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## THIS WEEK IN NEW YORK

COVERING NEW YORK & CITY GOVERNMENT

FEBRUARY 7, 2025 EDITION



*"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



### NYC Migrant Funding, Governor's Involuntary Commitment Proposal, & NYC Subway Funding Headline Legislative Budget Committee Hearings

On Tuesday, local government officials descended upon Albany for "tin cup" day, stumping for additional funding from the Assembly Ways & Means and Senate Finance Committees in the final FY2026 budget.

NYC Mayor Eric Adams led off the hearing, calling for \$1 billion within 12 weeks to help close a shortfall in the City's program for housing asylum seekers (see page 2).



Adams Administration in  
Albany

Following the Mayor's testimony, a spokesman for Governor Hochul confirmed that Governor Hochul is committed to working collaboratively with Mayor Adams on their shared goals of making New York safer and more affordable. However, "the FY26 Executive budget does not include any new funding for the migrant crisis, and our position has not changed," according to published reports.



NYS Mental Health  
Commissioner Ann Sullivan

State Mental Health Commissioner Ann Sullivan opened this week's mental hygiene budget hearing by defending the Governor's involuntary commitment proposal included in her Executive Budget criminal justice initiatives.

Commissioner Sullivan asserted that the state has enough open inpatient beds to accommodate the impact of the proposal to ease the criteria for involuntary commitment, which would increase New Yorkers hospitalized with a mental illness.

"We're talking about a small, small group of people," state Office of Mental Health Commissioner Dr. Ann Marie Sullivan told reporters after a budget hearing Wednesday. "It could be several hundred to a thousand more individuals," she said. "But it depends on the individual. I can't tell exactly."

The state's 8500 inpatient psychiatric beds are at 83% capacity, with approximately 4,000 in New York City and over 4,400 in the rest of the state, according to a 2024 NYS Comptroller report.

Putting the capacity issue aside, Senate Mental Health Chair Samra Brouk asserted that the State should wait for the findings of a \$1 million external study examining how effectively the state uses involuntary commitment and its impact on patients. The final study and recommendations will be completed next year

She and newly appointed Assembly Mental Health Committee chair Jo Anne Simon said that expansion may put the homeless, victims of domestic violence, or people in temporary housing at higher risk of involuntary commitment.

Wednesday's Transportation Budget hearing was highlighted by MTA Chairman Janno Lieber who came to Albany with a prop -- although not allowed at budget hearings—to remind the Legislators what would happen if the State does not fund the MTA.



MTA Chair Janno Lieber

The MTA considers the Capital Plan as keeping the system in a “state of good repair” work — a combination of maintenance work and upgrades to keep the region’s subway system, bus network and twin commuter rail systems running. Chairman likened its funding to the consistent funding necessary for education and Medicaid.

Next week brings the budget hearings on health, human services and public protection. The hearings wrap up on February 27<sup>th</sup>, leaving the month of March for development of the one-house budgets and consensus budgeting by April 1<sup>st</sup>.

## *In The News-New York City*



### **Mayor Adams Goes to Albany**

NYC Mayor Eric Adams addressed the members of the Assembly Ways and Means Committee and the Senate Finance Committee this week to express support for Governor Kathy Hochul's affordability and safety proposals in her Executive Budget and to make his case for the Legislature to include funding to help with the City's migrant crisis.

Specifically, the Mayor is seeking the support of the Legislature in four “key” areas:

- First, passage of our “Axe the Tax for the Working Class” legislation to make life more affordable for working-class New Yorkers.
- Second, passage of the “Supportive Interventions Act” to finally allow people with severe mental illness to get the lasting support they need.
- Third, passage of measured reforms to the discovery law that will continue to protect defendants’ rights, while improving the efficiency of our criminal justice system and keeping our city safe.
- And, finally, continued financial support to manage the international asylum seeker international crisis that has landed at our city’s front door.

The Mayor chronicled how his Administration reduced the number of asylum seekers in its care from a high of 69,000 in January 2024 to less than 47,000 today. However, he noted that the City has spent more than \$6.9 billion to care for the immigrants over three fiscal years and it anticipates spending billions more in the years to come.

He called upon the Legislature to help his Administration close a \$1.1 billion budget shortfall. The Mayor noted that this cost is in addition to the costs of complying with new state budget provisions that will cost New York City taxpayers \$165 million more annually for MTA needs and \$347 million from lower-than-expected Foundation Aid.



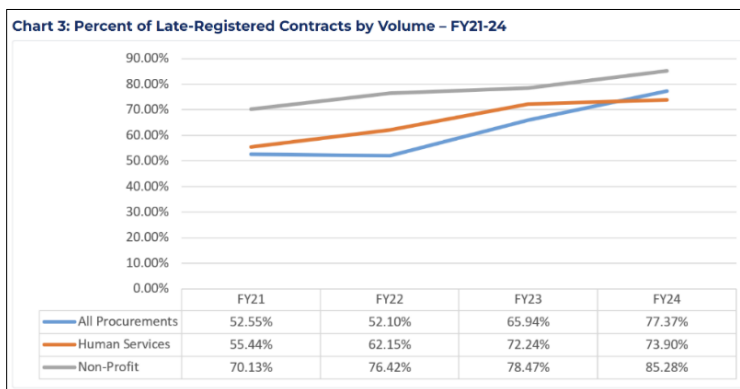
## **9-out-10 Human Service Contracts Arrive Late to NYC Comptroller for Review**

The New York City Comptroller’s office published its [annual report on the City’s contracting in Fiscal Year 2024](#), during which the City procured \$32.25 billion worth of goods, services, and construction.

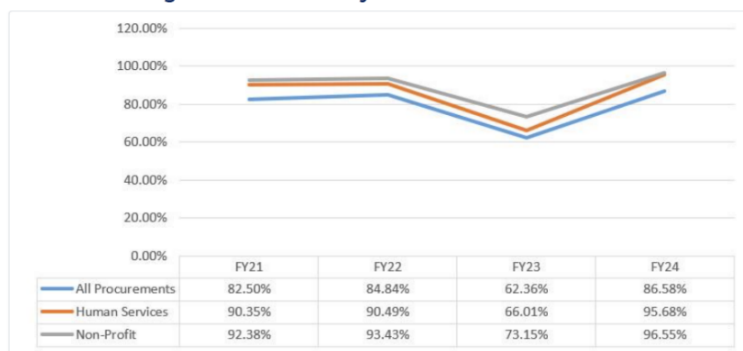
According to Comptroller Brad Lander, the percentage of contracts registered late (i.e. after the start date on which the vendor was expected to begin providing services) remains at 80%. The percentage of late registered human services contracts rose from 88.5% in FY23 to 90.7% in FY24.

Over 8-in-10 contracts were registered late in FY24, and the problem is even worse for non-profits where 9-in-10 contracts are late. In FY24, nearly 40% (1,387 contracts) of human services contracts were registered more than a year late, due to late submissions by agencies.

According to the Comptroller, Citywide retroactivity rates (the percentage of contracts that are registered after the start date) are getting worse. The percentage of late-registered contracts by volume has grown each year since FY22 (Chart 3). The problem is especially severe for human service providers and non-profit vendors where over 72% of their total contract value was registered late in FY23.



**Chart 4: Percent of Late-Registered Contracts by Value – FY21-24**



Comptroller Lander explained that these trends only got worse in FY24, where more than 95% of total contract value for human service and non-profit vendors were registered late in the first half of FY24 (Chart 4). The analysis in Section VIII of this Report reveals that some of these contracts are registered extremely late. For FY23, more

than 27% of contracts with non-profit vendors (1,218 contracts) were registered six months to one year late, and more than 31% (1,388 contracts) were registered more than a year late.

The report found that late registration is a problem for M/WBEs as well. The largest share of M/WBE procurement contracts were registered via the M/WBE Noncompetitive Small Purchase (NCSP) method, which was designed to reduce delays in the contracting process by allowing agencies to contract with City-certified M/WBE vendors for up to \$1.5 million without competition. However, most of contracts registered via the M/WBE NCSP method were registered late, according to the Comptroller.

## Briefs

### Governor Hochul Taps Albany, Utica and Rochester for Workforce Training Centers Under \$200 Million Advanced Manufacturing Program

#### *Former College of Saint Rose Campus to House Workforce Development Center*

Governor Kathy Hochul this week announced that the Capital Region, Finger Lakes, and Mohawk Valley have been selected to advance to the planning stage of the \$200 million One Network for Regional Advanced Manufacturing Partnerships (ON-RAMP) program.

The regions join Central New York and will create a network of workforce development centers to connect New Yorkers with careers in high-growth advanced manufacturing industries. According to the Governor, these workforce centers will equip New Yorkers with the skills they need and create an “on-ramp” to training, internships, apprenticeships and permanent employment and capitalize on the State's success in attracting and expanding advanced manufacturing companies such as Micron and GlobalFoundries.

The Center for Economic Growth (CEG) will lead the Capital Region's ON-RAMP center, with a proposed primary location offering technical training, non-technical foundational and soft skills and wraparound services. CEG will lead the regional consortium of industry partners, including GlobalFoundries, Plug Power, General Electric, NSH USA, P1 Industries and Regeneron, plus local trades and workforce training providers.

The Capital Region proposal recommends the adaptive reuse of a now-vacant building on former College of Saint Rose campus, which serves as a centralized location among Albany neighborhoods and provides direct CDTA Bus Rapid Transit access.

### **Comptroller DiNapoli: Growth in Local Sales Tax Collections Slowed in 2024; Overall Collections Up 1.6% Year Over Year**

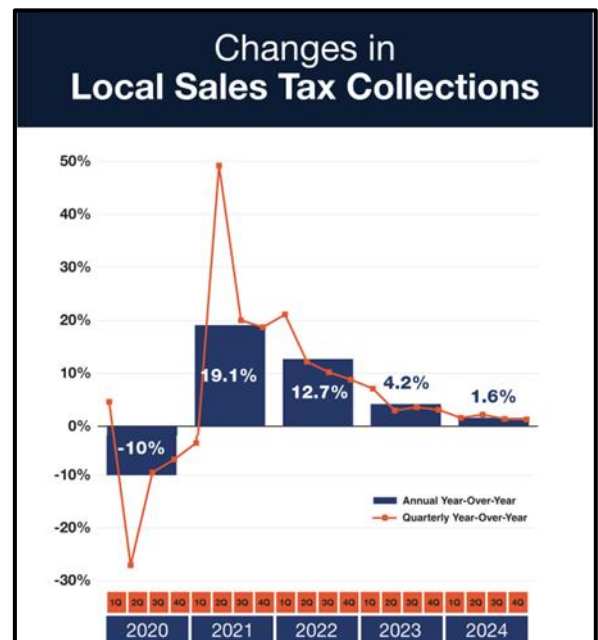
Local government sales tax collections in New York state totaled \$23.4 billion in calendar year 2024, an increase of 1.6% or \$376 million from 2023, according to a report released today by State Comptroller Thomas DiNapoli. This was the slowest annual growth seen since the COVID-19 pandemic decline in 2020 and was less than half of the average pre-pandemic growth rate (3.8%) of 2011 to 2019 following the Great Recession.

New York City’s sales tax growth of 2.8% in 2024 outpaced the rest of the state (0.6%) for the third consecutive year. Growth in the city’s collections was boosted by increases in the number of tourists, which nearly matched 2019 levels for the first time since the pandemic.

Aggregate county collections outside of New York City grew 0.5%, or \$53.9 million, in 2024 compared to the previous year. However, year-over-year growth varied among counties, with over half (31 of 57) seeing increases.

St. Lawrence County had the highest growth at 5.6%, followed by Greene (3.7%), Otsego (3.6%), and Westchester (3.3%) counties. Tioga County experienced the steepest decline in collections (-4.5%), followed by Allegany (-4.4%), Putnam (-3.6%), and Chenango (-3.4%) counties.

Of the 18 cities outside of New York City that impose their own sales tax, 13 saw year-over-year increases in 2024. Gloversville had the strongest growth at 7.3%, followed by Oswego (5.9%) and





Saratoga Springs (5.4%). Five cities had decreases: Norwich had the steepest decline (-6.6%), followed by Mount Vernon (-4.6%), Salamanca (-3.8%), Oneida (-3.2%), and Olean (-2.7%).

## **Governor Hochul Signs Legislation Affirming New York's Status as a Safe Haven for Reproductive Health Care**

Governor Kathy Hochul this week signed legislation to enable providers who prescribe medications used to perform abortions to request that the dispensing pharmacy print the name of their practice on prescription labels instead of their personal name. The new measure also requires notice to the patient and ensures that pharmacies assist with this measure.

In signing the legislation, Governor Hochul affirmed her commitment that New York will remain a safe harbor for anyone seeking or providing reproductive health care.

"Reproductive freedom will always be protected in the State of New York — and I'll never back down from this fight," Governor Hochul said. "I'm taking action to strengthen protections for health care professionals and their patients, ensuring New York is a safe haven for anyone providing or receiving reproductive care."

Chapter 7 of the Laws of 2025 was sponsored by Senator Shelley Mayer and AM Karines Reyes.

## **City & State Leaders and the United Nations Development Corporation Announce \$500 Million Development Plan for United Nations Plaza**

New York City Mayor Eric Adams, New York State Governor Kathy Hochul, and the United Nations Development Corporation (UNDC) this week announced a \$500 million development plan for One and Two United Nations Plaza that will help create more than 1,800 jobs and "infuse billions of dollars back into the city's economy." As part of the agreement, the United Nations (UN) has committed to long-term leases of space at UN Plaza.

The project will include building-wide renovations by UNDC, together with renovations by the tenants of their leased office space. Construction is expected to begin in the second quarter of 2025, and the project will be completed in approximately 48 months. Construction manager Turner Construction Company has signed a Project Labor Agreement with the Building and Construction Trades Council that will benefit trade contractors and result in cost savings for the project. UNDC plans to issue up to \$380 million in bonds to fund the project.

## **Mayor Adams Releases "Race for Space" Strategy to "Energize" City's Office Market, Attract National and International Companies as Anchor Tenants to Offices**

The Adams administration this week unveiled the "Race for Space," a strategy to "revitalize and reimagine" office space across the five boroughs and create thousands of new jobs for working-class New Yorkers.

*Race for Space* aims to attract both national and international companies to become anchor tenants at offices with a goal of 50 million square feet by end of 2025. The strategy includes:

- Launching a pilot "[Relocation Assistance Credit for Employees](#)" program (RACE), which will incentivize out-of-state companies to move to New York City and sign leases for at least 20,000-square-feet of space at qualifying office buildings. Under this new program, the Adams administration is targeting 15 new anchor tenants by the end of 2025, activating over 800,000 square feet of office space and bringing an additional 3,000 jobs to New York City. The existing [Relocation and Employment Assistance Program](#) (REAP) incentive program will also be extended for an additional five years. REAP offers business income tax credits for relocating jobs from outside of New York City or below 96th Street in Manhattan to designated locations above 96th Street in Manhattan or in one of the other four boroughs.
- Creating a new "[International Landing Pad Network](#)," which will support growth stage international companies in their expansion to New York City, attract new sources of innovation and investment, and grow jobs for New Yorkers.
- Opening a new application round for the [Manhattan Commercial Revitalization Program \(M-CORE\)](#) program through May 1st. Launched in 2023, M-CORE was a key recommendation from the 'New' New York panel's "[Making New York Work for Everyone](#)" action plan – a set of 40 initiatives to reimagine New York City's commercial districts as vibrant 24/7 destinations. M-CORE aims to convert up to 10 million square feet of aging and vacant office space to amenity rich, high-quality office space that meets the demands of the current workforce. The program is already supporting the overhaul of over 1 million square feet of office space at 850 Third Avenue and 175 Water Street. Last week, the New York City Industrial Development Agency confirmed the latest M-CORE awardee, the Hahn Kook Center, an affiliate of the Korean International Trade Association located at 460 Park Avenue.

## Upcoming Political Party Enrollment Deadline

The State Board of Elections is reminding New York eligible voters that they must be enrolled in a political party in order to participate in that party's Primary Elections. The deadline to do so every year is February 14<sup>th</sup>.

The Board suggests that voters review their enrollment information through the Voter Lookup link below and, if needed, update your voter registration by February 14, 2025, in order to participate in your preferred party's Primary Election this year.

[Voter Lookup Application](#)

[Update Your Registration](#)

# *Coming Up*

## *New York State*

### *Monday, February 10<sup>th</sup>*

*Senate Elections Committee Meeting, 816 LOB, 11 a.m.*

*Senate Codes Committee Meeting, 124 CAP, 11:30 a.m.*

*Senate Internet and Technology Committee Meeting, 816 LOB, 12 p.m.*

*Senate Transportation Committee Meeting, 124 CAP, 12:30 p.m.*

*New York State Senate Session,  
Senate Chamber, Albany, 3 p.m.*

*New York State Assembly Session,  
Assembly Chamber, Albany, 2 p.m.*

*Board of Regents Meeting, 89 Washinton Ave – Seminar Room, 5<sup>th</sup> Floor, 9 a.m.*

### *Tuesday, February 11<sup>th</sup>*

*Senate Civil Service and Pension Committee Meeting, 124 CAP, 9:30 a.m.*

*Joint Legislative Public Hearing on 2025 Executive Budget Proposal:  
Topic – Health and Medicaid,  
Hearing Room B, LOB, 9:30 a.m.*

*Assembly Agriculture Committee Meeting, 829 LOB, 9:30 a.m.*

*Senate Budget and Revenue Committee Meeting, 912 LOB, 10 a.m.*

*Senate Education Committee Meeting, 510 LOB, 10 a.m.*

*Assembly Judiciary Committee Meeting, 832 LOB, 10 a.m.*

*Senate Consumer Protection Committee Meeting, 804 LOB, 10:30 a.m.*

*Senate Corporations, Authorities and Commissions Committee Meeting, 912 LOB, 10:30 a.m.*

*Assembly Housing Committee Meeting, 942 LOB, 10:30 a.m.*

*Senate Environmental Conservation Committee Meeting, 124 CAP, 11 a.m.*

*Senate Racing, Gaming and Wagering Meeting, 810 LOB, 11 a.m.*



*Assembly Codes Committee Meeting*, 630 LOB, 11 a.m.

*Senate Energy and Telecommunication Committee Meeting*, 124 CAP, 11:30 a.m.

*Assembly Governmental Employees*, 840 LOB, 11:30 a.m.

*Assembly Local Governments Committee Meeting*, 838 LOB, 11:30 a.m.

*Assembly Environmental Conservation Committee Meeting*, 623 LOB, 12 p.m.

*Senate Judiciary Committee Meeting*, 124 CAP, 12:30 p.m.

*Assembly Alcohol and Drug Abuse Committee Meeting*, 630 LOB, 12:30 p.m.

*New York State Senate Session*,  
Senate Chamber – New York State Capitol, Albany, 3 p.m.

*New York State Assembly Session*,  
Assembly Chamber – New York State Capitol, Albany

### ***Wednesday, February 12<sup>th</sup>***

***Joint Legislative Public Hearing on 2025 Executive Budget Proposal:***

***Topic - Public Protection***,  
Hearing Room B, LOB, Albany, 9:30

## ***New York City***

### ***Monday, February 10<sup>th</sup>***

***Committee on Transportation and Infrastructure***, Council Chambers – City Hall, 10 a.m.

### ***Tuesday, February 11<sup>th</sup>***

***Committee on Higher Education***, Committee Room – City Hall, 10 a.m.

***Committee on Environmental Protection, Resiliency and Waterfronts***,  
Committee Room – City Hall, 1 p.m.

***Committee on Consumer and Worker Protection***, Council Chambers – City Hall, 1 p.m.

### ***Wednesday, February 12<sup>th</sup>***

***Committee on Health***, Council Chambers – City Hall, 10 a.m.

***Committee on General Welfare***, Council Chambers – City Hall, 10 a.m.

***Subcommittee on Zoning and Franchises***, 250 Broadway – Committee Room, 16<sup>th</sup> Floor, 11 a.m.

***Committee on Land Use***, 250 Broadway – Committee Room, 16<sup>th</sup> Floor, 12 p.m.

**Thursday, February 13<sup>th</sup>**

**Committee on Finance**, Committee Room – City Hall, 9:30 a.m.

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

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