New York City Council Public Hearing DCAS Testimony 1/20/21

Good morning Chair Cabrera and members of the Committee on Government Operations. I'm Laura Ringelheim, Deputy Commissioner for Real Estate Services at DCAS. I'm joined today by Quintin Haynes, Executive Deputy Commissioner at DCAS. I want to start by thanking you for offering us the opportunity to testify on the future of city office space.

I also want to take a moment to acknowledge all the support we have received from this committee during this pandemic. I know that many of you have been working day and night to protect the people you represent. By working together, we have made sure all New Yorkers are receiving the necessary support to fight COVID-19.

Just one year ago we could have never imagined what our city, our country, and our world was about to face. The COVID-19 pandemic has taken an enormous toll on the people of New York City. From the terrible loss of human life, to the economic pain felt by millions of our friends and neighbors, the reality we live in today was almost unimaginable.

But, through it all, the City of New York and its dedicated public servants have worked to confront this pandemic and to sustain the services provided by city government.

To do this, the city has had to operate in new and different ways. One of these changes is to implement flexible scheduling options for much of our workforce. Since March, a majority of City employees have utilized flexible scheduling to work remotely all or part of the time. This measure was taken to ensure the health and safety of our workforce. Nothing is more important than protecting our employees, so flexible scheduling has been extended to employees whenever possible.

In addition, new health and safety best practices have been implemented to protect essential employees and all others who access city facilities. City agencies have taken steps to promote social distancing and ensure appropriate cleaning measures in facilities. DCAS has provided guidance to agencies to address further

safety protocols for office spaces: hallway circulation, seating arrangements, common space occupancy, and the safest way to manage queueing when entering buildings.

The work the city has done to adapt to new realities from this pandemic has also sparked conversations on several topics, including the subject of today's hearing. Even before the pandemic, DCAS launched a space saving management to make sure that we are tapping all available city-owned and leased resources before we consider taking on additional leasing costs.

Our team strives to be at the forefront of space utilization, ensuring that office space for the City is both operationally efficient and cost effective. We're asking tough questions like are employee workspaces configured in the most optimal way, and offices and conference rooms appropriately sized.

We are also working to ensure that we maximize city owned assets before we look to the rental market for possible solutions. One example of this was the repurposing of 22 Reade Street. In the early days of this administration, the site was vacant with no planned use. Instead of going to the rental market, we were able to transform the site and today the space is at full capacity.

Our efforts include:

- Surveying City-occupied buildings to create new, updated floorplans;
 and
- Creating a new central repository for our real estate portfolio. This new repository has helped us fine tune space utilization efforts.

This work is already showing results. During fiscal year 2020, DCAS entered into, renewed, or amended fewer leases than at any point over the past five years. We are realizing the benefits and cost savings and cost avoidance, and this is especially important given the fiscal challenges the City is facing because of COVID-19.

We have heard many interesting ideas about the future of office space, from realizing additional savings through flexible scheduling to reimagining the use of these spaces entirely. While it is true that flexible scheduling during the pandemic has reduced the amount of office space that is currently being occupied by employees, much of this space is still being utilized.

To confront this pandemic, the City has put its real estate assets to good use. For instances, 311 had to staff-up considerably to respond to this crisis. It had to do this while also following appropriate social distancing protocols. To accommodate this need, we were able to tap existing office space so that 311 could continue its operations uninterrupted.

We are also using the City's real estate portfolio for things like COVID testing and now vaccine distribution. There are currently 56 City sites located throughout the five boroughs that are being used for COVID and antibody testing and nine sites for PPE distribution. We are also supporting the City's efforts to find additional locations that are suitable for vaccinations.

All this crucial work will continue for the foreseeable future until this pandemic is in the rearview mirror. While we are not there yet, we've heard your questions about 'what's next' when it comes to the City's real estate needs. In fact, these are conversations that are happening throughout the City, and country, as employers are confronting similar realities.

The simple truth is that it would be premature to say. While all options remain on the table for how the City will utilize office space and approach topics like flexible schedules, the most responsible way forward is to make sure that we do not make major decisions based only on the immediate realities of where we are today, but where the City wants to be tomorrow. To do this, we must get through the challenges of this pandemic and thoughtfully consider future needs and priorities. The council and this committee will be a critical partner in this work, as I'm sure that you are thinking through similar questions for the future of the City Council.

As we continue to explore this topic, we want to know your thoughts and consider your perspectives so that the best possible decisions are made and made in an inclusive way. We appreciate your support and would be happy to answer any questions.



City Council Committee on Governmental Operations January 20, 2021 Testimony on The Future of City Government Office Space

Members of the committee, my name is Eric Adams and I am the Brooklyn Borough President, representing 2.6 million Brooklynites. Thank you for the opportunity to submit testimony on this critically important issue.

As the COVID-19 pandemic has continued to ravage our city, inflicting economic devastation and hardship across the five boroughs, it has never been more important to take every opportunity to go far outside the traditional box of thinking when it comes to a responsible recovery that is conscious of the new paradigm we are now entering. This oversight hearing is integral to begin this analysis.

In June of last year, I, along with Chair Cabrera and Council Member Cornegy, asked the New York City Department of Citywide Administrative Services (DCAS) to conduct an expedited assessment of City office space within the DCAS portfolio and the capacity for conversions to 100 percent affordable housing use.

New York City is facing a fiscal shortfall that is already in the billions, and the City's projected budgetary cuts threaten to severely exacerbate the crises we have faced long before the virus hit our city, such as our lack of sufficient affordable housing. At the same time, the pandemic has revealed the ability of many of our municipal government's operations to function effectively in a remote capacity. While it is clear that not every City worker will be permanently telecommuting, we should expect that working remotely will be a more common and likely cost-effective practice in the months and years ahead, including for those serving in an administrative and/or clerical capacity.

As discussed in the City Council's executive budget hearing for governmental operations, the cost for City office space is a significant expenditure, including the increasing costs of leasing real estate and the outlays for heating, air conditioning, lighting, and powering governmental buildings. At the same time, the need for affordable housing is expected to intensify amid an extended economic recovery and high levels of rent burden, while the City currently plans to cut more than \$1 billion in spending toward projects to create and preserve the units we sorely need. These hard realities compel us to examine the footprint of our existing City office space — its cost as well as its current and projected utility going forward — and to layer that examination with a review of the floor plates that may lend themselves to residential conversions.

The inquiry would be targeted to opportunities for 100 percent affordable housing, to repurpose our limited resources in an innovative fashion that maximizes benefit for the countless New Yorkers facing housing insecurity. I would also support the exploration of utilizing such space for small businesses at below-market commercial leases. This is a time for government to make difficult choices, and that includes adapting to new work realities and fiscal constraints. Remote working is certainly a disruption from what we are used to doing, but we should be adaptive and predictive to the long-term changes that have been accelerated by this pandemic. After all, today's workplace model has already been on the precipice of a major shift due to the accelerating digital revolution.

Thank you again for holding this important hearing and I look forward to working with the committee and agency stakeholders to make this vision a reality.





Holding Power Accountable

TESTIMONY OF SUSAN LERNER, EXECUTIVE DIRECTOR, COMMON CAUSE/NY BEFORE THE COMMITTEE ON GOVERNMENTAL OPERATIONS IN SUPPORT OF INT. 374

January 20, 2021

Thank you for the invitation to testify today. I am Susan Lerner, Executive Director of Common Cause/NY. Common Cause fights to strengthen public participation and faith in our institutions of self-government and to ensure that government and political processes serve the general interest, not simply the special interests. We have been a long-standing advocate for clear and robust ethics laws and oversight in New York City and State, as well as throughout the country. Our system of government cannot survive unless strong protections and ethics laws and guidelines are in place to hold public officials accountable to the highest standard of conduct.

The public expects and deserves public officers who hold their duty to the public paramount. Holding public office is not only an awesome obligation it is an extraordinary privilege. Not everyone is qualified to hold that privilege. Laws which set forth the qualifications that those who seek public office must meet are necessary and appropriate and must contain provisions which safeguard the trust which the public reposes on its elected officials. Allowing individuals who have been found guilty of violating that trust by abusing their office for personal gain to run again for public office is the most blatant insult to the public's appropriate expectations. Int. 374 closes a gap in New York City law, bringing our municipal law into closer harmony with state law in outlining offenses against the public trust which preclude an individual from holding public office. Int. 374 details conduct which any New Yorkers would expect would disqualify an individual from holding public office. Additionally, we recommend that this committee consider recommending that the bill be amended to include domestic violence offenses, which, under New York State Law require mandatory arrest.

Accordingly, Common Cause/NY supports the passage of Int. 374.