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COUNSEL TO THE GOVERNOR

March 13, 2018

Corey Johnson New York City Council 224 West 30th St, Suite 1206 New York, NY 10001

Dear Speaker Johnson,

Thank you for taking the time to meet today. I think it was a very productive conversation. Outlined below is a summary of our discussion.

The Governor again confirmed that he will seek design/build legislation for New York City Housing Authority (NYCHA) projects, the construction of new jails to replace the Riker's Island Jail Complex, and the reconstruction of the Brooklyn-Queens Expressway. As a result of design/build authorization, the City will avoid significant delay in construction and will realize savings in excess of \$1 billion.

Regarding the MTA, you agreed that the City should provide \$400 million to the MTA subway action plan, and those funds would be dedicated to the New York City Transit Authority. The City Council would have input on all existing and future subway action plans.

Regarding Rikers Island, we agreed that a 10-year timetable to close the complex is unconscionable. Design/build would be authorized to accelerate the construction of new jails if coupled with an independent contractor to perform and oversee the work. It was agreed that the Council and the Mayor would jointly select the independent contractor.

Regarding NYCHA, we all agreed that the current conditions are intolerable, and recognized the Council's work in exposing the dire plight tenants face daily. The Governor's tour this week again confirmed these horrendous conditions and further highlighted the need for immediate action. We agreed to seek design/build legislation coupled with an emergency declaration, which would waive NYCHA procurement rules. Further, we agreed to allow the selection of an independent company to serve as construction manager, which would operate separately from NYCHA. It was suggested that the Mayor, the City Council, and NYCHA tenant leadership collectively create a three-member board to select the construction manager, and oversee the prioritization and progress of projects. The selection of the manager should be



based on how competently, economically, and quickly the projects could be completed – with substantial completion within one year. NYCHA has failed to provide adequate details of how they intend to spend \$200 million in State funding allocated in last year's budget, and how they plan to manage the projects associated with that funding. We agree that NYCHA's management is part of the problem, and an independent contractor would be more efficient and more effective. The State would release \$200 million in funding to the board immediately following its selection of a contractor. We also agreed that the design/build authorization would include State MWBE and Federal Section 3 requirements.

Regarding education funding, we discussed the State's intent to require municipalities, including New York City, to be transparent and disclose the funding provided to each school within a district (including the funding each school receives through the school fair student funding allocation). Your Members supported that proposal.

Please let me know if you have any further thoughts on these issues. Also, please notify us when you have a resolution with the Mayor's Office, as these proposals obviously require a joint agreement between the Mayor's Office and the Council.

The Governor's support of these matters does not necessarily mean they will be included in the enacted budget, given that both the Senate and the Assembly must agree. However, as the budget is due April 1st, we will know shortly the final conclusion of these matters.

Sincerely,

Almonso B. David

cc:

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