

**DEPARTMENT OF INFORMATION TECHNOLOGY AND
TELECOMMUNICATIONS TESTIMONY BEFORE THE CITY COUNCIL
COMMITTEES ON LAND USE AND TECHNOLOGY**

FISCAL YEAR 2018 PRELIMINARY BUDGET

WEDNESDAY, MARCH 29, 2017

Good afternoon Chairs Greenfield and Vacca, and members of the City Council Committees on Land Use and Technology. My name is Anne Roest and I am the Commissioner of the Department of Information Technology and Telecommunications (DoITT), and New York City's Chief Information Officer. Thank you for the opportunity to testify today about DoITT's Fiscal 2018 Preliminary Budget. With me are Annette Heintz, Deputy Commissioner for Financial Management and Administration; John Winker, our Associate Commissioner for Financial Services; and Michael Pastor, our General Counsel.

DoITT's Fiscal 2018 Preliminary Budget provides for operating expenses of approximately \$603 million; allocating \$147.6 million in Personal Services to support 1,741 full-time positions; and \$455.5 million for Other than Personal Services (OTPS). Intra-City funds transferred from other agencies account for \$135 million or about 22% of our total budget allocation.

Telecommunications costs represent the largest portion of the Intra-City expense, which is projected at \$109 million for Fiscal 2017.

For Fiscal 2017, the budget appropriation has increased by \$28 million from the Fiscal 2018 November Budget. The increases to the Fiscal 2017 Preliminary Budget are attributed to a few different items, including funding received from NYPD for their ITB Mobility project, which will provide technological enhancements for police officers' everyday use, like smartphones and tablets for every patrol unit. Additional increases include OTPS funding associated with the ongoing maintenance costs required to support recently approved capially-funded initiatives, and one-time funding received for HIPPA and other Security Risk Assessments to ensure the protection of agencies' data.

For Fiscal 2018, the budget appropriation has dropped by \$3 million. The net decrease to the FY 2018 Preliminary Budget is the result of the savings and efficiencies programs that DOITT will be implementing.

We're consistently looking for ways to cut costs while making the City run more efficiently. That led us to develop a 30-head "insource pool," a roving team of City employees housed at DoITT, serving in roles traditionally filled by outside consultants. This pilot team directly assists City agencies when technical expertise is required, a much less expensive alternative to

consultants that also has the benefit of keeping institutional knowledge within the agencies. To date, 21 team members have been hired and have already worked on multiple projects, saving \$2 million that otherwise would have been spent on outside consultants. Three more people are in the process of joining the insource team.

I would now like to describe in further detail for the committees some highlights of our preliminary budget.

Commitment to Broadband

As a reminder, DoITT is charged with implementing the technology needed to fulfill the goals of the Administration and its agencies. We work hand in hand with Miguel Gamiño, who was recently appointed as Chief Technology Officer, on a number of these goals—including bringing affordable, reliable, high-speed broadband to New York City’s residents and businesses by 2025.

A signature element of this work is the LinkNYC initiative, the franchise to replace New York City’s outdated payphone infrastructure with free gigabit speed Wi-Fi kiosks, our most high-profile effort towards this end. This public-private partnership with our franchisee, CityBridge, enables the build-out of up to 10,000 LinkNYC kiosks in all five boroughs over the next several years at no cost to taxpayers. The project is completely funded by advertising, guaranteeing that the City receives a minimum of 50% of gross advertising revenue each year, with a guaranteed \$500 million in ad revenue over the first 12 years that LinkNYC is in operation. As of the beginning of March, revenue for FY17 is approximately \$15.8 million and cumulative revenue to date is approximately \$37.3 million. We further project \$25 million in revenue in FY18.

We have continually worked to improve LinkNYC to make it as user-friendly as possible for all 8.5 million New Yorkers and the tens of millions of people who visit every year. That has included an update to the privacy policy, implemented earlier this month, to provide New Yorkers with even more confidence that using a Link for super-fast free internet doesn't mean sacrificing their privacy.

With over 600 active LinkNYC kiosks across all five boroughs, we expect the continued success of this unprecedented project.

Improving and Maintaining NYC’s Emergency Communications Infrastructure

DoITT also provides the technical infrastructure for key City programs and services. One of the most important projects of this nature is the Emergency Communications Transformation Program (ECTP), the City’s project to modernize and consolidate the City’s 911 emergency

communication system – the most complex system of its kind. We're proud to say that since DoITT took the reins on ECTP in 2014, the project has been on time and on budget. Public Safety Answering Center (PSAC) 2, a crucial component of ECTP, opened last year in the Bronx. On June 13, 2016, NYPD took its first call at PSAC 2, and today it processes 30% of all 911 calls. NYPD continues to staff up, expecting to operate radio dispatch operations at PSAC 2 by this December. FDNY is expected to start its call taking and dispatch in August, continuing to ramp up its operations through the end of the year.

Concurrent with our ongoing ECTP efforts, DoITT has been working on a long-term strategy towards migrating New York City's 911 system to a new, IP-based, Next Generation 9-1-1 system based on national standards. We thank the Council for its diligence in highlighting the importance of NG9-1-1 over the past year. Pursuant to Local Law 78 of 2016, DoITT, in collaboration with NYPD and FDNY, released the 2016 Annual Report on Implementation of Next Generation 9-1-1 in NYC this past December. This month, we will begin the competitive search for vendors to help bring NG9-1-1 to life.

NG9-1-1 will not be fully implemented for a few more years, and in the interim we share the Council's passion and commitment to offer a Text to 911 (TT9-1-1) solution. We will be closely collaborating with NYPD so that less than 1 year from today, those who are unable to make a voice call to 9-1-1 – the Deaf community, the hearing and speech impaired, and crime victims unable to make a voice call – will be able to communicate with NYC's 9-1-1 call takers for the first time ever via text.

Bringing 311 into the 21st Century

In an ongoing effort to ensure the delivery of efficient technology services to agencies, DoITT has finalized a contract to overhaul the 311 system. As you know, 311 has been running on the same technology since its inception in 2003, and while this system continues to operate, an overall improvement to 311 is long overdue.

Through a competitive and deliberative procurement, we awarded a contract to IBM to lay the essential groundwork for the system migration and to improve 311's answers to New Yorkers' questions. DoITT's main focus during this project will be to ensure the smooth transition between systems to maintain the level of service that millions of New Yorkers have come to depend upon. The new system will be able to seamlessly integrate improvements across all platforms – call, web, mobile app, text and social media. In partnership with 311's leadership, we look forward to discussing future improvements with the Council and other external stakeholders.

Keeping Government Transparent and Accessible

March 7th marked five years since New York City's pioneering Open Data Law (Local Law 11 of 2012) was signed into law, and we have certainly come a long way in those few years. In close collaboration with the Mayor's Office of Data Analytics (MODA), we've made tremendous progress to improve the quantity, quality and accessibility of New York City's datasets. There are now over 1600 datasets on the Open Data Portal, ranging from FDNY fire and dispatch records to more comprehensive NYPD crime data.

In the last few months, we've made a great deal of improvements to engage all users – from novices exploring data for the first time to experts who live and breathe Open Data. Our new Open Data website was built using human-centered design and with significant stakeholder feedback, including from representatives of the City Council. We welcome continued feedback from the Council to help make Open Data accessible to all.

Finally, I want to update the committees on the status of the Verizon FiOs agreement. As a reminder, Verizon had promised that every household in the City would have access to FiOS by 2014. Today, they are off by three years and millions of households-- and counting. After years of trying to hold Verizon to its obligations, this Administration is done waiting. On March 13, the City filed suit in State Supreme Court against Verizon for failing to deliver on their promise. We look forward to our day in Court.

I appreciate the opportunity to highlight some of DoITT's top budget priorities for the year to come. This concludes my prepared testimony, and I will now be pleased to address any questions. Thank you.

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