

CCITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE JOINTLY
WITH THE COMMITTEE ON HOUSING
AND BUILDINGS AND THE COMMITTEE
ON PUBLIC HOUSING

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May 14, 2025
Start: 10:20 a.m.
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B E F O R E: Justin L. Brannan,
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Finance

Pierina Sanchez,
Chairperson for Committee on
Housing and Buildings

Chris Banks,
Chairperson for the Committee on
Public Housing

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SERGEANT AT ARMS: Mic check, this is a mic
check, this is a mic check on the Committee on
Finance joint with Housing and Building and Public
Housing. Today's date is May 14, 2025 recorded by
Walter Lewis in the Chambers.

SERGEANT AT ARMS: Good morning and welcome to
today's New York City Council Fiscal Year 2026
Executive Budget hearing for the Committee on Finance
joint with the Committee on Housing and Building,
joint with the Committee on Public Housing.

At this time, we would like you to silence all
cell phone electronic devices and a friendly reminder
to not approach the dais unless you are called.
Chairs, we're ready to begin.

CHAIRPERSON BRANNAN: Thank you Sergeant [GAVEL].
Okay, good morning and welcome to day three of our
executive budget hearings for FY26. Today, we're
taking a hard look at the Department of Housing
Preservation and Development. I'm Council Member
Justin Brannan and I Chair the Committee on Finance.
Proud to be joined by my good friend and colleague
and partner in this work, Council Member Pierina
Sanchez, who Chairs the Committee on Housing and
Buildings. We've been joined this morning by Council

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Members Louis, Moya, Abreau, Powers, Williams, and Carr. I also want to thank everyone who makes these hearings possible. The Finance team back at mission control and everyone here today especially Jack Storey and Dan Kroop and our Committee Counsel Brian Sarfo, Senior Advisor John Yedin and all the analyst and support staff who put in serious work behind the scenes. As a former staffer, I know that the staff does all the hard work. So, we see you and we appreciate you.

Welcome Acting Commissioner Tigani and the entire HPD team. Let's be clear, we can all agree we're in a housing crisis. Families are being priced out, NYCHA is crumbling, new affordable housing isn't getting built fast enough and now HPD's proposed FY26 budget is \$1.6 billion, which is nearly \$90 million less than what it was in the preliminary plan. That's a cut of almost 20 percent at the exact moment when we need to be doing more and not less. None of this screams housing crisis to me. This budget funds enforcement, rental subsidies, emergency work and some long overdue cost of living increases for our human services workers, which we appreciate. All of that is important but we're also looking at nearly

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400 vacancies at HPD and that's not just a staffing
issue: it's a housing issue. If we don't have the
people to get the work done, the housing crisis will
only get worse. In our preliminary budget response,
the Council called on the Administration to fill
these vacancies, especially in the roles that
finance, build and preserve affordable housing and to
boost capital investments in real projects. That's
how we move the needle.

So today, we're going to dig in. How does this
budget meet the moment? What's the plan to make HPD
whole and get more affordable housing out the door?

With that, I'm going to turn it over to my Co-
Chair Council Member Sanchez for her opening
statement.

CHAIRPERSON SANCHEZ: Thank you Chair Brannan.
Bear with me, this is my first time speaking in four
days. Good morning and welcome to this executive
budget hearing on the Committee on Housing and
Buildings. I'm Council Member Pierina Sanchez, the
Chair of this Committee. Thank you to Chair Brannan
for your leadership through this marathon month of
budget hearings. Today, the City Council will
conduct oversight on an agency that is chiefly

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responsible for the creation and preservation of
affordable housing in New York City, HPD.

I'd like to acknowledge that we've been joined by
oh, he already did that, okay. Council colleagues,
members of the Administration and New Yorkers
listening in, at our preliminary budget hearing in
March, I spoke of an inflexion point that our city is
facing. A stark imbalance between landlords and
tenants fueled by rampant inequities. A federal
administration that as we speak is dismantling
housing support for those most in need. A land use
regime that distributes housing unfairly, asking the
same communities again and again to bear a
disproportionate burden. And as a result of historic
disinvestment and deferred maintenance, a
deteriorating building stock that subjects our
neighbors to living conditions that no one should
have to endure. This is the inflexion point but how
will we respond? Will we continue calling this a
housing crisis without crisis level investments to
house our neighbors? Will this Administration
continue to take victory laps, cleaning back to back
years of shattering affordable housing records? All
while refusing to implement expanded access to

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housing vouchers and failing to fulfill its City
FHEPS commitments from City of Yes. We are truly in
the midst of a housing crisis. Why does it take one
year to assign a project manager for a preservation
deal with nearly 14 percent of funded HPD staff
positions remaining vacant, triple the average across
all agencies?

Why is just 1.3 percent of the Mayor's budget
devoted to our lead housing agency? I recognize the
work, the hard work of our public servants at HPD and
call on the Mayor to do more to resource you.

In the Council, as Housing Chair, I have
championed both legislative steps to treat the
housing crisis as such and have consistently
advocated for transformative investments in HPD but
the Council is only one part of this equation.
Today, I'm calling on Mayor Adams, Budget Director
Jiha and the Administration. We need your
partnership. Work with us to make this most pro-
housing, protenant, pro-affordability budget in New
York City history. The moment demands it.

So, what exactly is in FY26 Executive Budget for
HPD? One investment that is absolutely worth
celebrating is nearly \$50 million across three years

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in additional funding for supportive housing. This will support the transition of 5,800 supportive housing units from scattered to congregate settings. A change long requested by supportive housing providers who know the landscape best. I'm proud that we secured this funding during the City of Yes negotiations and that the executive budget reflects the Administration's commitment to begin implementation immediately.

However, there are still several areas that the Council has identified gaps in the Mayor's Executive Budget proposal. First, in the Council's FY26 Preliminary Budget response, we called on the Administration to add \$2.2 million in expense funding to enhance HPD's litigation team.

Second, we called for a significant expansion of a reformed version of the third party transfer program, seeking an additional \$600 million in capital funds to ensure that once adopted, the program will have the proper resources to hold the worst landlords accountable for their neglect and to stabilize the city's most distressed properties.

In both respects, the Mayor's Executive Budget is lacking. In fact, they failed to devote even a

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single dollar to either of these proposals. Third
and last for now, the Capital Commitment Plan has
grown only marginally since the preliminary budget.
The ten year capital commitment plan grows by \$325
million but much of this is for PACT, which will
float to NYCHA, not HPD.

As I said during Prelim., within the constraints
of our bonding power, we need to maximize the capital
budget and invest more than ever to preservation
programs. We have yet to see these materialize and
hope to see additional investments at adoption. Let
us remember that these are not simply numbers on a
page, they are about delivering for New Yorkers, a
city where they can afford to live, where they can
afford to stay and where they can put down roots and
raise a family without fear of displacement. Today,
we look forward to hearing from HPD and then NYCHA.

At around 2:00 p.m. we'll be begin public
testimony for both agencies during which time I will
be participating virtually because as you can hear, I
think, can you hear? I hope you can hear, I'm a bit
under the weather.

A reminder for members of the public who would
like to testify, please fill out a witness slip with

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the Sergeant at Arms so we can include you in the
speaking list.

Lastly, I want to also thank all the staff who
made today possible, Jack Storey, Michael Sherman,
Emre Edev(SP?) and Chima Obichere from the Finance
division, Austin Malone, Andrew Bourne, Dirk Spencer,
Jose Conde(SP?), Brook Frye and Reese Hirota from
the Legislative Division. And finally, my team,
Maria Villalobos, Ben Ratner, Kim Castellanos,
Gerard Fernandez, Paola Olivio, Kimoni Alvarez, and
Karla Dominguez, who ensure that all our work is
connected to the experiences of our community.

I will now pass it to our Committee Counsel to
swear in HPD leadership and administer the OATH but
I'd like to acknowledge we have also been joined by
Council Member Restler.

CHAIRPERSON BRANNAN: Thank you Chair. Uhm, as a
reminder for this years Executive Budget hearings,
we'll take public testimony on agencies executive
budget today, the same day after the agency witnesses
have finished, so we won't be taking public testimony
for several hours. If you wish to speak on either
the NYCHA or the HPD budgets, please make sure you

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fill out a witness slip with the Sergeant at Arms.

And now, I'm going to turn it over to our Committee
Counsel to swear in our witnesses and we can get
started.

COMMITTEE COUNSEL: Good morning. Do you affirm
to tell the truth, the whole truth and nothing but
the truth before this Committee and to respond
honestly to Council Member questions? Acting
Commissioner Tigani?

AHMED TIGANI: I do.

COMMITTEE COUNSEL: Deputy Commissioner Capehart?

GARDEA CAPEHART: I do.

COMMITTEE COUNSEL: Deputy Commissioner Joffe?
And Deputy Commissioner Darga?

KIM DARGA: I do.

COMMITTEE COUNSEL: You may begin.

CHAIRPERSON BRANNAN: You may begin. Thank you.

AHMED TIGANI: Good morning Chair Brannan, Chair
Sanchez and members of the Committees on Finance and
Housing and Buildings and Public Housing. My name is
Ahmed Tigani, the Acting Commissioner of the New York
City Department of Housing and Preservation and
Development and I'm joined by my colleague and
diehard Knicks fan, Gardea Caphart, our Deputy

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Commissioner of the Office of Finance and
Administration.

I appreciate the opportunity to come back and
testify on behalf of HPD.

Today, I want to discuss the state of housing in
New York City. Five weeks ago, you gave us the
opportunity to share HPD's vision for the future
we're working to build and to engage in a
conversation about how New York City is leveraging
our financing tools, resources, and community
programs to address the ongoing housing crisis. As I
said then and I reaffirm to you now, every single
day, we are showing up with urgency, with creativity,
and with dedication. This conversation and our
budget isn't theoretical. It's about real homes,
real communities and real people.

Robert Pamphille is a 70-year-old New Yorker,
born in Trinidad. After retiring to care for his
wife and son, both living with disabilities, Robert
did everything he could to keep a roof over their
heads. For six years, they cycled through shelters,
living without a kitchen, without privacy, without
peace. We asked how he got through it. He said,
faith. He never gave up hope.

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Last year, that hope was answered. In 2024, we placed Robert and his family into a brand new affordable two bedroom at Greenpoint Landing, with onsite support from Breaking Ground and brand new furniture through a city program. A real home fully there's.

When Robert stepped inside alone for the first time, he cried. Not because it was fancy but because after six long years, he could finally give his family a safe, stable place to call home.

Robert is who we fight for and the millions of other New Yorkers like him, those who are struggling now, and those who might need us tomorrow. So, my hope is that my testimony today will serve both as a state of housing in New York City as well as a call to action, because the mandate is clear and the work is far from done. Let's start with where HPD is focused. The answer is simple, everywhere, every block, in every neighborhood, in every borough and communities from East New York to Inwood, from Stapleton to the South Bronx, we are turning policy into housing. The help might look different, the combination of tools configured, more specifically

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for those areas but we are working to serve every
corner of the five boroughs.

Just since the last time I sat before you, we
relaunched Neighborhood Pillars to rescue distressed
buildings and protect the people living inside them.
We opened applications for the Universal
Affordability Preference, UAP. Another tool to make
sure every New Yorker can afford to live in any
neighborhood, not just the ones that they've been
pushed into.

And we've doubled down on supportive housing,
backing it with real dollars and a real commitment to
creating more congregate homes.

We advanced dozens of public site projects from
community engagement and RFP designations to
homecomings, including the topping off of Willets
Point Phase 1, where a historic 25,000 unit
development is now visible on the skyline next to
Citi Field.

We've advanced Where We Live NYC, the City's Fair
Housing Plan, holding four public workshops as the
first step towards drafting the 2025 update to the
plan. Even with announcement after announcement, we
never lose sight of why we do this. It's about the

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people of New York, the parents looking for
stability, the seniors trying to age with dignity,
the young families chasing a future. It's about the
dream that every New Yorker deserves, a safe,
affordable place to call home.

We know that building homes is only part of the
job to creating those dreams. Getting New Yorkers
into those homes fairly, efficiently, and with
dignity is just as critical. That's why, in the past
five weeks, we've taken major steps to overhaul the
Housing Connect System because getting a shot at an
affordable home shouldn't feel impossible.

We cut through red tape, reforming our Marketing
Handbook to reduce paperwork, eliminate notarization
where not necessary, easy documentation for people
on federal benefits and make the process more
accessible for New Yorkers with disabilities because
the system should work for the people who need it.
And the results speak for themselves. In just the
first few months of this year, 94 lotteries have
opened. That's over 5,000 affordable homes and more
than 5,000 households have already been approved.
That's families who now have a real chance of a
stable future.

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Our goal is simple, make it easier to get housed, not harder. In a city where more than 3.7 million apartments are already built, including nearly a million rent stabilized apartments, preservation is essential and in this economic climate, it's urgent. Preservation isn't just about saving buildings; it's about preventing displacement. Just recently, this March, we sent out information on J-51 to property owners so that they know it's an available tool for addressing building needs. When we align enforcement, support, and subsidy, we protect peoples ability to stay in the neighborhoods they call home. But we don't stop when financing is done or even when keys are handed over because at HPD we believe every New Yorker, no matter their zip code, income or background, deserves a home that is safe, legal and livable full stop.

Since just March, our code enforcement teams have responded to almost 110,000 problems and issued 130,000 violations. Over 150,000 violations have been closed, including 3,200 as part of our litigation activities. 32,000 housing units were made safer because of the emergency repair work completed in apartments or public areas of buildings

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throughout the city. We've taken on buildings where tenants lived without heat, with lead paint exposure, or under harassment, and we've brought real results; homes repaired, landlords held accountable, families protected and we're not doing this alone. We're doing it the way New Yorkers get things done together.

Through HPD in your district, we're meeting people where they are with our mobile van, helping tenants get repairs, understand their rights and find the pathway to ownership right there in the spot.

We launched the Neighborhood Tech Help, in person support offered right inside the communities we serve at affordable housing developments, libraries and community centers. And with Stay Informed NYC, our public awareness campaign, we're making sure people know what help is out there, what they're entitled to, how to get it, and how to hold the system accountable when they need it most because information is power.

What comes next isn't about us. It's not about me, it's not about you, it's not about any one leader agency, it's about the very real people who are counting on us just like Robert.

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1 Recently, one year after Robert moved into his
2 apartment, he says it finally feels like home and
3 he's already excited to celebrate the holidays with
4 his family in their own space, a safe, affordable
5 apartment. What will Robert's life look like in a
6 year? What can we do today so that every New Yorkers
7 has a shot at that type of safety and security in a
8 year from now.

10 Even in the face of HUD instability, capital
11 market difficulties, and policy headwinds, we're
12 staying focused in that question. How do we house
13 our neighbors, preserve our communities and expand
14 access to opportunity for every New Yorker. Just
15 like Robert, no matter what comes at us, we can't
16 lose hope.

17 Thank you for the opportunity to deliver this
18 testimony and we're happy to answer any questions.

19 CHAIRPERSON BRANNAN: Thank you Commissioner. I
20 want to dive right into it. Am I correct, federal
21 funding makes up over half of HPD's projected FY26
22 budget in the Executive Plan?

23 AHMED TIGANI: I believe it makes about 62
24 percent.

25 CHAIRPERSON BRANNAN: Oh it's more than half?

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GARDEA CAPEHART: Yeah, 69 percent at this point.

CHAIRPERSON BRANNAN: How many?

GARDEA CAPEHART: 69 percent of our budget.

CHAIRPERSON BRANNAN: So, 69 percent of HPD's
budget comes from the federal government?

AHMED TIGANI: Yes sir.

CHAIRPERSON BRANNAN: And how does that breakdown
between daily operations and the capital commitment?

GARDEA CAPEHART: So, uh, so there's two piece so
on the expense side of things, this is 69 percent of
expense budget.

CHAIRPERSON BRANNAN: Say - I'm sorry, I couldn't
hear.

GARDEA CAPEHART: Sorry it is 69 percent is our
expense budget.

CHAIRPERSON BRANNAN: Okay, so 69 percent of
HPD's Expense Budget is federal grants and federal
subsidy, right?

GARDEA CAPEHART: Correct and so that adds up to
about \$850 million of our budget and because the
driver of that is Section 8, our full rental
assistance followed by Community Development Block
Grants. We support our Code Enforcement activity

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mostly as well with other activities. Those are the
primary drivers of our federal funding.

CHAIRPERSON BRANNAN: And what about the Capital
Commitment?

GARDEA CAPEHART: So, on the capital commitment
side, we are primarily city capital. We only have a
small portion that's federal and is our Home
Investment Partner Grant and that's about \$40 million
a year.

CHAIRPERSON BRANNAN: So how concerned are we
about the impact to HPD's budget and the agencies
overall mission considering the chaos and daily fresh
hell coming from Washington?

AHMED TIGANI: I think right now and we were
actually, several of us were in DC yesterday talking
to members of the house and senate about these
appropriations. We do feel like there's some strong
bipartisan support on key programs that fund our work
particularly on rental assistance. We are talking
and educating people about the work that Home does.
I think that many folks are not familiar with how we
use Home to create senior housing or downpayment
assistance, which again in itself are bipartisan
supported issues. We are watching carefully and

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working to make sure people have these facts.

There's still some time left between reconciliation and when appropriations happen, so right now, we're on the ground working not alone but we've worked with a coalition of other cities, both in blue, red and purple states. Since this is not a New York problem, this will affect everyone. So, I think we are in a place of where we think if there's space to push and get action done and we're not yet in a place where we feel like there's no opportunity to win on this front.

CHAIRPERSON BRANNAN: Has the Administration, City Hall, OMB, expressed concern or asked you to you know put together a contingency plan? Have they offered any kind of contingency plan? Do you feel that this Executive Budget as it stands right now protects your agency for any - to prepare for any potential reduction?

AHMED TIGANI: I think right now, especially given the additional funds that we received through City of Yes and again, we thank the Council and the Mayor and the Administration, plus the funds that we've just seen allocated through the state budget this recent year. We are in a strong place and meet

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our commitments in the near future and will continue to manage that in the outyears. I mean you just seen in the last couple weeks our ability to commit and further specific areas, like supportive housing. We're still on target to meet strong new construction goals, preservation goals. So, we do feel like this budget does put us in a good place to meet our targets.

We'll continue to watch the federal situation but again, last - in just over the last couple days, we do feel like there are bipartisan support for the things that really keep our work moving and we'll continue to work through that over the next couple weeks.

CHAIRPERSON BRANNAN: So, I think - I mean I think there's one thing that most New Yorkers agree on is that we've got an affordability crunch and a affordability crisis in the city and obviously access to housing is one of the key pillars of that affordability crisis and I think whether the Administration puts forward a proposed budget for HPD, that's about \$90 million less than what they proposed a couple of months ago, \$1.6 billion. You know I always say that you could tell me what you

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care about but if I want to know what you care about,
I want to know what you spend your money on right?
So, if City Hall says they care about housing, a \$1.6
billion budget for your agency doesn't scream housing
crisis to me or to anybody. Has that concern been
relayed to City Hall?

GARDEA CAPEHART: I'll just clarify Council
Member Chair for our budget, it's primarily driven by
reduction in our asylum seeker budget, so we had a
huge amount in the budget for that but as you've
seen, that population has been decreasing and as a
result, all these contracts are ending and so we had
to do a reforecast of the budget. And so, the
reduction you're seeing for FY26 on the Expense is
primarily driven by the reduction. But as far as our
agency operations and daily operations and all the
agency programs, we did not have a cut in our budget.
Instead we had an addition to our budget for those
items.

AHMED TIGANI: I can just add, it goes back to
the November - we saw addition lines in enforcement
then and then up and through prelim and now we have
seen a growth in our programs and staff positions.

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CHAIRPERSON BRANNAN: Let's talk about staffing.
You know one of the things we hear a lot about and
I've personally dealt with this on a couple of
projects where the turnaround to get shovels in the
ground is insanely long and it seems like it's due in
part to vacancies and some of these lines, some of
the staffing at a lot of these agencies is just
skeletal. What is the headcount for the folks who
actually do the document processing and to get these
deal sheets out the door? What's the target
headcount? What's the budgeted headcount and how
many people are there today?

GARDEA CAPEHART: So far our Office of
Development in general, we have a budgeted headcount
of close to 400, 277 budgeted headcount and active
right now is a little over 300, 309. So, that area
we have about an 18 percent vacancy rate for that
office.

CHAIRPERSON BRANNAN: But the 18 percent - but
what about specifically in the -

GARDEA CAPEHART: So, yeah so particularly for
staff overall who manage development projects, who
are project manager is primarily our budgeted head is
about 113 for that area and we have about 82 on staff

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and another 30 or so that are vacant. So, a vacancy rate of around 27 percent. For that area, we do have you know as you know we do have a hiring freeze however for that area, we are under a more of a one foot one hire freeze as opposed to a two for one hiring freeze.

CHAIRPERSON BRANNAN: One to one hiring freeze for those playing at home means?

GARDEA CAPEHART: Pardon me?

CHAIRPERSON BRANNAN: For those people that don't know what that means, can you just -

GARDEA CAPEHART: Yeah, so yeah so for each person who leaves, we're allowed to backfill each person to leave instead of waiting for two persons to leave is our policy.

AHMED TIGANI: And I'll just add for grant funded lines, we're actually able to hire as openings do happen. The other thing that we have been using for the last couple of years is supplement this work because part of the hiring process you know we identify a candidate. It may take some time to bring them in and then bring them up to the level of sophistication awareness recognition of what to do to get projects moving. We've been able to supplement

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it with some other programs. So, we have a capacity
accelerator program where we've spent you know funded
to over \$7 million. It brings in temps with
experience, outside temps with experience to help
with project management. We're bringing additional
outside counsel support to help with transactions and
loans and also because you know since COVID, there
are a lot of new staff who came into agencies across
the board, HPD included. We've actually invested in
training to get them up to a place where they are on
par with where we need them to be. We've accelerated
the training so they know more about finance.

So, we've brought in - we've brought in outside
help to get people more up to speed on development,
finance strategies and education.

GARDEA CAPEHART: And I want to be able to add to
what the Commissioner just said is that we also with
this budget, at the beginning of FY26, we are seeing
an additional 30 heads being added to our budget for
- which is primarily, which primarily supports staff
who do this work. So, that's funding from what we
call an inter-funded agreement. The capital budget
reimburse and expense budget for staff. And so, the
stir of staff will not be up to freeze. We can have

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staff lineup and new candidates lined up to fill those positions very quickly. So, those are all the things that we're working on the people of staffing for that area.

CHAIRPERSON BRANNAN: What's the approximate time for I apply for a job at HPD, you hire me. How long until my first day at work?

AHMED TIGANI: I think it depends on the funding source. So, if it's something - if it's something where we're not subject to particular hiring procedures, it could be a couple of months and then it depends on whether you are coming new from outside city service or internal city service. If you're internal city service, often we're also working with the other agency to come up with a release date that makes sense and doesn't impair their work and allows them to come over here.

If it's someone who's coming from outside private sector into the public sector, it really just depends on the funding source to tell us how long it would take. We could have something as a couple of months. Some positions do weight a much longer time.

CHAIRPERSON BRANNAN: So, at the preliminary budget hearing, HPD was asked about a disclaimer on

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your website that says it could take up to a year for
a project manager to be assigned to some of the
preservation programs. Is that still the case?

AHMED TIGANI: So yes, it is still the case with
the preservation finance team that right now it could
take up to a year to connect with a project. There
are some things I do want to note that are newer to
HPD and particularly focused on preservation to deal
with the pipeline.

So, as part of City of Yes, we actually have 16
new preservation staff lines, just on the project
management side with five additional lines just
focused on the legal transaction side of moving those
projects forward. We have temps through that -
temporary workers through the capacity work to also
supplement the things that they're doing. So, 18 of
our 28 temporary workers are actually focused on
their preservation pipeline to continue that work
moving through. We also launched a new program to
try to leverage and again, I mentioned this in the
testimony but working with OMB and other partners,
we've tried to be as creative as we can to build the
in compacity.

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So, we've heard from development partners, nonprofit, for profit, that leveraging the broader real estate community could help us make this work very well. So we're actually working with two community development finance institutions, CPC and LISC to help us prepackage loan applications to work through those pieces and bring them in a state of readiness to allow us to move them faster. It's called the Community Partnerships for affordable renovation. These area really focused on properties that are not very complicated. Those are the ones that we say that we're really still continuing to work through our core full time staff. These are for properties that have affordability under 80 percent AMI, because again, the entire preservation pipeline as we work through it, we're really targeting the most difficult and urgent cases and is providing funding for moderate rehabilitation.

So, we have nine projects in the pipeline with this pilot. If it works well, we'll continue to expand it and it will become another stream of work to supplement the new staff and the existing staff that we have.

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And then we also have - we've also reorganized our office of legal affairs to make sure we have dedicated, more dedicated people just on the preservation side, so that we can continue to build out that capacity.

CHAIRPERSON BRANNAN: So, overall, what are the main drivers of why it takes so long to get affordable housing built and preserved in the city right now?

AHMED TIGANI: So, I would say there's a couple of big pieces, one the process of development continues to be one that has parts that starts with sort of the - if it's private land, the negotiation acquisition of that private land between private partners, the - and then you have to decide whether or not you are going to work through a subsidized track, fully subsidized track with the city or with the state, or you move through a mixed income project that is using state or local resources.

Part of that decision is also whether or not your land as currently constructed, the building envelope meets the needs of what your trying to do. You may need to go get a variance. You may need to through the Board of Standards and Appeals, you may need to

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1 go get a full rezoning or a chair action or you may
2 decide, you may need to get some other change to your
3 land. Once you have and understand what your parcels
4 are going to be, what development right are going to
5 acquire, once you understand building envelope and
6 the transaction deal as shaped, then it's about
7 getting the financing. I would say that right now
8 the financing situation, the capital market
9 situation, is difficult. Lenders, we have there's a
10 lot of uncertainty right now. There was a lot of
11 uncertainty even just recently because the city was
12 going through some very major changes. Just you know
13 a year ago, we didn't have a tax abatement that dealt
14 with the high cost of land. Just six months ago, we
15 were still negotiating building envelope changes
16 through City of Yes. Through all of that work and up
17 and through the end of last year, a lot of questions
18 were answered for developers in the City of New York
19 about where they had to get - what permissions they
20 had as rights. What permissions they had to get
21 through going through other discretionary actions.
22 And then those who come to the City of New York to
23 build affordable housing, then starts the process of
24 making sure that they're compliant with our team
25

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1 sheets. Making sure that they are able to build with
2 the kind of goals that we're trying to have them
3 build. We're also working on new term sheets right,
4 so we had spent the last several year working with
5 developers to understand how to get the term sheets
6 in place that met the increased cost. You know
7 triple digit cost is for construction, labor,
8 insurance. So, we were working through that
9 information. Over the last I'd say year, we had over
10 15 meetings with 70 stakeholders just to get new term
11 sheets right, which we have - you know we recently
12 put out new term sheets for our ANCP program, for our
13 preservation term sheets will go up this month. Open
14 Door is coming out. So, there's a long list of them
15 but that also give certainty, predictability and
16 allows them to go get money from the private industry
17 so that we could be a gap filler to make affordable
18 housing happen and we haven't even talked about the
19 regulatory pieces of it. So, the coordination
20 between Department of Buildings, DEP, HPD for whether
21 you're working with us on the subsidy side or using a
22 tax abatement and that's where it gets stuff built
23 was really important. That's where the work to look
24 at the regulatory scheme and try to figure out how to
25

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1 reduce the timing by 50 percent was really important.
2 That's where trying to figure out and pass the green
3 fast track, which allowed us to take buildings that
4 were passive house, electric design, not impeding on
5 historic resources and move them through
6 environmental review that was unnecessary and save
7 \$100,000 was important.
8

9 So, we're trying to chop through things that data
10 has suggested is a time drain and get that out of the
11 way and move those projects forward. But if I were
12 to sum up all of this, I would say that the process
13 of first figuring out for new construction, what kind
14 of building you want to build, where you want to
15 build it, what permissions do you need, whether or
16 not you are in a place where that building program
17 works for either a city, fully subsidized project, a
18 mixed income project, and as of right project. Then
19 moving through one of those tracks to go through
20 either the financing match, connecting yourself with
21 as of right project with Department of Building, DEP,
22 or if you're on the coastline, there's a whole other
23 set of regulatory agencies you have to work with and
24 then making sure that you're going through that
25 process and checking on the box correctly.

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The city has been very interested in understanding that regulatory map. We have been trying to chop through it but those are some of the factors that contribute to the length of time.

CHAIRPERSON BRANNAN: So, and this is something I've written about with one of my colleagues. It definitely seems that right now it's easier and quicker for a developer to build a homeless shelter than to do affordable housing. You know I have a situation in my district, I've heard from many of my colleagues where it's a vacant lot, so its blue sky. They can build whatever is needed but they decide to build a homeless shelter because they can get the subsidy process and everything processed far quicker, years quicker than HPD and a developer doesn't want to sit on a vacant lot paying taxes for three or four years, so they're going to say yes to build a homeless shelter. We need homeless shelters but I don't think we're ever going to get out of our homelessness crisis if we're not building more housing. So, when you have a vacant lot, I'd much rather see affordable or supportive housing or any kind of housing built rather than just continuing to build homeless shelters but right now I'm worried

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that we're undermining our own housing goals by making it easier to build homeless shelters for developers who are agnostic. They'll build whatever you want them to build but if it means getting paid tomorrow versus getting paid four years from now, well, which one are you going to do? Why is it so much easier for a developer to do a homeless shelter than to build affordable housing and what is HPD doing to close that gap?

AHMED TIGANI: So, I would say, I want affordable housing to be built faster as well. That's what we are all here to talk about and this is what the work focuses on. It is absolutely true that our pipeline is a long pipeline. Some projects, depending on the type of project may take a few years or it could be longer than five years. Part of it has to do with the way we finance affordable housing but it's the way affordable housing is financed across the country. Affordable housing is financed through a number of different layers of subsidy using public and private contributions. We heavily depend on HPD being able to maximize how many projects we're able to do rather than build two or three very expensive projects, we've been able to leverage federal, state

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and local resources to finance you know tens of thousands of events. That involves the use of low income tax credits, one of the nation's most innovative solutions to building affordable housing, creating millions of units nationally. We use our own city capital. We use federal funds like the home partnership fund to build senior housing.

On the federal piece and I think we've discussed this before, the low income tax credits are a really important program but we've been advocating for years that some of the rules around it makes it harder to do what I just described, which is maximize the money we have to spread it effectively to do more projects, to get more projects through the pipeline.

They have within the rules a requirement that 50 - if any project that receives low income tax credits needs to use 50 - 50 percent of that project needs to be funded using low income tax credits. We have advocated to bring that basis point down to 25 basically cut in half. Last year there was a bill that if it had went through at the federal level, it would have allowed us to finance another 4,400 units of affordable housing.

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I will say just 24 hours ago in the house, ways and means markup of - in the reconciliation, they included a budget item that says that they are going to move forward, not only with reducing - they want to propose moving forward. Not only reducing 50 to 25 but also increasing the 9 percent tax credit, which is an even more advantageous tax credit that we use for expensive deals by increasing that by 12 percent.

So, by making the efficiencies at the federal level, it actual lets us use our capital more efficiently to fund more projects and move more projects through the pipeline. So, we're going to follow that. There's at least 100 sponsors. It is a strong bipartisan bill and we had good conversations in DC about what we can do to support that to move forward. And then on the local level, I think a lot of things that make it difficult is how many different steps people have to go through and how much it costs to go through those steps to get the permission that they need for affordable housing and we're looking through that and trying to figure out how to move through it and as you pointed out, staffing continues to be a piece of it but we're

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working, making investments, train up the staff that
we have, put them in a position to work the projects.

CHAIRPERSON BRANNAN: Is there something the
Council can do to help speed up these timelines?

AHMED TIGANI: I think the Councils supports from
the City of Yes was very helpful. We not only does
the \$1 billion help us do projects, staff lines are
going to help us do projects. The Council has been
record about the federal changes and we certainly
need to continue putting more pressure, not letting
up. The next six weeks or so are really important to
seeing that work happen and I think overall, continue
to have a conversation with the Council about what
you know what provisions in Charter and law and
regulatory scheme is involved in the development of
housing large in New York City, is going to be very
helpful and I would say the last piece you know the
work that you've done on fair housing, the pressure
that we want to make sure that everyone understands
like everyone's obligation to build fair housing
across the city, that makes clear the message that we
want to move projects faster, not impede its moving
forward.

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CHAIRPERSON BRANNAN: Why do you think the cost
of rental housing has increased so much higher than
inflation in the city over the past 50 years?

AHMED TIGANI: I mean I can just offer a couple
thoughts on this. The - again the cost have
accelerated dramatically since just COVID. We have
seen interest rates go up and not come down and I
think those who follow and are an expert in this are
not hearing about rate cuts any time soon. We have
seen that the actual management and operation of
housing internally Op Ex costs have gone up. There
are a number of costs that contribute to making it
more difficult to not only build the housing and get
it up but then also operating the housing and
borrowing has gone up in cost as well. So, all of
those have contributed plus land costs are where they
are and continue to go up. What do you believe is
HPD's role in decreasing the excessive cost of rental
housing in the city?

AHMED TIGANI: I think it's a couple of things.
I think one, it's making sure that we're contributing
to creating housing on multiple work streams. So,
we've talked about the 100 percent affordable
housing. We've also talked about housing for

particular communities, vulnerable communities,
ensuring that we're developing affordable housing at
multiple income streams. If you look at our fiscal
year '24 numbers, 96 percent of our housing was for
households at 80 percent AMI and lower. That's for a
family of three. You know two adults and a child,
\$110,000 a year. It's 69 percent when you look at 50
percent AMI and lower. That's in the 70's for a
family of three. That's new construction of 100
percent subsidy on private and then on public sites,
just continuing to move forward and get those
projects advanced. Just through ULURP, through the
entitlement and then work on how to finance them
after the fact. I think part of it also is that we
can't just build housing on public sites alone, we
need to also look at the ways that we could advance
mixed income housing in the City of New York.

Sir, you've been a champion for conversion of
nonresidential buildings. So, we have a number of
really great projects in commercial buildings now
becoming residential, moving through 25 water.
That's going to be hundreds of affordable in a
project that isn't using a city subsidy but we are
having a tax abatement that's requiring affordable

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housing as part of it. 395 Flatbush, 1,200 units
that 300 of which will be affordable housing. The
largest amount of affordable housing that district
will see in ten years. 100 Gold, our own flagship
building expected to maybe be up to 2,000 units, 500
units of affordable housing without subsidy, the
largest amount of affordable housing that that
neighborhood has seen by ten times in the last ten
years.

So fully subsidized looking on private and public
lots, advancing public lots, getting them through
entitlement to make sure that we get those costs out
of the way and focus on how to finance it. Moving on
every track to get mixed income housing so that we're
using non-subsidy solutions to make that happen. The
conversion of under-utilized non-residential
buildings to get those units and then on the rental
assistance side and the housing navigation side, when
we have rental assistance, working with owners,
giving them confidence that this is a program that we
can commit with them, and looking for opportunities
to place people in homes, I think is really
important.

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And lastly, working we're a client like other developers in the regulatory environment that constructs housing. We talk regularly with our colleagues at DOB, DEP, etc., in what we could do together both as a regulator on the tax abatement side and a user of the permitting process to work together. So, we were really excited to part of get stuff done. We really think a lot of the innovations there whether we are directly leaning it or contributing as a partner to it will help advance housing in New York City.

CHAIRPERSON BRANNAN: Okay last question from me. IBO released a report last year that found in practice, developers rarely consider a density bonus alone as sufficient financial benefit to proceed with a project. Does HPD agree with IBO's assessment?

AHMED TIGANI: I actually think that this is something that we've been talking about since 2015, 2014,. So the original study for coming out of voluntary and considering things like mandatory inclusionary housing is - that study suggested that in many markets, you need to pair both a tax abatement assistance with a building envelope in order to get strong output as affordable housing and

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1 viable projects. As we continue discussions about
2 both City of Yes and different abatements over that
3 time, we have seen a strong connection. It depends;
4 it really depends on the market that you're in. In
5 depends on what the cost of the projects are but
6 there is a strong connection between both especially
7 in our stronger markets, our higher positive areas.

9 CHAIRPERSON BRANNAN: What would you say is more
10 effective for increasing housing supply? Is it
11 zoning changes or is it more city subsidy?

12 AHMED TIGANI: I think it's a little bit - again,
13 it really is about the area as a city that you're
14 building in and the cost associated. Changes to
15 zoning and building envelope allows a certain level
16 of predictability and planning that cannot be
17 understated. Advancing citywide zoning, like the
18 City of Yes did, looking at the neighborhood plans
19 that have already been passed, Aim Up, Long Island
20 City, the ones we've done, we are looking ahead in
21 the future, creates the ability for developers to
22 work with partners in the financing field and say,
23 this is what we can do. Can we price what it would
24 cost to move a project forward? It gives them
25 information that they don't already have.

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Uncertainty leads to higher costs or no opportunities. Certainty does the opposite, and so, I think zoning is a really important part of that. With that being said, when approached what the actual costs are, what people will be faced with and what people offer on the private side, and HPD is a gap filler. We always do the best we can but we have to do it in a way that creates fairness and accessibility and opportunity to many users, so the private side is important. You know that - uhm, those tax abatement tools help bring down the cost and allow us to exchange that for deep affordability in those projects.

CHAIRPERSON BRANNAN: Last question from me. Does HPD do any cost benefit analysis to determine whether or not a dollar spent from the capital budget is more effective or impactful than a dollar spent through tax expenditures?

AHMED TIGANI: I don't know that answer to that. I'm going to bring up Deputy Commissioner Lucy Jaffee. There is some figures that we looked at but I'm not sure, I'll give it to Jaffee for our exact question.

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LUCY JAFFEE: Hi, thank you for that question.

We do extensive analysis on all of our program and when we're proposing new programs or looking at reforms and cost benefit analysis to the city is always one of them. We are constantly looking at what is the best way to achieve something. That may be a difference in the cost benefit of one program or one type of subsidy or another or there is also often feasibility considerations, timeliness. So, there can be a lot of factors that go into what makes a tax base program versus a subsidy based program more efficient and effective for the city but cost benefit analysis are always a big part of our financial work when we're thinking about any new programs or reforms.

AHMED TIGANI: And I will just add that every project goes through a multi-unit - a multi-unit review where we look at everything by the development rights land and the individual capital we put into projects are evaluated for what is the best use of it. So, especially when there's development right transactions, whether it's a better use to transfer those development rights or build on the lot that

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it's transferring from and those are the kind of
specific questions, we look at each of the tracks.

CHAIRPERSON BRANNAN: Do you think the HPD budget
should be higher?

AHMED TIGANI: I think - I think that in order
for us to build really good communities and strong
housing, we also need good parks. We need good
schools and streets. You know I have also worked in
government for a while. I've worked at a number of
different places. I've had the pleasure of working
in public service. I know that those agencies are
also looking for their own ability to advance
projects. We work with OMB as part of a larger
community to make sure each one of us has the
opportunity to build projects so they work in tandem
together. I think we're about 14 percent of the
capital budget. Yeah, we're about 14 percent of the
capital budget. I'm very grateful for the money that
we get and I understand and this Administration works
with us to give us more money, as has been
demonstrated recently.

So, I would not want to see a budget that
impaired our ability to deliver on other goals and
things New York City needed and would want to be part

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of a holistic budget that delivered more good things
on more fronts.

CHAIRPERSON BRANNAN: Thank you Commissioner.
I'll turn it over to Chair Sanchez.

CHAIRPERSON SANCHEZ: Thank you Chair. I want to
thank Council Member Restler who is going to be my
voice. You have to do your best to impression of me.

COUNCIL MEMBER RESTLER: I will do no such
impression but I think this is going to be a
highlight of my professional career because never
will I have ever sounded more cogent and intelligent
than today reading the questions drafted by Chair
Sanchez and her team. I do just as point of
privilege want to say I think that the prelim budget
hearing was just entirely too much of a love fest for
the Acting Commissioner and I'm going to say no nice
things today.

AHMED TIGANI: No, please don't.

COUNCIL MEMBER RESTLER: So again, channeling the
Chair. I don't want you to think these are my smart
questions.

AHMED TIGANI: I would not.

COUNCIL MEMBER RESTLER: Good. The Executive
Financial Plan included \$43.6 million for Fiscal Year

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'27 through Fiscal Year '29 for additional funding
for the 1515 Supportive Housing Plan. Does the
funding added for supportive housing in the Exec
Budget amount to \$137 million over five years?

AHMED TIGANI: It is an addition to -

COUNCIL MEMBER RESTLER: It's an addition to
\$137?

GARDEA CAPEHART: Yeah, \$137 million is the
capital plan and -

COUNCIL MEMBER RESTLER: \$187.

GARDEA CAPEHART: Is the expense budget.

COUNCIL MEMBER RESTLER: Oh the expense side, got
it and then could you just clarify, I was a little
confused by the Mayor's announcement from a couple
weeks ago. How many scattered site units have been -
so, 1515 Plan, 15,000 units by 2030. Mayor Adams
announced that we're speeding it up and going faster.
We're going to create those 15,000 units by 2028 but
it's been a little bit confusing what the tracking
has been all along. So, can you just give us the
data? How many scattered site units have we created
to date? How many congregate units have we created
to date and then this change in plan will create an
additional 6,000 congregate units, is that correct?

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AHMED TIGANI: So, we - yeah, so it's about a
little over like around 5,900. We - I think it's
1,300 scattered -

LUCY JAFFEE: HPD isn't a point on the scattered
site program, so I don't have the latest numbers. I
think talking to the Department of -

COUNCIL MEMBER RESTLER: So, give us the latest
but what's - any update at all?

LUCY JAFFEE: Under - so originally the plan was
7,500 scattered sites, 7,500 congregate. Less than
20 percent of the scattered site commitment has been
awarded.

COUNCIL MEMBER RESTLER: Okay. For those
tracking at home that's less than 1,500 units.

LUCY JAFFEE: Approximately and the reallocation
leaves a few hundred units essentially for scattered
site production but reallocates the vast majority of
that commitment to the scattered -

COUNCIL MEMBER RESTLER: And when will we - so
we'll no longer complete the 15 by 15 plan in 2028 as
the Mayor previously committed. What's the new
deadline for now all 15,000 units being completed?

LUCY JAFFEE: So the uhm - the congregate
commitment will extend beyond the 2028 commitment.

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COUNCIL MEMBER RESTLER: Do you have a deadline
for when we'll be done with these 15,000 units?

AHMED TIGANI: I think part of it is that we're
evaluating because we do straight ground up
construction and new supportive housing but we also
have worked with our other program like LR mix and
match to combine -

COUNCIL MEMBER RESTLER: Can you get back to us
with a timeline?

AHMED TIGANI: We can try. It's really about
what's in our pipeline and how fast we -

COUNCIL MEMBER RESTLER: I understand but the
Mayor went out on a limb and said, we're going to get
this timeline done faster. We're going to complete
these 15,000 units by 2028 and then change the plan
dramatically I mean because we weren't on pace to do
it. We had only done 20 percent of the scattered
sites, so the whole thing just seems - it's not in
HPD's bucket. The things that I'm criticizing are
the things outside of HPD's bucket. I'm sorry.

I'm here to channel the Chair, I apologize. With
Intro. 1063, the Housing Rescue Resident Protection
Act, sponsored by our great Chair, the Council is
considering a transformative set of reforms that

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would focus on the worst buildings and most negligent landlord. Because HPD's enforcement programs have not been sufficient to address the worst of the worst, it is critical that we pass this legislation for residents living in dangerous conditions. However, it is essential that this legislative reform be paired with sufficient budgetary resources.

The Executive Budget does not include additional funding specifically for a reformed third party transfer program. Is that right? How can we work together to ensure additional resources are included in the adopted budget? Assuming you agree that they are necessary and at the Preliminary Hearing, HPD testified that you would get back to the Chair on the approximate staffing costs to date. Or even better, per round to administer TBT, understanding that this is a multiagency effort. Do you have those staffing cost estimates for the Chair today?

AHMED TIGANI: So, I think as mentioned at the last hearing, part of the reason why we are not yet sure what the costs are because we're in conversation with your office, with your team and with you about what the program should look like. The program involves not just HPD, it involves the Department of

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Finance, the Law Department, DEP. All of which would
have to include additional staff, resources,
technology, investments in order to make this happen.

You know we had talked about some of the costs
that were incurred during the last round and what
that looked like for both ourselves, for those
partners, neighborhood restore and then also costs
like maintaining the buildings in the interim before
transfer happens. We are - we start there but before
we can move forward, we need to know what kind of
program we're working on with you, which we're
committed to advancing and making it happen. And
then additionally, we have talked to you about
technical assistance for owners, replicating the type
of investments we've made for one to four family but
looking at that for multi-family buildings. We just
recently I think had really productive conversations
about how to use some existing funds to advance their
own resource center and that will be a key part of
not only the city side of the investment but working
with CBO's on the outside to help those owners.

So, I really think that that's a budget that will
need to come out of those conversations and even if
we pass legislation in the near future, we would be

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most of the implementation could happen using next
year budget funds and in the short term, especially
after talking to many of the Council Members and
things that we have presented ourselves with OMB,
there are more near future needs we need to fund but
we do think that in the next budget from a timing
perspective, those funds being there would still put
us - still make us able to implement the program we
designed with you and pass into legislation.

COUNCIL MEMBER RESTLER: So, just to be clear,
you're not anticipating or planning for additional
funds in the adopted budget to ensure effective
management of TPT? You think that their existing
resources will be adequate for the legislation that's
ultimately passed?

AHMED TIGANI: I think we have to talk about both
the legislation, the program, what the parameters and
contours of the program is before we can put a budget
together. Otherwise, it will be underfunded or we're
not sure what we're funding for.

COUNCIL MEMBER RESTLER: Okay, I mean I just
think the Chair is taking a real leadership role on
this. It's been such a thorny issue for such a
period of time. To pass this bill without the

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necessary resources to operate the program would be a
challenging dynamic for all of us. I'm just trying
to channel. So, I hope that we're working through
that at the same time. Anything that you want to
add. Uhm and just to be clear, you have no new info
on the cost incurred from the previous rounds today
that you can share with us?

KIM DARGA: So, I'm happy to go through round
ten. I don't have going back to the inceptions of
the program but if there are particular components,
we can certainly talk that through. The biggest cost
today have been around staffing to administer the
program. That's HPD, Department of Finance, DEP and
the City Law Department.

There has also been support for Neighborhood
Restore. We expect that through - from the inception
of program, it's been about \$79 million that's gone
to support Neighborhood Restore and then City Capital
has been the other major expense. We expect going
forward approximately \$250,000 per unit. it's
clearly gone up over time as renovation costs have
increased. I just want to add on one thing that the
Acting Commissioner mentioned, which is that if we
were to pass legislation this year, the first round

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would not commence until mid next year because it
would be after the lien sale, and so we would expect
that the first round of costs for the program would
likely be staffing costs, and then some of the early
engagement and technical assistance with property
owners, which would not really occur until mid-2026.
So, we have a little bit of time to still work
through some of the budget.

COUNCIL MEMBER RESTLER: Mid calendar year 2026,
so like potentially FY27?

KIM DARGA: So calendar year, mid-calendar year
2026, we would expect probably to start incurring the
first cost and then the technical or so the support
for Neighborhood Restore and the capital needs, we
would not expect to incur until the actual transfers
or foreclosures happen, which would be a couple years
later, at least two years if not three years later.

So, those costs we would expect to be outyear
costs and I think one of the biggest unknowns that we
still need to work through or that could shift,
depending on where the final eligibility criteria
land, is what we expect the redemption rate to be
going forward. Historically it's been 80 percent and
so, we do expect if the criteria refined and we're

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focused on more troubled buildings, that that redemption rate could drop. And so, that's one of the uncertainties that I think we still need to work through.

COUNCIL MEMBER RESTLER: Thank you Deputy Commissioner and \$79 million for Neighborhood Restore, what does that cover? And could you just speak to what staffing support that includes?

KIM DARGA: So that is - Neighborhood Restore is the interim owner of properties once they go through TPT.

COUNCIL MEMBER RESTLER: Right.

KIM DARGA: They own the property until such time as the new assigned property manager developer can scope out the renovations, secure financing for renovations and take title. That could be a couple years of interim ownership by property. If there is litigation or other complicating factors it could take longer. So, during that period of time Neighborhood Restore is responsible for making sure that any critical immediate repairs. They work with the property manager to make sure those happen. If the cash flow from the building is insufficient to do it, they will front money for those critical

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1 immediate repairs. They also, if there are bills
2 that the revenue from the building can't cover, they
3 will cover any expenses. So, making sure that
4 there's utilities in the building, there's heat
5 during the winter. Any of the critical systems and
6 expenses would be covered during that interim
7 ownership stage.
8

9 COUNCIL MEMBER RESTLER: Okay, thank you very
10 much Deputy Commissioner Darga. We've been joined by
11 Council Member Avilés and Stevens and our Public
12 Advocate Jumaane Williams.

13 A couple more questions and then - and Gale
14 Brewer and Salaam. I'm sorry I'm not looking at a
15 list, I'm just looking at who's in front of me. I
16 apologize to the Council Members from Manhattan. We
17 are pleased to see that the states enacted budget and
18 by we, the Chair. The Chair is pleased to see that
19 States Enacted Budget delivers on the commitment of
20 \$1 billion in capital funding for housing in New York
21 City that we fought and negotiated for. Half of the
22 states committed funds are for subsidies for new
23 construction of affordable housing. How will these
24 funds be allocated across your new construction
25 programs and according to the budget legislation,

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"funding will be pursuant to a plan approved by the
state budget director." Have you had any initial
conversations with Blake or Ruth Anne or Commissioner
Visnauskas and what will that plan look like?

AHMED TIGANI: So, we have not had - so I have
talked to HER and Ruthanne, Commissioner Visnauskas
and I've talked to the governors Office and the
Administration certainly in communication. We are
still waiting. The budget just passed. We're still
waiting to understand what the process will be for
working through both the proposals and the
advancement of approvals. I would say that the state
and the city has a pretty long history in working
pretty collaboratively on this whether it's the
affordable homeownership opportunity program, where
we work together on homeownership dollars, our
supportive housing projects. Where we're continuing
to work together on that work on the new construction
side there pretty established ways, especially with
the Office of HCR and being able to advance these
dollars.

COUNCIL MEMBER RESTLER: To early to say any
specific programs?

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AHMED TIGANI: Nothing was - yeah nothing was
outlined specific and that's good in a state
legislation. So, we'll be working with them and
hopefully using the same strategies that worked well
in the past and continue to bring those dollars into
New York City.

COUNCIL MEMBER RESTLER: Would you be amenable to
communicating with the Chair and the Committee on the
potential programs that are going to be prioritized
for this funding?

AHMED TIGANI: Yeah, we would be happy to provide
updates. I think part of it also is to look at how
you know there's always been a conversation about how
our units of appropriation is set up. We're going to
be looking sort of at the big picture, right? Look
at how things are framed out and we're able to fund
and the flexibility we have on a local level. Match
that up with our ability to be and move with new
construction funds at the state level and work
together to figure out the best way to maximize those
dollars with the federal resources I mentioned
earlier.

COUNCIL MEMBER RESTLER: Okay, we'll do one more
topic on behalf of the Chair, then a statement from

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the Public Advocate and then member questions. At the Preliminary Budget Hearing, the Chair and you discussed efforts to issue new term sheets and the Committee was very pleased to see a new neighborhood pillars term sheet finally appear on HPD's website. Have you been getting any interest? How many buildings or units does HPD expect to reach given the relatively low amount that the Administration has invested in the program. I believe it's \$15 million for FY26. When an affordable housing developer sees that the term sheet is four or five years out of date, how does that effect their willingness to pursue that HPD program? And are there additional term sheets that we should be anticipating in the near future?

AHMED TIGANI: I again appreciate the question and of course we appreciate the support from the Neighborhood Pillars. It's an important program to us. We did relaunch it; we are excited about seeing and getting that moving forward. We worked on that with dozens of advocates over at least a year plus, many years of conversations. So, we do expect this to have a high impact right now. We think you know about 100 units a year based on the funding but I

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also want to stress the fact that this is work that isn't exclusive to Neighborhood Pillars. We have nearly a dozen preservation term sheets. Many of the nonprofit advocacy we work with use those tools as well to make the same kind of outcome in distressed buildings realize better features for the tenants who live in those buildings and can use that in conversations with owners in terms of coming up with different succession plans.

So, while Neighborhood Pillar is as a statement and as a tool, it is very important. We still and have continued to have preservation term sheets, the New York Acquisition Fund, other tools where we were making that work happen in real time. Either through conversations with owners, through you know our housing litigation work and other streams.

COUNCIL MEMBER RESTLER: Can I just pin you down though? Uhm, so have you gotten any interest to date?

AHMED TIGANI: So, I don't know we've - we can come back to you with that.

COUNCIL MEMBER RESTLER: Okay. How many buildings or units does HPD expect to reach given the relatively modest amount of funding?

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AHMED TIGANI: So in this particular term sheet,
we think maybe 100 but in the work that we're doing
overall -

COUNCIL MEMBER RESTLER: 100 units?

AHMED TIGANI: 100 units but in the work that we
are doing to take the stress buildings, put them in a
better situation either through the current owner or
with a nonprofit, that's where you're doing millions
of dollars of tens of millions of dollars of that
work and that's going to yield many more units. And
so you had asked about the term sheets. We expect
new preservation term sheets to be out fairly soon.
If not this month, in a couple weeks after we are
expecting other you know other term sheets to come
out after that. Open Door, we already put out the
revised affordable neighborhood cooperative program,
the ANCP term sheet. The New Home first term sheet,
which covered different things but the preservation
term sheets are the most germane to this
conversation. Those should be out - those also went
through a year of meetings. At least 15 meetings, 70
stakeholders who are involved with that and to your
last question, yes, you know having older term sheets
did create a lot of questions but I do want to stress

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that when they come into our program, the project managers and the leadership in development and finance are working with those owners and working with their team to make sure that we're funding those units at a level that adequately takes care of the job. Like we're not going to fund something, that's why we stress so much to make sure the scope is complete. That's why we stress so much that any other resources that come into the project are there and sure so that the dollars that go into it from the public, the scopes that we developed and the outcomes that we expected all happen. And so, that is the information actually that we've used with our conversations with OMB to land those term sheets. Those years of engagement and those outcomes is how we got to where we are going to be in a couple weeks.

COUNCIL MEMBER RESTLER: Thank you for that Commissioner. I think you put Ania to sleep.

AHMED TIGANI: You're welcome. It's a very hard thing to do.

COUNCIL MEMBER RESTLER: And with that, I will pass it over to Public Advocate Williams who has a statement.

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PUBLIC ADVOCATE WILLIAMS: Thank you Council
Member, Chair Sanchez, for allowing me to give my
opening statement in the middle of the hearing,
appreciate it. First, as mentioned, Jumaane
Williams, my name is Public Advocacy of New York.
Just for those who care, I'm not a million dollars in
debt. I am not homeless and I have not committed any
mortgage fraud at all and go Knicks.

Thanks again for the opportunity and Chairs and
the members of the Committee on Housing and Buildings
for holding this hearing allowing me the opportunity
to provide a statement. I would like to highlight
the same crucial data points I raised during the
preliminary hearing for Housing and Buildings. For
the past few years, the Department of Housing,
Preservation and Development HPD has faced high
attrition rates. A 45.6 percent change from
prepandemic to current trends. The attrition rate
prepandemic 2016 to 2019 was 164 and with a peak in
2022 with 273 staff members leaving HPD. In 2023,
300 and in May 2024, 238.

For Fiscal Year 2025, there were a total of 2,832
budgeted full time positions. As of March 2025, the

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actual headcount is 2,383 with a vacancy rate of 15.9 percent which is a total of 449 vacancies.

There was an increase from February 2025 as the HPD's vacancy rate was 13.8 percent with a total of 382 vacancies. HPD's vacancy rate went up by 2.1 percent with a total increase of 67 vacancies within a month. Of all, HPD has bounced back from pandemic lows. It is extremely concerning that within a few months there was a large dip. HPD needs to prioritize hiring to ensure the gaps are filled and that they will be able to operate in full capacity. According to the Executive Financial Plan, the Fiscal Year 2026 Executive Budget for HPD is \$1.56 billion. This is significantly lower than the Fiscal Year 2025 Executive Budget proposal of \$2.13 billion. Unless even in the proposed 2026 preliminary budget of \$1.69 billion. It comes in just over the Fiscal Year 2025 Adopted Budget of \$1.40 billion.

I hope the Council does not consider any further cuts from the adoption of the budget. The Fiscal Year 2026 Executive Budget included additional \$46.6 million in Fiscal Year 2027, Fiscal Year 2029 for 1515 Supportive Housing, which will help the

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transition of 5,800 in supportive housing units to
congregate settings.

Supportive Housing must be a priority when it
comes to responding to the city's mental health
crisis. In year 10 of the city's 15 year plan for
housing, we are falling behind. I hope during
today's hearing we will hear more from the
Administration on their plans to address the issues.
I mentioned along with the federal cuts that are
looming. Thank you, appreciate it.

COUNCIL MEMBER RESTLER: Thank you so much Public
Advocate Williams. We'd also like to acknowledge
Council Member Dinowitz, the Chairs neighbor to the
north this year.

We will start with Council Member Louis followed
by Council Member Brooks-Powers.

COUNCIL MEMBER LOUIS: Thank you Chairs and thank
you Council Member Restler for supporting at this
moment. Good to see you Commissioner and your whole
team. Your team has been very helpful with some of
the properties in my district; 1111 Ocean Avenue,
2500 Bedford, 3900 Kings Highway. So, I wanted to
ask uhm three quick questions regarding provisions
for addressing repairs.

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With the Councils FY26 Executive Budget request for \$2.2 million to enhance HPD's litigation team not included, how does HPD plan to continue enforcement of housing agreements and service implementation when legal intervention is required? Does HPD have sufficient staff and legal resources to address serial compliance? And what will HPD's enforcement capacity look like in FY26 compared to FY25 in terms of legal action, physical repairs, and inspection volume?

AHMED TIGANI: I'm happy to answer those questions and also Danielle and your team has been great partners on those buildings of course. So, just to stress on the housing litigation, part you know our staffing has held stable since the last time we've come before the Prelim and even beyond that. We have seen just through our housing litigation work, over 52,000 violations corrected. We have initiated about 21- a little 2,200 cases, which is not among our highest but we have also been more involved in tenant activated cases or initiated cases, which we take just as seriously.

So, and then been able to collect about \$5.7 million in settlements and judgments, which includes

everything from violations to monitoring at that point.

So, on the housing litigation front, we do have a strong team. We're working with OMB and DCAS. DCAS because some of the staffing requirements we were able to get since attorney's are hard to recruit titles, we were able to get some help in making our positions more attractive over time. We have been holding outreach to sort of law schools who have alumni networks because we're looking for experienced attorneys to come into the fold and continue that push but I do think that we're working very aggressively on that front.

Additionally, it's not the only resource we have around protecting tenants. We have our anti-harassment unit and so, in Fiscal Year 2025 through March 31, we have seen an increase, a 21 percent increase in our proactive building visits when compared to Fiscal Year 2024, it's 720 proactive building visits, 22 buildings initiated litigation and we've collected about \$978,400 in civil penalties. You know our inspector force continues to be something that we rebuild. We have about 370 active inspectors and supervisors and we hope to

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graduate another class this summer and people know,
my favorite thing is to take a selfie with every new
class that comes in because that's the face and heart
of our agency.

COUNCIL MEMBER LOUIS: So, are you saying you
don't have sufficient staff and legal resources to
address the serial noncompliance? You're working on
it, is that what you're saying?

AHMED TIGANI: No, no, I'm - we actually have
both - we are stable. We still have vacancies to
fill.

COUNCIL MEMBER LOUIS: Okay.

AHMED TIGANI: Uhm somewhere between I think 11
or 14 and we are also depending and relying on other
parts of the agency. So, the anti-harassment unit or
if the building at AEP, we're using the coordinator
and those funds - and that work and then if it's
serial noncompliance, we always have our emergency
repair program for life hazardous and serious
conditions see violations. So, it's not - litigation
is part of it but there's a lot of work that happens
to either individual buildings where the issue is not
corrected and it's a serious violation or units like
the anti-harassment unit or established programs like

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AEP. And then on the litigation side, it's either our staff that's initiating litigation or we're working and we're involved in tenant initiated litigation, which we're a part of.

So, always you know continuing to fill those vacancies but we are filling up that work.

COUNCIL MEMBER FARIAS: And Commissioner, my time is up but you didn't get to highlight a little bit more on HPD's enforcement capacity and what that will look like for FY26.

AHMED TIGANI: So, we have 370 active - but we have about 370 active inspectors and supervisors. We are looking to graduate another class of inspectors and just to let you know what the pipeline is, at the end of last year, beginning of this year, we actually did two job fairs, talked to 270 individuals, have about 70 people we made offers to. So, we have a pipeline of individuals that we'll continue to pull from to fill vacancies as we have been and as we continue to be able to graduate more classes.

COUNCIL MEMBER LOUIS: Alright thank you. Thank you Chairs.

CHAIRPERSON BRANNAN: Okay now we have questions - we've been joined by Council Member Hanks and we

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have questions from Council Member Brooks-Powers
followed by Williams.

COUNCIL MEMBER BROOKS-POWERS: Thank you and hi
Commissioner. Good to see you. The Arbon East
Project in my district has repeatedly seen delays for
the Article 11 Exemption from HPD. At first, the
project was for this June, then it was pushed back to
December. And now we are hearing that it may not
even be closed in December. Without this exemption
the developer will not be able to open critically
need community benefits as a part of this project or
keep open rather and can HPD provide a rationale for
this delay and commit to a timeline this year for the
closing? And I just want to color it by uhm,
reminding you that at the time, then Commissioner
Carrion came out to Rockaway for an elaborate press
conference for the opening of a community space. L&M
had put the community benefits on the front end of
that housing development and has been as a result
absorbing the cost but they are unable to go too much
further in absorbing that cost without a clear
timeline for closing and you know this is something
that we've often emphasized, especially when we go
through the ULURP process through the Land Use

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Committee. And wanting to make sure that we're pushing for like projects that HPD is committed to seeing in its fruition, especially when we're talking about wanting to create housing.

The next question is given recent efforts by the Council to amend and improve Housing Connect. What modifications does HPD aim to make to the Housing Connect Programs this year to improve the experience on the platform for its residents? How is the budget prioritizing that? Because we often get issues with that. And then my last question is uhm, there has been like an extensive wait time for approval of landlord packages submitted on behalf of Section 8 recipients. And I wanted to know if HPD has funded additional staff maybe to be able to support this and how HPD plans to further educate landlords in terms of that process, because what's happening is packages are being kicked back for errors or emissions which have also not been clarified to landlords what those actual errors may be and it elongates the process and takes even longer for people who are unhoused or housing insecure to get into their new home.

AHMED TIGANI: Uhm, would you mind if I went backwards instead of - okay, great.

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COUNCIL MEMBER BROOKS-POWERS: However you want
to.

AHMED TIGANI: So, on the Section 8 rent
increase, so a owner is able to apply for a rent
increase on a Section 8 for increase under the
payment standard if there is a voucher holder in that
department. They are able to do it at either lease
renewal or if it's a project based voucher contract
at the anniversary of that contract.

When we moved forward with - well, there's two
parts of it. There was a staffing piece of it where
like other parts of HPD was now the Office of Housing
Access and Stability, saw a high vacancy rate in what
is basically our rent increase specialists with the
Department of Tenant Owner resources. That had been
rebuilt up so we were able to bring new staff in.
And I'll talk a little bit about what the
supplemental piece of it but they go through that
process. They go through those individuals when they
work through that process.

The increases were effected by a couple things.
There were a number of years where people did not
submit increases and continue just to get the same
payment. Some of that change when the state law was

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amended, Section 610, which actually was a program,
city supported. We wanted to see if we can get more
dollars for operating costs that continue to increase
inside buildings under the payment standard and the
available federal rent cost that we had, rent money
that we had, that would not effect how much a tenant
would pay. So, the tenant would be held harmless.
We would use the federal funds to increase how much
money went to the owners. Both the uptick in sort of
property managers and building owners, starting to do
things that they weren't doing during COVID, like
requesting increases and the availability of this new
program led to a - like a huge spike and increases at
the time that we were still not fully funded. At the
end of 2023, where we started to see funding return
to the agency and our ability to staff up more
regularly, we were able to not only partially rebuild
a team but we also put our own funds to hire
temporary staff about - now we're up to ten. It was
eight at that point but now ten staff members to help
deal with the spike.

At that point and time, we were two years - we
had a two year backlog in rent increases because the
spike came so tremendous and then when Section 610

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became - as Section 610 became more recognized or known by the community, more people who had not come to us for years, started to come in with a lot of pieces. I'm very proud to say and a huge thank you goes to the team, everyone from the front end to the leadership in housing access and stability. We went from two years to six years, uh six months. Two years and six years is bad. Two years to a six month backlog.

With that being said, we have had a little difficulty coming over the six month piece because we have seen even higher spikes then we expected. So, for every - for every time that we tried to get more resources I anticipate how to beat the curve, there may be a spike that comes up. That happened in the fall of last year. It actually happened again in the spring of this year.

So, we're actually talking internally now to see how we can control that curve moving forward.

Unfortunately because of the federal funding condition, programs like Section 610 are on pause until we realize how much additional funding that we have. We have to make sure we have the funding that we need to pay the payment standard and then we can

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start looking at other ways to bring funds into buildings but buildings who were first able to get the regulatory adjustment allow them to ask for the increase. Those increases are submitted. We're going to continue to pay that and we're going to work on the backlog.

So, we're using both the staffing piece to help but then also the education as you pointed out. So, at the beginning of this year or yes, I think it was this year, because 610 and rent increases are something that not only happens at HPD, it happens at NYCHA. It happens at the State Housing Agency, DSS, with City FHEPS. We actually work together using feedback because we met with property managers and owners who were seeing this issue. Taking their frequently asked questions and developed a guide to walk through and educate people on all the different processes and how the request - depending on which agency you talk to.

Additionally, we put together PDF presentations and to your point about the rent increase. There was some confusion about whether or not you still have to go through rent reasonableness or whether you can get the max of the payment standard regardless of rent

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reasonableness. Those are questions that are dealt with in the primary that we created and the education we have done since. And there will always - I think as people continue to come who have maybe not known it or turnover a new staff on the outside that work with us will continue to prioritize that education.

I can get into Arborn.

COUNCIL MEMBER BROOKS-POWERS: Yeah, but before you're get to Arborn since you're going backwards, don't forget about Housing Connect.

AHMED TIGANI: Yes, oh sorry, Housing Connect. So, two parts of Housing Connect. So, one on the main initial lottery piece, that scope is still being worked out. I think we talked with Council Member Dinowitz and the Chair about providing information on the scope and what our guest timeline, our estimate timeline is so we can also share that with you but some of the things that we're seeing for instance is you know tenant information and communication between them and the marketing agent. We're seeing a lot of things that we want to do differently on the marketing agent side and their ability to batch and organize data, we're seeing that there are new tools that the lottery, the marketing agent community is

1 using, which interacted poorly with the system that
2 we had set up and creating slow downs or stoppages of
3 the Housing Connect system. So, making sure what we
4 build can react well and keep up with technology that
5 the industry is using and doesn't negatively effect
6 our work. Some of our problems also had to do with
7 the way the technology is hosting. So, right now,
8 the Housing Connect is hosted on hardware servers.
9 We work with OTI who does a lot of support to help us
10 manage that. A lot of our work is moving to the
11 cloud, which we think might help us manage it better
12 and limit the number of interruptions, so that's part
13 of the work that we're doing.

14 On the front end, we're listening to - we're
15 listening to our tenants and our applicants about
16 what their experiences are with marketing agents. We
17 had talked about this at the last hearing but we have
18 done you know eight round tables with marketing
19 agents. We talk on a regular daily basis with
20 participants but thinking about how roundtables are
21 participants starts to be part of how we plan out the
22 rest of the work.

23 COUNCIL MEMBER BROOKS-POWERS: So and sorry, just
24 in the interest of time, I would like to get the
25

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guide and in terms of the staffing shortage, is that
accounted for in the executive budget in which HPD is
looking to obtain?

AHMED TIGANI: We are self-funding five staff
members of Housing Connect -

COUNCIL MEMBER BROOKS-POWERS: What's the ideal
number of staff?

GARDEA CAPEHART: Yeah it's also for the temps.
We do have temps. In terms of the staff for that
area, the entire - the Office of Housing Access and
Stability, we have been able to bring that vacancy
rate down. We're now under ten percent in that area
and we continue to recruit. The good thing about it
is that you know grant funded staff are not subject
to the freeze, so we're able to hire quickly. And
so, we're working on rebuilding that team.

COUNCIL MEMBER BROOKS-POWERS: But you're still
funding five. Like, what's the ideal number of
staffing so that you don't have this bottleneck?

GARDEA CAPEHART: Oh, the five the Commissioner
mentioned is just for the, just the temps for like a
bridge just to get us over - we still have regular
staff but those five are just temps to help catch up
with the backlog.

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COUNCIL MEMBER BROOKS-POWERS: So with the five
you feel like there won't be that delay that we're
seeing right now?

AHMED TIGANI: So, in the delay - so the Housing
Connect process is both us being able to get the
initial lottery up, which involves the submission of
starting the lottery, us approving the lottery add,
so it meets the requirements of what information
people should see. And then starting to you know put
that lottery out. Usually it's a 60 day period to
advertise the lottery. At that point the lottery is
closed. We bring the names - the names are brought
out. It is randomized, so that everyone has a fair
chance and log numbers are populated and then the
marketing agent starts going through those names.

At that point, there are a number of questions
about you know what - what is the experience for
individuals who are in low income tax credit units
versus other non-low income tax credit units. Why is
that important? Because there are different
requirements and checks that might have to be
implemented on one unit versus another based on the
funding source. We are seeing that there is a lot of
work we can do to improve the technology and make it

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easier for the marketing agent and the applicants
communicate together to get the paperwork that they
need. And we have been and you see now in the
marketing guidelines that we just improved, that we
reduced the amount of paperwork that was required.
Six pay stubs down to two tax returns. It may not be
required anymore. Self-certification of personal
finances from 5,000 up to 50,000 because our data
suggested that you don't need to provide paperwork
and we can confirm that they're eligible for those
units.

So, reducing the burden of what you collect will
reduce the time. The work that we've done with the
federal government last year to look at the tax code
for units that may have additional requirements and
coming up with new interpretations will reduce the
time and then the technology piece to make sure all
of this catches up and we figure out a way for them
to be able to work more effectively on the backend
will reduce the time.

COUNCIL MEMBER BROOKS-POWERS: And Commissioner
if you could just answer the final question.

AHMED TIGANI: I'm sorry. So, Arborn, uhm you
know it's an important project. I did not get to

1 join that event but I've been out there because I've
2 worked on this project from a couple different
3 places. It, like many of our larger projects is
4 dependent on all of the financial resources we talked
5 about. I've talked to a number of members of this
6 Council about important projects that we want to see
7 forward. Part of this is the federal tax credit
8 solution that we talked about. That will allow us to
9 do more projects. Our capital budget is definitely
10 in a better place but we again, without all of our
11 tools in the place that we need. It limits how many
12 projects we can move forward and we do have a lot of
13 projects in the pipeline.
14

15 We're talking to the project team of Arborn East,
16 trying to get creative. We said we would revisit the
17 conversation over the summer and we're happy to keep
18 you updated about how fast we can move on that.

19 COUNCIL MEMBER BROOKS-POWERS: Well, we need to
20 and I'm sorry Chair. We need to get this done this
21 year, especially if HPD is saying that there's a
22 shortage of housing. We need housing. This project
23 has been in the pipeline from before I was elected
24 over four years ago and myself and the Borough
25 President have contributed over \$3 million to its

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affordability but the golf post keeps getting moved
by HPD with a lack of real transparency there and so,
it is important that they get to close before the end
of the year because then now you're talking about not
only not building housing that's much needed but the
community spaces that have come as a result will then
be closed.

AHMED TIGANI: We don't want to see that happen.
We want to be able to figure out a solution for them.
We want to be able to execute fairly across a number
of projects that have really important community
facility space, delivering hundreds of - that's 1,600
units of housing, so it's an important project.

We are trying to be as creative and efficient
with the funds that we have but we'll - we will
continue working hard to figure out what we can do
for Arborn East.

COUNCIL MEMBER BROOKS-POWERS: Thank you.

CHAIRPERSON BRANNAN: Okay, we need to move on.
Thank you, we got to keep it tight now because we're
behind. We've been joined by Council Members Hanks
and Hudson. Questions from Williams followed by
Brewer.

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COUNCIL MEMBER WILLIAMS: Thank you Chair. You
know I always want to talk about homeownership
opportunities. And so, just wanted to understand how
HPD helps support; we know you help us support
sustainable affordable homeownership opportunities.
What is the Fiscal 2026 Expense and Capital Budget
for these initiatives?

GARDEA CAPEHART: Sure, so for our Fiscal Year
2026, across the agency we have - there's
homeownership programs on the expense side of things.
We have over \$70 million in expense dollars dedicated
to homeownership programs. And then as far as the
capital side for Fiscal Year 2026, we're talking
about \$222 million for 2026 for over the ten year
plan is over \$1.7 billion dedicated to homeownership,
the Homeownership Programs.

COUNCIL MEMBER WILLIAMS: Okay. What metrics
does HPD use to measure success in each of the major
programs? So, in speaking to a lot of the
developers, like Open Door really hasn't built any
new substantive homeownership opportunities. So, how
do you measure success at each program?

AHMED TIGANI: Well, I think I would respectfully
disagree and there are hundreds of units built with

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Open Door and we have more projects in the pipeline.

It has been something that we - because of the cost of new construction for homeownership, it's maybe two times or more of the cost and the financing environment is more difficult than it was yesterday. It's something that we've primarily used on public sites because it allows us to control for one major cost, which is the acquisition price. The way we measure success is we have multiple ways that we try to approach the homeownership work. The first thing is just to retain and stabilize you know the tens of thousands of homeownership units we have in the city right now. So a lot of our preservation dollars goes to support multifamily co-ops and one to four family homeowners.

On the multi-family side, the preservation term sheets, J51 will also be a huge resource for that and we're seeing a lot of interest from co-ops on the J51 bill, J51R program. We are also - again Mitchell Lama is a big piece of this, so two-thirds of our homeownership stock is Mitchell Lama so the - both the funding that we put in in our Mitchell Lama buildings plus now there's some additional funding from the state will be a big part of how we see that

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work move forward. So, that's thousands of units and part of what we look at what our preservation goals are. On the homeownership side, the Home Fix program and relaunching that program, expanding the number of services we work with, that's a big part of how we define success on our one to four family work plus a number of other resiliency programs that we've been able to benefit from using federal funds at different points over the last couple of years.

Increasing access has been very huge, so downpayment assistance going from \$40,000 a household to \$100,000 a household. Both the city and the state and then on the - and then being able to double that fund. Again, support from the City Council through the City of Yes from \$42- from \$41 million to \$82 million. That will double the number of families that we help and then creating new opportunities which is both a mix of Open Door but we really want to move forward with the remaining six or so buildings in the ANCP program. We just put out a new term sheet, which we think respond to a lot of the issues we heard and would really appreciate the support of the Council Members in those districts to get ANCP -

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COUNCIL MEMBER WILLIAMS: Can I just ask one more question? Sorry and I'm trying to respect the Chair's wishes. So, two quick questions. What is the total amount of homeowners who have been assisted by the Home First loan program in Fiscal 2024 and year to date in Fiscal 2025 and then lastly, does HPD have any plans to develop new term sheets or programs for homeownership? Something that can really be scaled up.

Programs like Home First are great but they are really small and such as tiny percentage of new construction.

AHMED TIGANI: So, I think in that breakdown, I have to come back to you on the numbers but to your question about the term sheets, the new Open Door term sheet is now going to be out, which I think will meet some of the issues or questions that we've gotten in the past. The new ANCP term sheet is out, which again not only creates homeownership for the tenants who have been doing this with equity but vacant units become open units to the community. You know we have continued to look at you know tenant to ownership conversions as something in our work, especially given the number of buildings looking for

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different options because the financial and physical
of the stress and the last thing I would say is 45X
did include Option D which was something that was
very important to everyone that was part of those
negotiations and we believe we've heard some good
interest. The numbers for that is something we'll
publish soon and we're continuing to see how we can
use Option D as a way to leverage more homeownership
opportunity with less subsidy.

CHAIRPERSON BRANNAN: Okay, questions from
Council Member Brewer followed by Dinowitz.

COUNCIL MEMBER BREWER: Thank you very much.
Congratulations Commissioner Tigani. I was at a
tenant meeting with NYCHA earlier but I did listen.
So you have more money as a result of the asylums.
Is there \$50 million in '26?

GARDEA CAPEHART: So, overall net we did reduce
the asylum seeker budget because the public have been
going down. That is just an adjustment issued for
this year but overall we saw a net decrease.

COUNCIL MEMBER BREWER: What are you going to do
with all that money?

GARDEA CAPEHART: Pardon me?

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COUNCIL MEMBER BREWER: What are you going to do
with all that money?

GARDEA CAPEHART: Oh Council Member good
question.

COUNCIL MEMBER BREWER: It's a very good
question.

GARDEA CAPEHART: So, the program - the asylum
seeker initiative is managed citywide, so whatever
cities are recognized and areas are moved around the
program, so while we see savings on the HPD side,
it's possible you know where OMB manages how it is
reallocated across the program citywide.

COUNCIL MEMBER BREWER: So you didn't get all
that money? HPD did not get all that money?

GARDEA CAPEHART: So, so as far as asylum seeker
funding, any savings does not go through HPD.

COUNCIL MEMBER BREWER: I know it goes back to
OMB. Alright, so you don't have any of that money
yet?

GARDEA CAPEHART: So we still do have asylum
seeker money in our budget for the remaining programs
that we have but as far as any reallocations they go
through other agencies.

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AHMED TIGANI: So, new funding come from general
not specific from that.

COUNCIL MEMBER BREWER: Okay, so you didn't get
it. You don't know if you're getting any of it yet?
That's what I'm trying to understand.

GARDEA CAPEHART: Yeah, so we have funding from
other sources, so in terms of our additional budget
that we mentioned, the increase is slowing you know
with the NYC 15 program supportive housing. So, the
agency is seeing an increase in our budget for other
programs but for the asylum seeker budget, those
funds are specifically for that initiative, so we can
only use for claiming purposes and all of that
getting to be used for asylum seeker costs.

COUNCIL MEMBER BREWER: Okay.

GARDEA CAPEHART: So any money that we don't
spend in our budget for asylum seeker, gets
reallocated and doesn't go back to fund -

COUNCIL MEMBER BREWER: Alright, I'm just trying
to understand how are you going to build more
housing. My same question. HDFC's or whatever the
hell you call them now. I asked about that in the
preliminary budget. Are we any further along?
That's homeownership. Where are we with HDFC's?

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Because what I guess I'm looking at between the
ACSC's, the SRO's, there's like you know money left
on the table so to speak. These buildings exist;
they just need to be converted. Go ahead.

Yeah, we - so there are two parts of this. We're
thinking through like the cost of conversion still
continues to be something that is - that we're
working on. We have new preservation programs. Our
focus really is on ANCP. It's one of the ways that
we use the affordable homeownership opportunity funds
on the state level that help supplement our work on
the ground in New York City. With that said, there
was additional homeownership funds provided in the
state legislature, the state budget that just passed.
So, we do - our assistant commissioners in
homeownership opportunities are looking at ways we
could do tenant to owner conversion. The strongest,
I think the possibility of doing more with Option D
45X is something we're looking at but it's not going
to work in every geography so we're going to have to
figure out a plan that has different tools for
different geographies. And they would for new
construction 100 percent subsidized, they would be
HDFC's.

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COUNCIL MEMBER BREWER: Right I sort of
understand what you said, not completely but you
don't have any more units that have been converted or
you don't have a number as to what you're going to
convert in the next '26?

AHMED TIGANI: We don't have a number to what
we're going to convert next to -

COUNCIL MEMBER BREWER: Alright and how about
SROs? Do you have a number for SRO's in terms of
conversion? Obviously the Windermere being one. Do
you have others that you're trying to convert to be a
permanent affordable housing?

AHMED TIGANI: We do have a number of developers
who are coming to us about both either converting
SRO's, you know Class B buildings in the Class A.
And as you know we're also looking at expanding the
use of shared housing, which is something we've
talked about City of Yes and the numbers demonstrate
-

COUNCIL MEMBER BREWER: I'm not sure they're
going to support people but go ahead.

AHMED TIGANI: The numbers demonstrate we still
need to also build for more singles and two person
households. So, we are working on the legislation

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now to come back to the Council to develop that idea further. So, it's going both ways. SRO's are looking to convert in the Class A apartments. We're working on those conversions and pipeline. We're also looking at expanding the use of shared housing since there's also been a demonstrated demand for up to date, newly constructed high quality shared living.

COUNCIL MEMBER BREWER: Okay but do you have a number for the number of SRO units that are available for conversion that you're working to convert? Do you have a number for that?

AHMED TIGANI: I don't have a number for you right now but we can come back to you with that data.

COUNCIL MEMBER BREWER: Okay and then just finally, I don't know if it's you or somebody or if it's DSS but there are a lot of vacancies in supportive housing. Is that your issue or some other agency? It seems to me it should be the Administration. There's a lot of vacancies for supportive housing.

AHMED TIGANI: It's something that we work on with DSS. I would probably defer to them on the referral process but as we build units or projects

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that have a regulatory agreement with us, they're
under housing connect requirements. We get involved
to make sure that lease up is happening.

COUNCIL MEMBER BREWER: But you and DSS meet I
assume on a regular basis. Does anybody have a list
of the agencies, the nonprofits that have vacancies?

AHMED TIGANI: Yes so I can go back to DSS and
work on putting that data for you. We're brought in
with projects under our -

COUNCIL MEMBER BREWER: Can you get us that list
of the vacancies in the nonprofits?

AHMED TIGANI: We'll go back to talk to DSS about
-

COUNCIL MEMBER BREWER: Could you get us a list
of those agencies that have vacancies?

AHMED TIGANI: I will go back to DSS and talk
about this question.

COUNCIL MEMBER BREWER: Thank you. There's
hundreds of them FYI. Thank you.

CHAIRPERSON BRANNAN: Okay two minutes each. Two
minutes each for Dinowitz, Hanks followed by Salaam.

COUNCIL MEMBER DINOWITZ: I'm waiting for my time
to be reduced. First, Commissioner thank you. Thank
you for getting back to me about the uhm about the

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lottery, the filter. I would know what the 39,
according to the 39 percent of applicants are
rejected out right because they don't meet the
criteria when applying and then a batch of 250. It's
about 100 people who are just rejected outright.
That means 100 other people could have been in that
batch, so I just want to point that out for the
Committee. In the past fiscal year, how many units
of housing have you financed for new construction?

AHMED TIGANI: It was about 20, a little over
25,000. 14,000 were new construction, around 13,000
were preservation.

COUNCIL MEMBER DINOWITZ: \$14,000 new
construction. How many of those were three bedroom
apartments?

AHMED TIGANI: I don't have that data broken out
for you sir but we can get that to you.

COUNCIL MEMBER DINOWITZ: Can I guess?

AHMED TIGANI: I don't know.

COUNCIL MEMBER DINOWITZ: Zero. How many two
bedroom apartments?

AHMED TIGANI: Well, also our term sheet has
requirements for larger bedroom size.

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COUNCIL MEMBER DINOWITZ: Your term sheets have requirements for a minimum of 30 percent two bedrooms and 100 percent of the as of right developments in my district have 30 percent two bedroom apartments with the vast majority being studio and one bedroom apartments and I will point that every time I've asked this question to this agency on this Committee, the response has been well, we respond to the market. But I'm telling you that you do not respond to the market.

If you can provide to me any data because the - your agency has still not provided me any data after any hearing. For what metrics you're using to determine what neighborhoods need two and three bedroom apartments. Can you provide that data please?

AHMED TIGANI: So, sir just one point, as a just a fair housing point, when we build housing in the Bronx, it's also available to people in Brooklyn, in Queens. When we build in Manhattan, it's available to people in Staten Island. So we create housing to meet what the citywide need is for housing and I agree with you, more two and three bedrooms are needed. It's the reason why it's part of the Mayor's

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State of the City. We're looking at the ability of
expanding the number of two or three bedrooms in our
finance projects.

COUNCIL MEMBER DINOWITZ: Okay but are you
adjusting your term sheets to incentivize developers
to make more two or three bedroom apartments?

AHMED TIGANI: We will be - we are actually
launching a pilot to see what the cost and impact and
what the delivery impact is of creating more two and
three bedroom apartments in certain projects but just
- you asked for data.

COUNCIL MEMBER DINOWITZ: Yes please.

AHMED TIGANI: And so, the housing vacancy
survey, a nationally recognized critical data survey
that's used to even hold up and support rent
regulation in New York City. You know when we look
at New York City residents, mostly live in small
house- according to our data, mostly live in small
households relative to need, the city's housing
supply.

So, basically we see, we have smaller households
but the supply skews the other way. For all
households, owners and renters, 62 percent of the

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households comprised only one or two people but 39 of
the units are studios or one bedrooms.

From the renters side, we have 66 percent of
renter households comprised only one or two people
but 48 percent of the units or studios are one
bedrooms. I think it's also; there's a little nuance
here. There are families that are growing. This is
a point and time study but we do see that we have a
awfully lot of individuals who are themselves or a
family of two, they're having a hard time finding
affordable, stable housing in New York City.

The term sheets are designed to try to meet that
need but we see from a lot of Council Members that
they get requests for larger unit size. It's the
reason why we are adjusting and looking at what the
cost will be and impact will be even where if the
data goes here, we want to see what the cost will be
there and we'll be doing that in projects coming
forward.

COUNCIL MEMBER DINOWITZ: Okay, well I just - I
want to be respectful of everyone's time and I do
have questions to ask on Chair Sanchez's behalf.
Uhm, but there hasn't been a single project as of
right development affordable in my district that

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1 didn't go through ULURP where they did adjust based
2 on anything other than the term sheets. It's always
3 30 percent two bedrooms and the rest, the one bedroom
4 and studios. You know to create the most number of
5 units, which is great on a press release but it's not
6 great when the building is down the block for a
7 school and you have families who want to move in and
8 give there kids like a great education at the great
9 schools in our city. That we're not building housing
10 for our families with children.
11

12 And so, I think it is a real shame that in the
13 budget, there isn't more invested in amending the
14 term sheets to provide for our families with
15 children. I've never seen in my district again any
16 of these affordable developments of anything more
17 than 30 percent two bedrooms, which is the bare
18 minimum on your term sheets.

19 I want to ask again on behalf of the Chair, just
20 a couple of questions about Mitchell Lama's. \$80
21 million in the state budget was allocated for
22 Mitchell Lama's. Can you please describe your plans
23 to disburse this funding to the areas that need it?

24 AHMED TIGANI: So, that is money that we will
25 hopefully compliment after understanding what the

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requirements are and what the process will be with
the state with the money that we have in our
preservation term sheets. I think Gardea can you go
through -

GARDEA CAPEHART: Yeah, so for the Mitchell Lama
program is funded under our preservation program and
for preservation capital to capital budget funds that
program for FY26. We have close to over \$543 million
of dedicated preservation programs and over the
course of the ten year financial plan for
preservation we have close up of \$5.9 billion and
Mitchell Lama is included in that as well.

AHMED TIGANI: And so the \$80 million would go
and help us try to advance more projects then it
would have otherwise with our preservation dollars.

COUNCIL MEMBER DINOWITZ: And there's - and so
you already have - you're just kind of folding it in,
it's already part of an existing program? So,
there's no barriers to starting to spend down any of
this \$80 million?

AHMED TIGANI: The question still remains and we
still have to discuss with the state how generally
the state money that's been allocated will move
forward. As mentioned earlier, the legislation

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involves discussing with the State Budget Director
and the Commissioner of HCR and so those are
conversations we are going to move forward with but
also as said earlier, we have a pretty long history
and established success with being able to work
together.

COUNCIL MEMBER DINOWITZ: Okay good, I think it
will come as no surprise coming from me that so many
of our Mitchell Lama's are falling apart. Some of
them city run, some of them state run but that is
funding that can be provided to support for them. Of
course I've mentioned on this hearing before, this
Committee before, Tracy Towers, Kennin Heights,
Orloff Reservoir, all of the Veterans housing in
Woodland all of these have significant capital needs.
So, so of course on behalf of those residents, we're
extremely interested in making sure this money is
unlocked and in line with that, as part of the City
of Yes negotiations, there was supposed to be city
state tax force on Mitchell Lama's. Can you please
share with us the status of that City State Taskforce
on Mitchell Lama's?

AHMED TIGANI: So, we've actually been talking
regularly with staff here at the Council. I believe

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we have a meeting coming up soon to advance it. So,
we've been working very closely with the Council to
move that forward. We've actually talked to the
state as well, so we are planning to work together on
a number of issues through that work and if you know
that's the question, I just want to make sure I say
May 5th is when the affidavit program went into
place. Your bill, so thank you for working with us
on it and May 5th is when it starts.

COUNCIL MEMBER DINOWITZ: Thank you so much for
that. That's all, thank you Chairs and thank you
Commissioner.

CHAIRPERSON BRANNAN: Thank you. Now we have
questions from Hanks followed by Salaam.

COUNCIL MEMBER HANKS: Thank you Chair. Thank
you Commissioner. At 180 Park Hill Avenue is part of
the larger Park Hill HUD housing complex and these
residents are still dealing with inhumane conditions,
including you know a gapping hole in the lobby
ceiling that continues to pour water into a public
space and also into residents apartments. Meanwhile,
across the entire eight building complex, there are
over - they are still over 200 open housing code
violations. Despite this, HPD has currently removed

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180 Park Hill from the corrective action list. Can
you explain the rationale for removing this property
from the corrective status given the ongoing
invisible hazards and eye volume of unresolved
violations? What criteria was used and how is HPD
ensuring real accountability and safe living
conditions for these residents?

AHMED TIGANI: So, Council Member I will defer to
Deputy Commissioner Santiago to help me answer the
questions on the enforcement side. I will say that
they have filed for AP re-inspections, which is the
first step and we can continue to keep you up to date
but they will not - if they have filed for re-
inspections and the issues have been corrected, then
that's something that we'll move forward with. If
they haven't, those buildings continue to stay in the
process. Additionally, my understanding is that
there has been or it is moving toward a change of
ownership at the building, which will allow us, we
believe to work with a preservation, with a team
where we have preservation dollars to work on making
those repairs and do something more than ERP work.

COUNCIL MEMBER HANKS: I appreciate that for the
record and we wholeheartedly support the change of

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ownership that previous owner should be in prison
honestly for what they have done for decades upon
decades of having people living in these conditions.
Thank you.

CHAIRPERSON BRANNAN: Thank you. Now we have
questions from Council Member Salaam followed by
Avilés.

COUNCIL MEMBER SALAAM: Thank you Chair and good
afternoon. I'm going to try to be quick. I got
three questions. One on preserving homeownership,
Black homeownership. The third party transfer
program was flagged for concerns about displacing
Black homeowners in Central Harlem.

The City Council has asked for capital to expand
the program thoughtfully; the Executive Budget
allocated zero dollars to this. How will HPD reform
TPT to ensure it supports intergenerational wealth
and housing preservation in communities like Harlem
rather than undermining them?

AHMED TIGANI: Council Member, thank you for the
question. Again, this TPT legislation and moving
forward with a reformed version of it is a priority
for HPD. It was - you know this Mayor recognized
that the original program you know did not meet the

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kind of constructive comprehensive approach that's
necessary to go after bad buildings while not harming
others and so, I'll just invite Deputy Commissioner
Darga to talk through our approach moving forward.

KIM DARGA: Good afternoon. Yes, we've been
really happy to work with City Council to reform the
program. There are a couple changes that we have
been contemplating. I just want to highlight
particularly when it comes to HDFC's that have
struggled. Uhm, we do have support. I just want to
say today through our preservation programs for HDFC
cooperatives that are interested in seeking financial
assistance from the city. So, for folks that are
struggling, TPT is not the only option. I just want
to say that first and foremost. We have loan
programs. We have tax exemptions. They can apply
for an Article 11, which we would submit to City
Council.

In addition to that, a couple of things that came
out of the working group that we had a couple years
ago. First, giving HDFC co-ops the opportunity to
repetition to become a cooperative again if they are
subject to In Rem action and have that structured in
such a way that there are clear timelines and

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1 milestones but it also gives an opportunity. A lot
2 of the co-ops that we've seen that are struggling
3 have a really low percentage of homeowners left and
4 so it actually gives their neighbors who are renters
5 today an opportunity to become part of the co-op
6 going forward, which would increase the amount of
7 homeownership that we're able to provide. We also
8 have been really interested in working with City
9 Council to create as the Acting Commissioner said
10 earlier, a version of the homeowner help desk for
11 multifamily properties. The homeowner help desk
12 provides support for one to four family homeowners.
13 We're really interested in creating an owner resource
14 center, which would provide technical support for
15 HDFC cooperatives among other multifamily properties
16 and we've been talking with some of your colleagues
17 in City Council about allocating the first \$500,000
18 to that program to kick it off next year, so we are
19 looking forward to developing more guidelines for the
20 program and we'd be happy to circle back.

22 AHMED TIGANI: And Council Member to your
23 question about timing, the Deputy Commissioner had
24 spoken about this earlier but basically because we
25 are working now through the contours of the program

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that this program would not be really in effect till
after the next tax lien sale, there's enough time
between now and the next fiscal year to do the work
we need to to get the program established now and
then we would look to the next fiscal year budget to
establish the budget since we need to know what
exactly - what we're doing to make sure we fund it
appropriately and correctly.

COUNCIL MEMBER SALAAM: Thanks and I'll come back
for a second round with my next question.

AHMED TIGANI: Yes sir.

CHAIRPERSON BRANNAN: Okay, now we have questions
from Council Member Avilés.

COUNCIL MEMBER AVILÉS: Thank you. Thank you
Chairs. Uhm, good to see you Commissioner. The
thing I talk about often is housing for seniors. I'd
like to understand in of the 25,000 units that you
financed, how much of those units specifically in new
construction are earmarked for senior housing?

AHMED TIGANI: So, I need to break down from a
new construction specifically but in the last, in
Fiscal Year '24, we had about 29-, a little over
2,900 units just dedicated to older adult housing. I
will also note, again due to legislation, our own

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policy and legislation we worked on with Council
Member Hudson, for projects above 40 units where we
have universal design. The goal is that for older
New Yorkers, it should not be that only a senior
focused housing is an appropriate place for them to
get stable homes. So, throughout our construction,
the 14,000 units of new construction, that should be
something that is accessible for older New Yorkers.
It's in fact why we put a lot of time and effort into
working with DFTA and working with adult care, you
know adult senior centers to get education about
Housing Connect and get people through the process.
The Neighborhood Tech Help program is an example of
where we're trying to meet people where they are. We
see that a lot of older New Yorkers are using the
public library to get information about city
resources. So, we're using our navigators there to
connect them with Housing Connect.

COUNCIL MEMBER AVILÉS: So, I absolutely agree
that uhm, older adults should be integrated and
considered and not just simply you know - one
modality for them for sure, however, how will you be
able to track I mean, do you - do you have the
projected - the amount of housing we would need for

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our older adult population, which is growing
significantly?

AHMED TIGANI: I would have to come back to you
and probably and we could look at our - or Lucy may
know from our Housing Vacancy Survey.

LUCY JAFFEE: Hi Council Member. As you know,
this is something that we look at a lot and care
about. We both look at it from who is applying and
who is moving into our housing whenever possible and
we continue to improve the systems by which we
understand not just the primary person moving into a
household but all of the household members who move
into it. We know actually from the New York City
Housing and Vacancy Survey that are not surprisingly
probably with anyone here. Our population of older
adults and their living circumstances is quite
diverse, so many actually do live in
intergenerational households. We want to be able to
accommodate that as well and we're thinking about how
we better incorporate that into some of our programs.
And we also look at that as I mentioned, overall
trends through the New York City Housing and Vacancy
Survey, which is in particular pretty unique because
we can look longitudinally and really see how we're

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1 evolving over time. So, this is a big focus for us
2 and we continue to study, understand and partner with
3 other agencies to best meet the needs of older adults
4 who as the Commissioner was saying, we're seeing have
5 a really wide range of preferences and we want to be
6 able to meet that need.
7

8 COUNCIL MEMBER AVILÉS: Great, I'd love to hear
9 an update of the pilot that you all discussed but
10 also just point of comment in terms of - I said this
11 to you many, many times. The older adult community
12 that comes into our office, who we spend a lot of
13 time filling out Housing Connect are often
14 immediately eliminated and don't qualify for
15 anything, don't have 15, 20 years to wait on a queue.
16 So, uhm, I guess I would just continue - I would
17 encourage like some serious urgency in this matter.
18 It doesn't feel like it's moving as quickly as it
19 needs to and I just uhm, yeah.

20 AHMED TIGANI: I would just say since unlike a
21 waiting list approach, this is a lottery. There are
22 people who sometimes find an apartment in a couple of
23 months. Sometimes it does take longer. It's really
24 also a function as apply and again, agree with the
25 Council that we need to be building more housing but

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it's housing on the subsidized side and mixed income side, so to get more successful, faster outcomes for those individuals. We just need to be more - we need to push more supply and more housing and subsidized housing through multiple avenues.

CHAIRPERSON BRANNAN: Can we go back to Council Member Salaam for his final question?

COUNCIL MEMBER SALAAM: Thank you and I'll try to be quick on these two. One is code enforcement and repairs in Harlem and the other is dealing with legal services and tenant harassment in Harlem.

So, with Code Enforcement, the preservation, Code Enforcement and Emergency Repair budgeting seen mixed funding trends. Can HPD break down how much is being specifically allocated for Code Enforcement in Northern Manhattan and specifically Harlem? How are you prioritizing enforcement and repairs in buildings with landlords neglect conditions that disproportionately harm our constituents. And for legal services, the Council called for \$2.2 million to expand HPD's litigation team to protect tenants from harassment and illegal evictions. Yet the executive plan does not include this legislation.

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What is HPD's plan to expand legal services and
protections for Harlem's tenants who are facing
rising harassment amid gentrification?

AHMED TIGANI: So, Council Member we don't have
those numbers broken down specifically for Harlem.
We can give you our overall numbers for Code
Enforcement. Again our approach is a citywide
approach and it's designed that way so that if Harlem
sees an uptick in complaints, the funding goes in
that way but if Corona Queens sees an uptick we're
able to move that way. We don't have geography based
budgets for Code Enforcement but we're happy to
provide those numbers now.

COUNCIL MEMBER SALAAM: Is it possible to I mean
if it's a collection, can there be a zeroing in on
that so that we can see exactly how different
districts are being -

AHMED TIGANI: We can - what we can do I think
rather in the budget side, we can look at violations,
response rates, work that we're doing in any
communities districts or however geographically you'd
like to define it. That is the work that's being
funded and then you'll see a demonstration of what

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were doing to respond to constituent complaints and
what the outcomes are.

COUNCIL MEMBER SALAAM: Okay.

AHMED TIGANI: We can follow up with that with
you sir.

COUNCIL MEMBER SALAAM: Okay on the last piece.

AHMED TIGANI: On the litigation side. So, there
are probably two ways to talk about this. From the
housing litigation side, we have talked about the
fact that we have held steady in that staff. That
staffing team. We continued to look to fill vacant
roles but we are - we've increased the number
compared to this time last year, the number of
violations corrected through litigation, 52 - over
52,000. That's an increase. We have less cases
initiated by us but we have increased the number of
cases we're involved in through tenant initiated
cases and we have collected more money on summons and
judgements \$5.7 million. Separate and apart from our
litigation work, we have the anti-harassment unit
that has done - has had an increase in the number of
proactive building visits, initiated litigations with
buildings and collected civil penalties and on the
legal assistance work, we partner with DSS and their

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Office of Civil Justice and I think through the City
of Yes and other ways, they've been restored dollars
so our enforcement team does work with DSS and the
Office of Civil Justice and I'll just also use this
as the opportunity to talk about the Partners and
Preservation program, which again was also expanded
through the City of Yes, which is government not
doing it alone, doing it with people on the ground
where it's us, Legal Aid, CBO's, in about six
different areas of the city able to work with
tenants, identify issues, help organize tenant
associations, really try to build out that capacity
that gets us to things like better enforcement or
litigation to get changes.

COUNCIL MEMBER SALAAM: Thank you.

CHAIRPERSON BRANNAN: Thank you. Chair Sanchez.

COUNCIL MEMBER RESTLER: Not who you were hoping
for but so here, you're laughing too much.

AHMED TIGANI: I've done enough, sorry.

COUNCIL MEMBER RESTLER: You shouldn't be having
this good of a time.

AHMED TIGANI: I'm trying -

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COUNCIL MEMBER RESTLER: Uh, huh - we're going to
ask for brevity as we got a long day ahead of us and
you have a talent for filibuster.

AHMED TIGANI: Information sorry.

COUNCIL MEMBER RESTLER: Yeah oh yeah sure. No,
these are long and thoughtful and comprehensive
answers but brevity is appreciated.

AHMED TIGANI: Yes sir.

COUNCIL MEMBER RESTLER: According to the Rent
Guidelines Board, since 1994, the first year of which
the Rent Guidelines Board has data, a total of at
least 185,000 units have been added to the rent
stabilization system. While at least 338,000 rent
stabilized units have been deregulated. For an
estimated net loss of 153,000 rent stabilized units
over the past 30 years.

In 2023, at least another 9,694 housing units
left rent stabilization and approximately 5,524 units
entered the stabilization system. Again, a net loss
of approximately 4,000 units. All of this is to show
that despite the Administrations record breaking
affordable housing starts - Chair's words. The net
loss of affordable housing is much greater, much,
much greater and any record breaking year for

1
2 preservation will take place in a context of net
3 losses of rent stabilization that dwarf the
4 Administrations progress.

5 Beyond mayoral appointments, as you know as the
6 HPD Commissioner, how do you and your team weigh in
7 on the rent guidelines, board celebrations and how
8 can we better advocate for the needs of tenants
9 through this process?

10 AHMED TIGANI: So, I'll just quickly say that the
11 place that this starts with is at the state level
12 that oversees rent regulations. So, the Office of
13 Rent Administration is where sort of the regulatory
14 enforcement work of protecting rent stabilized
15 apartments begins but HPD obviously is part of this
16 in a number of different ways. You know we
17 contribute to creating a broader swath of rent
18 stabilized apartments in the units that we regulate
19 and subsidize subject to rent stabilization. We are
20 also working through the anti-harassment unit and our
21 enforcement team and our outreach work to make sure
22 that tenants before something happens knows where to
23 go to and who to go to about questions that come up
24 about their status. How they get their information
25 about their units and status with the state

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department and then after the fact as an example of something horrific happens when there is a vacate due to fire. Our emergency housing services: case managers are giving them information about how to codify with the state their rent stabilized status. Just something that you do when you're temporarily located. We're trying to figure out all the different points in the system from the beginning toward - the beginning including points when you're temporarily removed and how to protect your status. And I think the 2019 laws went a long way to provide new tools for tenants and advocates to protect them and that's been part of our education.

COUNCIL MEMBER RESTLER: I think we really appreciate your commitment to trying to protect and preserve and stabilize housing and I guess accordingly, the Chair wants to understand, do you think measuring housing preservation production by net addition or net loss in a given year is a sensible indicator for us to be tracking? Do you think that measuring preservation simply by the amount added without accounting for the net loss is an accurate demonstration of our progress?

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ANNMARIE SANTIAGO: If I may, it is one measure with at which we look. I can't speak directly to the RGB's reports. We do coordinate with them on a lot of data. We provide a lot of our data. We have looked over long time periods, precisely at this as an indicator of health of our housing stock and really have - we believe stemmed a lot of the tide of exiting units from rent stabilization but overall, that is something that we sounded the alarm about for years and you know it was a big concern.

That being said, there can be a lot of noise or abnormalities in the data. So, it's not the only thing that we would look at because units could be leaving RGB's records for a number of reasons and I'd want to be able to dig in more to it. We would want to look at a number of factors. We look at as we sort of assess the overall health.

COUNCIL MEMBER RESTLER: Right but whether RGB's data or HCR's data, I think the Chairs point is, shouldn't we be measuring both the units that we're preserving and creating a non-stabilized system and the units that we're losing and tracking that net total each year as a key benchmark for our progress and I think you're saying yes to that.

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ANNMARIE SANTIAGO: I'm saying yes, I think it's more than a year over year thing. I think if you just look at what happened in any one given year, you pick up some sort of what the technical books and my team seem to call noise, right? But I think over longer periods of time, it's absolutely what we're looking at and making sure that we are adding, we are keeping our existing rent stabilized stock, particularly the low cost rent stabilized stock and that we are adding to it as much as possible. I would just sort of caution that on a one year basis, any of these -

COUNCIL MEMBER RESTLER: Yeah, I don't think the Chairs point is in any given year. It's about - this is a benchmark for how we're tracking our progress over time.

ANNMARIE SANTIAGO: Then yes, yeah, then yes we would agree.

COUNCIL MEMBER RESTLER: And I think that thinking about how in the Mayor's Management Report and other HPD metrics, we can better center that as a kind of north star data point would be helpful. Okay, one more important bucket from the Chair. HPD's high vacancy rate has declined in the past year

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from 14.8 percent in January 2023, this is staffing.

From 14.8 percent in January 2023 to 13.8 percent in
March 2025, as critical positions like inspectors
have been hired. But this is still three times the
citywide vacancy rate.

The last time that HPD's budgeted headcount was
lower than 2,500 was fiscal year 2017. That's term
one of Bill de Blasio and currently there are only
2,383 active employees. Earlier, Deputy Commissioner
Capehart said the preservation staff has a headcount
of 113, 82 on staff, 30 vacancies. This is a 27
percent vacancy rate. Are the 30 new heads mentioned
in addition to the 30 vacant ones? Is that 60 total?
Could you clarify? What division and - I'll follow
up from there.

GARDEA CAPEHART: Yes, just to clarify the
numbers quoted as far as preservation and new
construction, not just preservation. So, we track
this on the project managers for the entire office as
opposed to the specific unit but we can get back to
you with more details on that.

COUNCIL MEMBER RESTLER: Sorry, so your
clarifying that the vacancy rate is for the full team
under Deputy Commissioner Darga?

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GARDEA CAPEHART: Yeah, so that's for Project
Manager. So, our Project Manager, Assistant Project
Manager, Senior Project Manager is working both on
preservation and new construction. We are carrying
about a 27 percent rate, vacancy rate and that does
not include to your point about the new lines that
were added. Those new lines are added for FY26, so
they are not captured yet for our current vacancy
rate but we will be hiring for those and it will be
reflected in our Fiscal Year 2026 numbers.

AHMED TIGANI: And just to so - as an example and
Deputy Commissioner Darga will correct me. We posted
for 32 lines just this week. So, we're in a place
where we're actively hiring and once we're given the
green light, we're moving forward and I had mentioned
earlier that we are also supplementing that work.
So, as we hire people, we're trying not to lose staff
and projects and moving forward.

COUNCIL MEMBER RESTLER: Yeah, you know the Chair
was a key driver in the City of Yes process, pushing
for additional HPD headcount. That was a major
priority of hers. It's not usually the sexiest topic
of kind of headcount at city agencies when we're
talking about investments that we need to make in our

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communities but it's because she and we all understand that if HPD doesn't have the headcount we're not going to get the affordable housing projects and the preservation projects that we all need to see in our communities. So, we continue to be very concerned about -

GARDEA CAPEHART: And Council Member, this posting that the Commissioner mentioned is primarily our City of Yes positions that we are ramping up hiring for. So, we have a bunch of them posted now and we are actively recruiting. We have made some offers with candidates that there are a few that are already at OMB so we are definitely moving on bills.

COUNCIL MEMBER RESTLER: And Commissioner can you highlight, are there any divisions that you would say are most urgently in need of additional headcount?

AHMED TIGANI: Uh, you know I think right now what we are trying to do is continue to recruit for the position, the vacant position we have. So we're continuing to recruit talented members of our Asset Management team, talented members for our Neighborhood Planning team, our development team, enforcement, across the board. If you go to Jobs NYC, you'll see that we're trying to push the

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envelope on all of that front. I had mentioned
before that we have spent the last couple years
building as of right new construction tools. A lot
of that work, the UAP, the UAP work of getting the
paperwork online, 467M conversion. So, we want the
as of right tools to move but specifically on
preservation, we really do plan on making a big push
and a priority this year. So, we continue to think
about ways that we put more money and work into that,
both staffing up and making sure that our programs
are working well there.

I think that one of the benefits of me channeling
the Chair today is that you didn't get to hear any of
the questions that I had planned. So, I will call
you separately to bother you about all of those.

AHMED TIGANI: Very fortunate, this is great.

COUNCIL MEMBER RESTLER: Thank you to both of the
Chairs.

CHAIRPERSON SANCHEZ: I just want to thank
Council Member Restler for being my voice. Thank you
Council Member Chair Brannan for bearing with me.

CHAIRPERSON BRANNAN: Okay Commissioner and your
team. Thank you very much, appreciate it. We look
forward to working with you to deliver a good budget.

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AHMED TIGANI: Thank you sir.

CHAIRPERSON BRANNAN: Thank you. Alright, we
will take a little break and then we're going to
start and hear from NYCHA. Thank you. [02:17:36]-
[02:33:06].

[GAVEL] Okay, good afternoon and welcome back to
today's Executive Budget hearing. I'm Council Member
Brannan, I Chair the Committee on Finance. I'm
joined by my colleague and friend Council Member
Chris Banks who Chairs the Committee on Public
Housing and we're here today to talk with and about
NYCHA. We've been joined by Council Members Brewer,
Moya, Hanks and Louis so far.

Before we get started, I want to thank the rock
stars on our Finance Division Staff again, Jack
Storey, Brian Kroop, sorry Dan Kroop, Brian Sarfo,
John Yedin and all the analysts and support team that
works hard behind the scenes to make these several
weeks of hearings possible. Of course, welcome to
NYCHA CEO Lisa Bova-Hiatt and your team. We
appreciate you being here. NYCHA's proposed
supplemental funding in this executive plan is \$378
million. It's a slight bump from the preliminary
plan but let's not pretend it's enough to fix what's

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broken. This money is supposed to cover some union contracts and rehab some vacant units and fill some federal gaps but we still have questions about the massive backlog of repairs and mold and the heat outages and the elevators that are always going out of service. Our public housing stock is one of the most important tools we have in this housing crisis but year after year I worry that collectively we fail to treat it this way.

In our preliminary response, the Council called for \$2 billion more in capital, over four years to stabilize and improve NYCHA. We also called for faster unit turnover, real maintenance and making sure staff can actually meet the scale of the problem.

This afternoon, we'll be asking some tough questions about capital need, staffing, attrition, renter arrears and disaster recovery because we believe that every NYCHA apartment left vacant, every leak that goes unrepaired, is another missed opportunity to give New Yorkers a decent place to live.

With that, I'm going to turn it over to my Co-Chair Council Member Banks for his opening remarks.

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CHAIRPERSON BANKS: Alright, thank you Chair
Brannan and thank you to Lisa and to your staff for
coming today. NYCHA has operated the largest public
housing program in the nation for over 75 years,
providing affordable housing to over 530,000 low to
middle income New York City residents to Section 8
and Section 9 public housing and the Section 8
Voucher program.

While NYCHA continues to be a precious and
critical resource and an increasingly unaffordable
city, long standing disinvestment and federal
underfunding of public housing coupled with
organization of mismanagement has resulted in the
deterioration of public housing. For years, tenants
have reported health and safety issues in their
homes, ranging from lack of heat, unresolved mold
issues, pest infestations, lead based paint hazards,
elevator outages and leaky roofs, just to name some
of the long standing issues.

NYCHA's total capital needs exceeds \$80 billion
and it is in the midst of this context that the city
and NYCHA are facing threats to public housing from
the federal government that could upend the housing
stability for millions of New Yorkers who either live

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in public housing or rely on housing vouchers for
housing. Today, I look forward to hearing from NYCHA
about how the city's executive budget addresses or
does not address these challenges and how we can all
work together to protect the housing stability for
millions of New Yorkers.

I will now turn it over back to Chair Brannan and
the Committee Council to go over some of the
procedure items and swear in the representatives from
NYCHA.

CHAIRPERSON BRANNAN: Thank you Chair Banks.
Just again as a reminder for this years executive
budget joint hearings, we're going to take public
testimony on an agencies executive budget that day,
meaning today after the agency witnesses have
finished instead of holding one day for all public
testimony. So, if you wish to speak on the NYCHA
Executive Budget today, please make sure you fill out
a witness slip with the Sergeant at Arms. Public
testimony will begin as soon as we've completed with
NYCHA.

So, now I'm going to turn it over to the
Committee Counsel to swear in the witnesses for their
testimony and we can get started.

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COMMITTEE COUNSEL: Good afternoon. Do you
affirm to tell the truth, the whole truth, and
nothing but the truth before this Committee and to
respond honestly to Council Member questions? Chief
Executive Officer Bova-Hiatt?

LIS BOVA-HIATT: I do.

COMMITTEE COUNSEL: Officer Tremble?

EVA TRIMBLE: I do.

COMMITTEE COUNSEL: Officer Lescott-Martinez?

ANNIKA LESCOTT-MARTINEZ: I do.

COMMITTEE COUNSEL: And Vice President Honan?

BRIAN HONAN: I do.

COMMITTEE COUNSEL: Ah Mavani?

SHAAN MAVANI: Yes, I do.

COMMITTEE COUNSEL: Thank you.

CHAIRPERSON BRANNAN: You may begin, thank you.

LISA BOVA-HIATT: Chairs Chris Banks and Justin
Brannan, members of the Committee on Public Housing
and Finance, other distinguished members of the City
Council, NYCHA residents, community advocates and
members of the public, good afternoon.

I am Lisa Bova-Hiatt, NYCHA's Chief Executive
Officer. I am pleased to be joined by Chief
Operating Officer Eva Trimble, Executive Vice

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President of Finance and Chief Financial Officer
Annika Lescott-Martinez, Chief Asset and Capital
Management Officer Shaan Mavani and other members of
NYCHA's team.

NYCHA's adopted budget was approved by its Board
of Directors in December. Thank you for this
opportunity to provide updates on NYCHA's fiscal
outlook for calendar and NYCHA fiscal year 2025, as
well as our efforts to transform our organization and
improve residents' quality of life.

As always, we remain entirely committed to
improving the quality of life for NYCHA residents by
making the best use of the limited funding that's
available, while also pursuing innovative housing
preservation programs that are radically transforming
residents homes. We're making considerable progress
in how we serve residents despite the significant
challenges of managing a portfolio of rapidly aging
buildings suffering from nearly \$80 billion of
capital need.

However, the recently released Presidents topline
budget presents serious obstacles to these efforts.
Under the proposal, HUD would see a nearly \$33
billion cut with \$26.7 billion coming from a

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combination of the public housing and housing voucher programs.

These cuts would come with new regulations, such as a two year time limit on rental assistance for able bodied adults and a shift from formula based funding to Block granting states with the expectation that local governments would share the cost in funding rental assistance.

NYCHA is monitoring this evolving situation closely and our financial planning and budget will adapt to the specific figures for each program once they are released.

Beyond our close attention to the unfolding developments in DC, not much has changed since we last discussed our budget with the Council in March. The figure in our adopted budget that we shared remain the same. However, the state budget recently appropriated \$225 million to NYCHA. We will engage with state stakeholders to program these funds in the coming months and we were allocated \$378 million in expense funds and \$2.1 billion in capital funds, including funding for our PACT and Trust programs from the city for City Fiscal Year 2026 through the executive plan.

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We are incredibly grateful for this support,
which will help stabilize the authorities finances
and enable us to deliver vital repairs for residents.

While we're bringing top-to-bottom building and
apartment renovations to residents through ground-
breaking initiatives like PACT, the Trust, and
Comprehensive Modernization, NYCHA's finances remain
precarious. Rent payments constitute one-third of
NYCHA's operating budget, revenue essential for
maintaining our developments and providing residents
with the quality of life they deserve and residents
are still struggling to pay COVID-era rental arrears.
We are collecting an average of 85 percent of the
current monthly rent charged across our Section 8 -
excuse me, our Section 9 portfolio, which is a
positive development. However, past due rent
continues to be an obstacle. Rent arrears total \$441
million across 64,000 households, nearly half of all
NYCHA's Section 9 households.

Our top priority is to keep residents housed and
we continue to inform residents about how they can
get assistance with rental payments, including
payment plans and rent reductions when household
income decreases. We are also helping residents

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benefit from vital rental assistance programs. We applied \$161 million in State ERAP funding to residents rent arrears and the CRA and HOME-ARP programs will cover up to \$185 million dollars of pandemic-era rent arrears. Of course, it must be stressed that there is no additional funding for these programs on the horizon.

NYHA and New York City have weathered DC's political storms before, and the present tempest won't be an exception. NYCHA is an indispensable part of our city and the largest provider of deeply affordable housing. We appreciate the support of our partners, including members of the Council, as we strive to ensure that NYCHA remains a vital resource for New Yorkers for generations to come no matter the challenges.

Thank you and we're happy to answer any questions you may have.

CHAIRPERSON BRANNAN: Thank you very much. Appreciate the brevity so we can get right into it. I want to talk obviously first and foremost about federal funding. NYCHA receives significant funding from federal sources for both its operating and capital budgets. Federal operating subsidy and

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Section 8 subsidies make up approximately 67 percent of NYCHA's operating expense budget and the federal funds constitute 55 percent of NYCHA's five year capital plan. In short, NYCHA depends on federal funding. So, how concerned is NYCHA with what we're seeing in Washington and the outlines of the so-called skinny budget?

LISA BOVA-HIATT: Thank you so much for that question. I'm going to first turn it over to our Chief Financial Officer Annika Lescott-Martinez.

ANNIKA LESCOTT-MARTINEZ: Thank you so much Council Member. Okay, on May 2nd, President Trump released a skinny budget which does not have the impact of law but is certainly the first step in the yearly final appropriations process. Congress will ultimately write their own budget bills but the proposal acts as a guiding document of the Administrations priorities.

From what we've seen so far, they are proposing to create a state block grant that would include public housing, Section 8's project based rental assistance, housing for the elderly, housing for persons with disabilities together into a lump sum

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with expected cost sharing and regulations across
those programs.

The concerning portion of this in addition to the
block grant itself is that it would be a significant
cut in funding. So, we are projecting so far that it
could be between 43 and 45 percent cut to those
programs and that would be certainly difficult. We
continue to play close attention to what is happening
in Washington and we will continue to you know keep
you and all of our representatives updated as we
learn more.

CHAIRPERSON BRANNAN: Uhm, can you talk a little
more about NYCHA's contingency plans to mitigate the
impact of federal funding cuts?

ANNIKA LESCOTT-MARTINEZ: Sure, so as you've
mentioned federal funding is a large portion of our
budget. We are currently doing contingency planning
across all of our programs. We are keeping a close
eye on what is happening in Washington. We can't
really speak in hypotheticals as to what we would do,
given that we don't have a sense of what will
ultimately happen at Congress but we are certainly
planning.

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CHAIRPERSON BRANNAN: I mean and given the mass
scale of federal funding for NYCHA, I think a
response will likely be needed on both city and state
levels. How have those conversations been going?

LISA BOVA-HIATT: They've actually been going
really well. We are a public housing authority that
is very much supported by both the city and the
state. We are fortunate in that regard because the
majority of other public housing authorities do not
receive assistance from their cities, their counties,
their states.

So, those conversations will continue and we will
see what happens when the presidents full budget and
then of course when congress budget is issued.

CHAIRPERSON BRANNAN: Okay, I want to talk about
RAD PACT and the Trust, a core component of NYCHA's
transformation plan is RAD PACT. Through RAD PACT,
NYCHA will utilize federally funded project based
Section 8 vouchers to convert 62,000 apartments to
private management. RAD PACT is important because
NYCHA can unlock federal funding. We understand for
its housing that has been systematically dismantled,
however, now that federal funding may be at risk.

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So, how do you think the changes with the federal administration will impact federal funding for RAD PACT and what kind of indicators are you seeing specifically around that?

LISA BOVA-HIATT: The enacted levels for Fiscal Year '24 were \$337 million. The proposed levels from the house and senate are \$300 million. So, there's not that much of a change and right now it's a little challenging to determine what's going to happen because in the presidents skinny budget, they lumped everything together so we're not sure exactly, what part of the budget or the budget cuts would effect Section 9 or Section 8 but we will continue to monitor it closely. Frankly it could affect everything, both our Section 9, traditional TPV's and our regular vouchers for Section 8.

CHAIRPERSON BRANNAN: What about the Trust?

LISA BOVA-HIATT: They also rely on TPV's.

CHAIRPERSON BRANNAN: Uhm, how realistic do you think an expansion of RAD PACT program is under this congress?

LISA BOVA-HIATT: That's very hard to say. It seems like this administration is not interested in traditional public housing. It also based on the

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1 budget seems like they're not interested in any type
2 of affordable housing. So, at this moment, it's
3 really a crisis not only in New York but across the
4 country to really make sure that affordable,
5 consistent housing is available for our most
6 vulnerable residents.
7

8 CHAIRPERSON BRANNAN: And have you been speaking
9 with the congression, the New York Congressional
10 delegation?

11 LISA BOVA-HIATT: We've been speaking with
12 everyone who will listen to us and I think right now
13 we're in that odd time between getting a more
14 detailed idea of what the President skinny budget
15 looks like and once we see the fuller plan, obviously
16 those conversations will increase.

17 CHAIRPERSON BRANNAN: Okay uhm at the Council's
18 hearing the other day regarding the New York City
19 Aging, Department for the Aging, their financial
20 plan, I asked the Commissioner about DFTA's
21 contracting for older adult centers in NYCHA
22 facilities. As you know, DFTA contracts with OAC
23 providers and NYCHA facilities do not include funding
24 for rent costs, yet they do provide for rent costs
25 for providers in non-NYCHA facilities.

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When I asked the DFTA Commissioner why this was, she stated that as part of an agreement between NYCHA and the city, the city would provide NYCHA with the community services that are part of the funding requirements for public housing and in return, NYCHA would not charge rent for these properties. Are you aware of that agreement?

LISA BOVA-HIATT: I do not know anything about that agreement.

CHAIRPERSON BRANNAN: Okay so would you be open to working with the Council to provide leases to these organizations so they can access city capital funds?

LISA BOVA-HIATT: We are always happy to work with the Council and leases as a general proposition are a really good thing.

CHAIRPERSON BRANNAN: Okay, so something local for me and then I'm going to turn it over to the Chair. I represent Coney Island. We have a good amount of public housing out there. Can you give us an idea of how many of the Hurricane Sandy projects are still ongoing?

LISA BOVA-HIATT: Sure. Thank you for that question. I'm going to turn it over to Shaan Mavani.

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SHAAN MAVANI: Sure, thank you Council Member for the question. Of the original 35 sites where we had Sandy projects, 30 of them are complete. There are five projects that continue. Four of the five projects are completing this quarter or next quarter.

CHAIRPERSON BRANNAN: Where are those five projects?

SHAAN MAVANI: Uhm, the five projects that we have with ongoing work, they're all at mainly 90 percent or above except one. They're at Hammel Houses at Baruch houses. There is a set of Coney Island sites, so a Dwyer surf site and Coney Island site 8, which are managed as one project that's at 97 percent construction now. Red Hood East and West in Brooklyn and at Carey Gardens and Carey Gardens is a site where we have some ongoing challenges with the vendor. We're developing a plan to bring on another vendor to complete some of the work and that will likely extend into 2026.

CHAIRPERSON BRANNAN: Okay, so I know we met onsite at Carey Gardens last summer and that was the story then, so we haven't moved anywhere forward since then?

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SHAAN MAVANI: We've had progress with the existing vendor. We have had - you know we've been based on what you saw there in our ongoing efforts, they have pushed through a good portion of the work. We've determined that there are certain types of scopes that they have not initiated that would make more sense and be more expedient and more cost effective for us to bring on a new vendor. So, we're trying to wind down the work with the current vendor, get that completed and then get another vendor on to complete the remaining.

CHAIRPERSON BRANNAN: What's the overall ETA to button up all of these Hurricane Sandy projects?

SHAAN MAVANI: So, as I mentioned, four of the five projects will be completed by Q3 of this year. The only remaining one will be Carey Gardens. We're still working through the exact timeline but we would hope to have that buttoned up by the middle of next year.

CHAIRPERSON BRANNAN: Okay, Hurricane Sandy was a very long time ago, so it's unfortunate that the one that's stuck is in Coney Island. Okay, thank you.

Chair Banks.

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CHAIRPERSON BANKS: Thank you. To talk about the
Executive Budget changes, the Executive Plan includes
very minimal changes in the city contributions to
NYCHA's Fiscal 2026 budget. What have your
conversations been with OMB and the Administration
about city funding for Fiscal Year 2026?

LISA BOVA-HIATT: Thank you for that question.
I'm going to turn it over to our CFO.

ANNIKA LESCOTT-MARTINEZ: Thank you for the
question Chair Banks. We have the resources that we
need to carry out our mission and we're focused on
implementing the funding necessary for our agency.
We are in constant communication with OMB and City
Hall about our needs in this plan across the city
FY26 executive plan. We have \$1.6 billion in
capital, \$617 million in expense and additionally the
city has been generous enough to forgive \$105 million
of payments for a grand total of \$2.3 billion. As
Lisa mentioned in her opening remarks, that is
virtually unheard of across the country. There's no
other public housing authority that receives the
funding that we do from the city.

So, to your question, we remain in constant
communication.

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CHAIRPERSON BANKS: Okay. What new needs are you
requesting from the city to be included in the
adopted plan?

ANNIKA LESCOTT-MARTINEZ: So, we are working
through various specific proposals. Most frequently
we're working on the City of Yes plan to work on
allocating that funding, so that's our top priority.

CHAIRPERSON BANKS: And that's the \$1 billion?

ANNIKA LESCOTT-MARTINEZ: It's part of it, yeah.

CHAIRPERSON BANKS: And a portion of that \$1
billion, I believe the majority of it is dedicated to
RAD PACT, am I correct?

ANNIKA LESCOTT-MARTINEZ: So there is \$754
million in PACT funding in the HPD budget and that
does support our PACT conversions.

CHAIRPERSON BANKS: Okay. Moving onto the
federal capital and operating funding. The
Comptrollers Office has projected that if the
proposed federal budget were passed that HPD and
NYCHA would stand to lose close to \$2 billion. How
are you modifying or shifting around your current
budget to insulate critical needs for any potential
cuts?

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ANNIKA LESCOTT-MARTINEZ: That's a great question. So, as Lisa mentioned, we really are in a holding pattern. The presidents budget is not an enacted legislation and in 2025, our funding is actually quite stable. So, yesterday we received word of our federal capital grant for example. It is \$731 million. It is a slight \$700,000 increase from what we received last year. So for 2025, we're doing quite well and we feel confident that we can hit our budget targets. 2026 is certainly looming on the horizon and as we mentioned, we will play close attention to what's happening in Washington. We will advocate for our residents and with our residents to get the funding we need and of course, we will hope that you all will support us in that.

CHAIRPERSON BANKS: Thank you. According to an analysis from the New York Housing Conference, across New York State, 243,000 households utilize Section 8 vouchers and 100,000 households live in Section 8 project based housing and 164,000 households reside in public housing.

For NYCHA specifically, can you describe how Section 8 housing choice and project based vouchers

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play a role in your budget for this year and next
year?

ANNIKA LESCOTT-MARTINEZ: Sure, so our Section 8
program is included in our operating budget for 2025
calendar year. So, we are projecting \$2.3 billion in
support in the form of housing assistance payments as
well as the Administrative fee that we earned as a
public housing authority for administering that
program. We currently serve upwards of 100,000
voucher holders.

CHAIRPERSON BANKS: Okay.

ANNIKA LESCOTT-MARTINEZ: And on a monthly basis,
we push out \$156 million worth of housing assistance
payments on behalf of those residents.

So, it is certainly a large part of the work that
we do. We are well funded and well-staffed at this
current moment and as we mentioned, we'll continue to
keep watch of what's happening in Washington.

CHAIRPERSON BANKS: And when it comes to Section
3 job opportunities, given the economic impact of
government funded housing and infrastructure
projects, how will the agency prioritize Section 3 to
ensure local residents, especially low income New

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Yorkers, gain access to jobs and career pathways?

And how does the budget prioritize that as well?

LISA BOVA-HIATT: I'm going to turn it over to
Shaan Mavani who can answer that question.

SHAAN MAVANI: Great thank you. So, across the
agency, we have a number of different efforts we make
to prioritize Section 3 hiring, which includes as you
highlighted Council Member Banks, both low income
residents from New York as well as specifically NYCHA
residents and Section 8 Voucher holders.

Uhm, so a couple of those ways that we prioritize
that and then we can come to potential uhm you know
if there's any budgetary impacts first in our staff
hiring. So a significant portion of our hiring each
year into NYCHA as staff both at our properties and
central office are Section 3 workers including
targeted Section 3 residents.

Secondly, for vendor contracts, we have very
clear requirements. All of our vendors have to
develop a Section 3 plan during the procurement phase
and as they're contracted, they have to adhere and
perform against that Section 3 plan. That includes
meeting the federal benchmarks around ten percent of
labor hours being completed by residents, 25 percent

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by either residents or other low income workers and then we manage the contracts through their life cycle to work with vendors to help source resident candidates or low income worker candidates so that they can meet those benchmarks as best as possible.

In addition to that, we run a number of our own workforce development programs. So, we have something called the NYCHA resident training academy that trains residents for a range of different types of roles or entry opportunities. This can include construction work of the type that I oversee but it also includes a range of other areas including NYCHA staff opportunities or other types of vendor contract opportunities that may come up.

And we run those programs and then support residents around placement into you know unions and trade opportunities or into non-trade opportunities. And so, the efforts we make at you know obviously hiring and focusing on Section 3 priorities as well as vendor contracting, uhm are not in my mind directly impacted by budgetary issues in the sense of we would continue to make those efforts with the contracts we put out with the positions we hire for. And our workforce development programs, may or may

not be impacted. Obviously if we are as an agency funded less and you know spending less then we have less direct opportunities to link residents or other low income workers too.

CHAIRPERSON BANKS: And as far as engagement with the TA's, what role do the tenant associations play with living out the Section 3 and then also too, separate question but I'm going to give this to you as well. As far as the RAD PACT converted developments, when it comes to Section 3, how do you uh provide oversight over that and have them comply to hiring local residents?

SHAAN MAVANI: Sure, I can talk to both points. So, on the Section 9 side and the other type of vendor contracts we have, for example, the capital projects that I oversee, uhm at the - throughout that typical capital project, Section 3 may be a discussion topic. We engage with the residents from the point of planning and scoping throughout the architecture engineering design phase throughout procurement and then when we get to construction. Now, those opportunities are typically coming in the construction phase, so at the beginning of the construction phase before anything physical starts

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and several months before we bring the vendor onsite,
we have what we call a preconstruction kickoff. A
resident leader is there; other resident board
members can be there. One of the main topics of
discussion is what are the specific job opportunities
on this contract? How will we match and field
candidates who are from that property or from other
properties who may be qualified to take up those job
opportunities so that the vendor can plan on filling
those roles through Section 3 hiring, right?

CHAIRPERSON BANKS: Do you have percentages
showing how many residents have been hired for those
particular developments that have been converted or
per development that has been converted.

SHAAN MAVANI: Sure, so let me come to the RAD
PACT in a moment. What I was speaking about was on
the Section 9 side and we do track and manage the
data around that so we know per contract and per
project what kind of Section 3 performance we're
seeing from a vendor. On the RAD PACT side, Section
3 is required for the renovation work, so the major
construction that happens after conversion. Our real
estate development team does collect and monitor that
data, in fact that's published on our website every

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quarter. And so, the actual performance of each project and how they're doing against their Section 3 targets is available there.

In a similar way as I mentioned, they're working closely with the resident leadership of each site around how to field candidates in particular from the properties that are converting as that project and to ensure that they have job opportunities available. Whether those are trade opportunities or non-trade type of roles involved in the renovation project.

CHAIRPERSON BANKS: And does the Section 3 also include local vendors as well? Hiring of local vendors?

SHAAN MAVANI: Yeah, so Section 3 covers any type of vendor contracting that's happening, yeah.

CHAIRPERSON BANKS: And let me move on to the state budget for NYCHA. In the state budget it appears that the states \$1 billion contribution to the City of Yes/ City of Yes - yeah City of Yes and City for All includes \$200 million for capital projects and the other improvements as NYCHA developments. How do you anticipate this funding impacting your capital budget in the coming fiscal year?

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LISA BOVA-HIATT: Thank you for the question
Council Member. We are really thankful for the
support of our state representatives and for City
Council for the advocacy. We were awarded \$225
million in the recently announced state budget plan.
As you mentioned, \$200 million of that is for capital
projects and other improvements. We'll work with our
state partners to identify the projects and execute a
GDA agreement to begin that work. And there's also
\$25 million in capital for our vacant unit turnover
program.

CHAIRPERSON BANKS: Yeah, \$225 million is not a
lot of money.

LISA BOVA-HIATT: But we're grateful.

CHAIRPERSON BANKS: We're glad that the state has
stepped up and I'm also glad to hear that the funding
is to preserve Section 9 housing. Uhm, do you have
any plans to allocate this additional - any
additional capital funding and what's the process for
determining those allocations?

LISA BOVA-HIATT: Can you repeat the question
sir?

CHAIRPERSON BANKS: Do you have any plans to
allocate this additional funding? This additional

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capital funding, the \$225 million and what's the
process for determining those allocations?

LISA BOVA-HIATT: So, that's a great question.
It's very new. It was only awarded on May 9th and
so, we've only begun very preliminary conversations
internally but we will have a list of projects
shortly and we're happy to share those with you.

CHAIRPERSON BANKS: Well, I know the list needs a
lot so yeah, okay. Uhm what role will the state play
in determining how you use these funds and uhm, we
know that the state budget also includes \$50 million
for mold, lead and asbestos abatement in New York
City. Would NYCHA be able to access any of this
funding or do you feel that NYCHA has sufficient
capital funding in these areas for other funding
sources?

ANNIKA LESCOTT-MARTINEZ: So, the funding that
you mentioned is statewide. We do anticipate that
NYCHA will be able to access some of that funding.
We can't speak to the exact amount and I'll turn it
over to my colleague Shaan Mavani who can speak to
the GDA process that we go through with the state to
identify projects.

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SHAAN MAVANI: Yeah so just to be clear, I think your question relates to the additional \$200 million that came out in the state budget separate from City of Yes. So, the way that process works, as we've had these allocations annually for a few years now, we would prioritize internally the best use of those funds from our perspective and then will engage with electeds on the state side who have allocated that funding to understand how that aligns with their views on our priorities and then we'd develop a list of projects. So, typically you know earlier allocations after the HUD agreement, we focused on heating and elevators as part of the agreement. More recently we focused the GDA's again on heating but also some of the brick work and façade work we need to do at our properties that's typically not city capital eligible and similarly we'll identify what we think are the one or two major priority areas, work with the electeds to align on that and what that plan looks like, how residents would benefit and then once that's kind of agreed, that goes to the State Department of Budget. It's formalized with them. They then transfer a package over to DAZNY, the Dormitory Authority that administers that grant and

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then we work with DAZNY to execute an actual grant
disbursement agreement or GDA. That process usually
takes about two years. In the last few years, we've
tried hard to expedite that with state partners. For
example, last year we were able to - two years ago,
we were able to get it done in nine months and you
know have over 485 million available. The allocation
last April, we're still working through to try to get
that executed but we similarly try to get the money
available to NYCHA within nine to twelve months so
that we can move forward with the projects.

CHAIRPERSON BANKS: When it comes to vacant
units, the executive capital commitment plan
increases funding for vacant unit readiness by \$39
million to bring the total city capital contribution.
The state budget also includes \$25 million for
rehabilitating and returning vacant units to
occupancy.

This appropriation will be pursuant to a plan
approved by the state director of budget. Can you
give us a preview of what this plan will entail and
have these conversations already started and are you
concerned that the state approval will hamper the

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this at which you can use these funds, these new
funds for?

LISA BOVA-HIATT: Thank you Council Member. We
again are very grateful for the funding and support
of our vacant unit readiness program from both the
state and the city. As you mentioned, we have \$150
million over the next two years from the city across
the expense and capital budgets. We currently use
that city capital for the asbestos, lead abatement,
supplies and related work. And on the expense side,
we use it for staffing and additional supplies and
vendor contracts and it varies you know project to
project.

We, as Shaan mentioned when it comes to state
funding, we work closely with all of our state
partners to get the funding executed. It is
certainly new for the state to provide funding like,
so it will be the first time that we are receiving
funding for vacant units from the state but I think
given you know our great track record with the city,
we will probably have a similar plan and we can speak
to specifics once we get into it.

CHAIRPERSON BANKS: Can you talk a little bit
about how you think these additional funds will

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1 impact the number of vacant apartments and will this
2 funding reduce the total number allowed to you to
3 turn over to apartments quicker than what's currently
4 being done?
5

6 LISA BOVA-HIATT: Thank you for that question.
7 I'm going to turn it over to Eva Trimble, our Chief
8 Operating Officer.

9 EVA TRIMBLE: Thank you Council Member. As we've
10 stated, we still have some work to do with our state
11 partners to finalize an agreement for how those funds
12 will be used but yes, we are very grateful and
13 excited to have additional resources to supplement
14 our vacant unit work. We are expecting that this
15 will help us turn over additional units but I can't
16 say exactly how many just yet, as we need to work
17 with the state to determine how those funds are being
18 applied to our existing program. However, as I've
19 stated before, it's very hard for us to make a deep
20 indent into the total number of vacant units
21 available as about 60 percent of our vacant units go
22 to transfers. So, for every time we move someone,
23 another apartment becomes vacant. Our current number
24 of vacant units available is about 5,900 and we've
25 been pretty steady around that number now for a

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little while despite the fact that we've turned over
52 percent more apartments in the past year and have
increased our production significantly and we're
going to continue to use all the resources we can to
continue to improve that number.

CHAIRPERSON BANKS: Thank you for that
information. Capital projects and the Monitor
Agreement, the Monitor Agreement binds NYCHA to
strict performance metrics that concerns lead paint,
mold, pass way, elevators, heat and inspections. Is
there a single place where the public can view
progress against these metrics?

LISA BOVA-HIATT: Thank you Council Member.
We've been working closely with our partners, both
the Monitor and federal partners, HUD and Southern
District on all of the areas of the agreement that
you just mentioned. The Monitor does publish a
quarterly report where they publish their opinion of
our progress on all of these areas and includes much
of the metrics around that but I'm happy to report
that in almost all of the six pillars, we have shown
tremendous improvement in all of those areas. We
continue to see reduction in outages for elevators
and reduction in outage response time. And in

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addition for heat, we've done the same. We are
surpassing our goal of the agreement, for example for
heat, which requires restoration within 12 hours.
We're averaging around 7 for this heat season and so
we continue to have performance and productivity
improvements in all of those areas.

CHAIRPERSON BANKS: Okay, NYCHA has shared that
it's relying on external vendors as well as the in
house capacity to meet the key pillar compliance
area, such as mold, heating and elevators. What's
the split between the contracted and in house
spending on the pillar area?

ANNIKA LESCOTT-MARTINEZ: Thank you for the
question Council Member. So, across all of the
pillar areas in our budget, we have around \$35
million for vendor work and in terms of staffing, it
is certainly more than that.

In terms of staffing across the pillar areas, I
can get back to you with that amount, sorry.

CHAIRPERSON BANKS: Yeah if you can get back,
we'll appreciate that. What resources would be
needed to allow discretionary capital projects to
flow more quickly? And have you requested these
resources from OMB?

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SHAAN MAVANI: Sure, I can take that. Currently we are able to effectively staff and deliver all of our discretionary capital projects on top of the non-discretionary. Obviously, a couple years ago, we had at the Council hearing, made a decision or communicated a decision to pause a small number of projects. So, 55 projects out of our portfolio of about 650 due to inability to effectively staff and deliver those at the same time as our compliance commitments. We now have restarted all of those 55 projects that were you know either combined in with other projects or started them on their own. We do not currently have any projects that are paused in that way and therefore I think we're sufficiently staffed and resourced to be able to take on discretionary projects and deliver them effectively.

CHAIRPERSON BANKS: Okay. When it comes to Local Law 18, sorry Local Law 18 large project cost increase report, Local Law 18 of 2012 requires reports on cost increase on large city projects and the most recent report shows that the cost of relocating tenants in order to do a letter of mediation or increase from \$20 million to \$43.4 million, a jump of 117 percent. Can you explain this

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significant increase and has the cost of the
relocation increased or is NYCHA remediating more
apartments so that there can be more relocations?

LISA BOVA-HIATT: Thank you Council Member. I'm
not familiar with exactly that report or that data
but I can share that we are doing a significant
number of relocations, which is you know something
we're very proud of. We've done over 12,000 lead
abatement, which is you know frankly something that
we worked really hard to scale up over the last few
years. So, the number of lead abatements has grown
and that is something that requires a full relocation
of the household from the apartment in order to do
that safely and we know that that's tough on
residents to have to fully move out of the apartment.
All of their belongings are fully moved out as well.
They are moved into a hotel, so the relocation costs
include both moving, hotel expenses, as well as gift
cards that we give out in order to help with
differentiating the cost of meals and other
amenities.

The cost for relocation and for the Lead
Abatement Program are covered as a combination of
both federal and city capital costs and we can get

back to you on the cost of relocation. Some of the work in the apartment after the lead work is completed, the lead abatement work is completed, we do have to have our skill trades come in and do things like reinstall cabinets, fix tub enclosures, similar to our vacant unit work and so, some of that work relies on our trade availability, which as you know is sometimes tight.

So, we have admittedly have relocations. We try to make it within two weeks. They have lingered past two weeks and that's something that we're working hard to bring back to the two week timeframe.

CHAIRPERSON BANKS: Thank you. When it comes to RAD PACT, uhm does NYCHA have any initiatives to maintain the cohesion of the authority? Even as it splits into two different - two or three different funding models across many different private property management agencies?

LISA BOVA-HIATT: Can you repeat that question please?

CHAIRPERSON BANKS: Does NYCHA have any initiatives to maintain the cohesion of the authority, even as it splits into two or three

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different funding models across many different
private property management agencies?

LISA BOVA-HIATT: So, NYCHA maintains both
ownership of the properties as well as significant
oversight over the PACT partners. So, I think our
oversight, you know whether it's the trust or PACT or
NYCHA, we will always maintain oversight over those
different programs, comprehensive modernization as
well.

CHAIRPERSON BANKS: Does NYCHA have any
initiatives - well, let me switch this. How will you
make sure that the different funding models that
NYCHA manage RAD slash RAD PACT and the trusts are
not competing against each other for resources?

LISA BOVA-HIATT: So, because they both have a
common goal, there's no competition between the Trust
and PACT. The goal is to move our residents into
apartments that are clear from environmental
contaminants that are updated, that are modern. So,
we've never seen the Trust and Pact as competing but
only helping NYCHA and its residents move to more
sustainable, more modern public housing, affordable
housing.

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CHAIRPERSON BANKS: Well, how many are
anticipated to be part of PACT by the end of 2025 and
2026?

LISA BOVA-HIATT: Well, we have currently moved
25,000 apartments through the PACT program. Our goal
that we've stated for several years has been 64,000
apartments by 2028 and that is the goal that we're
working towards.

CHAIRPERSON BANKS: Okay and when it comes to
capital projects now, given that NYCHA's capital need
is over \$78 billion. How is it that it's five year
capital plan is only \$7.8 billion? How are projects
prioritized by the Authority?

LISA BOVA-HIATT: That's a great question and I'm
going to turn it over to Shaan Mavani.

SHAAN MAVANI: Sure, so the vast majority of our
capital projects relate again to the HUD pillar
compliance areas that you cited earlier. So, the
largest portions of our budgets are going to heating
investments, elevator investments, waste management
investments, comprehensive modernization, that is
also focused on lead based paint, leaks and mold in
those type of areas. We obviously have other
programs like our city funded grouping program. A

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lot of safety insecurity work and then we have you
know other infrastructural work like you know for
example, plumbing risers and then we have the
discretionary projects from City Council funding and
state funding.

So, within the compliance areas, as we allocate
funding, we look at a number of different data
sources around the conditions of each site, the
physical conditions but also how much repairs we're
doing, how many work tickets residents are putting
in, the type of repairs etc., to understand where
we're making a large operating cost investment that
would be better served by a capital renovation.

If it's a rainy given area, we will prioritize
for example within heating. We'll look at heating
systems performance along with our operational
colleagues who manage the heating systems, look at
the physical assets, work order tickets, staff
feedback. We also collect resident leaders
priorities at each site. We try to consider that in
the prioritization process and then we'll come up
with a kind of priority queue and then in as much of
the funding we have allows us to go down to a certain

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number on the priority queue we will fund those
projects. That's typically the process.

CHAIRPERSON BANKS: Do you have an estimate of
how much of that is going to be covered by PACT?

SHAAN MAVANI: Yeah, when we released the 2023
PNA, we released along with that a forecast of how
those \$78 billion as you cited would be addressed
through the 62,000 that Lisa mentioned is our public
goal for PACT. And at the time, we modeled out that
uhm, between uhm, future PACT conversions up to that
62,000 number plus the trust conversions up to the
25,000 unit cap in the trust legislation. That would
address about half of the need. So, that would take
us from \$78 billion to closer to \$40 billion and that
is what we're progressing towards.

CHAIRPERSON BANKS: What types of emergency
maintenance requests were rejected?

SHAAN MAVANI: Uhm, are we still talking about
capital projects or more broadly?

CHAIRPERSON BANKS: Yes, no capital projects.

SHAAN MAVANI: Okay, so I can start and if we
want actual emergency maintenance or repair requests,
I can pass it to Eva.

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Uhm, the way we address when emergencies happen, there's as you would imagine a variety of emergencies from fires and apartments that effect the broader building through uhm, finding a structural issue somewhere that needs to be addressed in the course of excavation or working in a foundation to brick work or things like that.

So, for any type of emergency, we quickly assess and triage whether it requires a capital projects type of skill. So, specifically, this will require architectural skills, engineering skills, filings with DOB. If it meets ones of these criteria, we have a capital emergencies team who will get involved, who will then immediately stabilize the situation. If that requires some initial construction work or shoring or something else, and then we'll work with architects and engineers we have on call or from our own team to develop out our permanent repair solution or renovation. We'll then you know work as an executive group to fund that renovation. We meet every month to look at emergency funding needs and then we will implement that repair. Now if we have you know urgent situations that don't rise in an emergency but require a repair in the next

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year or the next two years, we will log that and we will make sure we're monitoring and coming back to that to plan that in as a capital project that would be required in the future. And so, those are the emergency situations that would graduate to requiring you know capital type of skills or a larger funding amount that would be more like a capital investment. There are obviously a lot of day to day emergencies that can be quite tricky and challenging that don't meet those criteria and those are dealt with through our property management or skill trades and other functions that Eva oversees.

CHAIRPERSON BANKS: This is my last question and I'll come back and turn it over to the Chair and let my colleagues speak.

What is the status of the \$1.1 billion in comprehensive modernization projects budgeted over the five year capital plan and what are the upcoming milestones?

SHAAN MAVANI: Great, thank you for that question. So, the \$1.1 billion is split across four projects. The largest project is at St Nicholas Houses. That is about half of the funding. That project is now in the construction phase, so it's a

design build project. The relocations of tenants from the first two buildings has started, which is the first phase of a multibuilding project and the initial construction activity is starting later this month around demolition and abatement and activities like that.

The second project Todt Hill in Staten Island is a little bit smaller, about \$200 million. That project has already fully relocated two buildings successfully and very quickly with a lot of resident engagement and support. Construction is heavily ongoing at those two buildings and already we're planning for the next two buildings. Once that construction completes, the next set of residents will attempt to relocate and the residents from the first two buildings will be able to move back into brand new apartments in a fully renovated building.

The other two projects are funded through the Gowanus Rezoning, so work at Gowanus and Wyckoff. We recently NTP'd, which basically means we executed the contract with the design build firm and moved to kind of design build activities. We are currently working through the kind of typical design process with a 30 or 60 percent design. They are already starting to

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engage. They have been engaging with residents for a while. NYCHA engaged for two years but now that the vendor is on board, they are engaging closely, talking about relocation type of practices and processes, resident concerns, etc..

So, we expect those projects to move forward very, very effectively just like the first two based on what we've learned through the program, but given the success we've had so far, in terms of resident engagement, the procurement process, and bringing on a very strong vendor.

CHAIRPERSON BANKS: Thank you.

CHAIRPERSON BRANNAN: Okay we've been joined by Council Members Bottcher, Sanchez, and Salaam and now we'll have questions from Brewer followed by Bottcher.

COUNCIL MEMBER BREWER: Thank you very much.

First, I want to thank Brian Honan for everything. I just want to be clear. NYCHA has been replacing steam radiators with electric heat pumps. My understanding is the results are very good, fewer heat complaints, and energy savings. How many did you install in '25 so far and is there additional money in '26 to install more? The reason I ask is

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that my understanding is that it cuts energy cuts by
half. Can you update me on that?

SHAAN MAVANI: Sure I can provide you an update
on our what's called our Clean Heat For All program.
As you know Council Member Brewer, that was an
industry challenge where we partnered with two
different industry partners who developed these
products to our specifications. We installed about
125 of them for a demonstration pilot. We wanted the
manufacturers to prove that the products worked. As
you highlighted, resident feedback is very positive,
energy efficiency is good from the pilot. We did
have them make some modifications to the products,
which one of the vendors has completed and we have a
new product we've signed off. We are now working on
a larger building scale up at Woodside Houses with
that product. The second vendor had some issues with
the product. We wanted to see it operate further, in
particular in the spring and summer time in the pilot
units and we believe that's successful as well.

We will then be scaling up that product to a full
building as well and we have a plan. You know the
way the challenge works is that if the products are
successful as we feel they are now, we've committed

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to purchase 10,000 of them and scale those up at
about 3,000 apartments across the city and so, we
have a number of developments that we have agreed to
roll them out at and as we move the scale up process
forward in 2025, 2026, 2027, 2028, we will be kind of
implementing them at those developments.

COUNCIL MEMBER BREWER: And you are saving money
from what I understand.

SHAAN MAVANI: So, uhm yes there are different
funding sources for those projects. We are still
pursuing funding from FEMA for the Ida storm that
happened a few years ago. That funding because
largely heating systems were damaged amongst other
things, would help us support installation of the
heat pumps, both from a recovery perspective but also
from a climate change mitigation perspective.

So, we are working through that process. We
think that that's closer to the finish line and we're
hoping to secure that funding in 2025 fully. We have
secured funding for several of the sites to move
forward and we're trying to secure the remaining and
then obviously beyond that, the program funding is
coming from our state and federal resources.

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COUNCIL MEMBER BREWER: Okay. On vacant units you talked earlier, 60 percent of transfers. You have 5,900 total and then obviously - so you've turned over 52 percent. My question is do you know in terms of these vacancies, how many are for large families, how many are for seniors? It is hard for the public to understand that there are so many still vacant units. I know you're using some for - I understand for those who are transferring but it's still hard to understand. So, what - do you know the breakdown as to what's left and how are you going to address funding wise those that are still needed to be repaired?

LISA BOVA-HIATT: Thank you Council Member. We definitely understand that there is a significant wait list for this units. Unfortunately, the units themselves are not assigned to a household. So, we work to complete the turnover work and the construction work in the apartment first before we make any selection of a perspective tenant for the apartment. So, there's no way to say who the apartment is assigned to until that assignment actually happens.

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COUNCIL MEMBER BREWER: Okay so, given all these numbers that I just gave you and that you gave to us, how many vacancies are available that could be repaired in '26?

LISA BOVA-HIATT: There's - right now we have approximately 5,900 vacant units available that represent our pipeline of apartments to turn over.

COUNCIL MEMBER BREWER: So, those are the ones that you're going to be repairing?

LISA BOVA-HIATT: Correct.

COUNCIL MEMBER BREWER: Okay. The other question I have is maybe there's so how you get a cost - I was this morning with all of the upper west side NYCHA leaders at a meeting and they're all complaining about dogs because of the pet policy. You're supposed to be registered but there's no enforcement. Is that a budget issue? What is the reason for all of that?

LISA BOVA-HIATT: Well, I wouldn't say that there's no enforcement. A lot of that enforcement happens behind the scenes and it's not something that's shared with other residents. Something like the dog policy is enforcement through individual lease actions and it's up to the resident to notify

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property management of their dog in order to register it. If we find out about the dog, we will reach out to the resident and call them into the office to register. If they fail to comply, then we have to proceed with lease enforcement, which includes going through termination of tenancy and then eventually an eviction proceeding and these are things that can take a very long time and are often you know fairly unseen by the neighbors and we understand that it represents a quality of life issue for the neighbors and so they often think that we're not doing anything about it but honestly it takes a long time for us to move through that process.

COUNCIL MEMBER BREWER: Okay and the same thing with squatters in these vacant apartments. I have so many complaints about squatters in vacant apartments. Again, is that like a time issue? Is that staffing issue? Is that a budget issue?

LISA BOVA-HIATT: It's really a time and process issue. Depending on squatters is a broad term. There's squatters, there licensees, there's other types of unauthorized occupants. We work closely with the NYPD and their reclamation unit. We've done over 300 reclamations of apartments, which has been a

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really great cooperative partnership with the NYPD.

So, it's really important that as soon as we know
about a possible squatter in apartment, we can move
as quickly as possible.

COUNCIL MEMBER BREWER: 133 West 93rd Street and
I'll get you the apartment. There's somebody there
and then just finally, the Mayor promised a van for
PSA6 for the individuals who want to go to the
meetings can get there. You promised that at a West
Side town hall and they don't have the van, just so
you know. So, I'll bring it to his attention but
they want their van.

LISA BOVA-HIATT: Thank you.

COUNCIL MEMBER BREWER: Thank you.

CHAIRPERSON BRANNAN: Okay questions from Council
Member Bottcher followed by Salaam.

COUNCIL MEMBER BOTTCHEER: Good afternoon. How
are you?

LISA BOVA-HIATT: Great, thanks.

COUNCIL MEMBER BOTTCHEER: Is the Trump
Administration proposing cuts to Section 9?

LISA BOVA-HIATT: Yes, the budget that they
proposed creates a Block Grant for Section 8, Section
9 and various smaller housing programs and the

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funding that they applied to that Block Grant is on a
43 to 45 percent cut.

COUNCIL MEMBER BOTTCHER: Can you explain to the
public the concept of a block grant and why does a
block grant amount to a cut?

LISA BOVA-HIATT: Sure. So, the way that the
programs are funded now are through formulas. So,
HUD takes into account on the Section 8 side how many
vouchers we have leased. They make projections as to
how many vouchers we may lease up and they give us
funding accordingly. It is also prorated potentially
by what is actually available from Congress.

On the Section 9 side, there's an operating
formula that takes into account our expenses. Things
like utilities, various program expenses, TPA funds,
etc., and we are giving an eligibility number.

Again, depending on what Congress does, that
number is then prorated. So, we're essentially
funded for every unit of public housing and similarly
for every unit of Section 8 subject to the funding
available.

In a block grant, that may not matter. So, they
say New York State, you have x billions of dollars
for all of these programs, you figure it out. And

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consequently, you consider the regulations, right?

There could be different requirements then there are
now on tenants, on materials, etc., and so it is
really concerning if we don't have funding per unit
per family even though it is underfunded currently,
it is still miles better than what they are proposing
now.

COUNCIL MEMBER BOTTCHER: And the amount of the
block grant that the Trump Administration is
proposing for New York, it would be considerably less
then what we currently require.

LISA BOVA-HIATT: That is correct Council Member.
It would be 43 to 45 percent less and so in dollar
terms is a \$26.7 billion cut across those programs
and that is significant.

COUNCIL MEMBER BOTTCHER: And you may or may not
be able to answer this but what does NYCHA believe
the likelihood of these cuts is of getting through
Congress?

LISA BOVA-HIATT: We have no idea but I just want
to put a fine point on what our CFO said and make
sure that people understand. There are really two
things that are happening here. One is a substantial
cut to Section 8 and Section 9 funding across the

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board. And then this idea of whatever money is left,
whatever money they will give, they're going to push
that down to the state in a block grant. So, it's
really two things and then, add additional
regulations on top of that.

COUNCIL MEMBER BOTTCHER: Last question. I've
heard you give updates on several renovation projects
that are happening around the city and I've also
heard you talk about how tenants are being required
to temporarily relocate from their homes during those
renovations. What determines for you whether or not
a tenant has to relocate for their homes during a
renovation versus staying in place during a
renovation and how many tenants are being asked to
relocate temporarily out of their housing development
entirely to other developments and where are those
developments where tenants are being asked to
temporarily relocate out of their development
elsewhere?

LISA BOVA-HIATT: It's a great question and it's
complex so I will have Shaan answer the first portion
and then Eva might want to add additional.

SHAAN MAVANI: Sure, so there are different types
of repairs and renovations that you'd imagine that

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require tenants out of the apartment for different reasons, right? At the lower end, as Eva explained earlier, for things like lead based paint abatement or asbestos abatement, there is a basic code requirement, a legal requirement that that space cannot be occupied while that work is undergoing. And so, we may relocate for a week or two weeks or three weeks or something like that. Typically, the short term relocations you know will be on the property or at a hotel or at a nearby property based on availability.

But for the major renovations that I spoke about, the relocation can extend to three months, four months, up to six months and then up to nine months and that's because we're doing so much work in the apartment beyond just the hazardous material abatement that it wouldn't be viable for residents to continue to live in the apartment during that work and be safe both from a you know in terms of environmental health and safety but simply because there's so much construction work happening around them where we're taking down walls and putting up new walls, completely doing kitchens and bathrooms and other things like that.

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1 So, there's a very extensive process for those
2
3 major renovations to engage with residents for
4
5 several years before we get to any work to understand
6
7 and survey each apartment. You know one of the
8
9 challenges that family may face around relocation,
10
11 what is their unique circumstance, what are their
12
13 needs, and to make sure those are addressed through
14
15 the relocation process. And obviously in particular,
16
17 if there isn't sufficient vacancies at that property,
18
19 that they need to be temporarily relocated at an
20
21 adjacent property and those challenges can be greater
22
23 and we work for a closely - uhm through our capital
24
25 work for example, where the renovation is part of
26
27 that to solve for whatever concerns and issues they
28
29 have through that process and so that temporary
30
31 relocation doesn't have a overly adverse impact to
32
33 minimize adverse impact on their family in terms of
34
35 getting to school or things like that.

20 So, I think that answers most parts of your
21 question. I'm not sure if I got the last one.

22 COUNCIL MEMBER BOTTCHER: Are there tenants who
23 are being moved off campus during renovations?

24 SHAAN MAVANI: Yeah, that is common and part of
25 that tension is the tension we have about renting out

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vacant units as quickly as possible. Being able to maintain tenants on a campus, whether it's a smaller campus or a large campus, during a large scale renovation would mean that we would have to have to have a significant amount of vacancies to cycle tenants through, right? If we're doing two or three buildings at a time, all two of those buildings, we would need the equivalent number of vacancies on the site for those tenants to temporarily live there and move back. We do not hold that level of vacancy even for these very large renovations. We solve for whatever we can do on the campus by using existing vacancies and maybe holding for one year or so. That will typically give us two, three, four percent of units but not nearly enough if we're going to need to clear full buildings during renovation.

And so, that's where we end up using other sites. There are cases both on capital renovation and PACT where we're able to do the work with a very short term relocation or keep people on the site. It also depends on the scope of work that's being undertaken in that specific project.

CHAIRPERSON BRANNAN: Okay, now we have questions from Council Member Salaam.

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COUNCIL MEMBER SALAAM: Thank you and good
afternoon.

LISA BOVA-HIATT: Good afternoon.

COUNCIL MEMBER SALAAM: So, lead, mold and
asbestos remediation comprise of over \$1.1 billion in
capital investments. Can NYCHA publicly release the
breakdown on where those mediation projects will take
place including timelines for the removal in Harlem's
oldest building such as King Towers or St Nicholas
Houses?

LISA BOVA-HIATT: Thank you Council Member. We
can certainly follow up with more detailed
information about the developments in your district
and the amount of lead and asbestos remediation and
abatement that we're doing in those apartments.

COUNCIL MEMBER SALAAM: Thank you. And the
Council pushed to increase funding for NYCHA's Vacant
Unit Readiness Initiative to \$134 million. How many
current vacant apartments in Harlem can be turned
around with this investment and what is the current
average time it takes to reoccupy a unit?

LISA BOVA-HIATT: Thank you Council Member. We
will again follow up with the specifics on the number
of vacants in your district. As far as the

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timeframe, that is much harder to answer. As said,
we have about 5,900 vacant available units right now,
so we are working through a significant backlog and
working to get to all the apartments as quickly as
possible. The overall number as I said is hard to
bring down because 60 percent are for transfers but
we can certainly follow up with you on the units in
your district and get you some more information on
those.

COUNCIL MEMBER SALAAM: And last thing, regarding
heating and energy efficiency in Harlem, the \$1.2
billion allocated for heating upgrades and green
house grass compliance, what specific Harlem
developments are prioritized for boiler replacements,
decarbonization or insulation? Residents in Harlem
frequently report lack of heat during the winter.
How does this plan directly address their needs?

SHAAN MAVANI: Thank you Council Member. So, I
think there's a significant number of developments in
Harlem and in your district that are part of our
boiler replacement or decarbonization energy
efficiency work. We can provide you a full list of
those, where they are. Some are completed, some are
ongoing.

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We do provide a biannual letter to all Council Member offices but the status of all capital projects in their district. I think our next one is set to come out in a month or so but we can definitely give you something before then specifically around heating. I think your earlier question also may have been partly referencing the comprehensive modernization at St Nicholas. We're happy to give you a deep dive on where that project is, the schedule for renovations that are ongoing at the site as well.

COUNCIL MEMBER SALAAM: Thank you. Thank you Chairs.

CHAIRPERSON BRANNAN: Thank you. I just have a couple more. I want to talk about rent collection. I know that NYCHA's budget projects over \$1 billion in tenant rental revenue in '25 and \$920 million in '26. Can you give us an update on the progress you're making with rental arrears and so far in your fiscal year, how is NYCHA's rental collection rate?

ANNIKA LESCOTT-MARTINEZ: Thank you Chair for that question. We have great news to share on the rent collection front. So, as of April 30, 2025, our tenant rent arrears balance is \$441 million. When we

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came last and spoke to you, that number was \$104 million higher. So we have been making great strides, implementing our various rental arrears programs with our tenants. We have uhm already received \$161 million in emergency rental arrears program funds. The majority of which as Lisa mentioned in her testimony have been applied.

On the COVID rental assistance program through State OTDA, we've received \$34.5 million and already credited \$32.6 million to tenant accounts. And lastly, which is a new development in the month of April, our home art program has finally gotten off the ground. We've been working closely with our city partners to implement that federal funding and we have applied \$84.1 million to tenant accounts. So, just this month, even 29,271 households are seeing the impact of those programs.

CHAIRPERSON BRANNAN: Thank you. Chair Banks.

CHAIRPERSON BANKS: Thank you I just have a couple of questions and this is from my colleague Council Member Brooks.

Far Rockaway Trauma Center and I think this is something that was brought up at the last hearing. So, this is a follow up question to that. Since the

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Preliminary Budget hearing, the Mayor has established
uh is set to convene a working group on the Far
Rockaway Trauma Center in the coming weeks. This
working group will be focused on the transfer of the
NYCHA owned property to DCAS for the trauma center.
Does NYCHA now commit to working with the Mayor and
Administration to advance this land transfer?

LISA BOVA-HIATT: Thank you for that question and
as I said, in March, uhm, we have been committed to
working with the Council on this project but in order
to facilitate the Section 8 team process, we need a
plan that includes both funding and a provider and
once we have that information, we will start that
process.

CHAIRPERSON BANKS: So, you're going to - but
that's the same thing you said at the last -

LISA BOVA-HIATT: But we still don't have a plan
or funding.

CHAIRPERSON BANKS: Well, the working group.

LISA BOVA-HIATT: If the working group comes up
with a plan and funding, we are happy to start the
process.

CHAIRPERSON BANKS: But NYCHA is a part of that
working group, am I correct?

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LISA BOVA-HIATT: Brian, are we a part of that
working group? We are not part of that working
group.

CHAIRPERSON BANKS: Okay.

LISA BOVA-HIATT: We're of course always happy to
be part of any working group and we understand how
important this trauma center is, but we also have
certain federal requirements that we must meet in
order for us to start that process.

CHAIRPERSON BANKS: When it comes to the vacancy
rate, uhm under the proposed executive budget, how
much funding has NYCHA allocated to spend - uhm to
speed up the turnover times for vacant units in
Council District 31?

ANNIKA LESCOTT-MARTINEZ: In terms of your
specific district, we will have to get back to you
with any buildings that are included in the Vacant
Unit Readiness Program.

CHAIRPERSON BANKS: I think that's a question to
that probably every Council District that has NYCHA
developments. Hopefully you can get that information
to us. And when it comes to repairs and maintenance,
the backlog that exists under the proposed executive
budget, how much funding has NYCHA allocated to

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address the backlog of maintenance requests lead
abatement and mold remediation in Council District
31?

ANNIKA LESCOTT-MARTINEZ: Similarly, we certainly
have the full amount that we allocate to the Lead
Healthy Homes, Mold, and Asbestos programs.

CHAIRPERSON BANKS: How much?

ANNIKA LESCOTT-MARTINEZ: But as to your
district, we would have to get back to you on that
specific amount.

CHAIRPERSON BANKS: And also to I think again,
the same thing can be applied as far as all those
Council Districts that do have - because the backlog
is still out the entire city, so but obviously for
purposes of each Council District, I would definitely
know - would love to get that information as well,
the 42nd Council District.

ANNIKA LESCOTT-MARTINEZ: Sure, happy to.

CHAIRPERSON BANKS: Thank you.

CHAIRPERSON BRANNAN: Okay, thank you very much.

PANEL: Thank you.

CHAIRPERSON BRANNAN: Okay, we'll take a short
say ten minute break and then we're going to hear
from the public. If you are here to testify, pleas

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make sure you filled out a witness slip and we will
start shortly. Thank you. [03:50:05] - [04:01:16].

Okay [GAVEL] We're now going to open up the
hearing for public testimony. I want to remind the
public that this is a government proceeding, decorum
shall be observed at all times. As such, members of
the public shall remain silent at all times unless
you are testifying of course. The witness table is
reserved for people who wish to testify. No video
recording or photography is allowed from the witness
stable. Furthermore, members of the public may not
present audio or video recordings as testimony but
they may submit transcripts of such recordings to the
Sergeant at Arms for inclusion in the hearing - the
official hearing record. Again, if you wish to speak
today and you're here, just make sure you fill out an
appearance card so we know who you are and then wait
to be recognized. Once you're recognized, you'll
have two minutes to speak on today's hearing topics,
which is either the NYCHA budget or the HPD FY26
Budget. If you have a written statement or any
additional written testimony, which we always welcome
and that you want to submit for the record, please
just provide a copy of that testimony to the Sergeant

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at Arms and they'll bring it up here. You may also
email written testimony to testimony@council.nyc.gov
and you can do that within 72 hours of this hearing
but audio and video recordings are not accepted, only
written testimony.

Okay first panel is going to be Todd Baker,
Tricia Lendore, Daniela Sabogal, Hannah Anousheh, and
Manuel Martinez.

You want to start from my right your left. Just
make sure your mics on.

TRICIA LENDORE: Is it on? Can you hear me?

CHAIRPERSON BRANNAN: Yes, it's good, go ahead.

TRICIA LENDORE: Awesome, thank you. Hi, good
afternoon. Well, my name is Tricia Lendore and I am
the Director of the Preserve and Affordable Housing
Program at Brooklyn Legal Services Corporation A and
thank you for the opportunity to testify here today.

So, the Preserve and Affordable Housing program
Brooklyn program is a program at Brooklyn Legal
Services Corporation A, which is a nonprofit legal
service provider. As a right to counsel legal
services provider, Brooklyn A provides vital services
to New Yorkers facing eviction, harassment, and
violations of their rights.

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We are seeking discretionary funding for our Preserve and Affordable Housing program and work through several applications for FY26. The details are being submitted in written testimony, which will be emailed to you here after. Brooklyn A, also known as BKA, also known and Brooklyn Legal Services Corporation A, joins our fellow right to counsel providers in calling for reforms to the program in order to better provide services to New Yorkers.

A report released by the City Comptroller this month noted that right to counsel representation has declined from FY21 to FY24 going from 71 percent to 42 percent. Evictions meanwhile have returned to prepandemic levels in that the number of active eviction cases in the city rose 440 percent between 2020 and 2024.

Now, the need in Housing Court is growing but we also know that when a New Yorker has an attorney, they usually win. That same report notes that in FY24, 89 percent of New Yorkers who received full legal representation in an eviction proceeding were able to remain housed.

The right to counsel program must be more adequately funded and also expanded in order to meet

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the needs of New Yorkers. Brooklyn A recommends that the right to counsel funding be increased both so providers can hire and retain additional attorney's and so they can receive proper compensation per case right now. The average case rate the city covers is a little more than half of the approximate 7,500 per case needed.

Additionally, the city needs to immediately expedite contract delivery so providers are not stuck or left waiting for reimbursement payments for awarded contracts. These delays cause severe cash flow strain, instability and ultimately threaten attorney recruitment and retention for providers.

Keeping people in their homes is one of the most important tool the city has to manage our ongoing housing affordability crisis.

I hope you will recognize the integral role of civil legal services providers in New York City and continue to grow the Right To Counsel program. Thank you for your time and this opportunity to speak with you today.

CHAIRPERSON BRANNAN: Thank you for your testimony.

TRICIA LENDORE: You're welcome.

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DANIELA SABOGAL: Good afternoon and thank you to
the Committee Co-Chairs and the members of both
Committees for the opportunity to testify today on
the Executive Budget. My name is Daniela Sabogal;
I'm the Housing and Benefit Staff Attorney at Make
The Road New York. Make the Road is a membership
based community organization that strives to be a
second home for its members. Working primarily with
the Latina immigrant community but open to all, Make
the Road integrates community organizing, education,
policy work and legal services to create a one stop
shop for its members to uplift and empower them while
also combatting abuse and exploitation that often
occurs within these populations.

Within the Housing and Benefits Legal team, we
represent tenants who are in the process of being
evicted and groups of tenants or individuals who want
to sue their landlord to obtain much needed repairs
in their apartment, which often includes harassment
by the landlord.

We also represent tenants in agency proceedings
who are pursuing overcharged claims, adjustments to
their legal rent and how are disputing the regular
choice status of their apartments. Our team

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collaborates with the organizing team at Make the Road to create know your rights materials that we present to various committees throughout Make the Road across the state and our clients or members, many who are low income experience a lot of the same common issues. Some are living in abhorrent conditions and having the request for repairs ignored.

Others are refused a renewal lease, rent payment receipts or a suspectedly overcharged for years without the resources to recover these funds. The most common issue facing our clients is eviction, whether a household of one or five or more, many Latina immigrants are vulnerable to falling behind on rent. Some have lost their job, have had their hours reduced, or have faced an expensive emergency that caused them to be unable to pay rent resulting in eviction proceedings in the New York City Housing Court. While the occasional few are able to scrape the funds together, most end up seeking emergency grants from the city or in worse case scenarios, losing their homes.

HPD provides very important services to our clients, many by making complaints through 311 and

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having violations placed in their apartments, were
able to help our clients for some desperately needed
repairs in and out of the courts.

Outside of Housing Court, HPD violations can help
put pressure on landlords to make repairs they have
neglected. Once in court, HPD violations are used by
the courts as proof of the existence of conditions
described by tenants and are often the only proof
that judges will accept to order repairs in an
apartment.

We are disappointed and concerned to see that the
FY 2026 Preliminary Capital Commitment Plan
demonstrates that HPD funding will be reduced in
2027, 2028, and 2029. To continue advocating for
clients in and out of Housing Court, we need the
Council and the Administration to secure more future
funding for HPD, not less.

The expansion of the City FHEPS program was a
major win for our clients but the delay in its
implementation and lack of funding has nullified the
loss effect. Without proper rollout and adequate
funding, more of our rent burden clients have faced
unnecessary struggles in making sure their rent gets
paid.

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Not only does this put our clients at risk of
eviction but it takes a toll on their physical and
mental health. Also at risk are those who received
emergency housing vouchers during the COVID-19
pandemic which are slated to end soon.

In order to prevent this greater toll on our
clients, we need the Council and the Administration
to allocate an additional \$215 million for the
program. Thank you for the opportunity to testify.
If you have any questions, please reach out.

CHAIRPERSON BRANNAN: Thank you very much. Go
ahead.

MANUEL MARTINEZ: Good afternoon and thank you
for this opportunity to testify. My name is Manuel
Martinez. I'm the elected resident leader of South
Jamaica Houses and the Chair of the Queens South
District. Let me be clear, NYCHA's budget crisis
isn't just about dollars, it's about decisions.

Decisions made at the top because NYCHA's financial
problems are the result of a leadership failure, a
compliance failure and a failure to tell the truth.

Instead of enforcing residents economic rights,
jobs, training, contracts with Section 3 business

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concerns and compliance across all contractors, NYCHA
blocks them.

Instead of investing in families, it rewards
disfunction excuses mismanagement and turns
obstruction into strategy. This isn't public
service, it's a shadow government bloated, insulated,
untouchable. What we see doesn't resemble a housing
authority. It looks like the leadership of a third
world dictatorship operating in plain site and those
empty apartments, they're not accidents. They are
assets used to justify conversions and low private
investors. This isn't neglect, it's planned
deterioration, a twisted version of blockbusting
where destruction is deliberate and every crumbling
units is another celebration for the other side.

But here's the truth, Section 3 applies to both
capital and operations, yet NYCHA acts like
operations don't count. It ignores the very
contracts that could open doors for residents and
resident businesses. Contracts that under federal
law could award a combined total of up to \$1 million
through special procurement if NYCHA chooses to do
the right thing. Those empty units, they could be
transformed into training centers, job sites, launch

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pads for resident owned businesses. Instead they're
left to rot while opportunity decays alongside them.
May I have? -

NYCHA says economic mobility is the mission but
when residents invoke it, we're treated like threats.
Our rights delayed, our complaints dismissed, the
system is rigged to keep us begging for access to the
very dollars meant to serve us.

So, I'm asking this Council to demand answers.
Ask HUD, is NYCHA in compliance with Section 3? Why
are resident disputes buried in silence? Why are
deceitful practices still running this authority?
Support us, empower us, and bring the truth into
light. Thank you.

CHAIRPERSON BRANNAN: Thank you. Do you know how
many vacant units there are in your development?

MANUEL MARTINEZ: In my development specifically,
no.

CHAIRPERSON BRANNAN: Okay.

MANUEL MARTINEZ: But total, the last time I
checked it was over 7,000. It's down from 10,000 due
to conversions, not repairs.

CHAIRPERSON BRANNAN: Right, thank you.

MANUEL MARTINEZ: Thank you.

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CHAIRPERSON BRANNAN: Go ahead, just say your
name.

HANNAH ANOUSHEH: Hi, Hannah Anousheh.

CHAIRPERSON BRANNAN: Oh cool, okay.

HANNAH ANOUSHEH: Thank you. Let me move a
little bit closer. Good afternoon Council Members.
My name is Hannah Anousheh and I'm the Campaigns
Director for the East New York Community Land Trust.

Myself, along with many community leaders were
able to found the East New York Community Land Trust
in 2020 at the height of the COVID pandemic to combat
displacement. In just five years, we've built out a
powerful member led vanguard organization with a
disciplined democratic structure. Not only that but
we've helped thousands of residents get off the tax
lien sale and connected them with resources to
address complicated title issues. We've organized
residents in the jewel streets, otherwise known as
the hole. An area extremely flood prone without
connection to city sewer and we launched a
neighborhood resilient planning effort along with
Council Member Banks, HPD, DEP, and DOT. And we made
history as the first CLT in New York City to acquire

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a multifamily building from a private landlord that
was not maintaining the building.

Now, we're in the process of stabilizing with the
building, working with HPD to prepare for the rehab,
which will include moving from number two oil to
electric but most importantly, after the rehab, all
of the tenants of the building will become co-op
shareholders and will gain collective control of the
management of their building with the permanent
support of our community land trust. And we did all
that with only \$98,000 a year from the City Council
and a staff of one, myself for a long time and now
thankfully two. So, imagine what we could do if the
funding was tripled.

We have built a strong model that works. We have
helped many tenants, we can help so many more tenants
take collective control of their buildings, support
so many more low income homeowners and develop a
framework for real resilient community led planning
and development for the most vulnerable flood prone
communities but we need more funding.

We ask you to double the CLT initiative funding
to the tune of at least \$3 million. Thank you so
much for your time.

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CHAIRPERSON BRANNAN: Thank you.

TODD BAKER: Good afternoon, my name is Todd
Baker. I am a Project Manager at the Northwest Bronx
Community and Clergy Coalition. Thank you to members
of the Committee for this opportunity. We have been
building power in our community for 50 years but five
years ago; in order to advance our goal of promoting
community ownership and local decision making, we
incorporated the Bronx Community Land Trust.

Since that time, we've organized a secure control
over vacant and abandoned sites, sites that we are
now actively developing into permanently affordable
and cooperatively owned housing and we have also
worked hand and hand with tenants in buildings
experiencing severe physical and financial distress.

And while our organization has historically
organized tenants to build collective power and to
demand the accountability from their landlords and
from city agencies, our community land trust work now
goes even further. We are empowering tenants to
become owners of their buildings and residents to
become the architects and developers of their own
neighborhoods.

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And the financial support of the CLT initiative has been essential in allowing us to expand that work. To cultivate the deep leadership and the relationship building and to offer the necessary technical assistance which prepares tenants to become cooperative owners.

Today, I want to ask the City Council to ensure enhanced funding of \$3 million for the Community Land Trust Initiative in the Fiscal Year '26 budget. As Speaker Adams committed to last year in the City for All Funding package.

To Illustrate the impact of this funding, I'll speak briefly about our work in just one building, one that the Committee Chair, Council Member Sanchez is very familiar with and that's 2201, 2205 Davidson Avenue. After over a decade of severe mismanagement, it was the collaborative impact of the tenants of her Office of Legal Aid and of year of consistent organizing that resulted in the property being taken from its private landlord and in a pathway being opened for the residents to become owners. But now it is the organizing work supported by the Community Land Trust Initiative that will help make stable and affordable homeownership a reality.

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We are constantly building the leadership and collective decision making capacity of the buildings tenant associations, so that upon conversion, there will be a seamless transition to cooperative ownership. And it is the CLT that is prepared to support this HDFC for generations to come, ensuring that it remains affordable. That resident governance remains democratic and transparent and that residents are always connected with the necessary partners to thrive.

Our Community Land Trust and the more than 20 others across New York City come across these opportunities on a weekly basis but we don't have the capacity to address all of them. And with the operating support of an expanded community land trust initiative with the capital offered through programs like Neighborhood Pillars and Open Door, our groups can better meet the strong demand throughout New York City for community driven development for homeownership and for the deep lasting affordability that our people need and deserve. Thank you for this opportunity to testify.

CHAIRPERSON BRANNAN: Thank you very much. Thank you all very much.

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PANEL: Thank you.

CHAIRPERSON BRANNAN: Okay, our next panel. We
have Edna Wells Handy or Hardy, Pamela Herrera, Isiah
Thompson, Carla Hollingsworth, and Will Spisak.

EDNA WELLS HANDY: Good afternoon Chair Banks,
Chair Brannan, and members of the Public Housing and
Finance Committees. My name is Edna Wells Handy and
I'm the Founder and President of the National
Institute for Section 3 Empowerment. You've heard
twice already today about Section 3 and we want to
underscore the importance of that section, that
federal mandate with the Council.

You have a copy of my testimony. It's almost 40
pages. I thought the two minute was a suggestion, so
I would like to follow up with meeting with each of
you to talk about how we could model a Section 3
program in your development but I ask for your
indulgence as I give you this roadmap on a high level
so you can see the importance of this. I speak
passionately about it. I was a former DCAS
Commissioner. I was the first acting Chief
Compliance Officer for NYCHA. I was part of the
Federal Monitor, the first Federal Monitor of NYCHA
and I grew up in the Marcy Projects until I graduated

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1 from law school. And I tell people, had I known
2 about Section 3, you'd be hearing from Edna Wells Law
3 Firm as opposed to Edna Wells of the National
4 Institute but the point of it is, there is power in
5 Section 3. There is talent. There is opportunity
6 that is being left on the table. We're not here
7 asking you for money. We're here telling you there
8 is money on the table. There are billions of dollars
9 on the table connected to federal Section 3's mandate
10 that says, you must use portions of federal funds,
11 housing, disaster recovery, for training, jobs,
12 contracts for low- very low public housing and youth
13 bill participants and the road map is there on the
14 table. So, we spent time setting up the National
15 Institute. Our goal is three-fold. May I have a few
16 minutes more Mr. Chairs?

18 CHAIRPERSON BRANNAN: Yes, yes.

19 EDNA WELLS HANDY: Thank you. I'll speak faster.
20 We speak to achieve universal knowledge of Section 3.
21 We even have swag. I would have gotten one for each
22 of you but we didn't know about the ethics, so I'm
23 going to make it part of my testimony.

24 Full participation, vigorous enforcement, what
25 gets monitored gets done. It came out of the - after

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the assassination of Martin Luther King. It has been
on the books. It is there for the taking. How? If
you will follow me with your packet on Page 3, you
start out with follow the contract. The contract
that is approved by NYCHA Board. You have the board
minutes of the NYCHA Board meeting on April 30th.
Here we have the water roofing contracts, 500 of
2,000 hours Section 3. Award of delivery of quality
contract of pump and motor, 12,000 of the 50,000
hours.

Increased capacity of uhm somebody. These are
the minutes, I'm going to the minutes, 12,000 of the
39,000 Section 3 hours. They are telling you these
are all Section 3 hours. What else do you have?
You have the Chief Procurement Officer saying that it
even applies to law firms. Clearly that's dear to my
heart so that there are hours connected to a law
intern and then finally he says, the Chief
Procurement Officer that his \$5 million contract, the
projected Section 3 hours, 30,000 hours out of
120,000 hours. So, that's the first place you start.
Here are the contracts. Where do you go from the
contracts? Well, I'll say to you it's here,
checkbook from the Comptroller's Office tells you

where the contract is, where it's registered. We suggest you also suggest to the Comptroller that they add this is a Section 3 contract. The second place to go to is the NYCHA tracker.

NYCHA NYCH Tracker, this tracks over 500 projects, capital projects by NYCHA and in each one it goes through your district. It tells you all the contracts in your district. It tells you where it is in your district, where is the planning process. It is opportunity for each and every resident association, resident association president, you, the public, to find out where these contracts are. Why is it important? Because it will tell you, we are at the construction stage. We need this many staff. It has a staffing plan connected to it. You can monitor that plan.

And I know I'm taking others time -

CHAIRPERSON BRANNAN: This is very interesting, I just want to ask a question. Why is this such a secret? How come the government is not leveraging this?

EDNA WELLS HANDY: That is a hearing in and of itself and I'm being honest with you.

CHAIRPERSON BRANNAN: Alright.

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EDNA WELLS HANDY: And so I have let that go for
others.

CHAIRPERSON BRANNAN: Well, we should meet and
talk about it.

EDNA WELLS HANDY: Because it is here. Because
there's a lot of things here. I'm just taking the
words. There are ways in which we can look to it
even deeper. So, why is it - I'll give you an
example, when I was a Chief Compliance Officer at
NYCHA, I said, we need researchers. I said to my own
staff, whom I chose, I want Section 3 workers. A
month went by; two months went by. I said, where are
our Section 3 applicants? They came back to me,
well, we didn't think you - they had the talent.

So, I'd love to go forward. I'd give you
recommendations as to how we should go forward in
terms of more transparency, more engagement, more
monitoring, particularly the empowerment of the
residents. It's all here for the residents and I
leave you with this idea. The New York Department of
Education has for Special Ed students, individual
education plans. There's no reason we can't have
individual employment plans for residents.

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And then we look at what is needed based on what the contracts are coming down, what's the training needed and it's all provided in the funding.

So, I leave you with that. I thank you for the opportunity but we do believe and one of the mothers of the tracker is a colleague of yours who took it when she was here, Alicka Samuels. She was dogged in her - we have to have this tracker based on what Parks does and we have the tracker. It took five years. Two things about government, you can get anything done in government that you want as long as you don't care who gets credit for it.

Two, government years are dog years. So, if you think it's going to take one year, it's going to take five years. So, she suggested it, five years later, we have the tracker. Both are here for the betterment of not just the residents but low, very low income but for New York and we intend it to be global because every city, every city builds or rebuilds. Builds or rebuilds, there's money for it. Everyone should benefit for it. Thank you so much.

CHAIRPERSON BRANNAN: If Alicka cosigns it, then I'm good with it. Okay next please, thank you.

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WILL SPISAK: Alright, good afternoon Council
Members. Thank you for the opportunity to testify.
My name is Will Spisak, I'm a Senior Policy
Strategist at New Economy Project. We are the
cofounders and coordinators of the New York City
Community Land Initiative, which is a citywide
coalition that's been on the forefront of expanding
community land trust as a vehicle to secure deeply
and permanently affordable housing and equitable
neighborhood development across the city.

I'm here to testify in regards to the citywide
CLT initiative, which you've already heard a little
bit about. We're asking City Council to enhance our
funding from \$1.5 to \$3 million for this fiscal year,
as was promised in Speaker Adams commitment in the
City for All funding package last year.

So, all we're asking for is to make sure the
money ends up where it's supposed to as it was
already promised.

You know a decade ago, before we started this CLT
initiative, when we went to Council Member after
Council Member to talk about the importance of
community land trust and community ownership, most
Council Members, most community members never heard

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of CLT's. We had one functioning community land
trust in the city at the time in Cooper Square CLT.

Today, every community, every Council Member,
knows about CLT's. They want to see the community
land trust model expand into their neighborhood to
bring deeply affordable homeownership to preserve
those rent stabilized apartments that are being
neglected and nobody else wants to purchase to
convert those properties that are laying vacant and
foul to active sites for community centers,
commercial space and deeply and permanently
affordable housing.

So, this is the opportunity for us to invest in
that excitement, to invest in this movement, to help
it grow to the next level. You've heard from some of
my colleagues that are organizing CLT's and from - uh
you're going to hear from a few more. I happen to go
out to communities to do education when new groups
are interested in starting community land trust.
There's so much energy and there's so much demand and
we hardly have the capacity to reach every
neighborhood. So, from South East Queens to South
Brooklyn, to South Bronx, we're seeing this interest
and we want to make sure we can help each of those

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communities start up their CLT's and expand across
their neighborhoods. Thank you.

CHAIRPERSON BRANNAN: Thank you.

PAMELA HERRERA: Good afternoon Council Members.
My name is Pamela Herrera and I am the Land Justice
Coordinator at Western Queens Community Land Trust.

Our mission is to help the Western Queens
community, own and steward land, making it
permanently affordable for future generations.
Always focusing on economic racial and environmental
justice. In the past year, we have worked with
nonprofit developers to assess potential housing
projects, assisted tenants dealing with neglected
landlords, worked with homeowners in danger of losing
their homes and are currently putting together a
professional team of developers and financing to
convert a public building into a permanently
affordable space for artists and manufacturing. We
advocate for Black and Brown communities who are the
most marginalized and in danger of being displaced.

We host educational workshops, town halls, and
community events. We have a strong Corp of
volunteers that support the organizations growth but
one single staffer, me.

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Since 2022, our organization has received City Council discretionary funding through the citywide Community Land Trust Initiative. Without this crucial funding, none of the things I just described would have been possible. We are now a respected staple in our community. People come to us for help when it comes to housing and land issues. Thanks to all the work this funding has allowed us to do.

We ask City Council to ensure the full \$3 million in funding for the CLT initiative in this year's budget just as Speaker Adams committed to. With this extra funding, we will be able to bring on much needed second staff member to address the tenant organizing and day to day operations currently being carried out by volunteer members of the community who have full time jobs and families who are already giving 300 percent because they understand how crucial this work is.

Your funding will make a huge difference for Western Queens. Thank you.

CHAIRPERSON BRANNAN: Thank you very much.

ISIAH THOMPSON: Good afternoon Chair Banks and Brannan and members of the Committees. My name is Isiah Thompson. I'm with the Community Service

Society of New York and since the inception of organization, we worked on issues that impact NYCHA residents. And I think in that time, I don't think there's ever been a scarier moment for public housing residents in New York City.

You are aware of the cuts that are coming from the Trump Administration skinny budget, but it's really clear that in addition to the budget, there are rule changes that are coming down that are very draconian. That are really trying to do what many Presidents in the past have tried to do on both sides, which is end public housing as we know it and that's quoting Bill Clinton.

I wouldn't just pass a budget that doesn't even attempt to meet this moment and it's really up to the city to step up and we don't feel like this executive budget does that. You have my - well, you have my full testimony here which you can read but uhm, it includes short of results and reflections from many of the resident votes that have been happening that we've been working on, that I think you will find of interest. How Section 9 tenants are really being left behind. The need to support the preservation trust and we have new data that speaks to the

experience of RAD PACT residents as well. And ultimately our call for this year for \$4 billion in capital for NYCHA and \$2 billion of every year of the Trump Administration.

Uhm, it's really hard to hear this earlier, sort of like the calm tenner from how things are advancing at NYCHA. It doesn't really square with everything that I've seen every day for the last year. We did a survey. I'm going to share some of the results. 82 percent of residents say that their homes were uncomfortably hot in the summer and one in three said that that was all summer long. 46 percent were cold in the winter and that's 40 of those were cold for most or all of the winter, and nearly half reported serious air quality issues inside their homes.

Beyond our survey, the rates of preventable asthma hospitalizations is more than three times higher for public housing residents then citywide. In districts with ten or more NYCHA developments, childhood asthma, emergency room visits are 3.6 higher than ones with no public housing in them.

So, really this is a health crisis. In the testimony, I have a picture of what the average boiler looks like in a NYCHA development. It seems

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really simple. The question is like, from NYCHA,
from the city, why in the next two years can't NYCHA
be giving the money enforced to replace every single
one of these. Thank you for your time.

CHAIRPERSON BRANNAN: Thank you. Go ahead.

UNIDENTIFIED: Good afternoon Council Members.
Thank you for the opportunity to speak. If you bear
with me, I'd like to address the elephant in the
room. NYCHA says that they engaged with residents.
They have not. Okay, their engagement was coming to
tell us we don't have a choice in 2022.

Now, everybody operates under the assumption that
NYCHA owns the developments and they do not. They
are a public housing authority and they are not
working on the best interest of the residents. So,
why is it so hard to get them out of there? Why is
it so hard to get them to stop harassing the tenants?
Okay, I'm breathing funny because my asthma is acting
up. I had to heat water so that I could wash up so I
could come out here today okay because cold water in
the morning is normal, okay.

Now, one of the things that NYCHA has the ability
to do okay and if they couldn't do it with the army
of people that they have working for them, then they

could definitely have engaged with the Tenant Associations, okay. They have the right to get money that doesn't come from HUD. They can write grants. They can ask for money from other entities.

They don't. Why? Good question. I'd like to know myself. Can't get that answer from anyone, okay but since public housing is a federally mandated obligation under the US Housing Act of 1937 and its subsequent amendments, Congress established public housing as a permanent responsibility of the federal government to provide decent, safe and sanitary housing for low income Americans. This is not a temporary or discretionary program. It's a federal mandate to ensure housing security for vulnerable populations.

So, why are we being forced out of our homes? Why is PACT calling me from NYCHA telling me I have to sign a lease or be kicked out? Why are they coming and knocking on my door eight o'clock every Monday morning okay trying to gain access when I told them I don't want PACT? I'm not interested in PACT and they're doing this to all residents. I have at least three residents who came to me personally who have - they're violating their rights under ADA.

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They're being told that you need to speak to my
representative. I have a disability, okay and
they're going - I don't have to speak to them. I'm
going to talk to you, it's your apartment. When is
somebody going to stop that? When is somebody going
to make them - when is somebody going to make them
stop violating our rights and hold them to the letter
of the law? Because if we were in there violating
the laws left, right and sideways, I dare say the
cops would have been in my apartment a long time ago.
Thank you.

CHAIRPERSON BRANNAN: Thank you all very much.
Alright, our next panel is Laura Lazarus, Celines
Miranda, Emily Goldstein, Tanashe Grant, and Alison
Wilkey.

Okay, you want to start? Just say your name and
you can begin.

ALISON WILKEY: Yeah, my name is Alison Wilkey, I
am the Director of Government Affairs and Strategic
Campaigns of the Coalition for the Homeless. Thank
you Chair and Council Members for this opportunity to
testify.

The city's housing crisis has resulted in an
unprecedented number of people sleeping in shelter

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with a census as of February 2025 of over 114,000 people. And this is not just a crisis that has resulted from asylum seekers and new arrivals. From December 2023 to December 2024, the number of longer term New Yorkers in shelter increased by 11.5 percent.

So, it's more important than ever that the city's resources are being used to stem the flow of people who are entering shelter and to help people who are in shelter exit. But the fact is that the city's affordable housing is simply not meeting the needs of the lowest income New Yorkers and in my testimony, you'll see on page 4 a chart that represents newly built affordable rental housing completions by income bands.

So, often when the city is reporting on their affordable housing, they're including supportive housing. They're including preservation and they're including homeownership and while all of that is really important, those are not necessarily new affordable housing units in the way that we sort of think about affordable housing. So, you'll see from the chart here, when you're breaking out just new rental units, like new units that are coming on the

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market. From 2014 to 2024, only 20 percent of those units coming online are for extremely low income families and you'll actually see in the most recent years, looking at the top green bands, that's where the most production has been completed and that is for middle income families and to just lay that out for you, that's families making a single household, making \$136,000 or a family of three making \$175,000.

So, we are just really not meeting the needs of our extremely low income families and we will not be able to make a dent in our crisis in shelter unless we ensure that both the city's commitments and that \$500 million that we just got from the state actually goes to extremely low income housing and to homeless families. Housing that actually meets their needs and their income levels.

CHAIRPERSON BRANNAN: Just make sure your mic is on.

LAURA LAZARUS: Good afternoon Council Members. Thank you for this opportunity. My name is Laura Lazarus and I am a Cofounder and CEO of Anthos Home. Thank you for the opportunity to testify and share insights on how we can improve housing access and outcomes for New Yorkers experiencing homelessness.

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I have submitted more formal written testimony but I wanted to take a few minutes to highlight how our model is working and how we can help strengthen the city's efforts to address homelessness.

Anthos Home is an innovative nonprofit committed to helping people with housing vouchers, secure stable housing as quickly as possible. Vouchers are one of the most effective tools we have to address homelessness, yet families often spend a year or more searching for an apartment. These long wait times extend shelter stays and create unnecessary instability for families who are ready to move forward.

Our model is designed to remove those roadblocks. We work directly with landlords and brokers to secure apartments, ensuring that families with vouchers have immediate housing options and cover key costs that often affect move in, such as repairs for inspections, moving expenses and application fees. And because finding an apartment is just the first step, we provide ongoing support for tenants and landlords for at least one year after placement. We think of our work as a supplement to the city's efforts. New York has made tremendous efforts and

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progress in expanding the City FHEPS program and last year helped more than 16,000 households move from shelter into permanent housing, which is a substantial increase over the last year.

Nevertheless, there are still opportunities to reduce the barriers voucher holders face. One such opportunity includes the homeless set aside units across New York City. These units, like housing vouchers, are a fantastic resource but too often they sit empty for months before being filled. These delays not only impact families in need of a home but they also have financial consequences for affordable housing development financing.

Indeed the delays in filling units often lead to a reduction in the amount of equity being provided by private funders. This reduction in funding means that public dollars often fill that gap. Currently, HPD and DSS coordinate the referrals for these units but if a qualified nonprofit like Anthos did the work, we are confident we could make those moves happen much faster.

Over the past two years of operations, Anthos Home has seen the impact of our targeted support for tenants, property providers and government agencies.

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We have moved more than 310 families in in less than
two years and have another 160 in the pipeline right
now, which who we expect to move in this summer.

So, we urge the City Council to evaluate the
current homeless set aside process set forth by HPD
and think about drawing on the capacity of nonprofits
like ours to help facilitate that work. Thank you
very much.

CHAIRPERSON BRANNAN: Have you seen the voucher -
I have a friend of friend whose living in a shelter
and basically was saying you know if he can stick it
out another few months, he'll get his voucher and my
friend didn't have the heart to tell him that that's
not the panacea that he might think it would be and
it's heartbreaking because he's thinking about you
know if I can just hang in there a couple more months
in this shelter, I'll get this voucher and then the
next day I'll have an apartment and I didn't want to
break it to my friend whose the friend of this guy to
say, that's not really unfortunately sadly
heartbreakingly it's not that easy. Have you seen it
getting worse or better?

LAURA LAZARUS: So, we offer a lot of support to
landlords, property owners, brokers, so we are

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helping kind of hold their hands through the process.

I think one of the reasons that it is so hard for people with vouchers to secure units is obviously there is a very low vacancy rate but part of it is they - landlords don't want to engage with this quite bureaucratic process by necessity but I think that some of the supports that we have in terms of we go and look at the units. We explain to the landlords how the process is going to work. We also identify any repairs that they might need up front so they understand what that is and then the thing I think that makes landlords especially interested in working with us is we provide a lot of support, including financial support once they move in.

So, if a government payment is not made for example, if a tenant is not able to make a payment, that we are able to kind of cover that payment while we sort out what the issue is. It's hard for a landlord to kind of understand who to call at HRA to resolve an issue.

So, we're basically there for them. We have a 24/7 hotline. So, I think you know we are finding that we are bringing in 50 units a month into our

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pool. So, we think that they're out there but they
need a little extra support in getting there.

CHAIRPERSON BRANNAN: It's one of those
situations where I'm so glad you guys are here but I
wish that we could put you out of business.

LAURA LAZARUS: Well, we would love to be out of
business. I promise you.

CHAIRPERSON BRANNAN: But thank you. Thank you.
Oh sorry, we've also been joined by Majority Leader
Farias. Thank you Laura. Thank you.

EMILY GOLDSTEIN: Good afternoon. My name is
Emily Goldstein; I'm the Director of Organizing and
Advocacy at the Association for Neighborhood and
Housing Development or ANHD. Thank you for the
opportunity to testify. I'll just hit on a few brief
points and submit longer written testimony. First in
light of the escalating housing crisis, we call on
the City Council to increase the Community Housing
Preservation Strategies Initiative to \$4.95 million.
This initiative has not received an increase in many
years and we all know inflation and escalating costs
are very real. This is funding that enables 45
community based organizations to provide essential on
the ground services from helping with SCRIE

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applications to helping to form tenant associations
and everything in between.

We also ask for continued funding for the
displacement alert project with ANHD runs. This is a
resource that helps elected officials, your staff and
organizers throughout the city. Proactively identify
and reach tenants at risk of displacement in
communities citywide.

Third, we urge that housing capital resources be
more directly targeted to two priority areas. One is
preservation of existing affordable housing. We have
severe needs to maintain the affordable housing that
we already have in our communities serving extremely
low income households. Nonprofit developers are
still struggling with lingering arrears as well as
increase operating costs and resources need to be
provided in order to put these portfolios back onto
sound financial footing for the long term.

Second, we have both the challenge and
opportunity of private but often rent stabilized
portfolios that are in distress and that could be
brought into the long term permanent affordable
housing portfolios of ideally nonprofits but even for
profits but real resources are needed to enable that

to happen. We commend HPD for their recently released updated neighborhood pillars term sheet. That term sheet is realistic in the cost that it takes to preserve those kinds of distressed portfolios.

Uhm, the other thing I'll note in keeping with what Alison mentioned, we really need to be targeting our resources towards deeper affordability then sort of a breakdown of where the need is is very clear and the targeting of our resources is not matching that. A couple of other quick notes, we urge funding and also a full implementation of the City FHEPS program as well as Right to Counsel. These are two among others, but two key sort of proven and known programs that help to reduce homelessness, prevent eviction, and that need to be funded and implemented properly. And finally, just to note that the city agencies need to be staffed to actually sort of do their full work, everything from Code Enforcement to processing of affordable housing you know development applications is sort of in these lags and delays that are costing us you know both in resources and in human cost.

CHAIRPERSON BRANNAN: Thank you, agree.

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CELINES MIRANDA: I'm Celines Miranda and our
NYCHA development in Chelsea is at risk of a
demolition. FAC tenants against demolition have been
organizing and stopping this demolition proposal by
the billionaire company related. In our outreach in
stopping demolition of our NYCHA community, a
significant concern has taken over me. I have been
deeply affected by seeing - I'm overwhelmed, I'm
sorry.

CHAIRPERSON BRANNAN: Take your time.

CELINES MIRANDA: Can you come back?

CHAIRPERSON BRANNAN: Sure, sure.

TANASHE GRANT: Hello, my name is Tanashe Grant
and I am the Director of Parents Support and Parents
New York. We are also close community partners of
residents to preserve public housing. First and
foremost, I want to thank Chairs Brannan and Chair
Banks for this important hearing and for doing your
jobs very well and you know that's saying something
coming from me.

Okay, so uhm give me a second. Uhm, first and
foremost, I want to say that NYCHA leadership should
also, like NYCHA and HUD leadership should also stay
at these hearings to hear for us, the tenants and the

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community. We spend a lot of time hearing from them before we able to speak and I think that it's only right the community that they serve, they should also hear from us.

We are again very disappointed with the untrue testimony we have heard today from leaders of NYCHA and HPD. Our community is in constant danger of pushouts from gentrification, poor management and RAD and PACT. We know eviction rates have gone up since allowing private management of public housing. If apartment based Section 8 is being cut, what does that do for these developments transitioning into RAD and PACT and Trust?

These apartments are going into market rate apartments, which none of our communities can afford. If the federal government isn't interested in public housing nor voucher programs, why are we continuing to transition these public housing buildings into private management with all these federal cuts? Is the Council looking into reducing the Executive Board positions to help with cost?

Section 3 should be utilized. We know so many public housing residents who are fighting for their homes daily because these are their homes and have

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been their homes for generations. Section 3 should
be utilized.

As a community, we will continue to fight for our
homes. We agree with Chair Banks; these conversions
should be paused and real research of the impact of
RAD and PACT should be done. Last thing I'll say is
dealing with HPD is horrible. It has not gotten
better. Tenants still have very long waits on
apartment repairs and issues with bad violations and
landlords.

We ask that you continue to hold NYCHA and HPD
accountable for their part in creating this housing
crisis we continue to be in. The Executive Budget
should fully fund NYCHA and other deeply affordable
housing projects. We must also hold landlords
accountable. We ask that you also stand with us and
encourage the rent guideline board to freeze our
backup their rent. Thank you.

CHAIRPERSON BRANNAN: Thank you Tanashe.

CELINES MIRANDA: Let's try this again. Okay, so
I've been deeply affected by seeing homeless people
sleeping in our NYCHA development and it's making me
realize how bad our homeless situation is. Nobody
wants to see people living in our stairwell. It's

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disturbing and the more people we see sleeping in our
surroundings then it's a much more serious matter.

Our NYCHA buildings are living testimony to how
serious a problem we have. We have a homeless
crisis. We don't have a housing crisis. We have a
homeless crisis. How come this is not the topic of
conversation? Get them out of our buildings. Let's
get new buildings and now they are gone out our of
our site but they're still homeless. Where's the
care? Where's the intervention? Elected officials,
NYCHA, HUD, how much do you care about the housing
the homeless? You're putting all of your efforts
into catering to the rich and doing away with public
housing, the most affordable housing we have.

Shame on you, shame. We are in a crisis and need
more public housing. The stress of trauma and
homelessness triggers mental health issues. Eric
Bottcher, I thought you were an advocate for the
mentally ill. Where's your care? We need to prevent
homelessness and hold dear value public housing. We
cannot do away with it. Affordable housing houses
people who already have housing. People with good
paying jobs. How come we are not focusing our
attention on the homeless? The Comptroller reports

on PACT eviction makes it clear that eviction rates
rise after a private conversion. Does NYCHA even
keep track of what happens to those evicted tenants?
Where are they? How many end up homeless?

No more RAD PACT conversion. It's not secure.
We have become vulnerable. Instead, as an effective
of RAD PACT, because we are at risk of a mass
demolition in Chelsea. They have been consistently
lying to the public about how this proposal will
cost. The inflated price of \$1.9 billion might
change again because of the inflation entirely.
There's no reason to tear down public housing. We
could lose the entire NYCHA community in Chelsea. We
know that funds are available to upkeep and maintain
public housing. There's plenty of capital
circulating throughout New York City alone. We can,
we must maintain our Section 9 lease and keep public
housing public. Section 9 is not at risk. The only
housing that's being reported on the news for a
possible cut is Section 8.

The Administration wanted to do away with public
housing but they couldn't. Section 9 is protected by
the federal government. This is why Section 8 and
RAD PACT began. These new programs, tenants

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volunteer themselves out of their Section 9 lease.

When you willingly give up your Section 9 lease, then
NYCHA nor the government is no longer accountable.

Hold on to your Section 9 lease where the
strongest housing protection exists and one more
statement. To the elected officials and NYCHA, who
are claiming resident led process in our demolition
proposal, have you watched the draft environmental
hearing? We spoke; the grand majority said no
demolition. There's a petition against demolition of
949 signatures. If you demolish, it's a demolition
against our will. It will be a demolition against
our will. Thank you.

CHAIRPERSON BRANNAN: Thank you all very much.

COUNCIL MEMBER BREWER: I have a question.

CHAIRPERSON BRANNAN: Sorry, Council Member
Brewer.

COUNCIL MEMBER BREWER: But for Alison and Laura.
For Alison, I mean you've sort of hinted at it in
your wonderful testimony but I've always been at the
belief that if some of the opportunities that you say
should exist with City FHEPS and so on, we would
prevent evictions. So my question to you although is
a bit hypothetical is, you know what percentage of

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1 evictions do you think could be prevented if we were
2 doing some of the things that you suggested? That's
3 what I'm wondering. Because I am of the opinion and
4 I know that Chair Brannan - we need to be building
5 affordable housing and not as many shelters because
6 we can keep people in their homes. So, I'm just
7 wondering if you have some general percentage.
8

9 ALISON WILKEY: Yeah, I don't have a general
10 percentage. I can say that from the \$215 million
11 that was negotiated, uhm through the City of Yes,
12 City for All commitment, you know that limited
13 amount, I can find a number on - an estimate on that
14 but that would help a lot of households and I'll
15 just say to that you know Coalition for the Homeless
16 has a citywide rent arrears program and we are
17 overwhelmed with calls on that program. We still end
18 up turning away about 25 percent of the people who
19 call us because they don't have the ability to pay
20 the rent moving forward and that's kind of our one
21 requirement for -

22 COUNCIL MEMBER BREWER: As is one shot.

23 ALISON WILKEY: Yes, exactly. And so, you know
24 just to put these numbers, you know we have a number
25 that people can call once a week beginning at 9:30

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and every Wednesday we get 1,900 phone calls for our
renters. So, it is really important that we are
using City FHEPS. We are actually expanding it into
the community to help people stay in their homes
instead of just you know having this revolving door
of people coming into shelter and then they can maybe
get access to City FHEPS and then try and get out.
Especially for people who are in like rent
stabilized, rent control, other forms, like housing
that is already has a reasonable rents. Let's keep
people in those homes.

COUNCIL MEMBER BREWER: Thank you. Laura, nice
to see you. How do you - do you get paid by
foundations? How does this work financially?

LAURA LAZARUS: So, we are right, you know we're
just two years old in terms of operations. We're
funded with a mix of foundations and we have a
contract with ACS. So, where we're serving young
adults aging out of foster care as well as families
who are in shelter. There are about 1,300 families
involved with ACS right now who are in shelter.

So, that's kind of the general mix of our funding
right now.

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COUNCIL MEMBER BREWER: Thank you. We need more
of that, thank you.

CHAIRPERSON BRANNAN: Thank you all very much.
Okay, we're going to go to Zoom now for our next
panel. When I call your name, if you can hear me,
just begin. We'll start with Alexis Foote.

UNIDENTIFIED: Go in the direction.

CHAIRPERSON BRANNAN: Is that him?

UNIDENTIFIED: [INAUDIBLE 04:59:27].

CHAIRPERSON BRANNAN: Alexis, are you there?

UNIDENTIFIED: [INAUDIBLE 04:59:38].

CHAIRPERSON BRANNAN: Alexis Foote? Okay, we're
going to move on to Dona Elden.

UNIDENTIFIED: Oh shit.

CHAIRPERSON BRANNAN: Oh wait, Alexis, are you
there?

UNIDENTIFIED: Oh please forgive me.

CHAIRPERSON BRANNAN: Alexis?

ALEXIS FOOTE: Yes, hi. Good afternoon, how are
you? I want to thank the Committee and the Chair and
the members of the House Committee. Thank you for
the opportunity to testify. My name is Alexis and I
am the Founder and the former member of the ReAL
Edgemere Community Land Trust. The ReAL Edgemere

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Community Land Trust supports the revitalization of
marginalized communities of color through the
development of Affordable Housing program of land.
The CLT's goal is to own, develop, and manage and to
create a just and equitable resilient Edgemere.
Since 2001, our organization has received City
Council discretionary money through the Citywide
Community Land Trust, the CLT initiative.

Last Fiscal Year 2020, the initiative delivers
comprehensive community organizing, education
training, technical assistance to support the
formation expansion of CLT's.

This vital initiative has helped catalyze the
growth of more than 20 CLT's, the ReAL Edgemere being
included in one of those across the five boroughs.
As vehicles to create, preserve, permanent affordable
housing, community and commercial spaces, we ask that
the City Council to ensure enhanced funding of the \$3
million for the CLT initiative.

In a perfect world, I would put \$3 billion into
that, honestly \$3 billion. This urgent needed
funding will support the growth of 17 community land
trusts and three citywide technical assistance

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organizations working to bring land and housing into
community ownership.

We urge the City Council to address city agencies
chronic harmful delays in registering discretionary
funding contracts. When CLT have delayed payments
from HPD or city it result in COB moving fast numbers
and even worse closing -

SERGEANT AT ARMS: Thank you for your testimony.
The timer has ended.

ALEXIS FOOTE: Thank you. Have a blessed day.

CHAIRPERSON BRANNAN: Thank you Alexis. Now,
we'll go to Dana Elden.

SERGEANT AT ARMS: You may begin.

DANA ELDEN: Good afternoon. My name is Dana
Elden and I am the President of St Mary's Park
Resident Council. I'm also an Executive Board member
of Residents to Preserve Public Housing and I just
want to say that at the end of the day, there are
quotes that are made about what is available through
NYCHA but there's much confusion for me and others as
to why they could pay for repairs for a transition to
be made. However, they don't have money for Section
9 developments that are still in existence.

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Section 9 must be funded. It must continue to be funded or there will be no more public housing in New York City. I beg of you to consider the thousands of people who are in Section 9 housing, who deserve the right to live as they are living and have their repairs worked on in their developments. It has gone much too far. This bartering of developments has gone way beyond the scope of any of our thinking that they would abandon people by putting them in the Section 8 position where their rights are not protected. And as you heard before me, many are being subject to evictions. This has to stop. Someone has to have the conscious enough to say enough is enough. NYCHA must be held accountable and why don't they sit here while we testify? Why is it that they testify first and then they leave? They give you their BS and then they go. They should sit here and listen to the residents and the community organizers who have something to say that is valid, that is important.

SERGEANT AT ARMS: Thank you for your testimony.
The timer has ended.

DANA ELDEN: Thank you so much. Have a great
blessed day.

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CHAIRPERSON BRANNAN: Thank you Dana. We don't disagree. Okay next, we have Renee.

SERGEANT AT ARMS: You may begin.

RENEE: Okay, thank you. Good afternoon Council Members. My name is Renee Kit, a NYCHA resident and the President of the Elliot Chelsea Houses. Here on behalf of tenants fighting to preserve Section 9 public housing, and to call out the real priorities this city should be upholding.

Let's begin with the truth. NYCHA is not affordable housing in the modern sense of the term. It is public housing. The four most model of social housing in the United States. It was built because the private market would not house working class people. NYCHA wasn't just a solution, it was the moral stance. It said that housing is a human right. Today that moral clarity has been lost. We're told to look to the [INAUDIBLE 05:05:19] for inspiration but let's look back at NYCHA founding. We once had the imagination and political courage to build dignified public housing without privatization.

We can dream big again but first, we must stop the dream from being bulldozed. Demolition is not innovation. You cannot claim to care about

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environmental justice and simultaneously support
demolition plans that will stir up contaminated soils
in communities already burning by environmental
racism. If the city wants to protect public health,
it starts by protecting public housing. Let's talk
numbers.

The capital need of NYCHA is \$78 billion over 20
years. That's \$4 billion per year. Meanwhile New
York State reported a \$6 billion surplus this year.
This is not a resource issue. It's a political will
issue. We are choosing not to invest in the people
who need it but NYCHA's board approved \$15 million to
support the Preservation Trust. Let's be clear,
entities without money don't lend money. NYCHA has
money when it wants to. So, the real question is,
what has NYCHA invested in us, its residents?

What have they invested in the interiors of our
home in the failing heat, broken elevators, water
leaks. Residents have already paid in rent, in
patience and in our house. We deserve an
accountability. Section 3 is another area where
equity is being sidelined. The current definition of
low income, \$46,000-\$90,000.

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SERGEANT AT ARMS: Thank you for your testimony.

The timer has expired.

CHAIRPERSON BRANNAN: Thank you very much Renee.

RENEE: Thank you. I'll send in the rest of my
testimony.

CHAIRPERSON BRANNAN: Thank you. Now we have
Beverly McFarlin.

SERGEANT AT ARMS: You may begin.

BEVERLY MCFARLIN: Can you hear me?

CHAIRPERSON BRANNAN: Yes, go ahead.

BEVERLY MCFARLIN: Hello, yes, good afternoon to
the Council and officials. Thank you very much for
having this but let's be clear, NYCHA have just lied
to you all. Guys, as always, and it's really
disgusting that we have to live in these conditions.
NYCHA has never satisfied the active consent decree
that is already on the books and that's why we have a
Federal Monitor. The countless dollars that they -
the executive boards, they have over 100 Vice Chairs,
Vice Presidents, uhm Deputy, to the deputy, to the
deputy to the deputies, then that's high paying.
They need to reduce their staff in order to get the
funding that is needed to get our buildings done.

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Again, I'm Vice Chair of Residents to Preserve
Public Housing. Also, the President of CAP Houses
and here my development look like it is Rikers Island
with all these scaffoldings and the countless dollars
that NYCHA is investing and needs third party vendors
instead of fixing our homes is ridiculous and I don't
understand if NYCHA is moving all these money grab
situations, transitions, into RAD and PACT
conversions. Why do they need \$70 billion to correct
the current, uhm, the ones that are in Section 9?
They should have more money to rehab our apartments
and make necessary repairs instead of less money if
they're moving. They are not letting RAD PACT
conversions being accountable. Once they transition
these developments, they have nothing else to do with
the residents or the tenants. Tenants are
complaining and they're being -

SERGEANT AT ARMS: Thank you for your testimony.
The timer has expired.

BEVERLY MCFARLIN: Yes, bad actors should not
continue to be funded. Thank you.

CHAIRPERSON BRANNAN: Thank you very much
Beverly. Now we have Christohper Leon Johnson.

SERGEANT AT ARMS: You may begin.

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CHRISTOPHER LEON JOHNSON: Yeah, hello, my name
is Christopher Leon Johnson. Thank you Chairs
Brannan and Banks for having this hearing and Sanchez
and who's on Zoom. So, I want to give my support to
this Committee but we need to put for workforce
housing. I know Mr. Brannan; you work for the
Comptroller. You need to push for more workforce
housing with this affordable housing stuff. What's
the point of having affordable housing when the White
can't afford it?

I believe that this type of housing will help a
lot of people out who are working. I believe that
this type of housing needs to be implemented. I
think what you and yourself and Senator Kevin Parker,
you all need to have a bill into the State Senate to
push for more workforce housing and allocate more
money to workforce housing and need to put money up.
Like let's say about \$5 million into research into
workforce housing in this budget for people that are
working. I believe that workforce houses is a way
better alternative than uhm of this regular
affordable housing and supportive housing. And one
more thing like I said, this and like I said, as your
Finance Chair, Brannan, I know you live in Coney

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Island. Like I said before, you need to push for that deliveristas who are outside of City Hall as the Finance Chair. At the same time, we need to make sure that these deliveristas and street vendors are counted in this working housing initiative because they are essential workers just as a regular person.

Like I said, I know you work for the Comptroller and as I said, you could work with your partner Parker to introduce a bill to add deliveristas and street vendors as members of the workforce project for this work for housing. So, like I said, push for more workforce housing in this budget and the next budget coming up. If you must be comptroller of the city, you need to really push for this more into the housing plan for FY27. If you must be Comptroller, workforce housing instead of supportive housing. A lot of people work in the city if they have a job and they live in a place. Not just be -

SERGEANT AT ARMS: Thank you for your testimony. The timer has expired.

CHAIRPERSON BRANNAN: Thank you.

CHRISTOPHER LEON JOHNSON: Thank you. Now we have Kevin Wolfe.

SERGEANT AT ARMS: You may begin.

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KEVIN WOLFE: Can everyone hear me? I'm sorry
about that.

CHAIRPERSON BRANNAN: Yes, go ahead.

KEVIN WOLFE: Great, my name is Kevin Wolfe and I
am the Deputy Director of Advocacy at the Center for
New York City Neighborhoods. Thank you for this
opportunity for listening to my testimony. The
Center for New York City Neighborhood is the largest
homeowner service organization in New York City and
for this Fiscal Year budget, we have two priorities
that we wanted to communicate to the Council.

First we wanted to - we wanted to advocate for
continued support for the foreclosure and prevention
initiative but we are asking for \$6.2 million to
support foreclosure prevention. On the other piece,
we would like the Council to extend the estate
planning initiative at \$1 million. We see in New
York City both foreclosure prevention and estate
planning are critical to preserving the homeownership
that we have especially in light of the City of Yes
passing.

The other item that we are advocating for is to
codify the Mayor's promises of \$40 million dollars of
relief and support for homeowners with the City of

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Yes passage in the City for All proposal. We would like to see that codified in legislation. We know that there is an upcoming election and we want to make sure that the promises that were made in 2025 are kept in 2026. We have an extensive testimony that we will be submitting by email with further details but we wanted those two key points to be emphasized and I thank you for taking the opportunity to listening today.

CHAIRPERSON BRANNAN: Thank you very much. Okay, with that - had to check. Day 3 of Executive Budget Hearings is adjourned. We'll see you tomorrow. Thank you. [GAVEL]

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 July 12, 2025