CITY COUNCIL

CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON HOUSING AND BUILDINGS

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November 19, 2024 Start: 1:17 p.m. Recess: 3:00 p.m.

HELD AT: 250 BROADWAY - COMMITTEE ROOM, 14TH

FLOOR

B E F O R E: Pierina Ana Sanchez, Chairperson

COUNCIL MEMBERS:

Alexa Avilés Eric Dinowitz Oswald Feliz Lincoln Restler

OTHER COUNCIL MEMBERS ATTENDING:

Jumaane Williams, Public Advocate

APPEARANCES

Kim Darga, Deputy Commissioner for Development at the New York City Department of Housing Preservation and Development

Stephen Erdman, Assistant Commissioner for Homeownership Opportunities and Preservation at the New York City Department of Housing Preservation and Development

Gus Sirakis, Deputy Commissioner for Technical Affairs at the New York City Department of Buildings

John Mangin, Housing Director at the New York City Department of City Planning

Arthur Klock, Director of Trade Education for Plumbers Local 1, Trade Education Fund

Sylvia Morse, Pratt Center for Community Development/BASE Coalition

Howard Slatkin, Executive Director of Citizens Housing and Planning Council

George Bassolino, New York City Master Plumbers Council

Ryan Chavez, Director of Small Homes Programs at Cypress Hills Local Development Corporation

Annetta Seecharran, Executive Director of Chhaya Community Development Corporation

and Buildings. I want to thank you all for joining

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today's hearing to discuss four pieces of legislation
related to ancillary dwelling units, or ADUs, and

4 basement apartment legalization.

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I would like to thank my Council Members, Colleagues who are present, Council Member Restler, and others who will be joining.

Our housing crisis is well documented. More than half of New Yorkers are rent burdened. 200,000 black residents have left the city over the past decade. Low and middle-income New Yorkers of all ages and races are priced out of their communities. Nearly 100,000 of our neighbors are sleeping in shelters every night. The need for more housing and low-cost housing above all is critical. Yet despite that need, just a handful of neighborhoods have carried the burden of building housing in our city. Over the last decade, 10 Council Districts have built 50,000 units of affordable housing, more than the other 41 Districts combined. Accessory dwelling units are a small but meaningful step toward our fair housing goals, where every community can do its part. Several weeks ago, this Council heard over 15 hours of testimony and received written comments from hundreds of New Yorkers regarding the

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Administration's City of Yes for Housing Zoning Text
Amendment. While we are presently in the heat of
negotiations, as you may have seen through some
articles that had some interesting information, while
we are presently in the heat of negotiations that
incorporate important elements of feedback that we
have heard, the legislation before us today
represents a regulatory companion to the Zoning Text
Amendment. Specifically, the Administration's City of
Yes for Housing Opportunity Zoning Text Amendment,
among other provisions, would remove barriers for
homeowners who want to add an accessory dwelling unit
on their property. The zoning reforms must be
accompanied by Building Code amendments.

In addition to the context of the housing crisis we face, I must also take a moment to provide us with a sobering reminder. It has been three years since the historic rainfall during Hurricane Ida flooded tens of thousands of homes, resulting in the deaths of 11 New Yorkers living in illegal basement apartments in Queens. Eight months later, three more lives were cut short after a fire swept through basement apartments in Richmond Hill. The imperative to bring basement apartments and accessory dwelling

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units into compliance, into regulation, is also one about saving lives. Each year, dozens of families continue to be rescued from these kinds of units. For years, advocates like the BASE Coalition, which includes the Pratt Center for Community Development, Queens Legal Services, CHIA, CDC, Cypress Hills, and the Center for New York City Neighborhoods, have fought for safe basement apartment legalization because bringing existing dwelling units up to code by assuring they have proper exits, safe levels of light and ventilation, and a sensible regulatory framework is essential for both the safety of existing residents of these unit types and meeting the housing and affordability needs of our city. I look forward to hearing from the Administration on how this legislation would help keep New Yorkers safe and provide more desperately needed low-cost housing during this unprecedented time of need.

To this end, we are considering two pieces of legislation that come to the Committee at the request of the Mayor. T2024-2764, which will soon have an Intro. number, is a local law that would establish a pilot program to convert existing basement or cellar apartments to habitable dwelling

COMMITTEE ON HOUSING AND BUILDINGS

units, and T2024-2765 is a local law that would amend
the Administrative Code of the City of New York in
relation to the construction of ancillary dwelling

5 units.

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In addition to the basements and ADU

legislation, we will also be hearing two other pieces

of legislation. Introduction number 850 by Council

Member Rafael Salamanca is in relation to requiring

the Department of Housing Preservation and

Development to report on the disposition of City

property for affordable housing development with the

goal of improving transparency on where City finance

projects are located and how long financing is taking

for these developments.

Finally, Resolution number 524 by Council Member Kevin Riley calls upon the New York State

Legislature to pass and the Governor to sign Assembly Bill 8591, Senate 1709 in relation to legal representation in certain mortgage foreclosure actions. The resolution calls attention to the need for a statewide right to counsel for homeowners facing foreclosure proceedings.

I'd like to thank my Chief-of-, Sam

Cardenas; my Director of Land Use Policy and Budget,

DEPUTY COMMISSIONER SIRAKIS: Yes.

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2 ASSISTANT COMMISSIONER ERDMAN: Yes.

3 COMMITTEE COUNSEL MALONE: Thank you. You 4 may begin.

afternoon. Before I dive in, I want to thank you for the opportunity to discuss accessory dwelling units, including basement apartments, which touch on critical issues facing New York City and present opportunities to make New York City more livable, safe, and affordable. Today, I will also be testifying on Intro. 850, a bill requiring the Department of Housing Preservation and Development to submit quarterly reports to the Council for affordable housing projects on public sites that have gone through ULURP but have not yet closed. Thank you, Chair Sanchez and Council members, for inviting us to testify today and for sponsoring these critical bills.

My name is Kim Darga. As the Deputy

Commissioner for Development at the Department of

Housing Preservation and Development, it is my

responsibility to think critically about how we can

create, preserve, and protect affordable homes. I am

joined by one of my team members, Stephen Erdmann,

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2 who oversees our Homeownership Opportunities and

3 | Preservation Division, Gus Sirakis, Deputy

4 Commissioner for Development and Technical Affairs at

5 | the Department of Buildings, and John Mangin, Housing

6 Director at the Department of City Planning.

As the Council knows, New York City is suffering from a severe housing crisis that is generations in the making. The effects are felt in every single neighborhood by New Yorkers from every single walk of life. City of Yes for Housing Opportunity, a citywide text amendment currently being considered by the Council, aims to tackle this crisis by building a little bit more housing in every neighborhood across the city. The plan has many components, from the Universal Affordability Preference, which will be the largest affordable housing program in the history of U.S. zoning, to changes that promote office-to-residential conversion. As Deputy Commissioner for Development, but really as a New Yorker, I love the differences between every borough and every neighborhood in our city. Importantly, City of Yes recognizes those differences and knows that not every community in the city can be treated the same. We do not want a

monolithic city. City of Yes proposes tailored
reforms that match the look and feel of New York's
diverse neighborhoods.

Today we're here to discuss an aspect of City of Yes that is particularly important in lower density communities, accessory dwelling units, including basement and cellar apartments. Across the city, homeowners are confronting significant challenges. Older New Yorkers, on fixed incomes, struggle to stay in communities they built. Young families can't afford to buy a first home or keep up with the mortgage, and New Yorkers of all ages lack space for young adult children, grandparents, and caregivers. Accessory dwelling units can add new housing opportunities to low-density neighborhoods without significantly changing the look or feel of the neighborhood. Through the City's fair housing plan, Where We Live NYC, HPD identified ADUs as a way to expand housing opportunities in low-density neighborhoods while maintaining their character. The City of Yes' ADU proposal puts this Where We Live strategy into action and is one step to making a fairer city for all.

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2 City of Yes will give New York City 3 homeowners the opportunity to add an accessory 4 dwelling unit, a small apartment of no more than 800 square feet on an underused portion of their property. ADUs make it easier for homeowners to 6 downsize, age in place, bring in extra income, or 8 provide living space for a loved one. The ability to add an ADU will especially benefit older New Yorkers, which is why AARP New York has spoken out so 10 11 forcefully in favor of this aspect of the plan, but 12 the benefits extend well beyond seniors. Middle-class 13 homeowners across the country are building and 14 benefiting from ADUs. Today, roughly one in every 15 five new homes in California is an ADU. Indeed, experience from major cities across the country, from 16 Los Angeles to Chicago to Boston, shows that ADUs are 17 18 a proven housing solution. They can provide a home 19 for a family while also stabilizing homeowners who 20 benefit from being able to have family living nearby 21 or rental income to help provide financial stability. 2.2 New York City's zoning laws are behind these other 2.3 cities. Our homeowners deserve the same opportunity and the same flexibility to use their property to 24 meet their family's needs. 25

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Permitting ADUs also benefits the tens of thousands of New Yorkers who are currently living in illegal basement or cellar apartments. By bringing this very common housing type out of the shadows, tenants living in basements and cellars will be empowered to exercise their rights. Additionally, it is expected that the City will be able to address violations in otherwise safe basement or cellar units rather than simply issuing a vacate order, the only tool available to them today and one that results in tenants losing their homes.

While City of Yes will enable accessory dwelling units under zoning, additional local law changes are needed to ensure that ADUs are safe, well-regulated, and accessible to ordinary homeowners. Today, you are considering two critical local law reforms to make that a reality. The first, Pre-Considered T2024-2764, would make changes to local rules, including the Building Code, to recognize the new category of accessory dwelling unit and to set out rules to govern them. The second, T2024-2765, stands up a program to legalize basement and cellar apartments and certain community districts, taking advantage of new state-enabling

2 | legislation that was won in Albany last session

3 thanks to tireless efforts of advocates, including

4 | the BASE campaign, Members of this Body, and State

5 Legislative partners like Senator Kavanaugh and

6 Assemblymember Epstein.

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The details of the two proposals before you are a product of a sustained interagency effort. In 2023, the City retained consultants, BJAH advisors and BAE Urban Economics, to study the successful implementation of ADU programs in cities across North America, including San Jose, Los Angeles, Vancouver, and Boston. Their study found that while zoning changes are essential to enabling legal ADUs, zoning changes alone are not enough. Other local actions are needed. As a result, last summer, the City convened an interagency working group to think through additional local law reforms. This group included experts in the Department of Housing Preservation and Development, the Department of Buildings, the Fire Department, New York City Emergency Management, the Department of City Planning, the Department of Environmental Protection, the Mayor's Office of Climate and Environmental Justice, Department of Health and Mental Hygiene, the Mayor's Office of

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Housing Recovery Operations. Together, these agencies
developed proposals to regulate this new housing
type, ensure the safety of homeowners, tenants, and
first responders, and make sure that ordinary

6 homeowners can take advantage of this opportunity.

As I mentioned, Pre-Considered T2024-2764 would make changes to local rules, including the Building Code, to recognize the new category of accessory dwelling unit and set out rules to govern them. The most critical changes it makes respect health and safety, including require that all basement and cellar ADUs as well as detached and attached ADUs include automatic sprinkler systems; fire department access requirements, including rules ensuring adequate egress and emergency escape and rescue openings; a new identification protocol so that first responders can readily identify the location of an accessory dwelling unit when they are called onto a scene; limits on basement and cellar apartments in areas prone to coastal flooding and for the first time in areas particularly prone to inland flooding; in basement and cellar apartments, new requirements for the installation of water sensors and flood alarms as well as inward opening doors;

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2 rules ensuring adequate light and ventilation, and

3 minimum ceiling and window requirements, and so on.

4 Together, these rules will help ensure that accessory

5 dwelling units, whether they be basement or cellar

6 apartments, additions onto existing homes, or

backyard cottages, will be safe and habitable.

Pre-considered T2024-2765 would stand up a time-limited program to legalize basement and cellar apartments in certain community districts. Across the city, tens of thousands of New Yorkers live in basement and cellar apartments, but current law makes it illegal or infeasible to bring most of these units up to code. The current approach, a broad prohibition on lawful basement and cellar apartments, is simply not working. Basement and cellars continue to be occupied, often under dangerous conditions. Tenants lack basic protections because their tenancy is not lawful, and when something goes wrong, first responders are called into hazardous conditions, like flooded apartments without adequate means of escape or egress, or smoked-filled basements without fire suppression measures like sprinklers.

Not all of these basements or cellars can be safely legalized, and enforcement against unsafe

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conditions is critical to protect tenants, homeowners, and first responders, but many units can be made safe. Unfortunately, a complex mix of state regulations, local zoning barriers, and local building codes have long made it difficult to bring those units that can be safely occupied up to code. Using new authority under the State Multiple Dwelling Law, Pre-Considered T2024-2765 is a breakthrough, providing a pathway to legalization for many units. The legislation directs HPD to provide technical assistance to owners of eligible basement and cellars and conduct public education and outreach to homeowners who are likely to have these units. HPD will also, subject to available resources, provide financial assistance to homeowners and, critically, the legislation creates an opportunity for currently unregulated units to come out of the shadows, make vital safety upgrades, and if they come up to code,

These rules were designed with safety in mind. Not every basement or cellar will be eligible.

Units in areas of acute flood risk cannot participate. Eligible basements cannot pose any imminent risk to life or safety of its inhabitants,

become permanently lawful units.

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must pass an inspection, must have a means of egress directly to the outdoors, smoke and carbon monoxide detectors, and adequate ceiling heights. Once a property enters the program, property owners must continue to follow program rules, make upgrades over time, and within 10 years of enrollment, come into full compliance. But if homeowners meet these standards, a unit can receive a permanent certificate of occupancy.

Importantly, this legislation also sets out protections for the tenants of currently inhabited apartments. This includes State law rules that tenants in occupancy as of the time of enactment and who are subsequently evicted or otherwise removed from an apartment as a result of an alteration needed to bring the unit up to code have a legally enforceable right of first refusal to return to these units.

Together, these pieces of legislation will bring sorely needed relief to New York homeowners and tenants, making it easier for New Yorkers to age in place, to afford a starter home, to live close to loved ones, and to experience the peace of mind that comes from housing stability.

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Turning to Intro. 850, we agree that transparency into HPD's programs and processes is important and appreciate Council Member Salamanca's advocacy to move this legislation forward. We're looking forward to meeting with the Council to explore ways that we can refine the bill to ensure the agency can implement the requirements of the bill without compromising on its intent. Most critically, HPD is undertaking a significant technological and administrative overhaul of our internal project management system that will better enable the agency to oversee our workflow for affordable housing projects. We project that this project management system will be built out and implemented in 2028. This new system will enable HPD to publicly report out on the information that this legislation seeks to require of the agency.

We're grateful for the productive work we have been able to accomplish on these three bills with the City Council, especially as we work together to advance the City of Yes for Housing Opportunity Text Amendment. Thank you for the opportunity to testify. We look forward to partnering with you to advance these critical measures.

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CHAIRPERSON SANCHEZ: Thank you so much,

Deputy Commissioner. I want to acknowledge that we
have been joined by Public Advocate Jumaane Williams
and by Council Member Oswald Feliz.

Before I begin with questions, we're going to have remarks from our Public Advocate.

PUBLIC ADVOCATE WILLIAMS: Thank you,

Madam Chair. As mentioned, my name is Jumaane

Williams, Public Advocate for the City of New York. I

want to thank Chair Sanchez and the Members of the

Committee on Housing and Buildings for holding this

very important hearing.

There are a number of bills being heard today, but I'd like to talk about two in particular requested by the Mayor. Intro. number 2764 would require the Department of Environmental Protection to promulgate rules around flood risk areas and further set eligibility and design requirements for new ancillary dwelling units, also known as ADUs, in these flood risk areas. Similarly, Intro. number 2765 tackles the issue of converting existing basement apartments by establishing a legalization pilot program under the Department of Buildings. ADUs are a critical component of our housing stock with an

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estimated 400,000 people living in basement and cellar dwellings across the five boroughs. Despite this, many units still remain illegal, out of code, and at risk of flooding, putting countless New Yorkers at risk. We saw the devastating impact that Hurricane Ida had on families living in these basement apartments when a storm took the lives of 13 New Yorkers. The efforts of these bills, in my opinion, are long overdue, but it is never too late to make these critical policy changes.

It is also important to note, however, the City alone cannot make these changes. We know this much from the Basement Legalization Pilot Program. We saw only five out of 8,000 potential units able to participate. Despite high interest, many landlords were unable to join the program due to restrictive zoning and a lack of financial support from the City and State to facilitate the conversions.

I look forward to seeing the passage of these bills and working with our State partners to legalize, regulate, and protect these units and the countless tenants who call them home, but if we are truly to solve our city's housing crisis, efforts

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also must go hand in hand with preserving units that we have and construction of new and deeply affordable housing. I also know that there are concerns about these units in different neighborhoods. My hope is that we can work with those neighborhoods to figure out how best to do this, not that we can't do this. If we do not get the housing we need and preserve the housing we already have, we would have failed future generations. Thank you.

CHAIRPERSON SANCHEZ: Thank you so much, Public Advocate.

Okay. So now, turning to questions. I'm going to start with general questions and then move to more of the particulars. You referenced an example in California, but nationally, many jurisdictions in Atlanta, Chicago, and California have legalized accessory dwelling units in basement apartments. Since 2022, can you talk about their experience adopting these policies and have these experiences influenced the drafting of the pre-considered legislation being heard today?

DEPUTY COMMISSIONER DARGA: Yes. Thank

you. So, we did actually hire some consultants to

help us look at programs across the country and what

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actually resulted in success and what continued to impair use of flexibility, particularly within zoning, and what we found is that successful programs not only addressed the zoning barriers that exist to creating an ADU, so for example, California adopted a zoning code around ADUs in the 1980s, but also address code requirements and make the code requirements clear and consistent, and also provide technical and financial assistance for homeowners.

So, those lessons learned from other places were critical to us in terms of how we have thought about shaping this legislation that we are looking at today as well as how we've thought about pairing both the

CHAIRPERSON SANCHEZ: Thank you. Can you speak to the ways in which this legislation would make it easier for homeowners to operate ADUs and what are the benefits to homeowners for renters in search of low-cost housing?

zoning changes with the code changes.

DEPUTY COMMISSIONER DARGA: Can you repeat your question? Sorry.

CHAIRPERSON SANCHEZ: Yeah, just another general question on the potential benefits to homeowners. How will this legislation make it easier

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2 for homeowners to create ADUs and what are the

benefits for these homeowners and for renters that

4 are in search of low-cost housing?

DEPUTY COMMISSIONER DARGA: Great. So right now, I'm going to speak a little bit, take a step back. So, I've been at HPD for some time now, and I was at the City when we were looking at how to create the Basement Apartment Conversion Program that the Public Advocate just referenced, and at that time, we did work with City Council very closely to look at code changes to address the needs around legalizing a basement or cellar apartment. As the Public Advocate said, we reached out to thousands of property owners in Community Board 5 of Brooklyn where it was authorized, and we actually heard from many homeowners that they were interested. At the end of the day, because of zoning limitations as well as financial limitations and complexity, very few homeowners actually proceeded with that program. So, there are some really substantial benefits to what the City is proposing now. First, we have with the zoning changes, not just this legislation, but with the zoning changes, clear zoning regulations when it comes to ADUs. With this legislation, we have clear

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code requirements when it comes to both ADUs and basements. That clarity and making it easier for owners to be able to navigate the very complex and myriad environment that exists today, we think will make a really fundamental difference. But we're not stopping there. We're also creating a resource library for homeowners to make it easier for them to navigate the codes that we hope will be adopted. That will include step-by-step process for homeowners on how to navigate this, as well as we are hoping to have pre-approved plans available so that if they use those plans, they can move pretty quickly through the process, and certainly that will cut down costs. So, we're working on many fronts to make it easier.

In addition to that technical assistance, also we have a Plus-One ADU program at HPD right now. It is more limited in scale today because of some of the zoning and code restrictions that exist, but it's our intent to make sure that that program remains an offering going forward.

A couple of other things I would just note. So, we administer a lot of programs at HPD, including homeowner repair programs. We launched our latest homeowner repair program about five years ago,

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and in the first four and a half years, we got about 5,000 expressions of interest in our homeowner repair program. We launched our Plus-One ADU program last November, this time last year, and the application window or the letter of interest window was open for just under three months. We got 2,800 homeowners that reached out to us in that very short period of time, and homeowners overwhelmingly said that they are interested in adding an ADU to their home because it improves their financial security and their ability to house their family and address their family's needs, and so allowing ADUs, whether it's a basement or it's a detached small unit, attached, helps homeowners address their own family's needs. That is what we are looking for here, is to provide an option for homeowners to address their needs and make it easier for them to do so.

CHAIRPERSON SANCHEZ: Can you just tell us quickly a little bit more about the Plus-One Accessory Dwelling Unit Program? I know it allowed up to 15 eligible homeowners to build or convert ADUs on their properties. Can you just remind us, I know we talked about it about a year and a half ago at a very similar hearing, but how many New Yorkers applied to

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this program, did HPD select the contractors or did

the property owners make the selections, and then how

many homeowners have participated to date? Well, you

5 | just mentioned some of the changes.

And, sorry, before you answer, I just want to acknowledge that we were joined by Council Member Avilés.

DEPUTY COMMISSIONER DARGA: So I'll start and then I'm going to pass it on to my colleague, Stephen Erdman, who oversees the Division that runs the program. So, the Plus-One ADU program is a loan program that HPD administers. It is jointly financed between HPD and the State, so we basically worked with a partner organization to secure state funding. We provide about 220,000 dollars per unit or up to, and the State provides up to 175,000 dollars per unit in order to help low- and moderate-income homeowners address the cost associated with creating a legal unit. It is, like I said just a second ago, we saw really, really, really significant demand from homeowners in a very limited time. That level of demand is unprecedented. We don't see that in any of our other loan programs, and so it is clear to us, not only from that program, but from what we saw in

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the basement program, some of the research other
organizations have done, that creating ADUs is
something that New Yorkers are desperately interested
in doing. So, I'm going to turn it over to Stephen to
talk a little bit about how we structure the

financial assistance to make it affordable to

homeowners, and also maybe to talk a little bit about

9 the technical assistance we're providing.

ASSISTANT COMMISSIONER ERDMAN: Thank you, Kim. So as mentioned, the City and the State both provide financial resources to homeowners to construct the ADUs, but as we've mentioned in the testimony and already in the Q and A, it's not just about financial resources. There's also technical assistance that's needed to navigate the process, the code requirements, so we do work with non-profit partners who help the homeowners who participate in overseeing the construction of the ADU, the predevelopment process. They also provide training (INAUDIBLE) small landlord. There's a lot of (INAUDIBLE) assistance that is provided as part of the program. We already mentioned that we had about 2,800 households express interest. We're working with a subset of those households on applications right

now, and we're working on some active applications
and hoping to get to the first loan closings soon,
and we have funding for about 35 households as part

5 of the current program.

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DEPUTY COMMISSIONER DARGA: One thing I would just add to what Stephen said is that what we found is even today, we were very clear in advertising the program that it was available to existing single-family homeowners because we knew that the zoning today creates really substantial restrictions, and we also know that the multipledwelling law creates very substantial restrictions for homeowners converting from a two- to a threefamily so we did actually create some limitations. Even with that, we got all kinds of homeowners that reached out, and many of those homeowners still face very substantial restrictions within the current regulations. Floor area, lot area, 30 percent of those that expressed interest were not able to move forward because of that. Because of minimum yard requirements, 15 percent. Distance between structures, 13 percent. And then on a more limited basis, there were some restrictions associated with parking and coastal flood risk so it's very clear to

accessory dwelling units is coming from parts of

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are in their own communities.

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Queens and Staten Island so I think that's very interesting. It'd be helpful to have those numbers and any breakdown that you can provide on, maybe even by Council Members, Council Districts, to share that with folks so they can see what the interest levels

Great. So, my next question is on affordability protections, right. We're talking about ADUs, and you and I both framed similarly that accessory dwelling units can be helpful as meeting a part of the housing crisis that we have. Jumaane, the Public Advocate, just mentioned that many advocates have estimated an estimated 400,000 New Yorkers that live in basement apartments now. They live there today. So, for tenants who may need to temporarily vacate a basement unit that is being converted or an ADU, whatever their circumstance, what are the rent protections that are on the table for residents, either in the pilot programs that you have described or moving forward? What is the City considering in terms of protecting residents from displacement and from very big increases in their rents?

DEPUTY COMMISSIONER DARGA: Yeah, that's actually an interesting question. This is one area

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where, you know, working in public policy, trying to figure out the right path, I think it's more difficult, right. I run programs that finance affordable housing. That's what I do as a living, and there are times when we have to make choices, and I think this is one of those times. We just talked about a few minutes ago that right now, the barriers to owners in doing this work are extremely significant. If we don't make this possible for owners, it will not happen, and we will not create safer spaces for tenants to live. So, our first priority here is to make sure that owners have the option that we are balancing feasibility and safety within the codes, and that we can create a path for people to bring ADUs out of the shadows. So that's our first priority. For the Basement Temporary Status Program that was authorized by State Law, and that we had authorized in New York City through the legislation that we are looking at today, the basement or cellar apartments that have a resident there, and at the point in time the law was enacted, and that where that tenant is evicted or removed because of the renovations, that tenant has the

ability to return to the unit, their choice to

return. So, the point here is not to remove folks, right. It's to give them a choice to stay, but to stay in a safer home.

As part of the Plus-One ADU program, we actually are experimenting with this very question. We actually have two options for homeowners. So, owners can choose to have basically cheaper financing if they agree to a restriction on the new ADU unit, or they can choose to have still pretty cheap, but less cheap financing and not have a restriction on the unit. And the reason we've done that is because we are working with so many different types of owners, and what we've learned from the Basement pilot and the Plus-One ADU pilot, most of the homeowners that are coming to us are themselves low income, and that adding an ADU is a way for them to improve their family's financial security so there is actually some tension between creating a restricted affordable unit and improving the financial viability of the homeowner, and so I'm going to go back to, we need to make sure that the regulatory structure set up here allows homeowners to make that choice, and then it's our goal to provide financial assistance to

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2 homeowners that allows them to make a choice that 3 makes the most sense for their family.

Moving to the working group that you described, the interagency working group that helped to draft these pieces of legislation, can you tell us when the working group was established? Who was a part of the working group? Specifically, did the City consult with external staff to the City, members of the industry, plumbers, different trades?

DEPUTY COMMISSIONER DARGA: So, I'm going to go back a little bit further. This is definitely not the first working group we've had around basements and cellars. In fact, the first one that I was part of emerged after the East New York rezoning, when the community there said, we want an option to be able to legalize basement and cellar apartments in our neighborhood, and so we worked with many agencies, with many external stakeholders to assess what was necessary in order to do that. And, as part of that, City Council passed legislation creating a code essentially for basement and cellar conversions. That code is very similar to the one that we are looking at today with some modifications, we're happy

to talk about that more later, but that was really
kind of the basis for looking, a starting point for
looking at what made sense here from a Building Code
perspective, and then subsequently, unfortunately,
Ida occurred and we had a lot of deaths in subgrade
units and so we have looked more closely at flood
risk, particularly, you know, fire risk was early on
part of our conversations. Flood risk, I think we
realized we can't just think about coastal flood
risk, that we really do need to think about inland
flood risk as well, and then most recently, we met
across all the agencies that I mentioned earlier, to
look at how to create a clear, feasible and safe
code, both for ADUs and basements, and so the goal
here is having clarity to create a cost-effective way
to actually do this work but not sacrifice safety in
the process, and so that interagency working group,
including the Department of Buildings, the Fire
Department, the Mayor's Office of Climate and
Environmental Justice, Office of Emergency
Management, and many others were part ultimately of
how we got to where we got today.

CHAIRPERSON SANCHEZ: Got it. Thank you. Were there external stakeholders to City agencies?

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DEPUTY COMMISSIONER DARGA: In this latest interagency group, there were not. There were earlier external stakeholder discussions, but certainly, I will defer to my colleague from the Department of Buildings about whether or not any of the specific modifications at any point came from external engagement.

DEPUTY COMMISSIONER SIRAKIS: I don't believe any of these provisions were run by any of our Building Code Committees, or from external stakeholders in particular, but just overall feedback that we've had, as Kim described, on what goes into putting together an ADU in a basement or cellar detached unit.

I've received some feedback already from folks who are concerned about the plastic piping provision in the ADU legislation, specifically U103.5.5. I've heard concerns around health and safety. Is that on the Department's radar, and do you have a response at this time for why plastic piping could pose health and safety concerns within ADUs?

DEPUTY COMMISSIONER DARGA: So, I'll maybe cover the very basic, and then I'm going to turn it

2 over to my colleague from the Department of

3 Buildings. So, as I mentioned before, our goal is

4 | both to create a clear code that is cost-effective as

5 possible, given the overwhelming cost of creating

6 these units, without sacrificing safety. The Code

7 does include allowance for plastic water pipes, and

8 this is based on the International Code Council, and

9 so I will defer to my colleague from the Department

10 of Buildings to talk more about how we believe that

11 | that is a safe option.

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mentioned, the requirement here, we're actually referring back to the New York State Codes themselves for whatever materials are approved for use in the rest of the state, and the State Code, similar to the City Code, is based on the International Code Council Family of Codes. Those Codes are put through a pretty rigorous process. It is the national model code for construction in the country. In some instances, it's adopted internationally as well. It relies on many nationally recognized standards, including for the material standards. All the materials that are approved for use in these standards are then listed for their usage, which means a third-party testing

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entity takes the products that are there, does testing, does on-site, I believe, surveillance visits to the manufacturing plants on some kind of a recurring basis to make sure that they're still in compliance with whatever listings that are issued, and then gives them the according national listing. The goal here was to try and align with national standards. Given that these are ADUs, there was also mention that there could potentially be, for some of the detached ADUs, potentially the use of the New York State Modular Program, which is already in effect here. We have New York State Built Modular Programs for one- and two-family homes. I believe they might be height limited, but the idea is that they are subject to the New York State Code, except for all of the work that is performed here locally at the job site so foundations, site connections, but what's inside the box complies with the State Code already. The idea was that we would not want to preclude or otherwise inhibit whatever the options are, especially when it comes to affordability perspective, what is safe to be utilized.

CHAIRPERSON SANCHEZ: Thank you, Deputy

Commissioner. Is this allowance for plastic piping

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different than what is allowed inside of a one- or two-family home today in New York City?

DEPUTY COMMISSIONER SIRAKIS: I would have to check, but I believe this is different than what's allowed in the New York City Plumbing Code, but it would match what's allowed for a modular one- or two-family home built under the New York State Plumbing Code and placed on a foundation here in the city.

CHAIRPERSON SANCHEZ: Okay, thank you.

Okay, so moving to the number of ADUs allowed. This is a potential inconsistency that we found in the legislation so wanted to ask about it. As amended by the City Planning Commission, the City of Yes for Housing Opportunity Zoning Text Amendment allows one ADU per one- or two-family dwelling with some geographic exclusion, but the legislation allows one per tax lot. Does the Administration believe the legislation will align with this definition of what's in the zoning text at the end of this process?

DEPUTY COMMISSIONER DARGA: So, within zoning it is one ADU per building, and I will let my colleague from DCP correct me if I've gotten that wrong, and within the code, the ADU code that we are talking about today, the allowance is for one ADU per

tax lot. The overwhelming number of buildings are on individual tax lots so those generally align and will allow homeowners to add an ADU to their property.

CHAIRPERSON SANCHEZ: Okay. Why is there a difference in the wording between the Text Amendment and the Code?

DEPUTY COMMISSIONER DARGA: I can't speak to why the zoning text is written how it is. I don't know if...

pirector Mangin: Sure. Thank you for the question. So, it's not particularly common anymore, but we do have zoning lots in the city, individual zoning lots that will have multiple one— or two—family homes on them. In that situation, each one— or two—family home will tend to be on its own tax lot. The reason why we drafted the text the way that we did is, in that situation, say you have a hundred single family homes on a big zoning lot. If we said one ADU per zoning lot, then the first person builds an ADU and everybody else is out of luck, so we wanted to ensure that every one— or two—family homeowner would have the opportunity to add an ADU, even in that situation where you have multiple one—

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or two-family homes on a big old zoning lot in Staten

Island.

CHAIRPERSON SANCHEZ: Got it. Thank you so much. Inland flooding. So notably, this legislation creates geographic exclusions for basement and cellar ADUs in inland flooding areas, as you've just mentioned, Deputy Commissioner. How does the Administration believe that inland flood risk should be assessed for the purposes of basement ADU safety? How should this risk mapping be updated over time to reflect a changing climate?

mentioned a few minutes ago, when we originally created a basement cellar conversion code back in 2018-2019, we were primarily concerned with coastal flood risk. That was after Sandy. We understood the impact that storm surge could have in terms of safety. We hadn't really thought as much, I think, in terms of basement, especially subgrade units, the potential risk of inland flooding and, since IDA, we have done substantial work in better understanding, trying to better understand that risk. We have looked at basement flood mitigation. We have a study that is ongoing that we expect to have the results of by

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2027. We've looked at the feasibility of backwater valves in terms of mitigation for inland flooding, and DEP has actively looked at geography where there is higher likeliness of severe inland flood risk, and so the legislation that you have before you today, particularly with regard to basement and cellars, does not allow basement or cellar legalization in coastal flood areas or in areas where there is acute or high risk of inland flooding, and that is specifically the 10-year rainfall flood risk area, which is approximately two inches per hour, and we do expect that there will be some allowance. We're going to be working with DOB and the other agencies over the next couple of months, if this legislation is passed, to create rules around areas that have less acute inland flood risk, but where additional flood mitigation actually may be warranted, and there are a range of strategies to mitigate risk, including raising, you know, utilities, making sure that windows are raised a little bit, so not right at grade, thinking about where water moving away from the building rather than toward the building, sump pumps, there are a range of mitigation measures that could be adopted so that we potentially could allow

legalization, right, because we know that a lot of
folks are living in these homes today, clearly not
safely, but making sure that there's additional
measures in place. We have thought about flood risk
more generally for ADUs. So, for at grade, above
grade ADUs, you could elevate, depending on your
coastal or inland flooding area. I think that is an
acceptable approach. More generally, we are looking
at having flood water sensors in homes for
participants in the Basement Pilot Program, the
Temporary Amnesty Program. Not only will they be
required to install those water sensors, but also to
post emergency information for the resident and
enroll in Notify NYC, which has notifications around
flood risk for residents. So, there's a number of
other measures that we have written into the Code to
make sure that there are both warnings, but also that
flood risk is managed.

I know you also asked about geography. We are planning to have the maps available within 120 days of the legislation's passage.

CHAIRPERSON SANCHEZ: I'd like to acknowledge that we've been joined by Council Member Dinowitz.

2	Actually, I have a clarifying question on
3	that. So, for the 10-year flood risk rainfall area,
4	is that a map that is going to be created and
5	maintained by the City, City agency, or is that a
6	FEMA?
7	DEPUTY COMMISSIONER DARGA: So, that will
8	be a map that we will publish within 120 days of
9	enactment.
10	CHAIRPERSON SANCHEZ: Okay. How often at
11	this time are the agencies considering?
12	DEPUTY COMMISSIONER DARGA: I think we
13	expect to update it every five years thereafter. We
14	do expect that flood risk will change over time and
15	potentially get worse, and so we want to make sure
16	that those maps stay up to date.
17	CHAIRPERSON SANCHEZ: You said the City
18	will publish the map within 180 days?
19	DEPUTY COMMISSIONER DARGA: I believe 120
20	days of enactment.
21	CHAIRPERSON SANCHEZ: Thank you. Okay.
22	Ancillary dwelling units. Why is the City using the
23	term ancillary dwelling unit when other jurisdictions

just call them accessory dwelling units?

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DIRECTOR MANGIN: Great question. So, accessory is already a defined term within the zoning that has one of the longest definitions in the zoning text and has very highly specialized interpretations in many contexts. I can say my colleagues at City Planning have spent a lot of time talking with our friends at DOB around particular issues with the accessory definition. In order to sidestep that history, that complexity, and everything else to make sure that we were not, you know, stepping into a quagmire, we simply called them ancillary dwelling units rather than accessory so as to avoid any confusion among plan examiners or others in the future at DOB.

CHAIRPERSON SANCHEZ: Got it. Thank you.

Does the Administration at this time have an estimate of, with the criteria you're setting forth, how many properties could be eligible for the creation of an ADU or the legalization of an ADU?

DEPUTY COMMISSIONER DARGA: So, there's a number of things going on right now, right. We're talking about changes to zoning and then we're talking about code changes and impact of those potentially different, but they intersect. So, for

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the zoning changes, we expect that up to 5 percent of eligible property owners may take advantage of that over 15 years, and I probably have an estimate of how many homes that is, if you give me just a second. That would be somewhere between 26,000 and 39,000 ADUs over 15 years based on the zoning barriers being addressed. Addressing the Code changes are necessary in order to effectuate those conversions. In terms of basement and cellars specifically, we believe that the Temporary Amnesty Program could result in somewhere between 2,000 and 6,000 homeowners that potentially would legalize a basement or cellar dwelling unit over the enrollment timeframe, meaning they have to actually enroll in the program by April of 2029 to be eligible and then would have more time to legalize the unit from that point.

CHAIRPERSON SANCHEZ: I'm sorry, and I missed the ADUs number was?

DEPUTY COMMISSIONER DARGA: So for ADUS, our estimate based on City of Yes is up to 5 percent of eligible homeowners, which over 15 years is somewhere between, again, if we have also the ADU Code changes, between 26,000 and 39,000 ADUS citywide.

2 CHAIRPERSON SANCHEZ: Got it. Thank you.
3 When it comes to sprinkler and fire safety measures
4 in ADUs, do other jurisdictions require automatic
5 sprinklers within ADUs and, in jurisdictions that
6 have ADU regulations, have there been any fire safety

concerns or incidents that you would want to

8 | highlight for the public?

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DEPUTY COMMISSIONER DARGA: So, I can start and then I'm going to turn over my colleague from the Department of Buildings if he wants to add anything. So, fire safety has been a critical concern of ours since we first started to talk about basement and cellar legalization in the, you know, 2017-2018 timeframe. We have some of the strictest fire safety standards in the United States and the ADU and basement codes before you do require automatic sprinklers in the accessory unit. That certainly does go beyond the standards that other jurisdictions have, but we do believe fire safety is essential, not just for the resident, but also for first responders. That is not the only way that we are addressing fire safety within the legislation that we are discussing. We also have a requirement for smoke alarms, carbon monoxide alarms, and if there's gas service, also a

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gas alarm. We require a firewall or barrier for internal ADUs or a 10-foot clearance for detached ADUs. We require fire separation between the boiler or furnace and any habitable spaces. We also require emergency escape and rescue openings and, for a basement or cellar, that means windows in addition to a door. We have also worked really closely with the Fire Department to look at access, and one thing that we're doing here is making sure that the ADU is clearly identified so, for example, a basement or cellar ADU will be labeled apartment U, a rear attached or detached ADU would be apartment R, so first responders will know where to go if they need to actually go to a building and, of course, we talked about earlier that we are making sure that there is emergency preparedness information posted and that the building owners are signing up for Notify NYC.

CHAIRPERSON SANCHEZ: Got it. Thank you. I know this question came up during the marathon hearings that we had on City of Yes with Chairs Garodnik and Commissioner Carrion, but have you had any further conversations with the Department of Finance or others within the Administration on how

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property?

converting existing basement or cellars into
apartments could impact the tax assessment of the

DEPUTY COMMISSIONER DARGA: So, we have talked about this a little bit. We don't right now for an ADU that remaining class one dwelling, we don't expect there to be a significant difference, though, you know, the State actually passed authorizing legislation last year that would allow New York City to opt into a program that would offer a tax exemption. That's certainly something we're willing to discuss with City Council. But from what we have seen so far, we don't expect there to be a significant increase in tax liability because the property tax class will not change. And my colleague from DCP wants to add.

DIRECTOR MANGIN: Thanks. Just one small addition. City Planning spoke with Department of Finance on this issue a few months back, and they clarified that there will be no increase in assessed value and taxes merely with the zoning change. It's only if and when somebody actually does something to the property as an ADU that it could affect assessed value and taxes so that'll be one of the things that

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years?

homeowners can take into consideration when they're
making that decision. The only instance when zoning
itself affects assessed value and taxes is in the

case of a vacant lot they made clear to us.

makes sense. An observation and a question. You've mentioned in response to one of my previous questions that somewhere in the order of tens of thousands of units could be legalized, but we've been talking about hundreds of thousands of units where individuals or families are already residing in basements and cellars in particular. Will the City be approaching enforcement moving forward but, looking backwards, can you tell us about the number of violations issued for basement apartments in recent

DEPUTY COMMISSIONER DARGA: I have some information here. I also don't know if Gus has additional information. We could probably follow up with numbers. So, the problem right now for basements is we're generally talking about illegal units, and so getting a good handle on the number of illegal units in the city is very difficult. We do have some information from the Housing Vacancy Survey, and

more about their role.

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we've certainly heard estimates from some of our partners over the years but, again, it's very hard to tell. I do have some preliminary, some basic information on enforcement at HPD. HPD and DOB have slightly different roles when it comes to enforcement, but it looks like the number of vacates issued by HPD specifically with regard to illegal occupancy has been somewhere between 500 and 600 units a year for the last few years but, again, DOB has a more significant role with regard to enforcement today so I would defer to Gus to speak

get back to you with specific enforcement stats on this for what we have, but typically our enforcement would be complaint-based. We receive also referrals from FDNY when they run across a scenario that they don't feel is safe, and then we send folks to inspect and where appropriate, issue violations, and if necessary, vacate. Not necessarily every scenario involves a vacate. A violation could be issued, but a vacate may not necessarily be in order, for instance, if egress is in order. Other scenarios, though, would trigger maybe an automatic vacate for things such as

2 illegal gas work that might be in connection with the 3 additional dwelling unit.

CHAIRPERSON SANCHEZ: Thank you. Moving forward, if this bill becomes law, if the zoning tax amendment becomes law, would homeowners still be penalized with fines and enforcement, or would they be asked to attempt to legalize the structure?

DEPUTY COMMISSIONER DARGA: So, an owner that is enrolled in the Temporary Authorization Program, we will not enforce vacates during that timeframe. The idea is to actually put these properties on a road to legalization. In order to enroll, they have to pass some basic safety standards, so there is an inspection of the property, and we can defer or waive penalties during the temporary legalization or temporary status period as well.

CHAIRPERSON SANCHEZ: Got it. Thank you.

Okay. With respect to costs and financial incentives we've been talking about, the State has allowed the City to create an ADU tax exemption. Is the City in the process of creating one and, if so, what is the timeline?

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DEPUTY COMMISSIONER DARGA: So, it would require City Council authorization. We'd be very open to having that conversation.

CHAIRPERSON SANCHEZ: So, like, next. Okay.

DEPUTY COMMISSIONER DARGA: Sure.

CHAIRPERSON SANCHEZ: I'm looking through all my questions. I think I'm near the end. Shocking, I know.

Okay. One last question on affordability or just rent levels. Would the City be tracking the rent levels that are provided within ADUs and basement converted units?

DEPUTY COMMISSIONER DARGA: So, for an owner that is just participating, like, you know, creating an ADU, they're going to DOB, they're applying for the Temporary Status Program, or creating a new ADU otherwise, that's something that we would not have access to. For owners that are participating in our Financing Program, that is absolutely something that we will not only track, but have access to information for and, as I mentioned earlier, the program today offers owners a choice to either agree to a restriction on the unit or not,

depending on whether that makes sense for them

financially and based on the financial assistance

that we're offering. We are working with our program

partner to help the owner with lease up of that unit

so we will absolutely know the rent charged.

CHAIRPERSON SANCHEZ: Great. Thank you so much. With that, that concludes my questions. Just mine. Thank you for your testimony today, and I look forward to continuing discussions over the next few days.

DEPUTY COMMISSIONER DARGA: Thank you very much.

CHAIRPERSON SANCHEZ: Thank you. All right. Okay. We're going to take a quick five-minute break so that the pregnant lady can go to the bathroom, and I walk very slowly, and then I will open up the public comment.

[GAVEL] All right. Thank you. Calling this hearing back to order.

I am now going to open the hearing for public testimony. I remind members of the public that this is a formal government proceeding, and that decorum shall be observed at all times. As such,

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COMMITTEE ON HOUSING AND BUILDINGS

2 members of the public shall remain silent at all times.

The witness table is reserved for people who wish to testify. No video recording or photography is allowed from the witness table.

Further, members of the public may not present audio or video recordings as testimony but may submit transcripts to such recordings to the Sergeant-at-Arms for inclusion in the hearing record.

If you wish to speak at today's hearing, please fill out an appearance card with the Sergeant-at-Arms and wait to be recognized. When recognized, you will have two minutes to speak on today's hearing topic of the following legislation, the two Pre-Considered Introductions with respect to accessory dwelling units and the pilot program to convert existing basement or cellar apartments to habitable dwelling units, Intro. Number 850 and Reso. 524.

If you have a written statement or additional written testimony that you wish to submit for the record, please provide a copy of that testimony to the Sergeant, and you may also email written testimony to testimony@council.nyc.gov within

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2 72 hours of this hearing. Audio and video recordings 3 will not be accepted.

Okay, I will now call the first panel. Arthur Klock from Plumbers Local 1 Trade Education, Sylvia Morse from Pratt Center BASE Coalition, Howard Slatkin from the Citizens Housing and Planning Council, and George Bassolino from the New York City Master Plumbers Council.

Whoever is ready can begin.

ARTHUR KLOCK: The first thing I'd like to say is that Deputy Commissioner Sirakis, who was just up here, was asked a direct question by the Chair, and his answer was that he would have to check, that he didn't know so he doesn't know the Plumbing Code, and he doesn't know whether plastic water supply piping would be allowed in a one- and two-family home. The answer is no, it would not be allowed. I just thought I'd like to correct that.

Good afternoon. My name is Arthur Klock, and I'm Director of Trade Education for Plumbers Local 1, Trade Education Fund. My thanks to Chair Sanchez and Members of the City Council Committee on Housing and Buildings for the opportunity to speak.

I'm here to express strong opposition to both T2024-

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2764 and 2765, proposed legislation governing the construction of ancillary dwelling units and a pilot program converting existing basements or cellar apartments to dwelling units. The use of plastic piping or plastic PEX tubing in the plumbing of these units has been quietly slid into both bills and makes them risky and unacceptable. There are serious and well-documented safety and health issues surrounding plastic piping, and by including it in a bill to expand affordable housing, I fear that this Body might be unwittingly creating two different plumbing codes. One that adheres to the most stringent safety standards for those that can afford it, and one that ignores chemical contamination and fire hazards for affordable housing. It is my opinion that the creation of a secondary building code in New York City for underprivileged residents is abhorrent. Our Building Code has always been a beacon of equity. No more tenements for the poor. I was born and raised in this city, and I was taught that we learned that lesson generations ago. This is not a labor issue. Yes, plastic itself is cheaper, but it is well known that the purported labor savings when installing plastic piping is exaggerated by the plastics

them. Can I continue?

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industry as a sales technique. Plastic water piping has a terrible record that is only getting worse. Do not take my word for it. Check with FDNY and NYCHA, who only a short time ago reiterated their opposition to the use of plastic piping, including saying that even if its use was approved, they would not use it. Plastic pipes are known to commonly leach chemicals used in their manufacture into water passing through

 $\label{eq:chairperson sanchez: Please conclude,} % \end{substitute} % \end{substitute}$

ARTHUR KLOCK: Passing through the environmental chemicals have also been shown to leach from the environment into plastic piping because it's permeable, while copper and other metal piping is not. It means that water passing through plastic piping is susceptible to both internal and external chemical contamination. Polyvinyl chloride, or PVC, is highly flammable. PVC is a substance that burns and can sustain a flame, and you can ask the FDNY how well PVC burns behind walls. You're essentially putting solid fuel into a building when you install PVC drainage piping. Remember, it travels through shafts and drilled holes from floor to floor. When

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burning, it releases polyvinyl chloride gas, which is highly toxic. To those who would say plastic piping has been found safe and legal for over 30 years, allow me to clarify the record. Every four or five years when a previously unidentified chemical is found to be leaching from plastic piping, the plastic companies reformulate the chemical makeup of the piping. They do this every four or five years because you can only spot a dangerous chemical if you know what you're looking for. However, they do not remove the dangerous previous generations of plastic pipe. Once installed, they remain hidden like the lead pipe of yesteryear. It is also critical to mention that these plastic lines cannot be sanitized in case of a biological contamination such as Legionella. There are only two ways to do that, chlorine or high temperature water. PEX cannot deal with either of these things. It won't survive either of those. Plastic piping has been found to be attractive to rodents who chew holes in it, cause tremendous damage to the building when those pipes leak or burst. We certainly have our fair share of rodents. Along with health concerns and safety issues, many multi-

million-dollar lawsuits have accompanied the

2 installation and subsequent failure of plastic 3 piping. In Florida, you can't obtain home insurance 4 if your house has certain types of plastic piping installed. Another plastic industry untruth is that 5 the plastic pipes are recyclable. They are not, 6 7 unlike copper. Even though we're told plastic piping 8 is safe, research continues to point to serious problems, including ingestion of microplastic particles. This has happened before. There was a time 10 11 not long ago when we were told that lead piping was 12 the way to go. At that time when it was installed, 13 lead piping was widely available, affordable, 14 marketed by the lead industry as proven safe for use 15 across a wide range of applications. Over the last decade, however, hundreds of communities have spent 16 17 billions of dollars and countless hours finding and 18 replacing toxic pipes made of lead in local homes, 19 schools, and businesses. We are still paying for that 20 previous belief in corporate marketing. Do we really 21 want to use the underserved as quinea pigs again? The 2.2 plastic piping industry cannot be trusted, and the 2.3 fact that they need to change the chemical makeup of their product every few years speaks to their 24 25 dishonesty. I would strongly encourage anyone on this

2 Committee to remove the language on plastic piping

3 from these bills. There should be only one building

4 code that respects the safety and health of everyone

5 in our city equally, regardless of their

6 socioeconomic situation. As a child, I often took the

7 | bus to Riis Park Beach. I learned who Jacob Riis was

8 | and what he did. I urge the Members of the Council to

9 act in the spirit of Mr. Riis and be careful not to

10 create an alternate code for the other half.

11 | Sacrifices might have to be made to expand affordable

12 | housing, but it should never be the health and safety

13 of fellow New Yorkers that is being sacrificed. Thank

14 you.

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CHAIRPERSON SANCHEZ: Thank you.

16 SYLVIA MORSE: Good afternoon, Chair

17 | Sanchez and members of this committee. Thank you for

18 \parallel the opportunity to testify in support of these two

19 | urgently needed local laws to advance the safety of

basement and cellar apartments in our city. I'm

21 Sylvia Morse of Pratt Center for Community

22 | Development, which has been working on this issue for

23 | more than 15 years with the Basement Apartments Safe

24 for Everyone, or BASE, coalition.

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As we heard earlier today, basement apartments are a critical part of the city's lowincome housing stock, home to tens of thousands of New Yorkers. Pratt Center has found that unaccounted for units are concentrated in neighborhoods that are majority people of color and where rent burden and poverty rates are higher than citywide. Amidst our city's housing affordability crisis, many low-income New Yorkers will continue to rely on basement apartments. Yet, because this housing is unregulated, residents lack basic tenant protections and may be living in unsafe conditions. To protect our neighbors and mitigate the fire, flood, and eviction risks, basement and cellar apartment safety must be regulated. We urge this Committee and the Council to pass the two bills related to ADU regulations and a program to safely convert existing basement and cellar apartments. We also ask that City Council consider steps to ensure these bills have the greatest possible public safety impact. Most urgently, the geography of basement and cellar conversion program should be expanded to include as much of the city as possible. The program area currently includes the 15 community districts

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authorized by the State to pilot reforms to the Multiple Dwelling Law, which affects two- and threefamily homes converting a basement or cellar unit. As reported in the press at the time, these 15 districts were decided in Albany without transparency and seemingly arbitrarily, excluding many neighborhoods where unregulated units are concentrated. The City has the authority to extend significant regulatory relief to single-family homes, which are not affected by the State Multiple Dwelling Law, outside of those 15 districts. A Pratt Center analysis found that half of the city's potentially convertible units and cellars citywide are in single-family homes. We urge City Council to use its powers to make sure the basement and cellar program improves safety in as many neighborhoods and homes as possible. Additional recommendations to strengthen these bills are detailed in our written testimony and testimony you'll hear from our colleagues in the BASE coalition. If I can briefly just add that beyond regulatory reforms, the City will need to ensure that the Basement Conversion Program is adequately funded to serve low-income homeowners and tenants and is developed and implemented in partnership with

2 community-based organizations in frontline

3 communities. BASE has been sounding the alarm on this

4 | issue for more than 15 years and, in that time, the

5 growing severity of our climate and housing crises

6 have only increased this need. We urge City Council

7 | to act now. Thank you.

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CHAIRPERSON SANCHEZ: Thank you.

HOWARD SLATKIN: Good afternoon, Chair Sanchez. Thank you for allowing us to testify. My name is Howard Slatkin. I'm Executive Director of Citizens Housing and Planning Council. We are a member of the BASE coalition, and we are also the evaluator for the East New York Basement Apartment Conversion Pilot Program. We are happy to be here to testify with our strong support for these important bills. They present an immensely important opportunity to expand the availability of safe affordable housing for people who don't want or can't pay for an entire house. This will particularly benefit communities of color. Our polling research in low-density areas shows that black homeowners are three times more likely than others to rely on rental income from their homes. ADUs are the most modest, incremental, and low-cost way to add housing in

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neighborhoods characterized by small homes and higher rates of homeownership, and the establishment of a legalization program would enable the owners of thousands of existing basement and cellar apartments to lawfully implement critical safety upgrades providing both them and their tenants security they lack today. We will be submitting written comments detailing improvements that we'd like to see to the bills to better address the needs of homeowners and renters or at least do so in a more extensive and thorough way. These include ensuring that ADU standards are clear, achievable at low cost, and give homeowners the predictability they need. That includes prompt promulgation of any rules that are required under the legislation; aligning all minimum ceiling heights with international and state codes at seven feet to eliminate the need for costly and disruptive excavation which can cost 200,000 or more dollars to homeowners; making the legalization process navigable for ordinary homeowners by providing assurance that penalties will be waived for good faith pursuit of legalization with achievable milestones in that process; as my colleague here, Sylvia, mentioned, we'd like to see the Council

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2 expand relief for existing basement and cellar units

3 beyond the State pilot programs 15 community

4 districts within the limits of the City's authority;

5 and finally use existing coastal flood zone maps,

6 coastal flood zone maps which do exist today to

7 promote sound flood risk management rather than

8 creating new conflicting coastal flood risk

9 geographies administered by different agencies. Thank

10 you for the opportunity to testify.

CHAIRPERSON SANCHEZ: Thank you so much.

12 GEORGE BASSOLINO: Thank you. Good

13 | afternoon. I'm George Bassolino speaking on behalf of

14 | the Master Plumbers Council to raise a major concern

15 regarding T2764 that would allow the use of plastic

16 water pipe which poses a direct threat to public

17 safety. We do support making it possible to create

18 | ADUs. The MPC is a proponent of any legislation that

19 makes it easier to do more work for less cost,

20 providing it maintains public safety. Our concerns

21 | regarding these plastic materials are detailed in our

22 | written submission and align with the purpose of the

23 | Building Code. These materials have documented

24 downside which far outweigh any potential cost

25 | savings that may be realized during construction.

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There are current scientific and research and studies related to the potential leaching of toxic chemicals into the water system and their associated harmful effects on humans that must be completed prior to consideration of using utilizing these materials. The 2022 Plumbing Code has approved materials such as copper that have a long track record and pose no threat to public safety. At one time lead was an approved material for water piping. Today everyone is aware of how lead is a neurotoxin can cause a variety of disorders from behavioral problems to brain damage. Despite grants and legislation to remove lead pipes, many potential ADU sites are still currently supplied by lead. On October 8th, the EPA finalized a 10-year plan that will require the removal of all lead systems. 10 years is a long time to continue to subject New York City residents to potential perils of lead water pipe. We implore you to require remediation of this hazard as a prerequisite to participate in this program. During the testimony on October 16th before this Committee, the Department touted on the co-revision process that includes over 650 industry professionals will volunteer their time and expertise to help create the best possible codes

for New York City residents. This legislation
circumvents that process. It also possibly creates a
two-tier code within New York City. Today, plumbers
are not just tradespeople. They're technical
professionals at the forefront of innovation. We
embrace the future of plumbing methods and materials
where every pipe, valve, and water distribution
system utilizes advancements in science and
technology to this most essential trade but, first
and foremost, we focus on public safety and
environmental effects resulting from plumbing code
modifications. Clean water is an essential resource
and a right for all persons. Our motto, the plumber
protects the health of the nation. This can only be
achieved through the application of effective
building codes which are critical to avoid negative
effects and potential hazards such as water
contamination and pipe failures resulting from code
modifications done without due diligence. Thank you
for the opportunity to be heard regarding this
important legislation.

CHAIRPERSON SANCHEZ: Thank you so much to the members of this panel.

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We will now turn to testimony on Zoom to remote testimony.

Once your name is called, a Member of our Staff will unmute you and the Sergeant-at-Arms will give you the go-ahead to begin. Please wait for the Sergeant to announce that you may begin before delivering your testimony.

First, I'll call Ryan Chavez.

SERGEANT-AT-ARMS: You may begin.

RYAN CHAVEZ: Good afternoon, Chair

Sanchez, Members of the Committee. My name is Ryan

Chavez, Director of Small Homes Programs at Cypress

Hills Local Development Corporation. Founded in 1983,

CHLDC is a non-profit community development

organization and settlement house based in East New

York and we are also proud members of the BASE

Coalition. CHLDC had the privilege of administering

the East New York Basement Apartment Conversion Pilot

Program in partnership with HPD beginning in 2019,

and it's through this work that we gained unique

firsthand experience with the opportunities and

challenges of basement apartment legalization. One of

the clearest takeaways from the pilot was that demand

for basement legalization is overwhelming in

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City's housing and affordability crisis have reached

bill addressing basements applicable to 15 NYC

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community districts takes a commonsense approach to creating a program for homeowners. It allows for homeowners to step out of the shadows without fear of enforcement and start on a path towards legalization. It simultaneously requires immediate safety precautions to preserve life in the case of the next disaster. This program will have an enormous impact on homeowners and tenants alike in the 15 districts. Low-income immigrant homeowners will finally have a manageable path to conversion. Tenants will have a first right of refusal to come back after construction is done. We will have safety measures in place to protect from the next storm surge, all the while increasing affordable housing stock in New York City.

Like the basement bill, we are also very encouraged by the City's proposal to bring more basement units online through the ancillary dwelling unit bill. This will allow for single-family homes to convert space into safe, livable units. Again, this is a thoughtful, measured, and responsible way of adding safety measures to homes while increasing the existing housing stock without expanding the

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footprint of the building and preserving the look and feel of neighborhoods.

However, as encouraged as we are about the basement bill, we would also like to see the homeowner program expanded outside of the 15 community districts to homes that can avail themselves of the ancillary dwelling unit bill for their basements.

SERGEANT-AT-ARMS: Thank you. Your time's expired.

ANNETTA SEECHARRAN: I will submit the remainder of my testimony. Thank you.

CHAIRPERSON SANCHEZ: Thank you so much. Really appreciate it. Appreciate your advocacy.

If we have inadvertently missed anyone that has registered to testify today and has yet to be called, please use the Zoom raise hand function if you're testifying remotely, and you will be called in the order that your hand has been raised. If you are testifying in person, please come to the dais and speak with the Sergeants.

Seeing no one, I will now close the hearing. Thank you to the members of the

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COMMITTEE ON HOUSING AND BUILDINGS Administration and the members of the public who have joined us today. This hearing is adjourned. [GAVEL]

${\tt C} \ {\tt E} \ {\tt R} \ {\tt T} \ {\tt I} \ {\tt F} \ {\tt I} \ {\tt C} \ {\tt A} \ {\tt T} \ {\tt E}$

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 23, 2024