



This Week in New York

Covering New York State and City Government

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In the News – New York State



Saratoga is Betting on Aqueduct



With New York Racing Association's (NYRA) pledge to increase 2012 purses and infuse millions in capital investments, Saratoga Race Track's continued economic strength is directly tied to the success of Aqueduct's new casino, according to a study commissioned by the Saratoga County Industrial Development Agency.

NYRA has pledged to make more than \$21 million worth of capital improvements in Saratoga as funding from Aqueduct becomes available. According to the study, this work would provide a major boost to the local construction and building trades industry. In addition, NYRA has said it plans to increase purses \$30 million next year at Saratoga, Aqueduct, and Belmont Park.

The first phase of the Aqueduct Racino opened on October 28, 2011 and "the several thousand VLTs and hundreds of electronic gaming tables at Aqueduct will soon provide a steady, reliable income to NYRA and the State," according to the study. By statute, 3% of net revenues earned by Genting NY, LLC, the operator, will go toward NYRA operations. An additional 4%, estimated at 27.6 million dollars annually will be dedicated toward capital improvements for the three New York tracks operated by NYRA. In September NYRA announced they were prepared to invest \$100 million in their three facilities with "21 million dollars in capital improvements allocated for the Historic Saratoga Race Course, the initial focus of long needed upgrades."

In addition, the study explained, VLT revenue will further result in a 30% increase next year in NYRA's purse structure. Analyses have demonstrated that for every dollar increase in purses there is a resulting eighteen dollar increase in handle.

The study asserted that VLTs will provide substantial funds to New York's thoroughbred breeders through the Breeders Rewards Program. The expectation of larger purses and additional funds to the breeders of New York breeds has generated a great amount of interest in the New York Breeding Program.

According to racing officials, NYRA's \$30 million purse contribution was based on Aqueduct's casino averaging \$400-per-machine per day. Current figures estimate gaming machines are averaging about \$600 per day.

"If they were to stay the course, purses could actually increase over \$50 million," Jeff Cannizzo, Executive Director of the New York State Breeders Association said.

The study, based on numbers from 2010, analyzed the impact of Saratoga Race Course on various sectors of the regional economy, including overall spending, employment, thoroughbred breeding, real estate, tourism and hospitality, and tax revenues generated to local and state governments.

The study's findings show that Saratoga Race Course generates an estimated \$186 to \$213 million in economic impact each year from three primary components: \$61 million in output attributed to track operations overseen by NYRA; \$58 million in expenditures from participants, including owners, trainers, jockeys and breeders; and between \$67 and \$94 million in spending by tourists and visitors to the region.

In addition to its direct benefit to the racing and breeding industry, the race course drives other elements of the local economy as well, such as tourism. About \$100 million in new hotel construction has taken place throughout Saratoga County during the past decade, the study says, adding hundreds of jobs and creating many thousands of dollars in sales, mortgage, property, and bed tax revenue.

Governor Orders Reforms to Keep State Highway Construction Projects On Budget and On Time



Sparked by a decade-long history of delays and cost overruns in the I-287 project in Westchester County, a Department of Transportation (DOT) investigation identified the need to implement agency-wide reforms in project management. Governor Andrew Cuomo this week called for reforms in DOT's management of New York's highway construction projects.

"I have repeatedly said that government must protect every taxpayer dollar by being efficient and effective," Governor Cuomo said. "For over a decade, the I-287 project has been mired in delays and cost over-runs, and that's why I ordered an independent review and that's why the Department of Transportation is making these important reforms."

The I-287 Cross Westchester Expressway Corridor project began 15 years ago. The original cost of the first five stages was expected to be \$490 million, but ended up being \$568 million, as overruns drove the price up by 16%.

In June, Governor Cuomo ordered an independent and comprehensive review of the I-287 project in response to the significant, unexpected costs and delays. Peter Lehrer, a renowned national construction expert, led the review. Lehrer's work includes the restorations of the Statue of Liberty, Ellis Island, Grand Central Terminal, and the American Museum of Natural History.

The review team conducted two months of interviews with DOT management staff, contractors, and construction experts. The team also reviewed project metrics, project cost and schedule data, contracts, change orders, and bid documents. They also conducted research on best practices within DOT and other states.

Key problems identified by the review include:

- Inadequate planning before designing the project.
- Use of design teams that were not qualified for such a large project.
- Rigid regional funding formulas which forced the project to be broken into six phases, increasing duration, complexity and cost.
- Lack of oversight that failed to keep the project on schedule and on budget.
- Limited accountability.

Project management steps taken include:

- Monthly meetings to review issues and coordinate communication including with utility companies, to ensure projects stay on schedule.
- Use of expert consultants to analyze the designs of a project before it begins.
- Establish a Capital Program Delivery Committee (CPDC), comprised of DOT employees, that will closely scrutinize the complexity and size of each project to make sure the best designers and project managers are used.
- Acceptance or rejection of change order requests within a two week period.

Agency-wide changes steps taken include:

- Monthly meetings to review projects and performance.
- No large project should be approved until CPDC reviews and approves the budget and design.
- Redesign of the funding process to better direct money to major projects.
- Region wide review of all projects to employ shared services when possible.
- Revise performance review process to ensure all DOT initiatives and projects meet the highest standards.

According to the Governor, DOT has consistently had overruns on its projects in the 7% to 11% range, resulting in \$530 million in total overruns over the past five years. Best-in-class state DOTs have achieved cost overruns that are less than 5% of their capital program. In addition to overruns, nearly half of DOT projects are delayed, with average delays of over six months. During the last seven years, projects over \$25 million have been an average of 306 days late. Best-in-class DOTs deliver 80% to 90% of their projects on-time.

With this new approach to project and agency operations and management, DOT has issued new program goals including 90% of projects delivered on-time and no more than 5% overruns for all projects. As a result of the revamped approach to state construction, the I-287 project will be substantially completed by December 2012 instead of August 2013.

In the News – New York City



Bus Drivers Move to Protect Seniority Rights

Potential Strike Would Impact Service for 152,000 Students City-wide

Seeking seniority-based job protections for all bus drivers, the Amalgamated Transit Union Local 1181 notified the Bloomberg administration today of the possibility of a strike.

The union is seeking job protections for pre-kindergarten bus drivers similar to those already in place for drivers servicing children in other grade. The action could impact yellow bus service for more than 152,000 students citywide.

"In a time when the economy is failing and people need to be in work, this is all about protecting jobs," said Michael Cordiello, president of the Amalgamated Transit Union Local 1181 which represents approximately 75 % of the City's school bus drivers, said in published reports.

"The bus drivers' union has told us that if the bid does not include an Employee Protection Provision—a measure which guarantees their workers civil service-type seniority rights in the event that their current employers do not win the new bid—they will go on strike, system-wide," City School Chancellor Dennis Walcott wrote in a letter to parents. "Because the union has told us they will strike, we are immediately filing an unfair labor practice charge with the National Labor Relations Board and asking that it seek an injunction in federal court as quickly as possible."

The New York City Department of Education (DOE) is issuing a bid to secure new yellow bus contracts to transport special education pre-kindergarten and early intervention ("pre-school") children to their school programs for the 2012-2013 school year. The current contracts are set to expire at the end of June 2012.

In the event that a strike occurs, the following protocols will take effect for families of students who currently receive yellow bus service:

- ❑ For all students who currently receive yellow bus service from a designated school bus stop to school, we will be issuing Metrocards. Metrocards are being made available at schools and should be requested through the school's general office.
- ❑ For pre-school and school-age children who have an IEP requiring transportation from their home directly to their school, the City is offering reimbursement for actual transportation costs. Parents who drive their children to school will be reimbursed at a rate of 51 cents per mile. Parents who use a taxi or car service to transport their child to school will be reimbursed for the trip upon completion of reimbursement forms that include a receipt for provided services. Requests for reimbursements should be made one week at a time on forms that will be provided in schools' general offices. The forms will ask you to indicate on which school days alternative transportation was taken and whether it was taken for both the morning and afternoon commute. Reimbursement forms as well as receipts should be sent to the Transportation Reimbursement Unit at 44-36 Vernon Blvd, Long Island City, NY 11101.
- ❑ Field trips using yellow bus service will be cancelled if there is a bus service disruption. After school programs will remain open, but no busing will be provided.

In Brief

RED Review Begins

A five-member panel was named this week to review strategic plans submitted by the State's 10 regional economic development councils (REDs). The review committee is made up of:

- ❑ **Dall Forsythe**, former New York State Budget Director and Senior Fellow at the Wagner School of Public Service at New York University.
- ❑ **Walter Broadnax**, Professor of Public Administration at the Maxwell School of Syracuse University.
- ❑ **Bruce Katz**, Vice President at the Brookings Institution and Founding Director of the Brookings Metropolitan Policy Program.
- ❑ **Joan McDonald**, commissioner of the New York State Department of Transportation.
- ❑ **Cesar Perales**, New York's Secretary of State.

The REDs are competing for 2011—2012 budget funding -- \$130 million in grants and \$70 million in Excelsior Jobs Program tax credits. An additional \$800 million is available to councils from state agencies. The top four plans, as judged by the state panel, will be rewarded with up to \$40 million each. That will include up to \$25 million in grants and up to \$15 million in tax credits. The remaining \$40 million is to be parceled out to the six other councils.

Presentations from representatives of each regional council will take place from November 28th through November 30th. The presentations are open to the media and will be held in the Blue Room of the New York State Capitol.

The scoring criteria covers six categories, with one category — strategies — worth 35 percent of the overall score. Performance measures is 20 percent of the overall score. Implementation and leverage resources each represent 15 percent of the total score, while process is 10 percent of the total and regional economic development vision is five percent of the score.

Top Court Rules (4-3) 'No-Layoff' Clause Does not Save Jobs

The "no-layoff" clause in a union firefighters' contract doesn't explicitly protect them from having their municipal jobs eliminated due to budget constraints, according to a Court of Appeals decision this week. The clause in the five-year agreement said: "The village shall not lay-off any member of the bargaining unit during the term of this contract."

The Court of Appeals, divided 4-3, concluded the Johnson City firefighters who filed a grievance over the six lost jobs are not entitled to arbitration. The four judges, reversing lower courts, said the clause is ambiguous and doesn't explicitly protect the firefighters from the abolition of their positions.

State Police to Crack Down on Driving & Cell Phone Over Thanksgiving

Governor Andrew M. Cuomo today announced that during the Thanksgiving holiday, the New York State Police will conduct an enhanced enforcement campaign called "Operation Hang Up" to target motorists that use their cell phone and other electronic devices while driving.

"Operation Hang-up" is funded by the National Highway Traffic Safety Administration through a Distracted Driving Enforcement Grant. The grant enables the State Police to focus patrol resources on the issue of distracted driving and supplements their conventional traffic safety and enforcement efforts. Traffic volume is generally the heaviest during the Thanksgiving holiday and the operation will be conducted statewide. Under this grant, similar enhanced enforcement periods will be conducted throughout the year.

Governor Cuomo signed a new law to strengthen enforcement of texting-while-driving violations in July. The law makes using a handheld electronic device for activities such as texting while driving a primary traffic offense, giving law enforcement the power to stop motorists solely for engaging in this activity. Additionally, the penalty for using a handheld device while driving has increased from two to three points.

Bedbug Sniffing Dogs Join NY Housing Inspection Team

New York's Department of Housing Preservation and Development has begun using dogs to search for bedbugs as part of the Department's housing inspection team. Mickey and Nemo, two young beagles, began working for the Department last week and have helped uncover three infestations, resulting in violation notices being served on landlords.

The City Council provided most of the \$69,000 needed to acquire the two dogs with six months of training and pay for their continued schooling, veterinary care and insurance, and food and housing for their first year of service. It is the first time bedbug-sniffing dogs have been employed by New York City, according to the Housing Department.

Coming Up

New York City

Monday, November 21st

Committee on General Welfare, Jointly with the Committee on Community Development, Emigrant Savings Bank - 49-51 Chambers Street, 1 pm.

Oversight: Fighting Hunger in New York City.

Int 0696-2011 In relation to reporting on finger imaging of food stamp applicants.

Tuesday, November 22nd

Committee on Public Housing, 250 Broadway - Committee Rm, 14th Fl., 10 a.m.

Oversight: NYCHA's Emergency Preparedness Initiatives

Committee on Technology, 250 Broadway - Committee Rm, 16th Fl., 10 a.m.

Oversight: The Mayor's Office of Media and Entertainment

Committee on Contracts, Emigrant Savings Bank - 49-51 Chambers Street, 1 p.m.

Int 0251-2010 In relation to requiring the payment of a living wage to employees employed on property developed by recipients of financial assistance for economic development.

Wednesday, November 23rd

Committee on Consumer Affairs, 250 Broadway - Committee Rm, 14th Fl., 10 a.m.

T2011-3940 In relation to bicycle parking in garages and parking lots.

Committee on Immigration Jointly with the Committee on Civil Rights, Medina Clinic at Harlem Hospital Center 506 Lenox Avenue (at West 136th Street), 10:30 a.m.

Tour: Medina Clinic at Harlem Hospital Center

Thanksgiving Day Proclamation

Next Thursday will mark the 148th Annual Day of Thanksgiving, a tradition started with President Lincoln. The President issued a series of proclamations calling on the citizens of the United States to set aside days to give thanks. Below is a transcript of President Lincoln's 1864 proclamation calling for what is considered the second in annual Presidential proclamations of Thanksgiving:

It has pleased Almighty God to prolong our national life another year, defending us with his guardian care against unfriendly designs from abroad, and vouchsafing to us in His mercy many and signal victories over the enemy, who is of our own household. It has also pleased our Heavenly Father to favor as well our citizens in their homes as our soldiers in their campus, and our sailors on the rivers and as, with unusual health. He has largely augmented our free population by emancipation and by immigration, while he has opened to us new sources of wealth, and has crowned the labor of our workingmen in every department of industry with abundant rewards. Moreover, he has been pleased to animate and inspire our minds and hearts with fortitude, courage, and resolution sufficient for the great trial of civil war into which we have been brought by our adherence as a nation to the cause of freedom and humanity, and to afford to us reasonable hopes of an ultimate and happy deliverance from all our dangers and afflictions.

Now, therefore, I, Abraham Lincoln, President of the United States, do hereby appoint and set apart the last Thursday in November next as a day which I desire to be observed by all my fellow-citizens, wherever they may be then, as a day of thanksgiving and praise to Almighty God, the beneficent Creator and Ruler of the Universe. And I do further recommend to my fellow-citizens aforesaid, that on that occasion they do reverently humble themselves in the dust, and from thence offer up penitent and fervent prayers and supplications to the great Disposer of events for a return of the inestimable blessings of peace, union, and harmony throughout the land which it has pleased him to assign as a dwelling-place for ourselves and for our posterity throughout all generations.

In testimony where of, I have here unto set my hand and caused the seal of the United States to be affixed.

Done at the city of Washington, this third day of October, in the year of our Lord one thousand eight hundred and sixty-three, and of the independence of the United States the eighty-eighth.

A. Lincoln

The next edition of *This Week in New York* will be published on Friday, December 2nd

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