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THIS WEEK IN NEW YORK

COVERING NEW YORK & CITY GOVERNMENT

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"Obstacles don't define us. Rather, it is the unparalleled courage and character of us that defines us as a people. So my confidence in the future is steeped in our glorious past - in the face of adversity, we always persist. We persevere, we prevail." Governor Kathy Hochul

In the News-New York State



Governor Hochul, Majority Leader Stewart-Cousins & Speaker Heastie Make Appointments to the State's Commission to Study Reparations & Racial Justice

Governor Kathy Hochul, Senate Majority Leader Andrea Stewart-Cousins, and Speaker Carl Heastie this week announced their appointments to the Community Commission on Reparations Remedies. The Commission, formed through legislation signed in December 2023, acknowledges the injustice of slavery and is tasked with examining the legacy of slavery, subsequent discrimination against people of African descent, and the impact these forces continue to have in the present day.

According to Governor Hochul, Chapter 729 of the Laws of 2023 acknowledges the role the slavery played in the establishment and history of New York. The Commission's members are chosen because of their expertise, education, training, or lived experience in the fields of African or American studies, the criminal legal system, human rights, civil rights, reparations organizations and other relevant fields.

The commission's goal is to issue a report comprised of recommendations for appropriate action to address these longstanding inequities. In the process of compiling recommendations, the commission will hold public hearings to solicit input from stakeholders. This written report of findings and recommendations must be submitted to the temporary president of the senate, the speaker of the assembly, the minority leaders of the senate and the assembly, and the Governor no later than one year after the date of its first meeting.

Commission membership includes:

- > Jennifer Jones Austin, CEO and Executive Director of FPWA (Governor Hochul appointee).
- Timothy R. Hogues, Commissioner for the Department of Civil Service and President of the Civil Service Commission (Governor Hochul appointee).
- Linda Brown-Robinson, Immediate Past President of the Syracuse Onondaga NAACP (Governor Hochul appointee).

- Darrick Hamilton, Ph.D., university professor, the Henry Cohen Professor of Economics and Urban Policy, and the founding director of the Institute on Race, Power and Political Economy at The New School (Majority Leader Stewart-Cousins appointee).
- Linda Tarrant-Reid, author, historian, freelance journalist, photographer and community activist (Majority Leader Stewart-Cousins appointee).
- Seanelle Hawkins, President and Chief Executive Officer of the Urban League of Rochester, an affiliate of the National Urban League (Majority Leader Stewart-Cousins appointee).
- Dr. Ron Daniels, Founder and President of the Institute of the Black World 21st Century (IBW) (Speaker Heastie appointee).
- Lurie Daniel Favors, Esq., Executive Director at the Center for Law and Social Justice at Medgar Evers College (Speaker Heastie appointee).
- Rev. Dr. Deborah D. Jenkins, Founding Pastor of Faith @Work Christian Church, Coop City (Speaker Heastie appointee).



NYS Comptroller: New York City's Budget Outlook Improves

City Will Need to Identify How to Fund Education and Social Services in Future

Better-than-projected revenues and planned cost savings benefited New York City's budget outlook for Fiscal Year (FY) 2025, but funding for education and social services remain uncertain in the future, according to State Comptroller Thomas DiNapoli's analysis of the city's latest financial plan.

The city's Preliminary FY 2025 budget and January Financial Plan enabled the city to increase current year (FY 2024) spending to \$115.8 billion (adjusted for prepayments), close its \$7.1 billion FY 2025 budget gap, and reduce its out-year gaps. In addition, the plan identified increased revenue from business, personal income, and property taxes. Tax projections rose by \$1.3 billion in FY 2024 and grew to \$2.2 billion by FY 2027, despite a decrease of about \$500 million annually in real estate transaction taxes.

The January Financial Plan also included the second round of the Program to Eliminate the Gap (PEG) which initially called for reductions in agency spending of 5% in each of three financial plan "rounds" in November, January, and April. In addition to these savings, the city also identified 20% savings on asylum seeker spending, totaling \$1.7 billion through FY 2025. These efforts are expected to generate total savings of \$2.9 billion in FY 2024 and \$3.7 billion in FY 2025.

According to Comptroller DiNapoli, increased tax revenue combined with additional reductions in asylum seeker spending by 10% led the city to announce it will be able to avoid a third round of agency PEGs in its executive budget, due in April.

The Comptroller warned that out-year budget gaps are likely to remain higher than the city's forecasts due to the end of federal pandemic aid for continuing programming, a number of underbudgeted spending items, and a lack of federal funding to reimburse asylum seeker costs.

The report projects that even with better-than-projected revenue, budget gaps would be \$11.3 billion in FY 2026, \$13.4 billion in FY 2027 and \$15.9 billion in FY 2028, which would be greater than the city's reserve levels. In addition, elevated spending on existing and new programs created by the city during the pandemic are at risk, Comptroller DiNapoli noted. Education, health care, and social services are likely to cost the city more than budgeted, if they are continued at current levels.

Risks to Education and Child Care

Comptroller DiNapoli's report anticipates unfunded Department of Education risks will rise to nearly \$1.9 billion by FY 2028. The city does not address how it will support \$92 million in funding for its 3-K program, which provides free preschool for 3-year-olds. Funding for this program was previously supported by expiring federal funds.

The January Financial Plan also does not include funding to reduce class size, which the city expects to cost \$1.3 billion annually once fully phased in.

Risks to Social Services

Cash and rental assistance enrollment is likely to remain higher than pre-pandemic levels in the near future. This is the result of current economic conditions and policies implemented during the pandemic, which made it easier to apply for and maintain benefits electronically. Comptroller DiNapoli estimates a city-funded risk of \$405 million annually in FY 2025 and FY 2026 for public assistance and about \$678 million for rental assistance in those years.

In addition, the expansion of the City Fighting Homelessness and Eviction Prevention Supplement (CityFHEPS) housing voucher program could result in costs of \$11.4 billion cumulatively from FY 2025 to FY 2028.

Staffing and Overtime Challenges

The city anticipates that some planned service reductions will still be necessary. These reductions are expected to save \$44 million in FY 2024, rising to \$293 million in FY 2025 with slightly smaller amounts in subsequent years.

The January Financial Plan added \$255 million in FY 2024 to support uniform agency overtime, bringing the amount to \$1.67 billion, but Comptroller DiNapoli's report projects overtime could total \$2 billion.

In the News-New York City



Mayor Adams Unveils Plan to Make New York City the Leader in 'Green-Collar' Jobs

The Adams Administration this week released the <u>Green Economy Action Plan</u> which lays out a roadmap to growing the city's green economy. The plan invests in jobs and sectors that will help the city combat climate change, and train and position New Yorkers to benefit from the nearly 400,000 projected 'green-collar' jobs in New York City by 2040.

The Green Economy Action Plan includes the first forecasting of New York City's green economy and job growth through 2040. New York City's green economy is estimated to create nearly 400,000 jobs by 2040 — up from 133,000 today.. The plan identifies key occupations (including carpenters, plumbers, HVAC mechanics & installers, electricians, and stationary engineers) that are essential to growing the green economy and highlights 21 occupations that provide pathways to economic mobility.

The plan calls for the creation of a new "Climate Innovation Hub" at the Brooklyn Army Terminal, which will help establish green technology startups and businesses. This hub will be joined with the Trust for Governors Island and the Brooklyn Navy Yard Development Corporation to create a green economy "ecosystem" across three campuses that will support 5,000 new permanent jobs, educate and train 2,100 New Yorkers, and generate \$55 billion of economic impact.

Highlights of the plan include:

- Establishing a Climate Innovation Hub: NYCEDC will invest up to \$100 million to develop a Climate Innovation Hub at the Brooklyn Army Terminal It will serve 150 startups over 10 years generating \$2.6 billion in economic impact and creating 600 jobs while providing local workforce training and job placement, particularly for the local Sunset Park community.
- Creating Green Training Facilities in Every Borough: NYCTalent in partnership with other city agencies, as well as private partners will develop a workforce training facility in every borough with programming to train New Yorkers for green-collar jobs. The plan will deliver more than 12,000 green economy apprenticeships by 2040 through efforts such as a green building and construction workforce pilot program on Governors Island to train more than 100 people per year for the first two years.
- Activating a Harbor Climate Collaborative: The Brooklyn Navy Yard, NYCEDC, and the Trust for Governors Island are collectively investing \$725 million to build a green economy ecosystem across 6-million-square-feet and 72 acres linked by NYC Ferry across New York Harbor. This work will build on projects such as the 400,000-square-foot New York Climate Exchange, an academic and research consortium anchored by Stony Brook University on Governors Island, and the development of 5-million-square-feet of net-zero manufacturing space at the Brooklyn Navy Yard.
- Activating Public Sites for Electric Vehicle (EV) Charging: NYCEDC will use two acres of land near JFK airport to create the largest EV charging facility in the city, with 65 public EV chargers including 12 rapid ones. The facility is currently estimated to charge 1,000 vehicles per year, with potential for growth depending on market demand. The Brooklyn Navy Yard is also installing over 80 EV chargers across its 300-acre campus, including infrastructure for commercial fleet charging and a dedicated public lot for neighboring residents.
- Creating Tax Incentives for Battery Storage: NYCEDC will utilize New York City's Industrial Development Agency tax incentives to activate 500 Megawatts (MW) of battery storage capacity and support other green economy uses.

All NYC Businesses Must Put Their Trash in Containers Effective Today

New York City's trash containerization effort ramps up today, as businesses must put their trash in containers with secure lids. A business that does not use a bin with a secured lid for trash will be fined, according to the NYC Department of Sanitation.

Earlier this year, food-related businesses began using trash bins with secure lids starting August 1st and chain businesses with five or more locations began on September 5th. The requirement for residences goes into effect this Fall.

"We've declared that rats are Public Enemy Number One — but we're not stopping there; we're also going after the black trash bags that litter our streets, aiding and abetting rodents," Mayor Adams said last year when announcing the initiative.

"That's why, starting next spring, we're requiring every New York City business to put out their trash in containers. That's 20 million pounds of black bags and rat buffets off our streets — every single day. Our streets will look cleaner and smell cleaner across all five boroughs, and New Yorkers won't have to dodge trash mountains or scurrying rats as they're walking."

The rules do not apply to recyclables, according to DSNY.



Bills Passed by the Council

Introduction 19-A, *sponsored by Council Member Gale Brewer*, requires all businesses that sell e-bikes, e-scooters and other personal mobility devices powered by batteries, to post lithium-ion or other storage battery safety informational materials and guides. Such materials and guides would be required to be posted both in physical stores and on online retail platforms. A violation would be subject to civil penalties ranging from \$150 to \$350 per violation.



Introduction 21-A, *sponsored by Council Member Gale Brewer*, enhances enforcement efforts around the sale and rental of uncertified powered mobility devices, such as e-bikes and e-scooters. It would give the Fire Department enforcement authority of these laws, increase penalties for illegal device sales, and give the Department of Consumer and Worker Protection and the Fire Department sealing authority for repeat violators.

Introduction 49-A, *sponsored by Council Member Julie Menin*, allows mobile food vendors to display or store goods on top of their carts, and it would simplify the display requirements for general vendors. Additionally, this bill would repeal the City's bookkeeping requirements for general vendors and mobile food vendors.

Introduction 50-A, *sponsored by Council Member Julie Menin*, eliminates the requirement that individual employees of mobile food vending carts or trucks each have a New York State Certificate of Sales Tax Authority. This bill would also eliminate the requirement that mobile food vendors and general vendors obtain a tax clearance certificate upon renewal of a license or permit.

Introduction 51-A, sponsored by Council Member Julie Menin, prohibits general vendors and mobile food vendors from vending in bicycle lanes. A bicycle lane would be defined as a portion of the roadway that is marked off or separated for the preferential or exclusive use of bicycles. This bill would clarify that vendors cannot operate or leave their items in bicycle lanes.

Briefs

NY Approves Two Offshore Wind Projects

Governor Kathy Hochul this week announced the State has conditionally awarded two offshore wind projects – a planned 810-megawatt project, Empire Wind 1, (developed by Equinor) and Sunrise Wind, a planned 924-megawatt project (developed by Orsted and Eversource). Both projects are anticipated to be operational in 2026.

The selected projects are estimated to create more than 800 construction jobs and invest \$2 billion in economic development statewide. Totaling over 1,700 megawatts of clean energy, these projects will be the largest power generation projects in New York State in over 35 years, according to the Governor. New York State is working towards the Climate Leadership and Community Protection Act goal to develop 9,000 megawatts of offshore wind energy by 2035.

Combined, Empire Wind 1 and Sunrise Wind projects will include:

- Construction and operation of the South Brooklyn Marine Terminal assembly and staging port, leading to over 400 construction jobs to develop the current 70-acre waterfront site into an offshore wind port.
- Investment of more than \$80 million in construction and manufacturing associated with advanced foundation components at the Port of Coeymans.
- Enactment of a Project Labor Agreement with Long Island skilled trades, including heavy equipment operators, electricians, and line workers.

Governor Hochul Launches Expansion of School-Based Mental Health Clinics to Combat Youth Mental Health Crisis

Governor Kathy Hochul announced \$20 million in start-up funding for school-based mental health clinics and launched a rolling application, which will make it easier for interested schools to access state funding.

With support from a school wanting to establish a clinic satellite, providers can now apply for startup funding on a rolling basis.

Licensed OMH clinic providers can now submit an application to establish a school-based satellite clinic through the <u>Mental Health Provider Data Exchange</u>. Every new school satellite clinic will automatically be eligible for \$25,000 in start-up funding. High-need schools, or those where more than 50 percent of students are classified as coming from an economically disadvantaged household, are eligible for an additional \$20,000.

NYC Selects Two Firms to Redesign Scaffolding Sheds, Pedestrian Safety Equipment as Part of 'Get Sheds Down' Initiative

New York City Mayor Eric Adams, New York City Department of Buildings Commissioner (DOB) Jimmy Oddo, and Mayor's Office of Contract Services (MOCS) Director Lisa Flores this week announced the selection of two companies — Arup US and Practice for Architecture and Urbanism (PAU) — to deliver six new designs for scaffolding/construction sheds and pedestrian safety equipment.

The designs will include four options for sidewalk-level sheds and two options for non-sidewalk-level pedestrian safety equipment, such as mesh fiber wraps or netting. Those six designs will be publicly released by the city to give contractors the ability to build and use them.

The Adams administration is also currently working with the New York City Council on legislation to allow for a wider variety of colors for sidewalk sheds, increase lighting requirements for sheds, reduce the duration of sidewalk shed permits, and introduce new penalties if building repairs are not performed in a timely manner. DOB has also <u>released</u> technical guidance to help the industry understand rules and processes regarding the use of safety netting.

Mayor Adams Announces Activation of City's First Public E-Bike Charging Site for Delivery Workers

The Adams Administration this week activated the first of five public e-battery charging locations as part of the <u>city's new six-month pilot program</u> to test public charging of lithium-ion batteries by an initial group of 100 delivery workers.

The first charging site is being located in Cooper Square in Manhattan's East Village and is a component of the administration's overall "<u>Charge Safe, Ride Safe: New York City's Electric</u> <u>Micromobility Action Plan</u>" to support safe e-bike use and prevent deadly lithium-ion battery fires.

Mayor Adams also announced four other outdoor charging sites across Manhattan and Brooklyn, selected based on their high concentrations of e-bike delivery activity and delivery workers. Those locations - the Brooklyn Army Terminal in Sunset Park, Essex Market in the Lower East Side, Plaza De Las Americas in Washington Heights, and Willoughby and Jay Streets in Downtown Brooklyn - will have public e-battery charging locations installed and activated in the coming weeks.

Coming Up

New York State

Monday, March 4th NYS Assembly Session: 2 p.m.

NYS Senate Session: 3p.m.

Tuesday, March 5th NYS Assembly Session: TBD

NYS Senate Session: TBD

Wednesday, March 6th NYS Assembly Session: TBD

NYS Senate Session: TBD

Thursday, March 7th

Assembly Committees on Banks & Science & Technology, Roosevelt Hearing Room, Legislative Office Building, Albany, 10 a.m. Impact of financial technology (FinTech) and its role in New York's banking industry

NYS Assembly Session: TBD

NYS Senate Session: TBD

New York City

Monday, March 4th Committee on Finance, Council Chambers - City Hall, 10 a.m. Preliminary Budget Hearing – Finance

Tuesday, March 5th Committee on Hospitals, Committee Room - City Hall, 1 p.m.

Preliminary Budget Hearing - Hospitals

Committee on Land Use, 250 Broadway - Committee Room, 14th Floor, Noon.

Committee on Governmental Operations, State & Federal Legislation, 250 Broadway - Hearing Room, 16th Floor, 11:30 a.m. Preliminary Budget Hearing - Governmental Operations, State & Federal Legislation

Committee on Immigration, Council Chambers - City Hall, 10 a.m. Preliminary Budget Hearing - Immigration

Subcommittee on Landmarks, Public Sitings and Dispositions, Committee Room - City Hall, 10 a.m.

Wednesday, March 6th

Committee on Education, Council Chambers - City Hall, 1 p.m. Oversight - Remote Learning Failures in New York City Public Schools.

Committee on Housing and Buildings, Council Chambers - City Hall, 10 a.m.

Thursday, March 7th

Committee on Finance, Committee Room - City Hall, 10 a.m.

Committee on Health, Council Chambers - City Hall, 10 a.m. VOTE The naming of the Paul A. Vallone Queens Animal Care Center.

City Council Stated Meeting, Council Chambers - City Hall, 1:30 p.m.

Friday, March 8th

Committee on Aging, Committee Room - City Hall 1:00 PM Preliminary Budget Hearing

Committee on Technology, 250 Broadway - Hearing Room, 16th Floor, 11:30 a.m. Preliminary Budget Hearing - Technology

Committee on Criminal Justice, Council Chambers - City Hall, 10 a.m. Preliminary Budget Hearing - Criminal Justice

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tcosgrove@pittabishop.com or at (518) 449-3320.

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120 Broadway, 28th Floor New York, New York 10271 Telephone (212) 652-3890 Facsimile (212) 652-3891 **111 Washington Avenue, St. 401 Albany, New York 12210** Telephone (518) 449-3320 Facsimile (518) 449-5812 **1220 19th Street NW, St. 600 Washington, D.C. 20036** Telephone (202) 964-4753 Facsimile (202) 964-5754