



**THE COUNCIL  
THE CITY OF NEW YORK  
FINANCE DIVISION  
250 BROADWAY, 15<sup>TH</sup> FLOOR  
NEW YORK, N.Y. 10007-2594**

**(212) 788-6921**

**TO:** Honorable Christine C. Quinn  
Speaker

Honorable Domenic M. Recchia, Jr.  
Chairman, Finance Committee

**FROM:** Preston Niblack, Director, Finance Division  
Jeffrey Rodus, First Deputy Director, Finance Division  
Tanisha Edwards, Counsel, Finance Division

**DATE:** November 13, 2012

**SUBJECT:** A capital budget modification for Fiscal Year 2013

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**INITIATION:** By letter dated November 9, 2012, the Director of the Office of Management and Budget submitted to the Council pursuant to section 216 of the New York City Charter a request for approval to increase City funded appropriations by \$500,000,000 in Fiscal Year 2013 for Hurricane Sandy relief.

**BACKGROUND:** This modification provides for an increase in City funds totaling \$500,000,000 in the Fiscal 2013 Capital Budget to the School Construction Authority and the Health and Hospital Corporation in the amount of \$200,000,000 and \$300,000,000 respectively. Such amounts would be used to fund the construction, reconstruction, repair, improvement of school facilities and hospital facilities affected by Hurricane Sandy.

Appropriations will be funded by City debt, and pursuant to section 250 (16) of the New York City Charter, the Mayor's debt certificate originally issued on June 28, 2012, has been amended to reflect the appropriation changes set forth in this modification. It is important to note that while the Mayor's debt certificate has been amended to

reflect the appropriation changes, the City expects reimbursement for a significant share of the expenditures from the U.S. Department of Homeland Security's Federal Emergency Management Agency ("FEMA") Public Assistance Grant Program, which provides assistance to State, Tribal and local governments affected by major disasters or emergencies declared by the President.

**FISCAL IMPACT:** This modification represents an increase in City funded capital appropriations in the Fiscal year 2013 in the amount of \$500,000,000.

Preconsidered Res. No.1585

By Council Member Recchia

RESOLUTION APPROVING THE MODIFICATION OF THE FISCAL 2013 CAPITAL BUDGET AND CAPITAL PROGRAM PROPOSED BY THE MAYOR PURSUANT TO SECTION 216 OF THE CHARTER OF THE CITY OF NEW YORK.

**Whereas**, at a meeting of the Committee on Finance of the City Council of the City of New York (the "City Council") on November 13, 2012, the Committee on Finance received a communication, dated November 9, 2012, from the Office of Management and Budget of the Mayor of The City of New York (the "Mayor"), of a proposed request, attached hereto as Exhibit A (the "Modification"), to modify the fiscal year 2013 capital budget and the Capital Program as adopted by the Council on June 28, 2012, pursuant to Section 216 of the Charter of the City of New York (the "Charter"); and

**Whereas**, pursuant to Section of the Charter, upon receipt of a recommendation from the mayor or a Borough President, the City Council may amend the capital budget or capital program in the manner provided in such section;

**NOW, THEREFORE**, The Council of The City of New York hereby resolves as follows:

**1. Approval of Modification.** The City Council hereby approves, pursuant to Section 216 of the Charter, the actions proposed by the Mayor as set forth in the Modification.

**2. Effective Date.** This resolution shall take effect as of the date hereof.

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by The Council of The City of New York on November 13, 2012 on file in this office.

**Clerk of The Council of The City of New York**

## **THE COUNCIL**

### **RESOLUTION APPROVING THE MODIFICATION OF THE FISCAL 2013 CAPITAL BUDGET AND CAPITAL PROGRAM PROPOSED BY THE MAYOR PURSUANT TO SECTION 216 OF THE CHARTER OF THE CITY OF NEW YORK.**

The Committee on Finance, to which was referred the above-captioned resolution, respectfully submits to The Council of the City of New York the following

### **REPORT**

Introduction. At a meeting of the Committee on Finance of the City Council of the City of New York on November 13, 2012, the Committee on Finance received a communication, dated November 9, 2012 from the Office of Management and Budget of the Mayor of The City of New York, of a proposed request, (the "Modification"), to modify the Fiscal 2013 Capital Budget and Capital Program (as defined below) pursuant to Section 216 of the Charter of the City of New York (the "Charter").

Analysis. The Council annually adopts the City's budget covering expenditures other than for capital projects (the "expense budget") and appropriations for capital projects (the "capital budget") and capital program covering appropriations for capital projects for the ensuing three years ("capital program") pursuant to Section 254 of the Charter. On June 28, 2012, the Council adopted the expense budget and capital budget for fiscal year 2013 (the "Fiscal 2013 Adopted Budget"), as well as the capital program. At the request of the City Council and pursuant to section 216 of the Charter, the Office of Management and Budget submitted a request to the Council for amendment of the Fiscal 2013 Capital Budget and capital program.

This modification would represent an increase in City funded appropriations in the Fiscal Year 2013 Capital Budget to the School Construction Authority and the Health and Hospitals Corporation in the amounts of \$200,000,000 and \$300,000,000, respectively. Such funds would be used to fund the construction, reconstruction, repair, improvement of school facilities and hospital facilities affected by Hurricane Sandy.

Appropriations will be funded by City debt, and pursuant to section 250 (16) of the New York City Charter, the Mayor's debt certificate originally issued on June 28, 2012, has been amended to reflect the appropriation changes set forth in this modification. It is important to note that while the Mayor's debt certificate has been amended to reflect the appropriation changes, the City expects reimbursement for a significant share of the expenditures from the U.S. Department of Homeland Security's Federal Emergency Management Agency ("FEMA") Public Assistance Grant Program, which provides assistance to State, Tribal and local governments affected by major disasters or emergencies declared by the President.

**Use of Funds:** The storm surge of Hurricane Sandy resulted in flooding of the basement and first floor of many buildings. This resulted in some structural damage as well as the destruction of boilers, electrical systems, and other equipment located in flooded portions of buildings. In addition to damage directly from flooding, some buildings experienced damage from fires caused by flooding and damage to roofs and outdoor facilities due to high winds.

School Construction Authority (\$200,000,000)

Funds would be used to construct, reconstruct, and improve facilities as a result of Hurricane Sandy and other disasters, citywide.

Health and Hospitals Corporation (\$300,000,000)

Funds would be used for the construction, reconstruction, rehabilitation, modernization, fire prevention and elevator replacements of buildings throughout the city as a result of Hurricane Sandy, and other disasters.



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The City of New York

**Office of Management and Budget**

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**Mark Page**  
*Director*

November 9, 2012

TO THE CITY COUNCIL

Dear Council Members:

In accordance with Section 216 of the New York City Charter, your approval is requested to amend the Fiscal Year 2013 Capital Budget as detailed in the attached Schedule A.

Very truly yours,

A handwritten signature in black ink, appearing to read "Mark Page".

Mark Page

SCHEDULE A  
 PROPOSED FY 2013 APPROPRIATION CHANGES PURSUANT TO SECTION 216 OF THE CITY CHARTER

BUDGET LINE	TITLE	2013
<b>EDUCATION</b>		
E-2500	(NEW PROJECT)	
	SCHOOL FACILITIES: CONSTRUCTION, RECONSTRUCTION, IMPROVEMENTS, INCLUDING THE PURCHASE OF VEHICLES AND EQUIPMENT, AS A RESULT OF HURRICANE SANDY AND OTHER DISASTERS, CITYWIDE	
		(CN) 200,000,000
<b>HEALTH AND HOSPITALS CORPORATION</b>		
HO-214	ALL BUILDINGS, ALL BOROUGHES, CONSTRUCTION, RECONSTRUCTION, REHABILITATION, MODERNIZATION, FIRE PREVENTION AND ELEVATOR REPLACEMENTS (INCLUDING COMMUNITY MENTAL HEALTH FACILITIES PREVIOUSLY LISTED AS PROJECT MH-36), FOR THE NEW YORK CITY HEALTH AND HOSPITALS CORPORATION	
	ELIMINATE	(CN) 0
	SUBSTITUTE	(CN) 300,000,000