the Council with a thorough overview of the improvements and reforms taken on by the agency, so today we'll offer a short update regarding the Mayor's Executive Budget for Fiscal Year 2019, which demonstrates New York City's continued commitment to building a more equitable park system, under the leadership of Mayor de Blasio and thanks to a strong partnership with the City Council. The Mayor's latest Executive Budget provides NYC Parks with an operating budget of \$509 million, a \$16 million increase from the corresponding budget released a year ago. The FY19 Executive 5-Year Capital Plan, along with current FY18 funds, provides a total Parks Capital budget of \$4.6 billion, including \$534 million in Mayoral funding for approved new capital needs.

It is our Agency's mission to not simply maintain our city's parks and green spaces, but to truly care for them and keep them in a consistent state of good repair. The FY19 Executive Budget is a strong budget for NYC Parks, and



this administration has prioritized investment in the state of good repair for our park properties and assets, to keep them in the best condition possible. In coordination with a series of Mayoral Town Hall meetings held in Council Districts throughout the City, for which many of you served as emcees and hosts, the City has allocated a total of \$98 million in new Mayoral capital funding. These capital projects, identified in consultation with Council Members to address community priorities, will provide vital repairs in parks across the City. Whether it's new lighting at Drew Playground in the Bronx, new basketball courts at Washington Hall Playground in Brooklyn, renovating the beloved path along the Vanderbilt Motor Parkway in Queens, new amenities for Bellevue Park South in Manhattan, or constructing a new comfort station at Seaside Wildlife Nature Park, better known as Pirate Park to Staten Island residents, each of these projects will offer tangible improvements to beloved parks citywide. We are grateful for the Administration's dedication to these local priorities that had been identified by Council Members, and we look forward to seeing these projects begin design during this coming fiscal year.

Beyond these community-driven investments, the FY19 Executive Budget provides further state of good repair funding for locations throughout the City, all facing unique challenges. The western and eastern edges of Manhattan feature two very unique and beloved park properties, each with different needs. The Mayor has provided \$50 million for major capital work at Hudson River Park, leveraging an additional \$50 million in matching state investment. On the other side of the island, we're investing \$75 million in new funding for continued waterfront reconstruction and restoration of the East River Esplanade, from East Midtown up to East Harlem. This citywide commitment to necessary infrastructure improvements means we'll be able to upgrade Astoria Pool's filter system, restore the most severe damage at our synthetic turf fields, repair pedestrian bridges over the Belt Parkway, fix broken sidewalks around our community gardens, and restore Prospect Park's iconic Soldiers' and Sailors' Arch at Grand Army Plaza, as well as the majestic Bailey Fountain. These are just some examples of projects that will deliver badly needed infrastructure repairs and upgrades to much-loved and much-utilized parks and open spaces.

Regarding our agency operations, we continue to focus on innovative approaches to park maintenance and capital work, finding more efficient ways for the agency to deploy our resources. As a result, we are consistently meeting and exceeding our Mayor's Management Report targets for park cleanliness and overall condition ratings. The Mayor's FY19 Executive Budget builds upon this work, as it invests in staff and equipment which will allow us to work smarter and faster. We're investing \$6 million to address environmental remediation work during the design phase, or during construction, allowing us to avoid delays and keep capital projects moving forward. Our Brooklyn-Coney Island operations headquarters will receive \$47 million in capital upgrades, allowing our employees and Parks Enforcement Patrol officers to better maintain district parks and deploy necessary equipment and vehicles. We will bring our zone management approach, piloted successfully at Crotona Park, to McCarren Park and Fort Greene this year. \$1.4 million in baseline expense funding will be used to implement Citywide Catch Basin Crews, so we can address standing water and clogged drain issues that surface in our parks, placing a renewed emphasis on sustainable stormwater management practices for our properties. And with \$8 million in capital forestry funding and \$817,000 in expense funding we will be able to address the threat of the Emerald Ash Borer, an invasive insect threatening the 121,000 ash trees in our urban forest. These investments may not be glamorous, but they will directly improve the experience that New Yorkers have in their local parks, and improve the services we're able to provide for our park visitors.

Our parks are for people—as they always have been. I'll close by mentioning a photo exhibit currently on display at the Arsenal Gallery in our agency headquarters, featuring park photos taken 40 years ago by photographers from the New York Times. As the images on the screen show, a lot has changed, for the better. This historic photo of Red Hook Pool reminds us of a time when a community amenity was left unusable, full of litter and debris. In Red Hook and neighborhoods around New York, community residents were left feeling that the City simply didn't care about them. Today, Red Hook Pool is a thriving public amenity serving thousands every year. From dilapidated playgrounds and graffiti sprayed park monuments to state of the art playgrounds and redesigned, accessible open spaces, we are proud of the growth our agency has seen over the past four decades.

But these photos also remind us that even if New York has changed since 1978-- New Yorkers haven't. Whether it's walking the dog, exercising, or simply sitting on a bench and people watching, New Yorkers have been able to lead happier, healthier lives by enjoying our city's green and open spaces. We all rely on our city parks to feel the



NYC Parks

warmth of the sun, enjoy time with our families, to dance and play, and enjoy the occasional barbecue. Other than the abundance of bell-bottoms and lack of smart-phones, these photos could have been taken yesterday. We're proud of the progress we've made as an agency, and our commitment to deliver the incredible park experiences that all New Yorkers deserve.

Thank you for allowing me to testify before you today and for your dedication to providing great parks and open spaces for all New Yorkers. We look forward to continue working with the Mayor and the City Council to create a bright, green future with a more equitable and innovative park system. Now, I would be happy to answer any questions that you may have. Joining me will be First Deputy Commissioner Liam Kavanagh, Deputy Commissioner for Capital Projects, Therese Braddick and Matt Drury, our Director of Government Relations.



**Information
Technology &
Telecommunications**

**TESTIMONY OF SAMIR SAINI, COMMISSIONER
BEFORE THE NEW YORK CITY COUNCIL COMMITTEES ON FINANCE AND
TECHNOLOGY
CONCERNING THE FY 2019 EXECUTIVE BUDGET
THURSDAY, MAY 8, 2018**

Good afternoon Chair Dromm, Chair Koo, and members of the New York City Council Committees on Finance and Technology. My name is Samir Saini and I am the Commissioner of the Department of Information Technology and Telecommunications (DoITT), and New York City's Chief Information Officer. Thank you for the opportunity to testify today about DoITT's Fiscal 2019 Executive Budget. With me are Evan Hines, our First Deputy Commissioner; Annette Heintz, Deputy Commissioner for Financial Management and Administration; and Michael Pastor, our General Counsel.

Today it is my pleasure to update the Committees on the work that DoITT has been doing, and the many exciting things to come in the next year. I'll begin with a summary of DoITT's Fiscal 2019 Executive Budget. Following that, I'd like emphasize how this year's budget will support DoITT's work in FY19 and beyond as we begin to execute on our strategic plan, which will be unveiled in the coming months.

DoITT's Fiscal 2019 Executive Budget provides for operating expenses of approximately \$652.5 million; allocating \$153 million in Personal Services to support 1,817 full-time positions; and \$499.5 million for Other than Personal Services (OTPS). This includes \$138 million in intra-City funds transferred from other agencies for services provided. For example, agencies such as the Department of Health and Mental Hygiene (DOHMH) and the Human Resources Administration

(HRA) provide funding to DOITT for the usage of Office 365 through DoITT's Enterprise License Agreement (ELA) contract. This is a best practice for a mature IT shared service organization as a means to deliver the highest quality of services for the lowest price. In total, intra-city funding represents approximately 21% of our total budget allocation.

Telecommunications costs represent the largest portion of this intra-city expense, which is projected at \$111.6 million for Fiscal 2018. DoITT also generates upwards of \$180 million in revenues, including LinkNYC, cable television, and mobile telecommunications franchises.

I am proud to share that we have identified savings of \$8 million for Fiscal 2018 and approximately \$10 million in savings for Fiscal 2019. This is largely due to insourcing efforts related to Public Safety Answering Center (PSAC) 2, whereby Cushman and Wakefield support functions were converted to be performed by City staff. We also saw lower-than-anticipated costs for various one-time building improvements, and other improvements that were no longer needed. This figure also captures savings from software support, and one-time accruals that DoITT is anticipated to generate.

For Fiscal Year 2019, DoITT's budget appropriation increased by approximately \$50 million since the 2019 Preliminary Budget. A significant portion of this is related to the enhancement of the City's cybersecurity program under NYC Cyber Command (NYC3). NYC3 is led by Chief Information Security Officer Geoff Brown, who reports directly to City Hall leadership. The de Blasio administration's unprecedented investments in cybersecurity makes New York City a national leader on this front, and further underscores the importance of this work, which DoITT strongly supports. With this appropriation, NYC3 will have more of the resources and technical solutions they need to fulfill their duties under Executive Order 28 of 2017 to implement proactive and progressive risk-management strategies to prevent, detect, respond, and recover from cyber threats.

Another significant investment we are making in FY19 is related to the decommissioning of the NYC Wireless Network (NYCWIn). Access to a wireless network with the most current technology is critical to dozens of agencies who utilize it to provide essential services to New Yorkers. That's why we must replace the current network, which is end-of-life and costs

upwards of \$40 million a year to maintain. We have begun working with agencies on a smooth transition to commercial carriers, and this investment will support the physical decommissioning of NYCWiN beginning in the coming year, putting us on a path to save tens of millions.

What I have described so far are simply the changes to our budget, but the investments of the FY19 budget across the board will support all the important work in our purview, including providing service desk support, managing technology projects, architecting complex IT solutions, and administering citywide IT service contracts, to name just a few of the dozens of services that more than 100 governmental entities rely upon every single day to keep New York City running.

I'd like to frame the work of the coming year around three strategic objectives, which build on a transformative agenda initiated by my predecessor, Anne Roest. First: we are fully transitioning to a service management organization to boost **operational excellence**, improving the reliability, quality, and security of the core shared services we deliver across City agencies. I believe we can use existing resources to offer broader services at a higher degree of quality than ever before. I'm looking forward to unveiling our plans on this front, and I expect, by this time next year, that we will have significant progress to share with the Council as this agency evolves from simple "order-taking" towards a new model of holistic service management.

Our second objective is to further **empower our City agency customers** to achieve more by optimizing the shared services we offer. One ideal example of a low-touch (yet high-value) service is our renegotiation of citywide ELAs for software purchasing and Master Service Agreements (MSAs) for telecommunications services, which agencies can use to procure services that, if purchased individually, would have cost much more. By renegotiating MSAs over the past year, we have increased competition, lowered prices for agencies, and expanded the repertoire of services offered. In the FY19 budget, \$1.5 million in savings will be achieved citywide from Telecommunications MSAs alone.

On the other end of the spectrum, DoITT also strives to empower agencies by providing high-touch services, including instances where agencies need DoITT's technological expertise to lead

end-to-end project management on essential projects that improve all New Yorkers' lives. These projects range from the complete re-architecture of the City's critical 311 system, to assisting NYCEM in building and deploying the NotifyNYC mobile application. We are proud to lead the design, build, and implementation of new technology to support critical City resources that New Yorkers depend on, and intend on improving upon our portfolio of services in this area over the next year.

Finally, we are laser-focused on **achieving digital equity and strengthening democracy** for all New Yorkers. Our most notable and widely recognized effort toward this goal is LinkNYC, the program made possible via a franchise agreement to replace the City's outdated payphone infrastructure with at least 7,500 high-speed Wi-Fi kiosks—all at absolutely no cost to taxpayers. There are currently over 1,500 live kiosks bringing free Wi-Fi to more than 3.8 million subscribers citywide. LinkNYC is also a revenue-positive venture, guaranteeing upwards of \$500 million in revenue over the life of the franchise.

Just yesterday, an amendment to the LinkNYC franchise agreement was heard at the Franchise and Concession Review Committee. This amendment does not affect the most important components of the program—the number of kiosks deployed by borough, or the minimum annual guaranteed revenue to the City. It does propose some adjustments to the overall deployment schedule and planning process, siting requirements, and payments *above* the minimum annual guarantee, reflecting the lessons learned over the past two years of executing on this pioneering citywide program.

One dimension of the Link program that I intend to deepen is the kiosks' ability to function as a digital public service assistant. Our team does this by working with the franchisee to offer civic engagement and public service tools that can be personalized down to the neighborhood with hyperlocal content. Recent examples of such offerings include signing up for health care coverage, finding a polling place, or having access to real-time transit information to ease commutes across the City.

Most recently, we were thrilled to offer Links as a platform to assist the NYC Council in Participatory Budgeting by allowing constituents to vote for projects in their districts directly on the tablet. Voters took advantage of this function over 5,000 times in just 7 days! This successful partnership underscores our commitment to truly make LinkNYC kiosks responsive to the communities in which these kiosks are deployed, and built on technology that can adapt to a limitless number of possibilities. We look forward to continuing this kind of collaboration in the future.

Before concluding, I'd like to share an announcement on one exciting dimension of our effort to achieve digital equity. You may know that your mobile device is able to get service thanks to mobile wireless installations in various parts of the city—including on thousands of City light poles. DoITT manages the installation of this wireless technology through our Mobile Telecommunications Franchise. With the expiration of the current franchise coming in 2019, I am proud to say that in the coming weeks we will release the next Request for Proposals for our Mobile Telecommunications Franchise. We have written the RFP in a way that aligns directly with the Mayor's focus on fairness, ensuring equitable distribution and strong performance of cellular service across carriers. Looking ahead, it will also ensure the expansion of 5G, which will be over 10 times faster than current networks. We believe that the RFP will be instrumental in making New York City the most connected city in the world on every street, in every home, and in every borough.

I appreciate the opportunity to discuss DoITT's 2019 Executive Budget. This concludes my prepared testimony, and I will now gladly address any questions. Thank you.

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**Department of
Youth & Community
Development**

**NEW YORK CITY COUNCIL
COMMITTEE ON FINANCE
COMMITTEE ON YOUTH SERVICES**

FISCAL YEAR 2019 EXECUTIVE BUDGET

BILL CHONG

COMMISSIONER

MAY 8, 2018

Good afternoon Chair Rose, Chair Dromm, and members of the Committee on Finance and Committee on Youth Services. I am Bill Chong, Commissioner of the Department of Youth and Community Development. I'm joined by Jagdeen Phanor, Chief Financial Officer and Assistant Commissioner, Bureau of Budget and Finance; Susan Haskell, Deputy Commissioner, Youth Services; and Andre White, Associate Commissioner, Youth Workforce Development. Thank you for the opportunity to testify today on DYCD's Fiscal Year 2019 Executive Budget.

As Commissioner, it continues to be an honor to lead DYCD through its historic and unprecedented growth. Whenever I visit the programs we support, I am so gratified to see the positive impact on the lives of young people and community members across the City. That impact has certainly grown under this Administration, where DYCD's budget has doubled in size and virtually every program area has expanded. DYCD's Fiscal Year 2019 Executive Budget continues the key investments that reflect Mayor de Blasio's unwavering commitment to youth, families and communities. The Executive Budget adds \$20 million to cover the minimum wage increase for the Summer Youth Employment Program (SYEP). DYCD is committed to serving 70,000 SYEP participants this summer. Funding has also been added for the portion of DYCD's Young Adult Internship Program and Young Adult Literacy Program that is supported annually through the Office of Economic Opportunity.

As we head into May and June of each year, there is always an added sense of excitement at DYCD. It comes with the planning and preparations underway for DYCD funded programs in the summertime, which will serve over 150,000 youth through the Summer Youth Employment Program and summer camps. This summer will also feature DYCD initiatives such as the Summer Play Soccer League, a 5-week soccer tournament that begins right after the World Cup ends; Bronx Zoo Day, where over 5,000 DYCD funded summer camp participants will enjoy a day at the zoo; and Cultivating Curiosity, which offers enhanced programming in dance, environmental science and literacy for providers that apply and are selected.

The excitement this time of the year is also due to several unique culminating citywide events that DYCD holds, to expose young people to further enrichment and skill-building opportunities. Over the next few weeks, examples of these events include:

The Young Citizens Conference, is DYCD's annual youth leadership conference, that highlights and celebrates community service and service learning projects taking place throughout DYCD-funded programs. The project areas include the arts, civic engagement, sports and leadership, and youth councils.

The DYCD Heroes Project Youth Comics Festival allows participating youth to showcase the comic books they have created through DYCD's Heroes Projects. Attendees also get the chance to learn from professionals in the comic book industry through panel discussions and interactive sessions. The Heroes Project was launched in partnership with hip-hop legend and Darryl Makes Comics Publisher and Founder Darryl "DMC" McDaniels. This literacy-focused comic book initiative challenges middle schoolers to develop stories about heroes – real or imagined – in their own communities.

DYCD on Broadway will feature a performance of The Lion King. Programs competed for spots in the musical, and have rehearsed for months to perform on May 19th.

In partnership with the New York City Urban Debate League, DYCD has established a Debate League for participants of DYCD funded SONYC programs. Participants compete in debate tournaments, where they debate each side of an issue. They prepare by researching constructive arguments to support and refute a specific topic. The next debate tournament is on May 19th.

For the first time ever, DYCD's annual Step It Up dance final will be held at the Brooklyn Academy of Music on June 2nd. The final is the culmination of a months long competition that begins each January. 10 finalist teams compete for the citywide grand prize. The competition requires success in dance as well as a public awareness raising campaign focused on social issues relevant to young people. This year's campaign theme is anti-bullying and bullying prevention.

The SONYC film festival is a favorite of budding filmmakers, editors, and critics across middle school SONYC programs. SONYC participants submit short films around 6 minutes in length to be judged. Awards are given in several categories at the Film Festival ceremony on June 16th, which be held again at the School of Visual Arts Theatre.

These culminating citywide events are very positive and engaging. We invite the City Council to attend any of these events – please let me know if you would like to join us.

Over the past year, DYCD has also worked to build more partnerships with our sister city agencies, to better connect DYCD program participants with the resources, programs and opportunities offered by them. For example:

For the second year in a row, DYCD coordinated Spring into Health Fairs, that focused on connecting community residents to health and wellness activities and health care access. The fairs were hosted by 34 Beacon and Cornerstone community centers during the week of April 10 to 14. Partnering agencies included Health and Hospitals, DOHMH, NYCHA, HRA, DFTA, DOE and the Parks Department.

Through a partnership with the Department of Consumer Affairs, 16 Cornerstone centers were sites for community members to access tax preparation services.

We are partnering with the Mayor's Office of Media and Entertainment, to co-sponsor a Pride Month screening of "Saturday Church," at the NewFest LGBTQ film festival. The movie is a coming-of-age story of a transgender teen who finds support at a community based program for LGBTQ youth. The film's director, Damon Cardasis, will participate in a talkback after the screening.

Through SYEP and Ladders for Leaders, we have had strong partnerships with city agencies to be worksites, such as the Department of Environmental Protection, Department of Transportation, Health and Hospitals, Office of the Chief Medical Examiner, and the Department of Design and Construction. Placing an SYEP or Ladders participant at a city agency exposes them to public service and civic engagement. We are always looking to partner with additional agencies to serve as worksites, and are in current conversations to find new ones. We also want to thank the City Council, for the strong partnership we've established together -- last year, 26 Council Members and the Progressive Caucus hosted a total of 195 SYEP and Ladders participants. We are working with Council Members to establish placements for this summer.

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Name: Natalie Dean

Address: 15 MTC, Brooklyn NY 11216 fl

I represent: DOITT

Address: 15 MTC, Brooklyn

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Name: Mike P...

Address: 15 MTC, Brooklyn NY 11216

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Name: SAMIR SAINI

Address: 2 METROTECH CENTER, BRONX

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Name: SUSANNE NG

Address: 15 MTC, 18th floor

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Address: 15 MTC, 18th floor

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Name: EVAN HINES

Address: 2 METROTECH CENTER, 5TH FLOOR, B'LN 11201

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Address: _____



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Name: Annette Heintz

Address: 2 metro-cc Bldg

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Name: Therese Braddick

Address: _____

I represent: NYC Parks

Address: 830 5th Avenue

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Name: Math Drury

Address: _____

I represent: NYC Parks

Address: 830 Fifth Avenue

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Name: Liam Kavanagh

Address: _____

I represent: NYC Parks, First Deputy Commissioner

Address: 830 5th Avenue

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Name: Mitchell J. Silver, FAICP

Address: 830 5th Avenue

I represent: NYC Parks Commissioner

Address: _____

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Name: Sherrif Joe Fruto

Address: One Centre St

I represent: NYC DDF

Address: _____

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Name: Seb Formosa, Chief Information Officer
Address: One Centre Street

I represent: _____

Address: _____

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(PLEASE PRINT)

Name: Jeff Shear
Address: One Centre Street

I represent: NYC Dof

Address: _____

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(PLEASE PRINT)

Name: Commissioner Jacques Cha
Address: One Centre St

I represent: NYC Dof

Address: _____

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Name: Kenneth Godiner (PLEASE PRINT)

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Name: First Deputy Commissioner Michael Hyman (PLEASE PRINT)

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I represent: NYC Dof

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