

**DEPARTMENT OF INFORMATION TECHNOLOGY AND TELECOMMUNICATIONS TESTIMONY
BEFORE THE CITY COUNCIL COMMITTEES ON LAND USE AND TECHNOLOGY
FISCAL YEAR 2016 PRELIMINARY BUDGET
TUESDAY, MARCH 10, 2015**

Good afternoon Chairs Greenfield and Vacca, and members of the City Council Committees on Land Use and Technology. My name is Anne Roest and I am the Commissioner of the Department of Information Technology and Telecommunications (DoITT), and New York City's Chief Information Officer. Thank you for the opportunity to testify today about DoITT's Fiscal 2016 Preliminary Budget. With me are Annette Heintz, Deputy Commissioner for Financial Management and Administration, John Winker, our Associate Commissioner for Financial Services, and Charles Fraser, our General Counsel.

DoITT's Fiscal 2016 Preliminary Budget provides for operating expenses of approximately \$508 million, allocating \$118 million in Personal Services to support 1,493 full-time positions (including 364 at NYC311, 14 staff at the Chief Technology Officer's office, 7 at the Mayor's Office of Data Analytics, 89 at the Mayor's Office of Media and Entertainment, and 4 at the Data Analytics Center) and \$390 million for Other than Personal Services. Totaling \$114 million, Intra-City funds transferred from other agencies to DoITT for services provided accounts for nearly one-third of the budget allocation. Telecommunications costs and the citywide Microsoft ELA represent the largest portion of the Intra-City expense, at \$88 million and \$15 million, respectively, in Fiscal 2015.

The budget represents an increase of \$24 million from the Fiscal 2016 November Budget and an overall net decrease of \$27 million from the Fiscal 2015 current modified budget. The \$24 million increase in Fiscal 2016 January Budget is largely attributable to funding received to support various programs including PSAC operational support, OTPS funding associated with the ongoing maintenance costs required to support recently approved capitally-funded initiatives, and funding requisite to extend and convert agency IFA positions. The net decrease between the Fiscal 2015 current modified and the Fiscal 2016 Preliminary Budget allocation resulted from a drop in one-time grant funding that was only allocated in the Fiscal 2015 current modified budget. Any unspent Fiscal 2015 grant funding will be rolled over into Fiscal 2016.

While I have had the opportunity to previously appear before the City Council I am pleased today to be participating in my first budget hearing as a member of the de Blasio Administration. And I am honored to lead such an incredible group of professionals at DoITT in delivering technology solutions to our customers – dozens of City agencies, entities, and organizations, and the New Yorkers they serve.

Keeping in mind DoITT's role as an IT services and delivery organization, I believe customer service – for our internal and external customers – needs to be at the absolute heart of what we do. And to constantly improve on that job, we have proceeded on three parallel tracks: we have taken a fresh look at large technology initiatives; we have focused on increasing access to information, particularly as it relates to expanding broadband availability; and we have supported the ongoing work of City agencies, by providing technology and service expertise.

Underpinning all DoITT's work is a commitment to upholding this administration's focus on increasing equity and diversity. Many of the broadband programs I will reference later speak directly to this priority, such as LinkNYC and Connected Communities, but DoITT has also made inroads toward this goal within our own ranks. Internally, our efforts to increase diversity among staff have culminated in an agency that is 37% White, 30% Black, 18% Asian or Pacific Islander, 14% Hispanic, and .3% American Indian or Alaskan. (Last year DoITT's agency staff breakdown was 35% White, 30% Black, 17% Asian or Pacific Islander, 13% Hispanic, and .2% American Indian or Alaskan.) We will continue to make progress both internally and with our public-facing work.

Large Technology Programs

When Mayor de Blasio asked me to join his team last May, one of the first things he tasked me with was to examine the technological aspects of the City's Emergency Communications Transformation Program (ECTP), a multi-year, multi-agency initiative aimed at modernizing and consolidating the City's 911 emergency communication system, the most complex and expansive network in the nation. We completed our review last August, which revealed a number of root causes for repeated program challenges and delays. These include an overreliance on external consultants and a lack of efficient communication among stakeholder agencies. Among the recommendations to improve these program deficiencies were re-establishing the City as the program lead, integrating stakeholders into the governance process, eliminating layers of consultants, and breaking down large projects into smaller, more manageable ones. Through these efforts, we have charted a schedule for effective completion of major program components in 2016, with wrap-up of residual items in 2017. Our assessment also helped to identify key requirements and remove those that are no longer necessary, allowing for the key deliverables of ECTP to be achieved within the remaining established capital budget of \$2.03 billion.

DoITT recently issued a Request for Expression of Interest (RFEI) in an effort to solicit ideas about maintaining or improving the existing level of service and resiliency of the system, while lowering the operating costs of the **New York City Wireless Network (NYCWiN)**. The most advanced municipal network of its kind, NYCWiN enables the transmission of government data in real time throughout the city. The network consists of approximately 400 network sites which provide full coverage across the city's entire 305 square miles. The RFEI is aimed at exploring how we might reduce the costs to maintain it, as well as garnering ideas about additional or new public purposes NYCWiN infrastructure may serve.

Expanding Access

Increased availability to free or low-cost broadband constitutes a central component of the Mayor's vision of a more equitable New York City for all. Striving toward this goal, we have made substantial progress on a number of initiatives to promote greater digital inclusion across all five boroughs.

Last fall, capping off DoITT's many years of work to replace the city's old public pay telephones, we announced the **LinkNYC** initiative. When implementation begins later this year, it will mark the beginning of the largest free municipal WiFi network in the world – bringing to every borough rapid broadband, free and accessible 311, 911, and domestic calling. In addition to providing public amenities, LinkNYC will generate hundreds of local jobs in manufacturing, installation, maintenance, and support. The system will produce a minimum of \$500 million in revenue for the City over the next 12 years. This revenue, beginning in 2015, will enable the City to further expand broadband access to underserved communities. Public input will be vital to the success of LinkNYC, just as it has been integral to getting us to where we are today. We look forward to collaborating with elected officials and communities citywide as we roll the program out.

In addition to LinkNYC, DoITT continues to work on a series of other initiatives to expand the availability of free public WiFi for New Yorkers. Two of these initiatives derive from the cable franchise renewal agreements reach by DoITT and Time Warner Cable and Cablevision in 2011.

First, Time Warner Cable has committed to open **40 public computer centers** over the course of the franchise, or four per year in its service area – which encompasses Manhattan, Queens, Staten Island, and western Brooklyn. On Friday, January 30, Time Warner Cable opened its 17th and newest "Learning Lab" at Penn South Social Services on Ninth Avenue in Manhattan.

Second, Time Warner Cable and Cablevision have committed to contribute a total of \$10 million to build **public WiFi networks in parks** across the five boroughs. To date, more than 79 park sites boast operational WiFi, with more to come in 2015. Parks WiFi has proved to be popular – in 2014, approximately 4,000 users per day engaged in more than five million WiFi sessions, lasting a total of more than 92 million minutes. We expect these numbers to grow significantly in 2015, with heightened public awareness of the Parks WiFi program, and with WiFi activated at more parks sites this year.

Our 2008 cable TV franchise agreement with Verizon has also supported expansion of free broadband services to New Yorkers. Working under the direction of Counsel to the Mayor Maya Wiley, DoITT helped bring free broadband services to **seven computer centers in New York City Housing Authority buildings**. This initiative was funded by \$840,000 from a grant to the city created by Verizon pursuant to its franchise agreement. The funds cover equipment, supplies, maintenance and community outreach to publicize the availability of services at the seven computer labs. In addition, the funds will cover the purchase and operation of a new digital van.

In a similar vein, DoITT continues to sustain the NYC Connected Communities project, funding 95 free computer centers across the city in public libraries, park recreation centers, senior centers and NYCHA community centers. DoITT's annual budget for the Connected Communities program is \$3.7 million.

Finally, DoITT administers four **free public WiFi programs** funded by gifts to the City. Those programs are in Chelsea, Harlem, Sunset Park and 23rd Street in the Flatiron District. The Chelsea program is fully activated, the Harlem program is partially activated and undergoing optimization efforts, and the Sunset Park and Flatiron District programs are in development. These programs have also proved to be popular – during 2014, Chelsea averaged almost 1,300 daily users and Harlem averaged almost 1,800. During the calendar year, the total data transfer in the Harlem WiFi program was more than 80 terabytes, whereas total data transfer in the Chelsea WiFi program was less than 5 TB. The Harlem usage numbers reflect steady, correlational growth as WiFi was built out during 2014, and we expect usage data to rise significantly during 2015.

All of these free public broadband locations are mapped on *NYCityMap*, DoITT's popular online map portal, and can be viewed by going to <http://maps.nyc.gov/doitt/nycitymap/> and clicking the box for "Public WiFi Hotspot."

DoITT is honored to work with partners at City Hall and across agencies to help lead the Administration's efforts to expand affordable broadband access. Another aspect of the Mayor's accessibility agenda that DoITT is proud to lead is open data. In 2014 we continued our work with the Mayor's Office of Data Analytics and agencies citywide to keep New York City at the vanguard of the open data movement.

In July DoITT issued the first annual update to the **NYC Open Data plan**, detailing the full listing of data sets to be opened by City agencies by 2018 – and the schedule for doing so. These efforts are part of the City's ongoing open government initiative aimed at engaging the public in order to make City government operations more effective, promote innovative strategies for social progress, and create economic opportunities.

This work was codified by the City's landmark open data law, Local Law 11 of 2012, and is regularly leveraged by developers, designers, students, and media outlets that use the data, as well by initiatives such as the annual NYC BigApps competition.

In this vein, last August DoITT was pleased to join the Mayor in announcing passage of Intro 149 – which mandated publication of City laws online – and Intro 363 – which mandated a downloadable, searchable version of *The City Record* online, as well as a new public-private initiative to unlock and analyze thousands of archival City Record publications for the first time.

Finally, last October, DoITT helped launch availability of the **.nyc Top Level Domain** to the general public. As a result, any business or organization with a physical address in New York City and any individual with a primary residence in the City can register for a .nyc web address on a first-come, first-served basis. Information is available online at www.ownit.nyc. To date, more than 72,000 .nyc domains have been purchased, as New York residents and businesses claim their virtual piece of the greatest city in the world.

Sales of web addresses, known as domain names, raised more than \$815,000 for the City in 2014 – well above the contractually-guaranteed, annual minimum revenue of \$300,000. Importantly, almost half of the 1,000 names that went to auction sold for \$10 – demonstrating the affordability of a .nyc affiliation. We look forward to continuing our efforts to offer every New Yorker a chance to identify with the Big Apple and own a slice of its digital real estate.

Providing Robust Infrastructure

The City's IT infrastructure includes the hardware and software that power City government's data storage and computing needs, the telecommunications network that connects the City, and the policies, security operations, and architecture that make it all function as an effective system. As the backbone of City operations, this infrastructure allows agencies to provide fundamental public services every day. To sustain the City's daily services and safeguard the City's information assets, DoITT has and must continue to maintain IT infrastructure that is resilient, scalable, agile, and secure from all cyber threats and natural disasters.

DoITT's Infrastructure Management Team maintains and operates the City's 10,000 square foot state-of-the-art data center at 2 MetroTech Center, which hosts 7,500+ servers and 2,000+ agency applications, including open systems and mainframe. The data center offers agencies full systems visibility through enterprise reporting and monitoring tools, and manages all backup and retention for agencies to ensure recoverability.

Ensuring the City's ability to function during a disaster depends upon a resilient IT infrastructure that keeps critical agency applications running, data accessible and secure, and telecommunications networks operating. DoITT's Disaster Recovery Center, also called the Site B Resiliency Program, was designed to make sure agencies can stay online when New Yorkers need them most. At our "Site B" locations, DoITT offers agencies the ability to mitigate major impacts due to electrical outages, power failures, or worse, thus avoiding disruptions that can cause serious downtime to an agency.

Protecting the City's digital assets is a critical priority for DoITT. We are committed to safeguarding the City's information and technical assets that are essential to delivering services to the public. Responding to emergencies, such as system penetrations or compromises, **DoITT IT Security** is the core of the **City's Computer Emergency Response Team**. The unit works with numerous City agencies, New York State, and external business partners to coordinate IT security. DoITT's IT Security team identifies and defends against 80 million external threats monthly; manages the security of nearly 90,000 City computer systems daily; grants security accreditation to roughly 7 applications monthly; and provides security solutions to 60 City agencies.

To further aid agencies in protecting the City's IT assets, IT Security will conduct regular **Cyber Security workshops** related to incident response. In addition to providing increased security training to agencies, the workshops aim to facilitate increased sharing of interagency information and cooperation to combat emerging threats.

Technology and Service Expertise Support

As DoITT works to re-asses large technology programs and expand access to data and broadband, we also continue our core work: providing technological support to City agencies so that they may better serve New Yorkers. While these efforts proceed daily on projects large and small, a few examples of our recent cross-agency collaboration include the following:

Last November, in conjunction with NYC311 and HPD, DoITT announced new functionality added to the popular **NYC311 mobile application**. With it, tenants can for the first time register heat and hot water complaints from their mobile devices. The updated app is currently available for download for both iPhone and Android.

Also in November, the Civilian Complaint Review Board announced its **Complaint Status Lookup**, web application. Developed by DoITT, the application empowers New Yorkers to track the status of their CCRB complaints as they proceed through the investigative process. Accessible through any page on the CCRB website, the tool enables a civilian or police officer to enter a CCRB complaint number and view the dates of key milestones taken in the investigation.

Just last month, DoITT joined the Department of Small Business Services in launching the City's **Certification Self-Service Portal**, which streamlines the way in which businesses can apply for M/WBE, Locally-Based Enterprise (LBE), or Emerging Business Enterprise (EBE) certification, complete requirements to maintain existing status, and track application status. The announcement was made during a meet-and-greet event to connect M/WBE firms with IT contract opportunities. More than 50 New York City-based M/WBEs in the IT goods and services industry attended to familiarize themselves with citywide vendors for Citywide Systems Integration, Quality Control, and Geographical Information Systems contracts.

As a career technologist – and someone who is now responsible for delivering IT solutions for 8.4 million New Yorkers and the dozens of agencies that serve them – I know that we should always be looking at ways to improve the services we offer to our clients. And I also know that one of the best ways to do that is to solicit new ideas from new places. That is why DoITT is making it a priority to establish a vendor portfolio that is as diverse and innovative as New York City is, ensuring that the City gets the best value in its contracts by drawing from the broadest pool of talent. There are a number of businesses, consultants, and non-profits that offer competitive services but may face difficulty navigating the procurement process relative to larger vendors or established incumbents, and we are pursuing several initiatives aimed at improving procurement overall and leveling the playing field for a more diverse pool of vendors. As a first step, we are moving M/WBE management into DoITT's new Diversity and Inclusion Office under the direction of the agency's first-ever Chief Diversity and Inclusion Officer. Transferring this function to a top-level agency official will help leverage the authority and strategic direction needed for accountability, underscoring our commitment to increased M/WBE participation in technology procurement.

Thank you for the opportunity to discuss DoITT Fiscal 2016 preliminary budget this afternoon. This concludes my prepared testimony, and I will now be pleased to address any questions.

Thank you.