**T H E   C O U N C I L**

                                  **REPORT OF THE COMMITTEE ON FINANCE**

**RESOLUTION APPROVING THE MODIFICATION OF THE FISCAL 2020 CAPITAL BUDGET AND CAPITAL PROGRAM PROPOSED BY THE MAYOR PURSUANT TO SECTION 216 OF THE CHARTER OF THE CITY OF NEW YORK**

The Committee on Finance, to which was referred the above-captioned resolution, respectfully submits to The Council of the City of New York the following

                                                               **R E P O R T**

Introduction.  At a meeting of the Committee on Finance of the City Council of the City of New York on December 19, 2019, the Committee on Finance considered a communication, dated December 18, 2019, from the Office of Management and Budget of the Mayor of The City of New York, of a proposed request (the "Modification"), attached hereto as Exhibit “1”, to modify the Fiscal 2020Capital Budget and Capital Program (as defined below) pursuant to Section 216 of the Charter of the City of New York (the "Charter").

Analysis.  The Council annually adopts the City's budget covering expenditures other than for capital projects (the “expense budget”) and appropriations for capital projects (the “capital budget”) and capital program covering appropriations for capital projects for the ensuing three years (“capital program”) pursuant to Section 254 of the Charter.  On June 19, 2019, the Council adopted the expense budget and capital budget for Fiscal Year 2020 (the "Fiscal 2020 Adopted Budget"), as well as the capital program. This Modification reallocates appropriations that were reflected in the Fiscal 2020 Adopted Budget within and between various agencies to reallocate City Council appropriations in the Fiscal 2020 Capital Budget.

The net effect of the Modification is zero.  For more detail on the funding transfer between agencies, see Schedule A of the modification attached hereto as Exhibit “1”.

Procedure. Pursuant to section 216 of the Charter, upon receipt of a recommendation in writing from the Mayor or a Borough President, the City Council may amend the capital budget or capital program in the same manner as the adoption of the capital budget and capital program as set forth in section 254 of the Charter. The Council may approve the proposed amendment as submitted, or increase or decrease the amounts of funds proposed to be appropriated, so long as funds are available within the capital budget and the applicable program category of the capital program.

Description of Above-captioned Resolution. In the above-captioned resolution, the Council would approve the Modification pursuant to Section 216 of the Charter.  Such resolution would take effect as of the date of adoption.