

1 program.

2 Thank you. Our first speaker is the
3 mayor of New York City, the Honorable Bill de
4 Blasio, mayor of New York City.

5 Good morning.

6 MAYOR DE BLASIO: Good morning, and
7 thank you.

8 CHAIRMAN FARRELL: Oh, by the way,
9 who's that fellow on the right of you?

10 MAYOR DE BLASIO: He's our intern.

11 (Laughter.)

12 NYC BUDGET DIR. FULEIHAN: I'll take
13 that.

14 MAYOR DE BLASIO: I will formally
15 introduce my colleagues.

16 Thank you very much, Chair Farrell and
17 Chair DeFrancisco. Thank you very much for
18 the opportunity to testify. I also want to
19 thank the ranking minority members Senator
20 Krueger and Assemblymember Oaks.

21 I want to thank all the members of the
22 Senate Finance Committee and the Assembly
23 Ways and Means committee who are here today
24 for the opportunity to be with you, and all

1 other members of the Legislature who have
2 joined with us.

3 I also want to extend my
4 congratulations to the new Speaker, Carl
5 Heastie, who obviously isn't with us right
6 now, but I look forward very much to working
7 with him.

8 Seated with me, two very capable
9 people that I think all of you have had the
10 opportunity to work with over the years:
11 Dean Fuleihan, director of our Office of
12 Management and Budget for the City of
13 New York and Sherif Soliman, the city's
14 director for state legislative affairs.

15 I want to start by saying I'm grateful
16 for the very strong partnership we began last
17 year in both chambers, with all the
18 conferences, with the leadership and with so
19 many individual members. We have gotten a
20 great deal done together on education, on
21 housing, and on many other issues of vital
22 importance to New Yorkers. It's our goal to
23 build on these accomplishments together.

24 This discussion about the New York

1 State budget that we're having today occurs
2 against the backdrop of a crisis, one that I
3 have been talking about for some time, the
4 crisis of growing inequality in our society.

5 This inequality crisis is becoming
6 more prominent in our public discourse. The
7 President made it a central part of his State
8 of the Union address this year, when he said
9 we must "commit ourselves to an economy that
10 generates rising incomes and chances for
11 everyone who makes the effort."

12 Governor Cuomo spoke to it eloquently
13 in his State of the State address, when he
14 announced his Opportunity Agenda.

15 And we have heard warnings from both
16 sides of the aisle, like this one: "It's a
17 tragedy -- a human tragedy -- that the middle
18 class in this country by and large doesn't
19 believe the future will be better than the
20 past -- or their kids will have a brighter
21 future than their own. We haven't seen
22 rising incomes over decades. The American
23 people are struggling to make ends meet."
24 Mitt Romney said that last month.

1 Growing inequality is a worldwide
2 problem. An Oxfam report last month
3 projected that the wealthiest 1 percent of
4 the global population will soon own more than
5 50 percent of the world's wealth.

6 It's a worldwide problem, it's a
7 national problem. In recent years, the share
8 of national income of the top 10 percent
9 surpassed the level of 1928, which was the
10 legendary moment of greatest inequality
11 previously, which was also the height of the
12 1920s stock market bubble.

13 And for us it's a local problem. In
14 2012, the top 1 percent of New York City
15 residents earned 40 percent of all income,
16 compared to 23 percent in 1994. Meanwhile,
17 median income has remained stagnant since the
18 1990s. And the city's food stamp caseload
19 has more than doubled since 2002.

20 We all need to address this crisis and
21 create a state and a city with opportunity
22 for all. We know it's not an easy task. It
23 will only be possible for the city with a
24 strong and sustained partnership with Albany.

1 Now, last year we faced some serious
2 challenges, and we came through them by
3 working together. And I again want to thank
4 you for that. When I was here last January,
5 I said that New York City faced three
6 significant fiscal risks. First, we were
7 concerned about federal funding. And I
8 should note that we are concerned about that
9 again this year.

10 We need significantly more federal
11 funding for housing, transportation, and
12 other critical needs. But we are at risk of
13 getting substantially less, through possible
14 sequestration, through general budget
15 cutbacks, or just plain gridlock. We are
16 seeing the uncertainty of federal funding
17 play out this very minute in the Congress in
18 the logjam over the Department of Homeland
19 Security budget, one that is very crucial to
20 New York City and New York State.

21 Another example of federal funding
22 that is of great importance to the city and
23 to the state is the Highway Trust Fund. It's
24 on a trajectory to be insolvent by May 31st

1 of this year. The New York City metropolitan
2 region is at risk of losing \$2 billion for
3 key transportation projects, including road
4 and bridge maintenance, Vision Zero safety
5 improvements, and mass transit.

6 So that's the federal side. Now,
7 second, when I was here last year we were
8 also concerned about the state contribution
9 to the budget. But again, I thank you,
10 because the state came through in some very
11 important areas.

12 In particular, last year's state
13 budget took some important steps forward for
14 equality. I want to thank all of you and
15 thank the entire Legislature and Governor
16 Cuomo for a number of key items. Examples
17 include the state's \$300 million annual
18 five-year commitment for pre-K in New York
19 City; the state's support for our \$145
20 million expansion of after-school programs
21 for middle school kids; the action
22 authorizing the New York City rental
23 assistance program for the homeless, allowing
24 state TANF funds to be used for rent

1 subsidies to keep families out of shelters;
2 and state funding for the HIV/AIDS Services
3 Administration 30 percent rent cap, which,
4 combined with city funds, provided rental
5 assistance to protect the homes of over
6 10,000 low-income people living with HIV and
7 AIDS.

8 So that's the state level.

9 Third, at the city level, we had an
10 unprecedented fiscal risk last year at the
11 time I spoke to you. When I took office,
12 there were literally no labor agreements
13 whatsoever with any of our city employees --
14 350,000 people, none of them under a current
15 contract at that time.

16 We made reaching labor agreements a
17 priority, and we have achieved sustained and
18 substantial progress. With the latest
19 settlements this month, we now have ratified
20 agreements with nearly 75 percent of our
21 workforce. This includes not only civilian
22 unions, but eight uniformed unions, three of
23 which represent members of the NYPD. We're
24 ahead of the schedule that we set for

1 ourselves in terms of ensuring that all of
2 our employees are under contract.

3 And when we settled our
4 pattern-setting UFT contract last spring,
5 Standard & Poors said: "The city now has an
6 element of certainty in its financial plan
7 that it lacked in the past."

8 Overall, we put together a budget last
9 year according to our core values, one that
10 is progressive, fiscally responsible, and
11 honest. We believe progressive government
12 and fiscal responsibility are closely linked.
13 The only way to have sustained progressive
14 programs is to budget carefully and be
15 disciplined about spending.

16 After last year's city budget was
17 released, the three leading rating agencies
18 were unanimous in saying that we put the city
19 on a strong fiscal footing. In fact, every
20 independent monitor and rater affirmed fiscal
21 responsibility as a foundation of our
22 administration.

23 This year, we are looking to the state
24 for help meeting some truly critical needs.

1 In New York City today, 46 percent of our
2 population is at or near the poverty level.
3 The city is filled with hard-working people
4 who are barely getting by in one of the most
5 expensive places to live in the world, and
6 they need help.

7 This is true, as well, for our schools
8 and our students. Many students in New York
9 City schools come from disadvantaged
10 backgrounds or have special needs that
11 require extra resources to address. There
12 are 140,000 who are English language
13 learners, and there are 171,000 students with
14 disabilities.

15 On another front, our physical
16 infrastructure is aging and in desperate need
17 of repairs and improvements. If these issues
18 are not addressed, our economy will suffer
19 and I would say, by extension, the economy of
20 the State of New York will suffer. In a year
21 in which the state thankfully has a
22 \$7.8 billion surplus, we would like to see
23 more funds budgeted to meet these profoundly
24 important needs.

1 The moment has also come, when there
2 is a sizeable surplus, to see that the city
3 gets its fair share of state spending. New
4 York City has 43 percent of the state's
5 population, and a New York City Department of
6 Finance analysis shows that 50 percent of
7 New York State tax revenues are attributable
8 to New York City. But in many areas the city
9 is not getting commensurate funding.

10 Last month our comptroller, Scott
11 Stringer, issued a report called "Less than
12 Our Fair Share," which found that from 1985
13 to 2009, the state share of the city budget
14 remained relatively constant, with five-year
15 rolling averages ranging from 18.1 percent to
16 19.3 percent, with an average of 18.8
17 percent. But after 2009 it declined until,
18 by fiscal year 2014, state revenue was just
19 15 percent of the city's budget.

20 If state revenue had remained at that
21 18.8 percent level for the city budget, the
22 report made clear, the city would have
23 received \$2.8 billion more in fiscal year
24 2014 for vital government services.

1 In discussing the city's need for
2 state funds, we want to focus on three areas
3 in particular: education; affordable housing
4 and ending homelessness; and infrastructure.

5 First, on education, I want to start
6 by saying that I am grateful to Governor
7 Cuomo for his strong support for extending
8 mayoral control, which is a critical issue
9 for our city's schools and schoolchildren.

10 Before mayoral control, the city's
11 school system was balkanized. School boards
12 exerted great authority with little
13 accountability, and we saw far too many
14 instances of mismanagement, waste, and
15 corruption. The city did not have the
16 authority it needed to ensure that schools
17 were functioning properly or to bring about
18 needed reforms.

19 The Legislature recognized this in
20 2002 when it established mayoral control, and
21 in 2009 when it extended it. When Mayor
22 Bloomberg testified here in 2009, he said
23 that mayoral control is critical for
24 replacing "a culture of dysfunction in our

1 schools with a culture of accountability and
2 achievement." Mayor Bloomberg and I agree on
3 this. Mayoral control gives the city the
4 authority it needs to carry out a vision of
5 improving and reforming education. The speed
6 and scale of our pre-K-for-all and expanded
7 after-school initiatives were only possible
8 because of mayoral control and because of
9 your support.

10 On behalf of the people of New York
11 City, I ask that mayoral control be made
12 permanent, rather than being subject to
13 renewal every few years. That would build
14 predictability into the system, which is
15 important for bringing about the deep,
16 long-range reforms that are needed. We have
17 been aggressively transforming the school
18 system over the past year, and we will do
19 more.

20 There is one thing I want to make very
21 clear: the status quo in education is not
22 acceptable. This is clear by many measures.
23 One of the most striking is that only
24 27 percent of New York City graduates in 2014

1 were college-ready. We must have constant
2 and sustained reform of education to address
3 these problems, and we will not rest until
4 every student in every part of the city gets
5 a high-quality education.

6 We started our educational agenda with
7 pre-K. This year, thanks to your support,
8 there are more than 53,000 4-year-olds in
9 full-day, high-quality pre-K -- more than
10 twice the 20,000 who attended the year
11 before. And now we need your commitment to
12 serve approximately 70,000 children in the
13 upcoming school year.

14 The Board of Regents recommended
15 \$370 million in funding, and we agree that
16 that is what is needed for the next stage of
17 our pre-K effort.

18 To speed the process of educational
19 reform, we have established 62 PROSE schools,
20 and we will soon be bringing this number up
21 to 200 schools. In these schools we have
22 relaxed union work rules and DOE rules alike,
23 to allow the schools to innovate on
24 everything from the timing of the school day

1 to enabling small-group instruction.

2 We have invested \$150 million in a
3 major initiative to turn around 94 of our
4 struggling schools by fashioning them into
5 Renewal Schools. These schools will receive
6 extraordinary support to help them improve.
7 This includes replacing school leaders who
8 are not up to the job; deploying teams of
9 highly skilled principals, assistant
10 principals, and teachers to lead school
11 turnarounds; using highly experienced Master
12 Teachers to coach existing faculty; and
13 providing an additional hour of instructional
14 time for every child every day in these
15 struggling schools.

16 We've also begun to create 128
17 Community Schools across the city, which will
18 include all 94 of our Renewal Schools.
19 Community Schools use an innovative model
20 that draws on the resources of the whole
21 community, offering everything from expanded
22 parent outreach to medical and mental health
23 services for students in the school building.

24 And, crucially, we have increased

1 parent involvement time. The new teachers
2 contract includes 40 additional minutes every
3 week for every teacher to engage in outreach
4 to and meetings with parents.

5 In the last year we have seen some
6 early signs of progress. The New York City
7 graduation rate rose to 68.4 percent in
8 2013-2014, a 2.4 percent gain. The dropout
9 rate fell to 9.7 percent, a decrease of
10 0.9 percent. The biggest gains were among
11 blacks, whose graduation rate increased by
12 2.6 percent, and Latinos, whose graduation
13 rate rose by 2.5 percent.

14 We're moving in the right direction,
15 and I am committed to using all of the
16 resources at our disposal to continue
17 transforming our school system. Our
18 educational reform efforts begin with an
19 understanding of the great importance of
20 quality teachers. Attracting and retaining
21 the best teachers is critical, and we must
22 give them the support they need.

23 I said in a speech on education in
24 November that we know some teachers just need

1 more help. And we will give them more
2 professional development and more
3 mentoring -- everything they need to succeed.
4 At the same time, we have been very serious
5 about moving out individuals who should not
6 be teaching. As I said in that November
7 speech, "There are going to be some teachers,
8 sadly, who don't belong in the profession ...
9 We'll make changes ... We'll invest, but
10 we'll hold teachers accountable as well."

11 My administration is serious about
12 teacher accountability. We have moved out
13 289 teachers from the absent teacher reserve
14 -- and out of our school system entirely --
15 since April.

16 In the two struggling New York City
17 schools that the state designated as "out of
18 time" because they failed to improve after
19 three years -- those are Boys and Girls High
20 School and Automotive High School -- we
21 reached an unprecedented agreement. Every
22 teacher and staff member in those schools
23 will be required to reapply for their job.

24 And we have made clear that we will

1 close schools if necessary. We have said we
2 will go to enormous lengths to fundamentally
3 change the direction of our struggling
4 schools and to bring change about quickly.
5 Too often in the past, schools were closed
6 without being given a fair chance to improve.
7 Our aim is to fix schools that are struggling
8 so they can succeed.

9 But we will also not hesitate to close
10 schools that have had the opportunity to
11 improve and do not. I said in my November
12 speech that we will close schools after three
13 years -- in other words, during this mayoral
14 term. But we also reserve the right to close
15 schools even sooner if they do not make
16 consistent progress.

17 The Governor discussed education
18 policy in his State of the State address. I
19 appreciate many of his proposals, including
20 his support for mayoral control, the master
21 teacher plan, the teacher residency program,
22 and the P-TECH expansion. And I agree with
23 the Governor on the need to get ineffective
24 teachers out of the profession. Again, we

1 have moved out 289 teachers since April.

2 It is good that the Governor has
3 addressed this important issue. But reform
4 must be done the right way. Of course, we
5 must have standards and accountability -- we
6 all agree on that. But excessive reliance on
7 high-stakes testing is troubling.

8 Standardized tests should not be the
9 largest part of a full evaluation of a
10 teacher or student. When small variations in
11 student test scores result in failing ratings
12 for teachers, and that can lead to automatic
13 termination, it forces teachers to teach to
14 the test, rather than teaching for learning.
15 And it discourages teachers from serving our
16 most challenging students. That's not good
17 for teachers, parents, or students.

18 The Governor has also proposed a state
19 takeover of struggling districts and schools.
20 But the fact is, mayoral control already
21 makes it clear who is responsible for
22 struggling schools in New York City. I am.
23 I am fully accountable to the people of
24 New York City. And if they do not believe I

1 have succeeded, they will have the
2 opportunity not to renew my contract in 2017.
3 That is the powerful core idea of mayoral
4 control: the individual in charge is held
5 fully accountable by the people.

6 Now, I want to return to the question
7 of fairness in funding. I want to
8 underscore, in particular, the major gap that
9 exists in funding the CFE settlement, the
10 Campaign for Fiscal Equity settlement. There
11 is a shortfall this year of \$2.6 billion for
12 New York City schools. This is not just
13 another budget priority, it's the result of
14 an order from the New York State Court of
15 Appeals to provide a sound, basic education
16 to all students.

17 This missing money would make a
18 crucial difference in the lives of New York
19 City schoolchildren. It would allow for
20 enriched reading programs in elementary
21 schools to ensure every child is reading at
22 grade level by the end of third grade.
23 Currently that is something fewer than
24 30 percent of our children are achieving.

1 This funding would help us turn that around.

2 The funding would allow for improved
3 services and educational outcomes for the
4 171,000 students in our system who have
5 disabilities. And it would provide
6 sufficient guidance and college counseling
7 throughout our school system, instead of the
8 current reality, in which the ratio of
9 guidance counselor to students is one
10 counselor for every 376 students. Another
11 reason why so many of our students are not
12 able to go into college and be ready to
13 succeed.

14 We ask for your help in transforming
15 our schools. In addition to our work on
16 pre-K through 12, we must do more for
17 students in higher education as well, which
18 is a critical weapon in combating income
19 inequality and in building a city and a state
20 with greater opportunity for all.

21 In recent decades, the college
22 graduation rate has risen sharply among
23 high-income families, but it has stagnated
24 among low-income families. I applaud the

1 Governor's proposal to defer student debt for
2 New York college graduates who make less than
3 \$50,000 a year. And I support Speaker
4 Heastie's Higher Education Road to Success
5 initiative.

6 We must also invest more in proven
7 academic intervention programs, like the
8 Accelerated Study in Associate Programs
9 (ASAP), which work well but are not
10 adequately funded.

11 And we have to see that more students
12 have access to college and that they complete
13 college. I was heartened by the Governor's
14 inclusion of the DREAM Act in his budget
15 proposal. It is critically important to
16 building a just and inclusive society.

17 Now I want to address the issue of
18 housing. The shortage of affordable housing
19 has reached crisis proportions in New York
20 City, and it is closely connected to
21 inequality. Housing is the number-one
22 expense for city residents. In 2012 almost
23 55 percent of city rental households were
24 "rent-burdened," meaning they spent more than

1 30 percent of their income on rent. And
2 within that group the majority -- in total,
3 30 percent of all rental households -- were
4 severely rent-burdened, meaning they spent
5 more than 50 percent of their income on rent.

6 We have a bold plan to build and
7 preserve 200,000 units of housing over the
8 next 10 years. That is enough to house
9 500,000 people, more than the population
10 within the city limits of Atlanta or Miami.
11 To tackle the affordable housing crisis
12 fully, the city and state must work
13 cooperatively.

14 Even though I know the discussion of
15 the future of rent regulation will occur
16 post-budget, I must emphasize now the
17 importance of renewing and strengthening
18 rental protections that expire this year. If
19 they are not renewed and strengthened, many
20 thousands of apartments will become
21 unaffordable. And many thousands of people
22 will lose their homes.

23 I also want to state clearly my belief
24 that we must end vacancy decontrol. It is a

1 major contributing factor in the loss of
2 rent-protected units in the city.

3 We will be returning to these
4 important issues, but in this budget we must
5 address a specific aspect of saving
6 affordable housing, and that is protecting
7 tenants from landlord harassment. According
8 to a report by the New York City Rent
9 Guidelines Board, from 1994 to 2012, 250,000
10 rent-stabilized units exited regulation -- a
11 quarter-million units exited rent-regulation.
12 This represents housing for more than half a
13 million people; again, the size of many
14 entire cities. Many thousands of these
15 people were driven out of their homes
16 illegally by landlord harassment.

17 In fact, during the three-year period
18 from 2010 to 2012, when 30,000 units exited
19 regulation, the State of New York received
20 nearly 19,000 complaints from tenants
21 charging landlord misconduct in the city's
22 rent-regulated units. And just last year.
23 the city received over 61,000 calls to 311
24 from New Yorkers seeking direct tenant

1 protection services. That's a 16 percent
2 increase over the previous year.

3 This is just a small snapshot of the
4 total incidents of harassment, incidents
5 ranging from the failure to provide basic
6 maintenance, to lack of heat or hot water, to
7 severe rodent infestation. It paints a dire
8 picture of the depth of the crisis that our
9 tenant community is now facing.

10 The state has a duty to protect
11 tenants. As I said in my State of the City
12 address: "Albany has the responsibility for
13 enforcing our rent laws, but too often that
14 doesn't happen. We need Albany to step up
15 and enforce the laws aggressively."

16 And the state is not currently meeting
17 its obligation. In December, Comptroller Tom
18 DiNapoli issued a report that found serious
19 failures by the state's Office of Rent
20 Administration. The Comptroller said: "Our
21 latest audit found delays in resolving tenant
22 complaints that are simply unacceptable. No
23 one should have to wait for a year or more to
24 learn if their landlord is gouging them on

1 rent or to get needed services restored."

2 If the state will not enforce the law
3 and protect tenants, it must allocate funds
4 so tenants can help themselves, by providing
5 free legal services to victims of landlord
6 neglect or harassment.

7 Now, I want to talk about two more
8 housing issues directly related to this
9 budget. First, there is an urgent need for
10 more investment in public housing. The New
11 York City Housing Authority is critical to
12 the needs of the city and the future of our
13 city. It's the city's largest landlord,
14 managing 178,000 apartments in 334
15 developments. And it's a key part of the
16 city's commitment to affordable housing.

17 There's been a serious erosion of
18 government support for housing at the federal
19 and state levels since the 1990s. This has
20 resulted in continued deficits and
21 accelerated deterioration of the nation's
22 public housing stock. NYCHA, because of its
23 size, has experienced these cuts particularly
24 dramatically. Years of disinvestment,

1 coupled with aging buildings, have resulted
2 in deferred capital rehabilitation, repairs,
3 and maintenance.

4 This defunding has forced NYCHA to
5 cover large operating deficits by depleting
6 reserves and transferring capital funds to
7 support operations. Unless we address the
8 gaping operating and capital deficits and do
9 so fully, NYCHA's buildings will continue to
10 deteriorate, depriving tenants of the level
11 of housing they deserve.

12 My administration has made NYCHA a
13 priority. The New York City preliminary
14 budget for this year added \$72.5 million in
15 operating funds for NYCHA by relieving its
16 past obligation to pay for police services.
17 This frees up \$72.5 million that NYCHA can
18 dedicate to health and safety initiatives,
19 including protecting children from developing
20 asthma by removing mold, and deterring crime
21 by installing cameras in elevators. It also
22 means that NYCHA is no longer the only
23 residential landlord required to pay for its
24 own police protection.

1 We are asking the state to come up
2 with \$300 million for health and safety in
3 NYCHA developments, which the city would
4 match. This additional funding will help
5 ensure that NYCHA is able to fulfill its
6 historic role and operate at a standard that
7 tenants are entitled to.

8 The second part of the housing crisis
9 that must be addressed in this budget is
10 funding to address the homelessness crisis.
11 We now have a record high homeless population
12 in the City. This population has more than
13 doubled since 2000. And since the Advantage
14 Rental Assistance Program was ended in
15 April 2011, the city has seen a 54 percent
16 increase in homelessness.

17 The Governor acknowledged the crisis
18 in his State of the State address, calling
19 the record number of homeless in the state a
20 disgrace.

21 If we do not take immediate, bold
22 steps, the crisis will keep growing, with an
23 increasing human toll, particularly on
24 families and children. The city has provided

1 rental assistance to over 25,000 formerly
2 homeless individuals and families. That
3 assistance was critical, but we must do more.
4 And it's critical that we do more than simply
5 address the symptoms. Shelters are only a
6 temporary solution. We must use every tool
7 at our disposal to get working families,
8 domestic violence victims, and seniors back
9 on their feet, out of shelters and into
10 homes.

11 In our preliminary budget we announced
12 major city investments to address
13 homelessness. But to truly tackle the
14 problem requires a fully committed, long-term
15 partnership with the state and greater
16 permanent funding. We are asking the state
17 for \$32 million in funding this year, and
18 more in future years, for rental assistance
19 to prevent and alleviate homelessness.

20 There are a number of key programs
21 this would fund. One is Family Eviction
22 Prevention Services, which is aimed at
23 stopping homelessness before it happens. The
24 second provides rental assistance for

1 domestic violence victims and the elderly.
2 Finally, there is a program to increase rent
3 allowances for Section 8 tenants, which would
4 help to move thousands of families out of
5 homeless shelters more quickly.

6 We are also asking the state not to do
7 something. It should reject, the Legislature
8 should reject an ill-considered proposal in
9 the Governor's budget for homeless programs.
10 It's a 10 percent New York City-only cut for
11 the Emergency Assistance for Families
12 initiative, which would effectively mean a
13 \$22.5 million cut to our homeless prevention
14 programs. That would take us backwards.
15 That money would provide shelter for
16 500 families for a year. Without state
17 support, that's 500 more families in a much
18 worse circumstance.

19 In his budget, the Governor included
20 some much-needed funding for supportive
21 housing for the homeless who are mentally
22 ill, homeless people with HIV/AIDS, and other
23 homeless populations. The funds he included
24 for New York/New York IV housing for the

1 homeless are important, but not nearly equal
2 to the enormous needs. This program provides
3 less than half the number of units to
4 New York City that New York/New York III did,
5 even though the homeless population in the
6 city is now twice as large. The Legislature
7 should come up with more funding. We are
8 asking for a long-term commitment of 12,000
9 units in the city.

10 We also strongly object to the request
11 that the city fund half of the operating
12 costs of these units, something that was not
13 done in the past. The program should be
14 structured like New York/New York III and
15 include full state operating funds for these
16 units.

17 The third and final major area I want
18 to discuss is infrastructure. The city's
19 bridges, roads, and other key structures are
20 in serious need of repair and modernization.
21 Our infrastructure is critical for the
22 economy of the city and of the state as well.
23 For the future economic success of all of
24 New York State, we need long-term strategic

1 investments in the city's infrastructure.

2 Stop-gap solutions are insufficient.

3 The state has consistently underfunded
4 New York City road, bridge, and highway
5 rehabilitation and maintenance. There is now
6 a shortfall of \$1.5 billion over 10 years.
7 We also believe the state must also do more
8 to fund the MTA's capital plan, a situation
9 that is reaching crisis levels. We have a
10 severely aging subway system -- large parts
11 of our signal system, for example, are over
12 50 years old. Many subway cars currently in
13 use were built before 1975.

14 At the same time, MTA ridership is at
15 its highest since 1950s. Subways are
16 frequently over capacity during rush hours.
17 And the system still does not fully serve the
18 needs of all five boroughs.

19 Adequately funding the MTA's capital
20 needs is not just about the needs of New York
21 City. The MTA is critical to the state and
22 the entire metropolitan region. New Yorkers
23 take nearly 2.7 billion trips on the MTA each
24 year -- and it is critical for ensuring that

1 residents of the region can get to work every
2 day.

3 The current MTA capital plan is
4 woefully underfunded. The state's investment
5 has steadily declined over the last 14 years.
6 The plan is now underfunded by more than
7 \$15.5 billion, and the Governor's
8 contribution of just \$750 million does not
9 begin to address the critical needs. We
10 cannot ask riders alone to sustain the system
11 with fare increases. We must also contribute
12 with a fully funded capital plan. And to
13 achieve this, all levels of government must
14 work together.

15 Investing in MTA capital improvement
16 would not only be important for improving
17 infrastructure for the whole region; it would
18 also provide a major boost to jobs and
19 economic development.

20 Finally, there will be other important
21 issues for the Legislature to consider this
22 year -- I'll say these briefly.

23 The first, and crucially important, is
24 protecting our police. Last year was a

1 remarkable year for the NYPD. Murders in the
2 City were the lowest they have been since at
3 least 1963, major crimes were down
4 significantly, and the NYPD implemented real
5 reform -- stop-and-frisks were down
6 75 percent. But it was also a very difficult
7 and painful year, with the tragic murders of
8 Detectives Ramos and Liu.

9 The city has committed an additional
10 \$350 million to support the NYPD, including
11 \$160 million over three years for smartphones
12 for all officers and "ruggedized" tablets for
13 all patrol cars. And in our preliminary
14 budget, we announced \$11.5 million this
15 fiscal year, and next, to replace all
16 bullet-resistant vests that are over five
17 years old.

18 I was pleased to see the Governor's
19 police protection initiative calling for
20 increased funding for bullet-resistant vests
21 and other measures.

22 In the same vein of criminal justice,
23 I want to mention that Raise the Age issue.
24 We agree with the panel fully that

1 investigated the issue, which included our
2 criminal justice coordinator, Elizabeth
3 Glazer. It called for taking 16- and
4 17-year-olds out of the adult criminal
5 justice system. We should have special
6 facilities and programs to work with young
7 people and help to turn their lives around,
8 not write them off.

9 I am heartened that the Governor
10 supported Raise the Age. This complements
11 other efforts my administration is making to
12 reduce unnecessary incarceration and help
13 youth get out of the criminal justice system
14 and on the right path. The Governor has also
15 said that the state will pay for the cost of
16 Raise the Age. That is very much
17 appreciated, and it's a commitment that must
18 be kept.

19 Third, we hope the state will take
20 necessary actions on tax reform and relief.
21 On property tax relief, it is good to see
22 that the Governor's proposal includes
23 renters -- but the level of benefit it
24 provides to residents of New York City should

1 be raised.

2 On tax reform, I am pleased that the
3 Governor has included our proposal to conform
4 the state and city tax codes. This is an
5 important step that would streamline tax law
6 for businesses and provide needed relief to
7 our small businesses and manufacturers.

8 Fourth and finally, on the minimum
9 wage, the state can do a tremendous amount to
10 improve the lives of hardworking New Yorkers
11 by raising the minimum wage. Nothing does
12 more to address income inequality than
13 actually raising people's income.

14 The current minimum wage simply does
15 not do enough for workers in New York City.
16 That is why, with your help, we must raise
17 New York City's wage to more than \$13 per
18 hour in 2016. And by indexing it to
19 inflation, this would bring us to a projected
20 \$15 an hour by 2019.

21 I began here today by talking about
22 inequality, and I hope that as you make your
23 budget decisions you will keep this very real
24 crisis in your mind. Many people are

1 discussing income inequality, but the men and
2 women of this Legislature can do something
3 about it. Through the choices you make on
4 education, housing, and infrastructure
5 spending, you can reduce inequality and
6 increase opportunity. I urge you to keep
7 this in mind as you prepare this year's
8 budget, and I also urge you to ensure that
9 New York City's needs are met and that the
10 city gets its fair share.

11 I thank you for inviting me to speak
12 with you today. I look forward -- as my
13 entire administration looks forward -- to
14 working with you in the days ahead to develop
15 a budget that meets the needs of all
16 New Yorkers. Thank you very much,
17 Chair Farrell and Chair DeFrancisco.

18 CHAIRMAN FARRELL: Thank you very
19 much.

20 We've been joined by Assemblyman
21 Sepulveda, Assemblyman Ortiz, Assemblywoman
22 Crystal Peoples-Stokes, Assemblywoman
23 Schimel, Assemblywoman Carmen Arroyo,
24 Assemblywoman Walker, Assemblyman Otis,

1 Assemblywoman Rozic, Assemblywoman Kimberly
2 Jean-Pierre, Assemblyman Blake, and
3 Assemblyman Perry.

4 ASSEMBLYMAN OAKS: And Assemblyman
5 Borelli.

6 CHAIRMAN FARRELL: And Assemblyman
7 Bill Colton.

8 SENATOR KRUEGER: We've also been
9 joined by Senator Squadron and Senator
10 Hamilton.

11 CHAIRMAN FARRELL: First to question,
12 Assemblyman Benedetto, chairman of the Cities
13 Committee. Mr. Benedetto.

14 ASSEMBLYMAN BENEDETTO: Thank you,
15 Mr. Chairman. And welcome, Mr. Mayor.
16 Always good to see you in Albany.

17 MAYOR DE BLASIO: Thank you.

18 ASSEMBLYMAN BENEDETTO: A number of
19 questions, if you would. First off, on
20 education.

21 Number one, congratulations on your
22 pre-K initiative and how that's working out,
23 and continued success in it. Congratulations
24 on restoring -- and maybe this was more

1 Chancellor Fariña -- the superintendent's
2 duties to what we believe is really what they
3 should be intended for. And also your
4 after-school initiatives. I firmly believe
5 in that.

6 But let me talk a bit more on that.
7 Has any consideration ever been given -- we
8 talk about failing schools and students not
9 achieving. Has it ever been -- have you
10 considered using the assets that we have in
11 our city, our school buildings, to have them
12 open all the time after school? The local
13 grammar schools, our intermediate schools,
14 our high schools, so we can have real
15 programs going in to continue the school day?
16 Maybe on a voluntary basis, of course, but to
17 continue the school day to give students the
18 ability to have remedial instruction, to give
19 them enrichment programs that are sorely
20 lacking in our schools, in music and dance,
21 art.

22 And much criticism has been given
23 about test preparation, not only for the
24 standardized tests but in particular about

1 the specialized high schools. Okay? I
2 firmly believe one of the problems is, in the
3 outer boroughs, that these test prep
4 classes are not given to the students and
5 that's why we don't have a good
6 representation throughout our city on this.

7 But if we keep our schools open after
8 school and then reopen them, let's say at
9 7:00, for night schools and adult education
10 and high school programs going on, we might
11 address some of the problems that we have in
12 our failing schools. Comments on that.

13 MAYOR DE BLASIO: Thank you, first of
14 all, for your kind comments, Assemblyman.
15 And I especially appreciate them since you
16 were a teacher yourself, so you know the
17 subject matter so well.

18 We believe fundamentally in making
19 sure that our young people have maximum
20 opportunity, especially if they have -- if
21 they're in a school that needs additional
22 help, for example, or they're in a situation
23 where they need additional help. That
24 underlies our approach to Renewal Schools,

1 where there will be an extra hour of
2 instruction added to the school day; that
3 underlies our approach to Community Schools,
4 where in fact the very idea is to use the
5 facility more fully to engage parents in the
6 whole community and to have additional time
7 when the school is open; and certainly our
8 after-school initiative for middle-school
9 kids.

10 So I think we are, in a variety of
11 ways, doing exactly that which you indicate:
12 Making sure that there is more opportunity
13 for our children to get support and
14 enrichment. When you take those three
15 initiatives together -- and they complement
16 each other -- it means that kids will get a
17 lot more opportunity to learn and a lot more
18 opportunity to be in a safe and positive
19 environment.

20 I'm particularly proud of the fact
21 that with the after-school initiative -- and
22 again, thanks to the support of the
23 Legislature -- we're able to get
24 middle-school kids, at a particularly

1 sensitive time in their life -- I was joking
2 with Chair Nolan earlier about the comment I
3 make now, as a parent of older teenagers,
4 that I am a recovering middle-school parent.
5 So anyone who's had kids at the middle-school
6 level understands what I'm talking about.

7 It is a make or break time in kids'
8 lives. In situations where kids
9 unfortunately are faced with tough
10 circumstances, it's a moment where a lot of
11 kids could choose the right path or the wrong
12 path. But if they're in after-school, it
13 maximizes the chance that they're not only
14 safe each day, but they're getting moved
15 towards the right path and believing in their
16 own educational and career future.

17 So I agree with your idea. And we're
18 putting resources exactly in that direction.

19 ASSEMBLYMAN BENEDETTO: I wish you
20 would put more and consider not just one hour
21 after school, but three hours after school
22 and then three more hours, you know, at
23 night.

24 But that being the case, we have

1 mayoral control up again. The Governor has
2 issued wanting a three-year extender. You
3 have indicated that you would like to see
4 this permanent. Are there any other things
5 that you would like to change in the mayoral
6 control powers?

7 MAYOR DE BLASIO: Just one point on
8 your previous point, and then I'll answer
9 that quickly.

10 Again, for the 94 schools that are
11 struggling, we're adding an extra hour of
12 instruction. For the after-school program,
13 where we've added more than 40,000 kids at
14 the middle-school level, that's typically
15 three more hours of after-school programming.
16 The two can certainly go together in any
17 struggling school that is a middle school.
18 We can have the advantage of extra
19 instruction and then after-school thereafter.
20 So we are trying to double those pieces up.
21 Again, also the community school model
22 encourages additional programming at the end
23 of the school day.

24 On the question of mayoral control,

1 again, I believe that this is a policy idea
2 that works, that creates absolute and total
3 accountability. And that's exactly what we
4 need in education. That's why I think it
5 should be made permanent. I think it's
6 something that's clearly proven its value.

7 On the question of the structure of
8 mayoral control, I think our obligation is to
9 ensure that there is a real and robust
10 discussion with the Panel on Education
11 Policy. We've achieved that under the
12 current structure. It's also crucial to
13 ensure that our Community Education
14 Councils are consulted consistently on
15 changes being made at the district level.
16 And as you said, we have emphasized the
17 district level -- again, I think in a very
18 productive way -- through reiterating the
19 importance of superintendents. That also
20 allows us to work more closely with the
21 Community Education Councils.

22 So I think under the current mayoral
23 control structure we've been able to make
24 substantial reforms, and we can continue that

1 when this is renewed.

2 ASSEMBLYMAN BENEDETTO: One last
3 question, because I know my colleagues want
4 to ask you many more. Going underneath the
5 philosophy that all politics is local, I
6 bring you back to the great City of Co-op
7 that I am proud to represent. Co-op City, of
8 15,000 units containing some 50,000 people,
9 has been underneath a request that they do
10 constant asbestos testing over the last
11 years, and it's costing them some \$6 million,
12 \$7 million a year to do that. And all their
13 tests show there is no problem here.

14 I know you know of the situation.
15 Have you given any thought to saving my
16 constituents of this terrible burden?

17 MAYOR DE BLASIO: We are trying to
18 find a way to be helpful in this matter,
19 Assemblyman. And you've brought it up to me
20 before, and I've talked to residents at Co-op
21 City about it. We I know have had our first
22 deputy mayor, Tony Shorris, and our
23 environmental commissioner, Emily Lloyd, meet
24 with the management company to talk about

1 ways that we might resolve this issue.

2 So there are some challenging details,
3 but we're trying to see if there's a way we
4 can provide some relief here. I don't have a
5 final answer for you, but we will get you an
6 update.

7 ASSEMBLYMAN BENEDETTO: The fine
8 people of Co-op City are eagerly looking your
9 way. Thank you.

10 MAYOR DE BLASIO: Thank you.

11 ASSEMBLYMAN BENEDETTO: Thank you,
12 Mr. Chairman.

13 CHAIRMAN FARRELL: Thank you.
14 Senator?

15 CHAIRMAN DeFRANCISCO: Senator Golden.

16 SENATOR GOLDEN: Thank you,
17 Mr. Chairman. Welcome, Mayor. Thank you for
18 being here today. This is a good opportunity
19 for us to have a dialogue on how we can
20 assist the city and help the residents of
21 that great city.

22 I want to start with NYCHA. What is
23 your total NYCHA -- to fix those buildings
24 up, what would it cost?

1 MAYOR DE BLASIO: The total capital
2 needs? It's time to bring Dean Fuleihan in.

3 SENATOR GOLDEN: Dean.

4 NYC BUDGET DIR. FULEIHAN: There are
5 billions of dollars needed, obviously
6 multiple billions of dollars. There are
7 estimates that are well over \$10 billion,
8 over \$15 billion.

9 SENATOR GOLDEN: Ten billion, then.

10 NYC BUDGET DIR. FULEIHAN: It's
11 potentially even higher. Potentially even
12 higher.

13 SENATOR GOLDEN: Why -- just a
14 suggestion. We have an MTA plan here, we
15 have a roads plan that we do for upstate
16 New York. It's a five-year capital program.
17 My suggestion is if you guys are that far
18 behind on that type of fixing up of these
19 NYCHA programs and repairing these NYCHA
20 programs, that we attempt to put something
21 together in the city and work with the state
22 to do that. So that there is some steady
23 capital that you can actually bond out.

24 I believe you can do that for the

1 capital fixes that you need for NYCHA. Does
2 that work for you, Dean?

3 NYC BUDGET DIR. FULEIHAN: So yes, we
4 certainly can. And we are on that path.
5 What has happened was neglect that the mayor
6 identified, lack of federal money that has
7 been consistent now for a number of years,
8 actually, and also the state no longer
9 providing public housing assistance in the
10 city.

11 So what we have done is do a
12 significant infusion of operating funds --
13 because actually capital money coming from
14 the federal government has been used for
15 operating funds. We're trying to stop that,
16 so that's the beginning of that -- and to
17 address those needs that are most critical.

18 So what the mayor has done with the
19 \$72 million now over the past two years are
20 needed repairs at NYCHA and that have
21 significantly reduced the wait time on those
22 repairs. And now we are saying let's -- and
23 we have, with the City Council, put
24 significant safety money into it, into NYCHA

1 now over the past year. And we're asking
2 that you join us in a commitment -- that's
3 the 300 matched by 300 at the city level --
4 to address immediate health and safety needs.

5 There are then longer-term issues at
6 NYCHA that we do agree that we need to work
7 with you on to address. This is an attempt
8 to say here are immediate needs and let's
9 deal with those.

10 SENATOR GOLDEN: You should -- go
11 ahead.

12 MAYOR DE BLASIO: If I may, Senator, a
13 quick follow-up.

14 I appreciate your point; the more we
15 can plan together, the better. There's a
16 quick context point. Here is housing for
17 well over 400,000 people built with federal
18 partnership and with the expectation of
19 federal support. Remember, a lot of these
20 buildings are now 40, 50, 60, even in some
21 cases more years old. It's as if we entered
22 into a business agreement with a partner and
23 then the partner decided they were no longer
24 interested, you know, 20 years ago, and have

1 left us holding the bag.

2 And so we have a huge structural
3 program we have to address. And I
4 consistently say with mayors around the
5 country that we have got to get the federal
6 government back into the affordable housing
7 business, because it would make a crucial
8 difference.

9 But I agree with you a hundred
10 percent, the more we can have a joint
11 city-state vision, the better.

12 SENATOR GOLDEN: Well, let's put a
13 capital program, a five-year capital program
14 together, let's sit down, let's draft it out,
15 and let's figure out what the true dollars
16 are that are needed and how we're going to
17 get to that goal over a five-year period.
18 This coming back every year is not getting
19 you any further ahead of the issues in the
20 City of New York with NYCHA.

21 So a short-term, long-term plan -- I
22 think you've got a good short-term plan, now
23 you need a long-term plan, a real capital
24 program that's similar to that of the MTA

1 program, similar to that of our road program
2 here in the State of New York. Funding, a
3 funding stream.

4 Moving into the next area, homeless.
5 How many families and how many individuals
6 are homeless and the total number of homeless
7 people in the City of New York?

8 MAYOR DE BLASIO: I'll give you the
9 individual count; we can check for the family
10 count now.

11 It's over 58,000 right now in shelter.
12 That number thankfully is beginning to go
13 down through a variety of our initiatives.
14 But as of this moment, we're still over
15 58,000. And more families now,
16 proportionally, than was historically the
17 case previously.

18 SENATOR GOLDEN: There is going on
19 around the city, obviously, there are more
20 families coming into the system. They're --
21 popping up throughout our communities are
22 these homeless shelters. There has to be
23 more timing given to the communities as to
24 when these homeless shelters are going to

1 open up in our communities, and there has to
2 be a long-term plan and a short-term plan on
3 getting these families out of shelters and
4 into housing. Dean or --

5 MAYOR DE BLASIO: Senator, I agree
6 with you on both points. I want to note that
7 the goal of all of our initiatives, which
8 I've outlined here that we have in our
9 preliminary budget, and the reason we're
10 asking for state help is to continue to drive
11 down the shelter population, which is at an
12 unacceptable level. And that means not only
13 will we not be opening new shelters, we look
14 forward to the day when we can be closing
15 shelters and getting people into better
16 housing. So we share the same vision.

17 In terms of notification, if there are
18 any circumstances in which a shelter is
19 needed, I agree with you also. I think we
20 have tried to do good community notification,
21 but I have seen situations that I was not
22 satisfied with where we need to do a better
23 job.

24 SENATOR GOLDEN: I'm going to move

1 into another area, design-build. Where are
2 you on design-build?

3 MAYOR DE BLASIO: Mr. Fuleihan.

4 NYC BUDGET DIR. FULEIHAN: We are
5 supportive of design-build. We'd certainly
6 like if you expand it at the state level. We
7 would like it also at the city level.

8 SENATOR GOLDEN: And what type of
9 funding of design-build do we need?

10 NYC BUDGET DIR. FULEIHAN: I'm sorry?
11 I apologize.

12 SENATOR GOLDEN: What type of funding
13 are you going to need on your capital
14 program?

15 NYC BUDGET DIR. FULEIHAN: We
16 obviously have not incorporated design-build
17 into our capital program.

18 SENATOR GOLDEN: So you haven't
19 thought it out or --

20 NYC BUDGET DIR. FULEIHAN: We have
21 not, no.

22 SENATOR GOLDEN: Okay. I just wanted
23 to know if you had already taken that path.

24 Vision Zero. Question. The arrests

1 of the individuals for accidents, hitting
2 pedestrians -- that being bus drivers, that
3 being sanitation drivers, that being anybody.
4 If it's an accident, it's an accident.

5 Do we need to arrest these people?
6 And is that necessary, isn't there already in
7 the -- if you're driving reckless, you get
8 hit with reckless driving. Isn't that
9 already a part of the penalties if in fact
10 you do violate the law?

11 MAYOR DE BLASIO: Let me speak to this
12 specific question, just a quick frame. And
13 again, I want to thank everyone present, all
14 the members of the Legislature. We were able
15 to move the agenda on Vision Zero, and this
16 is something where all the agencies involved
17 played a crucial role -- DOT, TLC, and
18 obviously NYPD.

19 And because of your support on speed
20 limit and speed cameras, we've made a
21 profound impact. Literally the fewest
22 pedestrian fatalities in New York City since
23 1910. That's based on one year of work
24 already that we were able to achieve with the

1 Legislature's support. And we have to
2 continue to go deeper. As I said when we
3 initiated Vision Zero, the number of traffic
4 fatalities in New York City was literally
5 approaching the number of murders in New York
6 City, and that was unacceptable.

7 SENATOR GOLDEN: Yeah, but should we
8 be locking up bus drivers and --

9 MAYOR DE BLASIO: No, I'm certainly
10 going to answer it, I just wanted to give you
11 that frame.

12 Senator, the law that was passed by
13 the City Council, which I signed, makes clear
14 that when an individual fails to yield to
15 pedestrians where they should -- the
16 pedestrian has, you know, the "Walk" sign and
17 they're crossing the street and there's still
18 a crash. And in this case what the law
19 dictates is if there is serious injury or
20 fatality, and if the officers on the scene
21 determine that it was an avoidable injury or
22 fatality, they are obligated to pursue an
23 arrest.

24 If the officers determine that it was

1 unavoidable, meaning something that happened
2 no driver could have possibly foreseen or
3 responded to in time, they have the option of
4 giving a summons.

5 So this is a law, a new law with a
6 clear standard. It is a stricter standard
7 than that which existed previously, and
8 that's for a reason, because people were
9 being killed and grievously hurt in all sorts
10 of incidents and there wasn't a clear enough
11 legal consequence.

12 So the law, I think, has been a step
13 forward. It should be applied respectfully
14 and sensitively. Especially, I agree with
15 you, our public service workers always
16 deserve respect in every situation, and I
17 appreciate the work they do.

18 But again, the officer on the scene
19 has to make a determination -- obviously you
20 can relate, given your past profession as an
21 NYPD officer -- has to make a determination.
22 If the officer believes it was 100 percent
23 avoidable, that is an arrest situation.

24 SENATOR GOLDEN: Okay, you still

1 didn't recognize it --

2 CHAIRMAN DeFRANCISCO: Excuse me.

3 Excuse me, Senator --

4 SENATOR GOLDEN: I apologize, I -- my
5 time is up.

6 CHAIRMAN DeFRANCISCO: No, no. Well,
7 you can go next round. I got to keep these
8 rules.

9 SENATOR GOLDEN: Yeah, keep going.
10 You're absolutely right, Chairman.

11 Thank you very much, Mayor.

12 CHAIRMAN FARRELL: Thank you very
13 much.

14 Next to question, Mr. Nolan -- Mr.?
15 Mrs. Nolman -- Nogan. I'll get it,
16 Catherine.

17 (Laughter.)

18 CHAIRMAN FARRELL: But before we get
19 to there, I'd like to just, seeing you're
20 talking about traffic, one of the things that
21 has concerned me is the fact that the people
22 in New York City, especially in Manhattan,
23 believe that crossing of the street requires
24 that you step onto the street and walk at

1 least 7 to 8 feet away from the curb and wait
2 for the light to turn the color you want it
3 to go to.

4 And it has always concerned me because
5 many years ago I traveled to California -- I
6 won't say how long ago, but the wheels on
7 the carriage were not that hard.

8 (Laughter.)

9 CHAIRMAN FARRELL: And the one
10 thing -- I was there and within three weeks,
11 I got four tickets. Two of them for driving,
12 because I crossed the line that was
13 automatically made when somebody stepped into
14 the street, and I crossed that line -- even
15 though I could never hit them unless I turned
16 and made a U-turn. But because they had hit
17 that line, all cars had to stop. And twice I
18 got tickets because I stepped to the street
19 and walked forward waiting for the light to
20 go, and they said no, you stand on the
21 sidewalk.

22 If we could do something about that in
23 Manhattan -- I don't know about the rest of
24 the city -- if we could find some way to get

1 the pedestrians to understand that also, it
2 would also make sure your Zero position gets
3 better.

4 MAYOR DE BLASIO: Mr. Chair, first of
5 all, I agree pedestrians have
6 responsibilities here too, obviously. We've
7 done a lot to educate pedestrians. NYPD has
8 done I think an outstanding job, in some of
9 the areas where we've had particular
10 problems, of providing information, providing
11 warnings and, when necessary, doing
12 enforcement on pedestrians who were behaving
13 recklessly. So yes, this is -- everybody is
14 in this together. Even though vehicles are
15 the centerpiece of the challenge, pedestrians
16 have a responsibility too, bicyclists have a
17 responsibility too.

18 That being said, I appreciate the
19 example you give. I will acknowledge that
20 the culture and history of the West Coast is
21 pretty different than ours on this front, and
22 I think that would be -- you're a visionary,
23 but I would say it would be a big culture
24 change in this city to get to that level.

1 I think we believe that with
2 consistent public education, consistent
3 enforcement, that we can continue to make
4 great strides in driving down fatalities and
5 injuries. And yes, that also includes some
6 consequences for pedestrians.

7 To get to the point you're talking
8 about, that would be a higher-stage evolution
9 that maybe someday we could get to, but I
10 don't think in the short-term.

11 CHAIRMAN FARRELL: Thank you.

12 Cathy Nolan.

13 ASSEMBLYWOMAN NOLAN: Thank you.

14 In the last ten years as many as
15 11,000 children have attended schools in
16 New York City in trailers. We've talked
17 about this with you last year, Mr. Mayor, and
18 with your predecessors. I will say, I want
19 to say very publicly I want to thank the
20 School Construction Authority and Chancellor
21 Fariña for their leadership. And there are
22 35 that were removed since we spoke last
23 year.

24 But I want to point out again that

1 that means that there are well over 300 of
2 them still floating around. And again, you
3 know, some of them were originally for two,
4 three, four years, they were seen as
5 temporary. Twenty-five years later, I have a
6 high school classmate that's retiring; she
7 spent her entire career teaching a
8 kindergarten class in a trailer. That's a
9 pretty sad statement.

10 So it's a very serious situation. And
11 I will say in last year's budget, with the
12 support of Governor Cuomo and our colleagues
13 in the Senate and Speaker Silver's
14 leadership, we put hundreds of millions of
15 dollars into a new sort of technology but
16 also, in the city, a pot of money for trailer
17 removal.

18 And one of the things we added in that
19 legislation was the report from the city that
20 was to be given to the Legislature, to the
21 chair of the Ways and Means committee and the
22 Senate Finance Committee chair, by
23 December 31st. And we have not received that
24 report. And one of the reasons we asked for

1 that report to be given to us by the end of
2 the year, so that was when you came here
3 again and we went forward, we would have a
4 better idea.

5 We continue to not really know how
6 many trailers are on high school properties.
7 I understand, too, that there's been an
8 outgrowth of trailers on some of these
9 alternative classroom sites that are for
10 children that have sort of dropped out of
11 regular school. But again, those are some of
12 the kids who are most at risk. So we can't
13 get the information about the age of the
14 trailers, we can't get the information about
15 where they are in the high schools. And, you
16 know, I recognize that December 31st was a
17 date the Legislature picked, but we've now
18 passed that date. And I would really ask you
19 to respond to that and hope that we can get
20 that information from the city.

21 And again, no knock on Chancellor
22 Fariña or President Grillo. It's been a
23 pleasure to work with both of them, and I
24 think a new degree of professionalism in the

1 city on these issues. But it's very, very,
2 very frustrating that we cannot get the
3 answers we need to figure out how to -- we
4 got you the money, but we still have at
5 least, at least 6900 children going to school
6 in trailers. And we all know that they are
7 firetraps and they have mold and they are not
8 suitable. So I just would like you to
9 respond to that.

10 MAYOR DE BLASIO: First of all, I want
11 to say that we owe you that information and
12 we'll expedite that information. I apologize
13 for the delay. Clearly the members of this
14 Legislature, like our colleagues in the City
15 Council, need to be able to see the latest
16 situation on this matter. We all want to get
17 out of the trailer business, obviously. So
18 we will make sure to get you that information
19 quickly.

20 I want to thank you for the efforts
21 that you've undertaken, not only on the issue
22 of ending the use of trailers, but also your
23 extraordinary support for the pre-K and
24 after-school initiatives last year, which was

1 crucial.

2 And one of the things I think that
3 brings these strands together is that we
4 clearly are working on a capital plan to
5 address the long-term needs of our school
6 system. That will come out in April. It
7 will be a 10-year capital plan. And it will
8 be an important moment for us to make clear
9 how we're going to address overcrowding
10 dynamics in a number of parts of the city,
11 central Queens being one of the areas that's
12 had most persistent overcrowding. It will be
13 an opportunity for us to show how we're going
14 to address the new element of pre-K for the
15 long run. Because even though we've been
16 able to come up with the right facilities in
17 the short run, there's going to be places
18 where we'll build pre-K centers, for example.

19 But as you know, in some cases --
20 central Queens again a great example -- you
21 have overcrowding already, trailers already,
22 and a huge demand for pre-K. So all of those
23 require new space to be fully addressed. So
24 a lot of space considerations we're going to

1 have to act on simultaneously. But that will
2 all be visible in the April plan.

3 I would simply affirm to you I
4 understand your concern about the safety and
5 health of children. I share it. I'm a
6 public school parent myself, as you know. I
7 would simply affirm that we're trying to make
8 sure always that the trailers are safe and
9 appropriate. We want to get out of the
10 trailer business, but in the meantime we take
11 great effort to make sure they are safe and
12 appropriate.

13 ASSEMBLYWOMAN NOLAN: Thank you. I
14 look forward to finally receiving the report.
15 We know that things run late, but it's
16 still -- we did come up with the money to
17 remove them, and we want to see a real
18 response. And the report would have been
19 valuable, and we need it. So I hope that we
20 will get it as soon as possible.

21 And then I would just say on a local
22 front, as Mr. Benedetto said -- because we
23 always see you because of our local
24 concerns -- I look forward to discussing with

1 you and your team the plans you have for
2 Sunnyside Yards. I think you know that many
3 of us are extremely -- our initial reaction
4 is pretty negative, I have to be honest about
5 that. We know that we need to develop
6 housing in our city, but we treasure the
7 quality of life that we have in Long Island
8 City and in western Queens. We think the
9 Yards are an important industrial heritage.
10 They give us open space and light and air.
11 We have a lot of issues that we face, you
12 know, in our districts. And so we look
13 forward to talking with you about that.

14 MAYOR DE BLASIO: I'll thank you for
15 that. And I'd simply say obviously it's
16 going to be a -- we believe it's an important
17 opportunity for the city. It will take a lot
18 of cooperation with the state, MTA, Amtrak --
19 obviously, first and foremost, with the local
20 community to determine what is appropriate.
21 We also think, though, it's a chance to help
22 so many people in Queens who are being priced
23 out to have an opportunity for affordable
24 housing in Queens.

1 ASSEMBLYWOMAN NOLAN: We understand
2 that. But our initial response has been
3 pretty -- I will go so far as to say pretty
4 negative. So I think we need to have a
5 conversation.

6 Thank you, Mr. Chairman. And thank
7 you.

8 MAYOR DE BLASIO: Thank you.

9 ASSEMBLYWOMAN NOLAN: My colleagues,
10 thank you.

11 CHAIRMAN FARRELL: Thank you.
12 Senator?

13 CHAIRMAN DeFRANCISCO: Senator Savino.

14 SENATOR SAVINO: Thank you,
15 Mr. Chairman.

16 Good morning, Mr. Mayor.

17 MAYOR DE BLASIO: Good morning.

18 SENATOR SAVINO: And before we start,
19 I would be remiss if I did not extend
20 congratulations to your trusty Albany
21 staffer, Sherif, on the birth of his
22 beautiful baby. I haven't had a chance to
23 say congratulations.

24 MAYOR DE BLASIO: You know, when most

1 of our babies are born we don't get the big
2 color spread in the Daily News. But Sheriff's
3 baby is beautiful and deserves it.

4 SENATOR SAVINO: Absolutely.

5 I'm going to try and be brief, because
6 I know there are a lot of people that want to
7 talk to you and have a million questions, and
8 I already heard you talk about the NYCHA
9 issue, so I'm very happy to see that
10 proposal. I want to talk specifically about
11 the property tax circuit breaker.

12 One of the signature issues in the
13 Governor's budget is trying to provide
14 property tax relief to people who are
15 suffering, you know, the crushing burden of
16 property taxes, predominantly outside the
17 City of New York. And while you can't tell a
18 Staten Islander that their property taxes are
19 not as high as other people, we do know that
20 under the Governor's proposal it doesn't
21 appear to treat New York City homeowners as
22 fairly as it does in other parts of the
23 state, because it doesn't seem to take into
24 consideration the broad base of taxes that

1 New York City property owners and New York
2 City residents pay.

3 What is your -- what do you think we
4 can do to tweak the Governor's proposal to
5 make it fairer to New York City homeowners
6 and New York City renters?

7 MAYOR DE BLASIO: Well, I'll only make
8 a broad point and then pass to Dean and
9 Sherif.

10 Look, as I said in my testimony, I
11 think there is a question of fairness and
12 consistency, New York City being treated, as
13 you said, in context with all the other
14 dynamics we face that might be different from
15 other parts of the state, and the inclusion
16 of renters. So I share your broad concern,
17 but let me have my colleagues speak about
18 specifics.

19 NYC BUDGET DIR. FULEIHAN: So again,
20 the mayor pointed out that the proposal does
21 include renters, so that was a positive piece
22 for dealing with New York City. But it is
23 still only giving New York City residents
24 29 percent of the program and clearly does

1 not recognize the full tax burden of New York
2 City, which is more than the property tax but
3 includes things such as the personal income
4 tax.

5 SENATOR SAVINO: I understand the
6 Governor's proposal only attributes
7 13.75 percent of rent as a renter's property
8 tax burden, but the Rent Guideline Board says
9 that it really should be reflected at
10 30 percent. So --

11 NYC BUDGET DIR. FULEIHAN: Yeah, we
12 would agree with you that it's a higher
13 ratio. There are many ways to get at this --
14 through tax burden, through recognizing the
15 higher ratio on the renters. It's clear to
16 us that the amount coming to New York City
17 homeowners and renters needs to be increased.

18 SENATOR SAVINO: Right. We put
19 forward a proposal that would require taking
20 into consideration the amount of personal
21 income tax that a New York City homeowner
22 pays, or even a New York City renter, to kind
23 of get to the threshold that would trigger
24 you being able to be a recipient of this

1 circuit breaker. Do you think that would be
2 a fairer way to treat New York City
3 residents?

4 NYC BUDGET DIR. FULEIHAN: Well, once
5 again, there are many ways to do that. One
6 way is to recognize the tax burden that's
7 unique to New York City with the personal
8 income tax.

9 So there are many ways to get that.
10 You've mentioned two, actually, the personal
11 income tax and the amount of rent that is
12 attributable to the property tax.

13 SENATOR SAVINO: Thank you. Now I'm
14 going to move on to another issue. I know
15 you've been a big supporter of raising the
16 minimum wage, and we're about to have another
17 minimum wage increase go into effect at the
18 end of this year. But as we like to say in
19 the union world, never enough. Right? It's
20 not enough.

21 The Governor's proposal, though, seeks
22 to kind of split the baby and acknowledge
23 that the cost of living in certain parts of
24 the state are higher than others. He's

1 putting forward a proposal of \$10.50 outside
2 the City of New York, and \$11.50 in the City
3 of New York.

4 A year ago when I was chair of the
5 Labor Committee I held a hearing on minimum
6 wage and local control, and out of that
7 hearing I proposed a piece of legislation
8 that does two things. First, it establishes
9 the state floor for a minimum wage, and then
10 it allows local governments, pursuant to
11 enabling legislation, to be able to raise
12 their own minimum wage 30 percent above the
13 state floor.

14 I believe that's a better way to
15 achieve closing the income inequality gap for
16 localities like New York City. I'm just
17 curious as to what you would think about that
18 proposal -- I know you have your own, but
19 there are multiple plans out there -- and if
20 you could speak a bit about whether you think
21 that might help New York City more than the
22 Governor's proposal.

23 MAYOR DE BLASIO: Yes, I -- first of
24 all, Senator, I appreciate your leadership on

1 this. And I think that although the
2 Governor's proposal is well-intentioned, I
3 agree with you that in the absence of a
4 clearer methodology for localities addressing
5 their own local needs, we simply will not be
6 able to give opportunity to people who
7 deserve it.

8 Right now, again, this figure which
9 I've talked about for the last couple of
10 years that is so sobering -- 46 percent of
11 our population in New York City at or near
12 the poverty level. Literally, that's
13 150 percent of poverty level or lower.

14 A family that's below the poverty
15 level can barely survive in New York City. A
16 family that is just slightly above the
17 poverty level is struggling every single day
18 to make ends meet. That's almost half our
19 population. And one of the biggest problems
20 we have, and I said this in my preliminary
21 budget announcement, is that as much as we
22 have benefited from some economic growth and
23 some great job growth, a lot of the jobs
24 being created are on the lowest end of the

1 income and wage scale -- retail jobs and
2 tourism jobs. Which, God bless, we want
3 those jobs, but if more and more of the
4 opportunity available in our city is for
5 people who can only get a minimum-wage job,
6 and the minimum wage remains so low, it is a
7 formula for disaster. And it's just going to
8 increase inequality and mean that more and
9 more families simply can't make it.

10 Your proposal is exactly in the right
11 direction. The state, by definition, leads
12 the action by setting a state minimum wage.
13 I believe fundamentally there should be then
14 a local option to go further, depending on
15 local conditions. The idea of going up to
16 30 percent more, I agree with 100 percent.

17 I also think there should be a formal
18 indexing model which would ensure that the
19 wage increases with inflation rather than
20 having to go through a protracted legislative
21 process each time there's a change in
22 inflation. While the legislative debate
23 ensues, families are feeling the effects of
24 that inflation. We should automatically move

1 the minimum wage with inflation. So I
2 appreciate your leadership.

3 SENATOR SAVINO: Thank you. Thank
4 you, I'm done.

5 CHAIRMAN FARRELL: Thank you.
6 Assemblyman Weprin.

7 ASSEMBLYMAN WEPRIN: Thank you,
8 Mr. Chairman.

9 Good morning, Mr. Mayor.

10 MAYOR DE BLASIO: Good morning.

11 ASSEMBLYMAN WEPRIN: Good to see you
12 again.

13 I appreciate your comments and your
14 testimony about New York City contributing
15 about 50 percent of the tax revenue to
16 New York State but clearly not getting that
17 same back in services.

18 You may recall Senator Patrick
19 Moynihan used to make that case vis-a-vis
20 Washington --

21 MAYOR DE BLASIO: Yes.

22 ASSEMBLYMAN WEPRIN: -- each and every
23 year, that New York City was a major
24 contributor to Washington as well as the

1 state, but more from the city, and we
2 certainly didn't get it back in services.

3 You may recall in our last year in the
4 New York City Council together in 2009, then
5 Governor Paterson zeroed out the Aid to
6 Municipalities for New York City for the
7 first time. And he said at that time, and he
8 said it to myself, he said it to a number of
9 people publicly, that that was going to be a
10 one-year zeroing out and then it would be
11 restored the following year.

12 And back then, by the way, it was
13 \$327.9 million out of a billion dollars in
14 AIM, or local Aid to Municipalities. So even
15 then it shortchanged New York City at the
16 \$327 million level, which was only about
17 32.8 percent of the aid overall.

18 But when Governor Cuomo came in, he
19 claimed that there was no cut to New York
20 City and the municipality because it was zero
21 from the year before, not mentioning what
22 Governor Paterson had said publicly at the
23 time was that it was only going to be a
24 one-year cut.

1 And it seems to me that nobody's
2 effectively made that case. And you
3 certainly made it as far as the contributions
4 of New York City. Why aren't we out there
5 yelling and screaming that we should be
6 getting back at least what the level was at
7 the time, which would have been \$328 million?
8 And even though in the overall New York City
9 budget that may not seem like a lot of money,
10 the uniqueness of that AIM aid, it was
11 unrestricted aid. It was something that did
12 not have handcuffs, that we could use in New
13 York City for major services, to fill gaps.
14 You know, why aren't we making that case
15 effectively and why are we just sitting back
16 quietly and not making that argument?

17 MAYOR DE BLASIO: Well, first of all,
18 I appreciate very much that you're raising
19 the point, Assemblyman, and that your sense
20 of history is absolutely correct. That was
21 something that should not have been taken
22 away from New York City. You're right, it
23 was supposedly a one-time adjustment. As
24 we've seen some other times in government,

1 appropriate. I would say the CFE discussion,
2 even bigger example of a wrong that needs to
3 be righted.

4 ASSEMBLYMAN WEPRIN: Well, I agree
5 with both. Again, I'll go back to your
6 testimony about New York City contributing
7 50 percent of the tax revenue to the state.
8 So I think there's clearly a need for both.

9 MAYOR DE BLASIO: We appreciate that
10 very much.

11 ASSEMBLYMAN WEPRIN: Thank you,
12 Mr. Chairman.

13 CHAIRMAN DeFRANCISCO: Senator
14 Hamilton.

15 SENATOR HAMILTON: Thank you,
16 Chairman.

17 Good morning, Mayor.

18 MAYOR DE BLASIO: Good morning.

19 SENATOR HAMILTON: A pleasure to see
20 you. I just want to say you've been doing a
21 good job as mayor of New York City. Your
22 staff has always been open to my office. The
23 universal pre-K in our program. You did come
24 to Brownsville for NYCHA to implement the new

1 employment center. A workforce forum --

2 MAYOR DE BLASIO: I'm sorry, Senator,
3 I couldn't hear you.

4 SENATOR HAMILTON: Oh, and thank you
5 for coming to Brownsville.

6 MAYOR DE BLASIO: It was my honor. I
7 enjoyed that. It was a good day.

8 SENATOR HAMILTON: It was a good day.
9 It was a great day.

10 Last night we had a housing forum, and
11 we had over 400 people coming to this housing
12 forum in Central Brooklyn, they're feeling
13 the housing crunch. You know, a one-bedroom
14 apartment now is \$2200. In the district our
15 landlords are getting very aggressive with
16 the tenants. I know there was a RFQ put out
17 by HPD for the remaining vacant land. I'm
18 just trying to figure out what's your vision
19 for that? Should it be for affordable or
20 low-income housing or a mix? I'm just trying
21 to get a pulse on where the city is heading.

22 MAYOR DE BLASIO: Let me just give my
23 broad approach because I don't know,
24 obviously, each specific available piece of

1 land in each neighborhood.

2 But the broad approach is we want to
3 maximize in each case. There are situations
4 where the smartest thing to do is to have an
5 all-affordable development. That's the most
6 efficient thing to do.

7 There are other situations where the
8 most efficient thing to do is to have a
9 mixed-income development or, you know,
10 residential that's mixed with retail and job
11 creation, et cetera. So it's really very
12 much case by case.

13 We are entrepreneurial, if you will,
14 in the sense that we are looking for every
15 available piece of land that can be built on.
16 And we're trying to figure out the best
17 formula for each situation, working with the
18 community and obviously working with elected
19 officials. But we feel an urgency. That
20 number that we've set, 200,000 units built or
21 preserved over 10 years, is by far the most
22 ambitious affordable housing program that any
23 locality in this country has ever undertaken.
24 It's going to mean literally untapping every

1 available plot of land.

2 So I think the answer is it's going to
3 be case by case, but we want to work with you
4 to figure out how we can maximize
5 affordability in each part of your district.

6 SENATOR HAMILTON: Right. One of the
7 main questions also last night, people were
8 saying why there's so much subsidies to build
9 luxury housing. As you know, we have the
10 421-a exemption which will be looked at this
11 year. I just want to get your opinion on how
12 we should proceed with the 421, are you in
13 favor of the 80/20 rule or the 30/50/20 rule,
14 or should the 421-a be modified just for
15 affordable or low-income housing?

16 MAYOR DE BLASIO: So I would say in
17 terms of the broad question of affordable
18 housing, our goal is to maximize and to
19 ensure in each circumstance that we take that
20 affordability percentage to the highest
21 possible level. So again, I think compared
22 to some of the traditional models, we've
23 found already, with some of the tools we've
24 put in place, mandatory inclusionary zoning

1 and other tools, that we can get the
2 affordable percentage up higher.

3 In terms of 421-a, I know that's going
4 to be a very important discussion here in
5 Albany, and that will proceed after the
6 budget is complete. And we're going to have
7 a lot to say on that as we get closer. The
8 broad construct I'd say is we're going to
9 look at how 421-a connects to maximizing
10 affordable. But we'll have, you know,
11 details as we get closer.

12 SENATOR HAMILTON: The reason why I
13 say that, there are in my district a lot of
14 single mothers, some of them earning minimum
15 wage. So let's say you make \$10 an hour,
16 you're making \$1,600 a month. And if you
17 just go to the -- use a scale of paying
18 50 percent -- not 30 percent, 50 percent of
19 your income to rent, that's \$800 a month.
20 Where do they find a place to live in
21 New York City at this point in time?

22 MAYOR DE BLASIO: Well, I think that's
23 exactly the challenge. And, you know, I said
24 in my State of the City speech, for a lot of

1 reasons, including the economic crisis --
2 again, the greatest economic crisis since the
3 Great Depression -- and including the
4 extraordinary increase in the housing values
5 and the housing costs in the city, and the
6 phenomenon of gentrification over the last
7 20-plus years, we've got a little bit of a
8 perfect storm here where we've got a real
9 pressure on working people.

10 And middle-class people are feeling
11 the pressure, low-income people are feeling
12 the pressure. That's that 46 percent number
13 again. Anyone in that 46 percent of our city
14 is feeling the pressure on housing costs.
15 And you saw those extraordinary numbers on
16 how many people have a rent burden.

17 The answer from my point of view is to
18 combine an exceedingly ambitious program for
19 building and preserving affordable housing --
20 literally, the 200,000 units is the most
21 anyone I have ever met with believes is
22 conceivable in a 10-year time frame. Some
23 people believe it is, you know, even more
24 ambitious than they can ponder. But we

1 believe it's doable with enough focus and
2 with the help of the Legislature.

3 But the other piece is to enforce the
4 laws we have. And it is abundantly clear
5 that many thousands of people have been
6 forced out of affordable housing illegally
7 because there was not sufficient enforcement
8 of rent regulation.

9 I said clearly what we need to do is
10 not only maintain but strengthen rent
11 regulation, but it also has to be enforced.
12 If the laws we already had had been enforced,
13 thousands and thousands of people, including
14 residents of your district, would still be in
15 affordable housing right now. If the laws
16 are not enforced and not strengthened, we're
17 going to lose thousands, ultimately tens of
18 thousands of people's homes.

19 So I think at this moment it is a
20 crisis. One part is what we can do to build
21 and preserve, but the other part is getting
22 the rent laws right and getting the
23 enforcement right.

24 SENATOR HAMILTON: Thank you. I have

1 one last question. I'm for mayoral control,
2 but I think we should have more of a parental
3 involvement component. When I was school
4 board president we had the fifth best school
5 in New York State, the Crown School for Law
6 and Journalism. And in your report you said
7 there's a lot of mismanagement, waste and
8 corruption on school boards. We didn't have
9 that on my school board. I know you were a
10 member of the school board also.

11 MAYOR DE BLASIO: Yes, I was.

12 SENATOR HAMILTON: Did you see waste,
13 mismanagement and corruption on your school
14 board?

15 MAYOR DE BLASIO: I saw plenty of
16 waste, mismanagement and corruption around
17 the city, there's no question in my mind.
18 I'm proud to say in District 15, in the years
19 I was there, I think it was very well run.
20 In fact, the superintendent for much of that
21 time was Carmen Fariña, who's doing an
22 extraordinary job as our chancellor now.

23 But I'm not saying -- obviously,
24 Senator, I agree with you, it wasn't

1 everywhere. And I think there were many good
2 and decent school board members and good and
3 decent local superintendents. But there was
4 also, tragically, some real and consistent
5 cases of corruption all over the school
6 system.

7 And equally, there was an inability of
8 the school system to move forward. I use
9 those examples. If we had attempted to do
10 what we did on pre-K or after-school without
11 mayoral control, there's no way in the world
12 we could have possibly achieved it.

13 SENATOR HAMILTON: Thank you, Mayor de
14 Blasio.

15 MAYOR DE BLASIO: Thank you.

16 CHAIRMAN FARRELL: Thank you.

17 Assemblyman Ortiz. Will Mr. Cusick
18 exchange chairs, please.

19 ASSEMBLYMAN ORTIZ: Thank you,
20 Mr. Chairman.

21 Good morning, Mr. Mayor.

22 MAYOR DE BLASIO: Good morning.

23 ASSEMBLYMAN ORTIZ: Yeah, it's still
24 morning, okay.

1 First of all, I would like to thank
2 you and your staff for always having the door
3 open for the people of my district.

4 Secondly, there was a report come out
5 on the New York Times last week about
6 occupational therapy being allocated to some
7 of the schools. One of my schools in
8 District 20, P.S. 503, has managed to have an
9 occupational therapy and mental health
10 provider, which I think is a wonderful model.

11 My question to you is, are you
12 planning to, through the Department of
13 Education, to continue to expand and enhance
14 these throughout the integrated students that
15 are coming into different schools where you
16 have disabled kids and nondisabled kids
17 working together at this point throughout the
18 City of New York?

19 MAYOR DE BLASIO: I want to make sure
20 I'm responding properly. I think you're
21 talking about the inclusion efforts to
22 ensure -- and correct me if I'm wrong here --
23 to ensure that special ed and general ed kids
24 are taught together.

1 ASSEMBLYMAN ORTIZ: That is correct.

2 MAYOR DE BLASIO: We believe
3 fundamentally in that model. Something I've
4 talked about personally, as both my children
5 went to an elementary school that was one of
6 the innovators of that model. In fact, in
7 P.S. 372, where my kids went, across all the
8 grade levels, half the kids were special
9 education and half were general ed. So I
10 it's a very powerful model.

11 We have found it to be increasingly
12 successful. We are trying to be very mindful
13 of the support necessary to make sure that
14 model can work, and that's part of why we put
15 so much focus on teacher training. That's
16 one of the things necessary to really support
17 that model. But yes, that is definitely the
18 direction we continue to move in.

19 ASSEMBLYMAN ORTIZ: And the other
20 component is that, you know, it will be
21 wonderful to also look through the system and
22 try to begin to include social workers,
23 mental health providers, and also trying to
24 figure out how we can find the guidance

1 counselors and psychologists in every school.
2 I think that, you know, I'm very proactive
3 regarding early intervention. I believe
4 early intervention can help us to identify
5 the issues and the problems that our children
6 and our families are facing and then creating
7 a model that will develop a positive outcome
8 regarding these families rather than look 10
9 years from now and see them in the jail
10 system.

11 So I commend you for that. I hope
12 that you can continue to do that.

13 My next two questions, quickly, is as
14 you probably know I've been advocating for a
15 \$2 billion infrastructure. I do believe that
16 in order to create business, bring
17 manufacturers to communities such as the one
18 that I represent, we need to have a very
19 solid infrastructure. That way, businesses
20 will be attracted to the neighborhoods that
21 we want to attract them to and create jobs.

22 My question to you is, do you support
23 the initiative of a \$2 billion bond act for
24 infrastructure for the City of New York as

1 well as for the other 61 municipalities?

2 MAYOR DE BLASIO: Just -- I want to
3 make sure, again, I'm answering properly.
4 First let me take you back one step.

5 On the early intervention question, I
6 want to thank you for raising it. I just
7 want to affirm we believe that so much more
8 can be done if our children's needs are
9 identified early on, particularly in the area
10 of mental health. That is why the
11 Community School model includes a mental
12 health component in every school that is a
13 Community School.

14 We believe that in fact this is not
15 only the morally right thing to do, it gives
16 us a much greater chance of serving a kid
17 effectively and using our resources
18 effectively over time to help that child. So
19 we're very, very devoted to it, and the
20 Community Schools are going to be the leading
21 edge of that effort.

22 On infrastructure, my broad answer,
23 and then Dean or Sherif may add, is again I
24 said in my testimony we've got a huge

1 infrastructure funding gap which is going to
2 undermine the economic future of the city.
3 And if the economic future of the city is
4 undermined, that will clearly affect the
5 whole state.

6 It is the kind of issue that, not
7 shockingly, doesn't get the attention that
8 some other issues get. But unlike many other
9 issues, while we are not addressing it, the
10 situation gets clearly physically tangibly
11 worse. And it has a very real multiplier
12 effect, a negative multiplier effect, on our
13 economic future if roads, bridges, mass
14 transit and a whole host of other
15 infrastructure are not addressed in real
16 time. We can't keep growing our economy and
17 growing the impact we have on the state if we
18 don't get that support.

19 ASSEMBLYMAN ORTIZ: On the same topic
20 regarding the infrastructure, you know, we
21 are both interested in redeveloping the
22 Sunset Park waterfront. What can you tell us
23 about the new direction the city will take
24 regarding the waterfront at Sunset Park,

1 Red Hook, and the others throughout the city?

2 MAYOR DE BLASIO: Look, I think we
3 have a number of opportunities in terms of
4 Sunset Park and Red Hook. We believe -- and
5 we certainly see this with the Brooklyn Army
6 Terminal, that there is an extraordinary
7 desire to build the right kind of jobs for
8 the future of this city. Technology is a
9 great example, film and television -- there's
10 a host of industries that are growing in the
11 city that have the great characteristic of
12 providing higher-wage jobs. And the Brooklyn
13 Army Terminal is a great, great example of
14 that, and continues to thrive. And we've
15 invested in it.

16 We believe, by the way, that the
17 proposal we've made regarding ferry service,
18 which we'll be implementing over the next few
19 years, is going to greatly benefit the
20 Brooklyn waterfront, among other areas. Red
21 Hook is a place that will particularly
22 benefit that has been very underserved by
23 mass transit. This will provide an important
24 new option. But it will also unlock the

1 opportunity for more job creation. So we're
2 very positive and hopeful about what could be
3 done along the waterfront in terms of job
4 creation if we provide the proper supports.

5 ASSEMBLYMAN ORTIZ: Thank you. Thank
6 you, Mr. Mayor. Thank you for your response.
7 And I'm looking forward to continue working
8 with you and also the commissioner of EDC as
9 we develop -- as we move forward on this
10 project. Thank you.

11 MAYOR DE BLASIO: Thank you.

12 ASSEMBLYMAN ORTIZ: Thank you,
13 Mr. Chairman.

14 CHAIRMAN DeFRANCISCO: Thank you.

15 I apologize to Senator Felder, I moved
16 right over his name. So I am very pleased to
17 introduce the next questioner, Simcha Felder.

18 SENATOR FELDER: Thank you very much.

19 Three comments in the area of
20 education. And in the near future, my
21 committee is going to have hearings on
22 mayoral control, so I don't want to take up
23 the time, but I would be interested at that
24 point in finding out why the mayor thinks

1 that the way we have it now with the three
2 years, what's the benefit of the permanency.
3 In other words, what's the real downside.
4 That's one.

5 Two, I'm very happy about the
6 discussion on guidance counselors. I think
7 that the numbers may even be higher. But we
8 don't have to argue about how bad something
9 is if we're both very concerned about
10 improving it.

11 MAYOR DE BLASIO: Yes.

12 SENATOR FELDER: And then finally, on
13 Raise the Age, I think that it's very
14 important, but we have to also work on making
15 sure that Family Court is open at least till
16 midnight to be able to handle these cases.
17 Because if not, we're going to have
18 difficulty with cases like these having to
19 wait a day or two or three to be seen, and
20 that would be a problem.

21 So those are three comments.

22 On the affordable housing, I have the
23 honor of sitting near the chair, Assemblyman
24 Wright, of the Housing Committee -- not only

1 here, I have the honor of being his neighbor
2 in the LOB as well.

3 ASSEMBLYMAN WRIGHT: It's my honor,
4 Senator. Totally my honor.

5 (Laughter.)

6 SENATOR FELDER: I was hoping you'd
7 say that. I was hoping you'd say that.

8 But on that, on the discussion about
9 affordable housing -- and I know that there's
10 going to be a larger discussion. But I think
11 the testimony, at least a third of it, dealt
12 with affordable housing. And I think that
13 it's fair to say that 421-a and property tax
14 relief and those things are an integral part
15 of the affordable housing.

16 And I think it's also fair to say that
17 not every homeowner or property owner or
18 developer is a devil, and not every renter is
19 an angel. And I've been both -- I don't mean
20 a devil and an angel, I mean a renter and a
21 homeowner.

22 So I was just wondering, you know,
23 whether it's, one, on the 421-a fronts, I
24 think that there's been some discussion, but

1 I think -- I'd love to hear a little more
2 about what your feelings are about whether it
3 should be extended and, if it should, in its
4 current form.

5 And then the second issue, which is
6 something that's been a long-standing problem
7 where the thought that comes to mind years
8 ago of somebody owning a condominium or a
9 co-op used to be of some wealthy person
10 somewhere, you know, in the most valuable
11 property in the city. The city has changed.
12 We still have many, many single family
13 homeowners, but we also have many, many
14 middle-class to lower-income-class homeowners
15 that don't own single homes, they own co-ops
16 and condominiums. And the tax rates clearly
17 are compounded with the lapse of the 421-a.
18 Many, many people who were able to buy co-ops
19 or condominiums as a result of the tax
20 abatements, now that it's going to lapse,
21 will even have their disproportionate tax
22 rates compounded.

23 So I'm delighted that, you know, we're
24 lucky enough to own a small house in

1 Brooklyn. But somebody who owns a
2 condominium that probably has more square
3 footage or less square footage than I have in
4 my small house is paying twice as much in
5 real estate tax.

6 Now, my request is not for you to
7 somehow work a deal to increase my real
8 estate tax, obviously. But this discussion,
9 again with affordable housing, it's not only,
10 you know, these humongous houses, affordable
11 housing has to do with people being able to
12 buy in a three- or four-family house or rent
13 in a three- or four-family house.

14 So back to the question, I'd love to
15 hear a little more about 421-a and about your
16 vision for the tax effects and how tax
17 breaks, tax class -- and again, I'm doing it
18 with your permission, because this is really
19 your expertise.

20 ASSEMBLYMAN WRIGHT: No permission
21 needed, Senator.

22 SENATOR FELDER: Okay, thank you.

23 MAYOR DE BLASIO: First of all,
24 Senator, as you indicated, you and I are in

1 the same boat as Brooklyn homeowners. So the
2 good news is whatever actions are taken on
3 that front, we will feel the effects of.
4 That's a good way of ensuring a functioning
5 democracy.

6 So quickly running through the points,
7 I just look forward very much to the
8 conversation on mayoral control. And I will
9 simply assert here that I think the argument
10 for permanency is that it is now a decade in,
11 and it has worked very consistently. And
12 it's the kind of thing that, from my point of
13 view, there should be no turning back. This
14 is the right model for ensuring
15 accountability in education.

16 And that's why I don't think it should
17 be a question of constant renewal. I think
18 any other thing where we come to consensus we
19 have the right model, you know, we tend to
20 lock it in.

21 Thank you for your point on guidance
22 counselors, which I appreciate very much.
23 And we look forward to working with you on
24 that.

1 On Raise the Age, I agree with you a
2 hundred percent that we have to not only do
3 it but think about all the ramifications --
4 practical, like the hours of Family Court --
5 and the costs involved. And again, that's
6 why I commend the Governor for affirming that
7 the state should be responsible for those
8 costs. But you're exactly right, that's one
9 of a number of things that have to keep
10 evolving with Family Court to keep up with
11 the changing reality.

12 One other point before the 421-a. On
13 the angel and devil point, I said in the
14 State of the City I think the vast majority
15 of landlords are good and law-abiding
16 landlords. I think the ones we're dealing
17 with, the bad apples, are clearly a minority.
18 I agree with you, not every tenant is
19 perfect. There are some tenants who also
20 break the law or do inappropriate things.

21 But I think the broad dynamic we're
22 facing is that a small number of bad
23 landlords have a disproportionate large
24 impact and have forced out, sadly, thousands

1 and thousands of tenants in what is
2 obviously, you know, the most expensive city
3 in the country. So that's the problem we're
4 trying to get at.

5 421-a, as I said, my broad construct
6 is yes, we will have a lot to say. And
7 details on 421-a, we're just not there yet,
8 but we will be in the coming weeks.
9 Obviously the attention of this body is going
10 to turn towards that as the budget process is
11 winding down. We will be thinking in terms
12 of how 421-a relates to affordability, how to
13 have the appropriate impact on the affordable
14 housing needs considering 421-a. But it
15 would be right to say that we will have a
16 much more detailed analysis and proposal when
17 we get a little closer.

18 SENATOR FELDER: Thank you.

19 CHAIRMAN FARRELL: Thank you.

20 Assemblyman Keith Wright, to the left.

21 ASSEMBLYMAN WRIGHT: Thank you,

22 Mr. Farrell.

23 Good morning, Mr. Mayor.

24 MAYOR DE BLASIO: Good morning.

1 ASSEMBLYMAN WRIGHT: Good morning. I
2 want to thank Senator Simcha Felder for his
3 taking -- asking some of the questions that I
4 will be asking as well.

5 First of all, I want to thank you,
6 Mr. Mayor, for making housing the centerpiece
7 of your administration in terms of the work
8 that really needs to be done. As chair of
9 the Housing Committee here in the Assembly, I
10 know that it's probably one of the most
11 exciting subject matters that we will be
12 approaching right now and also in the near
13 future.

14 One of my questions is that I want to
15 ask you for some help. And the help is in
16 how we in the City of New York define exactly
17 what is affordable, what is affordable
18 housing. I do know that the federal
19 government makes that sort of construct in
20 terms of defining what is affordable housing
21 in terms of what is the AMI, area median
22 income.

23 The five boroughs -- and you talk
24 about income inequality. The five boroughs

1 in the City of New York have their median
2 income, but we are also lumped together with
3 Westchester and Rockland County, two of the
4 richest counties in the state and in the
5 nation.

6 So I think it gives a skewed view of
7 what could be affordable or what should be
8 affordable in the City of New York, thus
9 upping the ante, if you will. I was just
10 wondering if I could ask for your help in
11 that in terms of lobbying the federal
12 government. I'd like to do it with you. I'd
13 like to do it with you, do it side by side,
14 so that we can get a better view of what
15 exactly is affordable. As you know, that
16 term of art has been used to exaggeration, as
17 to people building affordable housing. So I
18 was just wondering what your view is on
19 Westchester and Rockland County being lumped
20 into it.

21 MAYOR DE BLASIO: I appreciate it.
22 First of all, thank you for your leadership
23 of the Housing Committee. We rely on you a
24 lot in the city, and you have consistently

1 been there for the people of New York City.

2 I want to thank you for that.

3 And yes, this will be not only the
4 centerpiece of so much of what we're going to
5 do in this administration, but I've said this
6 is a top priority for 2015, to move this
7 affordable housing plan.

8 I think you're right that there's a
9 definition problem. And I think you're right
10 that we need to have a truer conversation
11 through the way the federal government looks
12 at the figures about the level of need. Part
13 of what we've seen is the disinvestment in
14 public housing, overtly, disinvestment of
15 Section 8. And I think some of that is, if
16 you will, enabled by the phenomenon that you
17 talk about that the numbers are a little
18 rosier the way the federal government looks
19 at them than is the truth.

20 Now, I'd be very enthusiastic to work
21 with you on that issue.

22 I think underlying the problem is that
23 as we have looked at affordability in
24 New York City in general, what used to be a

1 decent income has been undermined by changing
2 economic circumstance. The cost of living in
3 New York City has gone through the roof. The
4 cost of housing is unrecognizable compared to
5 where it was 10 or 20 years ago.

6 I tell the story of when my wife and I
7 looked to buy our first house in 1998, the
8 prices that we heard about in our
9 neighborhood we thought were very high and
10 challenging. You know, we would only dream
11 of that today; we're talking about prices
12 that were a quarter, literally, of what they
13 are today.

14 So we've seen an extraordinarily rapid
15 increase in housing costs, but other costs as
16 well. So what is affordable and what is
17 middle class, these numbers are --
18 unfortunately, there's a lot of upward
19 pressure.

20 What we tried to do with our housing
21 plan is say we need an income mix in how we
22 approach affordable housing. A substantial
23 part of our plan is devoted to people who
24 make \$20,000 a year or less. Another

1 increment is people who make \$40,000 to
2 \$20,000, and so on.

3 So we're trying to divide up the
4 housing to try and reflect the level of need
5 and the range of need. At the same time, we
6 know that a lot of people who 20 years ago
7 would have had no trouble finding affordable
8 housing on the proportionate salary that they
9 make today, are having an immense struggle
10 today. And we need, you know, middle-class
11 people to have support to stay in the city as
12 well. So we've tried to build a plan that
13 accommodates the range.

14 I think the challenge in all this is
15 if we don't do this quickly, as was sort of
16 the core message of my State of the City
17 speech, the city will not be recognizable if
18 we don't address this issue.

19 We have for literally not only
20 decades, centuries, been a place where anyone
21 from anywhere could find opportunity. That
22 is threatened now, in a way for the very
23 first time, if we don't address this
24 affordable housing crisis and for a very

1 broad range of incomes. We can only do that
2 with your help, with the Legislature's help.
3 So that's part of the urgency I'm presenting
4 today. If we don't do that, the city will
5 become more and more exclusive and I believe
6 will fundamentally not have some of the great
7 capacity it's had historically to be a
8 creative and entrepreneurial engine.

9 ASSEMBLYMAN WRIGHT: Well, certainly
10 we look forward to working with you in terms
11 of trying to end some of the problems in
12 housing, certainly. And we have to do it
13 quickly, as you said, and precisely for the
14 future of our city.

15 I know that Senator Hamilton was
16 speaking about it, but I had stepped out of
17 the room. And you talked to Senator Felder
18 regarding 421-a. I gather we'll be talking
19 more about that after the budget is done.

20 MAYOR DE BLASIO: Yes, we will.

21 ASSEMBLYMAN WRIGHT: Okay. Some of
22 your housing program, an integral part of the
23 housing program, entails the upzoning, as I'm
24 told. Is that true?

1 MAYOR DE BLASIO: Yes.

2 ASSEMBLYMAN WRIGHT: Do we know where
3 we're upzoning as of yet?

4 MAYOR DE BLASIO: We presented several
5 areas of the city that we believe make
6 particular sense right now to pursue
7 upzonings -- obviously, working closely with
8 the community and elected officials; amongst
9 them, East Harlem, East New York, the
10 North Shore of Staten Island and other areas.

11 The common link in all these cases is
12 communities that are experiencing, in many
13 cases, increased pressure from development
14 already that, if unaddressed, will mean
15 development that unfortunately displaces a
16 large number of existing residents without
17 any kind of compensatory affordable housing
18 program.

19 So we see the development moving in a
20 lot of these neighborhoods. But we also have
21 the opportunity, because of scale. To create
22 a lot of affordable housing in these
23 communities, either a lot of vacant land or
24 the kind of scale that exists already that

1 would make sense.

2 So we've put forward several areas of
3 the city that we believe we can start on now.
4 That is one piece of the plan. Obviously
5 preservation -- you know, 60 percent of the
6 plan is preservation. So by definition,
7 that's everywhere, and that's trying to keep
8 the affordability we have in place.

9 But on the building-out piece of the
10 plan, which is about 80,000 units, that
11 requires rezonings to play an important role.

12 ASSEMBLYMAN WRIGHT: I have about a
13 million other questions, Mr. Mayor, but we
14 will be talking about them as we move the
15 plans forward in terms of certainly rent
16 regulation, and J-51 and such have to be
17 talked about as well. So -- but thank you,
18 Mr. Mayor.

19 MAYOR DE BLASIO: Look forward to it.
20 Thank you.

21 ASSEMBLYMAN WRIGHT: Thank you.

22 CHAIRMAN FARRELL: Thank you.

23 Senator?

24 CHAIRMAN DeFRANCISCO: Senator

1 Squadron.

2 SENATOR SQUADRON: Thank you very
3 much. It's good to see you. Appreciate all
4 of your time.

5 MAYOR DE BLASIO: Good to see you.

6 SENATOR SQUADRON: I wanted to
7 reiterate -- I know the issue's been raised a
8 lot, but the NYCHA issue here. I notice that
9 you brought a fair amount of the fourth
10 estate with you up the Thruway, and I want to
11 make sure that as they drive back down and
12 file their stories, NYCHA is in that lead.
13 Because you make the point vividly in your
14 testimony, and I think that for many of us in
15 our districts, we experience it vividly every
16 day trying to represent them. And certainly
17 the baselining of the \$72.5 million,
18 hopefully with also, as the course of the
19 year goes on, a legal obligation that that
20 never comes back in a future administration
21 that doesn't understand the importance of
22 NYCHA, I think is very important. And that
23 \$300 million that you're requesting that the
24 city is willing to match is, I think as we've

1 already heard, a minimum, but an absolutely
2 critical one.

3 Whatever else we can do for public
4 housing at the state level, with the
5 knowledge that on the state level we're not
6 innocent of what we see as the sins of the
7 federal government. We also have, as the
8 budget director mentioned, cut operating
9 funding that public housing was due,
10 certainly for that decade between the
11 beginning of this century and the
12 federalization of some of those units. So
13 {inaudible}.

14 And I also want to touch on the
15 universal pre-K program which you talked
16 about, which is rolling out in aggressive
17 fashion and we're seeing all over the place.

18 I think that, you know, the sort of
19 evidence is clear that UPK is important, that
20 it's even more important if you start even
21 earlier, and that there are programs,
22 especially home visiting programs,
23 partnership programs with expectant new moms
24 and families and young kids that can make

1 sure that impact is even greater.

2 In a tripartisan fashion in the
3 Senate, along with Senators Gallivan and
4 Savino and a lot of my other colleagues,
5 along with the Assembly, we've been pushing
6 for an expansion of funding for the
7 Nurse-Family Partnership program at the state
8 level. If our proposal goes forward, we will
9 over the next couple of years move to a
10 universal Nurse-Family Partnership in the
11 state. We can next year increase the size of
12 the program in New York City by 50 percent,
13 and so I would urge that to be part of what
14 the city pushes for.

15 And I don't know if you have any
16 familiarity with that program -- your
17 Department of Health runs an exemplary
18 version of it right now -- and whether you
19 are supportive of it.

20 MAYOR DE BLASIO: Thank you very much,
21 Senator.

22 First of all, thank you for your focus
23 on NYCHA, and I couldn't agree more with your
24 analysis. And I just remind everyone that it

1 is such a blessing to have 400,000-plus
2 people have affordable housing available to
3 them. It's one of the reasons why New York
4 City remains an economically diverse place.
5 But that won't be the case if our physical
6 infrastructure continues to crumble and it's
7 not addressed.

8 So I really appreciate the central
9 focus you put on NYCHA, because it is crucial
10 to our future. And thank you again for your
11 support on pre-K.

12 On the Nurse-Family Partnership, it is
13 a very commendable program. It's something
14 we do believe in. It is a costly program
15 because it makes a very big impact with a
16 very hands-on approach. So we welcome
17 support for it, and we're trying to innovate
18 approaches like the Nurse-Family Partnership
19 and other types of similar approaches.
20 Because the more we can reach children very
21 early on and help parents to provide the best
22 support to their kids -- but clearly, again,
23 morally, absolutely correct. But
24 practically, we find it pays off many times

1 over in terms of later outcomes. So I
2 appreciate your support for it.

3 SENATOR SQUADRON: Thank you.

4 And representing a waterfront
5 district, I was very excited about the ferry
6 expansion, particularly Grand Street and
7 Pier 6 in my district, but much more broadly,
8 as you've discussed, as an economic engine.

9 What else could the state be doing to
10 make that expansion successful and even more
11 dramatic? Since we know we have a critical
12 mass problem.

13 MAYOR DE BLASIO: Look, we're going to
14 be working closely with the state, obviously
15 in some cases DEC, in terms of the siting of
16 facilities, and other state agencies. So
17 there's a practical point which we'd
18 appreciate your support on of just making
19 sure that we can all work together to stay on
20 the schedule we've put forward.

21 Obviously as we build this out,
22 funding support is important. We think this
23 is going to have a transcendent effect. And
24 I remind people, on top of all the other

1 dynamics we've discussed already, this is a
2 city that is going from our current
3 8.4 million or so to 9 million people
4 projected by 2040. Right now there are, for
5 example, subway lines in the outer boroughs
6 where people literally can spend the morning
7 rush hour where train after train comes and
8 they literally can hardly get on a train for
9 quite a while, it's that crowded.

10 But imagine adding another 500,000 or
11 600,000 people to our population, and a lot
12 of those folks would be in the areas around
13 our waterfronts. This ferry service is so
14 important to add another option to relieve
15 some of that pressure on the MTA. And we
16 also think it will have a great economic
17 development impact. So there's a lot of ways
18 the state can support us in that, and we'd
19 appreciate your help.

20 SENATOR SQUADRON: When that
21 experience happens to my wife, I hear about
22 it dramatically, so I'm familiar with that
23 subway experience personally in my household.

24 But actually to that point and the

1 waterfront, we have already seen some real
2 expansions of use of infrastructure --
3 schools where we have overcrowding problems
4 in places we never would have expected them a
5 decade ago; transit, as you talk about. In
6 that context, and I think you know my
7 long-standing concern about Brooklyn Bridge
8 Park in general --

9 MAYOR DE BLASIO: Yes.

10 SENATOR SQUADRON: -- and about the
11 impact of development in Brooklyn Bridge
12 Park, if there is any development there, I
13 agree with you, it should be affordable, but
14 there's a broader issue as to whether it's an
15 appropriate place. And whether, at this
16 point, we're considering all of the
17 infrastructure needs.

18 So I would urge that we look
19 comprehensively at transit, at schools, and
20 at development especially there, and
21 especially as we kind of think of the
22 waterfront much more broadly because of all
23 of its potentials for the values you've
24 discussed.

1 MAYOR DE BLASIO: Thank you.

2 SENATOR SQUADRON: Thank you very
3 much.

4 CHAIRMAN FARRELL: Thank you.
5 Assemblyman Kavanagh.

6 ASSEMBLYMAN KAVANAGH: Thank you,
7 Mr. Chairman. And thank you, Mr. Mayor, for
8 your time.

9 MAYOR DE BLASIO: Thank you.

10 ASSEMBLYMAN KAVANAGH: I guess this is
11 a bit of the housing segment of this hearing.
12 But I wanted to follow up with you on some of
13 your comments on public housing. As I think
14 you know, I have many thousands of public
15 housing residents. And I'm heartened to see
16 that the city is coming with a very ambitious
17 proposal for some state funding and also
18 making a commitment to match that funding
19 with some city funding.

20 Just in the last couple of days, we
21 had a fatal shooting the other day right in
22 front of one of my developments. And to the
23 extent that crime is going to be solved, it's
24 likely going to be because there was security

1 equipment in place like cameras. Just during
2 this hearing I was notified that in Gompers
3 Houses 238 tenants were without heat and hot
4 water. I'm happy to report that that has
5 been resolved during the course of this
6 hearing.

7 MAYOR DE BLASIO: It has been
8 resolved?

9 ASSEMBLYMAN KAVANAGH: It has been
10 resolved.

11 MAYOR DE BLASIO: Good.

12 ASSEMBLYMAN KAVANAGH: A very old
13 boiler was without pressure, and NYCHA went
14 in very rapidly and fixed that.

15 But these problems are ongoing and
16 really, you know, a tremendous quality of
17 life problem and also a huge problem for the
18 economic vitality of the city because, you
19 know, the people who work and keep our city
20 running often have to live in these
21 conditions which make that difficult.

22 So I just want to -- at the Housing
23 budget hearing there was a fair amount of
24 talk about this issue, and particularly going

1 to the question of the extent to which, if
2 the state is granting money to NYCHA, it can
3 be expected that that money will be spent
4 responsibly, and there was discussion about
5 the accountability of NYCHA. And I know the
6 administration has done some work on that and
7 also, again, devoted increasing city
8 resources.

9 So I first want to ask just that --
10 you mentioned in your testimony that the
11 police payments have been now eliminated.
12 NYCHA had paid for many years tens of
13 millions of dollars to the NYPD. I know that
14 was eliminated last year on a one-year basis.
15 I know it's again in your budget. Is that
16 now a permanent --

17 MAYOR DE BLASIO: Yes. We have
18 proposed that that be baselined and be
19 permanent relief for NYCHA.

20 ASSEMBLYMAN KAVANAGH: Great. Because
21 I think that's something the city I think
22 hasn't gotten enough credit for. And, you
23 know, for all of us at the state who are
24 being asked for money, having -- that's about

1 70-odd million in recurring expense money
2 that has to come out of the general revenue
3 of the city, and it's a huge commitment. So
4 we appreciate that. And that's something
5 that advocates have worked for for a very
6 long time.

7 On the \$300 million, you're looking
8 basically for \$300 million of new investment
9 in state capital and you'd match it with city
10 capital?

11 MAYOR DE BLASIO: That's correct.

12 ASSEMBLYMAN KAVANAGH: Okay. Again,
13 that's something I look forward to working
14 with my colleagues to try to sort that out.

15 Can you talk a little bit about what
16 you've done in the last 14 months now to
17 improve the kind of accountability and the
18 effectiveness of capital investments in
19 NYCHA?

20 MAYOR DE BLASIO: Yeah, I'll start; I
21 imagine that Dean will want to add.

22 Look, I think we all understand that
23 NYCHA and all public housing around the
24 country was created in a cooperative

1 arrangement with the federal government and
2 to a large extent with state government as
3 well. And if there had been a greater
4 consistency in the way that vision was
5 followed through, we'd be, again, having a
6 very different resource discussion and we'd
7 be having a very different quality of life
8 and safety and health for our residents if,
9 in particular, the federal government had
10 not started walking away from its commitment
11 to public housing in the 1980s and 1990s.
12 And that has accelerated.

13 So I use the analogy -- again, there
14 was a partnership agreed to for the long-term
15 that was going to affect millions and
16 millions of people, and then one of the
17 partners decided it was no longer as
18 interested.

19 That being said, we try in every way
20 we can to hold up our end of the bargain.
21 That is why we baselined the \$72.5 million.
22 That's why we have insisted on additional
23 accountability measures for NYCHA. We had a
24 situation, you'll remember, with security

1 camera funding that had not been implemented
2 in the previous administration. All those
3 resources were utilized, all these cameras
4 were put in place by December of last year.

5 We had a situation where a number of
6 developments had scaffolding or sheds that
7 were put up -- in some cases months and
8 months, in other cases even years where that
9 physical impediment not only made the quality
10 of life worse in developments, but according
11 to the experts, the NYPD, made the situation
12 less safe. There were more places for
13 criminals to lurk and less clear sight lines
14 for our police officers, et cetera. We have
15 now accelerated the program to remove that
16 scaffolding.

17 We had a situation where a number of
18 developments didn't have proper exterior
19 lighting that was also crucial to the NYPD's
20 ability to patrol them. We put in emergency
21 lighting in our most troubled developments
22 and now are moving permanent lighting into
23 place. All of these are examples of
24 literally demanding of NYCHA fast and

1 efficient work plans on a variety of very
2 fundamental matters.

3 And of course what the \$72.5 million
4 allowed us to do -- and even before that, the
5 \$50 million-plus that we put into fiscal
6 2014 -- was to accelerate repairs. Which, as
7 you know -- and I stood with you outside, I
8 think, Smith Houses and we did a press
9 conference together in 2013 -- the rate of
10 repairs, particularly health and safety
11 repairs, was unacceptable.

12 We've now sped that up greatly with
13 those resources being dedicated. And we've
14 held NYCHA accountable for keeping consistent
15 the repair timelines. A lot more to be done,
16 but we feel very good about the
17 accountability on both the expense and the
18 capital side.

19 Do you want to add?

20 NYC BUDGET DIR. FULEIHAN: Sure.

21 It's just even a longer list for three
22 years. As you pointed out, there was almost
23 and more effectively a moratorium on the
24 security cameras, even though there was a

1 hundred million dollars sitting aside for it
2 to happen. That has now all been spent.

3 The community centers, in addition,
4 and the police effort over the summer are
5 additional expense items that we haven't even
6 accounted for, extended hours at the
7 community centers --

8 MAYOR DE BLASIO: We've accounted for
9 them, we just didn't mention them.

10 NYC BUDGET DIR. FULEIHAN: Mention
11 them, right. So there's a long list of
12 efforts to focus our attention on NYCHA, and
13 now we're asking to continue to actually
14 develop a partnership with you.

15 ASSEMBLYMAN KAVANAGH: Great. And my
16 time is running short. If we could briefly
17 touch on, you know, the Governor's proposed
18 significant changes to the Brownfield Cleanup
19 Program, including expanding the exemption
20 for hazardous waste fees and assessments that
21 the city has paid historically. Can you just
22 talk a little bit about that program and its
23 relevance for your affordable housing and
24 also your economic development goals?

1 MAYOR DE BLASIO: Yes. We're very
2 much appreciative of the Governor's proposal.
3 And its relevance is that in the atmosphere,
4 as I said to Senator Hamilton earlier, an
5 atmosphere where we're literally attempting
6 to find every available piece of land that
7 can be developed appropriately. Our
8 particular interest is affordable housing
9 but, again, a lot of that will be achieved
10 through mixed-use development, market rate
11 and affordable together.

12 To think that we have substantial
13 pieces of land in this city that could be
14 unlocked if we only were to address the
15 brownfield concerns appropriately. As you
16 know, in many cases the problem is quite
17 addressable, but there's a complication that
18 always comes with brownfields, and we've
19 needed clarity and we've needed more support
20 to cut through that and fix some of the
21 problems and then get that land back into
22 use. So we think the Governor's proposal
23 will be very helpful.

24 ASSEMBLYMAN KAVANAGH: Thank you.

1 CHAIRMAN FARRELL: Thank you.

2 Senator?

3 CHAIRMAN DeFRANCISCO: Senator Rivera.

4 SENATOR RIVERA: Thank you,

5 Mr. Chairman.

6 Welcome, Mr. Mayor. Thank you for not
7 bringing snow with you this time.

8 MAYOR DE BLASIO: I'm not bringing
9 snow. I oppose snow. It's in my platform.

10 (Laughter.)

11 SENATOR RIVERA: Well, I wanted to ask
12 a few questions. Certainly we'll get back to
13 talking about housing, since that's going to
14 be the bulk of it. But first I wanted to
15 ask -- I'm very thankful that you brought up
16 the Campaign for Fiscal Equity. It is
17 something that I feel we need to focus on.
18 As we talk about reforming education, not
19 talking about the lack of resources that city
20 schools have had is -- I think is -- you
21 know, it's the wrong way to go.

22 So I wondered if you could expand on
23 that a little bit more as far as the impact
24 that that lack of funding is having on

1 education just on a daily basis.

2 MAYOR DE BLASIO: Again, you know, I
3 want to quote these numbers, because they're
4 troubling.

5 You know, we believe the standard --
6 for our kids to be educationally proficient,
7 we want our kids at grade level no later than
8 third grade. You know, at reading level for
9 that grade level by third grade.

10 We believe that the pre-K effort is
11 going to have an extraordinary impact,
12 because for so many kids -- a lot of kids
13 didn't get pre-K, a lot of kids got only
14 half-day or didn't get the quality levels.
15 This is going to be uniformly, for so many
16 kids, full-day, high-quality pre-K. We think
17 that's going to be the table-setter, if you
18 will, for achieving that goal.

19 But to get to a level where,
20 systemwide, all kids are reading at grade
21 level by third grade -- and that is, in the
22 educational world, the gold standard, the
23 belief of a lot of the -- academic research
24 has concluded that if our children are at

1 grade level by third grade, all other things
2 are possible. And if they're not, it becomes
3 increasingly difficult to get them on track
4 and get them to a college education.

5 We're at about 30 percent right now
6 reading at grade level by third grade. One
7 of the reasons is we don't have the resources
8 we need to address that problem. And when it
9 comes to reading skills, literacy skills, a
10 lot of that is very hands-on instruction and
11 very intensive. We don't have the resources
12 for that.

13 We have, as I said, over 170,000 kids
14 with special needs. We do everything we can
15 with the resources we have to serve them.
16 We're in fact trying to improve on that
17 effort. I want to thank Senator Felder, who
18 worked with us very closely to make it easier
19 for parents to get the services they need for
20 their kids. We'd like to do a lot more for
21 them. If we had the resources, we could do
22 so much more for our special-needs kids and,
23 to the point raised earlier, help them
24 earlier on in their lives where the

1 multiplier would be that much greater.

2 The guidance counselor dynamic, one
3 guidance counselor for every 374 kids -- or
4 376 kids. I agree with Senator Felder, it
5 might be in fact worse than the official
6 statistics suggest.

7 We want every kid to be college-ready,
8 and we want them to not just get to college
9 but succeed in college. But we don't provide
10 them the support to even figure out how to
11 apply for college, let alone be able to
12 succeed. And a lot of kids in our school
13 system, a very substantial percentage of our
14 children come from families where no previous
15 member has gone to college. And literally
16 the process of preparing for college,
17 applying for college is, for them, the
18 unknown. But if they have a guidance
19 counselor who can help them early and often,
20 they can achieve great things. These are
21 foundational examples of what we're missing.

22 And then if we look at the fact that
23 we graduate so few kids that are totally
24 college-ready, we should not be surprised.

1 This is why I say I do not accept the
2 educational status quo in New York City. It
3 is not surprising that our results are so far
4 off the mark, because we're not making the
5 investments we need. And the only way we can
6 make the investments is if the resources that
7 were promised to us through the settlement
8 governed over by the Court of Appeals are
9 actually provided.

10 SENATOR RIVERA: And I'm glad that you
11 used the word "investment," because I think
12 it's a core thing that actually leads into my
13 second line of questioning, which has to do
14 with what we are as a state investing in,
15 whether it's education -- and I think you
16 made the case plainly that having those
17 resources will mean that we will make a
18 better investment.

19 But then when you're talking about --
20 I'm also very thankful that you and your
21 administration have made the affordability
22 crisis and all the connecting pieces of them,
23 as it relates to housing, whether it's
24 homelessness, NYCHA and the development of

1 new housing -- all of these things are
2 connected. Because the majority of people
3 that make the city work, the working-class
4 folks in the city, are having a harder time.
5 And some of my colleagues have made the case
6 already, it is harder and harder for them to
7 find a place to live.

8 So I'm thankful that you are speaking
9 about what we can do about NYCHA as far as a
10 long-term investment there, but I wanted you
11 to speak a little bit, to expand -- there's
12 one part of your testimony that you mentioned
13 two things, which you briefly mention --
14 obviously there was so much that you wanted
15 to cover. One of them is on page 14, when
16 you're talking about the fact -- and you
17 talked about this earlier -- if the state
18 does not enforce the law to protect tenants,
19 it must allocate funds so that tenants can
20 help themselves.

21 So I wanted you to give us a sense of
22 what that would mean as far as how much
23 funding the state would have to allocate --
24 if we don't enforce the laws that are already

1 on the books, how much would we have to
2 allocate to deal with the reality of tenants
3 being harassed by bad landlords.

4 MAYOR DE BLASIO: First let me just
5 frame it according to your earlier point,
6 this point about investment.

7 I always say and I believe -- and I
8 have a lot of respect for everyone up here --
9 I think we all look at our work first through
10 a human and moral lens, what's the right
11 thing to do for the people we serve, and
12 second through a very practical lens. I
13 think from both those perspectives,
14 investment is necessary. Investing in our
15 people is fair and just, but investing in our
16 people is also how we prevail in a very
17 competitive economic future.

18 And when you look around the world at
19 the countries and the metropolitan areas that
20 are succeeding, it is those areas that are
21 investing. They've investing in education,
22 they're investing in mass transit, they're
23 investing in affordable housing. It is such
24 a clear pattern all over the country and all

1 over the world: those who don't invest, fall
2 behind.

3 We are blessed in New York City and
4 New York State to have such strengths, but
5 they will not remain strong forever. If
6 we're not constantly investing, our
7 competitors will overtake us. And that will
8 have huge negative impacts for our people,
9 for our economic activity levels, for our
10 revenue levels, all of the above.

11 So we believe that everything we're
12 talking about in terms of education, humanly
13 morally correct, but also literally going to
14 frame our economic future because the future
15 economically will be determined by the
16 education levels and the training levels of
17 your workforce.

18 The same with affordable housing. I
19 can't tell you how many people I've talked to
20 in the business community who say -- and who
21 are very interested in expanding their
22 presence in New York City or coming into
23 New York City, and they say, Here's what we
24 care about: Safety -- everyone, thank God,

1 gives New York City great points for
2 safety -- the quality of the school system --
3 where again, we have a lot of work to do, but
4 we are moving in the right direction, with
5 your support -- and the question of
6 affordable housing for the people who will
7 work in the industry.

8 Booming tech sector right now, we have
9 over 300,000 people employed in our tech
10 sector, and growing, and yet we hear
11 constantly we're not going to be able to keep
12 building that industry if there aren't places
13 for people to live and the workforce can
14 afford.

15 So all of these pieces are about
16 investment and continuing to build.

17 To the later point -- and I got so
18 deep into that, remind me. I'm sorry,
19 Senator.

20 SENATOR RIVERA: And I know that my
21 time is done, but I did want you to talk a
22 little bit about the -- as a matter of fact,
23 I'll pick it up in a second round. No
24 worries. But thank you for making the point

1 about investment, is my basic point.

2 MAYOR DE BLASIO: Thank you. And I
3 appreciate your support. And we will also
4 get you some estimates on the specifics on
5 the latter question.

6 CHAIRMAN FARRELL: Thank you.
7 Assemblywoman Schimel.

8 ASSEMBLYWOMAN SCHIMEL: Thank you,
9 Mr. Chair.

10 And thank you, Mayor.

11 MAYOR DE BLASIO: Thank you.

12 ASSEMBLYWOMAN SCHIMEL: And just to
13 point out, even though I'm a Long Island rep,
14 I am a grateful recipient of a New York City
15 K through 12 education.

16 MAYOR DE BLASIO: Excellent. Thank
17 you.

18 ASSEMBLYWOMAN SCHIMEL: And I'm going
19 to ask my two questions about education
20 because it seems to me this approach to the
21 solutions and the challenges that we have in
22 education is a statewide approach. So I want
23 to ask two questions, one about your -- what
24 do you think of 3020a in terms of the success

1 or failure, that bill that we did legislation
2 now in 2012 about the timeline of due process
3 for teachers and, forgive me to cut to the
4 chase, what they call -- I hate that word --
5 the rubber room. Is it working? That's one
6 question.

7 And the second question is community
8 schools. I know it's going on in New York
9 City, it's going on around the country. The
10 Governor has just sent a letter to the
11 Regents about a receivership model that's
12 being done in Massachusetts. I like the
13 community school model, whatever you want to
14 say about it, but he's tying it to what I
15 consider to be a statewide takeover.

16 Can you tease it out and have
17 community schools without that? And if you
18 could speak to the community school model.
19 Is it a way to look at solving the challenges
20 of -- again, I hate the word -- failing
21 schools? And can it be done without a
22 statewide takeover? Is it something that
23 New York City and other areas, including
24 Long Island, should be looking at? Thank

1 you.

2 MAYOR DE BLASIO: Thank you very much.

3 And I must say, since I have the honor of
4 saying that both my children are products of
5 New York public schools, pre-K through 12,
6 and in June I will be completing my mission
7 when my son graduates, that there is no
8 greater honor in the world than being a
9 product of the New York City public schools.
10 So it's my honor to answer your question
11 knowing that you are such a product.

12 The community school model we believe
13 is a foundational investment. We've seen, I
14 think, great examples here in this city,
15 which is where some of the model was
16 innovated by the Children's Aid Society and
17 others. We've certainly seen -- I've visited
18 Cincinnati, where the model is used literally
19 systemwide. And by the way, the level of
20 corporate involvement in the schools,
21 community involvement, volunteerism, it's
22 extraordinary what this model opens the doors
23 to.

24 So I believe it is the wave of the

1 future. We are going to apply this model not
2 just to the schools that are struggling the
3 most, but beyond. Because we think if you
4 engage parents more deeply -- one of the
5 strong suits of the community school model is
6 it gets parents engaged in their children's
7 education early and consistently. It
8 addresses some of the underlying challenges.

9 One of the great examples that people
10 who believe in community schools use is that
11 in a community school, because the physical
12 health and mental health capacity is
13 available in the school, the child who can't
14 see the board and is struggling because of an
15 eyesight problem gets diagnosed and gets
16 eyeglasses, in many cases years before they
17 would normally. And there's so many other
18 examples of special needs that go unaddressed
19 because there are no professionals to
20 identify them and act on them.

21 Obviously what we talked about
22 earlier, lack of guidance services -- in a
23 community school model, guidance is a crucial
24 element. So I think it absolutely is the

1 right model.

2 I think it should be disconnected from
3 any notion of state receivership because I
4 think it's a model that works for every kind
5 of school, first of all. And second, because
6 under a mayoral control dynamic -- which I
7 again thank the Legislature for having
8 created -- there is such clear
9 accountability. The people have every right
10 to hold me absolutely and totally accountable
11 for everything that happens in their school
12 system. And if they find my efforts
13 insufficient, they literally can choose to
14 remove me because we have a scheduled
15 election. And that, to me, is a model that I
16 believe has worked tremendously well in
17 New York City. I believe it should be
18 applied elsewhere.

19 But when you have that level of
20 accountability, I don't believe there's a
21 need for a state receivership model, because
22 it's abundantly clear who's responsible, what
23 tools we have in place. Again, we have
24 proposed for 94 schools that are struggling a

1 huge amount of investment, new leadership
2 teams, new master teachers, a longer school
3 day, a host of additional changes that we
4 think will really turn around those schools
5 quickly.

6 To the question of teacher
7 accountability -- and again I say I agree
8 with the Governor's point that we have to
9 make sure that these who should not be in the
10 profession are moved along out of the
11 profession. We have, in this case, 289
12 teachers since April -- less than a year --
13 that we have moved out of the profession who
14 should not have been in the profession.
15 That's a very, I think, healthy rate. We
16 will continue that. And we believe that
17 that's important to the future of our
18 schools.

19 But even more important is attracting,
20 training and retaining the very best
21 teachers. That's really where we're going to
22 win or lose this ball game, in all school
23 systems. Do we get great teachers, do we
24 keep great teachers.

1 ASSEMBLYWOMAN SCHIMEL: I just want to
2 clarify, the 289, was it done through -- and
3 again, only because I'm being hammered at
4 home by school administrators that 3020a is
5 not expeditious enough. Is that part of that
6 process that is deeming, as you say, that
7 you're able -- I don't want to focus on that.
8 I agree with you, we should empower teachers.
9 But the other side, when they are not
10 effective, is that law working for you?

11 MAYOR DE BLASIO: Well, I would say
12 two things. Again, I think the Governor is
13 moving in the right direction on this to say
14 we have to constantly hone our efforts at
15 accountability and making sure that they are
16 streamlined. But the success we've had is
17 based in part on energetically applying the
18 rules as they stood even before we came into
19 office. But then we added to that, in the
20 contract we struck with the teachers' union,
21 and made it easier to remove people via
22 severance. It's a perfectly appropriate tool
23 and a smart tool to use.

24 Look, the bottom line is if someone

1 should not be in the profession, there's more
2 than one way to get someone to move along.
3 We want the fastest, clearest way to do it.
4 Severance often is that, by the way, not just
5 in teaching but in a whole host of
6 industries. About a hundred of these
7 teachers who have left our system since April
8 did so through a severance model that we
9 added into our teacher contract.

10 So I think my answer would be some of
11 this is doable under the current reality.
12 Some of this we were able to improve upon
13 with a better contract and a more flexible
14 contract. We certainly think we should keep
15 moving in that direction.

16 ASSEMBLYWOMAN SCHIMEL: Thank you very
17 much.

18 MAYOR DE BLASIO: Thank you.

19 CHAIRMAN FARRELL: Thank you.

20 We've been joined by Assemblywoman
21 Bichotte and Assemblywoman Joyner.

22 Senator?

23 CHAIRMAN DeFRANCISCO: Senator
24 Krueger.

1 SENATOR KRUEGER: You'd think all the
2 questions had already been asked, but no.
3 I'm going to try to do lightning-round
4 questions with you, Mr. Mayor.

5 MAYOR DE BLASIO: All right, lighting
6 round, I'm ready. I did the lightning rounds
7 before.

8 (Laughter.)

9 SENATOR KRUEGER: Senator Golden
10 before highlighted his concern about building
11 more shelters in communities and the negative
12 impact. Would you agree that if we weren't
13 losing as many rent-regulated units and
14 suffering so much tenant harassment, we would
15 have fewer homeless families we would even
16 need to put in shelters.

17 MAYOR DE BLASIO: Yes.

18 (Laughter.)

19 SENATOR KRUEGER: So I'm delighted to
20 learn that you and the Governor and the
21 Attorney General have all announced your
22 anti-harassment campaign. You in your
23 testimony highlight you're already getting
24 61,000 calls to 311 each year relating to

1 housing harassment. What are we going to do
2 to make sure, in addition to ensuring that
3 the state agency, HCR, is responding more
4 quickly to harassment and other problem
5 issues -- and I'm a strong supporter of
6 expanding the TPU up here at the state
7 agency. I think that will be a fight here
8 during the budget process. But I would also
9 urge that you need to think about expanding
10 your HPD response and your Office of Special
11 Enforcement Unit, because they're your two
12 bodies that respond to harassment, whether
13 it's rent-regulation harassment or illegal
14 hoteling.

15 So I'm wondering can you do anything
16 more in your city budget -- because I don't
17 know that you did expand those -- to ensure
18 you have the staff to actually address your
19 no doubt more than 61,000 calls? Because in
20 response to your announcement about what you
21 were doing, I and I think many other elected
22 officials immediately started telling
23 everyone call 311, that's what the mayor is
24 saying to do so that he can address

1 harassment.

2 So can you do anything more at the
3 city level in your next budget to ensure,
4 when people make those calls, you have a
5 staff of adequate size to respond?

6 MAYOR DE BLASIO: The lightning-round
7 answer is yes. The more elaborate answer is
8 we, in the preliminary budget, added
9 \$36 million for legal services for people who
10 might be subject to harassment, particularly
11 in areas where we will be beginning
12 rezonings. So as a trying to get ahead of
13 the situation. And again, those are many
14 areas we're already feeling deep development
15 pressures.

16 We are certainly going to look at the
17 Special Enforcement Unit and other areas that
18 we may want to do more with. We're trying
19 to, in every instance, take the resources we
20 have and apply them more effectively. But
21 there may certainly be options to add, and
22 we'll be looking at that vis-a-vis the April
23 Executive Budget.

24 That being said, I think what you're

1 pointing out about the state role, the
2 numbers are so troubling in terms of how many
3 people have left rent regulation because of
4 harassment, because of illegal means, that
5 it's quite clear that the state efforts are
6 insufficient. The TPU should be at expanded
7 to the point that it can actually address the
8 problem in real time, as indicated from
9 Comptroller DiNapoli's report. If you have
10 to wait a year or more for resolution, it's
11 too late. The crime has already been done,
12 if you will, and the housing is lost.

13 So we believe there needs to be the
14 kind of increase at the state level that
15 would allow for actual real-time enforcement
16 and would create consequences for bad actors.

17 Ultimately, as I said in my State of
18 the City, the state could decide to provide
19 legal aid on the kind of level that could
20 actually accommodate the cases that are so
21 prevalent. I don't think that's the better
22 solution. I think the better solution is to
23 enforce at the point of contact.

24 But if that's something the state

1 chooses not to do, at least provide legal
2 defense for people in Housing Court, where,
3 you know, most tenants go without
4 representation.

5 So I think the problem right now is a
6 profound one and a growing one, and I think
7 the state's enforcement actions are not
8 measuring up, and this budget is a chance to
9 address that.

10 SENATOR KRUEGER: I agree. Thank you.

11 You said in your testimony you're
12 asking for \$32 million more for homelessness
13 prevention services, but you also highlight
14 that the Governor's cutting \$22 million out
15 of a program. So is your \$32 million
16 replacing the 22, plus 10, or get the 32,
17 don't cut the 22?

18 MAYOR DE BLASIO: No, it's that the 22
19 should not be taken away. If I could say it
20 clearly, let's not rob Peter to pay Paul.
21 The \$22 million should not be taken away
22 while we're experiencing record high
23 homelessness. And we need the \$32 million to
24 address this problem.

1 We have a lot of skin in the game. As
2 you can see from my earlier testimony, the
3 city is making some very, very substantial
4 investments. The state has to be a partner.
5 So the 22 needs to be left in place, plus the
6 32 to address the huge level of need.

7 One other point on the previous, we're
8 very pleased by the collaboration with the
9 Governor and DHCR and Attorney General
10 Schneiderman on the joint task force to do
11 better enforcement. That is not, I want to
12 just emphasize for clarity, that's not the
13 same thing as the TPU. The joint task force
14 will help us get particularly at certain
15 criminal charges that require that
16 coordination. But the absence of a fully
17 funded TPU is irreplaceable in this equation,
18 and that still has to happen.

19 SENATOR KRUEGER: Okay, great. Then
20 you also talked about something that I think
21 many of us didn't necessarily understand in
22 the budget, that for supportive housing the
23 Governor's budget proposes transferring
24 50 percent of the cost of the actual

1 supportive services from the state budget to
2 city budget.

3 Did I read that correctly?

4 MAYOR DE BLASIO: Well, I'm going to
5 refer to Dean Fuleihan, because I can say one
6 thing. I think Dean Fuleihan was here for
7 New York/New York I, II, III and IV. Am I
8 telling the truth, Dean?

9 NYC BUDGET DIR. FULEIHAN: Yes.

10 MAYOR DE BLASIO: Okay. I think he
11 can give you the historical data on that.

12 SENATOR KRUEGER: So the Governor is
13 cutting that. Is that for all the past built
14 supportive housing --

15 NYC BUDGET DIR. FULEIHAN: No.

16 SENATOR KRUEGER: -- or just for the
17 future?

18 NYC BUDGET DIR. FULEIHAN: This is for
19 New York/New York IV. It's on a different --
20 it would require a local share of 50 percent
21 on the city.

22 SENATOR KRUEGER: So what's the
23 estimated cost to the city?

24 NYC BUDGET DIR. FULEIHAN: It's about

1 \$40 million a year.

2 SENATOR KRUEGER: Annually?

3 NYC BUDGET DIR. FULEIHAN: Yes.

4 SENATOR KRUEGER: On whatever
5 percentage of those 5,000 units would be in
6 New York City.

7 NYC BUDGET DIR. FULEIHAN: Correct.

8 Yes.

9 SENATOR KRUEGER: That's a lot of
10 money.

11 NYC BUDGET DIR. FULEIHAN: Yes.

12 MAYOR DE BLASIO: We agree with your
13 analysis, Senator.

14 (Laughter.)

15 SENATOR KRUEGER: All right, shifting
16 to schools. There was a \$40 million fund for
17 covering the cost of charter schools that
18 weren't collocated in the past budget. But
19 going forward with the Governor's proposal to
20 add additional charters and to define
21 charters that would then be, I think, 240,
22 potentially, slots throughout the State of
23 New York, all being able to go to New York
24 City if they chose, and what I see as the

1 unrealistic concept of attempting major
2 collocations, what is it going to cost you
3 for every new charter? How does that work?

4 MAYOR DE BLASIO: Let me answer the
5 structural question, if I may, first, and
6 then Dean might be able to fill in some
7 specifics for you.

8 But simply put, one, we believe that
9 we have to help and support all the children
10 of our city. I don't care if a child is in a
11 traditional public school, a charter school,
12 a religious school -- we believe it's the
13 obligation of the City of New York to work
14 with all of the above. Our pre-K program
15 includes charter schools and religious
16 schools. Our after-school program does as
17 well. Every one of those children is going
18 to be a part of the future of New York City,
19 and I want them all to be well-educated.

20 That being said, I have a particular
21 obligation to the 94 or 95 percent right now
22 of our kids who are in traditional public
23 schools instead of charters, just thinking
24 about the almost 1.2 million kids we have in

1 our school system. That has to be my first
2 focus in terms of the future of the city and
3 obviously the needs of our families right
4 now. And as indicated earlier, we are far
5 off the mark from where we need to be, and we
6 need to keep our focus on our traditional
7 public schools.

8 So I think my broad point would be I
9 think that there's not a need to expand the
10 charter cap. I don't think there's a need to
11 expand charter funding. I think we have a
12 lot of charters that are playing an important
13 role in our school system and are growing
14 right now as is.

15 Remember, a lot of charters have just
16 begun their development. They're in one of
17 our school buildings or they're in another
18 site, maybe they're in, you know, the first
19 few grade levels, like pre-K to first grade,
20 second grade, and they're building out
21 towards fifth grade or they're building out
22 middle school or high school level. So
23 charters as they are now in New York City are
24 continuing to expand naturally.

1 But I don't think we should add to
2 that. I think we should focus on the central
3 issue that we face as a city, which is fixing
4 our traditional public schools.

5 SENATOR KRUEGER: Thank you. But
6 again, you testified that you're not getting
7 enough money for education. I agree. You
8 testified you want a continuation of mayoral
9 control. I agree.

10 We changed part of the deal of mayoral
11 control about a year ago, specifically as it
12 related to charters. And I don't think
13 anybody is talking about reversing that
14 section of what we changed a year ago.

15 So if the Governor's proposal goes
16 forward as it is, you will be obligated to
17 pay for school buildings for any new charter
18 that applies at the state level and is
19 approved. You don't get a say in whether
20 they get approved, but you will have to pay
21 both the building rent costs, to my
22 understanding -- I'm just trying to confirm
23 this -- and whatever costs are associated
24 with shifting children from your 94,

1 95 percent traditional public schools to
2 charter.

3 So I'm trying to just get my arms
4 around what is that cost to you in your
5 budget per school.

6 MAYOR DE BLASIO: Passing to Dean,
7 obviously that puts an additional burden on
8 the city at the same time as we are trying to
9 fix the fundamental problem. To your core
10 point, it does create a challenge for us, and
11 that causes a real concern.

12 In terms of costing it out, Dean, do
13 you want to --

14 NYC BUDGET DIR. FULEIHAN: Yes. I
15 mean, we will take those -- what you outlined
16 and we'll come back to you with an exact
17 estimate. Obviously, it's more cost, and
18 we'll give you an exact figure.

19 SENATOR KRUEGER: Thank you. And my
20 time is up, so my lightning round has to end
21 for now. Thank you.

22 MAYOR DE BLASIO: Thank you.

23 CHAIRMAN FARRELL: Thank you very
24 much.

1 We've been joined by Assemblyman Moya.

2 And to question, Assemblyman Borelli.

3 ASSEMBLYMAN BORELLI: Thank you,
4 Mr. Mayor, for coming. It's always good to
5 see you. You've been speaking for almost
6 three hours, and I hope your staff is taking
7 you out for a pizza or something after this;
8 it's well-deserved.

9 MAYOR DE BLASIO: I have my knife and
10 fork ready.

11 ASSEMBLYMAN BORELLI: Oh, yeah. I
12 didn't want to bring it up. I didn't want to
13 bring it up.

14 MAYOR DE BLASIO: The gentleman from
15 Staten Island raises the question of pizza,
16 it kind of leads to it.

17 ASSEMBLYMAN BORELLI: Yeah, yeah, I
18 know.

19 I have two questions, I guess sort of
20 on the pizza line, because it involves small
21 business. The Governor proposed a tax cut of
22 \$40 million for small businesses through a
23 reduction of the corporate franchise tax.
24 Most small businesses don't pay taxes through

1 the corporate franchise tax, they pay through
2 their personal income tax.

3 And when you speak to a lot of these
4 owners, they indicate that the majority of
5 their problems and the majority of their
6 financial difficulties come from a lot of the
7 revenues that are generated through the fees,
8 fines and that sort of thing from city
9 government.

10 I know you made a press announcement
11 sort of addressing this recently, and I was
12 wondering if you can clarify how the
13 administration is going to sort of change
14 this culture of dealing with businesses.

15 MAYOR DE BLASIO: Thank you very much
16 for the question, because I think there was
17 an unacceptable reality where small
18 businesses were fined very arbitrarily and,
19 bluntly, for revenue. You may remember I put
20 out a report when I was public advocate
21 pointing out that you have a constant upward
22 trend of fines on small businesses
23 disproportionately affecting the outer
24 boroughs, and that it was clearly a

1 revenue-generating tool based on some of the
2 budget challenges that the city was facing.
3 You could see year by year how it grew, and
4 it was projected to grow in each budget on
5 purpose.

6 We reversed that. We literally
7 reversed it. We said that we would in effect
8 reward agencies for bringing those fine
9 levels down to where they actually should
10 be -- not arbitrary, not forced fines or
11 gotcha fines, but actually trying to figure
12 out when are fines truly necessary. Meaning
13 that the store owner would refuse to address
14 a health and safety need, for example, versus
15 the typical situation we faced -- someone
16 made a mistake, often a very small mistake,
17 could have been corrected on the spot, and
18 the store owner wasn't even given an
19 opportunity to correct.

20 So we've reversed the culture, we've
21 brought down the fine levels by many millions
22 of dollars, and we're going to keep pushing
23 them down. Meanwhile, we've directed our
24 Department of Buildings, which has been in

1 many ways one of the choke points for a lot
2 of small businesses, to speed up services
3 that they provide to small businesses,
4 streamline. And particularly for those
5 opening or expanding a business, to take a
6 model that the previous administration did
7 innovate, the hub system, which we think was
8 a good model, and expand that.

9 So we believe over time all of that
10 will add up to a better experience for small
11 business. But I want to thank you for your
12 partnership with the administration on these
13 issues. And we are adamant with you and all
14 your colleagues, if there are examples where
15 we're still not getting it right, we want to
16 keep making these reports.

17 ASSEMBLYMAN BORELLI: Good. I look
18 forward to -- I think it's going to be
19 certainly welcome news to a lot of the small
20 businesses, especially on Staten Island.

21 Shifting the focus to transportation
22 on Staten Island, New York City DOT released
23 a very basic report on the efficacy of
24 photo-enforced red light cameras citywide.

1 And the data they published was sort of the
2 basis for them saying that overall pedestrian
3 deaths and injuries are down at locations
4 citywide, as compared to before the cameras
5 were installed. And that data was used to
6 justify the use of them and sort of the
7 overall success of Vision Zero.

8 On Staten Island the numbers were the
9 opposite. Where cameras were installed, the
10 number of pedestrian deaths and injuries
11 actually rose. And we've been trying to get
12 the data broken down by location and the
13 revenue broken down by location, which is
14 what the law provides, but DOT has in effect
15 said we're not going to deal with that.

16 It's troubling that they would use the
17 data on one hand to sort of justify the
18 program, but then when an issue arises where
19 it's indicating a different outcome, we were
20 told that the data is misleading and
21 incomplete.

22 So would you support releasing this
23 data and sort of ending the cynicism that
24 people have that this is a revenue-generating

1 tool? And if the data is correct that
2 there's an uptick at these sites, would you
3 look at reforming the way they're done, as a
4 number of municipalities have?

5 MAYOR DE BLASIO: Okay, so several
6 different questions there.

7 Do we want to keep trying to perfect
8 and adjust the location of cameras and the
9 use of cameras for the positive impact we're
10 seeking? Absolutely. Do we want to work
11 with communities and elected officials to do
12 that? Yes.

13 I think the jury has already come
14 back, if you will, that the combined impact
15 of the cameras, the speed limit, the
16 enforcement, has driven down pedestrian
17 deaths and overall fatalities, and that is a
18 blessing. That is to everyone's credit.
19 Everyone here who voted to give us that
20 ability deserves a share of the credit that
21 there are people alive today who would not be
22 alive otherwise.

23 So there's no question it is working.
24 We still need to keep perfecting it.

1 Now, as Commissioner Trottenberg has
2 said, the best kind of camera is one that
3 ultimately generates zero revenue. That's
4 literally what we want. We want that through
5 education and through enforcement, people's
6 habits change so they stay within the speed
7 limit so we don't get any revenue. We would
8 love nothing more.

9 As to the question of sharing
10 information, understanding that there's two
11 problems that we have to navigate. One is we
12 don't go out of our way to put a big neon
13 sign around where each camera is so that
14 someone will just slow down --

15 ASSEMBLYMAN BORELLI: Maybe we should.
16 Maybe we should.

17 MAYOR DE BLASIO: I understand that
18 impulse. I was a driver myself until very
19 recently.

20 But the point is we're trying to get
21 people to slow down in general. I don't mean
22 people slowing down at one intersection and
23 knowing there's no camera at the next
24 intersection, then deciding let's gun it, you

1 know, into the next one. We want to get the
2 culture to change for the safety of our
3 families, our children, our seniors, et
4 cetera.

5 So we're a little bit sensitive, and I
6 think rightfully, about not having the kind
7 of public discussion that gives people such a
8 perfect understanding of where cameras are
9 that they simply change their behavior a
10 little instead of a lot.

11 Second, we do want to be careful about
12 the data -- that is still fairly new -- not
13 being overemphasized. Meaning we know the
14 broader effort is working, we have clear,
15 clear numbers on that, but in some cases you
16 might have some very local situation that was
17 aberrant, an individual. That doesn't mean
18 that we've come to enough of a conclusion, we
19 have enough data for that.

20 We'll certainly make sure that DOT is
21 sitting with you and your colleagues, elected
22 officials on Staten Island, and working
23 through some of these issues. But we do have
24 to do it in a smart way.

1 ASSEMBLYMAN BORELLI: Good. I think
2 my time is almost up. Thank you very much.
3 Appreciate it.

4 MAYOR DE BLASIO: Thank you.

5 CHAIRMAN FARRELL: Thank you.
6 Senator?

7 CHAIRMAN DeFRANCISCO: Yes, I have a
8 few questions.

9 First of all, you talked about
10 relieving 200-and-some-odd teachers from
11 their duties as teachers in the City of
12 New York. One hundred of them were from the
13 severance pay, I guess, is what it is --

14 MAYOR DE BLASIO: Yes.

15 CHAIRMAN DeFRANCISCO: -- that was
16 negotiated in the contract.

17 Were any of the 100 teachers at the
18 time charged with a crime where they got
19 severance pay?

20 MAYOR DE BLASIO: Again, Senator,
21 we'll get you the break-out. We are
22 absolutely rigorous in how we are handling
23 certain types of charges, and we're in a
24 position to move people very quickly when

1 there's certain types of charges involved.

2 In the vast majority of these cases,
3 to the best of my understanding, these are
4 people where there was a competency issue,
5 not a criminal issue, thank God.

6 But the point is that 289 people who
7 should not be teaching, in our view, were
8 moved out of the system.

9 CHAIRMAN DeFRANCISCO: And does the
10 contract prevent the use of severance in the
11 situation where there are criminal charges
12 that were brought against the individual?

13 MAYOR DE BLASIO: Again, I believe --
14 and I want to make sure we give you chapter
15 and verse.

16 CHAIRMAN DeFRANCISCO: Okay. All
17 right. Could I just -- a copy of that
18 portion of the contract would be sufficient.

19 MAYOR DE BLASIO: Yeah.

20 CHAIRMAN DeFRANCISCO: And some
21 numbers, if you've got them.

22 Secondly, what is the average
23 severance pay an ineffective teacher gets
24 under the contract?

1 MAYOR DE BLASIO: So again, I just
2 want to finish the previous answer. The
3 efforts against those who break the law or do
4 inappropriate things are -- we have powers
5 unto ourselves, if you will, the ability to
6 move that very aggressively under any and all
7 circumstances. And we're using those powers
8 rapidly.

9 Severance, again, typically is for
10 more of a competency question. But we will
11 get you that break-out.

12 On the amount of severance, I think
13 it's determined by the tenure of a teacher,
14 et cetera, but we'll get you the specific
15 range.

16 CHAIRMAN DeFRANCISCO: Okay. And the
17 other hundred and whatever teachers that were
18 relieved, was that through the 3020a
19 proceeding?

20 MAYOR DE BLASIO: So again, Dean will
21 jump in on this. The 289 teachers who were
22 in the ATR pool are all now out of the
23 system. Almost a hundred were through
24 severance, the other through other means. So

1 yes, the existing disciplinary rules were
2 utilized.

3 CHAIRMAN DeFRANCISCO: All right. And
4 is there something in the contract that
5 quicken the process for 3020a hearings?

6 MAYOR DE BLASIO: I would say that the
7 contract, and the broader approach that we're
8 taking as a result of the contract,
9 encourages a more cooperative outcome.

10 So for example, how does someone leave
11 the school system. Full termination is
12 always an option. In some ways, the
13 preferred option is if someone would resign
14 rather than going through an appeals process.
15 We prefer that, if someone takes severance.
16 Again, if they have it coming to them, if it
17 is an appropriate action.

18 Our goal is once we've determined that
19 someone does not belong in the system, how do
20 we get them out as quickly as possible. So
21 my point is the contract has given us more
22 and different tools to do that.

23 CHAIRMAN DeFRANCISCO: Okay. Can I
24 get the other portions of the contract which

1 shows what their tools are? Because we're
2 evaluating the Governor's reform concerning
3 3020a, and I want to see if there's any
4 alternatives that we haven't thought about.

5 MAYOR DE BLASIO: One of the things
6 that the chancellor talks about -- and
7 Chancellor Fariña, as I think you know,
8 started out as a New York City public school
9 teacher, worked her way up to principal and
10 deputy chancellor and -- superintendent,
11 deputy chancellor, and now chancellor. She
12 talks about the need to counsel out those who
13 should not be in the profession.

14 So again, you have situations where
15 it's literally convincing someone not to
16 continue. You have situations where the
17 severance is the tool that works. Then you
18 also have the option of using a disciplinary
19 system.

20 We are trying to perfect -- and we've
21 had cooperation on this from the union -- the
22 quickest outcome. And sometimes that is
23 literally a principal sitting with a teacher
24 and saying "This is not for you, it's time to

1 move along."

2 CHAIRMAN DeFRANCISCO: All right. And
3 the teacher said "I don't care what you
4 think, I've got a right to sit in a rubber
5 room for three years and collect a salary."
6 So, you know, some people may be reasonable.

7 So now that leads me to my next
8 question. How many teachers are currently in
9 what used to be or still is called the rubber
10 room?

11 MAYOR DE BLASIO: The rubber room as
12 we know it is effectively gone. There is the
13 ATR pool, and the ATR pool is the group of
14 teachers whose outcomes are still being
15 determined.

16 Now, some of those people were
17 perfectly capable teachers who got left out,
18 for example, when a school closed or there
19 was some other kind of transition. So a lot
20 of those people we've been able to get to
21 teaching positions they deserve.

22 The 300, almost 300 people who have
23 come out of that pool, we are speeding that
24 rate up because our goal is to keep lowering

1 the amount in that pool.

2 CHAIRMAN DeFRANCISCO: I get that, but
3 I'm just looking for a number. Teachers that
4 are under disciplinary charges that have to
5 go to the 3020a hearing, approximately how
6 many would you say are --

7 NYC BUDGET DIR. FULEIHAN: So we'll
8 get you more detail. We have reduced, in the
9 year -- the ATR pool is down year to year,
10 and we'll get you those specifics. And there
11 are some provisions in the contract that help
12 that and expedite that, and we'll get you
13 those as well.

14 CHAIRMAN DeFRANCISCO: Good.

15 MAYOR DE BLASIO: And just, Senator,
16 one point to clarify. When there's that
17 group that's in that pool, which is
18 essentially, you know, a transitional pool,
19 they have two options in our point of view.
20 One is if they can teach and then teach
21 effectively, get them to a new assignment.
22 If they can't, it is to move them along as
23 quickly as possible. And that rate has been
24 increasing steadily.

1 CHAIRMAN DeFRANCISCO: Yes, okay. You
2 just got some important information from your
3 staff member. Was that any numbers that --

4 NYC BUDGET DIR. FULEIHAN: It was what
5 I gave you, actually. It was that I know
6 year to year the numbers are down, and we'll
7 give you the specifics on that. We want to
8 make sure of it. And we will give you the
9 exact numbers year to year, and we'll also
10 show you what pieces of the contract help and
11 expedite.

12 CHAIRMAN DeFRANCISCO: Okay. You
13 mentioned infrastructure as part of the needs
14 of the City of New York and the needs of
15 everyone throughout the state. Do you agree
16 that there should be a fair, equitable
17 distribution of whatever infrastructure money
18 there is throughout the State of New York?

19 MAYOR DE BLASIO: Absolutely. And,
20 you know --

21 CHAIRMAN DeFRANCISCO: That's all.
22 You got it.

23 MAYOR DE BLASIO: No, if I may, just
24 one sentence. I in a previous life was the

1 regional director for the U.S. Department of
2 Housing and Urban Development, which meant
3 I spent a lot of time in Syracuse, in Buffalo
4 and Rochester and Albany and throughout
5 upstate. Profound infrastructure needs in
6 upstate as well.

7 I think of this on a statewide basis.
8 We have to be competitive for the future.
9 But I also know the downstate piece is
10 crucial for our economic future.

11 CHAIRMAN DeFRANCISCO: Okay. And as
12 far as you were mentioning the disparity upon
13 what New York City puts in the till and
14 what's given back, I just want to remind you
15 that, you know, what I do a lot up here is
16 try to make -- talk about regional balance,
17 because that's, I think, important.

18 So as far as the pre-K money, this is
19 the stuff that makes upstate New Yorkers a
20 little nuts. New York City was receiving
21 \$524 million for pre-K. Another \$300 million
22 was added last year. That's \$824 million.
23 Before last year, upstate, the rest of
24 upstate -- which I guess is 50-some-odd

1 percent of the people, according to your
2 numbers, got \$200 million and got an
3 increase -- not \$300 million, an increase of
4 \$400 million.

5 So there are -- and I'm sure if you
6 look at the housing numbers, that there's
7 going to be a substantial disparity against
8 upstate in that situation.

9 So I just wanted to mention that
10 because I think it's really important. So
11 it's from your perspective, whether you get
12 gored or you're not getting goled. And I
13 think there's also some of the public
14 assistance, the large number, based upon a
15 formula that the state provides and the
16 federal government provides, substantially
17 greater dollars go down the Thruway rather
18 than up the Thruway.

19 So that argument doesn't play too
20 strongly with me. But I understand where
21 you're coming from and what you're trying to
22 advocate for.

23 Well, I've got a couple more and I'll
24 pass until I get another opportunity.

1 CHAIRMAN FARRELL: Assemblyman Oaks.

2 ASSEMBLYMAN OAKS: Thank you,
3 Chairman.

4 Mayor, a couple of questions. One,
5 you'd mentioned -- you were just talking a
6 little bit with Senator DeFrancisco about
7 pre-K, 20,000 going to 53. You said 70,000
8 is the goal. What does that 70,000 represent
9 of the total 4-year-olds?

10 MAYOR DE BLASIO: Well, from all the
11 research we've seen, that is -- and again,
12 we're waiting for the final number, which
13 we're going to learn by making the seats
14 available and see what the total usage is.
15 But paralleling that to the numbers in
16 kindergarten and first grade, et cetera, we
17 believe, give or take, that 70,000 is the
18 total universe of 4-year-olds for whom the
19 parents would choose to put them into a
20 school setting.

21 There are clearly some 4-year-olds
22 that parents choose to keep at home or have
23 some other alternative arrangement. So we
24 believe that is the natural total, if you

1 will, of children who could and should be in
2 a school setting. And it all gets back to
3 the point that this is how we prepare our
4 kids for the modern educational reality and
5 the modern economic reality.

6 With everyone's help here, when that
7 is completed next year, we're literally
8 talking about 50,000 more kids getting full
9 day pre-K. That's an extraordinary
10 achievement, and one that I would obviously
11 support fully being expanded all over the
12 state.

13 ASSEMBLYMAN OAKS: Jumping topics, one
14 of the figures I think you'd used from
15 2010-2012, talking about the number of
16 harassment cases being 19,000 or whatever,
17 the DHCR website lists a number -- I just had
18 some figures; 341 in 2010, 335 in 2011, 315
19 in 2012. So that would say that's around a
20 thousand, versus the 19. I'm just wondering
21 where the 19 is versus the DHCR numbers.

22 MAYOR DE BLASIO: We'll get you the
23 exact citation. There are different elements
24 of this. There are the complaints that go to

1 the state and city, there's the people who go
2 to housing court, there's different
3 iterations.

4 What we find across all the data is a
5 very, very substantial number of people who
6 are having problems, real legal problems with
7 how they're being treated. Again, by the
8 minority of landlords who are unscrupulous.
9 And it's -- again, the backdrop, the economic
10 backdrop is quite sharp. You're talking
11 about many neighborhoods where housing values
12 have grown very intensely, very quickly,
13 where unfortunately the unscrupulous choose
14 to take advantage of that, move out tenants
15 illegally so they can get higher-priced
16 tenants coming in. But we will give you the
17 citation for our data.

18 ASSEMBLYMAN OAKS: Thank you.

19 And then, finally, just some questions
20 on the MTA. I know that there was an
21 increase in tolls back in October, and
22 then -- but the five-year \$32 billion capital
23 plan wasn't accepted because of the funding
24 gap. And recently Commissioner Trottenberg

1 said -- you know, I know the city has had
2 kind of flat funding for that. And his
3 comment was that the city's ready to do our
4 part as, you know, that gets increased.

5 Do you have any sense yet to what
6 extent proposed increased city funding for
7 MTA capital might be?

8 MAYOR DE BLASIO: We're coming out
9 with our 10-year capital plan in April.
10 There will be additional resources for the
11 MTA in that plan. I can't give you an exact
12 dollar figure yet because there's a lot we
13 have to work on.

14 We certainly intend to be a part of
15 the solution. I think that the solution is
16 going to require so much -- again, with that
17 \$15 billion or so that's unaccounted for
18 right now. That's going to take all of us
19 working together and thinking of some things
20 we haven't thought about before of how to
21 address this.

22 I keep coming back to the fact that if
23 we do not secure the MTA for the long-term,
24 it will have such a negative effect on our

1 economy -- not just New York City, the entire
2 state, the entire metropolitan region -- that
3 we will, you know, look back and wish we had
4 dealt with it while we could.

5 So we're ready to do something
6 substantial, and we're ready to work with the
7 state closely on that.

8 ASSEMBLYMAN OAKS: Thank you.

9 CHAIRMAN FARRELL: Thank you.

10 Senator?

11 CHAIRMAN DeFRANCISCO: Just a couple
12 more.

13 You indicate that the graduation rate
14 in New York City schools rose to 68.4
15 percent. Now, is that 68.4 percent of the
16 students who started in kindergarten or
17 pre-K, or is it 68 percent of those who got
18 as far as high school? Where does the base
19 number come from?

20 MAYOR DE BLASIO: That is an excellent
21 question.

22 NYC BUDGET DIR. FULEIHAN: Four year.

23 MAYOR DE BLASIO: It's based on
24 four-year high school on-time graduation.

1 Four-year high school. But it's based on --
2 I'm looking behind me to verify this. It's
3 based on those who entered the high school,
4 to the best of my knowledge.

5 CHAIRMAN DeFRANCISCO: All right. So
6 entering till exiting; correct?

7 MAYOR DE BLASIO: Ninth-grade cohort.
8 Nicely said, Assemblyman -- my Assemblyman --
9 I had a lifeline here, Senator. My
10 Assemblyman came up and saved me.

11 CHAIRMAN DeFRANCISCO: We don't have
12 lifelines here.

13 MAYOR DE BLASIO: I lucked out just
14 once.

15 CHAIRMAN DeFRANCISCO: And then you
16 had mentioned that you settled 75 percent of
17 the contracts, which is a good thing.

18 What -- let's say teachers, since
19 we're on teachers. What percentage increases
20 and over what period of time did the
21 contracts call for?

22 MAYOR DE BLASIO: I want Dean to go
23 into detail, but I just want to affirm we set
24 a very clear pattern with an additional

1 increment for our uniform service unions.
2 Like I said, we have now eight uniform
3 service unions under contract, including
4 three of the NYPD unions: the captains,
5 lieutenants and detectives.

6 So that will play out now over the
7 next 25 percent. The civilian pattern we
8 have affirmed very clearly we will stick to
9 for the next 25 percent, as well as the
10 uniform pattern. And every union is welcome
11 to come in and settle on that basis and we'll
12 address other issues as well. So we've
13 budgeted that out now over the next three,
14 four years.

15 But you can go into more detail.

16 NYC BUDGET DIR. FULEIHAN: So the
17 contracts had not been -- there were
18 contracts that had not been renegotiated
19 going back to 2008, and that included the
20 teachers. And that group was about 150,000.

21 The pattern that was from about 2010
22 on, which was 10 percent over seven years --
23 which was really our pattern -- which
24 included DC37 in the major part of our

1 workforce. The uniforms were an additional
2 1 percent that was carried through.

3 And on the UFT and that group, the
4 prior administration had actually settled
5 with over 100,000 workers at 2/4 percent. So
6 what we had accommodated was --

7 MAYOR DE BLASIO: That was for '09 and
8 the '10, right?

9 NYC BUDGET DIR. FULEIHAN: Yes, for
10 part of '08 and '09 and part of '10, because
11 they begin at different times. Those
12 two-fours were spread over a number of years
13 going forward for those employees who are
14 working.

15 So there was an attempt to get a
16 parallel for the prior administration
17 pattern, and then our pattern was the
18 10 percent over seven years.

19 If you're asking for specifics --

20 CHAIRMAN DeFRANCISCO: So the contract
21 settled for --

22 NYC BUDGET DIR. FULEIHAN: If you're
23 asking for --

24 CHAIRMAN DeFRANCISCO: No, that's --

1 NYC BUDGET DIR. FULEIHAN: Okay.

2 CHAIRMAN DeFRANCISCO: So those
3 contracts have been settled, the ones you're
4 talking about, for -- they go out to seven
5 years from now that you have to negotiate?

6 NYC BUDGET DIR. FULEIHAN: The
7 contracts had to go back, and they go through
8 2018.

9 CHAIRMAN DeFRANCISCO: Oh, I see. I
10 see what you're saying.

11 NYC BUDGET DIR. FULEIHAN: Because
12 some of them had to literally go back
13 into two thousand --

14 MAYOR DE BLASIO: Yeah, when we walked
15 in the door there were some literally --
16 2008, it had been -- all the way back to
17 2008, they had still been unsettled.

18 CHAIRMAN DeFRANCISCO: Okay. Now, on
19 the other side of this I read somewhere that
20 our next speaker has come up with a
21 calculation that New York City has really got
22 a billion dollars more, a billion dollars
23 more surplus than was estimated when you put
24 out your budget. Is that a fair statement

1 or --

2 MAYOR DE BLASIO: We have great
3 respect for our comptroller. Each of us does
4 our best to estimate revenue. We just
5 presented our preliminary budget just a
6 couple of weeks ago and had a different view
7 of where the revenue situation is, because we
8 tend to be very cautious about this.

9 One of the things that I've
10 emphasized, that we have seen many levels of
11 government overestimate revenue with very
12 damaging impact. So Dean can go into more
13 detail, but we --

14 CHAIRMAN DeFRANCISCO: Okay, no.

15 MAYOR DE BLASIO: -- we have a
16 different estimate.

17 NYC BUDGET DIR. FULEIHAN: I think you
18 know that. Particularly at this point in
19 time, I think you know exactly how volatile
20 it can be.

21 CHAIRMAN DeFRANCISCO: At 3:30 today,
22 right, we have a hearing.

23 But what percentage is \$1 billion of
24 the overall budget?

1 MAYOR DE BLASIO: The budget we've
2 proposed is \$77.7 billion for the next fiscal
3 year.

4 CHAIRMAN DeFRANCISCO: Okay. I think
5 one last area, and that is I understand that
6 Commissioner Bratton of the New York City PD
7 testified at something, and I don't know what
8 he testified at, but he was actually pushing
9 for a bill or law that would require the --
10 when you inspect your car, that the tint of
11 the windows be tested for safety of the
12 officers. So there's a rule that says what
13 the tint should be, but no one pays
14 attention. And it's probably the last thing
15 a police officer is going to arrest somebody
16 for unless there's something else that
17 happened.

18 Have you taken a position on that?

19 MAYOR DE BLASIO: My broad point would
20 be that we are very focused on officer
21 safety, which is why we've made very
22 substantial investments. I obviously
23 constant talk with Commissioner Bratton about
24 what's needed. And we talked about, for

1 example, recently the vest issue, the other
2 window issue where Commissioner Bratton
3 actually believes we should not attempt to do
4 bullet-proof windows because that will
5 inhibit the safety of officers in different
6 ways. But bullet-resistant vests we're very
7 focused on.

8 In terms of the tint of the window,
9 I'm not an expert on the details, but I do
10 support the concept of that legislation,
11 absolutely.

12 CHAIRMAN DeFRANCISCO: Okay. The only
13 reason I'm saying this, I just want to shout
14 out to Commissioner Bratton. I've had a bill
15 for a hundred years because of that and for
16 that reason. And I wish at some point the
17 other law enforcement agencies throughout the
18 state will recognize what jeopardy the police
19 officers are at when they're going up to a
20 car. And I'm going to put it in again. And
21 I'd like New York City to have an endorsement
22 letter saying this will be great. Then I've
23 got 43 percent of the population, is that it?
24 Okay. That would be great.

1 MAYOR DE BLASIO: New York City is
2 with you, Mr. Chairman.

3 CHAIRMAN DeFRANCISCO: All right. All
4 right, thank you.

5 MAYOR DE BLASIO: Thank you.

6 CHAIRMAN FARRELL: Thank you.
7 Assemblyman Brennan.

8 ASSEMBLYMAN BRENNAN: Hello,
9 Mr. Mayor.

10 MAYOR DE BLASIO: My Assemblyman. How
11 are you?

12 ASSEMBLYMAN BRENNAN: You raised an
13 important point earlier in your testimony
14 that state aid is declining as a percentage
15 of the New York City budget over the past
16 several years, and it came from a report from
17 Comptroller Stringer's office. And this is a
18 long-term trend. And it's not just internal
19 to the New York City budget, it's in relation
20 to the overall allocation of resources in the
21 state budget as a whole.

22 So one manifestation of it is the
23 \$5 billion in financial settlement money that
24 the Governor has proposed, and almost none of

1 it goes to New York City. Trivial amounts.
2 There's a couple hundred million for the
3 Metro-North Bronx project in that \$5 billion,
4 but close to zero for New York City.

5 And so the question is what to do
6 about this. And let me commend to your
7 attention your successful campaign last year
8 on the pre-K program, major success for your
9 legislative program. And that campaign had a
10 target, the \$300-and-some million for pre-K.
11 It was a rally point. Legislators from
12 New York City could rally around the goal and
13 focus on achieving it. And it was a good
14 success.

15 You know, the technicalities of the
16 proportion of state aid that's going to
17 New York City are technicalities, in many
18 cases. It's an important issue, but the
19 legislators from New York City need rally
20 points to address this kind of long-term
21 trend. And you raised CFE. There was the
22 repeal of revenue sharing and the restoration
23 of revenue sharing and other points. But
24 proposals that would emanate from your office

1 that the legislators can focus on I think is
2 a strategy to assist the city.

3 Because the state government -- the
4 Cuomo administration is saying they want to
5 limit spending increases for the next several
6 years in the state budget as a hold to
7 2 percent a year. Which means that the
8 state's policy is to kind of take itself out
9 of the equation as a player in providing
10 assistance to local government, including a
11 big local government, New York City.

12 So we need some kind of
13 counter strategy that involves some rally
14 points to help the City of New York.

15 MAYOR DE BLASIO: Thank you. Well, I
16 hope my testimony begins that process.

17 We certainly believe on CFE we have a
18 very clear, tangible, historical figure. On
19 the MTA, we know what the deficit is and we
20 know it has to be addressed, and the
21 \$750 million that was proposed doesn't go far
22 enough.

23 We're certainly going to be talking
24 again beyond the budget on rent regulation,

1 preserving and strengthening that, and I
2 think that's going to be one of the most
3 crucial things in terms of our affordable
4 housing plan. I think we'll be able to
5 provide you with some very specific goals
6 that we believe are crucial that we want to
7 work on together.

8 But the -- I think the simple answer
9 is that some of the things that are most
10 foundational to the future of the city and
11 the state -- the MTA and our schools -- are
12 where the fair-share discussion can most
13 clearly begin, because the numbers are so
14 abundantly straightforward.

15 ASSEMBLYMAN BRENNAN: Thank you.

16 CHAIRMAN FARRELL: Are you finished?

17 MAYOR DE BLASIO: He did.

18 CHAIRMAN FARRELL: Yes, okay.

19 Senate?

20 SENATOR KRUEGER: No.

21 CHAIRMAN FARRELL: All right.

22 Ms. Walker, is she here?

23 ASSEMBLYWOMAN WALKER: Yes, I'm here.

24 CHAIRMAN FARRELL: All right.

1 MAYOR DE BLASIO: Front and center.

2 ASSEMBLYWOMAN WALKER: Just like I
3 like it.

4 Good afternoon, I would imagine now,
5 Mr. Mayor. And it's great to see you and
6 your team.

7 MAYOR DE BLASIO: Congratulations
8 again, Assemblywoman.

9 ASSEMBLYWOMAN WALKER: Thank you.

10 So as you know, I've heard a lot about
11 NYCHA, and I am a former NYCHA resident. And
12 when I advocate on behalf of more resources
13 for NYCHA, I'm constantly being told about
14 mismanagement and waste at the NYCHA level.
15 So I'd like to know a little bit more about
16 reforms and how we're going to work together
17 to address some of those issues regarding
18 mismanagement.

19 Just recently I was at NYCHA and one
20 of the tenant association presidents
21 mentioned that they had gone a number of days
22 without heat. And the general manager
23 indicated that he was away for the weekend
24 and that his telephone, his cellphone was

1 inaccessible.

2 And when I hear that capital resources
3 are being taken away from residents and
4 tenants and being put into an operating
5 budget, and then I turn around and I hear
6 people who are benefiting from the operating
7 budget tell tenants that they can't address
8 their capital needs because they're away on
9 vacation, it was a huge concern.

10 So I'd like to know somewhat about how
11 we can address some of the issues regarding
12 mismanagement so we can take that sort of
13 mantra off of NYCHA so we can get the
14 resources we deserve.

15 MAYOR DE BLASIO: I would very
16 respectfully say I would contest the question
17 as phrased. Meaning I think there are things
18 we have to do better. I think there are
19 examples where NYCHA did not do things as
20 well as it could have in the past. I believe
21 that in a number of areas we are fixing that
22 problem right now. I indicated earlier the
23 scaffolding situation that is being addressed
24 rapidly, the cameras that are now installed

1 from the previous funding.

2 I think there's a number of powerful
3 examples of how the management has improved,
4 and our general manager deserves a lot of
5 credit for that.

6 I don't know about the specific
7 situation you're referring to, but I do feel
8 that in the last 14 months we've been able to
9 very, very substantially tighten up the
10 management.

11 On the heat situation, look, we're all
12 facing the extraordinary cold that the city
13 has had the last -- the extraordinary cold
14 weather we've had the last few weeks. It did
15 put an additional burden on the heating
16 systems. We did have some problems. But
17 generally speaking, those problems were
18 addressed in hours, same day or very, very
19 quickly. And we've been monitoring it at
20 City Hall.

21 So I want you to know, for your
22 satisfaction, that those issues rise to my
23 level. When we hear there's a heat problem
24 in a NYCHA development, I personally and my

1 staff are constantly in touch with
2 Chair Olatoye and General Manager House to
3 make sure that those issues are addressed.

4 I think the point about the capital
5 funding refers to, again, we had a federal
6 partner; we have much less of a federal
7 partner today. As some have noted, the state
8 could and should do more as well. NYCHA has
9 to keep moving, and so we make the best
10 choices we can with the resources we have.

11 I would urge you to help us get the
12 additional state funding so we can act on
13 some of the health and safety issues we
14 outlined earlier. I guarantee you that I am
15 very focused on the question of NYCHA, and
16 I'm pushing the NYCHA leadership all the
17 time. And I also believe they are improving
18 the practices all the time. But they have an
19 extraordinarily difficult circumstance with a
20 very aging infrastructure and a lack of
21 resources that makes their job real tough,
22 and we need your help.

23 ASSEMBLYWOMAN WALKER: Right. Well,
24 you know, I still will agree with you on many

1 levels. But, you know, when having
2 conversations with the Governor and other
3 different levels, this -- it's easy to put
4 mismanagement out there. So I just would
5 impress upon all of us to be able to utilize
6 our resources just to see if we can do
7 something to change that reputation.

8 Also, as it relates to Mitchell-Lama,
9 your predecessor utilized a program where
10 many of the Mitchell-Lama programs are moving
11 to Article 11. It has received some level of
12 resistance. However, the programs are still
13 going on.

14 When we had a conversation with -- a
15 hearing with the Commissioner of Housing at
16 the state level, he indicated that the state
17 is pushing to preserve Mitchell-Lama
18 developments. So I'd like to know a little
19 bit about what the City of New York is
20 utilizing to preserve or doing to preserve
21 Mitchell-Lama in New York City.

22 MAYOR DE BLASIO: And the broad answer
23 is our deputy mayor, Alicia Glen, and our
24 housing commissioner, Vicki Been, as part of

1 our vision of protection affordability, are
2 literally, development by development,
3 looking for where there is a plan that we can
4 be a part of to preserve long-term
5 affordability.

6 The Mitchell-Lama dynamic, as you
7 know, is a tough one because in each case
8 there's a time limit. And that time limit
9 did not anticipate the fundamental changes in
10 our housing market that have made the
11 situation a lot tougher for us economically.
12 But we are trying, wherever possible, to come
13 up with individualized solutions for each
14 development.

15 We certainly need the state's help in
16 that. We welcome and applaud the state's
17 efforts. But I think the best way to say it
18 is it's very much in the foreground of our
19 attention and it's a case-by-case approach.

20 ASSEMBLYWOMAN WALKER: Okay. Next I
21 have a question about the rezoning plans in
22 East New York and in Brownsville, my
23 neighborhood that I love so much.

24 Many of the manufacturing businesses

1 and small businesses have been complaining
2 that there's really no economic development
3 component to the rezoning plans. In
4 particular, in East New York there's an IBZ
5 that really has not received a lot of
6 attention. So I'd like to hear a little bit
7 about what the economic development plan is
8 that's going to couple along with all of the
9 much needed affordable housing to the
10 neighborhood.

11 MAYOR DE BLASIO: The first point I
12 want to make -- and I appreciate the
13 question, and we obviously look forward to
14 working very closely with you in the rezoning
15 process.

16 The first point I want to make is that
17 we believe there are some areas where
18 manufacturing unquestionably must be
19 maintained, supported, even added to.
20 Because I think as a departure from the
21 previous administration's policy, we believe
22 that there are areas that are so well-suited
23 to manufacturing and there's so much greater
24 potential in manufacturing. And we need jobs

1 for working people that pay a decent wage,
2 and manufacturing often provides that.

3 So one of the things that we will be
4 working on more clearly and publicly is
5 delineating our plans for fostering and
6 supporting manufacturing in a number of
7 neighborhoods. We've done some of that with
8 the Brooklyn Navy Yard, the Brooklyn Army
9 Terminal, but there will be a lot of other
10 pieces that we'll be filling in shortly on
11 that. So that's point one.

12 I think some people -- I understand
13 why there maybe a misunderstanding, but it's
14 always my job to try and clarify. Here the
15 fact is that there are some areas we believe
16 make sense for rezoning -- including some
17 former manufacturing areas -- but there are
18 others that absolutely, positively should
19 remain manufacturing areas and in fact become
20 even more intensively manufacturing areas.

21 The second point, to your question of
22 economic development to go with the housing
23 development in some of the neighborhoods we
24 rezone, we 100 percent believe that a strong

1 neighborhood is one that has robust job
2 creation and retail stores and other
3 amenities and infrastructure and schools and
4 parks. I mean, it's -- you don't -- in my
5 opinion, you don't look at any of this in
6 isolation. When we create additional
7 housing, both affordable and market, there's
8 a whole set of things that have to go with
9 it, including job creation.

10 So we believe, to begin with, a
11 rezoning that results in more affordable
12 housing and other housing, there's a lot of
13 job opportunities right there in the
14 construction process. We want to maximize
15 the opportunities for local residents in
16 that. There's opportunities for the
17 permanent work that goes into those
18 buildings, including where they have retail
19 and other pieces, we want to maximize local
20 hiring. And that's something we want to work
21 closely with you on.

22 But there's also going to be, in the
23 process, there are ideas -- and you very well
24 may say here's a situation in my neighborhood

1 where we have a particular kind of industry
2 or a particular kind of job that could be
3 created, a tech sector or whatever it may be,
4 that we want to factor into this development
5 and this rezoning. That's something we want
6 to do. We want to figure out with you what
7 are ways to strengthen the local economy in
8 the process.

9 ASSEMBLYWOMAN WALKER: Thank you.

10 MAYOR DE BLASIO: Thank you.

11 CHAIRMAN FARRELL: Thank you.

12 Assemblywoman Arroyo.

13 ASSEMBLYWOMAN ARROYO: Thank you,
14 Mr. Chairman.

15 Buenos tardes, Senor Alcalde.

16 MAYOR DE BLASIO: Buenos tardes,
17 Asamblíesta.

18 ASSEMBLYWOMAN ARROYO: Gracias.

19 I'm going to speak about a subject
20 that has not been discussed today and I'm
21 sure that you're going to listen to me too.

22 MAYOR DE BLASIO: Yes.

23 ASSEMBLYWOMAN ARROYO: I am the chair
24 of the Subcommittee for Bilingual Education

1 in the State Assembly. We struggle every
2 year to make sure that those children and
3 those students that need bilingual education
4 are attended to. In working with
5 superintendents, principals and schools, we
6 found that there's a big shortage in
7 bilingual teachers in the State of New York.

8 Recently, a few months ago, the Board
9 of Regents passed a resolution that each
10 school in the State of New York must provide
11 bilingual education to those students that
12 are in need, but if we don't have the
13 teachers, we have to work together as a team.
14 And I'm sure that there are many people that
15 are willing to sit with us to work on the
16 subject, but I would like to make you a
17 recommendation.

18 As the mayor, you can take an
19 initiative in the City of New York that we
20 are presenting now to the Governor and to
21 both houses, and it is to take those students
22 that are not citizens, the so-called
23 Dreamers -- I don't call them Dreamers,
24 because they are real people that are there

1 to do a job -- and give them an incentive to
2 become bilingual teachers. Because those
3 that are there that speak our language are
4 the ones that we need in the classroom.

5 You can start that initiative in the
6 City Council, and I'm going to send you a
7 proposal, because I have a daughter sitting
8 in the City Council (inaudible), and I'm sure
9 that she will work with you very {inaudible}
10 to make sure that we can work together to
11 resolve this problem.

12 Mr. Mayor, the other part that is
13 important here, and I would like to make a
14 proposal also, is that we go to Puerto Rico
15 to look for teachers that can come to the
16 city and teach and become bilingual teachers.

17 But that creates a little problem. We
18 have to have housing for them. And probably
19 we can work a program in which, with a group
20 in Puerto Rico, we can work here.

21 And I said Puerto Rico. There are
22 other countries that can provide bilingual
23 teachers too, because bilingualism is not
24 only with Spanish-speaking people, it's with

1 many other groups.

2 We have to work together to do this.

3 If we can do it, I'm more than willing to
4 cooperate and be part of the solution.

5 MAYOR DE BLASIO: Thank you. I
6 appreciate that. And first of all, very much
7 appreciate your support in our efforts.

8 Second, I agree with you a hundred
9 percent that, look, the future, both for our
10 children to succeed in life and in the
11 economy, is going to be based on having the
12 kinds of skills that make sense in an
13 increasingly complex world. Having multiple
14 languages is part of that. The future is
15 more globalized than even the present, I'm
16 convinced, and that means having the language
17 capacity is crucial, having the best possible
18 education is crucial.

19 Bilingual programs, and particularly
20 the dual language strategy, really I think
21 give us a lot -- a strong tool to use in our
22 approach to education. Chancellor Fariña
23 believes fundamentally in maximizing our
24 dual-language programs.

1 You are correct that we have to focus
2 on the recruitment of teachers who bring
3 language skills. So point one I think is a
4 subset of the challenge I talked about
5 earlier. The recruitment, training and
6 retention of the very best teachers will
7 determine our educational future. That
8 includes teachers who bring a dual-language
9 skill, who bring the math and science skills
10 that are also at this point -- you know, we
11 lack teachers who will bring those skills to
12 the table, and those will be crucial to our
13 economic future.

14 So I want to, as much as possible, not
15 only turn our attention and our resources but
16 turn the public discussion to the very
17 question you're raising, how do we find the
18 teachers that bring the skills we need, how
19 do we actually put our resources and our
20 focus on getting them and then keeping them.
21 Because as you know, Assemblywoman, we are
22 losing so many good teachers after just a few
23 years, and they're precious to our future.

24 So the chancellor is very focused. It

1 helps to have a chancellor who is bilingual
2 and happens to have spoken Spanish before she
3 spoke English as a child growing up. She is
4 very, very sensitive to the fact that this is
5 an opportunity to do so much good.

6 I would love to work with you on the
7 idea of recruiting teachers from Puerto Rico
8 and elsewhere. I agree with you, the
9 affordable housing problem is a crucial part
10 of the equation. We're trying to address
11 that broadly. If we can work with you to
12 find some specific ways to link those two
13 ideas, we're very open to that. But we
14 absolutely need to recruit the best and the
15 brightest from Puerto Rico and all over the
16 country to play this role.

17 ASSEMBLYWOMAN ARROYO: Thank you,
18 Mr. Mayor.

19 MAYOR DE BLASIO: Thank you.

20 ASSEMBLYWOMAN ARROYO: And let me tell
21 you another problem that maybe nobody has
22 told you. One of the problems that we
23 have -- and we are speaking about children
24 with 68 percent only graduation rate.

1 We have a problem, and one problem is
2 that children come to the state, New York, at
3 the age that they passed the first grade but
4 they cannot place them in first grade because
5 they are 11, 12, or 13. That is simply the
6 problem.

7 You can talk to your teachers, to the
8 principals, they are getting crazy. My --
9 my -- my opinion is that a program should be
10 developed in the City of New York, and we
11 will work to make it in the whole state, with
12 alternative programs for those children that
13 are past the age to be in the grade. Because
14 the alternative program can conduct them to
15 the grade that they are, that they should be,
16 and they will never be dropouts.

17 And it's something that we can sit
18 down and talk about it. I'm more than
19 willing to do it. Because when I have the
20 principal complaining to me about the problem
21 that she has -- "You know, I have three
22 children, 12, 13, and they don't have the
23 first grade of school" -- then I understand
24 the problem.

1 But I'm more than willing to
2 cooperate, and I thank you very much for your
3 attention.

4 MAYOR DE BLASIO: Thank you. And we
5 look forward to working with you on that.
6 Thank you.

7 CHAIRMAN FARRELL: Thank you.

8 Assemblyman Perry, to close.

9 ASSEMBLYMAN PERRY: Thank you,
10 Mr. Chairman.

11 Mr. Mayor, good afternoon. Welcome.

12 MAYOR DE BLASIO: Thank you.

13 ASSEMBLYMAN PERRY: It's a pleasure to
14 have this brief discussion with you about the
15 budget.

16 And I was quickly reading through your
17 statement, and what blared up at me, I saw on
18 page 7, I focused, said "Mayor Bloomberg and
19 I agree." And I noticed that was under the
20 heading "Three Critical Areas: Education,
21 Housing and Infrastructure." I was a little
22 shocked until I read a little further and
23 realized that you only agree on the issue of
24 mayoral control and extending it. So my fear

1 was abated as quickly as it arose.

2 MAYOR DE BLASIO: I'm sorry I gave you
3 a scare there.

4 ASSEMBLYMAN PERRY: I want to thank
5 you for your service over the year and a
6 couple of months, and it's a pleasure to have
7 a mayor that I agree with on most of the
8 proposals.

9 On your three critical areas, you
10 mentioned infrastructure but I didn't see a
11 lot about actual proposals on infrastructure
12 actions that you plan to take.

13 I represent the 58th Assembly
14 District, which includes parts of
15 Brownsville, East Flatbush and Canarsie. And
16 the people in Canarsie did experience very
17 serious financial hardships as a result of
18 Sandy. They have an enduring, perpetual
19 infrastructure issue, and it relates to
20 sewage, inadequate sewer and drainage system.
21 And I have, for most of my tenure, been
22 advocating for the city to do something about
23 that.

24 In your budget request and proposals,

1 how is this serious continuing problem
2 addressed? Is there any way that you can
3 provide me with some comforting news that I
4 can share with my constituents that this
5 issue is going to be addressed?

6 You will recall that the flooding, all
7 the basements were flooded. And that doesn't
8 happen only when we have a storm like Sandy,
9 this is an experience that the city residents
10 in Canarsie go through every time you have
11 rain for an hour or more. And so it's really
12 a big problem for us, and I'd appreciate
13 hearing from you on that, Mr. Mayor.

14 MAYOR DE BLASIO: Thank you,
15 Assemblyman.

16 I was in Canarsie in the weeks after
17 Sandy hit, talked to a number of homeowners
18 about their experience. I think you're
19 right -- and I know you've raised this to me
20 very energetically before -- that the
21 hardship that your constituents faced in
22 Canarsie did not get as much attention as
23 some of the areas that were better reported
24 on.

1 What we've tried to do in terms of
2 Sandy recovery is, one, work with the federal
3 government to move the resources and some of
4 the initiatives that really would make a
5 difference. So I'm very proud of the fact
6 that we've had extraordinary success in
7 getting the kind of reimbursements from FEMA,
8 HUD and other agencies that have been
9 essential to our ability to secure long-term
10 resiliency.

11 And I want to thank our federal
12 partners. They have been outstanding in
13 their level of cooperation. A great deal of
14 resources, you can see in the budget proposal
15 we put forward in February, a great deal of
16 resources have already flowed into the city
17 budget for recovery and resiliency efforts.
18 More are coming. I particularly want to
19 thank Senator Schumer, who's been an
20 extraordinary ally in that.

21 So that piece is moving. And as you
22 know, a number of Army Corps of Engineers and
23 other projects are moving.

24 Second, in terms of the immediate aid

1 to homeowners, I think we have over a
2 thousand construction starts. In Build It
3 Back, over 2500 reimbursement checks, a lot
4 more coming quickly.

5 But you're right, there are some
6 issues that are not just about Sandy that are
7 bigger structural issues, and the situation
8 in Canarsie is one of them. What I'll say to
9 you is I will follow up with our DEP
10 commissioner, Emily Lloyd, and we will
11 certainly be looking at this issue as we look
12 forward to coming out with our capital plan
13 in April. And I will make sure that Dean
14 Fuleihan feels personally responsible for
15 coming up with a clear answer for you.

16 But I do want to affirm in front of
17 everyone that it is an ongoing problem and we
18 have to see, between our efforts and the
19 federal efforts, what can be done to improve
20 the situation.

21 ASSEMBLYMAN PERRY: And my last
22 question has to do with something that you've
23 made a major part of your efforts in the
24 city. And it has to do -- probably, I'm not

1 sure, part of your Zero Vision plan --

2 MAYOR DE BLASIO: Vision Zero.

3 ASSEMBLYMAN BRENNAN: Zero Vision is
4 better.

5 (Laughter.)

6 MAYOR DE BLASIO: I'm trying to defend
7 my integrity. Vision Zero.

8 ASSEMBLYMAN PERRY: Vision Zero.

9 Well, the city has recently been --
10 and in my part of Brooklyn, a lot of changes
11 and implementation of dedicated bus lanes.
12 To many of my constituents, these bus lanes,
13 dedicated bus lanes, have come up as sort of
14 ticket traps. Because I think that they were
15 implemented without any proper study of the
16 traffic conditions and the need.

17 On Utica Avenue they have bus lanes
18 implemented in certain parts of the route all
19 -- for 24/7. When it is quite apparent, if
20 you travel that route, that you don't really
21 need to have a 24/7 dedicated bus lane.
22 After 7:00 in the evening, the buses hardly
23 run. And there's no need to expose motorists
24 to unnecessary ticketing when the buses don't

1 really need the dedicated route.

2 In Manhattan, I did a check and found
3 that most bus lanes in Manhattan, which has
4 more bus routes and more need for that, go
5 between 7:00 to 10:00 and 4:00 to 7:00.

6 And so I wrote to the commissioner in
7 November asking him to review it, and I have
8 not heard back a word on what I think is a
9 critical important part.

10 So my concern is what part of your --
11 you know, because folks are beginning to
12 think that this is really about revenue. And
13 what part of the city's budget, or
14 percentage, do these extra fines that come
15 from bus lane violations and other traffic
16 rules implemented -- or what percentage of
17 that goes towards your budget? And is this
18 really something that you depend on or
19 something that has become a dependency for
20 the city?

21 And, you know, take into
22 consideration, Mr. Mayor, the fact that it's
23 the poor folks in the city that pay most of
24 the traffic fines like those.

1 MAYOR DE BLASIO: Well, Assemblyman,
2 look, I -- first of all, I appreciate the
3 question because I think -- I don't blame
4 anyone who worries that there's a revenue
5 imperative, but I want to make very clear
6 that we see it in the opposite manner, that
7 we believe that the education that's been
8 done -- and I'm going to just generalize this
9 about Vision Zero before talking about the
10 specific situation on Utica Avenue.

11 We believe the education that's been
12 done in the last year has had already a very
13 important impact, because we see behavior
14 changing. And that's why we've had the
15 fewest pedestrian fatalities since 1910 in
16 the year 2014.

17 We've got a lot more to do. But we
18 believe that as behavior changes, that the
19 revenue dynamics actually go in the reverse,
20 and we want them to go in reverse. We want a
21 situation where people recognize they have to
22 slow down, recognize they have to get out of
23 the way of the buses, et cetera. And once
24 that behavior changes, we will see the

1 revenue from those situations go down and
2 down and down, and that is the ideal.

3 So no, this is not about revenue
4 generation, it is not a substantial part of
5 our budget. And we would love to see that
6 revenue literally go to zero if that were
7 possible.

8 Second, you're raising a very powerful
9 point. Because even though we know that
10 there's the speed cameras, the Vision Zero
11 type approach to inhibit speeding, especially
12 around schools, there's also the question of
13 the cameras to help keep the bus lanes open.
14 And by the way, that is in the interest of
15 all citizens, because we want to speed up
16 mass transit in our city, we want to give
17 people more mass transit options,
18 particularly in parts of Brooklyn, like a lot
19 of your district, that are underserved by
20 mass transit.

21 So the idea is a good one, but it
22 should be applied fairly. I am not familiar
23 with the details of how the timing is done in
24 one borough versus another, or different

1 routes. Sherif is going to follow up on
2 that, because I think you're raising a good
3 commonsense point that the timing needs to be
4 calibrated appropriately.

5 Further -- I say this for you but also
6 all your colleagues -- if there's ever a
7 situation where one of my commissioners does
8 not respond promptly -- this is one of the
9 most effective, efficient guys around. I've
10 heard such great feedback from so many
11 members of the Legislature about Sherif. But
12 he does -- I would ask one favor. If you
13 have a commissioner who is not responding
14 promptly, Sherif needs to know so he can
15 crack the whip. And if that doesn't solve
16 the problem, he will tell me and I'll really
17 crack the whip, because I've said to all my
18 commissioners I want members of the
19 Legislature to get the answers they need
20 promptly.

21 So I want to apologize for that delay,
22 and we will definitely get you an answer.

23 ASSEMBLYMAN PERRY: Thank you.

24 CHAIRMAN FARRELL: Thank you very

1 much.

2 MAYOR DE BLASIO: Thank you,
3 Mr. Chair.

4 CHAIRMAN FARRELL: Thank you.

5 MAYOR DE BLASIO: We survived.

6 ASSEMBLYWOMAN NOLAN: A virtuoso
7 performance.

8 CHAIRMAN FARRELL: Have a lovely day.
9 We enjoyed it. See you next year.

10 MAYOR DE BLASIO: Thank you very much.

11 CHAIRMAN FARRELL: The next speaker
12 will be Scott Stringer, comptroller, New York
13 City Comptroller's Office. This is the
14 11 a.m. hearing.

15 (Pause; off-the-record discussion.)

16 CHAIRMAN FARRELL: Good afternoon.
17 Welcome.

18 NYC COMPTROLLER STRINGER: Good
19 afternoon, Chairman Farrell and Chairman
20 DeFrancisco and members of the joint
21 committee. I want to just start out by
22 thanking those of you who have stayed to get
23 the real knowledge about what's going on in
24 city government.