



This Week in New York

Covering New York State and City Government

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In the News – New York State

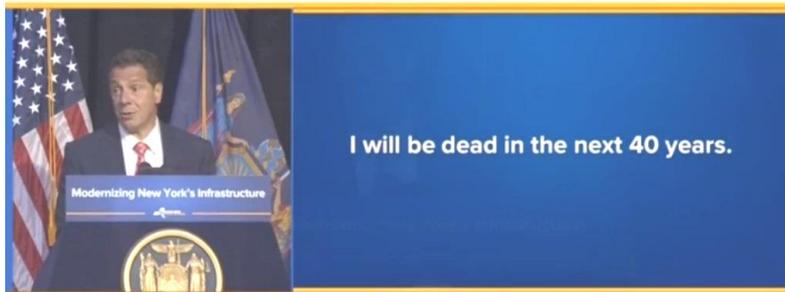
Governor Looks to Task Force to Address Challenges at Penn Station

Governor Andrew Cuomo this week laid the groundwork for his plan to address New York City’s transportation challenges, starting with Penn Station.

Much publicized derailments and cancellations at Penn Station have resulted in costly delays for millions of travelers. The Governor’s plan includes developing an immediate plan for Penn Station to avoid a summer crisis and a long term management solution in conjunction with Farley Train Hall and the Gateway Tunnel.

According to Governor Cuomo, the issues at Penn Station with Amtrak’s service cuts will exacerbate the already overcrowded conditions of the New York City subways. He is establishing a Task Force composed of transportation experts and stakeholders to develop both short-term transit solutions, as well as long-term systemic changes.

Each workday, more than 600,000 people travel through Penn Station, which is owned by Amtrak and the federal government. Amtrak is proposing repairs that would reduce the number of trains at Penn Station by about 20 percent during peak travel times and as a result, commuters searching for alternative methods of transportation will “crush an already overburdened subway system and clog roads and bridges,” Governor Cuomo explained.



"The intolerable state of disrepair in Penn Station and its ripple effect of delays and dysfunction throughout the subway system have reached a breaking point, and we must enact this comprehensive action plan now to find both short and long term solutions to these growing challenges, upgrade outdated infrastructure and meet the

needs of current and future generations of New Yorkers," Governor Cuomo said, noting that New York can wait no longer. "This multi-pronged effort will address the chronic failures of the system and make critical, long overdue upgrades to ensure our system is of the highest caliber. After decades of neglect, it's time to seize the opportunity to make real changes to our transportation system."

Also, Governor Cuomo has proposed the “MTA Genius Transit Challenge,” a competition to reimagine the solutions to the systemic challenges with the subway system.

Penn Station Task Force

The members of the Task Force that will advise on Penn Station include:

- Matthew J. Driscoll, Commissioner, New York State Department of Transportation
- Congressman Peter King
- Kevin Law, President, Long Island Association
- Richard LeFrak, CEO, LeFrak
- Joe Lhota, Senior Vice President, Vice Dean, and Chief of Staff, NYU Langone Medical Center
- Congressman Jerrold Nadler
- Former Congressman Charles Rangel
- Steve Roth, Chairman and CEO, Vornado Realty Trust
- John Samuelsen, President, TWU Local 100
- Tom Wright, President, Regional Plan Association
- Carl Weisbrod, Senior Advisor, HR&A
- New York City nominee
- Nassau nominee
- Suffolk nominee

Develop an Immediate Plan for the Penn Station Summer Crisis

The Task Force will focus on two areas. First, developing alternative transportation solutions to deal with the summer’s Amtrak service cuts. Including:

- Park and Ride operations
- Amended restrictions for the LIE HOV lanes
- High-speed Long Island ferries
- Privately owned express bus service

Recommend Viable Long-Term Management Solution for Penn Station and Turn it into a 21st Century Transit Hub with Farley Train Hall and the Gateway Tunnel

The Task Force will also assess the viability of any proposed long-term management solution for Penn Station. This is an opportunity to enact a long-term strategic solution to the systemic issues plaguing Penn Station’s physical plant and transit operations.

Governor Cuomo is proposing the Task Force consider the following three options:

1. ***New York State Will Take Over Penn Station:*** The State will use design-build in combination with a public-private partnership to perform the emergency repairs and operate Penn Station in the long-term. As part of this effort, the State will combine Penn with the Farley Train Hall, the new LIRR concourse, along with the Gateway Tunnel to create one transit hub.

2. ***The Port Authority Will Take Over Penn Station:*** The Port Authority will create a public-private partnership to manage the emergency repairs and also take on the long-term operation of Penn Station.

3. **Amtrak Uses Private Contractor:** Most Amtrak terminals in the country are not currently operated by Amtrak, but rather by qualified operators. This model could be adopted at Penn Station.

Challenge the MTA to Modernize the New York City Subway System

According to the Governor, although the MTA has a \$29.5 billion capital plan, including \$8.3 billion from the state, the subway system is in grave disrepair. Last week, the Governor challenged the MTA to accelerate implementation of the \$29.6 billion capital plan. In addition, the Governor directed the MTA to implement a 6 Point Plan designed to resolve immediate issues related to management structure, delays and overcrowding.

“The MTA Genius Transit Challenge” targeted expanding the number of trains per hour at peak periods to relieve overcrowding and to enable more reliable service with fewer delays. In June, an international competition will convene participants from the technology, engineering and business sectors to address the subway’s three most vexing technology and design challenges.

- To address the aging signal system in a faster and more efficient way to enable the MTA to expand the number of trains per hour during peak periods;
- To address the subway system’s aging cars. Strategies can include the refurbishment of current subway cars, upgrading existing systems, better maintenance programs/protocols, and faster delivery of new cars; and
- To design communications technology for cellular and WiFi connectivity that can be installed throughout the entire subway system including tunnels.



Comptroller DiNapoli: State Pension Fund Value \$192 Billion

Earns 11.42 Percent Return on Investments in State FY2017

New York State Comptroller Thomas DiNapoli this week announced that the New York State Common Retirement Fund (Fund) earned an estimated 11.42 percent return on investments in the state fiscal year that ended on March 31, 2017. The Fund has an estimated value of \$192 billion.

“Strong returns over the fiscal year, particularly in the fourth quarter, were driven by rising public equity markets,” Comptroller DiNapoli said. “New York State’s pension fund is at a record value based on prudent long term asset allocation. We continue to manage one of best funded, best performing pension plans in the nation and that’s great news for the more than one million men and women who participate in it, as well as for New York taxpayers.”

Over state fiscal year 2017, domestic and non-U.S. equities enjoyed overall returns of 17.01 percent. The Fund’s broader approach to fixed income markets over the last year returned 2.91 percent. The Fund’s diversification strategy performed well, with private equity and real estate delivering returns of 7.02 percent and 10.68 percent.

The Fund is the third-largest public pension fund in the country. The New York State and Local Retirement System provides retirement security to more than one million active state and local government employees, retirees and their beneficiaries. Employer contribution rates are determined by investment results over a multi-year period along with numerous other actuarial assumptions, including wage growth, inflation, age of retirement and mortality. The Fund’s long-term expected rate of return is 7 percent.

Returns for the Fund’s Asset Classes (as of March 31, 2017)*

	Percent Returned	Percentage of Fund’s Total Investments
Domestic Equities	17.73%	36.8%
Core Fixed income	2.49%	18.1%
Non-US Equities	15.15%	14.3%
Private Equity	7.02%	7.7%
Real Estate	10.68%	6.6%
Global Equities	17.04%	4.6%
TIPS**	1.31%	4.3%
Absolute Return Strategies	7.24%	2.9%
Cash	1.58%	1.8%
Non-Core Fixed Income	11.43%	1.7%
Opportunistic Alternatives	4.76%	1.0%
Real Assets	11.63%	0.2%

* Returns are estimated, pending audited data available later this year

** Treasury Inflation-Protected Securities

In the News – New York City



Mayor de Blasio Announces New Plan to Crack Down on Parking Placard Fraud and Abuse

Flanked by NYPD, DOT and DOE officials, Mayor Bill de Blasio this week announced a new citywide enforcement plan to crack down on the improper use of City parking placards.



“In our increasingly crowded city, parking placard abuse is contributing to traffic congestion,” said de Blasio. “However, more important, when drivers with placards block crosswalks, fire hydrants or bike lanes, they endanger public safety as well. Few things irk New Yorkers more than their fellow citizens taking advantage of a system that was designed to aid in public service delivery. Instead, placard abuse is starting to erode faith in the integrity of government, so we are taking action today to make things right.”

According to Mayor de Blasio placard abuse reduces wheelchair accessibility to the curb, reduces parking spaces for authorized users, and reduces revenue from parking meters. The City is committed to reducing the improper and fraudulent use of parking placards across the five boroughs, particularly in civic centers where public employee workplaces are clustered and around schools, where school employees with new parking placards will be competing for a limited set of authorized parking spaces.

Effective immediately, New York City will:

Implement Strict Controls for New DOE Parking Placards.

This month, to resolve an outstanding dispute, the DOE issued 50,000 new parking placards for school employees working at schools with designated street space. The DOE will be implementing strict new controls for parking placards to minimize illegal or improper parking behavior.

- ***New DOE Placard Unit:*** DOE will create a new office responsible for issuing placards annually and auditing schools for proper accounting of the placards. This unit will also receive complaints and take disciplinary action against staff for placard abuse.

- ***Restrictions on DOE staff placard use:*** All placards will only be authorized for clearly designated DOE parking spots at specific schools during school hours. The license plate of the vehicle, name of the permit holder and authorized signature will all be clearly displayed and visible for inspection. Placards will be non-transferrable under any circumstance.
- ***Penalties:*** Any placard found to be misused, fraudulent, copied or altered will result in the placard holder being subject to discipline in addition to placard revocation and permanent ineligibility for placards. Cars using placards improperly will be subject to towing and additional towing capacity will be available to tow vehicles using placards illegally. These rules will be shared with and signed-for by all DOE employees receiving the new placards.

Pursue New Enforcement Actions to Crack Down on Abuse Across All City Agencies.

DOT and NYPD will pursue new enforcement actions to crack down on placard forgery/counterfeiting and abuse across all City agencies, including creating a new anti-placard-fraud unit at NYPD. As DOT proceeds with its annual re-issuance of placards, the agency will continue to identify ways to incorporate enhanced anti-forgery protections.

- ***New unit focused on public integrity in parking privileges:*** The NYPD will create a dedicated unit that reports to the Chief of Department that will consist of 16 enforcement personnel in the Transportation Bureau Citywide Task Force to identify counterfeit placards and misuse.
- ***Additional 100 Traffic Enforcement Agents for placard enforcement citywide:*** The NYPD will hire an additional hundred traffic agents for deployment citywide.
- ***Create new anti-placard enforcement imperative among Borough Investigation Units:*** The City will task Borough Investigation Units (approximately 100 officers across all five boroughs) to identify placard abuse and unauthorized use in local boroughs around precincts, courthouses and government buildings.
- ***New Towing Capacity:*** The City will add additional towing capacity to tow offending vehicles.
- ***New sanctions and penalties for placard fraud or abuse:*** Any placard found to be misused, fraudulent, copied or altered will result in the placard holder being subject to permanent ineligibility for placards. City employees found abusing placards will be turned over to DOI for investigation. As noted, all placards will be re-issued annually.
- ***New penalties for fraudulent usage:*** The City will create a new parking fine for the misuse of placards, punishable by a fine of up to \$100, which is in addition to the parking violation. Employees are currently subject to disciplinary action for placard fraud or abuse. Disciplinary action may include placard revocation, permanent ineligibility for parking privileges, discipline, suspension, or termination.

“This new initiative will help ensure our City streets are kept clear and that privileges are not abused,” said NYPD Commissioner James P. O’Neill. “The Department of Transportation’s new security features on City placards will also assist the Department with enforcement of forgeries and non-official placards.”

Bills Passed by the City Council

Introduction 282-A, sponsored by Majority Leader Jimmy Van Bramer, would require that the Board of Standards and Appeals refer to such evidence or arguments, and the extent to which they were considered, in rendering its final determination.

Introduction 418-A, sponsored by Council Member Karen Koslowitz, would require the Board of Standards and Appeals to respond to recommendations from Community Boards and Borough Boards when granting or denying an application for a variance or special permit.

Introduction 514-A, sponsored by Council Member Steven Matteo, would require that for any term variance granted by the Board of Standards and Appeals after December 31, 2013, the Board shall notify the owner of record of the subject property of such variance's pending expiration six months prior to the expected expiration of the term of such variance. Such notification shall also state that the Board may not approve an application to extend the term of such variance until penalties imposed for a violation of the certificate of occupancy are paid in full.

Introduction 722-A, sponsored by Council Member Jumaane Williams, would increase the minimum nighttime (between 10 p.m. and 6 a.m.) temperature during heating season from 55 degrees to 62 degrees, regardless of the outdoor temperature.

Introduction 848-A, sponsored by Council Member Ritchie Torres, would require the Campaign Finance Board to include with the quadrennial voter guide sent to each registered voter a copy of each such voter's voting history for the prior four years.

Introduction 951-A, sponsored by Council Member Elizabeth Crowley, would require that, by May 1, 2019, existing multi-line telephone systems in certain businesses and City agencies have direct telephone access to 911, such that a prefix is not required prior to dialing 911.

Introduction 1200-A, sponsored by Council Member Donovan Richards, would require that copies of Board of Standards and Appeals applications and applications materials that are required to be mailed are sent by certified mail, or any similar method that provides for proof of service. It would also further require that such proof of service be submitted to the Board of Standards and Appeals and that the Board note on its website that such proof of service has been received and verified.

Introduction 1305-A, sponsored by Council Member Rafael Salamanca, would require the Department of Parks and Recreation to post notices of the effective date of temporary parking restrictions relating to tree removals at least two days before the commencement of such restrictions, with certain exceptions.

Introduction 1384-A, sponsored by Council Member Julissa Ferreras-Copeland, would create a mechanism for fast food workers to make contributions from their salaries to not-for-profits of their choice via payroll deductions and would require employers to deduct and remit such donations to such not-for-profits. Labor organizations would not be eligible to receive donations.

Introduction 1387-A, sponsored by Council Member Corey Johnson, would ban the practice of “on-call scheduling” for certain retail employees, unless the business has to close for reasons specified in the bill.

Introduction 1388-A, sponsored by Council Member Corey Johnson, would ban “clopenings” for fast food employees with fewer than 11 hours in between shifts. An employer would have to pay \$100 to an employee who voluntarily works such shifts.

Introduction 1390-A, sponsored by Council Member Ben Kallos, would require the Department of City Planning to place on their website the name and contact information of the employee who acts as a coordinator with the Board of Standards and Appeals. It would also require that the Department of City Planning post to their website a record of each application for a variance or special permit for which they submitted testimony and a copy of such testimony. Finally, the Board of Standards and Appeals shall provide a link on their own website to the posted testimony.

Introduction 1391-A, sponsored by Council Member Ben Kallos, would require the Executive Director of the Board of Standards and Appeals to ensure the Board has access to the advice of a State certified general real estate appraiser with no less than five years of experience in analyzing and auditing real estate investments, either by engaging the services of an appraiser retained by another agency, retaining the services of a third party consultant, or appointing at least one staff member so qualified.

Introduction 1392-A, sponsored by Council Member Ben Kallos, would require the Board of Standards and Appeals to establish by rule minimum required materials to be submitted along with an application, in addition to certain required materials enumerated in the bill.

Introduction 1393-A, sponsored by Council Member Ben Kallos, would require the Board of Standards and Appeals to report twice annually on information regarding applications filed with the Board, including the number of pre-application meeting requests, number of applications, number approved or denied, and average length of time until a decision.

Introduction 1394-A, sponsored by Council Member Ben Kallos, would require the Board of Standards and Appeals to compile data on the location of all variances and special permit applications acted upon by the Board since January 1, 1998, into a publicly available data set. Additionally, such data set would be included as a layer on an interactive City map.

Introduction 1395-A, sponsored by Council Member Brad Lander, would require fast food employers with available work hours to offer shifts to existing employees before hiring new employees.

Introduction 1396-A, sponsored by Council Member Brad Lander, would set out general provisions for most of the package. The bill then would turn to requiring fast food employers to provide employees with an estimate of their work schedule upon hire, to provide a work schedule 14 days in advance (including regular and on-call shifts), to post the work schedule in a conspicuous place accessible to all employees, and to pay employees a premium for certain changes to the work schedule that occur fewer than 14 days before the shift.

Introduction 1456-A, sponsored by Council Member Karen Koslowitz, would require food carts and trucks to post a letter grade that is based on their most recent health inspection by the Department of Health and Mental Hygiene.

Briefs

Bill To Accelerate Statewide Ride Sharing Goes to the Governor

The New York State Legislature this week passed a bill that would accelerate the availability of ride-sharing outside of New York City. Sponsored by Senator Michael Ranzenhofer (R-C-I, Amherst), and M of A Kevin Cahill, the bill would allow ride-sharing to be available for Fourth of July celebrations.

This bill would change the effective date included in the budget - accelerating it by 10 days to make ride-sharing available as early as June 29, 2017.

Limited Construction-Related Lane Closures During Holiday Weekend

Governor Andrew Cuomo today announced that road and bridge construction projects on New York State highways will be suspended from 6 a.m. today to 6 a.m. on Tuesday, May 30, in order to accommodate travelers during the busy Memorial Day holiday weekend. Some work may continue behind permanent concrete barriers or for emergency repairs.

Some work may continue on the New York State Thruway behind permanent concrete barriers or for emergency repairs. A detailed schedule of Thruway lane closures throughout the holiday weekend is available [here](#).

NYS Senate Votes to Withhold State Funding from Amtrak

The New York State Senate this week passed legislation to help compensate commuters and hold Amtrak responsible for costly and frustrating Penn Station delays. The measure (S6421) would withhold New York State's payments to Amtrak, operator of Penn Station, and return the savings to commuters as they continue to experience repeated travel problems that jeopardize jobs and paralyze the region's economy.

The bill authorizes the Metropolitan Transportation Authority (MTA) to discontinue all payments to Amtrak as a way of compensating commuters affected by unscheduled delays and cancellations that result from Amtrak's inadequate maintenance. The payments could be withheld until December 31, 2017, unless service for trains arriving and departing at Penn Station is restored to 95-percent on-time performance for at least one month. The monies withheld by MTA would be directed back to commuters in the form of savings on fares.

Excelsior Scholarship Application Available June 7th

The New York State Higher Education Services Corporation Board of Trustees voted to approve regulations governing the Excelsior Scholarship, which when fully implemented will provide tuition-free college at New York's public universities to families making up to \$125,000 a year. The regulations can be found [here](#). Applications for the program will become available June 7th.

Provisions include:

- Allowing for the interruption of study and waiver of post-award obligations based on military service requirements.
- Allowing students to apply college credits earned in high school toward the 30-credits per year completion requirements.
- Prorating repayment of an award if residency/work requirements are not met, and making provisions for waiver/postponement of repayment in cases of extreme hardship.
- Allowing current college students who are six or less credits short of meeting the program's credit requirements the opportunity to become eligible for the Excelsior Scholarship in 2018-2019, enabling them to "catch up" and qualify.
- Authorizing disabled students to attend part-time and receive a pro-rated award.

Coming Up

New York State

Legislature is in not in session the week of May 28th.

New York City

Tuesday May 30th

Subcommittee on Zoning and Franchises, Council Chamber – City Hall, 9:30 a.m.

Committee on Youth Safety, Committee Room, 16th Floor – 250 Broadway, 10 a.m.

Committee on Technology, Council Chamber – City Hall, 11 a.m.

Subcommittee on Zoning and Franchises, Council Chamber – City Hall, 11 a.m.

Subcommittee on Planning, Dispositions and Concessions, Committee Room, 16th Floor – 250 Broadway, 1 p.m.

MEMORIAL DAY



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To Our Clients: If you have any questions regarding any of the matters addressed in this newsletter, or regarding any legislative, government relations or political or consulting or related issues in general, please contact the Pitta Bishop & Del Giorno LLC professional with whom you usually work.

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