

Eliminate the Need for Citywide Run-Off Elections

Savings: \$20 million (potential savings every four years, beginning in fiscal year 2022)

Primary elections for citywide offices, which often involve more than two candidates vying for their party's spot on the November general election ballot, currently require that a candidate receive at least 40 percent of votes cast in order to prevail. If no candidate reaches that threshold, a run-off election involving the top two vote getters is required. This most recently occurred in the September 2013 Democratic primary for Public Advocate.

Eligible candidates competing in run-off elections receive an additional allocation of funds from the city's Campaign Finance Board. Even more costly is staffing polling sites for an additional day, printing new ballots, trucking costs associated with transporting voting equipment, and overtime for police officers assigned to polling sites. A run-off election currently costs about \$20 million, depending in part on the amount of matching funds for which candidates are eligible.

This option would save money by eliminating the need for run-off elections through instant run-off voting (IRV), a technique that has been implemented in a number of major American cities such as San Francisco, Portland, Minneapolis, and Oakland. Legislation calling for settling primaries on Primary Day via establishment of instant run-off voting has been introduced in the State Legislature in Albany. In addition, legislation calling for the establishment of instant run-off voting in New York City through referendum was introduced in the City Council in 2014.

Instant run-off voting allows voters to rank multiple candidates for a single office rather than requiring voters to vote solely for the one candidate they most prefer. The IRV algorithm used to determine the winning candidate essentially measures both the depth and breadth of each candidate's support. Perhaps most significantly, the winner will therefore not necessarily be the candidate with the most first choice votes, particularly if he or she is also among the least favored candidates in the eyes of a sufficient number of other voters.

In an election that uses instant run-off voting, primary voters would indicate their top choices of candidates for an office by ranking them first, second, third, etc. If no candidate receives 50 percent of the first choice votes, then the candidate receiving the fewest first choice votes is eliminated. Individuals who voted for the eliminated candidate would have their votes shift to their second choice. This process continues until one candidate has received 50 percent of the vote.

Proponents might argue that implementation of instant run-off voting would not only yield budgetary savings for the city but also be more democratic. The preference of more voters would be taken into account using instant run-off voting because turnout on Primary Day is usually a good deal higher than turnout for run-off elections two weeks later.

Opponents might argue that it is unrealistically burdensome to expect voters to not only choose their most desirable candidate in a primary but to also rank other candidates in order of preference. They might also argue that the current system is more desirable in that the voters who make the effort to turn out for run-offs are precisely those most motivated and most informed about candidates' relative merits.

Require Landlords of Rental Buildings To Obtain Operating Permits

Savings: \$17 million annually

Under current law, owners of rental buildings with three or more apartments must annually register their contact information with the Department of Housing Preservation and Development (HPD) for a \$13 fee. There is no relationship between registration and ensuring that a building meets health and safety standards under the city's housing maintenance code. It has been decades since the city routinely inspected apartment buildings. Generally, HPD only inspects apartments for violations of the city's housing code if a tenant complains.

This option would require landlords to obtain an annual permit to operate their buildings, modelled after the city's restaurant permitting requirement. The city of Toronto is implementing a similar program in an effort to spur better housing maintenance by building owners, particularly of lower rent housing. Under this option, landlords would be required to hold a permit for each of their buildings and to either be trained or have a managing agent or other employee trained and certified on the housing code. All buildings would be subject to an annual inspection, and, like restaurants, a posted grade rating.

To ensure access to a property, inspections would be scheduled with owners, who would facilitate inspection of common areas and building systems. Owners would also have to post notice of an upcoming inspection and tenants would have the option of having their individual apartments inspected.

The city would charge an annual fee based on a building's apartment count to obtain a permit, which would cover the annual inspection and training costs. The fee would be about \$600 for a 24-unit building (using current inspection costs adjusted for the economies of scale created by performing many inspections in one building at once). Because of these routine inspections, complaint-based inspections would decrease, generating savings for the city. Most of the costs to perform a complaint-based inspection are borne by the city, not the landlord. If complaint-based inspections were to drop by half, the city would save \$17 million annually.

Proponents might argue that permits are already required to operate a motor vehicle and to open a restaurant, tasks that, if done improperly, pose a public risk. Failure to maintain safe housing poses a similar risk. Permitting would help ensure landlords know health and safety laws. Landlords would also have an incentive to maintain their buildings properly to receive a good rating while also helping to meet the public policy goal of preserving housing, especially more affordable units. Posted grades would be an easy way to inform prospective tenants of building issues. Restaurant permitting does not appear to hurt the restaurant industry or dramatically increase prices—similar results could be expected for rental buildings.

Opponents might argue that the cost of obtaining a permit and possible increased civil penalties for housing code deficiencies would be passed on to renters. They also might argue that posting ratings publicly might create a stigma for the building's tenants, and that with rent-stabilized tenants often reluctant to give up a lease and limited vacancies at low and moderate rents, it is much harder to move than to choose a restaurant based upon rating information. Additionally, opponents might argue that responsible landlords with few or no housing code violations will now have to shoulder the cost of ensuring that less responsible landlords are maintaining their buildings properly.

Use Open-Source Software Instead of Licensed Software For Certain Applications

Savings: \$6 million annually

Each year the city pays fees to maintain a variety of computer software licenses. Many open-source alternatives to traditional software packages are available at no cost for the software. Several cities have transitioned to using open-source software for such functions. For example, Munich, Germany switched from Microsoft to use the open-source systems of Linux and LibreOffice, creating its own “LiMux” system. Under this option the city would reduce its use of licensed software by switching to open-source software. In February 2016, a hearing was held on legislation introduced in the City Council that would require the city to minimize its contracts for licensed software in favor of open-source software.

Initially, the city would need to invest funds to hire developers to create and install the programs, as well as new applications for specialized city programs that would be compatible with the new systems. Staff would need retraining, though some of these costs would be offset by reducing current spending on training for existing software. In recent years, the city has spent an average of \$29 million to maintain its Microsoft licenses, which includes email, server technology, and desktop programs for city employees. If the city were to switch from Microsoft to open-source software and reduce what it is now spending on licenses by one-third as it developed the new programs, the initial savings would be around \$10 million. In several years, as the city completed the development of its open-source system, the savings could increase to the full cost of the Microsoft licenses.

The city also pays for licenses for other software programs that it uses on a smaller scale, which might be more easily transitioned to open-source software, although city savings would also be much less. For example, many city agencies have individual licenses for analytical software such as SAS and ArcGIS, software that has open-source alternatives such as R and QGIS that could instead be adopted. A city agency with 25 licenses for licensed analytical packages would spend about \$32,000 a year to maintain the licenses. If 10 agencies of roughly that size switched from a commercial package to open-source, the city could achieve savings of about \$320,000 per year.

Proponents might argue that open-source software has become comparable or superior to licensed software over time and would allow the city more technological flexibility and independence. Moreover, open-source software is constantly being improved by users, unlike improvements to licensed software that are often available through expensive updates. Switching to open-source software would become easier as more employees in other sectors learn to use the software prior to working for the city.

Opponents might argue that purchasing software from established companies provides the city with access to greater technical support. In addition, city workers have been trained and are experienced using licensed software. Finally, new software may not interact as well with the licensed software used by other government agencies or firms.