



# This Week in New York

**Covering New York State and City Government**

*A Publication of Pitta Bishop & Del Giorno LLC*

*August 4, 2017 Edition*



## *In the News – New York State*



### **Port Authority of New York & New Jersey Leadership Change**

Governor Andrew Cuomo and Governor Chris Christie this week announced the appointments of Kevin O'Toole as Chairman of the Board of Commissioners and Rick Cotton as Executive Director of the Port Authority of New York and Jersey.

Mr. O'Toole and Mr. Cotton replace Executive Director Patrick Foye, who assumes a leadership position at the Metropolitan Transportation Authority (MTA), and Chairman John Degnan.

At the direction of Governor Cuomo and Governor Christie, one of the first priorities for Mr. O'Toole and Mr. Cotton will be to resume the search for a new Port Authority CEO. They will assume their new positions following the next meeting of the Board of Commissioners.

Mr. O'Toole is the Managing Partner of O'Toole Scrivo Fernandez Weiner Van Lieu, LLC and recently concluded a career in the New Jersey Legislature. During his time in the Legislature, Mr. O'Toole was instrumental in the passage of the Transportation Trust Fund legislation that provided long-term sustainability for New Jersey's transportation infrastructure. As an attorney, Mr. O'Toole heads a mid-sized firm of over 40 attorneys and has a varied litigation practice. He received a B.A. and J.D. from Seton Hall University.

Since January 2015, Mr. Cotton has served as Governor Cuomo's Special Counsel for Interagency Initiatives, overseeing most of the Governor's major downstate infrastructure priorities including LaGuardia and JFK Airports, the Penn-Farley Complex, the new Tappan Zee Bridge and the expansion of the Javits Center. Mr. Cotton joined the administration following 25 years at NBC Universal, where he held a number of positions beginning in 1989, including 20 years as EVP and General Counsel and four years in London as President and Managing Director of CNBC Europe. He also served as Executive Secretary to the Department at the U.S. Department of Health, Education and Welfare under Secretary Joseph A. Califano, Jr. and Special Assistant for Renewable Energy to Deputy Secretary of Energy John Sawhill at the U.S. Department of Energy. Mr. Cotton received an A.B. from Harvard College and a J.D. from Yale Law School, and served as a law clerk to Justice William J. Brennan, Jr. on the U.S. Supreme Court.



## Comptroller DiNapoli Reviews NYC Budget

New York City projects a surplus of nearly \$4.2 billion in FY 2017 but faces uncertainty with potential policy changes in Washington, as well as slowing growth in tax collections and job creation, according to a report released this week by State Comptroller Thomas DiNapoli.

"Changes in federal fiscal policies present the greatest and most imminent risk to New York City's financial outlook. The city faces the possible loss of hundreds of millions of dollars in federal funding and cuts to Medicaid," Comptroller DiNapoli said. "With these risks in mind, Mayor de Blasio and the city have prudently increased reserves to record levels. The city should continue to identify opportunities for agency savings, which will provide added budgetary flexibility."

New York City's Financial Plan, released in June, anticipates the receipt of \$7.8 billion in federal aid in fiscal year (FY) 2018, representing more than 9 percent of the operating budget. President Trump's proposed budget focuses heavily on cuts to social safety net and nondefense discretionary programs. Comptroller DiNapoli estimates the president's budget would reduce federal funding to the city's operating and capital budgets by \$827 million in FY 2018.

Congress is also considering changes in health care and Medicaid funding to the states. The city now projects budget gaps of \$3.5 billion in FY 2019, \$2.8 billion in FY 2020 and \$2.3 billion in FY 2021. The gaps are relatively small as a share of city fund revenues (averaging 4.3 percent), and are manageable under current conditions. The budgets for these years include annual reserves of \$1.25 billion that could be used to narrow the projected gaps.

Comptroller DiNapoli's report notes a number of other trends that deserve close watching. Tax collections, after increasing at an average annual rate of 6.9 percent from FY 2011 through 2015, slowed to less than half that rate in FY 2016. Last year growth slowed further, to an estimated 1.8 percent, with non-property taxes declining for the first time since FY 2010.

In addition, job creation has also slowed as the labor market has tightened. The unemployment rate fell from its recessionary peak of 10 percent to 4 percent in March 2017. The city is on pace to add 70,000 jobs in 2017, compared with 86,000 in 2016 and an average of 128,000 in each of the two prior years. However, Comptroller Napoli said, the city's financial plan assumes that the expansion will continue without interruption.

Comptroller DiNapoli's report notes the city's Health and Hospitals Corp. continues to face serious financial challenges and changes in federal health care policies would further complicate its financial outlook.

In light of these risks, the city has increased the general reserve to a record \$1.2 billion in FY 2018 and has set aside \$250 million in the Capital Stabilization Reserve. It has also replenished the Retiree Health Benefits Trust, which now has a record balance of nearly \$4.2 billion.



## State Inks Largest Television Production Project Commitment in its History

Marvel Television announced this week that it will continue New York's largest television production project commitment - more than doubling its initial commitment. With 26 episodes currently in production, Marvel has made an additional commitment to film 23 episodes by the end of 2017.

The live-action miniseries, which brings street level heroes, *Daredevil*, *Jessica Jones*, *Luke Cage* and *Iron Fist* together to fight fictitious crime on the streets of New York City, will premiere on Netflix on August 18th. Produced by Marvel Television, in association with ABC Television Studios, the live-action epic is Marvel's most ambitious television project, featuring New York State as a backdrop and central to the heroes' identities as they unite to form "Marvel's The Defenders."

According to Governor Andrew Cuomo, cameras started rolling for the first series in the partnership in the summer of 2014, generating more than 14,000 production hires in New York State including cast and crew, extras, and other below the line hires since the partnership was announced. Marvel Television has engaged more than 500 local vendors and small businesses that have supplied soundstages, equipment rentals, supplies and catering services located throughout the state.

Disney and Netflix previously announced the commitment for Marvel Television to develop multiple original series. By releasing a series focused on *Daredevil*, followed by *Jessica Jones*, *Luke Cage* and *Iron Fist*, the epic has taken viewers deep into the gritty world of heroes and villains of Hell's Kitchen and Harlem in New York City. All four series have been picked up for additional seasons as well as a new spin-off series featuring *The Punisher*.

## *In the News – New York City*



Metropolitan  
Transportation  
Authority

### **MTA Announces Leadership Changes**

Metropolitan Transportation Authority (MTA) Chairman Joseph Lhota this week announced the appointment of Patrick Foye as President and Veronique Hakim as Managing Director of the MTA.

Mr. Foye and Ms. Hakim will serve in the newly-created Office of the Chairman, which will also include MTA Chief Development Officer Janno Lieber. Mr. Foye and Ms. Hakim will be responsible for managing the agency on a day-to-day basis. Specifically, Mr. Foye will lead innovation and modernization initiatives, and Ms. Hakim will be responsible for the operations of the authority. Chairman Lhota recently announced a comprehensive plan to immediately stabilize and modernize the subway system. Both will be responsible for implementing the plan.

"Pat and Ronnie are veteran transportation professionals who together with Janno form the dynamic team the MTA needs at this moment. Pat and Ronnie will assume the day-to-day leadership of the MTA and ensure that our customers are always our first priority. The plan I recently introduced is ambitious, aggressive, and requires dedicated leadership ensuring operational excellence and long-term innovation - which is exactly what the team in the Office of the Chairman will provide," said Chairman Lhota.

Mr. Foye has been the Executive Director of The Port Authority of New York and New Jersey and President of PATH since November 2011. At the Port Authority, to advance Governor Andrew M. Cuomo's infrastructure plan, Mr. Foye led public-private partnerships for the Goethals Bridge and the nation's largest PPP for Terminal B at LaGuardia Airport. Prior to joining the Port Authority, he served as Deputy Secretary for Economic Development for Governor Cuomo. Mr. Foye was a Mergers and Acquisitions partner at Skadden Arps and managing partner of the firm's Brussels, Budapest and Moscow offices. He was Executive Vice President of AIMCO, a real estate investment trust and a component of the S&P 500. Mr. Foye served as President and CEO of the United Way of Long Island. He also served as a Board member of the MTA from 2010 to 2012. Mr. Foye grew up in New York City and lives in Nassau County.

Ms. Hakim has served as Interim Executive Director of the MTA since January 2017. In 2015 Hakim was named President of MTA New York City Transit returning to the MTA after an earlier 23-year career at the authority. She has also previously served as the Executive Director of NJ TRANSIT for a year and a half, and nearly four years as Executive Director of the New Jersey Turnpike Authority.

## NYC Has Safest School Year on Record

Mayor Bill de Blasio, Police Commissioner James O'Neill and Schools Chancellor Carmen Fariña this week announced that the 2016-17 school year was the safest school year on record, with an 18 percent decrease in major crime since the 2014-15 school year. The NYPD also shared safety data showing that the number of school-based arrests and summons in schools has continued to decrease.

According to Mayor de Blasio, as a result of strengthened collaboration between the NYPD and the NYC Department of Education, "this administration's school climate reforms have improved safety in schools while using school discipline programs that are fairer and more effective." For example, the number of schools designated by the State Education Department as "persistently dangerous" declined from 27 to 2 between the 2015 to 2017 school years.

In addition, the data demonstrates an 8 percent decrease in school-related arrests and a 11 percent decrease in the number of summonses issued by the School Safety Division during the 2016-17 school year compared to the 2015-2016 school year.

"This school year set a new record in safety. We are proud of the joint efforts between the Department of Education and the New York City Police Department, in keeping our young people safe," said Police Commissioner James P. O'Neill. "The work that is evident in our schools today is also being realized across this City with significant reductions in crime and violence."

As part of the administration's commitment to providing a safe, supportive, inclusive and equitable learning environment in every school building, the City is investing \$47 million annually to support the expansion of school climate resources and mental health programs. This includes additional training on restorative practices, de-escalation techniques and crisis intervention procedures.

The School Safety Data will be posted at <http://www1.nyc.gov/site/nypd/stats/reports-analysis/school-safety.page>.



## Vision Zero: Mayor de Blasio Announces Comprehensive Study of Cyclist Safety

New York City this week released a study of cyclist safety, [Safer Cycling: Bicycle Ridership and Safety in New York City](#), which provides findings across the five boroughs, including an increase in daily cycling and an increase in cycling safety. Created by the Department of Transportation (DOT), the New York City Police Department (NYPD) and the Department of Health and Mental Hygiene (DOHMH), the study also looks at factors behind crashes, and provides a comprehensive action plan to further improve cycling safety in the years ahead.

Key study findings include:

- **Improved safety trends** – Cycling safety has improved significantly in recent years; since 2006, bicycle ridership has more than doubled while cyclist fatalities have remained relatively flat (since 2000, between 12 and 24 fatalities per year). Between 2011 and 2015, New York City experienced an average of 12.8 cyclist fatalities per 100 million bicycle trips compared to 44.2 cyclist fatalities per 100 million trips between 1996 and 2000, a decline of 71%.
- **Citi Bike** -- The launch of Citi Bike coincided with a drop in cyclists killed or severely injured within the bike share area. The number of cyclists killed or severely injured declined by 17% within the bike-share zone after one year of operation, despite a recorded 8.2 million bike share trips in the first year of operation. More than 40 million Citi Bike trips have been taken over four years.
- **Bicycle lanes** -- Between 2006 and 2016, the vast majority -- 89% -- of cyclist fatalities occurred on streets without a bicycle lane.
- **Intersections** -- A majority of cyclist fatalities and severe injuries occur at intersections. Study results reveal the majority of cyclist fatalities (65%) and those killed/severely injured (89%) happen at intersections.
- **Creating New “Priority Bicycle Districts”** -- A number of New York City neighborhoods have significant cyclist fatalities and severe injuries, but are underserved by the bicycle network. The study identifies 10 Priority Bicycle Districts, community boards with comparatively high numbers of cyclist fatalities and severe injuries and few bicycle lanes. These districts – seven in Brooklyn and three in Queens – represent 14% of the city’s bicycle network, but now have 23% of cyclist fatalities or severe injuries.

The study features a comprehensive plan to improve cyclist safety, including:

- **Engineering and Planning:** DOT will implement at least 50 lane miles of bicycle lanes annually - including at least 10 lane miles of protected bicycle lanes; create or enhance 75 lane miles of bicycle lanes in newly designated Priority Bicycle Districts by 2022, and complete a study of best practices in intersection design for bicycle lanes in 2018.
- **Enforcement:** DOT will collaborate with NYPD to focus and deploy enforcement resources to intersections with high rates of cyclist fatalities and severe injuries.
- **Legislation:** DOT will advocate for legislation requiring all companies that conduct business with the city to install truck side guards.

## Briefs

### Empire State Development Announces RFP for Belmont Park

*Proposals are due September 28, 2017*

Empire State Development (ESD) this week issued a Request for Proposals (RFP) for the redevelopment of property within Belmont Park, located in Elmont within the Town of Hempstead, New York.

The RFP is comprised of two parcels totaling approximately 36 acres, both currently vacant and underutilized parking lots. Site A contains a total of approximately 8 acres, bordered on the south by Hempstead Turnpike and adjacent to the Cross Island Parkway. Site B contains a total of approximately 28 acres and is located south of the Hempstead Turnpike. Respondents may also propose an alternative, which includes the sites and land adjacent to Site A, north of Hempstead Turnpike. Additional land adjacent to Site A included in respondents' proposals shall total no more than 7 acres for a total of 15 acres including Site A. Respondents who wish to submit an alternative development proposal must also submit a proposal for the Sites.

According to ESD, the goal of this RFP is to strengthen Belmont as a premier destination for entertainment, sports, recreation, retail and hospitality on Long Island. Proposals should strive to address the following development objectives:

- Enhance Belmont Park to become one of Long Island's premier destinations for entertainment, sports, hospitality and retail, with uses that are complementary to the existing Belmont Park racetrack;
- Maximize economic benefit to the State while minimizing the State's economic and environmental risk;
- Provide a source of quality jobs for area and New York State residents;
- Benefit the neighborhoods and communities adjacent to and surrounding Belmont Park;
- Maximize incorporation of green building and sustainable design practices;
- Feature meaningful participation of Minority- and Women-Owned Business Enterprises, and Service-Disabled Veteran-Owned Businesses.

Responses are due by 2:00 p.m. ET on September 28, 2017. An optional site visit is scheduled for August 17, 2017. Respondents are not required to attend; however, if they wish to participate, they must RSVP to [BelmontParkRFP@esd.ny.gov](mailto:BelmontParkRFP@esd.ny.gov).

## Mayor and City Council Make Deal on Lawyers for Immigrants

Mayor Bill de Blasio's office and the City Council reached an agreement this week on how to pay for immigration-related legal services for undocumented immigrants convicted of crimes and facing deportation. Under the agreement, private donors will contribute \$250,000 earmarked for their defense, continuing the New York Immigrant Family Unity Project. That service will remain free, and the city will expand its resources to prioritize those who have not been convicted of the crimes.

The Mayor's office committed \$16.4 million and the City Council committed \$10 million for services provided by Brooklyn Defender Services, The Bronx Defenders and Legal Aid. The city requires law enforcement authorities to turn undocumented immigrants convicted of one of the 170 serious crimes over to immigration enforcement authorities, and in those cases, the three legal providers will use the money contributed by donors for their representation.

## Coming Up

### *New York State*

***Tuesday August 8<sup>th</sup>***

*NYS Joint Commission on Public Ethics, 540 Broadway, Albany, 10:30 a.m.*

### *New York City*

***Tuesday August 8<sup>th</sup>***

*Committee on Housing and Buildings, Committee Room, 16<sup>th</sup> Floor – 250 Broadway, 9:30 a.m.*

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

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

*Committee on Fire and Criminal Justice Services, Committee Room, 250 Broadway, 10 a.m.*

*Committee on Health, Committee Room, 16<sup>th</sup> Floor – 250 Broadway, 10:30 a.m.*

*Committee on Standards and Ethics, Committee Room, 14<sup>th</sup> Floor – 250 Broadway, 12:30 p.m.*

***Wednesday August 9<sup>th</sup>***

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

**Subcommittee on Zoning and Franchises**, Committee Room – City Hall, 10:30 a.m.

**Committee on Rules, Privileges and Elections**, Council Chambers – City Hall, 10:30 a.m.  
*Continuation of the August 2<sup>nd</sup> Recessed Meeting*

**Committee on Land Use**, Committee Room – City Hall, 11 a.m.

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

---

**The next issue of *This Week in New York* will be published on August 25<sup>th</sup>.**

---

**Disclaimer:** The materials in this *This Week in New York* report are provided for informational purposes only and are not intended to be a comprehensive review of legislative or governmental or political developments, to create a client-consultant/lobbyist relationship, or to provide consulting, lobbying or political advice. Readers are cautioned not to attempt to solve specific problems on the basis of information contained in this *This Week in New York*. If consulting, lobbying or government relations advice is required, please consult a professional expert in such matters. The information contained herein, does not necessarily reflect the opinions of Pitta Bishop & Del Giorno LLC, or any of its members or employees or its clients. Neither Pitta Bishop & Del Giorno LLC, nor its members or employees make any warranty, expressed or implied, and assume no legal liability with respect to the information in this report, and do not guarantee that the information is accurate, complete, useful or current. Accordingly, Pitta Bishop & Del Giorno LLC is not responsible for any claimed damages resulting from any alleged error, inaccuracy, or omission. This communication may be considered an advertisement or solicitation.

---

To request that copies of this publication be sent to a new address or fax number, to unsubscribe, or to comment on its contents, please contact Theresa Cosgrove at [tcosgrove@pittabishop.com](mailto:tcosgrove@pittabishop.com) or at (518) 449-3320.

**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.

---

*This Week in New York* is a publication of Pitta Bishop & Del Giorno LLC.

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

25 Hyatt Street, St. 202  
Staten Island, New York 10301  
Telephone (718) 943-1050  
Facsimile (718) 943-1051