DEPARTMENT OF INFORMATION TECHNOLOGY AND TELECOMMUNICATIONS TESTIMONY
BEFORE THE CITY COUNCIL COMMITTEES ON FINANCE, LAND USE AND TECHNOLOGY
FISCAL YEAR 2015 EXECUTIVE BUDGET
THURSDAY, MAY 22, 2014

Good afternoon Chairs Ferreras, Greenfield, and Vacca, and members of the City Council Committees on Finance, Land Use, and Technology. My name is Evan Hines and I am Acting Commissioner of the Department of Information Technology and Telecommunications (DoITT), and New York City's Acting Chief Information and Innovation Officer. Thank you for the opportunity to testify today about DoITT's Fiscal 2015 Executive Budget. With me are Annette Heintz, Deputy Commissioner for Financial Management and Administration, John Winker, our Associate Commissioner for Financial Services, and Stanley Shor, Assistant Commissioner for Franchise Administration.

DoITT's **Fiscal 2015 Executive Budget** provides for operating expenses of approximately $481 million. The budget provides for $102 million in Personal Services to support 1,324 full-time positions, and $379 million for Other than Personal Services. Of the $379 million, 30 percent, or $114 million represents Intra-City funds that have been transferred from other agencies to DoITT for services it provides. Telecommunications costs represent the largest portion of the Intra-City expense. Fiscal 2014 Intra-City telecommunications expenditures are budgeted at $88 million, while total telecommunications costs are budgeted at $131 million.

This budget represents an increase of $24 million from the Fiscal 2015 January Budget, and an overall net decrease of $32 million from the Fiscal 2014 current modified budget. The $24 million increase to the Fiscal 2015 January Budget is mostly attributable to OTPS funding associated with ongoing maintenance costs to support recently approved capitally-funded initiatives. DoITT also received some funding to convert inter-fund agreement positions to tax levy-funded positions. The net decrease between the Fiscal 2014 current modified and the Fiscal 2015 Preliminary Budget allocations represents a drop in Inter-fund agreement funding after 2014, and one-time grant funding that was only allocated in the Fiscal 2014 current modified budget. Any unspent Fiscal 2014 grant funding will be rolled over into Fiscal 2015.

As the City's technology agency, DoITT implements, maintains, and innovates the City's IT and telecommunication systems. Since we last appeared before you in March, DoITT has continued to build on a number of critical agency initiatives.

NYC.gov, the City's official website, was re-launched in 2013, significantly improving the City's ability to serve the public. Using a data-driven approach, the site offers the most frequently requested content up front, making it easier to access information about neighborhoods, events, and programs. This January, DoITT started redesigning individual agency websites, the goal being to provide New Yorkers with a consistent experience across all of our online destinations.

Citywide Geographic Information Systems (GIS) provides enterprise-wide support for geospatial applications – developing and hosting interactive maps and geo-referenced data along with associated tools and applications such as NYCityMap. Examples of recently-launched and enhanced interactive maps and tools include the first NYC Crime Map, produced in collaboration with the NYPD; a cloud-based geocoding service based on the Department of City Planning's Geosupport system; and the NYC Business Atlas for exploring business conditions across the five boroughs. Major GIS projects currently in development include the Vision Zero effort, an enhanced NYCityMap, and an updated Census FactFinder.

CityNet, the City of New York's proprietary network, provides agencies with robust, secure 24/7-monitored connectivity. DoITT operates and manages the network, which provides the fundamental transport mechanism for inter- and intra-agency communications citywide. DoITT currently manages over 100 network locations, nearly all of which are connected using free fiber through the City's telecommunications franchise agreements. DoITT recently upgraded 71 locations to 10GB per second and is working to complete the remaining locations next fiscal year.

Citywide VoIP (Voice over Internet Protocol), a more resilient telephony solution, allowed the City to maintain a network uptime of 99.97% for Fiscal 2013. In 2012-2013, in the wake of Hurricane Sandy, DoITT expedited the migration of approximately 5,000 City telephones to VoIP. DoITT currently manages 17,000 VoIP phones across 15 agencies, and continues to transition agencies from the traditional phone system to VoIP to realize the functional and financial benefits of the new technology. Approximately 12,000 additional users will be transitioned over the next 18 months.

NYC OpenData, the City's open government program, provides the public with easily accessible, machine-readable data spanning the full range of City operations. From May to September, NYC OpenData is powering the annual NYC BigApps competition, enabling hundreds of developers, entrepreneurs, thought-leaders, designers, and marketers to address shared civic challenges through technology. Since our last testimony, DoITT has increased the number of datasets on the NYC OpenData portal to more than 1,250. The next milestone, as required by Local Law 11 of 2012 (the City's open data law) comes in July 2014, when DoITT and the Mayor's Office of Data Analytics provide the annual update to the NYC Open Data Plan. The plan details the City's progress in opening public data since the previous report.

".nyc" is a new web address for those based in New York City. With launch of .nyc, we will become the first city in the country with a top-level domain, creating new opportunities to generate revenue for the City, support local businesses, organizations and residents, and establish a unique level of geographic authority in the digital sphere. Neustar, Inc. is the official registry operator for .nyc, supporting all marketing efforts and operating the technical infrastructure of the .nyc domain. The City, through DoITT, will be monitoring this initiative, which will generate a minimum $3.6 million in revenue over the course of five years.

NYC Connected Communities, a variety of interrelated technology initiatives, increases public access to and adoption of broadband in underserved communities. Over the last three years New Yorkers have participated in more than three million sessions of NYC Connected Communities programming. From accessing computers, printers, and Internet service via NYCHA's traveling Digital Van to computer classes available in over 100 public computer centers, these initiatives are narrowing the digital divide across all five boroughs. Funding was added to DoITT's Fiscal 2015 budget to sustain this program moving forward and DoITT is working with partner agencies to continue providing critical broadband technology access.

Public WiFi is now available in more than 60 parks and public spaces citywide. More than half of these WiFi hotspots are provided by the City's cable franchise providers as part of a series of public benefits delivered by their franchise renewal agreements. In Harlem, DoITT and partners are building the country's largest continuous free outdoor WiFi network. When we last testified, this network was live from 110th to 120th streets between Frederick Douglass Boulevard and Madison Avenue; today, the network extends up to 135th Street, with development underway to expand the network up to 138th Street. Although still in development, an average of 1,600 New Yorkers use the network each day.

Public Connection Points offering free five-borough public WiFi – as well as free calls to 911 and 311 – represents another step toward greater broadband connectivity. Last month, DoITT issued a Request for Proposals to transform the City's network of public pay telephones into WiFi hotspots and information hubs. The new structures will be distributed across the five boroughs, constituting one of the largest free WiFi networks in the country and guaranteeing at least $17.5 million in annual revenue for the City. Proposals are due June 30, 2014 and DoITT anticipates the having a new franchise in place by year's end.

Together, these innovations are making government more efficient and more effective every day, ensuring that the City of New York continues to be a leader in public sector service delivery.

This concludes my prepared testimony, and I will now be pleased to address any questions.

Thank you.