

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE

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November 15, 2017
Start: 10:34 a.m.
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HELD AT: Council Chambers - City Hall

B E F O R E: JULISSA FERRERAS-COPELAND
Chairperson

COUNCIL MEMBERS: Ydanis A. Rodriguez
James G. Van Bramer
Vanessa L. Gibson
Robert E. Cornegy, Jr.
Laurie A. Cumbo
Corey D. Johnson
Mark Levine
I. Daneek Miller
Helen K. Rosenthal
Steven Matteo

A P P E A R A N C E S (CONTINUED)

Michael Hyman, First Deputy Commissioner
New York City Department of Finance

Sheila Feinberg, Director
Intergovernmental Affairs
New York City Department of Finance

Carl Lasky, Senior Counsel
Legal Affairs Division
New York City Department of Finance

Asher Kaplan, Paralegal
Foreclosure Prevention Unit
Legal Aid Society

Kristen Rouse
New York City Veterans Alliance

Ashley Wagman, Licensed Master Social Worker and
Veteran Transition Manager
IAVA Rapid Response Referral Program

2 [sound check, pause]

3 CHAIRPERSON FERRERAS-COPELAND: Good

4 morning and welcome to today's Finance Committee
5 hearing. My name Julissa Ferreras-Copeland. I'm the
6 Chair of the Committee. We've been joined by
7 Minority Leader Matteo and Majority Leader Van
8 Bramer. Today the committee will be considering
9 three bills. The first a Preconsidered Introduction
10 sponsored by myself, Minority Leader Matteo and
11 Veterans' Committee Chair Eric Ulrich, would extend
12 the eligible funds exempted—exemption that that is
13 received by some veteran homeowners to the school tax
14 portion of the property tax. The Eligible Funds
15 Exemption partially reduces the assessed value of the
16 property purchased by a veteran with certain eligible
17 funds received upon discharge from active duty
18 service. Since 2015, the maximum reduction in the
19 assessed value permitted by the exemption was \$7,500.
20 Until the mid-80s when the city adopted the
21 Alternative Veterans Exemption, the Eligible Funds
22 Exemption was the only property tax exemption
23 available to veterans in the city. While the city no
24 longer grants any new Eligible Funds Exemption,
25 according to DOF, approximately 3,200 veterans were

2 grandfathered in and continued to receive the
3 Eligible Funds Exemption as of this tax year. In
4 June of this year, the Council passed legislation
5 that included the School Tax portion of the property
6 taxes in the Alternative Veterans Exemption. The
7 Preconsidered Intro would bring parity between the
8 two veteran's exemptions and do the same for the
9 Eligible Funds Exemption.

10 The second item is Proposed Intro 1722
11 sponsored by the Speaker, which would require the
12 Department of Finance to provide notice to owners in
13 Class 2 properties if they were—that they are
14 required to register their rent-stabilized units in
15 the New York State Division of the Housing and
16 Community Renewal. In addition, DOF would have to
17 provide them with information regarding financing
18 programs administered by the Department of Housing
19 Preservation and Development to facilitate
20 affordability. Providing owners with this
21 information is an important step in efforts to
22 increase and preserve affordable housing in the city.

23 The third item is Intro 1750, sponsored
24 by myself, which would require the Department of
25 Finance to mail or email new homeowners an

2 informational brochure on property taxes. In 2012,
3 the Council passed Local Law 62, which required
4 Department of Finance to create the property tax
5 brochures for Class 1 and Class 2 property-properties
6 in an effort to educated homeowners about how their
7 property taxes are calculated, and what exemptions
8 are available to them. These brochures are currently
9 available on DOF's website, but are not provided to
10 homeowners at the time when they are likely to be
11 most interested when they approach seeing their new
12 home. Therefore, the legislation would require that
13 whenever a deed that would transfer homeownership in
14 one to four-family homes is recorded with the City
15 Register or the Richmond County Clerk's Office. DOF
16 must mail or email, if possible, a copy of the
17 informational brochure to the new homeowner. I look
18 forward to discussing these measures with DOF as well
19 as hearing from the advocates who work with
20 homeowners and veterans. Welcome and thank you for
21 being here today. I will now acknowledge we've been
22 joined by Council Members Johnson and Cornegy, and we
23 will hear from the Department of Finance as they
24 testify after they're sworn in by my counsel. Hello.

25 Hello.

2 LEGAL COUNSEL: Do you affirm to tell the
3 truth, the whole truth, and nothing but the truth in
4 your testimony before the committee today, and to
5 respond honestly to Council Member questions?

6 DEPUTY COMMISSIONER HYMAN: Yes. Good
7 morning. Good morning Chair Ferreras-Copeland and
8 members of the Committee on Finance. I am Michael
9 Hyman, First Deputy Commissioner of the New York City
10 Department of Finance. I am joined by Sheelah
11 Feinberg, Director of Intergovernmental Affairs at
12 DOF, and Carl Lasky. He's the Senior Counsel in the
13 Legal Affairs Division. The Department of Finance
14 is pleased to testify in support of the three bills
15 before the committee. Two of the bills will increase
16 transparency and customer service with our new
17 property owners. The other will provide the enhanced
18 tax benefits to certain veterans.

19 Intro 1722. DOF is pleased to support
20 legislation that requires DOF to include information
21 regarding the registration of rent stabilized units
22 with the New York State Division of Housing and
23 Community Renewal on Class 2 property tax bills due
24 on January 1. There are currently 276,736 Class 2
25 properties in New York City that receive property tax

2 bills. In addition, DOF will be required to include
3 information regarding financing programs that are
4 administered by the New York City Housing
5 Preservation and Development to help facilitate
6 affordability. DOF supports efforts to promote
7 affordable housing in New York City as facilitated by
8 this bill. This bill can also benefit the city's
9 Rent Freeze Programs, which are available to eligible
10 individuals living in rent stabilized apartments.

11 Intro 1750. DOF supports this bill and
12 currently provides property tax guides for Class 1
13 and 2 properties, which we make available by mail,
14 and which are posted on the DOF website. As part of
15 our ongoing efforts to improve DOF customer service,
16 we are working on a welcome information package to
17 new homeowners to verify their contact information
18 and to provide information about the property tax
19 system. Current and future property tax guides will
20 include information about tax rates, assessments and
21 property exemptions. DOF records each deed and deed
22 transfer and has the information on property
23 transfers in the city except for Staten Island. DOF
24 does not have oversight of the Richmond County Clerk,
25 but we will work to obtain information from that

2 office. DOF will send through regular mail, and if
3 we have an owner email address on file, provide an
4 electron-electronic copy of our Property Tax Guide to
5 new property owners of Class 1 or Class 2 properties
6 specified in the bill.

7 The Preconsidered Intro: Earlier this
8 year, DOF extended the Alternative Veterans Exemption
9 to 53,000 property owners. Recently passed state
10 legislation now extends the exemption of school taxes
11 to Eligible Funds veterans. Based on Fiscal Year
12 2018 recipients, DOF estimates that this will have a
13 positive impact for approximately 3,300 veterans.
14 These veterans will see an additional estimated
15 benefit of \$502 in addition to the current \$360--\$360
16 benefits bringing the total property tax savings to
17 an estimated \$862 annually. DOF anticipates this
18 bill would be effective in January and eligible
19 veteran who will receive the benefit for the second
20 half of Fiscal Year 2018. Property owners who
21 qualify will see the increase in their property
22 exemption reflected on their April 2018 property tax
23 bill. While worthwhile initiatives, we would like to
24 mention that Intros 1722 and 1750 will create costs
25 related to postage, materials and dedicated resources

2 to help facilitate the seamless implementation of the
3 initiatives. DOF will raise these costs as a future
4 agency budget consideration. Thank you for your
5 time. I'm now happy to take any questions.

6 CHAIRPERSON FERRERAS-COPELAND: Thank you
7 very much. We were just saying that when you support
8 legislation, your statement are like two pages. So,
9 that's good. We should do that more often. Thank
10 you again for your testimony. I wanted to talk about
11 rent Register. So, that's the Speaker's
12 legislations. Landlords are charged \$13 per unit per
13 year fee to register their rent stabilized apartment.
14 The fee is paid to your agency with then when it—
15 which then remits the money to the Division of
16 Housing and Community Renewal. The Financial Plan
17 shows \$7.7 million in registration revenue, which
18 works to just over 592,000 units. However, the 2014
19 Housing Vacancy Service-Survey indicates that there
20 are slightly over a million rent stabilized units in
21 the city. Can you explain the discrepancy?

22 DEPUTY COMMISSIONER HYMAN: Unfortunate—
23 unfortunately not on the spot, but what we can do is
24 go back and look at the numbers to get you an
25 explanation.

2 CHAIRPERSON FERRERAS-COPELAND: Okay,
3 please do that, and other than that, would there be-
4 would be-other than what is required in the
5 legislation, are there any other steps that DOF can
6 take or other city agencies take, if you know, to
7 encourage landlords to register their rent stabilized
8 units?

9 DEPUTY COMMISSIONER HYMAN: I think that
10 this goes a long way to make sure everyone knows
11 their legal obligations, and then it really becomes a
12 compliance issue to make sure they're doing what they
13 should be doing. And-and maybe there's more we could
14 do in cooperation with DHCR to make sure we have a
15 full listing of who and has-who's registered and
16 who's not, and yeah, compare it to other tax laws
17 that require the registration.

18 CHAIRPERSON FERRERAS-COPELAND: And we
19 know that buildings can become rent stabilized as a
20 condition of property-of development or taking
21 advantage of the tax exemption or abatement program.
22 So, it's the J-51 and 421-A both administered by the
23 Department of Housing Preservation and Development.
24 Once HPD determines an owner applicant is entitled to
25 a tax exemption, HPD issues the final Certificate of

2 Eligibility. How does DOF work with HPD to ensure
3 that the properties receiving these tax benefits are
4 complying with the applicable rent stabilization
5 requirements?

6 DEPUTY COMMISSIONER HYMAN: Well, I think
7 that goes to some of the initial requirements to get
8 the final Certificate of Eligibility that HPD
9 verifies that rents are compliant with the law, and
10 that information is submitted to DHCR. So, I think
11 one way we could do it is make sure that DHCR is
12 following up and the registration occurs in a timely
13 manner.

14 CHAIRPERSON FERRERAS-COPELAND: And how
15 is your communication? How does it work between HPD?
16 For example on 421-A, you guys engage quarterly? Are
17 there meetings? How do you have the interaction to
18 make sure that you're all on the same page, and if
19 there's any issues that are arising that you can
20 address them?

21 DEPUTY COMMISSIONER HYMAN: Well, HPD is
22 the primary agency responsible for the administration
23 of the program that we administer the actual
24 implementation of the tax benefits. So, I think it's
25 really more just intercity cooperation to make sure

2 there's general compliance with the law. So, some of
3 that is through data. Just checking to make sure the
4 numbers look right, that, you know, that we're
5 getting the final stipulations (sic) for eligibility
6 and that the—any requirement is that—is required is
7 required is actually that—that the follow-through is
8 there.

9 CHAIRPERSON FERRERAS-COPELAND: So, who
10 notifies who when the tax exemption is no longer
11 available?

12 DEPUTY COMMISSIONER HYMAN: Well, the
13 process is the final Certificate of Eligibility is
14 issued to the building and the developer and they
15 have to supply it to the Department of Finance to
16 ensure the—the benefit is being, you know, well, as
17 you know, in like the supplement (sic) in 421-A
18 there's several steps of the process. First, you can
19 get a Preliminary Certificate of Eligibility, and
20 then there's a timeframe to get the final, which
21 requires a, you know, final Certificate of Occupancy
22 and other documents. Part of that is registering the
23 units with DHCR. So, the upfront process, you know,
24 has kind of checks in it. I think maybe what you're
25 asking is just making sure over time that any follow-

2 up steps are followed up with. So, if you just have
3 to be registered with DHCR, assure that DHCR is doing
4 the full implementation.

5 CHAIRPERSON FERRERAS-COPELAND: That's
6 the front end. The back end now their exemption has
7 expired. Is that automatic or how does that work?
8 How does someone—how does someone get pulled from the
9 program so they're not taking advantage of the tax
10 exemption that they no longer --

11 DEPUTY COMMISSIONER HYMAN: [interposing]
12 Well, I think we know upfront the terms of the
13 agreement. I think the issue would be if there's any
14 special reason that HPD has to revoke a benefit and
15 we get direct communication with them. Otherwise,
16 the terms are specified upfront and our programs, and
17 our system is programmed to have a certain look. I
18 think a lot of these programs will also phase out.
19 So, the benefits are implemented according to the
20 schedule and statute.

21 CHAIRPERSON FERRERAS-COPELAND: And
22 approximately how many properties have lost their
23 exemption in the past year due to failure to register
24 their rent stabilized units with DHCR?

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2 DEPUTY COMMISSIONER HYMAN: I'll have to
3 get back to you on that.

4 CHAIRPERSON FERRERAS-COPELAND: Okay, and
5 if you could also tell us an approximation of how
6 many units I guess their exemption has sunset or are
7 no longer qualified in a year? If you can just give
8 us so we can understand how many come on as opposed
9 to how many are coming off?

10 DEPUTY COMMISSIONER HYMAN: Right. Yes,
11 so I think maybe I think maybe it will be good if
12 staff to staff we get--

13 CHAIRPERSON FERRERAS-COPELAND:
14 [interposing] Yes.

15 DEPUTY COMMISSIONER HYMAN: --the
16 stability of specific questions and we'll give you
17 the answers.

18 CHAIRPERSON FERRERAS-COPELAND: Fair
19 enough. What is the nature of our interaction with
20 DHCR concerning rent regulated properties? Is it--is
21 there certain information about these properties that
22 you're unable to receive from the Division that will
23 be helpful in allowing DOF to perform its functions?
24 Is there anything else that you can--?

25 DEPUTY COMMISSIONER HYMAN: With DHCR?

2 CHAIRPERSON FERRERAS-COPELAND: Yeah.

3 DEPUTY COMMISSIONER HYMAN: I mean the
4 basic process yeah we're—I have to say we're—we do—
5 we're administering various parts of programs like
6 you mentioned the registration fee, and the benefits
7 that are finally approved, but the upfront
8 qualifications do require—it requires a building to
9 be registered. I think HPD upfront is involved in
10 the process of happening—that happening. You know, I
11 think, you know, maybe I'll have to check into it
12 whether or not there could be follow-up steps to make
13 sure like example the DHCR process, you know, it
14 takes a certain amount of time, and buildings aren't
15 fully, have started the process, and have been fully
16 registered by a certain date. We could check to make
17 sure that those steps have been finalized.

18 CHAIRPERSON FERRERAS-COPELAND: Great,
19 and I jus have a few other questions and then I know
20 the Minority Leader is going to be asking questions
21 on his bill. Under this proposed law, how many
22 informational brochures would DOF have sent out in
23 Fiscal 2017?

24 DEPUTY COMMISSIONER HYMAN: The—which—
25 which one, the-

2 CHAIRPERSON FERRERAS-COPELAND: Under
3 1750.

4 DEPUTY COMMISSIONER HYMAN: How many do
5 we have to send out or how many we have sent out?
6 I'm sorry.

7 CHAIRPERSON FERRERAS-COPELAND: If-if the
8 law was in place now--

9 DEPUTY COMMISSIONER HYMAN: Right.

10 CHAIRPERSON FERRERAS-COPELAND: --how
11 many would have been sent out?

12 DEPUTY COMMISSIONER HYMAN: Well, I can
13 get back to you. I guess we'll look for the turnover
14 of how many of the specified properties turned over
15 in the last Fiscal Year, we'll give you a good
16 estimate. You know, as I've mentioned, one thing
17 we're also actively working on, which-which this
18 coincides well with is a welcome package that would
19 go to any new owner, and part of the purpose of that
20 is also just to make sure we have correct contact
21 information because often when a title company is
22 registering--

23 CHAIRPERSON FERRERAS-COPELAND:
24 [interposing] This sounds like such a good idea.

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2 DEPUTY COMMISSIONER HYMAN: I do. I—we
3 appreciate your liking it.

4 CHAIRPERSON FERRERAS-COPELAND:
5 [interposing] Where did you come up with such a great
6 idea?

7 DEPUTY COMMISSIONER HYMAN: We're
8 following up.

9 CHAIRPERSON FERRERAS-COPELAND: [laughs]

10 DEPUTY COMMISSIONER HYMAN: Credit it to
11 that great minds think alike. I think as that's
12 going on, but we'll get you information. What we
13 could do is look at the last fiscal year, you know,
14 for the properties specified in the bill, how many
15 turned over?

16 CHAIRPERSON FERRERAS-COPELAND: Okay, and
17 Minority Leader Matteo and I were both talking. I
18 think this—we worked on this piece of legislation
19 Local Law 62. He did it with Council Member Jimmy
20 Oddo about this—well these wonderful brochures, and
21 in the legislation it stated that this needed to be
22 updated periodically. What does periodically mean
23 at DOF?

24 DEPUTY COMMISSIONER HYMAN: Like we're
25 doing it now. [laughs]

2 CHAIRPERSON FERRERAS-COPELAND: You're
3 doing it now? So, the last time was 2012?

4 DEPUTY COMMISSIONER HYMAN: Well, we
5 always updated it, I think. Well, I hope we update
6 it for just this—the factual information on it.

7 CHAIRPERSON FERRERAS-COPELAND: Right.

8 DEPUTY COMMISSIONER HYMAN: The tax rates
9 and stuff, but I think we're also trying to look at
10 it from a, you know—understanding the—the specifics
11 or can we improve the mechanics? How we explain the
12 mechanics. As you know, it's very complicated.

13 CHAIRPERSON FERRERAS-COPELAND: Right.

14 DEPUTY COMMISSIONER HYMAN: But I think
15 the factual information that's updated regularly
16 we're now kind of looking at it more from a point of
17 customer service point of view. Can we explain
18 things better?

19 CHAIRPERSON FERRERAS-COPELAND: Okay, and
20 I guess we also want—one of the things that was I
21 guess—I don't want to say special, but good about the
22 brochure is that it's pretty layman's terms, right?
23 Sometimes it can get in the very complicated way of
24 trying to explain our tax, property tax. So, while
25 we are trying to get this to be incredibly

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2 resourceful, we don't want it to be the white pages,
3 right? Like a huge book of just--

4 DEPUTY COMMISSIONER HYMAN: Right, right,
5 we understand.

6 CHAIRPERSON FERRERAS-COPELAND: --
7 information that people are going to be turned off to
8 read because it's so much information. Is this
9 translated?

10 DEPUTY COMMISSIONER HYMAN: Say again.

11 CHAIRPERSON FERRERAS-COPELAND: Is it
12 translated into Spanish or any other language?

13 SHEILA FEINBERG: [off mic] I think it
14 is.

15 DEPUTY COMMISSIONER HYMAN: It is. I'm
16 not sure how many. Do you know?

17 SHEILA FEINBERG: [off mic] I don't know
18 how many.

19 CHAIRPERSON FERRERAS-COPELAND: Can you
20 circle back with us and tell us the languages--

21 DEPUTY COMMISSIONER HYMAN: Yeah.

22 CHAIRPERSON FERRERAS-COPELAND: -- that
23 it is translated in? Neither Class 1 or Class 2
24 brochures mention that non-profits are exempted. Is
25 that something that you've been thinking about adding

2 or can you add about to discuss the possibility that
3 if it's a non-profit that owns the property and that
4 there's exemptions especially since we've been
5 engaging this whole program with non-profits not
6 being on the list, getting kicked off list. You come
7 back to us. So, we've got to engage. I think it
8 would save us a lot of time if we can just add
9 something about non-profit exemptions. Okay. For
10 the brochures that you have, that you will have to
11 send in the mail, how much would it cost for the mail
12 for each one?

13 DEPUTY COMMISSIONER HYMAN: Well, that's
14 right now we're quantifying, but we'll give you the
15 information?

16 CHAIRPERSON FERRERAS-COPELAND: Yes, I'd
17 like that, and Local Law 62 would also require--
18 [background comment, pause] Okay, I didn't want to
19 repeat myself. Now, we're going to hear from
20 Minority Leader Matteo. We've been joined by Council
21 Member Rodriguez.

22 COUNCIL MEMBER MATTEO: Thank you, Chair
23 Ferreras. I just—I want to start off by—by thanking
24 you again for your—for your leadership, Your
25 partnership with me is—was instrumental in making

2 sure that the Alternative Veterans' Property Tax
3 Exemption is passed. So, I—I just—an early plug, but
4 we miss you here in—in the Finance Committee, and I
5 just want to thank you for your leadership. I want
6 to start off by just one—a couple of quick questions
7 the Alternative—Alternative Veteran Property Tax
8 Exemption. When will the—when the veterans see on
9 their property tax is that the January coming up?

10 DEPUTY COMMISSIONER HYMAN: Right.

11 COUNCIL MEMBER MATTEO: Because I'm
12 getting—we're stating to get calls now, and I believe
13 that you start—Finance has told us January that
14 they're going to see it. Is—is that still accurate?

15 DEPUTY COMMISSIONER HYMAN: That's
16 correct. On the SOA statement of accounts that we're
17 sending out with the January bill, it will be
18 reflected, and it also will be the full year benefit,
19 you know?

20 COUNCIL MEMBER MATTEO: And—right. Okay,
21 it's the full year?

22 DEPUTY COMMISSIONER HYMAN: Yes.

23 COUNCIL MEMBER MATTEO: And that will be
24 online as well?

25 DEPUTY COMMISSIONER HYMAN: Yes.

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2 COUNCIL MEMBER MATTEO: Okay, starting in
3 January?

4 DEPUTY COMMISSIONER HYMAN: Well, it's
5 going to be—we send out the Statement of Accounts in
6 early December, but it's for the January 1st bill.

7 COUNCIL MEMBER MATTEO: [interposing]
8 Okay, so--

9 DEPUTY COMMISSIONER HYMAN: So, you'll
10 see it.

11 COUNCIL MEMBER MATTEO: --is there—are
12 they online now?

13 DEPUTY COMMISSIONER HYMAN: Excuse me.

14 COUNCIL MEMBER MATTEO: Are—are they
15 online now as you said December 1st?

16 DEPUTY COMMISSIONER HYMAN: I'll have to
17 check. They could be. We're now finalizing the—in
18 our systems the data. It's kind of done as batch
19 job. Everyone is being updated to get the school tax
20 exemption. So, I—I will get back to you as to when
21 they'll be online, and if the SOA should be going on
22 in a matter of weeks?

23 COUNCIL MEMBER MATTEO: Okay, thank you.
24 So, for the Eligible Funds Exemption, I believe you
25 said an estimated benefit of \$502?

2 DEPUTY COMMISSIONER HYMAN: That's for a
3 full year, yes.

4 COUNCIL MEMBER MATTEO: That's for a full
5 year?

6 DEPUTY COMMISSIONER HYMAN: Yes.

7 COUNCIL MEMBER MATTEO: So, the—for the
8 first one, they'll see half, right?

9 DEPUTY COMMISSIONER HYMAN: Correct.

10 COUNCIL MEMBER MATTEO: We just want to
11 make sure we get the—the language right because--

12 DEPUTY COMMISSIONER HYMAN: [interposing]
13 Sure. Well, we could pay--

14 COUNCIL MEMBER MATTEO: If we say \$500,
15 they're going to 2—about \$250-

16 DEPUTY COMMISSIONER HYMAN: Right.

17 COUNCIL MEMBER MATTEO: --in the first
18 year, right?

19 DEPUTY COMMISSIONER HYMAN: Right. We
20 probably shared it with staff, but we can send like
21 some of the tables that show the half year benefit,
22 and what the full year benefit is.

23 COUNCIL MEMBER MATTEO: [interposing]

24 Yeah because we're—we're just—once they see it,
25 they're going to call us, and they're going to say I

2 thought you said \$500. So, I just wanted to make
3 sure that it's--

4 DEPUTY COMMISSIONER HYMAN: [interposing]
5 It's a fair payment. (sic)

6 COUNCIL MEMBER MATTEO: --half for the
7 first.

8 DEPUTY COMMISSIONER HYMAN: This is a
9 full year, but I hear your point. This is a full
10 year.

11 COUNCIL MEMBER MATTEO: Okay. Do you
12 have a breakdown of the 3,300 eligible veterans by
13 borough?

14 DEPUTY COMMISSIONER HYMAN: We certainly
15 can give you that.

16 COUNCIL MEMBER MATTEO: Could you please?
17 Could you email it to us?

18 DEPUTY COMMISSIONER HYMAN: I don't have
19 it here but we certainly can access it.

20 COUNCIL MEMBER MATTEO: Definitely yes
21 when you can.

22 DEPUTY COMMISSIONER HYMAN: Yeah, yeah,
23 definitely.

24 COUNCIL MEMBER MATTEO: Yeah, we'd
25 appreciate that.

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2 DEPUTY COMMISSIONER HYMAN: We have them
3 yes.

4 COUNCIL MEMBER MATTEO: Or where you can
5 like ten minutes for that.

6 DEPUTY COMMISSIONER HYMAN: [laughter]

7 COUNCIL MEMBER MATTEO: Periodically
8 right, periodically. [background comments/laughter]
9 So, just in general terms. So, out of the 3,300
10 eligible applicants--veterans who could receive the
11 eligible fund exemption, most of them, if not all,
12 can also receive the Alternative Veterans Property
13 Tax Exemption?

14 DEPUTY COMMISSIONER HYMAN: No, it's
15 generally--

16 CARL LASKY: [off mic] it's one or the
17 other.

18 DEPUTY COMMISSIONER HYMAN: It's one or
19 the other. So, I think the--

20 COUNCIL MEMBER MATTEO: So, they have to--
21 right it's one or the other, but my point is they
22 have the option of getting the--the--the Alternative
23 Veterans Exemption?

24

25

2 DEPUTY COMMISSIONER HYMAN: I don't
3 believe that's correct, but I'm turn it over to our
4 Legal Counsel.

5 CARL LASKY: [off mic] Generally, the-the
6 [on mic] limitation on, you know, you can choose
7 between one or the other, and I think that period to
8 choose has ended at this point. So, you're-you're
9 sort of in the eligible now.

10 COUNCIL MEMBER MATTEO: But even with us
11 passing this bill.

12 CARL LASKY: Right, this doesn't have an
13 effect on the ability to change between the
14 alternative and newly eligible. It just increases
15 the eligible.

16 COUNCIL MEMBER MATTEO: Right, because I-
17 I-I assume that if someone out of the 3,300 say would
18 get for the full year \$500, but on the alternative
19 they can get 600, they would choose the 600, but
20 you're saying they cannot?

21 CARL LASKY: Generally not.

22 COUNCIL MEMBER MATTEO: [interposing]
23 These 3,300-

24 CARL LASKY: We will double check that,
25 but generally you-you can't.

2 COUNCIL MEMBER MATTEO: Okay, so these
3 3,300 that do not have—obviously don't have the
4 Alternative Veterans Exemption either, right?

5 CARL LASKY: Right.

6 COUNCIL MEMBER MATTEO: So, they have
7 actually nothing out of these two?

8 CARL LASKY: Well, they're getting, you
9 know, this—this is true because they get the current
10 partial benefit. This will eventually—

11 COUNCIL MEMBER MATTEO: [interposing] No,
12 I'm talking about our increase.

13 CARL LASKY: They do not have the
14 increase yet. This is what will--

15 COUNCIL MEMBER MATTEO: [interposing]
16 Okay.

17 CARL LASKY: --give them the increase.

18 COUNCIL MEMBER MATTEO: Alright, and then
19 so—and they can't choose. So the 3,300 are basically
20 going to be locked into—

21 DEPUTY COMMISSIONER HYMAN: They are into
22 the current—

23 COUNCIL MEMBER MATTEO: [interposing]
24 Okay. So, do they have to do anything? Do they have
25 to fill out an application?

2 DEPUTY COMMISSIONER HYMAN: To get the
3 increased benefit?

4 COUNCIL MEMBER MATTEO: To get it right?

5 DEPUTY COMMISSIONER HYMAN: No, it will
6 be automatic.

7 COUNCIL MEMBER MATTEO: Just the same
8 thing as the Alternative one?

9 DEPUTY COMMISSIONER HYMAN: That's right.

10 COUNCIL MEMBER MATTEO: If you—if you
11 have it--

12 DEPUTY COMMISSIONER HYMAN: [interposing]
13 You're going to see it.

14 COUNCIL MEMBER MATTEO: You're going to
15 see it.

16 DEPUTY COMMISSIONER HYMAN: That will
17 probably be, you know, given that it's being enacted
18 now, you'll see it probably on the—the next SOA,
19 which will be in April, but it will be a full year.
20 I mean it will be a half year benefit. You'll just,
21 you know, just processing wise, it's not law yet so
22 we can't implement it until it's law. So, it will be
23 the—the April SOA, but it will show the amount for a
24 half year period.

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2 COUNCIL MEMBER MATTEO: Right. Okay, and
3 then I guess next January you'll see the--

4 DEPUTY COMMISSIONER HYMAN: [interposing]
5 Yeah, you'll see the--

6 COUNCIL MEMBER MATTEO: --the full?

7 DEPUTY COMMISSIONER HYMAN: Yeah.

8 COUNCIL MEMBER MATTEO: Okay, and it's
9 the same thing with the Veterans Alternative, once
10 you have it, you don't have to fill out anything?

11 DEPUTY COMMISSIONER HYMAN: Correct.

12 COUNCIL MEMBER MATTEO: Okay, and--and I--I
13 know--I'm just going back to the Veterans Exemption.
14 I know I'm going back and forth, but I'm just--if--and
15 I'm sure you don't have it but do you--can you get us
16 information of those who may be eligible that have
17 not applied to the Veterans Exemption? Is that
18 information that's readily available that we can find
19 out?

20 DEPUTY COMMISSIONER HYMAN: We can
21 explore what data sources might be available.

22 COUNCIL MEMBER MATTEO: Could you? You
23 keep--

24 DEPUTY COMMISSIONER HYMAN: I'm trying to
25 think. I don't know--

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2 COUNCIL MEMBER MATTEO: [interposing] my
3 office update?

4 DEPUTY COMMISSIONER HYMAN: --if it's the
5 Office of Veterans Affairs or I don't think off hand
6 we have that analysis, but we can research it.

7 COUNCIL MEMBER MATTEO: Please if you can
8 keep us updated on that. Okay, I--that's it for me.
9 Thank you.

10 DEPUTY COMMISSIONER HYMAN: Sure.

11 CHAIRPERSON FERRERAS-COPELAND: Thank
12 you. I just wanted to follow up quickly on the
13 welcome packet, that I'm--which I'm really excited
14 about. I think, you know, we've talking about this
15 maybe less than a year about the opportunities, and
16 it's probably because I purchased my, you know,
17 purchased the home and went through the process, and
18 can you tell me what that's going to look like or
19 what are you thinking? What is it going to include?
20 Is it a document, one pager? Is it a letter? What
21 is it?

22 DEPUTY COMMISSIONER HYMAN: Sure. Well,
23 one--one basic, you know, part is just welcoming and
24 having people verify contact information, as I
25 mentioned, and part of the whole process is we're

2 also trying to automate the process so that, you
3 know, you get— Actually, there's two parts to the
4 process. One, we're trying to make sure addresses are
5 improved upfront when people ask for data. So,
6 things like the United States Postal Service has
7 address verifications for all four and it
8 standardizes. So, we want to make sure that those
9 are in good shape, and then the batch process will
10 be, you know, once every two weeks or month we'll
11 send out letters to anyone who's new, and then it
12 will be a basic. You know, we're—we're currently
13 developing the package. So we appreciate input, but
14 the basic information will be we have this
15 information. If you think this is correct
16 information including the email address, please
17 either verify it or send us a correction of what you
18 would want to as your contact information, and then
19 we are thinking of basics. So, the information in
20 the brochure may do the trick. The information
21 similar to that, basic information on ow the property
22 taxes work, high lending exemption programs they may
23 be eligible for, and then providing, you know, links
24 as to where you can get application information.

2 CHAIRPERSON FERRERAS-COPELAND: And at
3 what point in time is the welcome? Is it after you
4 move in? Is it when they're signing documents? Is
5 it--like when do you visualize that this welcome
6 packet will be received by the homeowner?

7 DEPUTY COMMISSIONER HYMAN: When they
8 receive it?

9 CHAIRPERSON FERRERAS-COPELAND: Yeah, so
10 is it in the mail a month after you own your home?

11 DEPUTY COMMISSIONER HYMAN: When they
12 receive it?

13 CHAIRPERSON FERRERAS-COPELAND: Yeah, so
14 is it in the mail a month after you own your home?

15 DEPUTY COMMISSIONER HYMAN: [interposing]
16 Well, I think what we're hoping is that-- So let's
17 say you do a property transfer. That goes into our
18 systems, the batch process. Within two to four weeks
19 we'll have an automated protocol that the--the
20 packages go out.

21 CHAIRPERSON FERRERAS-COPELAND: Alright,
22 well I--you know, we would love to keep engaging with
23 you. After I'm gone, I know Minority Leader Matteo
24 will be following up on this also.

2 DEPUTY COMMISSIONER HYMAN: Thanks for
3 the idea.

4 CHAIRPERSON FERRERAS-COPELAND: And I'm--
5 I'm--I'm giving him, I'm challenging you to continue.
6 I think this is going to be a great--a great
7 opportunity for our city to kind of keep engaging
8 with homeowners who find this daunting and
9 complicated, and just want to own a piece of the
10 American dream. So, this is like a--I--I think a great
11 thing for our city to do. So, I thank you for coming
12 to testify. I have no additional questions. We do
13 have several points of follow-up--

14 DEPUTY COMMISSIONER HYMAN: Sure.

15 CHAIRPERSON FERRERAS-COPELAND: --on data
16 that we need to exchange between staff, our staff and
17 yours, and thank you for being supportive of our
18 bill. Thank you very much.

19 DEPUTY COMMISSIONER HYMAN: Thank you.

20 CHAIRPERSON FERRERAS-COPELAND: And we're
21 going to call up the next panel. Asher Kaplan from
22 the Legal Aid Society, Foreclosure Prevention Unit;
23 Ashley Wagman from--I'm not going to--I don't know if
24 this is your home address. So I won't say that. Oh,
25 I-V-A or I-A-V-A.

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2 ASHLEY WAGMAN: [off mic] I-V-A.

3 CHAIRPERSON FERRERAS-COPELAND: I-V-A.

4 Okay, come on up. Anna Bean, Lady Parts Justice
5 League. I think that's another hearing. Oh, it's—is
6 this person here? Anna Bean? The Lady Parts Justice
7 League. I think that's the other hearing. I think.

8 MALE SPEAKER: I think they left.

9 CHAIRPERSON FERRERAS-COPELAND: Yes and
10 Kristen Rouse from the New York City Veterans
11 Alliance. [background comment, pause]

12 ASHER KAPLAN: Good morning. Hi. [pause]
13 So, thank you. Good morning. My name is Asher
14 Kaplan.

15 CHAIRPERSON FERRERAS-COPELAND: [off mic]
16 Pull down the mic a little bit. (sic)

17 ASHER KAPLAN: Down like this. Thank
18 you. Good morning. My name is Asher Kaplan. I'm a
19 Paralegal with the Legal Aid Society's Foreclosure
20 Prevention Unit. As you may be aware, we work
21 providing legal services across the city, our
22 criminal defense and anti-eviction work. My unit
23 provides free legal services for homeowners in Queens
24 and the Bronx who are facing foreclosure. I'm here
25 today to testify in support of Intro 1750 on behalf

2 of a team of attorneys and paralegals, we applaud
3 this effort to reach more homeowners with important
4 information on property taxes and exemptions. For
5 many of our clients, the amount they save through an
6 exemption means the difference between stable
7 affordable homeownership and the slippery slope of
8 interest bearing property debt either related to
9 taxes or mortgage arrears that can lead to
10 foreclosure. This is especially true for our senior
11 clients many of whom are on fixed incomes, and are
12 not comfortable using computers. These vulnerable
13 homeowners will benefit greatly from this mailing
14 requirement and we're glad to see this need addressed
15 in the proposal. One issue my office is particularly
16 concerned about are tax lien foreclosures and—I'm
17 sorry.

18 CHAIRPERSON FERRERAS-COPELAND: [off mic]
19 It's okay.

20 ASHER KAPLAN: Thank you. I also really
21 briefly want to mention one issue that's described at
22 greater length in the testimony I provided. We've
23 recently encountered a number of clients who have
24 inherited properties that bear exemptions, which
25 they're no longer eligible for. In a few cases,

2 these homeowners who were benefitting under
3 exemptions, they're no longer eligible for were
4 charged all of the money that they had saved over a
5 number of years in one lump sum putting them at risk
6 for the tax lien sale. We've spoken with—I do some
7 outreach, and I work with the DOF External Affairs
8 Office, and it seems to me that in the brochure in
9 its current state and among homeowners there's a
10 general lack of clarity about the requirement to
11 apply to remove exemptions that they're no longer
12 eligible for. It's also been explained to me that
13 the DOF will automatically remove exemptions when
14 there's a deed transfer. I just want to bring up
15 really briefly two cases that we saw in our practice.
16 One is a case of a homeowners who set up a life
17 estate benefitting her daughter. At that point, her
18 Senior and Enhanced STAR Exemptions were removed.
19 Under the—the rules of the DOF, that homeowner
20 remained eligible for the exemption with a life
21 estate on the property, but because of a deed
22 transfer those exemptions were removed, and the
23 elderly homeowner wasn't aware that she had to re-
24 apply. So, now the family is dealing with a large
25 amount of tax arrears that can put them at risk of

2 foreclosure. The other is a client we had who
3 inherited a property that had Enhanced STAR, and the
4 Senior Exemption, and continued to benefit although
5 she's not a senior, and is not eligible for those
6 exemptions. I'm assuming this is related to the
7 State Audit recently, but when those exemptions were
8 removed, the homeowner was charged all of the
9 incremental savings that they had saved over the
10 course of the past three years all at once. So, this
11 was kind of lack of clarity about the homeowner's
12 need to apply to remove the exemption when they
13 inherited the property and it caused a—it caused a
14 large amount of property tax arrears that we're
15 concerned may lead to a tax lien sale. Thanks for
16 your time this morning. I go into more detail about
17 those issues in the testimony provided. Thank you.

18 KRISTEN ROUSE: Good morning. Thank you
19 for allowing me testify. My name is Kristen Rouse.
20 I served for more than 20 years of combined service
21 in the United States Army, Army Reserve and the New
22 York National Guard, which included three tours of
23 duty in Afghanistan. I'm here today to testify on
24 behalf of the New York City Veterans Alliance, a
25 member supported grassroots policy advocacy and

2 empowerment organization serving veterans, service
3 members and their families across the New York City
4 Metropolitan area. Housing Stability: To include
5 affordable housing and homeownership is a top
6 priority of our membership. Among our membership are
7 veterans who have recently returned to New York from
8 Afghanistan, the Middle East or other missions across
9 the globe to find a city of rising rents and a market
10 in which a key benefit of their military service, the
11 VA Home Loan, is virtually unusable. Among our
12 members, we also have Vietnam veterans who served
13 this country and city decades ago, and spent their
14 lives contributing as citizens, leaders and advocates
15 and paying their share of taxes only to find that
16 school taxes, which for decades were never included
17 in their property tax exemption, have gone up by more
18 60% over the last 15 years. Our older veterans have
19 felt squeezed out of the city they called home. Our
20 younger veterans find the dream of using their VA
21 home loan merely a distant aspiration in this
22 increasingly difficult market. New York City simply
23 can and must do better by our veterans and their
24 families. For these reasons, the New York City
25 Veterans Alliance was a key advocacy voice supporting

2 passage earlier this year of Introduction 1304, which
3 extended the Alternative Tax Exemption for veterans
4 to at last include exemption from New York City
5 School Taxes. We are grateful for the leadership of
6 Council Member Steve Matteo, and these—and this
7 committee in passing the first tax relief for
8 veterans in many years. We also strongly support
9 this new Introduction 6880, which would expand
10 another key tax exemption for veteran homeowners, the
11 Eligible Funds Exemption to include exemption from
12 school taxes. Although not as widely used by veteran
13 homeowners as the alternative tax exemption, Intro
14 6880 would provided needed tax relief for more than
15 3,000 veteran households in New York City. These
16 veteran homeowners matter, and we urge this committee
17 to take immediate action to pass this bill. We
18 further urge this committee to consider similar
19 extension of benefits to the Cold War Exemption,
20 which eligible veteran homeowners can currently claim
21 directly with New York State Department of Finance,
22 but not the City. The Cold War Exemption should be
23 fully available to New York City veteran homeowners
24 as it is across New York State, and it should
25 likewise include exemption from school tax. On

2 behalf of the New York City Veterans Alliance, I than
3 you for the opportunity to testify. Pending your
4 questions, this concludes my testimony.

5 CHAIRPERSON FERRERAS-COPELAND: Thank
6 you. You may begin.

7 Chairman Ferreras-Copeland and
8 distinguished members of the committee on behalf of
9 Iraq and Afghanistan Veterans off America, IAVA, and
10 our more than 400,000 members, I would like to thank
11 you for the opportunity to testify here today. My
12 Ashley Wagman. I'm a Licensed Master Social Worker
13 and a Veteran Transition Manager at IAVA Rapid
14 Response Referral Program or RIP for short. RIP is
15 IAVA's high tech, high touch referral service for
16 veterans and their families with a complete and
17 comprehensive case management component. We assist
18 veterans from all eras with any discharge status as
19 well as their family members and caregivers. IAVA
20 RIP Team based here in New York is staffed by masters
21 level BTMs, Case Managers who assist veterans
22 worldwide in confirming significant challenges such
23 as unemployment, financial or legal struggles,
24 homelessness, and mental health related issues. The
25 stresses that veterans encounter, are frequently

2 financial and in serving veterans we have seen first
3 hand the positive effects that targeted tax relief
4 and tax incentives have had in improving their lives,
5 and easing their transition to civilian life. RIP
6 has been able to provide a safety net capable of
7 meaningful intervention to help stabilize both our
8 national and New York City clients and their families
9 in times of crisis ensuring that transitional issues
10 do not spiral into more severe hardships. Since
11 December 2012, RIP has served a total of 8,354
12 veterans nationally including 1,163 in New York
13 State; 241 of whom reside in New York City. I will
14 focus our testimony today on the specific Veterans
15 Tax Proposal under discussion in this hearing. The
16 IAVA supported Intro 6880. This legislation would
17 expand the school taxation exemption pass within the
18 alternative Veterans Exemption to the older Eligible
19 Funds Exemption for veterans, and after 13 years, IVA
20 has become the preferred empowerment organization for
21 post-9/11 veterans. While our members and clients
22 are spread throughout the nation, we are proud to say
23 that our national headquarters is located here in New
24 York City. The Housing Tax Incentives that veterans
25 received are especially important as they help

2 veterans establish homes, which in turn help them
3 build their lives after their military service. The
4 older Eligible Funds Exemption was established to
5 reduce the assessed value, i.e., the tax dollar—the
6 dollar value assigned to a property to measure how
7 much of this taxed of a property that a veteran
8 purchased with eligible funds that the veteran
9 received after being discharged from active duty.
10 These eligible funds can include a veteran's pension,
11 any bonus or insurance funds, prisoner of war
12 compensation, mustering out pay, and other pays for
13 up to \$7,500. This exemption stopped being available
14 when the Alternate Veterans Exemption was adopted in
15 1984 with those who still receive it essentially
16 being grandfathered into the Eligible Funds
17 Exemption. The Alternate Veterans Exemption that was
18 established in 1984 by contrast allows for a 15%
19 reduction in assessed value to veterans who served
20 during wartime and an additional 10% value reduction
21 to veterans serving in combat zones. For veterans a
22 service connected disability, there's an additional
23 assessed value reduction that is equal to one-half of
24 the veteran's disability rating. Earlier this year,
25 legislation was passed that allows the veterans who

2 receive the Alternate Veterans Exemption to also be
3 exempt from paying school taxes on their homes.
4 However, this provision was not provided to those
5 veterans still using the older Eligible Funds
6 Exemption. Intro 6880 would address this issue and
7 allow veterans that fall under the exemption funds--
8 Eligible Funds Exemption to be exempt from school
9 taxes as well. It is for this reason that IAVA
10 supports Intro 6880. IAVA has long advocated for tax
11 policies that work to empower veterans and their
12 families. Examples of some of these policy proposed
13 including IAVA's Policy Agenda include: Providing
14 tax credits that reward businesses for hiring
15 unemployed veterans and wounded warriors; providing
16 tax credits to Pay Track (sic) employee-employers who
17 pay the difference between a Reserve and National
18 Guard members; note civilian salaries and military
19 wages when they are called to active duty, and
20 allowing taxpayers to designate a portion of their
21 income tax payment to homeless veterans. In addition
22 to Intro 6880, we encourage this committee to
23 introduce proposals similar to tax proposals within
24 IAVA's Policy Agenda. Given the challenges that
25 veterans are--that veterans encounter when

2 transitioning from military to civilian life, it is
3 vitally important that we put forth policies that
4 allow veterans to establish homes during and after
5 their military service. Members of the committee,
6 thank you again for the opportunity to share IAVA's
7 views on this legislation today. I look forward to
8 answering any questions you may have.

9 CHAIRPERSON FERRERAS-COPELAND: Thank you
10 very much and thank you for one, the history but also
11 the suggestions. I know there's one in particular
12 about assigning taxpayers to a designated portion of
13 their income tax payments. That's a little bit more
14 complicated. I don't think we are explaining that
15 purview, but also it, you know, has some conflicting
16 parts of it, but thank you for your—your testimony
17 and for your suggestions that we will be taking and
18 looking to them. I know Minority Leader Matteo has a
19 few questions, and I can follow up, and also thank
20 you on the foreclosure. We're going to be following
21 up on some of the recommendations that you stated in
22 the—in—in the—in your testimony. I think it's—you
23 know, we focus so much on the issue that people that
24 qualify stay on, but, you know, it has to be equally

2 easy to be able to get off when you need to get off.
3 So, thank you for that. Minority Leader Matteo.

4 COUNCIL MEMBER MATTEO: Thank you, Madam
5 Chair for—for Kristen and actually I—I, you know,
6 when we—when we—we were passing the Veterans Tax
7 Exemption and now this group, you know, we always
8 still concerned that veterans are not—they don't know
9 what the exemptions and, you know, I—when we have,
10 you know, doing a lot of press and going to veterans
11 events and meetings and talking about, you know,
12 there—there's still confusion. So, I was wondering
13 if you guys can share your thoughts and confusion? If
14 there is confusion on behalf of veterans contacting
15 you, that says we don't even know that we can get
16 this exemption or-- You know, a lot of the confusion
17 is we have it. Do we have to do anything else? And
18 the simple answer is no. If you have it, you'll get
19 the benefit that we passed, but my question to you is
20 to focus on do they—do they even know the exemptions
21 are—are out there for those who—who own properties?
22 I know, you know, you're also dealing with those so
23 you're trying to get housing and renting, but for
24 those who have properties, do they know it's out
25 there? Are they taking advantage? If you have

2 suggestion on how you think there's better outreach,
3 we're—we're all ears.

4 KRISTEN ROUSE: When we first convened
5 our members and we invited just stakeholders in the
6 community, if you were a veteran homeowner com and
7 meet with us and talk about—talk about veteran
8 homeownership and tax policy. This was last year
9 before—before in Albany the bill passed to—to even
10 allow this legislation to happen at City Council, but
11 when—when we had a room full of veteran homeowners,
12 there are—there were several who raised their hand
13 and said they didn't even know that they might be
14 eligible for this. There's also really like very—
15 like specific requirements for like did you serve
16 here during—in this place at this time, which is also
17 why I bring up the Cold War Exemption, which—which
18 reaches a—a different category of veterans who have
19 heard—heard from email since, you know, since 1304
20 became a thing last year. And, and since it passed
21 this year, and as we've been raising awareness that—
22 that—that you all are passing this wonderful new
23 legislation to provide tax—very, you know, long
24 needed tax relief. People are asking questions:
25 What about the Cold War Exemption? I can—I can read

2 about it and apply with—apply directly with—with New
3 York State Department of Finance, but why can't I—why
4 isn't this honored in the city, and it's confusing
5 even as an advocate to look through like the
6 differences between state policy and city policy.
7 You know, generally the city Department of Finance
8 communicates things more clearly, but—but not given
9 that there's these things that the state—state offers
10 that the city doesn't seem to be offering, and then—
11 and then would you get the school tax exemption on
12 top of that? And—and so I'm, you know, I'm glad
13 that—that you are—you are considering that now to—to
14 make the addition. You know, to—to make the
15 expansion for the—the Eligible Funds Exemption.
16 That's really important and I didn't—I didn't even
17 realize that it was more than 3,000 people who are
18 going to be affected, and that's—that's wonderful to
19 reach them, too. The Cold War Exemption could be—
20 could be even bigger. I know there's a price tag
21 attached to that, and—and—and that's definitely an
22 important consideration, but these are veterans. You
23 know, it's—it is hard for veterans right now to own
24 homes in New York City, and—and that—that number
25 seems to be declining. And so, I—I encourage this

2 committee to—to keep-keep doing for veterans. So, we
3 really appreciate it.

4 COUNCIL MEMBER MATTEO: Thank you. I
5 mean and—and it's true. I've been getting emails
6 about the Cold War, but also we'll be pushing, and
7 we'll continue to advocate. Thank you.

8 CHAIRPERSON FERRERAS-COPELAND: Is there
9 anything that you think we can add to this welcome
10 packet concept so it would be when a homeowner is
11 transferring ownership or, you know, a new person
12 comes, either moves into New York City or buys a new
13 home. Is there something else that you think we
14 should be adding or maybe even to this brochure that
15 would be helpful? I know that you had stated to more
16 clearly explain how to get in and how to get out, but
17 also more clearly explain the—the exemptions that are
18 available, but is there anything else that we may be
19 missing?

20 ASHER KAPLAN: Yeah, I'd like to speak to
21 that, and to the previous question. I think to
22 Council Member—I'm sorry Matteo, I think the short
23 answer is no. Many homeowners, veterans and—and
24 other homeowners eligible for other exemptions are
25 not aware of the exemptions they're eligible for. As

2 the Foreclosure Prevention Direct Service Worker, we
3 often kind of screen people as they come in, and-and
4 see if there are any exemptions available that
5 they're not involved in. You know, the talk in my
6 office is that in an ideal world people would be
7 automatically enrolled in exemptions they're eligible
8 for, and I wonder if between a few different city
9 agencies they have enough information on the
10 homeowners to determine if they're eligible and
11 automatically enroll them. Most of them-

12 CHAIRPERSON FERRERAS-COPELAND: Our-our
13 problem is it's historically that has been an issue
14 for us. So, even the Comptroller did a whole
15 auditing because we were given exemptions that people
16 weren't qualified for.

17 ASHER KAPLAN: Sure.

18 CHAIRPERSON FERRERAS-COPELAND: So, in,
19 you know, the bureaucracy of government unfortunately
20 that's, you know, sometimes we don't necessarily do
21 that correctly. So, I-I hear the intention, which is
22 probably a great one, but also as Finance Chair I
23 have to be, you know, provide as much oversight of
24 our taxpayer dollars as possible. So, that's the
25 only reason why. You know, we don't necessarily lean

2 on the automatic, which, you know, logically makes
3 sense, but then it could proposed a bigger problem
4 for someone who automatically gets it that shouldn't
5 qualify, and then we're back to square one.

6 ASHER KAPLAN: Great. One of the great
7 parts of my job as a Foreclosure Prevention Advocate
8 is I learn something everyday, and I appreciate your
9 steering (sic) on the side with me. [laughter]
10 There's a lot to know. I would add, you know,
11 something we'd love to see including the welcome
12 packet is information on foreclose prevention
13 services and kind of warnings about different deed
14 fraud, deed theft scams and other—even information
15 on—on predatory loans, and—and helping the homeowner
16 kind of review the mortgage that they've recently
17 gotten and see if that mortgage is going to put them
18 in foreclosure shortly and contact information for
19 different housing counselors and foreclosure
20 prevention advocates. I know in my office at Legal
21 Aid we're working putting together a sort of toolbox
22 for homeowners that guides them through the
23 foreclosure process and provides them contact
24 information. So, I definitely would like to be in
25 touch with the DOF about that in the future, and you

2 know, I think a welcome packet is a great idea. I
3 also, and maybe this is something we spoke to before,
4 but, you know, I imagine something that could be
5 yearly sent out to homeowners around the time of the
6 tax lien sale because we one thing we know is that
7 homeowners enrolled in certain exemptions are
8 protected from the tax lien sale. I'm imagining just
9 a sheet of paper listing, you know, these are the
10 exemptions that are available. If you think you're
11 eligible for any of them, you know--

12 CHAIRPERSON FERRERAS-COPELAND: Yes.

13 ASHER KAPLAN: --please enroll. These
14 are the ones that you have applied now.

15 CHAIRPERSON FERRERAS-COPELAND: Yes.

16 ASHER KAPLAN: If you're not eligible,
17 please remove yourselves because it can cause a
18 problem

19 CHAIRPERSON FERRERAS-COPELAND: So, that
20 goes out in every notice. There's like the--the 90-
21 day, the 180-day, the 30-day. So, it goes out as
22 part of that bill, but a great suggestion.

23 ASHER KAPLAN: I appreciate it.

24 CHAIRPERSON FERRERAS-COPELAND: We're so
25 good that we already do it.

2 ASHER KAPLAN: You know, I'm kind of new
3 so I'm learning [laughter] I'm more receptive. I
4 appreciate it.

5 CHAIRPERSON FERRERAS-COPELAND: Thank
6 you, thank you, thank you. Do you have anything else
7 from your perspective that you'd like to see added or
8 improved?

9 KRISTEN ROUSE: Well, to-to have like
10 highlight wording about are you a veteran and then as
11 an entry point for-for things that they might be
12 eligible for, and also to mirror that with the-the
13 New York City Department of Veterans Services to
14 include that, to make sure that that is mirrored in
15 their messaging to veterans as well. We have a-we're
16 seeing a lot of veterans who are not using their VA
17 Home Loan to buy homes in New York City because it is
18 so difficult to-to actually use that loan or to use
19 that benefit, and so there-there may be a lot of
20 invisible veteran homeowners in particular, and we-we
21 will do our best to, you know, to broadcast the
22 messaging on, you know, on eligibility, and this-
23 this, you know, these exemptions now include school
24 tax, and-and to-as a telegraph to our viewing
25 audience what's-what's going here, and that they can

2 take advantage of—of this tax relief now. And I know
3 that, you know that your constituent services are—are
4 doing it likewise, and if—if DVS can also really push
5 that messaging through their channels I think, you
6 know, if we're all doing our best to reach our
7 community, then hopefully more veteran and their
8 family members can take advantage of the—this tax
9 relief.

10 CHAIRPERSON FERRERAS-COPELAND: Sounds
11 great. We're good? Okay, excellent. Seeing no
12 further questions, we really appreciate your
13 testimony today, and I'd like to call this hearing
14 adjourned. Well, wait, I think that my—my—I'm sorry.
15 Right, yes. Okay, thank you. Adjourned. [gavel]

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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date November 22, 2017