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COMMITTEE ON HOUSING AND BUILDINGS

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON HOUSING AND BUILDINGS

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March 5, 2020

Start: 10:20 a.m.

Recess: 2:19 p.m.

HELD AT: Committee Room - City Hall

B E F O R E: Robert E. Cornegy, Jr.
Chairperson

COUNCIL MEMBERS:

Fernando Cabrera
Margaret S. Chin
Mark Gjonaj
Barry S. Grodenchik
Farah N. Louis
Bill Perkins
Carlina Rivera
Helen K. Rosenthal
Ritchie J. Torres

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A P P E A R A N C E S

Melanie La Rocca
Commissioner of the New York City Department of
Buildings

Gus Sirakis
Department of Buildings First Deputy Commissioner

Sharon Neill
Department of Buildings Deputy Commissioner of
Finance and Administration

Louise Carroll
Commissioner of the New York City Department of
Housing Preservation and Development HPD.

Baaba Halm
Executive Deputy Commissioner

Richard Johns
Associate Commissioner for Financial Management
Rich Johns

Ruth McDaniels
Resident

Chris Widelo
Director of External Affairs for NYSFAFH, the New
York State Association for Affordable Housing

Phoebe Flaherty
Organizer at ALIGN

Khush Kam-Au
Community Service Society

Viviana Gordon
Deputy Director of the Red Hook Community Justice
Center

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Lyric Thompson
Tenant in 1355 Decatur

Arielle Hersh
UHAB, the Urban Homesteading Assistance Board

Graciela Blandon
NYU student with Climate Works for All

Shelby Frederickson
Pratt Center for Community Development

Towaki Komatsu

Bernell Grier
Executive Director of Impact Brooklyn

Priya Mulgaonkar
Resiliency Planner at the New York City
Environmental Justice Alliance

Sonal Jessel
Policy and Advocacy Coordinator at WE ACT for
Environmental Justice

Taurean Lewis
4th generation Brownsvillian

Hannah Anousheh
Community Land Trust Coordinator at Cypress Hills
Local Development Corporation

Teresa Elguera
Support of Climate Works for All's proposal

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A P P E A R A N C E S (CONT.)

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A P P E A R A N C E S (CONT.)

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CHAIRPERSON CORNEGY: [GAVEL] Good morning and
thank you for attending today's Fiscal 2021
Preliminary Budget hearing. I'm Council Member
Robert Cornegy and I'm joined today by Council

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2 Member's Grodenchik, Chin and Louis. I got it right
3 today.

4 Today, we will hear from the Department of
5 Buildings, where we will examine components, I'm
6 sorry, of DOB's almost \$200 million budget. After
7 HPD, we will hear from members of the public. I'd
8 like to remind everyone who would like to testify
9 today to please fill out a witness slip with the
10 Sergeant at Arms, so we can put you in the queue.

11 We will now swear you in before turning it over
12 for testimony. Thank you.

13 COUNCIL CLERK: Can you raise your right hand
14 please. Do you affirm to tell the truth, the whole
15 truth and nothing but the truth in your testimony
16 before this committee and to respond honestly to
17 Council Member questions.

18 PANEL: Yes.

19 MELANIE LA ROCCA: Good morning Chair Cornegy and
20 members of the Committee on Housing and Buildings. I
21 am Melanie La Rocca, Commissioner of the New York
22 City Department of Buildings. I'm joined today by
23 Gus Sirakis, the Department's First Deputy
24 Commissioner and Sharon Neill, the Department's
25 Deputy Commissioner of Finance and Administration.

1
2 Together, we are pleased to be here to discuss
3 the Fiscal Year 2021 Preliminary Budget and the
4 Department's progress in meeting its goals. I will
5 also highlight our work over the past year to further
6 improve construction safety, protect tenants from the
7 use of construction as harassment and to combat
8 climate change.

9 The Fiscal Year 2021 Preliminary Budget allocates
10 approximately \$199.5 million in expense funds to the
11 Department. Of this funding, approximately \$160.4
12 million is for Personal Services, which supports
13 1,867 position and \$39.1 million is for OTPS, which
14 primarily supports contractual services, equipment
15 and supplies.

16 The changes reflected in the Department's Fiscal
17 Year 2021 Preliminary budget are associated with
18 façade inspections. The Department received
19 approximately \$900,000 in additional funding and 12
20 positions to double its dedicated façade inspection
21 team. The Department takes seriously its
22 responsibility to hold owners accountable for keeping
23 their buildings safe and code compliant, and to
24 enforce the requirements that all façades be
25 maintained, and that certain façades be inspected

1
2 periodically. Doubling the dedicated façade
3 inspection team will also allow us to strengthen our
4 work in this area and means that buildings will be
5 receiving more proactive façade inspections. We look
6 forward to bringing these additional inspectors on
7 board as soon as possible.

8 I would now like to highlight some of the
9 Department's work over the past year. The Department
10 continues to make tremendous progress in improving
11 services to customers and protecting the public by
12 rigorously enforcing the laws and regulations that
13 govern the more than one million buildings, including
14 their boilers and elevators, and 50,000 active
15 construction sites under its jurisdiction. Despite
16 the progress we have made, we are going to do more
17 for New Yorkers. We are going to double down on
18 construction safety, hold our licensees and permit
19 holders accountable, ensure that tenants are safe in
20 their homes whether there is construction in their
21 building or not and work to reduce carbon emissions
22 from our buildings, all while providing the best in
23 customer service to those members of the public who
24 conduct business with us.

1
2 In Fiscal Year 2019, over 106,000 construction
3 jobs were filed with the department and we issued
4 approximately 181,000 initial and renewal
5 construction permits combined. There were more
6 construction jobs filed and permits issued in Fiscal
7 Year 2019 than in the previous year. Despite the
8 slight uptick in construction activity, our plan
9 review times remain well below targets. The time it
10 took to complete our initial plan review for the
11 buildings, major renovations and minor renovations
12 decreased across the board. We are completing our
13 initial plan review for the new buildings in less
14 than five days, for major renovations in five days
15 and for minor renovations in a little over a day.
16 Our goal is to continue to promptly complete our
17 initial plan reviews and to ensure that customers
18 know what to expect when their plans are being
19 reviewed. We are accomplishing this goal by
20 continuously training our plan examiners and by
21 developing plan-exam guidelines for a wide variety of
22 projects, which help ensure that the plan review is
23 efficient and consistent.

24 The wait time between a development inspection
25 request and an inspection also decreased across the

1
2 board. The wait time for a general construction
3 inspection was two days and was under three days for
4 electrical or plumbing inspection. This progress on
5 development inspection service levels can be
6 attributed to the efficiencies gained from the
7 implementation of DOB NOW Inspections, which allows
8 for nearly all types of development inspections to be
9 scheduled online. This makes it easier for our
10 customers to schedule inspection appointments, offers
11 more precise inspection scheduling and improves
12 inspection tracking and notifications.

13 Now, concerning development, the Department
14 continues our efforts to maintain the City's
15 Construction Codes. Thank you all for your
16 incredible partnership on this effort as it would not
17 have been possible without the support of this
18 Committee and all of the stakeholders who are
19 involved in our code revision process. Together, we
20 have already updated the City's Plumbing Code, and
21 just last week, the City Council approved our most
22 stringent Energy Code yet. This means we are
23 bringing the best in energy efficiency to our
24 buildings which result in energy savings for building
25 owners and lower carbon emissions. We are in the

1
2 midst of revising the balance of the Construction
3 Codes and Electrical Code and we expect to submit
4 that later this year.

5 In line with our responsiveness as it relates to
6 development, we are responding to complaints from
7 members of the public faster than ever before.
8 Despite receiving nearly 104,000 311 complaints last
9 year. We are responding to the most serious
10 complaints, Priority A complaints, which are those
11 complaints that relate to conditions that may present
12 an immediate threat to the public, within seven
13 hours. We are responding to Priority B complaints,
14 which capture violating conditions that if occurring,
15 while serious, do not present an immediate threat to
16 the public, within 11 days.

17 As a result of responding to these complaints and
18 our proactive inspections concerning construction
19 safety and tenant protection, which I will discuss
20 momentarily, we issued nearly 90,000 violations last
21 year. Keeping the public safe is at heart of what we
22 do and we are committed to holding bad actors
23 accountable for their actions.

24 Construction safety continues to be a focus of
25 this Department. Construction related injuries

1
2 decreased over 20 percent last year compared to
3 previous years. This decrease in injuries comes
4 after the launch of our Construction Safety
5 Compliance Unit, which is dedicated to conducting
6 proactive, unannounced inspections of large
7 construction sites citywide. The CSC Unit will have
8 over 70 dedicated inspectors when fully staffed. To
9 date, the CSC Unit has conducted over 29,000
10 proactive inspections at over 13,000 unique
11 construction sites, issuing 3,273 Stop Work Orders
12 and 14,541 violations.

13 The decrease in incidents and injuries also
14 coincides with the implementation of Local Law 196 of
15 2017. Currently, workers at many construction sites
16 are required to have 30 hours of safety training and
17 supervisors at those sites are required to have 62
18 hours of safety training. When fully phased in later
19 this year, Local Law 196 will require that workers
20 have 40 hours of safety training.

21 Since the enactment of this law, we have
22 conducted extensive outreach to the construction
23 industry, including directly to the workers who are
24 impacted. Our staff has visited over 1,000
25 construction sites to conduct direct outreach to

1
2 workers in all five boroughs. We also ran an
3 educational advertising campaign that targeted
4 construction workers and included television, radio
5 and subway ads.

6 We also released our Site Safety Construction
7 Map, which is an interactive map workers can use to
8 determine whether a construction site requires site
9 safety training. I am proud to report that four
10 approved course providers have issued nearly 72,000
11 Site Safety Training Cards and many thousands of OSHA
12 30 cards to workers, which means that workers are
13 receiving the site safety training required by this
14 law. We are pleased with the compliance we are seeing
15 on the ground. To date, our inspectors have found
16 289 construction sites out of the over 13,000 sites
17 visited where 600 workers did not have their required
18 training. This resulted in the issuance of nearly
19 2,400 violations to owners, contractors, and
20 employers, for which over \$1 million in penalties has
21 been collected.

22 The Department is also hard at work at protecting
23 tenants whether they are living in buildings under
24 construction or not. We have already implemented
25 over a dozen laws aimed at combatting the issue of

1
2 construction as harassment. The Department is now
3 prioritizing it's inspection of Work Without a Permit
4 complaints related to construction work in an
5 occupied building, is requiring more detailed Tenant
6 Protection Plans, is performing more proactive
7 inspections to ensure that Tenant Protection Plans
8 are being complied with and is auditing more
9 professionally certified applications for work in
10 occupied buildings. This work will continue as the
11 Department is in the midst of implementing a dozen
12 more laws aimed at protecting tenants. Most
13 importantly, these laws will give us the ability to
14 shift the burden of creating and submitting a Tenant
15 Protection Plan to the Department to contractors
16 retained by building owners. Given that contractors
17 are performing the work, they are in a far better
18 position than owners to determine the means and
19 methods for protecting tenants from construction.
20 This reform will greatly improve the quality of and
21 compliance with, Tenant Protection Plans.

22 We are also focused on strengthening our Office
23 of the Tenant Advocate, which serves as a resource to
24 help tenants understand the laws that govern
25 construction, to investigate complaints of

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2 construction as harassment, and to act as our liaison
3 to tenants with any Department related issues. To
4 accomplish this, we have reorganized our Enforcement
5 Bureau. Now, the Office of Tenant Advocate and the
6 Real Time Enforcement Unit, which is tasked with
7 responding to Work Without a Permit complaints from
8 occupied multiple dwelling buildings, report to our
9 Buildings Marshal. By working in tandem, these units
10 will provide our tenants with the resource they need
11 to navigate the laws that in place to protect them and
12 respond to any issues they may have expeditiously.

13 The Department is also prepared to fulfill its
14 obligation to address greenhouse gas emissions coming
15 from buildings. We are well positioned with the
16 largest energy team anywhere in the country to
17 support the city's goal of achieving carbon
18 neutrality. In addition to enforcing the Energy
19 Code, enforcing existing laws that require certain
20 buildings to report their energy and water use and to
21 perform retro-commissioning, we are also implementing
22 the historic Climate Mobilization Act. The Climate
23 Mobilization Act includes Local Laws 92 and 94 of
24 2019 which require all new buildings and existing
25 buildings undergoing certain major roof renovations

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2 to install solar photovoltaic systems, a green roof
3 system, or a combination of the two, and Local Law 97
4 of 2019, which regulates greenhouse gas emissions
5 from large buildings. We look forward to updating
6 this Committee as the implementation of these laws
7 progress.

8 We recognize the significant impact that our work
9 can have on the public, whether they are planning a
10 construction project, attempting to resolve a
11 violation, or wanting to find out more about
12 construction work in their community. As such, we
13 are focused on making our work accessible to the
14 public by providing them with resources they can use,
15 conducting outreach directly to impacted members of
16 the public and going into their communities to
17 provide assistance. I would like to highlight a
18 number of our efforts in this area:

19 We released a real time map of after-hours
20 construction work so that the public is aware of
21 after-hours construction in their neighborhoods and
22 can easily determine whether the work they see or
23 hear has the proper permits.

24 We have started mailing letters to property
25 owners when their neighbor is conducting construction

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2 work so that they are aware of that work and any
3 disruption it may cause them.

4 We have created a brochure to help our small
5 businesses understand the laws and regulations that
6 apply when they are installing a business sign. So
7 far, we have distributed over 8,000 of these
8 brochures to over 2,000 businesses.

9 We recently launched a new initiative to educate
10 small property owners on how to address Department
11 violations and avoid penalties. Now, when a small
12 property owner receives a violation from the
13 Department, we are mailing them a brochure that
14 advises them of their violation and how to resolve it
15 so they can avoid incurring penalties. They are also
16 being provided with contact information for our
17 Administrative Enforcement Unit, which can help them
18 resolve a violation.

19 We will soon be putting even more information in
20 the hands of New Yorkers so that they can better
21 understand the status of their buildings. This
22 includes sharing profiles on individual buildings, so
23 owners can be reminded of matters that require their
24 attention, including outstanding violation and
25 missing compliance filings.

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2 We are also bringing the Department into your
3 communities to assist your constituents with any
4 Department related issue they may have. Our doors
5 are open in every borough on Tuesday night for
6 Customer Service Night and we've started holding
7 office hours in your offices to bring out assistance
8 directly to your constituents.

9 Thank you for the opportunity to testify before
10 you. I look forward to continuing our work together
11 to improve the Department for the benefit and safety
12 of all New Yorkers.

13 I welcome any question you may have.

14 CHAIRPERSON CORNEGY: Thank you so much
15 Commissioner, it's always good to see you. We've
16 been joined by Council Member Rivera, Council Member
17 Perkins, Council Member Ritchie Torres. So, I'm
18 going to begin with some questions that I have.

19 So, city funds of a little under One million,
20 nine hundred and thirty two thousand were added in
21 Fiscal Year 2020 and eight hundred and sixty thousand
22 were added in Fiscal Year 2021 through Fiscal 2024
23 for the hiring of twelve positions. These twelve
24 positions are comprised of eleven inspectors and one
25 plan examiner. Can you please provide the Committee

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2 a description of these added positions and the type
3 of work they will be conducting?

4 MELANIE LA ROCCA: Absolutely, so as you know, we
5 are increasing our façades team by 12; 11 inspectors
6 and 1 technical specialist. That additional 11
7 inspectors will allow us to double our façade
8 inspectorial team. With the doubling of that team,
9 you'll see more proactive in field visits by the
10 Department. We currently review each and every Local
11 Law 11 report that's submitted to the Department. We
12 respond to every unsafe notification from a qualified
13 exterior wall inspector and we already to infield
14 verification of reports submitted to ensure that the
15 report is truly reflective of the conditions.

16 These additional heads will allow us to be even
17 more proactive, so that one in four Local Law 11
18 buildings is guaranteed a visit from a Department of
19 Buildings inspector to ensure that the report filed
20 accurately depicts conditions as well as ensuring
21 that instances where this Department issues Class 1
22 violations for façade work, that we get those
23 buildings on a regularly tracked schedule of
24 reinspection. So, 60 days after that issuance, the
25 Department will be out there to ensure that the

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2 measures the Department called for namely public
3 protection are installed. Thirty days later, we'll
4 be re-inspecting to ensure compliance with any other
5 orders that we may have issued and that building will
6 stay on a cycle.

7 So, we are actively staffing those positions and
8 I'm happy to update the Committee when those
9 positions have been filled.

10 CHAIRPERSON CORNEGY: I'm just curious, with the
11 impending legislation around the use of new
12 technologies, i.e. drones, is this number of staff
13 sufficient to meet the projected need if it were to
14 go into effect?

15 How would this impact, these hires, how would
16 they be impacted by the use of technology going
17 forward?

18 MELANIE LA ROCCA: Certainly, so we are
19 supportive of technology of increasing our use of
20 technology and innovating, as long as those tools
21 that we bring on help us meet two goals. One is
22 always efficiency and two, is our primary concern
23 every day, the protection and safety of New Yorkers.

24 So, with respect to drones, we look forward to
25 the legislation passing. We also look forward at

1
2 determining what other tools can be used in support
3 of that or in addition of to help ensure efficiency
4 and protection of New Yorkers, but that being said,
5 this Department will always value the human
6 interaction with the façade to ensure that the
7 conditions are accurately picked up, identified and
8 where needed, appropriate steps are taken. Whether
9 that be protection or orders to owners, to cure
10 conditions.

11 So, I think that any technology can only enhance
12 the work that we're doing and provide more tools
13 potentially to our inspectors, whether they are in
14 the field or in the office for technical reasons.

15 CHAIRPERSON CORNEGY: So, I just want to state
16 for the record that myself in particular and this
17 Committee does not believe that they are mutually
18 exclusive. We don't believe that drones should
19 supplant the use of human beings. We believe that it
20 does enhance and will enhance effectiveness and
21 efficiency, just for the record.

22 MELANIE LA ROCCA: Thank you and we are in
23 support of that position. We look forward to
24 figuring out as I said, any technology that can help
25 us get there.

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2 CHAIRPERSON CORNEGY: So, how many façades are
3 inspected annually and could you please describe the
4 process for conducting these inspections.

5 MELANIE LA ROCCA: Certainly, so Cycle 8, as you
6 may know with respect to Local Law 11, each building
7 is on a cycle for inspection. The cycle period is
8 five years, each owner has a specific time within
9 that period, a specific sub-cycle to file with us.
10 Cycle 8, which concluded on February 20th, had more
11 than 14,500 buildings in that.

12 When it comes to the actual inspection that is to
13 occur, owners have a qualified exterior wall
14 inspector perform the inspection. We are requiring
15 additional up close, in person inspections of the
16 façade, as well as we've made some changes to improve
17 safety by requiring things such as probs to ensure
18 tiebacks are there.

19 So, the report is submitted to the Department by
20 the qualified exterior wall inspector and as I noted,
21 the Department reviews the reports to ensure
22 accuracy.

23 CHAIRPERSON CORNEGY: How many façades receive a
24 safe designation as a result of these inspections and
25 what constitutes a safe façade?

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2 MELANIE LA ROCCA: In Cycle 7, we had 9 percent
3 of all buildings filing, receive either safe or
4 SWARMP with specifically to safe filings, we had 54
5 percent of those building filed as safe.

6 And again, for Local Law 11 universe, there are 3
7 categories for which a report can be submitted or
8 three designations I should say, for which a report
9 could be submitted; save, unsafe and SWARMP. Safe,
10 indicates that there are no deficiencies in the
11 building, on the building's façade that require
12 maintenance or repair. SWARMP indicates there are
13 conditions or defects within that façade that would
14 require attention and repair within a year to a five
15 year period and unsafe indicates any deficiencies on
16 that façade where intervention is needed within a 12
17 month period.

18 CHAIRPERSON CORNEGY: Just so I know and just for
19 the record, inspections in the outer boroughs, are
20 they subject to the same standard?

21 MELANIE LA ROCCA: So, we have Local Law 11
22 buildings in all five boroughs. Height is a
23 determining factor, so certainly Manhattan has a fair
24 share of those but Local law 11 buildings are in all
25 five boroughs.

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CHAIRPERSON CORNEGY: Thank you. How many
3 façades receive a safe with the Repair and
4 Maintenance Program designation after inspection?

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MELANIE LA ROCCA: So, again in Cycle 7, that
7 number was 39 percent. So, with Safe, that
8 represents 93 percent of the filings.

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CHAIRPERSON CORNEGY: What's the procedure to
9 verify that repairs were made?

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MELANIE LA ROCCA: Absolutely, so, the Department
11 does do already and has and will continue reviewing
12 reports as they're submitted to ensure that there are
13 no discrepancies that our staff can identify.

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On top of that, we respond to each and every
15 complaint or notification, pardon me, made by a
16 qualified exterior wall inspector when they are
17 performing the inspection and every report that is
18 submitted as unsafe is required to be amended upon
19 completion of work and those reports are reviewed by
20 the Department. On top of all of that, we are
21 simultaneously doing proactive inspections of reports
22 and proactive audits in field of reports.

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CHAIRPERSON CORNEGY: Would you happen to know
24 what percentage of buildings that are deemed unsafe
25 or generated and/or triggered by 311 complaints?

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2 MELANIE LA ROCCA: I don't. I'm happy to follow
3 up with the Committee on that.

4 CHAIRPERSON CORNEGY: Yeah, yeah, I'm just
5 curious, that wasn't a question that was, it just
6 popped in my head that I'm wondering how many times
7 someone has intervened, just a regular citizen by
8 making a 311. Whether it's a tenant in a building
9 who observed something. How much are we driven by
10 complaints? Some of the agencies that we have are
11 largely complaint driven in terms of citing things.
12 I was concerned.

13 MELANIE LA ROCCA: Yeah, and we remain, the
14 Department remains heavily driven by complaints. As
15 I mentioned in my testimony, we received over 100,000
16 311 complaints. Admittedly, façades is not the
17 largest number of complaints we receive. Those tend
18 to be related to illegal conversions, but I'm
19 certainly happy to come back to you with that number.

20 CHAIRPERSON CORNEGY: So, I have one more
21 question before I pass to my colleagues who are here.
22 What is the Departments stance on the use of drone
23 technology to assist in performing façade
24 inspections. You alluded to the fact that you were
25 generally supportive.

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2 MELANIE LA ROCCA: Yes, as I alluded, the
3 Department is supportive of any technology, be it
4 drone or otherwise that allows us to become more
5 efficient and ensures and maintains the safety of all
6 New Yorkers.

7 CHAIRPERSON CORNEGY: In the idea that you know
8 that we need to move to a technology assisted
9 program, has the Department done any initial research
10 on the implementation of it or do we wait until it's
11 law?

12 MELANIE LA ROCCA: No, we've heard from a number
13 of different operators who have expressed interest in
14 working with the Department as we explore this and
15 certainly looking for opportunities to work with any
16 partner agencies where they may have property that
17 could be used to explore any technology with respect
18 to exterior façades.

19 CHAIRPERSON CORNEGY: One of the concerns that
20 has been mentioned around the use of drones has been
21 centered around cost. Have you done any cost
22 analysis in the use of drone technology?

23 MELANIE LA ROCCA: We have not. We've had a
24 number of conversations with operators and industry
25 members who are using technology, be it drone or

1
2 otherwise to work and explore the potential of that,
3 with respect to façade you know identification
4 issues, for defects or any other sort of iteration.

5 So, we haven't done cost yet, but we're starting
6 those conversations.

7 CHAIRPERSON CORNEGY: So, we have up first for
8 questions, Barry Grodenchik.

9 COUNCIL MEMBER GRODENCHIK: Thank you Mr. Chair.
10 Good morning Commissioner, it's always good to see
11 you. It's always good to see a person from Queens
12 behind that desk.

13 I just have a very quick question. We had spoken
14 awhile back, some of my Community Boards, you know
15 the nagging issues that they have with DOB issues.
16 Not that they're nagging DOB, but, and they had
17 asked, a few of my boards had asked for the
18 possibility of having their own inspector you know,
19 for a half a day. Are we making any progress on
20 that?

21 MELANIE LA ROCCA: We are making some progress, I
22 don't have the ability to tell you yes or no yet, but
23 we are still looking at it. Obviously, I want to
24 ensure and protect our service levels and
25 responsiveness to complaints but certainly appreciate

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2 as a former Community Board Member, the role
3 Community Boards have in wanting to ensure they're
4 empowered to engage with us directly.

5 I thank you, thank you very much. That's all I
6 have today. Thank you very much.

7 CHAIRPERSON CORNEGY: So, I do want to for my
8 colleagues, let them know that I did have the
9 opportunity to put you all on a timer, so I did not.
10 So, I'm asking you to be on your best behavior.
11 Carlina Rivera.

12 COUNCIL MEMBER RIVERA: Wow, okay, thank you so
13 much. I'll try to look at the time.

14 So, thank you. Thank you for being here. I have
15 a question on AHV first. I noticed you said you had
16 the real time maps, so that people can look at
17 exactly where after hours variance permits are.

18 Since you've launched the real time access, have
19 you noticed a decrease in the complaints or have
20 complaints remained the same?

21 MELANIE LA ROCCA: Generally speaking, the
22 complaints are remaining the same but in addition and
23 I neglected to mention it and that's my fault. In
24 addition to the after hour variance map that we
25 believe very strongly in and increasing transparency

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2 across the board for the Department, we are also
3 providing the Council Directly with AHV's within the
4 borough that they represent. And so, that update is
5 happening on a weekly basis as well.

6 COUNCIL MEMBER RIVERA: That's great. I ask
7 because I do have a bill that would try to look at
8 when its nonvital construction whether or not we can
9 I guess limit the number of AHV's that are issued
10 because Manhattan is disproportionately affected
11 considering how much construction and we do have a
12 very high number of noise complaints directly related
13 to it.

14 So, I know that we haven't had a hearing yet on
15 the bill, but I'm hoping that the Chair will be moved
16 by this discussion. So, I just want to ask a couple
17 more questions, I'll be very quick.

18 And so, in August last year, there was a tragic
19 death in a residential building elevator at 344 3rd
20 Avenue in my district and you were very, very
21 responsive in having a discussion with me right away
22 on how the investigation was going, so I thank you
23 for that. And it occurred after DOB issued fines to
24 the building management for failure to ensure
25 elevator safety and had even shut down one of the

1
2 elevators for similar reasons. However, the building
3 management company clearly didn't take the complaints
4 of the residents or fines from DOB seriously enough.

5 Are the enforcement tools that DOB has for
6 elevator safety enough for building managers to
7 comply?

8 MELANIE LA ROCCA: Yes. So, I just want to be
9 very clear, elevators continues to remain one of the
10 safest ways to travel in the city and obviously, any
11 time there is a fatality and injury to the member of
12 the public or to a construction worker, that is a
13 very bad day for this Department as well as the City.
14 So, I don't want to leave unspoken the fact that any
15 death is one too many.

16 With respect to this incident, we are not done
17 with our investigation, we expect to have that
18 shortly but I will say this, there are 70,000 plus
19 passenger elevators in this city with over 1 billion
20 trips. So, elevators remain one of the safest ways
21 to travel. We'll continue to look at any opportunity
22 we have to ensure further protections if needed.

23 COUNCIL MEMBER RIVERA: So, as a result of the
24 accident, DOB actually had an attendant ride the
25 elevator with residents every time they were in the

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2 elevator and keep a log of any incidents and
3 inconsistencies. Is this logbook going to be public
4 information? Will it ever be shared with residents
5 and what does it take to need this kind of oversight?

6 MELANIE LA ROCCA: So again, the incident is -
7 we're not done with the investigation. I will have
8 to come back to you on the logbooks and whether that
9 will be made public. The goal there and I just want
10 to be clear, this is a two elevator building. The
11 goal there was to ensure that the Department could
12 monitor very directly, very closely, the elevator and
13 ensure that it was being operated correctly. That
14 there were no instances of over loading of the
15 elevator, so that move was done directly to ensure
16 the continued protection and safety of those
17 occupants in that building.

18 So, I will follow up with you on the logbook
19 part.

20 COUNCIL MEMBER RIVERA: Thank you and my last
21 question is on the Office of the Tenant Advocate,
22 which you did mention in your testimony as well.

23 We know that construction harassment could lead
24 to all types of health and safety issues, such as
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2 lead poisoning and can clearly be a warning sign for
3 illegally converting units out of stabilization.

4 So, OTA refers cases to building Marshals for
5 inspection leading to many stop work orders. So, do
6 you have any metrics on how many more stop work
7 orders are issued on a year to year comparison since
8 the introduction of the OTA?

9 MELANIE LA ROCCA: I don't think I have the stop
10 work number but let me just say OTA, because this is
11 an area that's very near and dear to my heart, we did
12 bring on a new executive director of OTA who brings
13 over 20 years of experience in tenant advocacy
14 leading one of the city's larger tenant organizing
15 and advocacy groups that did not only organizing
16 advocacy but oversaw legal services to tenants.

17 So, this is an area of an increased attention for
18 this Department, an area that will remain a
19 commitment of ours and we did move OTA into
20 enforcement for two reasons, one because it belongs
21 in enforcement and two because we need to provide
22 tenants with the opportunity to get direct access to
23 the folks who are doing the inspections and ensure
24 that OTA acts as a one stop shop for our tenants and
25 our residents of the city.

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2 So, we're pretty pleased with the way OTA is
3 going. They will continue to grow in their mission
4 because certainly you point out tenant construction
5 as harassment. That is true, that is real but I want
6 OTA to be a real service for tenants who are
7 experiencing any building related issue whether it be
8 during active construction or otherwise.

9 COUNCIL MEMBER RIVERA: If the construction
10 harassment inspection shows or leads to other
11 violations, do you coordinate with HPD to conduct
12 their own inspections? Do you do a joint multiagency
13 action? And does OTA provide additional support to
14 the tenants such as legal services? And thank you so
15 much for your graciousness Mr. Chair.

16 MELANIE LA ROCCA: So, we definitely have and
17 will continue to do joint inspections with OTA. Our
18 OTA team is in very regular communication as is
19 members of our legal team as well as they both work
20 collectively on tenant related matters.

21 We've had a number of instances recently where
22 buildings that are occupied have had significant
23 structural challenges where we've taken a very
24 coordinated approach with OTA, with legal, with HPD
25 and with the Mayor's Office to Protect tenants and

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Jackie Bray's team to ensure that the City

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collectively is marching forward together unified and

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where we can, this Department has actively stepped up

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to ensure that tenants and electives are aware of a

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situation that is you know, either occurring or may

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occur. And that legal representation, while we can't

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provide that to tenants, we are certainly conscious

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of the fact that that is a critical step to ensure

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that tenants are protected in the long haul.

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COUNCIL MEMBER RIVERA: Well, thank you. I look

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forward to the follow up information and thank you

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Mr. Chair for the time.

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CHAIRPERSON CORNEGY: Thank you. Margaret Chin.

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I'm sorry, also we've been joined by Council Member

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Fernando Cabrera.

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COUNCIL MEMBER CHIN: Thank you Chair. Thank

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you, Commissioner, it's good to see you and thank you

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for your support in my district. Even my staff is

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very happy with the quick response.

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MELANIE LA ROCCA: Thank you.

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COUNCIL MEMBER CHIN: Yes. So, I have just a

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couple of questions. I know my colleague, Council

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Member Rivera asked about you know about after hour

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variance and especially in Manhattan, we just have so

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2 many of them. And so, do you track in terms of the
3 number of days, do they really need those you know
4 extended time and also, I think the majority of the
5 after-hours are, you cite you know, public safety.
6 Can you give us an example of what that can be?

7 MELANIE LA ROCCA: Certainly. So, this
8 Department definitely recognizes the challenges that
9 communities face, particularly I think I have a
10 unique perspective even after our variance given that
11 I started my career at the City Council dealing with
12 constituents, moved over to school construction,
13 where we were users of after hour variance for some
14 of our projects and certainly now at the Department
15 seeing both sides and needing to ensure things
16 progress safely. It is our opinion that after our
17 variances are required. We certainly want some work
18 to occur after-hours where it is safer for the
19 community. Things like crane jumps, where you don't
20 want that occurring, crane assembly, where you don't
21 want that occurring. Some work does necessitate
22 longer time periods beyond the traditional work hours
23 and we do review all of our initial AHV's that come
24 in.
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So, we are monitoring the after-hour variance.

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Again, we are committed to transparency and ensuring that the information we have is available and shared.

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So, that everybody is aware of what is occurring in their community.

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COUNCIL MEMBER CHIN: So, do you do any like proactive inspection on some of the, the ones that keep asking?

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MELANIE LA ROCCA: Yes. We do two things Council Member. We do infield verification through after our variance unit who is proactively auditing these sites as well as responding to complaints the Department receives. So, we are doing those in real time.

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Additionally, we are doing desk reviews and audits of HVA's as well. So, this is an area that we are certainly aware of the concerns and we again, want to ensure that work can continue safely and I recognize certainly the concerns that you and others on this Committee and in this Council have with AHV's.

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COUNCIL MEMBER CHIN: One of the issues that we hear you know, from constituents is related to commercial buildings. These are not new construction, they're renovation and especially in

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2 lower Manhattan, a lot of these big office buildings
3 now are being converted into residential. So, in
4 terms of really the after hour variance, noise and
5 the other thing is questioning of the debris that
6 they bring out. And that's the question I asked
7 yesterday in the Sanitation Committee. It's like who
8 has oversight of these commercial corridors that
9 actually crush the materials in front of the
10 building, during the day and into the evening. Some
11 of the them, the workers don't wear protect gears and
12 pedestrians walking by get all this you know material
13 breathing in and also people who live in the
14 neighborhood. Especially in lower Manhattan, it is
15 more and more residential.

16 So, does the Building Department provide like
17 proactive inspection on these renovation sites to
18 make sure that they are complying and not creating
19 hazardous situations to the public?

20 MELANIE LA ROCCA: Yes, very much so. So, as I
21 mentioned in my testimony, we have a proactive team
22 of inspectors who do, as I mentioned, proactive
23 inspections and that's all they do and they so in
24 sites where safety protections are required. So,
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2 some alteration work of a large enough scale
3 certainly could qualify for that.

4 So, I'm happy to have a follow up conversation
5 with you on the specifics of this. I mean, it sounds
6 like you have a specific location. So, let's talk a
7 little deeper on some work that maybe the Department
8 can do more of around commercial conversions
9 particularly on the waste removal and debris removal.

10 COUNCIL MEMBER CHIN: So, do you have a list of
11 all the commercial buildings that are undergoing
12 renovation? Because like, we have one right now on
13 30 Wallstreet.

14 MELANIE LA ROCCA: Sure.

15 COUNCIL MEMBER CHIN: The union is protesting,
16 I'm getting noise complaints with my constituents,
17 but one of the things that the union raised was
18 they're doing renovation inside and they are crushing
19 materials right, on the sidewalk.

20 MELANIE LA ROCCA: I'm happy to get you a list of
21 all the active permits for commercial property in
22 your district and we'll have a follow up conversation
23 if you'll indulge me on the work that's happening
24 specifically with respect to -
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2 COUNCIL MEMBER CHIN: Yes, I would definitely
3 appreciate that and my last question is the office of
4 special enforcement. I think they go out and they do
5 especially the illegal sort term rental, what about
6 you know, like if some residential buildings, you
7 know, they are doing renovation because you know, a
8 tenant moved out and they are doing renovation but
9 some of them are actually doing some illegal
10 conversion.

11 Are the Building Department, like department that
12 you give, do they give you specific information about
13 whether they are just doing a renovation you know, of
14 a one bedroom apartment but in reality, they are
15 converting that apartment into a two bedroom
16 apartment.

17 MELANIE LA ROCCA: Yeah, so all applications for
18 work in this area that you are talking of, would
19 denote the scope of their work. So, we do have the
20 scope, typically what we find are particularly as you
21 mentioned illegal conversion, which continues to be
22 one of our top areas of complaints received to the
23 Department. Two fold right, there are concerns that
24 there is a legal conversion that has already taken
25 place and therefore you know, you see a one family

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2 home or an apartment subdivided to create a smaller
3 housing units. And then there is a concern that you
4 mentioned or that you are alluding to which is, that
5 work is submitted, plans are submitted to the
6 Department and work is occurring that is contrary to
7 that.

8 So, yes, we respond to every single illegal
9 conversion complaint. Yes, we respond to each and
10 every complaint of work contrary or work without a
11 permit and we do review plans to ensure compliance.
12 But again, I have to acknowledge that illegal
13 conversation is one of our top complaints received in
14 an area that we provide significant resources to with
15 respect to inspections.

16 COUNCIL MEMBER CHIN: Do you only respond to
17 complaints or do you do surprise audits or like look
18 at the people kind of file permits for work and if
19 they are filing a lot in terms of in one building, do
20 you do some kind of like special audit or inspection
21 on those?

22 MELANIE LA ROCCA: Yes, so we have a very robust
23 audit process that includes looking at plans.
24 Auditing plans in each and every single borough,
25 auditing within certain units in the Department,

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2 doing audits based on complaints as well as referrals
3 from our own inspectors who have gone out to the
4 field who may see something.

5 So, the audit process is quite robust. It is
6 ongoing continuously and there are some very
7 significant penalties that are registered design
8 professional or license holders face should they
9 submit false information to the Department.

10 COUNCIL MEMBER CHIN: Good, yeah, from your
11 testimony, you are doing a lot and we just want to
12 make sure that this is a budget hearing, that you
13 have the adequate resources.

14 So, in your new needs, are you putting in for
15 extra staff in certain departments to really help you
16 accomplish you know, all the goals and work that you
17 want to do?

18 MELANIE LA ROCCA: I appreciate the recognition
19 of the work that we're doing. You know, every member
20 of the Department of Building is a leader in their
21 field and I feel very strongly that the entire team
22 is made up of incredibly dedicated people who really
23 take seriously the mission of the Department and
24 ensuring the safety of all New Yorkers. At this
25 point, we're having conversation certainly, we'll

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2 keep you informed but we believe our service levels
3 are world class, very strong, given the volume of
4 work and the city of this size.

5 So, we're quite pleased with our service levels.
6 We obviously are always looking for improvements in
7 our ability to serve our customers.

8 COUNCIL MEMBER CHIN: Thank you. Just one that
9 question that came, because I have a lot of tall
10 buildings in my district.

11 So, in terms of the façade inspection, is that
12 creating a lot of difficulties for the Building
13 Department to really like make sure that these
14 buildings are safe.

15 MELANIE LA ROCCA: Our façades unit is dedicated
16 literally to façades, as they are the façades unit
17 but they are quite versed in buildings of all type
18 and they deal very extensively with some of our
19 largest and tallest buildings.

20 So, that team is a class act on their own, so I
21 feel very good about their abilities.

22 COUNCIL MEMBER CHIN: Thank you. Thank you,
23 Chair.

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2 CHAIRPERSON CORNEGY: We've been joined by
3 Council Member Gjonaj. Council Member Louis, did you
4 have a question?

5 We had another question by Council Member
6 Grodenchik, who is still here so. Okay, no problem,
7 so I'm going to move to a few more questions I have
8 and some of them are around Council Member Rivera's
9 questions.

10 Just for context, in December 2018, DOB launched
11 the Office of Tenant Advocate OTA, established by
12 Local Law 161 of 2017 which serves as a resource to
13 tenants who are effected by work and occupied
14 multiple dwellings. The Fiscal 2021 Preliminary Plan
15 Budgets for two position in 2021. The Fiscal 2020
16 adopted budget did not include any budgeted positions
17 for this office. Could you please describe these
18 positions and their role in performing the duties of
19 OTA?

20 MELANIE LA ROCCA: So, our OTA team as I
21 mentioned, is headed up by a new Executive Director.
22 OTA consists of the Executive Director and a tenant
23 liaison but very importantly, they are part of a team
24 that represents over 100 Department of Buildings
25 staff, including inspectors. OTA exists within our

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2 enforcement team and is part of our buildings marshal
3 universe and so we have a coordinated approach that
4 includes building marshals, OTA, real time
5 enforcement all working together to advance tenant
6 protections.

7 CHAIRPERSON CORNEGY: Does the Department expect
8 OTA's workload to increase considering the continual
9 increase of construction related activity?

10 MELANIE LA ROCCA: Certainly, for OTA, we hope
11 that their workload grows as they deepen their
12 connections in communities with local elected
13 officials and local tenant organizations. So, that
14 is certainly a hope of the Department but I will say
15 our service levels, our response times are very
16 strong for OTA. We're responding to tenants in
17 approximately a day in a half and where incidences
18 issues required inspection were able to make that
19 inspection within a day.

20 So, we feel very confident that we have the staff
21 ability to respond to tenants.

22 CHAIRPERSON CORNEGY: I'll come back to some more
23 questions I have, right now, Council Member Gjonaj.

24 COUNCIL MEMBER GJONAJ: Thank you Chair. Good
25 morning Commissioner.

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MELANIE LA ROCCA: Good morning Council Member.

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COUNCIL MEMBER GJONAJ: As of December 2019, the Department was operating a 13 percent vacancy rate, can you explain why we have such a high vacancy rate which I believe is amongst the highest of all city agencies, where those vacancy headcounts are and what impact it's having on your agency or department to fulfill its obligations because of the vacancies?

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MELANIE LA ROCCA: So, I'm happy to report that our vacancy rate is 11 percent as of today. Which I acknowledge is as you correctly pointed out, we have a higher vacancy rate than some others in the city but our vacancy rate is going in the right direction. A couple of things to note. Over the last number of years, this Department has grown tremendously and that has been certainly part of the challenge of ensuring lower vacancy rates and it's worth recognizing that the construction industry continues to remain quite strong and so, that presents a challenge in retention and recruitment.

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COUNCIL MEMBER GJONAJ: So, it's about salaries.

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MELANIE LA ROCCA: No, I wouldn't say it's about salaries. I mean, we're all public employees and we enjoy some benefits of being a public employee but

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2 again, we're talking about particularly in the
3 inspectorial side, we're talking about a very
4 specific set of qualifications that we are seeking to
5 bring on for our field inspectors and when you have
6 the economy this strong, there tends to be an
7 interest to want to remain in the field, in your very
8 specific trade. And that's all fine and well, we
9 certainly look forward to those members joining the
10 Department in a new role for the Department on the
11 inspection side.

12 So, lots of things contribute to the vacancy.
13 The economy remains strong. The construction sector
14 remains strong. That is but one challenge.

15 COUNCIL MEMBER GJONAJ: In other words, it's
16 about salaries. In the free markets, it's called
17 being competitive and you have to draw them in and
18 that would mean a salary increase but where are those
19 vacancies currently?

20 MELANIE LA ROCCA: So, our vacancies are, let me
21 get that for you, I have them. So, our vacancy rate
22 again, as I noted agencywide is 11 percent within our
23 inspectorial universe. We are at 15 percent vacancy,
24 so 113 headcount there.

25 COUNCIL MEMBER GJONAJ: Wow.

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2 MELANIE LA ROCCA: Our plan examiner side much
3 lower, 5 percent vacancy.

4 COUNCIL MEMBER GJONAJ: What number?

5 MELANIE LA ROCCA: 5 percent vacancy.

6 COUNCIL MEMBER GJONAJ: A head count.

7 MELANIE LA ROCCA: 19 staff.

8 COUNCIL MEMBER GJONAJ: 19 down and plan
9 examiners?

10 MELANIE LA ROCCA: Within our administrative
11 management level, we are at 11 percent or 54
12 headcount and finally, within our clerical, 7 percent
13 or 18 positions.

14 COUNCIL MEMBER GJONAJ: So, the two categories
15 that are important, significant to me and I would
16 imagine many of my colleagues is Plan Examiners and
17 Inspectors. 113 inspectors down is a significant
18 number and Plan Examiners of 19 is significant.

19 MELANIE LA ROCCA: Let me just note, as I
20 mentioned previously to Council Member Chin, our
21 service levels remain incredibly strong. When you
22 think about the volume of work in the city, we are
23 averaging five days for initial plan review for large
24 jobs, that is a tremendous service level for this
25 city or any city and I would compare this departments

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2 customer service and service levels to any Department
3 of Buildings across the country.

4 When you look at the developing side to say that
5 you can call for an inspection and see a DOB
6 inspector on the development side, so these are your
7 construction sign off, your plumbing, your electrical
8 sign off, within a matter of a day or two tremendous.

9 That is world class service levels, so I
10 acknowledge our vacancy rate but I believe the
11 Department is fulfilling its mission.

12 COUNCIL MEMBER GJONAJ: So, if you feel
13 comfortable and it's your department, your agency and
14 you think that you're, even though you have said
15 vacancy that you can fulfill your obligations, that's
16 great. I guess moving forward we can reduce the
17 headcount needs and the budget. If you are operating
18 at an efficient and optimal mode.

19 MELANIE LA ROCCA: Happy to have the conversation
20 and keep you in the loop on how we're doing with
21 filling the positions. It's worth noting also, and I
22 would be remiss for not noting this. We're thankful
23 for our partnership with the Council and legislation
24 passed to allow us to broaden our qualification
25 experience to help recruit additional inspectors and

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2 we're proud of those Level 1 Inspectors that we
3 brought on. 14 of which were a direct result of that
4 legislation, so.

5 COUNCIL MEMBER GJONAJ: Of the 113, are any of
6 these vacancies related to elevator inspectors?

7 MELANIE LA ROCCA: With respect to our elevator
8 department, we have 7 vacancies within elevators.

9 COUNCIL MEMBER GJONAJ: What is that
10 percentagewise?

11 MELANIE LA ROCCA: For elevators, that represents
12 15 percent.

13 COUNCIL MEMBER GJONAJ: That's a high number. We
14 know that we have concerns with the elevator
15 inspections and the dangers that exist and some of
16 the tragic incidents we've witnessed as well as the
17 hardship that residents face when elevators are not
18 out and they are not running optimal.

19 Again, all of these positions are important. You
20 know your agency and your department. If there is an
21 emphasis on priorities, I would imagine that would
22 definitely be one, as well as construction site
23 safeties and all of the other needs that we have
24 around inspectors but this is budget season and if
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2 it's about getting the support that you need from the
3 City Council, this is when it's done best.

4 MELANIE LA ROCCA: And I appreciate this
5 Committee's strong support of my agency.

6 COUNCIL MEMBER GJONAJ: Can you assure us that we
7 would be focused on especially those Elevator
8 Inspectors?

9 MELANIE LA ROCCA: We are 100 percent focused on
10 reducing our vacancy and certainly targeting the
11 inspectorial universe. As I did note, our vacancy
12 rate is going in the right direction. We are not
13 there yet, but it is certainly moving in the right
14 direction. But I do also want to underscore, because
15 we are talking about elevators and it's incredibly
16 important for me to say this, elevators remain one of
17 the safest ways to travel in this city with over
18 70,000 devices and billions of trips. Elevators
19 continues to remain one of the safest ways to travel.

20 COUNCIL MEMBER GJONAJ: Thank you, I've never
21 heard of an elevator ride referred to as a trip.
22 Thank you for that Commissioner. Let alone be one of
23 the safest methods of travel, pretty impressive,
24 kudos to you on that.

25 MELANIE LA ROCCA: Thank you Council Member.

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2 COUNCIL MEMBER GJONAJ: You threw me off topic
3 but Chairman, did you mention the coronavirus and the
4 role that the Buildings Department can play as we
5 start addressing this?

6 CHAIRPERSON CORNEGY: INAUDIBLE [1:16:51]

7 COUNCIL MEMBER GJONAJ: Okay, so then, your
8 permission. Do you believe Department of Buildings
9 should play a role when it comes to educating and
10 coming up with protocol and procedure in case of a
11 citywide outbreak? Specifically, in and around not
12 only your own agency departments and the massive
13 amount of people that visit Department of Buildings
14 in each borough. What it could mean for an exposure
15 as well as from a multiple dwelling. What do you
16 envision the role of your Department could be to one,
17 inform residents. Two, property owners and managers
18 on how to prevent the spread, especially when it
19 comes to one common entrance, once common elevator or
20 the method of travel as you preferred to refer it to.
21 If you are all pressing the same buttons and we know
22 that the surface contamination is a real factor in
23 the spread. One buzzer system, one door to open,
24 push open and so on and so forth.

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MELANIE LA ROCCA: Understood, yeah, so we've already started communication, not only obviously with our internal staff to the Department to ensure that they have all the information that they need but to the public who come to visit the Department.

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As you know, we're in every borough and so, we're engaging with our customers, our members of the public who are visiting the Department and ensuring that we're sharing this information to them as well.

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On top of that, we are obviously working very closely with DOHMH, DCAS, as there are landlords in many of our facilities, as well as our partners at EM and other agencies to see how we can best facilitate and act as a vehicle of information sharing and outreach.

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COUNCIL MEMBER GJONAJ: Do you foresee procedures that you may be able to provide these tenement buildings or office buildings or commercial buildings as to how to keep surfaces clean and a recommendation on how often to wipe them down and perhaps posting a notice on the user. Some of our intercom systems require handsets you put to the ear mouth as well as touching.

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MELANIE LA ROCCA: As I mentioned, we're actively working with DOHMH and we are inspectors who are in the field in every community. Can be a resource for the City in its efforts to ensure that that kind of communication, collaboration and outreach is happening. We'll certainly make sure we're going our role.

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COUNCIL MEMBER GJONAJ: And just to follow up on HVAC systems, I'm not sure if that is now a concern when it comes citywide as far as the spread of contamination. The inspectors that would have to be out there looking at these filter systems, are they optimal, have they been replaced, are the ducts clean?

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MELANIE LA ROCCA: I haven't heard that concern expressed from DOH but again, we're having conversations and if anything changes from what I said, we'll share that to the Committee and to you Council Member.

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COUNCIL MEMBER GJONAJ: Thank you Commissioner.

MELANIE LA ROCCA: Thank you.

COUNCIL MEMBER GJONAJ: Continue looking forward to working with you.

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MELANIE LA ROCCA: Thank you very much.

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2 CHAIRPERSON CORNEGY: Thank you. I wanted to
3 have, just on construction inspections. In 2019, how
4 many inspections were completed for electrical
5 systems, construction work, plumbing and gas work?

6 MELANIE LA ROCCA: So, in 2019, we completed
7 156,933 inspections. Of which, 77,140 were
8 electrical, 36,238 were construction and the
9 remaining 43,555 were plumbing.

10 CHAIRPERSON CORNEGY: As of Fiscal 2021
11 Preliminary Budget, what's the associated headcount
12 for inspectors for these categories budgeted and
13 actual?

14 MELANIE LA ROCCA: As of our Preliminary 2021,
15 the actual headcount is 140,047 in electrical, 35 in
16 construction and 58 in plumbing. That budgeted
17 headcount is 166 with 56, 42 and 68 respectively.

18 CHAIRPERSON CORNEGY: I'm just curious as to what
19 the strategy is for getting those numbers budgeted
20 and actual to be the same.

21 MELANIE LA ROCCA: As I mentioned earlier, we
22 have had some success in increasing the diversity of
23 our pool as part of our level 1 inspectors that we've
24 brought on. So, we started bringing on those
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2 inspectors with a diversified set of requirements or
3 qualifications.

4 In December, we had 14 and we have an academy
5 class starting this month, we'll increase that
6 number. So, that's part of the puzzle. The other
7 piece is continuing to ensure that we have outreach
8 into the industry through you know, tradition job
9 fairs where we're seeking to bring on new staff.
10 Another part of the puzzle is really looking at our
11 youth to try to encourage and promote a diverse set
12 of understanding of potential future employment
13 opportunities.

14 So, we're very excited about our youth
15 programming. Making sure kids in our public schools,
16 in our CTE programs have a very tangible sense of
17 what could be out there and we certainly hope they
18 come work at the Department when they are old enough.

19 So, all of that together really helps drive down
20 and as I mentioned, our vacancy rate is moving in the
21 right direction.

22 CHAIRPERSON CORNEGY: So, I just want to state
23 also for the record whatever we can do to help
24 promote those availabilities, especially for our
25 youth, we'd gladly like to partner in that way.

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MELANIE LA ROCCA: Absolutely.

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CHAIRPERSON CORNEGY: And then last, are these sufficient resources to carry out inspections given the high rate of construction citywide? I mean, I obviously know the answer to that but -

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MELANIE LA ROCCA: I mean, as I mentioned our development inspection wait times are, I don't know how many more effusive words I could use but they are phenomenal. You know, for a city of 8 million plus residents to say that you have a wait time of two days, one day, you know, two and a half days. You know that team does a phenomenal job.

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With that being said, we obviously look at every unit to ensure that they're the most efficient in where we have needs. We certainly will engage in those conversations.

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CHAIRPERSON CORNEGY: You mentioned in your testimony your commitment and the agencies commitment to safety. I think we share that commitment as the Chair and as the Committee also shares that commitment and I just want to state for the record that I appreciate that.

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MELANIE LA ROCCA: Thank you.

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2 CHAIRPERSON CORNEGY: I believe that over time
3 we've seen a decrease in accidents. We've had some
4 real tragedies though as we closed out 19 and we
5 began 20 and I look forward to continuing to work
6 within the context of what the law prescribes to make
7 sure that there is safety.

8 And then my last round of questions about DOB
9 now. The Fiscal 2021 Preliminary plan allocates
10 \$10.5 million to DOB now with an associated headcount
11 of seven positions. Could you please provide a
12 breakdown, a description of the full year positions
13 under the DOB now project.

14 A, what is the actual headcount for the DOB now
15 project?

16 MELANIE LA ROCCA: You know, I actually don't
17 have that number, let me follow up with you.

18 CHAIRPERSON CORNEGY: Sure. What products and or
19 services have been procured for the creation and
20 maintenance of DOB Now?

21 MELANIE LA ROCCA: So, let me just say broadly on
22 DOB Now just as a reminder. DOB Now is replacing our
23 30 year mainframe system Biz which has long exceeded
24 its usefulness and DOB Now does a few things. It is
25 broken up to four parts: Build, safety, licensing and

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2 inspections. Once fully implemented, this will allow
3 the Department to realize our goal of being fully
4 electronic, which will add efficiencies back to the
5 industry, no longer needing to come visit us in
6 person while we certainly appreciate that, they are
7 better suited working and continuing their business.
8 It will also allow for us as a Department to get
9 better data, more granular and specific to the type
10 of work that is occurring, so we can reprioritize the
11 way we engage with the industry and target potential
12 challenge spots.

13 And lastly, a not often spoken about part of DOB
14 Now is the increased transparency for the end user.
15 So, the individual who is paying that designed
16 professional or contractor to do work in their home
17 or in their place of business, it will afford them
18 the opportunity to know exactly what is happening
19 with their application. Whether it was submitted,
20 whether it was rejected with, rejected meeting
21 objections submitted back. Whether an inspection was
22 ever called for and what the Departments response
23 times were.

24 So, a very long way of saying we are midcycle of
25 rolling this out and we'll continue to do so.

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2 Specifically, though, to your question on the IT
3 Budget, we have 24 lines in there for this.

4 CHAIRPERSON CORNEGY: So, I said that was my last
5 round but I seriously would be remiss if I didn't
6 touch on just a few questions around construction
7 site safety and compliance.

8 MELANIE LA ROCCA: Yes.

9 CHAIRPERSON CORNEGY: Can you please give an
10 update on the work performed by the Department in
11 collaboration with the construction site safety
12 taskforce? How many construction site safety
13 inspections were performed in 2019?

14 MELANIE LA ROCCA: So, our work with the Site
15 Safety Training Taskforce continues. We had met
16 quarterly for the first two years. We're on an
17 annual basis now for the next three. Our next
18 meeting is occurring this summer in June. So, we
19 look forward to that and as you know, that group is
20 instrumental in ensuring the implementation of Local
21 Law 196 and the curriculum as well as hours of
22 training needed.

23 So, we're thankful for that work, we're excited
24 to continue that. With respect to inspections
25 conducted in Fiscal 2019, we conducted 14,520

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2 inspections as part of the Departments construction
3 safety compliance unit. That group that is
4 responsible for the 100 percent proactive
5 inspections.

6 CHAIRPERSON CORNEGY: What percentage of the
7 city's construction sites receive sites like these
8 inspections?

9 You gave me the overall number; I'm just
10 wondering what the percentage is.

11 MELANIE LA ROCCA: SO, there are at any given
12 moment some 6,500 larger sites. We'll get you the
13 percentage as it relates to NB's and large
14 alterations on what that universe is.

15 CHAIRPERSON CORNEGY: Okay, how many violations
16 were issued because of these inspections?

17 MELANIE LA ROCCA: So, our proactive inspections
18 resulted again in Fiscal Year 2019. The Construction
19 Safety Compliance Unit issued 1,198 violations, which
20 amounted to nearly \$2 million in penalties. Of
21 which, nearly \$1 million has been collected.

22 I do want to just note for relevancy here, the
23 Construction Safety Compliance Unit is tasked with
24 ensuring that larger construction sites remains safe.

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2 Those larger sites are the ones that require
3 safety training and it is worth noting that since
4 196, Local Law 196 went into effect, we found just
5 289 sites where 600 workers did not have training.
6 So, that is a very good number in so far as it is a
7 low number which to us is showing that the training
8 is occurring.

9 CHAIRPERSON CORNEGY: Thank you. What's the
10 Department's process for selecting approved site
11 safety training providers?

12 MELANIE LA ROCCA: So, I'll let Sharon answer
13 that question.

14 CHAIRPERSON CORNEGY: I've been dying to hear
15 from Sharon.

16 MELANIE LA ROCCA: We all are.

17 SHARON NEILL: Good morning. So, we actually
18 have a rule on the books which is referred to as our
19 course provider rule and the expectation is that
20 entities that are professional training entities
21 either have an accreditation through accrediting
22 bodies and that they meet the requirements of being a
23 legitimate training provider.

24 So, that means they hire qualified instructors
25 that are familiar with adult learning techniques.

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2 The training is happening in a classroom. They are
3 using appropriate course materials, they are
4 assessing the learning objectives and whether or not
5 the students are learning what they are supposed to
6 learn and also, that they're administering their
7 program where they are actually registering people,
8 they are taking attendance.

9 So, that's what the accreditation component is
10 supposed to mean across the board. The Council
11 expanded the provider requirements under Local Law
12 196 to expand that universe to non-for-profit
13 entities. Many non-for-profit entities do host a lot
14 of OSHA training and they do hire OSHA instructors to
15 do the SST training under Local Law 196.

16 CHAIRPERSON CORNEGY: Has there been an audit on
17 those providers?

18 SHARON NEILL: Absolutely. A lot of the initial
19 audits are making sure that their status is up to
20 date with their accrediting bodies, that they are in
21 fact doing the administrative components to run their
22 programs. That they have instructors that are doing
23 what they are supposed to do and we also do have the
24 auditing component is done under the office of the
25 buildings marshal and they have also actually sat in

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2 and attended classes to make sure that the class is
3 happening for the full day and that you know the
4 content is appropriate to the course that's being
5 offered.

6 CHAIRPERSON CORNEGY: Thank you.

7 MELANIE LA ROCCA: Your welcome.

8 CHAIRPERSON CORNEGY: Do you guys have any more
9 questions? So, thank you so much Commissioner for
10 being here. It's always a pleasure to see you.

11 MELANIE LA ROCCA: Likewise, thank you very much.

12 CHAIRPERSON CORNEGY: We'll be taking a two or
13 three minute break to transition from DOB to HPD and
14 for me to take two bites of my sandwich.

15 Good morning and thank you all for attending
16 today's Fiscal 2021 Preliminary Budget hearing. I'm
17 Council Member Robert Cornegy, I'm the Chair of the
18 Council's Committee on Housing and Buildings. I'd
19 like to acknowledge that I'm joined today by Council
20 Member Chin and Grodenchik.

21 We will next here from Department of Housing
22 Preservation and Development where we will examine
23 all components of HPD's \$1 billion expense budget and
24 \$5.7 billion capital budget along with details and
25

1
2 progress related to the Administrations housing plan,
3 Housing New York.

4 HPD is now at the halfway mark in terms of the
5 production goals under housing New York. With about
6 148,000 units financed to date, over the life of the
7 housing plan. There is much to celebrate about this
8 level of production which has exceeded projected
9 targets and production goals. But as the City
10 addresses the complex challenges of producing and
11 preserving quality affordable housing, it does so at
12 a point and time when the population of homeless New
13 Yorkers continues to rise and a shortage of deeply
14 affordable housing units exist within the City's
15 housing market.

16 Further complicating matters is the current
17 federal Administration who has continually proposed
18 significant funding cuts to vital housing programs,
19 which HPD programs and services utilizes by tenants
20 and homeowners depend on.

21 While the primary focus of Housing New York, our
22 tenants and the creation of affordable rental units,
23 there's also a homeownership component to the plan
24 which I would like to shed more light on. Especially
25 on opportunities that focus on homeownership and many

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2 challenges and barriers that exist with securing
3 affordable homeownership in this housing market.

4 I look forward to working with you Commissioner
5 and further discussing these complex issues.

6 After HPD, we'll hear from members of the public.
7 I'd like to remind everyone that would like to
8 testify today to please fill out a witness slip with
9 the Sergeant at Arms, so we can put you on the queue.
10 We will now swear you in before turning it over for
11 testimony.

12 Thank you.

13 COUNCIL CLERK: Can you raise your right hand
14 please. Do you affirm to tell the truth, the whole
15 truth and nothing but the truth in your testimony
16 before the Committee and to respond honestly to
17 Council Member questions?

18 PANEL: I do.

19 COUNCIL CLERK: You may begin.

20 LOUISE CARROLL: Good morning Chair Cornegy and
21 members of the New York City Council Committees on
22 Housings and Buildings. My name is Louise Carroll
23 and I am the Commissioner of the New York City
24 Department of Housing Preservation and Development
25 HPD. I am joined by our Executive Deputy

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2 Commissioner Baaba Halm, Associate Commissioner for
3 Financial Management Rich Johns and members of HPD's
4 senior leadership team.

5 It has certainly been a busy ten months since I
6 came on as Commissioner last May. Our agency has
7 focused on improving our programs and processes to
8 better serve to public, and in some cases, changing
9 course as needed. I am immensely grateful for the
10 talented and dedicated team at HPD, who develop
11 innovative solutions to difficult problems while, at
12 the same time, working tirelessly each and every day
13 to contribute and continue to deliver the safe,
14 quality, and affordable housing that New Yorkers need
15 and deserve.

16 As you well know, the work of our agency is
17 critical to the residents of the city and a top
18 priority of the de Blasio Administration. HPD is the
19 driving force behind a coordinated interagency effort
20 to create and preserve affordable housing at a record
21 pace. To support owners in order to enforce tenants
22 rights to live in safe, quality housing, and to
23 engage in community focused neighborhood planning.

24 Thank you for the opportunity to testify today on
25 HPD's Fiscal Year 2021 Preliminary Budget and how

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2 this funding will help us to achieve our agency's
3 goals. First, I will provide a brief overview of
4 HPD's budget, before describing how the agency will
5 be moving forward in creative and ambitious ways in
6 the coming year. I am happy to answer any questions
7 you may have thereafter.

8 As you know, HPD's important work requires
9 significant investment from the City and federal
10 governments. HPD's Fiscal Year 2021 Preliminary
11 Budget is approximately \$1 billion.

12 However, this includes about \$218 million in pass
13 through funding for NYCHA. So, aside from this pass
14 through funding, HPD's true expense budget is about
15 \$782 million for FY2021.

16 Of this \$782 million total, approximately \$132
17 million comes from City funds and about \$649 million
18 comes from federal funds. That means 83 percent of
19 HPD's expense budget is federally funded. This huge
20 portion of federal versus City funding in the
21 agency's budget is important because when we seek to
22 save City tax dollars, as we are constantly trying to
23 do, the amount that we can save is limited because so
24 many of our programs are restricted by federal
25 requirements City funding, especially City Tax Levy,

1
2 is critical for flexibility and strengthening areas
3 not otherwise eligible for federal grant funding.

4 Through the Mayor's Housing New York plan, we are
5 well on our way to meeting the Administration's
6 accelerated and expanded goal of producing 300,000
7 affordable homes by 2026. 2019 was a record year for
8 new construction as well as for homes serving the
9 homeless and those needing supportive services. We
10 financed more than 25,000 affordable homes bringing
11 us to a total of more than 147,000 affordable homes
12 created and preserved since the start of the
13 Administration.

14 Over 40 percent of these homes are affordable to
15 Extremely Low and Very Low Income families and as the
16 Mayor said in his State of the City address earlier
17 this year, we are committing to building even more
18 homes for the lowed income New Yorkers. With Your
19 Home NYC, the next phase of Housing New York, half of
20 all new rental homes we fund going forward will serve
21 families making less than \$50,000 per year. And at
22 least half of those will be for families making less
23 than \$30,000 per year. That means 2000 more homes
24 for Extremely Low and Very Low Income households.

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2 In addition to driving our production toward
3 lower incomes, with Your Home NYC, HPD is taking an
4 interagency approach to tackling some of the city's
5 toughest housing problems.

6 For example, in terms of keeping New Yorkers in
7 their affordable homes: Through HPD's preservation
8 work, we have already kept over 245,000 New Yorkers
9 in their affordable homes since the start of this
10 Administration and in the next two years we project
11 that we will keep at least 75,000 more New Yorkers in
12 their homes and communities.

13 In terms of legalizing basement apartments, now
14 that we've gauged interest and gained insight from
15 our basement apartment conversion pilot program, we
16 will work towards legalizing basement apartment and
17 accessory dwelling units in order to enforce the
18 safety and quality while adding more affordable
19 places for New Yorkers to live.

20 Regarding Expanding Community Land Trusts and new
21 shared equity models to build neighborhood wealth, we
22 will work with organizations proposing community
23 ownership models that will include enough City owned
24 land to gain up to 3,000 units of community owned
25 affordable housing.

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2 Pertaining to creating alternatives to security
3 deposits, we will make it easier to offer
4 alternatives to security deposits, starting with our
5 own city-financed homes.

6 In terms of renter protections, we are committed
7 to finding solutions to bring renter protections from
8 arbitrary and steep rent increase to the 2.5 million
9 New Yorkers who live in nearly 900,000 unregulated
10 homes.

11 Through Your Home NYC, we're working in tandem
12 with other agencies to help New Yorkers get, afford
13 and keep their homes. These new commitments further
14 the work HPD has already done and will continue to do
15 to address the city's critical need for housing. WE
16 are always striving to do more, to do better, and to
17 do our work in thoughtful, creative ways.

18 For example, last year, we announced plans for
19 167 affordable homes and a new community medical
20 center that will be constructed using cutting edge
21 modular design. Modular construction brings the
22 latest in innovative design and construction, and
23 we're leveraging this technique to build higher
24 quality homes faster and at a lower cost.

1
2 Also, we're looking to our City owned land for
3 new inspiration. While HPD has turned much of its
4 inventory of City owned land into affordable housing
5 we are still left with some small, oddly shaped lots.
6 In order to ensure that we are not letting any
7 opportunity escape us, we held an international
8 design competition called Big Ideas for Small Lots
9 with the American Institute of Architects, New York
10 Chapter, to generate creative housing solutions for
11 these properties. We are working with the finalist
12 to make these ideas a reality and exploring the
13 potential to unlock many more of these challenging
14 lots for affordable housing.

15 But we're not just looking at under-utilized City
16 property. Through our Zombie Homes initiative, we
17 track abandoned buildings in terrible condition
18 because we know they threaten the safety and security
19 of our communities and bring down property values in
20 our neighborhoods. This year, we teamed up with the
21 Center for New York City Neighborhoods and Restored
22 Homes to hold mortgage holders accountable and design
23 new ways to return these homes to productive use.

24 We are also being responsive to the varied needs
25 of New Yorkers searching for housing. New York is

1
2 one of the most culturally rich cities in the world
3 and our housing stock should reflect that diversity.
4 We're working with the winners of ShareNYC RFP to
5 explore how shared housing model can create more
6 housing for small households at deeply affordable
7 levels.

8 Finally, we're making sure that New Yorkers are
9 getting connected to all of the affordable housing
10 opportunities we're working to create. This summer,
11 we will launch Housing Connect 2.0, a new and
12 improved system for New Yorkers applying for our
13 affordable housing lottery. Our goal is to make the
14 process clearer, more efficient, and seamless for
15 both applicants and marketing agents. We look
16 forward to working with our Housing Ambassadors and
17 your offices to make sure New Yorkers know about this
18 valuable resource and have the support they need to
19 truly benefit from the enhanced system.

20 Another top priority of our agency is, of course,
21 to protect tenants by ensuring the quality and safety
22 of their housing. Sometimes that means taking
23 aggressive enforcement actions against bad landlords,
24 but other times, it means providing support to
25 property owners who want to do well by their tenants

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2 but may not have the means or the resources to do so.
3 HPD operates in a number of different ways to
4 accomplish this goal.

5 Every day, hundreds of HPD inspectors are in
6 apartments across the city enforcing the Housing
7 Maintenance Code and issuing violations when
8 landlords are not in compliance. Our Housing
9 Litigation Division also brings cases in Housing
10 Court against owners who do not fix outstanding
11 violations and, when necessary, seeks findings of
12 contempt and incarceration of recalcitrant landlords.
13 Last spring, we went to federal court with the
14 Attorney General to stop the illegal eviction of
15 rent-stabilized tenants in the East Village. And in
16 August, we joined tenants in Greenpoint, Brooklyn as
17 they petitioned to have a court appointed
18 Administrator take over their building after years of
19 neglect.

20 HPD's new Anti-Harassment Unit also proactively
21 seeks to halt tenant harassment and correct
22 conditions in buildings through the courts. Since
23 its launch in 2019, the Anti-Harassment Unit has
24 performed over 950 building wide inspections and
25 recommended over 40 comprehensive cases for legal

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2 action. The Mayor's Office to Protect Tenants was
3 also established last year, and we are working
4 collaboratively with this office in order to be as
5 comprehensive as possible in our efforts to protect
6 tenants.

7 In addition to these enforcement tools, we have a
8 number of programs that property owners can take
9 advantage of to improve their properties. This past
10 year, we launched our Home Fix program which provides
11 funding, technical assistance and counseling to
12 owners of one to four family homes struggling to make
13 needed repairs and otherwise maintain their homes.
14 And, as part of the LeadFreeNYC, we launched an ad
15 campaign in November to inform property owners of the
16 grants and resources HPD offers to help them afford
17 lead remediation. The awareness campaign made it
18 clear that property owners must identify and safely
19 fix lead based paint hazards in their buildings or
20 face enforcement and penalties. This campaign goes
21 hand in hand with the City Council's lead bills
22 recently signed into law, which will help the city
23 crack down on lead paint violations in order to
24 strengthen protections for our youngest New Yorkers.

1
2 Finally, the third priority for our agency this
3 year stems from our work to engage residents in
4 neighborhood planning efforts to build and strengthen
5 their communities.

6 Over the last two years HPD worked in partnership
7 with NYCHA and numerous other government and
8 community based partners to lead an inclusive and
9 comprehensive process to advance fair housing in our
10 city. This year, we released the Where We Live New
11 York City Draft Plan which will guide the City's bold
12 a transformative efforts to dismantle the legacy of
13 segregation and discrimination that stand in the way
14 of opportunity for many people in our communities.
15 The Where We Live New York City Draft Plan includes
16 key goals and strategies, including expanding
17 resources to combat persistent housing
18 discrimination, supporting housing development
19 throughout the city and the region, creating more
20 independent and integrated living options for people
21 with disabilities and many others that will help
22 guide us in this endeavor.

23 Thanks to our many partners across the City and
24 the 150 organizations that participated in our
25 stakeholder group, we are able to work hand and hand

1
2 with New Yorkers to solidify our next steps to make
3 this City a more fair and just place to live for
4 everyone. We look forward to continuing this
5 conversation with New Yorkers and many of you in this
6 room to carry out the plan once it is finalized.

7 Ultimately, all of this work is about fighting to
8 ensure New Yorkers can afford to live and thrive in
9 the City. But it cannot be done alone. We do this
10 work in the face of very real threats from the
11 federal government. Your advocacy to secure a fully
12 funded Housing and Urban Development budget is
13 critical. So far, we've been successful in obtaining
14 much needed funding for HUD programs, but the
15 President's recently released budget again proposes
16 draconian, cruel cuts to HUD funding, including a 15
17 percent decrease in spending for critical affordable
18 and public housing programs. We will continue to
19 call on the fierce and steadfast advocacy of the City
20 Council, our Congressional delegation, and so many
21 partners here and across the county to fight back.

22 I want to thank the Council for their partnership
23 and I look forward to continuing to find ways to
24 partner on critical legislative priorities and needed
25 reforms; on affordable housing and supportive

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2 projects; on advocacy for stronger protections for
3 tenants; and on a whole host of issues vital for the
4 good of New Yorkers and for our city.

5 Thank you again for the opportunity to discuss
6 HPD's budget and our priorities in the coming year.
7 This concludes my testimony and I am happy to answer
8 any questions you have.

9 CHAIRPERSON CORNEGY: Thank you so much
10 Commissioner, it's always good to see you and your
11 team. I have a series of questions that are pretty
12 in depth but it's a testament to the fact that a lot
13 of what the city intends to do in its mission and
14 vision hinges on the work that you do and that your
15 agency does.

16 So, I'm going to begin just by diving into some
17 of your testimony. So, you mentioned in your
18 testimony that this summer, HPD is launching Housing
19 Connect 2.0 which improves upon the current lottery
20 system. Can you elaborate in the changes in the
21 lottery system that applicants can expect to see?

22 LOUISE CARROLL: Absolutely. Thank you, Council
23 Member, for that question. We're really excited
24 about this new system that's coming in this summer.
25 Our mission as an agency and as an Administration is

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2 not only to build and preserve affordable housing but
3 to get that housing out to the folks who need it at a
4 faster rate. And so, we have spent a long time
5 working on this system which will be more efficient
6 both for applicants and for the marketing agents.

7 What will happen, is the system, once you log in
8 on the system and putting all your information, it
9 will calculate the eligibility for housing, so that
10 we're not sending a bunch of folks who are not
11 eligible for the housing that we're putting out and
12 having them go through a long log and having people
13 come in and get disqualified.

14 So, we will qualify tenants through the system
15 and only send qualified tenants to marketing agents
16 in order to process them quickly. It will allow a
17 lot of the improvements that we're doing now for
18 example, while we wait for this new system so people
19 will be able to do e signature, documents will be
20 able to go electronically, so people don't have to
21 leave their jobs or take time off of their jobs to do
22 repeated visits in order to submit documents.

23 We're truly excited about this. We've been
24 testing it so far and we're looking forward to its
25 launch in the summer.

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CHAIRPERSON CORNEGY: Thank you. How many applicants applied for housing through the lottery system in 2019 and how many applicants is that per available unit? So, the overall number who applied and I guess the ratio of applicants per unit?

LOUISE CARROLL: That is an excellent question Council Member. I don't have those numbers at the ready, but we're happy to get back to you in your office on them.

CHAIRPERSON CORNEGY: Yeah, that's kind of an important metric for us to understand because I think that I'm not the only Council Member who in their office probably gets an inundated number of complaints about the lottery system. And I will take into consideration that I represent Brooklyn and Bed-Stuy which probably has a higher number. I'm the epicenter of gentrification right now, so I may have more than other members but I've heard other members literally come to me and complain about it. So, if you could get those numbers, it would important for us to be able to understand what's happening as we make these new improvements. I'm excited about the 2.0 as well but as I articulated to my constituents,

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2 I'd like to at least be able to use some of those
3 numbers to articulate what we expect in change.

4 I'm just going to ask two more questions. I know
5 my colleagues have to go and have been with me all
6 morning, which is exciting. Thank you, Margaret and
7 Barry.

8 COUNCIL MEMBER GRODENCHIK: If that's exciting,
9 we got to get you out more.

10 CHAIRPERSON CORNEGY: So, I'm going to start with
11 the Build It Back program. Especially of single
12 family homes. City funds of \$7.4 million in
13 community development brought grant disaster recovery
14 funds totaling \$10.6 million are added to Fiscal 2020
15 to cover existing and projected expenses related to
16 single family rebuilds under the Build It Back
17 program.

18 Can you provide additional details on HPD's
19 involvement with this program? How much has been
20 allocated to date to HPD to support single family
21 rebuilds?

22 LOUISE CARROLL: Absolutely, thank you Council
23 Member for that question. So, there are two aspects
24 to this program. One is the single family
25 homeownership part of this program. So, the \$7

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2 million in city tax levy goes towards the single
3 family homes rehabilitation program.

4 It is part of funds that were already earmarked
5 as part of a \$42 million addition to the entirety of
6 the program. So, this is just the winding down of
7 the program, the \$10.6 million is part of federal
8 funds that are already earmarked as part of what I
9 believe is a \$50 million allocation to this part of
10 the Build It Back program. The program is over 99
11 percent complete. The City has assisted about 12,500
12 families across 8,300 homes and these are funds to
13 basically close out the program. On the multifamily
14 side, oh by the way, the eligibility for the single
15 family program is done by the Mayor's Office but we
16 do a lot of the construction monitoring and
17 monitoring of the scope and monitoring of the
18 completion.

19 On the multifamily side, also, this program is
20 winding down. To date, we've assisted 244 homes in
21 this pipeline and you know, 240 are complete and move
22 in ready and about four under construction and three
23 are near the completion.

24 So, this is really you know money that's been
25 earmarked already for the close of the program but

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2 also, I will turn to Rich Johns, our Associate
3 Commissioner for Finance to elaborate.

4 RICHARD JOHNS: Thank you. The Build It Back
5 program in total for -

6 CHAIRPERSON CORNEGY: I'm sorry, just for the
7 record, would you just identify yourself?

8 RICHARD JOHNS: Oh, yes.

9 CHAIRPERSON CORNEGY: I know who you are but just
10 -

11 RICHARD JOHNS: Richard Johns, Associate
12 Commissioner of Financial Management for HPD.

13 CHAIRPERSON CORNEGY: Thank you.

14 RICHARD JOHNS: The HPD's Build it Back programs
15 to date have been allocated \$655 million. Of that,
16 \$647 million is through the Community Development
17 Disaster Block Grant program.

18 CHAIRPERSON CORNEGY: And how much more is there
19 to be spent down or allocated? Out of that larger
20 number, I heard the smaller number, the \$655 million
21 number.

22 RICHARD JOHNS: I'm sorry, the \$647 million is
23 just the federal portion of the program. So, the
24 amount left to be spent down right now is the \$10.6
25 million that was allocated in the Preliminary Budget.

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2 CHAIRPERSON CORNEGY: Got it, so all I didn't
3 have was the larger number. I had the smaller
4 numbers, thank you.

5 How does HPD anticipate this work? I mean,
6 sorry, when does HPD anticipate that this work will
7 all be wrapped up, so everybody is done. Everybody's
8 in their homes by what date and time?

9 LOUISE CARROLL: So, we expect that all of the
10 work would be wrapped up this year, 2020. So, as I
11 said with the multifamily program, we have 240 homes
12 that are complete. There are four under construction
13 and three which are nearing completion and with a
14 single family as well, we expect that all of the
15 program will be wrapped up this year, 2020.

16 CHAIRPERSON CORNEGY: Okay, so both programs
17 should be finalized this year?

18 LOUISE CARROLL: Yes.

19 CHAIRPERSON CORNEGY: Before I continue, I wanted
20 to ask, Margaret, do you have any questions? Yes,
21 Margaret Chin.

22 COUNCIL MEMBER CHIN: Thank you, Chair. So, as
23 the Chair of the Committee on Aging, I'm going to
24 start with a question about the production and
25 preservations of senior housing. I know that in the

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2 Mayor's Senior First initiative, they increased the
3 number of units. So, in the plan, from January 2015
4 to December 2019, the City Finance, the preservation
5 and creation of about 9,100 senior housing units
6 including constructions of 4,100 senior units and
7 preservation of 5,000.

8 It just seems like there is a lot more focus on
9 preservation, which is important but we really need
10 to continue to build more because the older adult
11 right now represent one and five, about 20 percent.

12 So, how is HPD going to sort of commit to
13 financing new affordable senior housing at a rate
14 that reflects the increase of the growth in the
15 senior population and also in the projected almost
16 three growth in the homeless senior population.

17 LOUISE CARROLL: Thank you Council Member for
18 that question. So, our housing plan is multifaceted
19 and it seeks to serve many vulnerable parts of our
20 city, not seniors included. This Administration
21 pledged \$500 million for seniors and we pledge to
22 issue RFP's to meet that goal.

23 Office of Management and Budget has allocated the
24 funds for us to produce that housing and I believe
25 we've just issued two RFP's on NYCHA property for

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2 respondents to produce the senior housing that we
3 agreed to do.

4 COUNCIL MEMBER CHIN: So, the \$500 million is
5 going to be focused on building new units.

6 LOUISE CARROLL: Yes, and in addition,
7 preservation is 60 percent of the plan and we serve
8 seniors in more than new construction. So, we serve
9 seniors not only in new construction projects that
10 are geared towards seniors, but we serve seniors
11 through our lottery as well.

12 So, as new units that are not targeted just for
13 seniors are put online. We have many seniors
14 applying through our lottery and they get housing
15 that way. But in addition, because preservation is
16 60 percent of our plan, we are preserving housing for
17 seniors in the communities where they live and part
18 of our preservation plan, when we do have a project,
19 we do a survey of who is living in the units and we
20 offer many design changes within those units where
21 seniors reside, so that they can age in place.

22 And so, we're serving seniors not just in the new
23 construction projects that are targeted especially
24 for seniors but also in preservation and also through
25 our lottery.

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2 COUNCIL MEMBER CHIN: And part of the, with the
3 senior housing, do you coordinate with the other
4 agency? Because one of the issues that we have
5 raised in past hearings is providing the support
6 services.

7 I mean, just like similar models, Supportive
8 Housing, often times, you know, a new senior building
9 is built but there is no services provided, no
10 security, no social services and then in the Council
11 we have to go find you know, additional funding to do
12 that. But I think that when we are creating senior
13 housing that we definitely need to make sure that the
14 supportive services are included. So, that's one
15 thing.

16 The other thing that when you mention about the
17 other affordable units that's being built, that is
18 true, I mean, we encourage seniors to apply as they
19 fit the income requirement and then right after that,
20 we also encourage them to apply for the senior
21 citizen rent increase exemption because what we have
22 heard also from seniors who are actually working and
23 they were able to get into senior housing, now all of
24 a sudden they are doing to retire and their income is
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2 going to drop and they were told by management
3 office, well, you got to pay the same rent.

4 You are not in NYCHA, your rent doesn't go down
5 when your incomes go down and the only thing that we
6 can offer is apply for SCRIE so that your rent won't
7 go up. But that is going to be another issue for our
8 seniors if their income, if they are retiring and
9 their income drops, they might not be able to
10 continue to live in the affordable housing that they
11 were so lucky to get into.

12 So, that is something that we really need to pay
13 attention down the road when we're building these
14 affordable units, that we make sure that people can
15 continue to live in those.

16 LOUISE CARROLL: Absolutely. So SCRIE is an
17 incredible tool to protect seniors from rent
18 increases that would make them rent burden. We play
19 a very minor role in administering SCRIE. We
20 administer SCRIE for Mitchell Lama's and HDFC's while
21 DOF Administers SCRIE city for the test of the
22 property citywide.

23 What we do at HPD is that we do continuous
24 ongoing at reach within Mitchell Lama projects and
25 within HDFC projects to register seniors for SCRIE

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2 and so, that is an ongoing thing because Council
3 Member, we agree with you that we need to protect
4 seniors from increasing rents and the inability to
5 stay in their homes.

6 COUNCIL MEMBER CHIN: On the hearing with OMB,
7 we've heard that they were able to identify a certain
8 number of units, I think it was about 200 units of
9 vacant apartments in development that got 421A tax
10 abatement. It seems like a very small number but
11 that they can use that to bring in homeless families.
12 Are HPD tracking other affordable housing apartments
13 that HPD finance and to see if like, those apartment
14 are filled and if there is any vacancy in there. How
15 do we capture those apartments back?

16 LOUISE CARROLL: I really appreciate that
17 question. Thank you, Council Member.

18 So, HPD monitors its marketing very closely and
19 we believe that no unit should stay vacant while we
20 have an affordable housing crisis. So, our marketing
21 department identified those units that were
22 struggling to be filled and went to OMB with a
23 proposal to fill them with homeless tenants who need
24 housing. And we had to change our marketing
25 guidelines in order to do that but our goal is not

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2 only to get housing out to the market as quickly as
3 possible but when we identify an area where we can
4 fill the need, that's what we did with those units.

5 So, we will continue to mark the two, monitor our
6 marketing and wherever there's an opportunity to
7 repeat this as we have done, we're going to do that.

8 COUNCIL MEMBER CHIN: Are these developments
9 required to keep a waiting list? I mean, like people
10 apply and then they didn't get in but they want to
11 know, well do I have a chance to be on a waiting
12 list. Are there waiting lists?

13 LOUISE CARROLL: No, there aren't wait lists.
14 So, our intent on initial marketing is that the units
15 are filled and if a property go through our marketing
16 process and a unit is not filled, we are dedicated to
17 filling that unit with a homeless tenant and that
18 process is very quick. We work closely with DHS in
19 order to streamline the process to screen the
20 tenants. We believe that with the crisis, speed is
21 of the essence and so, we've taken that path to fill
22 the units.

23 On re-rental for example, when we have our new
24 housing connect, Housing Connect 2.0, we will be re-
25 renting all units that become vacant through that

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2 system. And so, that's an opportunity for when a
3 unit becomes vacant for the city to fill very quickly
4 which negates any need for a wait list.

5 So, what the Housing Connect 2.0 system will do
6 if your registered and what it will ask is your
7 preferences, what borough do you want to live in?
8 What size unit do you have? What is your household
9 composition? How much you make and if people keep
10 that information updated, as soon as there is a re-
11 rental, the system will pull everybody that is
12 eligible based on their profile in housing connect
13 and send them a notice that the unit is available and
14 send the information to an owner, so that we can
15 quickly rent up the unit on re-rental.

16 So, with a new system coming on and there is no
17 need for a wait list, we will get people to these
18 units as quickly as possible.

19 COUNCIL MEMBER CHIN: Okay, so why don't, I mean,
20 we still have so many people who are homeless, so why
21 don't we just, if there is a vacancy, can HPD just,
22 or the city take it back and place the homeless
23 family in there? I mean, like, what you're trying to
24 do with the 421A. I mean like, instead of
25 remarketing it again, to the general public, is that

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2 a possibility to continue to really focus on the
3 greatest need, the people who are in the shelters?

4 LOUISE CARROLL: I appreciate that question
5 Council Member. So, we are doing, there is such
6 enormous need across the city in so many different
7 ways and we're doing a lot right now to place for
8 example, we are excited about working with the
9 Council and getting the 15 percent homeless set aside
10 bill passed and we've changed our term sheets and the
11 programs that we need to do to increase that set
12 aside.

13 We're also filling homeless units through our
14 lottery. So, people come in with vouchers for our
15 lottery and they are able to get housing that way.
16 We're also looking through our marketing and whenever
17 something is not filled for example, you know, we
18 build these units in the community and we have
19 preferences for the community for disabled members of
20 the community. For people who reside in the
21 community for a long time to be able to fill that
22 housing and we also pivoted our housing plans so that
23 we're serving the lowest income, people making 30
24 percent, \$30,000 a year for a family of three and
25 \$50,000 a year for a family of three.

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2 So, we're really trying to balance so many
3 things. We're not leaving the homeless behind, but
4 we're also trying to make sure that the communities
5 see the benefit if being able to stay in the
6 community and afford homes in their community through
7 our lottery.

8 So, we're doing everything we can. We continue
9 to think it through. We'll continue to work with you
10 and get your ideas but I'm proud of the marketing
11 team for identifying those units and for making sure
12 that we're able to offer them to DHS.

13 COUNCIL MEMBER CHIN: Thank you. Just a couple
14 more questions. I know we've talked about like
15 helping small property owners to preserve the
16 affordable housing. We tried to find some creative
17 program because like in my district for example in
18 Chinatown in lower east side, we have small property
19 owners or owners who are, you know, the building
20 belonged to the family association and we don't want
21 them to sell the building but they are getting
22 inundated with high property tax and a lot of the
23 program that the city has are like loan programs.

24 And so, we're looking at it creatively to see how
25 we can tie property tax to preserving affordable

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2 housing. We do that a lot with you know, Article 11
3 with big building and so, we're looking at it to see
4 if we can create a model where we can encourage these
5 small property owners that are providing affordable
6 housing, that they can work with the City to maintain
7 those affordable units and in exchange, either get a
8 deduction on their property tax or get a deferral on
9 their property tax. Means that you don't have to pay
10 a certain amount but if you sell your building or you
11 turn units over, then you have to pay back the City.

12 So, we're looking at some you know, creative ways
13 of really helping these small property owner because
14 they are getting inundated with calls every day. Oh,
15 we went to buy your building you know, and it's like
16 they try to low ball them you know, but they don't
17 want to sell the building. It's part of their
18 family. It's part of the community but they are just
19 getting hit with these property tax. If somebody
20 next door fixes up the building, your property tax
21 goes up and we're not offering you know, any kind of
22 really program from the city that can help them.

23 I mean, even if it's low interest loans, you
24 still have to pay the interest. So, I think that's
25 something that I would really want to work with you

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2 on Commissioner and your staff to see if we can
3 really do this to help a lot of the small property
4 owners and they are the one's that every year go to
5 protest the rent hike because they are the one's that
6 is really are suffering. You know, they are not
7 making enough money. Meanwhile, the big building,
8 they can afford it because they have so many units
9 but the smaller building, the smaller property owner,
10 we really need to find some way to help them and I
11 think the property tax is an area we could definitely
12 look at because with, I mean every month, we're
13 granting Article 11 to a lot of these buildings but
14 they are much bigger buildings.

15 LOUISE CARROLL: Thank you Council Member, we
16 look forward to working with you and with DOF on
17 proposals. I would like to say though, thank you to
18 the Council for supporting Home Fix, which is a
19 program that I think might be helpful in that, it's
20 not just a loan. We give grants and zero percent
21 loans as well to property owners so that they could
22 fix their properties and be able to collect higher
23 rents.

24 And so, while this is not a property tax reform
25 proposal, the Council was very supportive of this

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2 program and since in the first month of the
3 launching, we got 1,000 applications where we had
4 money for only 250. So, this is a really great
5 program that while it doesn't take care of tax issue,
6 it does help people repair the buildings in order to
7 get the rents that they can get on the buildings and
8 it depends on need. So, the neediest people get the
9 best terms, so instead of having to pay the loan
10 back, it could be a grant.

11 COUNCIL MEMBER CHIN: Thank you. The last
12 question I have is on the J51 program. That's
13 another program that can possibly help. Building
14 owners and small property owners to really fix their
15 building and I know that HPD is really looking at a
16 way to reform this. Because I know that when they
17 were converting a lot of buildings down here into a
18 residential building, they took advantage of the J51
19 program.

20 But ironically, there was no affordable housing
21 that was created, right.

22 LOUISE CARROLL: Yes.

23 COUNCIL MEMBER CHIN: It's all market rate
24 housing. So, what is HPD kind of looking at how to
25 reform the J51 program and also, on the enforcement

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2 side to. How to enforce building that actually took
3 advantage and make sure that they comply you know
4 with the law. I mean, we have so many cases and
5 you've heard about them in the media, people are
6 being taken advantage of, now they are suing to get
7 their money and all these like 421G programs which a
8 lot of us were not really familiar with it.

9 LOUISE CARROLL: Still around.

10 COUNCIL MEMBER CHIN: Yeah, but definitely the
11 J51 is something that helped fix up buildings or
12 conversions.

13 LOUISE CARROLL: Thank you Council Member. As
14 you may know tax incentives enforcement is dear to my
15 heart as well as making tax incentives work to create
16 affordable housing. To that end, our team at HPD
17 have worked to look at J51 and make sure that it is a
18 tool that supports naturally occurring affordable
19 housing to make sure that people who are providing
20 housing to low income New Yorkers get the relief they
21 need in order not only to upgrade systems but to
22 upgrade them in an energy efficient way.

23 We are close to the end of our analysis. We're
24 talking with OMB and we hope to be able to share
25 something soon.

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COUNCIL MEMBER CHIN: That would be good because we have buildings in my district that I'm really trying to work on with your staff. It's you know, getting conversion from you know, commercial into residential because people are already living there, right. And we just got to make sure that we can legalize those buildings, make it safe, continue to be affordable, anything that could create other opportunities and you know, creating affordable units and looking at how we can bring back some you know safe, our SRO you know, microunits and when you talk about in your testimony, you know, building module housing. We just to find creative ways of creating as many units as possible in the quickest amount of time.

LOUISE CARROLL: Absolutely.

COUNCIL MEMBER CHIN: Because that is what is needed out there. So, I look forward to really you know, working with you and your great staff on this.

LOUISE CARROLL: Thank you. Thank you, Council Member.

COUNCIL MEMBER CHIN: Thank you. Thank you Chair.

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CHAIRPERSON CORNEGY: Thank you Council Member Chin. Council Member Grodenchik.

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COUNCIL MEMBER GRODENCHIK: Thank you Chair. I would say good morning Commissioner but we're well beyond that.

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LOUISE CARROLL: Good afternoon.

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COUNCIL MEMBER GRODENCHIK: I do want to echo, I'm glad she brought it up, my colleague to my left, Margaret Chin about the J51 program. It's extremely important in my community also. I know we work hand and glove with our local elected officials from Albany to try to rise up the value that they're allowed to use these exemptions. It's extremely important for my affordable co-ops I have oh, probably 15,000-20,000 units that mostly garden apartments. Some high rise but mostly garden apartments that depend on those tax breaks. They make a difference and you know, affordable in your district and affordable. It's different but then again, we don't have any subways so, it's all part of the mix.

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COUNCIL MEMBER CHIN: My district is not all upper income.

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2 COUNCIL MEMBER GRODENCHIK: I understand that no,
3 and neither is mine. I do to. No, I'm saying that
4 you know what we expect in Manhattan and what we
5 expect in eastern Queens might be different things
6 but they are really not.

7 I just want to ask you quickly about the modular
8 housing that you mentioned on page 3. Are we doing
9 the modular work in New York City. I just don't want
10 to be exporting construction jobs to another part of
11 the country and then watch it come in over the George
12 Washington Bridge at night on an oversize vehicle.

13 You know, I represent, I grew up across the
14 street from Electchester, which is the headquarters
15 of Local 3 which represents most of the unionized
16 electricians in New York City and we obviously have a
17 very good relationship with them and the other
18 construction trades.

19 So, could you talk a little bit about that and
20 how that's working?

21 LOUISE CARROLL: So, it took a while but we
22 finally closed on our first module project in
23 December and you know, it was important for us to do
24 that because the company that is doing the modular
25 work is in the Navy yards. And so, you know, they

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2 depended on this deal in order to keep going and we
3 felt it was important to support that industry here
4 in the City and to support that industry in the Navy
5 yards.

6 COUNCIL MEMBER GRODENCHIK: Where is it located,
7 just curious?

8 LOUISE CARROLL: In the Brooklyn Navy yards.

9 COUNCIL MEMBER GRODENCHIK: Okay, okay, that's
10 great. I know we've done some of that work over the
11 years. I remember I was at the Brooklyn Library a
12 number of years ago. There was a big building that
13 was done modular there; I can't, right off Grand Army
14 Plaza, right on Grand Army Plaza. So, okay, I'm glad
15 to hear that's local.

16 The other question I have, on the basement
17 conversions, that would require zoning changes to
18 make them legal? That's my understanding.

19 LOUISE CARROLL: Yes, Council Member.

20 COUNCIL MEMBER GRODENCHIK: Okay, alright, I just
21 wanted that reassurance and as popular in my district
22 as they might be in other parts of New York and you
23 know, we're still struggling with school
24 overcrowding, no mass transit to speak of except for
25 buses. We're trying to change that with the Long

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2 Island Railroad but it may take a while before we get
3 to that point.

4 So, that's all I have for you. I want to thank
5 you for your work and it's always good to see you
6 Commissioner. Thank you, Mr. Chair.

7 LOUISE CARROLL: Thank you Council Member.

8 CHAIRPERSON CORNEGY: So, on the modular, I do
9 want to cite that many members of the trades are
10 asserting that they're being excluded in the modular
11 construction industry or being limited in their
12 participation. So, while yes, some of us produce
13 locally and in the great borough of Brooklyn, some of
14 the trades including plumbing and electrical are
15 citing this kind of way of getting around their
16 participation and modular for - so, I want to flag
17 that for you, because we are a labor driven city and
18 it has provided a pathway to the middle class for
19 many people. Especially people of color and I don't
20 want it to be inadvertent that they're excluded but I
21 would just cite for you that I've heard on many
22 occasions the trades have complained about they're
23 being included in the modular although it's being
24 produced here. So, please look into that.

25 LOUISE CARROLL: Thank you, Council Member.

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2 CHAIRPERSON CORNEGY: So, it took what, almost an
3 hour and a half for me to get to homeownership but
4 here we are.

5 The Housing New York Plan not only benefits
6 tenants, there are also a homeownership component to
7 the plan. As of December 2019, HPD reports that over
8 25,000 homes have been financed to support and
9 sustain affordable homeownership citywide.

10 What are the major programs contributing to these
11 homeowner stats?

12 So, I know that there are programs that lead
13 directly to homeownership. Some I'm familiar with
14 but for the record, would you cite those programs?

15 LOUISE CARROLL: Absolutely, thank you Council
16 Member for that question. Our housing plan tries to
17 meet the needs of New Yorkers throughout the City and
18 we recognize the need for homeownership. We
19 recognize the need for people to be able to build
20 equity that they can use for wealth building.

21 And so, you know, some of the programs that
22 contribute to these numbers for example, the Mitchell
23 Lama program. We have to date; we have 21,602
24 homeownership units that we have financed under
25 Housing New York and preserved about a total of

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2 40,000 as a combination of rental and co-ops but the
3 homeownership portion of the Mitchell Lama
4 preservation is 21,602 units.

5 We also have the green housing preservation –

6 CHAIRPERSON CORNEGY: Wait, wait, I'm sorry, just
7 so I'm sure, just so I'm clear, my stats say that
8 you've done 25,000 units. You are saying 21,000 of
9 those units are Mitchell Lama?

10 LOUISE CARROLL: In the Housing New York we've
11 preserved 21,602 units in the Mitchell Lama.

12 CHAIRPERSON CORNEGY: And those are primarily
13 preservation, not new construction or not new –

14 LOUISE CARROLL: That's correct.

15 CHAIRPERSON CORNEGY: So, the 4,000 or so that
16 are outstanding from the Mitchell Lama Preservation
17 package are comprised of what?

18 LOUISE CARROLL: So, we have a combination of our
19 Green Housing Preservation program, once again, where
20 we have helped homeowners make repairs in order to
21 reduce utility costs and in order to keep their
22 homes.

23 We have also launched Home Fix, as I mentioned
24 earlier which is another effort to help homeowners
25 who have trouble keeping their homes and keeping up

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2 with repairs that we are giving them grants or very
3 low interest loans in order to fix their roofs and
4 their boilers and to re-have an additional unit that
5 they can rent, so that they can maintain the cost of
6 their unit.

7 We also have an Open Door program which is our
8 new construction homeownership program geared towards
9 low moderate and middle income homeowners and we
10 closed on our first project, Sidney House with about
11 57 units in February 2018 and it's currently under
12 production but we have a steady pipeline of projects
13 slated for Open Door.

14 I'd like to add that 60 percent of our
15 homeownership opportunities that we've done so far,
16 have been for the extremely low or very low income
17 New Yorkers. So, this is really making sure that
18 people are not losing home ownership opportunities
19 within the City that we already have. Because we
20 know people are struggling to keep their homes.

21 Through ENCP which is we have converted 27
22 buildings for 358 apartments from rental to
23 homeownership.

24 CHAIRPERSON CORNEGY: Are they co-op or Mitchell
25 Lama?

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2 LOUISE CARROLL: They are co-ops, so ENCP is a
3 co-op program transferring rental units into
4 homeownership units for the existing tenants.

5 CHAIRPERSON CORNEGY: So, do you have an overall
6 number of not new construction but new opportunities
7 for homeownership through the existing programs?

8 LOUISE CARROLL: So, so far, we have created
9 through Housing New York or preserved as a
10 combination 25,870 -

11 CHAIRPERSON CORNEGY: So, I have that number, I
12 just want to know what the difference between a,
13 preservation and new is. Only so that I could
14 perhaps find a way that through the Council's help we
15 could get to a higher number.

16 While preservation is incredibly important, I
17 don't want to have people think that I don't know
18 that the basis for some of this is obviously
19 preservation. But in the climate that we find
20 ourselves is also important to be in to create new
21 pathways. And I say that because we have a lot of
22 young people and you know, I don't know whether they
23 are millennials, genx, I don't know where they are
24 but you have young folks who are now, who have been
25 tasked to go away and get great education and come

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2 home and find the only opportunities for them is
3 through deep affordability which they outrank their
4 first year out of school and there are not pathways
5 to homeownership for them.

6 So, we're our students, our young people to be
7 high performing and they are doing that and they are
8 finding their city unaffordable to them. So, there's
9 various degrees, I know that there are 1,000 people
10 who could come and say that this is unaffordable.
11 We've heard from colleague who chairs aging, the
12 Aging Committee and certainly the city's unaffordable
13 to them but I think it's incredibly crazy that even
14 the young people who are getting fairly decent jobs
15 find this City unaffordable to them. I don't know
16 where we're going to find ourselves.

17 So, these no pathways to new homeownership
18 opportunities concerns me greatly. So, if you could
19 just get that number for me, I would greatly
20 appreciate it.

21 LOUISE CARROLL: Thank you Council Member. So,
22 we have created 1,118 new homeownership units as part
23 of this plan and we continue with our new Open Door
24 program, we are going to step that up to produce more
25 units.

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2 You know, part of preserving our homeownership is
3 to help the seniors who are feeling that they are now
4 unable to keep the homes that they have and homes
5 that they intend to pass on to their children.

6 CHAIRPERSON CORNEGY: But I think we're a city
7 that can walk and chew gum at the same time. So, we
8 can protect our seniors through preservation while
9 also creating pathways for our young people to have
10 home ownership opportunities and I just want to
11 continue to say that because I think it's important.
12 I think you guys are working towards it but let me
13 help you. I don't know whether it's in the language
14 or whether it's in the marketing, let me be of some
15 assistance and this is incredible for me who has six
16 high performing children who I don't want to come
17 home and stay with me when they're done. I'd like
18 for them to have an opportunity and pathway for
19 themselves.

20 And I know that there are many people in the city
21 who find themselves in the same position.

22 LOUISE CARROLL: So, we work so well with the
23 Council and so we look forward to working with you
24 and your members. Although we are creative, we don't

1
2 know everything so we look forward to working jointly
3 with you.

4 CHAIRPERSON CORNEGY: What is the average income
5 of homeowners assisted through your programs and what
6 percentage are minorities or senior head of
7 households. So, three different demographics which
8 you've mentioned in your testimony and you've just
9 mentioned now, what is the percentage of those?

10 LOUISE CARROLL: So, as I previously stated, 60
11 percent of our homeownership opportunities are for
12 very low income making about \$30,000 or less for a
13 family of three or low income, extremely low income,
14 sorry, making \$30,000 or less for a family of three.
15 Or very low income, \$15,000 or less.

16 We are also providing homeownership opportunities
17 through Open Door for moderate and middle income.
18 Like I said, this is a new program, so we've closed
19 on 57 units and we're going to continue to ramp up.
20 We can give you - I don't think we have a breakdown
21 by ethnicity but our office can follow up with the
22 numbers.

23 CHAIRPERSON CORNEGY: I would certainly like to
24 get that because I think that the City while it's
25 being gentrified through the roof, has a

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2 responsibility where it can. The city, where it can,
3 to be a tool and a pathway to those people who are
4 being priced out of areas. We have a responsibility
5 to do that and without knowing what the number is or
6 of the ethnicities effected by the programs that are
7 there, then we can't target when necessary.

8 So, I'd definitely like to see what those numbers
9 are as it relates to ethnicity.

10 LOUISE CARROLL: Okay.

11 CHAIRPERSON CORNEGY: We've been joined by my
12 colleague Helen Rosenthal. I have two more questions
13 and then I just want to stay on this homeownership
14 and finish my question there and then we'll have
15 Helen.

16 How many programs provide down payment assistance
17 and what's the average loan amount awarded through
18 HPD's Home First Down Payment Assistance program?

19 LOUISE CARROLL: Thank you Council Member for
20 that question. We are incredibly proud of the fact
21 that we have increased contribution to down payment
22 assistance from about \$20,000 to \$40,000.

23 This down payment assistance is available for all
24 of our homeownership programs. And so, any first
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2 time home buyer can apply to the agency for that
3 assistance.

4 CHAIRPERSON CORNEGY: So, I would ask in terms of
5 outreach to people to have them understand that this
6 program exists for them, especially the Down Payment
7 program, what is the methodology used for outreach?
8 And, before you answer that, how can my office and
9 this Committee be helpful in getting that information
10 out?

11 LOUISE CARROLL: Thank you, Council Member for
12 that question. So, when we create a homeownership
13 project, typically through our marketing and through
14 the sponsor, every potential applicant is made aware
15 not only of our training because we want first time
16 home buyers to understand what it means to own a home
17 and what the responsibilities are, but their also
18 told about our down payment assistance.

19 CHAIRPERSON CORNEGY: So, I think there are
20 people in my community in particular who are not
21 aware that these programs exist. So, I'd certainly
22 like to partner with your office to make sure whether
23 it's through joint literature or whether it's through
24 robocalls or whatever it is, that we can get more
25 people aware of the programs that exist as it relates

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2 to pathways to home ownership in particular, the down
3 payment assistance.

4 LOUISE CARROLL: Thank you, Council Member. We
5 are excited about partnering with you on future home
6 ownership projects and with other Council Members,
7 we'd be happy for our Planning team to come out
8 through various Council Districts to explain what we
9 have to offer homeowners. As you know, we're both on
10 a working group where we're discussing a lot of new
11 ideas for how HPD can be more proactive and more
12 supportive to homeowners and so, I look forward to
13 working with you to get those ideas to be a reality.

14 CHAIRPERSON CORNEGY: And just for the record, I
15 do appreciate our co-collaboration within that
16 taskforce. I think it's going to yield some things
17 that the City has never seen before, so I thank you
18 for your efforts there.

19 I am a little concerned about the fact that the
20 Administration had put forward at first a number of
21 200,000 which went to 300,000 targeted for affordable
22 housing units. And there was never a target number
23 articulated for home ownership. So, there was a very
24 aggressive marketing plan and target around 300,000
25 units of affordable housing. It puts me in a very

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2 precarious position because I don't want to in my
3 district, be responsible for only pushing deep
4 affordability and not pushing the ability for home
5 ownership but there was never a number that I could
6 articulate.

7 Whenever the number around affordable housing
8 units was mentioned, there was always this 300,000
9 unit number and people worked towards that goal.
10 There is no number to my knowledge that represents
11 the number of targeted units for home ownership. Is
12 there a particular reason that was? Did I miss the
13 number? Can we come to a number? I think it's
14 important though because that number came and then
15 people work diligently towards that number. The
16 agencies, the Council, everybody seemed to be focused
17 on this target number. Which we call a big, hairy,
18 audacious goal.

19 So, there was the bihag for affordable housing
20 units but never one for pathways to homeownership. I
21 think you know, they're not mutually exclusive, I
22 don't know why we can't have a target number unless
23 you can tell me why there is no target number.

24 LOUISE CARROLL: Thank you Council Member for
25 that question.

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2 So, to date, of the nearly 150,000 homes that
3 we've produced as part of Housing New York, home
4 ownership represents 17 percent. With Your Home NYC,
5 which the Mayor announced as part of the State of the
6 City, the Mayor has pledged that we will make sure
7 that we put enough City owned land out into RFP to
8 support the 3,000 shared equity models for
9 homeownership. So, we're excited to work on the new
10 CLT program, which will produce shared equity
11 homeownership opportunity throughout the city.

12 In addition, we hear you and we hear the
13 advocates and this Administration is really focused
14 on homeownership and so, we pledged that through our
15 Open Door program and through ENCP and through NIHOP
16 which is a new construction infill program, that
17 we're going to be pushing in the future to exceed our
18 production.

19 CHAIRPERSON CORNEGY: The only problem with that
20 is one, that's too many characters to hashtag and two,
21 without an actual number, we don't know whether we're
22 winning or losing. With that 300,000 unit number, we
23 know if we don't get there, we lost.

24 And I don't mean to be disrespectful. With the
25 vagueness of the homeownership piece, it's hard to

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2 articulate a win in that and we could always say hey,
3 we did so much and I respect and appreciate the fact
4 that there has been a commitment demonstrated by HPD
5 and the Administration to homeownership. This wasn't
6 something that was talked about very much prior to
7 now. So, I respect and appreciate it, it's just that
8 we don't have any number to fixate on that we can say
9 we're working towards and that we can demonstrate if
10 we fall short of that, that there was not a success.

11 So, I definitely would like to work with you
12 going forward and the Administration to get to a
13 number that I can a, hashtag and that two, we can
14 actually determine whether or not we're being
15 successful or not, based on working towards a number.

16 I will leave it there and have Helen Rosenthal
17 from the great borough of Manhattan.

18 COUNCIL MEMBER ROSENTHAL: Thank you so much
19 Chair Cornegy. Thank you for your leadership on all
20 of these issues.

21 Commissioner, I haven't had a chance to meet you
22 and I would love to sit down some time. So, it's a
23 pleasure to have you here.

24 LOUISE CARROLL: Thank you. I look forward to
25 sitting down with you.

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2 COUNCIL MEMBER ROSENTHAL: I wanted to follow up
3 on two vexing issues in my district and I'm wondering
4 if you need any additional, HPD needs additional
5 staff on these issues.

6 One is that on the upper west side, there are
7 affordable housing buildings that need, where there
8 are units that need preservation that have not been
9 closely watched. And so, let me give you a couple
10 examples. One is a building on 315 West 61st Street
11 where there was a requirement in the land use deal
12 that the developer have a building just for low
13 income seniors and over time, the management of that
14 building has changed hands and it's unclear whether
15 or not the tenants are being served well.

16 Similarly, a very recent example of that at 100
17 Freedom Place South where a brand new building built
18 with two separate entrances and the entrance for the
19 affordable housing folks is already falling apart.
20 And this building was built two years ago maybe and
21 the front door already can just be jerked open.
22 There is no concierge's, no place to put the
23 packages, blah, blah, blah and I'm wondering if HPD
24 could engage with our office to help those tenants in
25 terms of their management company? But it raises

1
2 both of these issues, one very long term and this one
3 more recently, raise the specter for me in my
4 district but then applicable to the rest of the City,
5 are we really, what's the oversight on these
6 management companies in terms of taking care of the
7 tenants and keeping the tenants safe in their homes?

8 Let me give you one more example that's a little
9 bit different. On Riverside Boulevard, all those old
10 Trump buildings. It's like Voldemort[SP?], you can't
11 even say his name but you know, they are old 80/20
12 buildings. So, I've never been able to really wrap
13 my head around working with your staff. Like, why
14 doesn't the City know which of the tenants were the
15 affordable housing tenants and how can we protect
16 them to stay in their homes because for some of the
17 buildings, the rule seems to be after 20 years, it
18 reverts to market no matter what.

19 For some of them, the rule seems to be, it
20 reverts to market, but only when the tenant leaves
21 and for some it seems to be, the abatement is gone
22 but it will never revert to market and of course the
23 building owners and management are saying, get out to
24 all three of those separate buildings. And I've
25 never been able to, I've been trying to organize in

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2 some of those buildings, organize the tenants but
3 because the deals were made in the mid 90's, we
4 haven't been able to identify exactly which
5 apartments.

6 I would love to send a letter. HPD, our office,
7 send a letter to those tenants exactly and say, you
8 have the right to stay in your home.

9 LOUISE CARROLL: Yeah, so Council Member -

10 COUNCIL MEMBER ROSENTHAL: And I understand the
11 complexity because blah, blah, blah, blah, blah, but
12 how do we get over that complexity?

13 LOUISE CARROLL: Council Member, I am glad you
14 asked that question. This is a reoccurring issue
15 that we felt we've dealt with over the years, so we
16 know which tenants are, so these 80/20's have a few
17 benefit programs layered one onto the other.

18 So, an 80/20 will typically have 421A, where when
19 the benefit expires, after the existing tenant leaves
20 based on you know, some factors, a unit can become a
21 market rate unit. However, these 80/20's typically
22 also have Voluntary Inclusionary Housing program
23 layered onto it. Which means that in fact, the units
24 can never be destabilized because Inclusionary
25 Housing requires permanent affordability.

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2 HPD in 2016, created a compliance and enforcement
3 unit for tax incentives to combat just this and many
4 other issues that are coming up on these 80/20's.

5 So, we have the resource. We'd like to work with
6 your office to make sure that we're sending the
7 letters out to these owners saying that one, you need
8 to retract any misinformation that you've given to
9 your tenants and if they in fact try and destabilize
10 units that are required to be permanently affordable,
11 we will go after them.

12 So, we have revoked incentives for folks. We
13 have brought, since 2016, about 60,000 units back
14 into rent stabilization through our enforcement
15 efforts. And so, we would be happy to work with your
16 office to clean this up.

17 COUNCIL MEMBER ROSENTHAL: Do you have some sort
18 of monster spread sheet where you identify each
19 building and what the different regulatory rules are
20 for those buildings and could you, I mean, I think
21 it's silly for you to just send it to me but if you
22 could send it out to people because we would be
23 interested in being helpful there number one. And
24 number two, in the buildings themselves, where it's
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2 an 80/20, J51, 421A whatever, do you know the
3 apartment numbers?

4 LOUISE CARROLL: Yes, we do.

5 COUNCIL MEMBER ROSENTHAL: Could you get us that
6 level of detail?

7 LOUISE CARROLL: So, we know the apartment
8 numbers. We know what benefits buildings are
9 receiving. You know, what I would say is, if you
10 give us an address of a property, we'll be able to
11 give you that information.

12 COUNCIL MEMBER ROSENTHAL: Yeah, I mean, I've
13 done an analysis in my district, so I know, I think I
14 know the buildings but I'm wondering if you can send
15 me for my district, knowing all the addresses that
16 exist in my district. Which is basically Community
17 Board 7, so it's the same overlay. If you sort it by
18 Community Board, that will work fine for me.

19 LOUISE CARROLL: So, this is an excellent
20 question. This is a moment for – we can send you for
21 example, the inclusionary properties but it's a
22 moment for us to give a plug for our Inclusionary
23 Housing Map. Every property that ever receives
24 inclusionary housing is immediately mapped onto our
25 map. It shows who is receiving the benefits. Who is

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2 generating Inclusionary benefits and for what private
3 properties they are generating benefits and it's very
4 easy to download a report of every property in your
5 community district, in your Council district that's
6 receiving either Voluntary Inclusionary Housing
7 benefits, and for areas that are mapped from MIH that
8 are also receiving those benefits.

9 If a property is mapped, it means that the units
10 that are identified are permanently affordable but
11 our people can work with your staff and give you a
12 report.

13 COUNCIL MEMBER ROSENTHAL: Yeah, yeah, I mean,
14 that's tremendous that you have that. So, you know,
15 I'm always thinking about, I'm sorry, I won't just
16 meander, but I mean how can your office make it easy
17 for those who can get the word out? Right, I mean,
18 what would make it easy for my office is if you could
19 say, Council Member District 6, please send letters
20 to this address. Send a letter saying such and such
21 and here are the apartment numbers, address it to the
22 apartment numbers.

23 To these set of addresses, you're going to have
24 to send a little bit of a different letter, here are
25 the apartment numbers, here is a one pager you can

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2 send them. To these set of buildings, it's a little
3 different because the more you make my completely
4 under resourced office do that, we're just not going
5 to. And if I were to send a letter to every
6 building, every address and say, you figure out which
7 type of building you are in and what the rules are,
8 they are not going to do it either.

9 So, is there some way for HPD, which is more
10 resourced than my office, to make it easy for my
11 office and any Council Members office to do something
12 like that and if the answers no, can the Council urge
13 the Mayor to give you more resources because you have
14 access directly to this information.

15 LOUISE CARROLL: Council Member, the answer is
16 yes. We can work with your office to get you the
17 information you need.

18 COUNCIL MEMBER ROSENTHAL: Yeah, but you know in
19 this chair at this moment, I represent the City, why
20 I am asking on behalf of my colleagues to.

21 LOUISE CARROLL: Absolutely, so when we form the
22 compliance and enforcement unit for tax incentives,
23 we did it for just that reason.

24 COUNCIL MEMBER ROSENTHAL: Okay.
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2 LOUISE CARROLL: And so, we're happy to work with
3 your office. We're open for business. We're every
4 day going after property owners and making sure that
5 they are doing what they are supposed to do in return
6 for the tax incentives, so we're happy to work with
7 your office and other Council offices to get that
8 word out.

9 COUNCIL MEMBER ROSENTHAL: Fantastic, thank you.
10 How long would that take? Like, could I expect to
11 get a package like that in a week, a month, a couple
12 months?

13 LOUISE CARROLL: We'll work with your office.
14 Let's talk offline and we'll do the research as to
15 how many units and how many properties and we'll make
16 sure you have what you need.

17 COUNCIL MEMBER ROSENTHAL: Okay, I mean, again, I
18 think my takeaway would be if the answer ends up
19 being longer than two months, then I would ask the
20 Committee Staff to ask for additional staff for this
21 unit. I mean, that seems sort of reasonable.

22 And then the last question, I'm worried about
23 people as we call it, in the GIG economy or
24 freelancers, whatever and Housing Connect. I've had
25 a number of my constituents who have that fluctuating

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2 income and have been rejected. You know, they were
3 given an opportunity. They won a lottery, they got
4 to apply but then their income is so variable. How
5 does HPD, have you made any progress on that. This
6 is something we've talked about for a couple years.
7 I wonder at one point I thought progress was being
8 made but I don't know what the status is now. Sort
9 of how you manage that.

10 LOUISE CARROLL: Thank you Council Member for
11 that question. I would like us to sit with your
12 office and talk offline as to how we can work to make
13 sure that income qualifications reflect more of your
14 annual income and we can talk about the specifics of
15 the instances that you're seeing.

16 COUNCIL MEMBER ROSENTHAL: Well, I mean again,
17 I've brought this up at prior meetings. So, actually
18 I mean, what would be so great is if you all could
19 think about a policy where for people in the GIG
20 economy, maybe you look at a three year or five year
21 window and income and not a one year window. I don't
22 know if you are constrained by federal law or state
23 law on that, but this is a real issue that currently
24 prohibits people in the GIG economy from having
25 access to New York City affordable housing.

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LOUISE CARROLL: So, thank you Council Member. I'm glad you raised the federal law issues. So, we do a lot of tax credit projects and our new construction pipeline and these are federal laws that are very strict about how we income qualify tenants. So, I would love an opportunity to talk with you offline.

COUNCIL MEMBER ROSENTHAL: And is there some way, just this last question I promise Council Member. That the City could subsidize to get over those hurdles? Like, somehow say, you know, it's the federal requirement. The person has to make this amount of money every year, so we're going to guarantee that for people in the GIG economy, they are going to be able to reach that amount. And you could imagine some sort of complex ridiculous algorithm were some years when they are making more, they could pay back the City. But the years they are making less, the City compensates. There are just so many people in this situation.

LOUISE CARROLL: Thank you Council Member. We are always striving to serve all of the needy folks who need quality affordable housing. We're always willing to sit with our budget folks and work with

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2 the Council to find creative solutions. So, you
3 know, what I would say is, we should talk offline.

4 COUNCIL MEMBER ROSENTHAL: Alright, I mean, I'm
5 probably not going to pursue this but this is
6 something that I would imagine for you all that would
7 be a policy you might be willing and interested in
8 costing out. You know, I'm not sure it's my
9 responsibility to figure this out but it's an idea
10 that's out there. I'd be really interested to hear
11 back from HPD about whether or not that's something
12 that's feasible.

13 LOUISE CARROLL: Thank you Council Member.

14 COUNCIL MEMBER ROSENTHAL: You are a sweetheart.

15 LOUISE CARROLL: We will be sure to talk about
16 it.

17 COUNCIL MEMBER ROSENTHAL: You are a sweetheart.
18 Thank you so much for your time.

19 LOUISE CARROLL: Thank you.

20 CHAIRPERSON CORNEGY: Thank you Council Member.
21 Council Member Rivera.

22 COUNCIL MEMBER RIVERA: Thank you Mr. Chair. I
23 saw in your testimony very briefly that you mentioned
24 CLT's and gaining up to 3,000 units of community
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2 owned affordable housing and I was very pleased to
3 hear it in the State of the City.

4 So, I would like a few details. The Mayor spoke
5 about opportunities for community land trusts and in
6 the five year capital plan, there is \$500,000
7 allocated for east Harlem El Barrio CLT, to
8 rehabilitate three buildings and of course the other
9 start up costs that will be included.

10 So, that's a great start. I'm excited to see as
11 the capital needs remain, probably one of the biggest
12 issues for CLT's. Is there any new funding for CLT's
13 in the Expense Budget and does HPD plan to primarily
14 support CLT's with capital funds or are they
15 providing other programmatic support?

16 LOUISE CARROLL: Thank you Council Member for
17 that question. As you know, the ability to create
18 shared equity models in order to preserve
19 homeownership especially, opportunities in the future
20 is something that the Administration and our agency
21 has been working on for some time.

22 Too often, we create homeownership opportunities
23 that are lost eventually because there isn't that
24 ability to make sure that the gains and the increases
25 in the value of that property gets recycled in a way

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2 that maintains homeownership long term and so, to
3 that end, we had worked to create new CLT's so that
4 we would have capacity in order to build that area.
5 And so, we helped to form three CLT's so far and
6 we're supporting nine others. And we have a bunch of
7 projects in the pipeline with Cooper Square,
8 Interborough, East Harlem, El Barrio, RiseBoro, UHAB
9 and others that we expect to close in calendar year
10 2020.

11 So, what we're trying to do is build the
12 capacity, put together the development models that
13 would make this something that we can recreate very
14 easily and so, right now, we're grappling with ground
15 leases and you know ownership issues between the not-
16 for-profit fee owner of the ground lease versus the
17 owner of the unit and how you know, flip taxes and
18 shared profits of resales happen between the not-for-
19 profit that owns the fee ground lease versus the
20 homeowners.

21 And so, you know with that in mind, we're still
22 working out our RFP's that the Mayor promised that
23 we're going to use City owned land to put these RFP's
24 out, so that not-for-profits can respond as to how we
25 can continue to make this model something that is

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2 easily replicable, so that we can ramp up to this
3 3,000 units. And with that in mind, we're also
4 working with Office of Management and Budget to
5 figure out what the true cost of the capital needs
6 are.

7 So, we're working through the CLT closings in
8 calendar year 2020 and that will inform a lot of what
9 we continue to do.

10 COUNCIL MEMBER RIVERA: You said there were three
11 of them?

12 LOUISE CARROLL: Yes, so there is Cooper Square
13 of course, there is Interborough CLT and we have
14 Riseboro, you have CLT as well and we're working a
15 few others, nine others that we're supporting.

16 COUNCIL MEMBER RIVERA: Well, I'm glad. You
17 know, we have been working on CLT's for years now and
18 Council Member Margaret Chin was instrumental in
19 expanding the CLT list to include Cooper Square among
20 many, many others and East Harlem El Barrio.

21 So, I'm just looking at whether, you know, you
22 mentioned looking at a model. There are models that
23 exist clearly. We don't have the capital funds to
24 invest in all of these CLT's. So, it sounds like
25 you're kind of traveling on the same path as we are,

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2 I just hope that we're doing it in tandem because we
3 were very, very pleased to hear the announcement at
4 the State of the City, knowing we just negotiated
5 over \$800,000 in programmatic funds to the CLT
6 organizers.

7 So, I think great minds think alike, I just want
8 to make sure that we're doing this together. And so,
9 I ask, does HPD plan for a community development fund
10 that CLT's will have the access to for ongoing
11 maintenance or emergency repairs needs? Considering
12 that you mentioned the capital piece being such a big
13 part of your campaign.

14 LOUISE CARROLL: So, how we're looking at CLT's
15 is to make them work like other developments, where
16 they are self-sustaining. And so, part of the
17 complexity of putting together these developments is
18 to see how much in reserves the CLT can collect
19 versus how much the homeowner pays when there is
20 appreciation of the unit and the homeowner is able to
21 realize that appreciation in a resale, how much of it
22 goes back to the CLT, so it's self-sustaining.

23 So, that's what I mean by we're putting together
24 all of these deals that we're closing in 2020 and
25 from all of the development work to put those

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2 together, we'll be able to replicate so that CLT's,
3 we hope, will be self-sustaining, in a self-
4 sustaining model within itself.

5 COUNCIL MEMBER RIVERA: I understand, I just
6 wanted to see if you had numbers and plans
7 considering we're discussing the budget.

8 And my last question Mr. Chair, is we hear from
9 community members and HDFC's and Til buildings about
10 slow processing times for things such as, loan
11 processing, regulatory agreements and
12 reincorporation's. So, what is the hold up on the
13 routine process and are more resources needed?

14 LOUISE CARROLL: Thank you Council Member for
15 that question. Our agency and our staff have done an
16 incredible job in concert with the Council and over
17 the past couple of years with the Til Properties. We
18 now have only about 98 Tils left.

19 That represents about 1,640 homes, 52 percent of
20 that have been assigned a developer. So, they're in
21 predevelopment working towards closing and
22 transferred to home ownership and 48 percent are
23 awaiting the assignment of a developer but we expect
24 all of that 48 percent to be assigned within this
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2 Fiscal Year and working towards a closing date in our
3 pipeline.

4 COUNCIL MEMBER RIVERA: So, it's not a resource
5 issue, we just want to make sure that we can process
6 some of these regulatory agreements a lot quicker
7 than they've been happening. So, I'm trying to be
8 helpful. You know, we're here to discuss what
9 resources that you need that we can help you with.

10 Thank you for the information and thank you Mr.
11 Chair for the time. I do appreciate it and thank you
12 for being here Commissioner.

13 CHAIRPERSON CORNEGY: So, we are officially on
14 our second round of questions, starting with Margaret
15 Chin.

16 COUNCIL MEMBER CHIN: Thank you Chair. I was
17 looking at your testimony and you were saying that in
18 here on page two that your budget \$132 million comes
19 from City funds. Right, I know that Battery Park
20 City is also in my district and the surplus revenue
21 that are generated from that is supposed to go back
22 into affordable housing.

23 So, is HPD getting any of that money? It better
24 not just go to the general fund.

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LOUISE CARROLL: Thank you Council Member for that question. Yes, so Battery Park City funding has been allocated as part of the housing plan. It comes through HDC into our projects as part of the funding. HPD reserve funding and HPD loan funding and so, I would turn to Rich Johns, our Associate Commissioner for Finance to elaborate a little bit more about how we use BPCA money.

COUNCIL MEMBER CHIN: Yeah, you can share with us like the amount that you got you know, within the last couple years because I think, I'm not sure if you get the total amount or you only get part of the amount.

RICHARD JOHNS: So, the full amount for BPCA currently goes to HDC and I actually don't have the information with me on how much HDC has received to date. I can tell you that in the most recent allocation of 421A, which is the BPCA funding, both HPD and HDC received a \$200 million allocation each.

So, we can follow up on the remaining amount but the current BPCA funding that goes into HDC, it goes into our affordable housing projects and we, along with the Office of Management and Budget and HDC

1
2 coordinate closely on how that funding is allocated
3 and how its spent.

4 COUNCIL MEMBER CHIN: So, what is the total
5 amount that they generate, I mean, that so-called
6 extra that they send over, do we have that number?

7 LOUISE CARROLL: Thank you Council Member. We
8 don't have that number, it fluctuates. Where
9 actually currently a lot of the BPCA money comes from
10 ground leases and a lot of those ground leases are up
11 for step ups pretty soon and there are negotiations
12 right now. So, basically, the money fluctuates based
13 on the ground lease payments that are due from the
14 developer.

15 What I can say is that BPCA money is certainly
16 valuable to us in producing our housing and it comes
17 into play in areas where we need funds that don't
18 have as many restrictions on whether it can be
19 expense money or capital money.

20 And so, when we have tricky situations where we
21 absolutely need emergency funding to do a project but
22 capital funds can't be used for it and we can't use
23 expense money, the BPCA money comes in to play in a
24 very valuable way.

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COUNCIL MEMBER CHIN: That's good I mean, but I think like we still want to know I mean, just in terms of the amount because right now what's going on in Battery Park City to is also preserving middle income housing. And negotiation, it's going on and the deadline is end of June and we have people who help build up you know, Battery Park City tenants who are living - well this is particularly Gateway. Tenants who help build up the City, you got schools, you got library and now they are in limbo.

And they just need the protection. I mean, they are still paying pretty much high rent but they need protection so that they can get lease renewal, they don't get huge rent increase. And so, we are you know working with Battery Park City authority and I want to make sure that HPD is also involved in making sure that we can preserve middle income housing there. That we don't lose that opportunity and the developer, I mean, he's not paying a lot of ground lease.

So, if there's a way to work out that we could get this protection, because as you said, the revenue is going to - more will come in because they are paying really low ground lease in the beginning and

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2 we really have cease this opportunity to preserve the
3 middle income housing that we have in the city.

4 LOUISE CARROLL: Thank you Council Member.
5 Absolutely, we have been talking with the state, with
6 Ruthanne who is the Head of HCR and our staff has
7 been doing a lot of tax analysis to try to try to
8 figure out what is a good path forward, so we look
9 forward to working with you as well.

10 COUNCIL MEMBER CHIN: Yeah, and then we are
11 looking at really expanding it to include all the
12 residents, not just the one, you know the portion
13 because that's going to keep on shrinking. So, we
14 want to make sure the whole complex is preserved and
15 that will help you know, other developments in
16 Battery Park City.

17 We want to make sure that middle income is there.
18 I mean even though we didn't get the low income or
19 the moderate income, but the 20 percent I think
20 working with your office to is like identifying some
21 of the building because we were hearing from seniors
22 and residents that like all of a sudden, they are
23 getting a notice. Like, 20 years up, you got to move
24 and people are so worried and so, we wanted to make
25 sure that people know that they have continued

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2 protection or how we can help them stay in the
3 neighborhood that they help to build.

4 So, that's something that I look forward to
5 continue working with you on.

6 LOUISE CARROLL: Thank you Council Member.

7 COUNCIL MEMBER CHIN: Thank you. Thank you
8 Chair.

9 COUNCIL MEMBER ROSENTHAL: Thank you so much,
10 sorry, second round.

11 Two things; someone just approached me about a
12 set a buildings in Brooklyn. The Decatur Building
13 are you familiar with these. 1355 is one of the
14 addresses.

15 LOUISE CARROLL: Yes, Council Member.

16 COUNCIL MEMBER ROSENTHAL: So, apparently the new
17 owners have been caught in some corruption cases
18 maybe at other sites and the people who are living at
19 the unfinished site but at those Decatur Buildings
20 don't have leases and yet the owner is taking
21 advantage of the 421A tax abatement.

22 Do you all follow up on stuff like that?

23 LOUISE CARROLL: Yes, thank you Council Member
24 for this question. We, our Code Enforcement folks,
25 our tax incentive folks, our Law Department folks

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2 have been involved in this building for years. We
3 have been in litigation. I am not certain if the
4 litigation is over and we have worked really closely
5 with DHCR.

6 So, we have resolved many issues concerning
7 rents, tenant leases, the ability to have heat in the
8 hallways, Code Enforcement violations. We can sit
9 with your office and let -

10 COUNCIL MEMBER ROSENTHAL: With all due respect
11 Commissioner, that's exactly the opposite of what the
12 tenants are saying.

13 LOUISE CARROLL: I appreciate that that is what
14 the tenants are saying but we have had a long history
15 of working. I mean, this is from since Commissioner
16 Vickie Been was Commissioner of this agency.

17 COUNCIL MEMBER ROSENTHAL: Right, I mean that
18 tells me, if you have been working on this for a long
19 time and we're hearing from tenants that the problem
20 still is going on today, there's clearly some sort of
21 thing that's not working. Do you know what I mean?
22 Like wouldn't you want to try some sort of different
23 tact if people still don't have leases, heat or hot
24 water. Like it sounds to me like you know, I mean,
25 again, maybe it's an issue of resources.

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Do you have tenant organizers that you send in? What do you do if it's not working, right, I hear we've been working on it for years. But that raises red flags, right, for your to.

LOUISE CARROLL: The City has resolved the issues in this building that concern us.

COUNCIL MEMBER ROSENTHAL: So, yeah, we really can't, the public can't speak up at this. You'll have an opportunity but look, I'm not going to go back and forth with you but there's clearly a disconnect and for me, that raises a red flag and given that we're at a budget hearing, I mean, I would infer from that, that there is an issue with resources and that, you know, maybe the tenants could really benefit from some organizers or you know, I know the Litigation Department needs more employees.

You know, this is an opportunity for the public to say and for you to say quite honestly, regardless of folks from City Hall sitting here and folks from OMB sitting here, for you to say honestly what's going on in your Department and whether or not we're able to serve New Yorkers.

I mean, I got to say, from the exchange that you just had with my colleague about Battery Park City,

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2 she gave the exact same example that I gave you know,
3 with buildings and tenants being threatened and so,
4 obviously, it's not just happening in my district.
5 It's not just happening in hers and for your answer
6 to be that well, in 2016 we came up with these great
7 regulations and to the building owners. I mean,
8 clearly the building owners are not following
9 through.

10 So, is this a complaint driven system where we,
11 the tenants have to tell you no, we're still getting
12 screwed over and then the one or two people you have
13 in litigation tries to follow up. I mean, it's not
14 enough that you wrote, with all due respect. I mean,
15 is it not concerning to you as well?

16 LOUISE CARROLL: Absolutely Council Member.
17 We've resolved the issues. The court ruled against
18 the tenants. This is a long history that we're happy
19 to explain to you, all of the issues -

20 COUNCIL MEMBER ROSENTHAL: I just care about
21 affordable housing. I mean, I, in a way, don't care
22 what the court said. Our job in government is to
23 keep people out of homeless shelters, right. Keep
24 people off the street and we just want to hear you
25 know, even when something doesn't go in the favor of

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2 a low income, moderate income tenant, it doesn't
3 matter. What is the City doing to keep people in
4 their homes? And I'm not hearing that passion.

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LOUISE CARROLL: So, we have done and our Code
Enforcement and our folks have done everything for
this building and for this tenant. And so, we're
happy to talk offline about what we've done and what
we continue to do and where the issues, if there are
any issues, whether they are -

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COUNCIL MEMBER ROSENTHAL: Right, but I'm not
just talking about that building. I mean, we just
gave -

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UNIDENTIFIED: Well, that the tax incentive.

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COUNCIL MEMBER ROSENTHAL: Yeah, but it's sort of
issuing regulations to a building owner who is not
interested in reading those building regulations.
They don't care, so are sending out, are you working
with the tenants?

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LOUISE CARROLL: Council Member, I really
appreciate -

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COUNCIL MEMBER ROSENTHAL: Take this offline but
it seems like a real issue to me.

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LOUISE CARROLL: I appreciate where you're coming
from, we have the same feelings. We have done all

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2 the enforcement work on behalf of the tenants in this
3 property and we're happy to let you know what we've
4 done and how we've resolved it.

5 We also have our, and you know, with Council
6 Member Chin's issue, it's a tax incentives issue and
7 we have a proposal that we're going to work through
8 with the Council Member and with HCR to preserve
9 affordability. But with regard to Decatur, we have
10 done what the city should do by those tenants and
11 we're happy to discuss that offline.

12 CHAIRPERSON CORNEGY: Thank you Commissioner.
13 Thank you to your staff, thank you colleagues.
14 That's it.

15 LOUISE CARROLL: Thank you Council Member.

16 CHAIRPERSON CORNEGY: I'm going to be calling the
17 panels of the public. Phoebe Flaherty, Chris Widelo,
18 Khush Kam-Au, Viviana Gordon, Ruth McDaniels, Towati
19 Komatsu.

20 Please, if you heard your name, please begin to
21 make your way towards the table. I'll try those
22 names again. Mr. Komatsu, Ruth McDaniels, Viviana
23 Gordon, Khush Kam-Au, Chris Widelo, Phoebe Flaherty.

24 So, I'm just going to ask you to identify
25 yourself for the record and you can begin testifying

1
2 in any sequence you'd like. We're going to have a
3 two minute clock.

4 Just give me one second please. You can begin
5 whenever you'd like.

6 RUTH MCDANIELS: Good afternoon, my name is Ruth
7 McDaniels and I'm from Harlem and I'm here with
8 response to this housing budget because it's pressing
9 on my mind as you spoke so eloquently about the six
10 children that you had in your home who are definitely
11 on par with where they should be in society. I too
12 am faced with that reality. I have five children and
13 two have graduated college and one is getting ready
14 to go to college and in the next year, another one is
15 going to college and they've all played the game and
16 I'm concerned.

17 I also have a son who is incarcerated, who should
18 be getting a college degree when he was out here, but
19 he will be returning home and I have a real concern
20 as to where they are going to live. I'm not from the
21 south, I'm from the west Indies and I'm not trying to
22 go back to the west Indies. I've been in Harlem for
23 55 years and I need to know where are they going to
24 live.

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All of my children are employed. They are employed and they are making \$15 an hour and they don't even get enough hours to complete 30 hours a week. So, now how does that process into housing? The average median income in my area is \$88,000 a year. You know they're not giving them that.

They can't stay with me forever. I want to know how can we speak to the median income. How can we speak to the Housing as a crisis? You don't have to be homeless to need housing, that should not be the requirement to get put on the list for housing that you couldn't afford.

How should I put it; homelessness is trauma. Why do you need to be traumatized to be housed? That should be an easy fix. I need you all to work on this please. Thank you

CHAIRPERSON CORNEGY: Thank you.

CHRIS WIDELO: Good morning Chairman Cornegy, my name is Chris Widelo. I am the Director of External Affairs for NYSFAFH, the New York State Association for Affordable Housing. Thank you for the opportunity to testify today. Good to see you as always Chairwoman Chin.

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2 NYSFAFH represents the affordable housing trade
3 industry, we have about 375 or more members; they are
4 attorneys, architects, developers for and nonprofit
5 developers, lenders, and operators of affordable
6 housing.

7 I wanted just to talk about a few things today.
8 I think there is no surprise that we need to increase
9 the supply of affordable housing across the city if
10 we are going to meet the needs of the current and
11 future population here in the city and you know, the
12 affordable housing industry certainly stands ready to
13 help in that and we certainly would like to be at the
14 table for conversations around the production of
15 affordable housing throughout the City.

16 One of the things I wanted to do was, I wanted to
17 note and applaud the Department of Buildings for
18 their continued effectiveness of the New York City
19 Development Hub. I think if we're going to build the
20 kind of affordable housing New York City needs to
21 address this housing crisis, we need to have a
22 process that compliments those goals and the
23 Development Hub is a valuable program and a shining
24 example of the interagency coordination throughout
25 the planning and review of affordable housing

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2 projects. So, a really great program that certainly
3 needs to continue here in the City.

4 I wanted to just also touch upon two other
5 things. You know, I think we're really excited for
6 what HPD, the Mayor and the Council are doing in
7 working towards production of affordable housing and
8 I think a good example is the Sunny Side Yards
9 announcement earlier in this week, producing you know
10 when completed, will have over 12,000 units of
11 affordable housing and I think that that is the
12 forward thinking that we need if we are going to
13 address this crisis head on.

14 And lastly, one of the things that the Affordable
15 Housing Industry is focused on right now is around
16 sustainability and making sure that our housing will
17 be green and leave as small of a footprint as
18 possible on the earth here.

19 And so, you know, I think a good example is Beach
20 Green dunes phase 2 in Far Rockaway, which opened a
21 couple of weeks ago. It's 100 percent affordable,
22 there is a 127 units and it meets Passive House
23 standards. In addition, it's cooling is provided you
24 know, by using geothermal technologies and I think
25 this is the type of you know, the way that we need to

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2 moving if we are going to meet the needs of the
3 society but also the goals of you know 80/50
4 initiative that the Council passed and the Mayor
5 signed into law about a year ago.

6 So, in conclusion, I just want to just reiterate
7 that you know, the housing industry is certainly
8 ready to keep moving forward to make sure that we can
9 produce the housing need for the City.

10 Thank you.

11 CHAIRPERSON CORNEGY: I want to cite that we've
12 been joined by Lyric Thompson at the panel.

13 That didn't mean you could go, Larry, you just
14 got here.

15 PHOEBE FLAHERTY: Good afternoon, thanks for the
16 opportunity to testify Council Members. My name is
17 Phoebe Flaherty, I'm an Organizer at ALIGN. The
18 Alliance for a Greater New York. ALIGN is a
19 community-labor coalition dedicated to creating good
20 jobs, vibrant communities and an accountable
21 democracy for all New Yorkers.

22 We co-coordinate the Climate Works for All
23 coalition, a coalition of environmental justice
24 groups, labor, and community organizations all
25 working towards reducing emissions to fight climate

1
2 change through the lens of a just transition. We
3 recently worked with Council Members to pass the
4 dirty buildings bill, Local Law 97.

5 We are in the midst of a climate crisis and we
6 only have a few years left to take aggressive action
7 to slow and try to stop the effects of climate
8 change. According to the Intergovernmental Panel on
9 Climate Change's 2018 report, we could arrive at
10 irreversible climate change as soon as 2030. We have
11 no time to waste.

12 The city has made a laudable commitment to lower
13 emissions and has taken aggressive steps to meet
14 those emissions goals through the passage of Local
15 Law 97 which mandates most buildings above 25,000
16 square feet reduce emissions leading up to 2050.

17 However, meeting our broader citywide commitments
18 will require continued effort. We must invest in the
19 implementation of Local Law 97 and go beyond its
20 reach if we are to meet our emissions reductions
21 goals. The Climate Works for All coalition is asking
22 the City Council to allocate \$1 billion annually to
23 retrofit affordable and public housing. Buildings
24 with rent regulated and affordable units were
25 exempted to protect from the law to protect tenants

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2 who would face increased costs from displacement.

3 But those buildings make up 50 percent of residential
4 housing stock and therefore represent a large
5 percentage of citywide CHG emissions. We cannot
6 allow these buildings to continue to emit emissions
7 at their current rates and still meet our emissions
8 goals.

9 We must also ensure that benefits of retrofits
10 from more comfortable homes to decreased localized
11 pollution that leads to asthma and other health
12 issues, occurs equitably across New York City.

13 Tenants of affordable and public housing in New York
14 City deserve clean air and comfortable homes as much
15 as all other tenants.

16 Without additional funding, we are in danger of
17 not meeting our emissions reductions goals and
18 meeting those goals is crucial to the future of the
19 City and the world. We are asking the City Council
20 and the Mayor to fund retrofits in public and
21 affordable housing in New York City. Fighting
22 climate change must be our top priority for now and
23 for the years to come before it's too late.

24 Thank you.
25

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2 UNIDENTIED: Good afternoon Council Members,
3 thank you for the opportunity to speak on behalf of a
4 1,000 New Yorker who are living in incredibly
5 underfunded NYCHA buildings in low income housing
6 units.

7 CHAIRPERSON CORNEGY: I'm sorry, I'll give you
8 more time but I just need you to state your name for
9 the record.

10 KHUSH KAM-AU: Oh, sorry, Khush Kam-Au from
11 Community Service Society. My name is Khush Kam-Au
12 and I am the Campaign Liaison at the Community
13 Service Society of New York.

14 CSS uses a multifaceted approach to attack income
15 inequality in New York. CSS has been at the
16 forefront of this work for more than 175 years,
17 changing our strategy and focus as the times demand.
18 We engage in policy work, legislative advocacy,
19 impactful direct services programs and litigation in
20 order to help create a fairer, stronger New York.

21 As members of JustLeadershipUSA's build
22 COMMUNITES campaign, CSS wants al communities to be
23 safe, well-resourced and have a strong sense of
24 stability.

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2 I want to use my time today to highlight two
3 planks in the buildCOMMUNITIES platform.

4 The first is to create, preserve, and maintain
5 true affordable housing throughout New York City that
6 is accessible to all. There are many ways to make
7 sure this happens. One is through removing the
8 barriers people face with criminal records and a
9 history of justice involvement when finding and
10 keeping housing, by passing the Fair Chance for
11 Housing Act. This Act, which is similar to
12 legislation Seattle and Oakland have implemented,
13 would require questions about prior convictions to be
14 removed from housing applications, so individuals can
15 have rapid access to housing.

16 Without stable housing, no reentry gains are
17 possible. You cannot hold down a job, provide for
18 your family or participate in your community without
19 a home. Another is through investing in at least
20 \$1.5 billion in NYCHA for the purpose of taking care
21 of deferred maintenance that plagues NYCHA buildings
22 and for making long overdue improvements.

23 New Yorkers who live in public housing face the
24 consequences of underfunded and undermaintained
25 buildings on a daily basis.

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2 Second, I would like to place focus on
3 buildCOMMUNITIES demand for expanding and improving
4 services that help people to stay in their homes. CS
5 supported and urged passage of Right to Counsel
6 legislation in 2017.

7 Quickly, our research since then shows that the
8 law's implementation has shown that providing legal
9 representation and assistance to New Yorkers has
10 played a crucial role for reducing rates of eviction
11 in zip codes where Right to Counsel has been rolled
12 out.

13 Thank you.

14 CHAIRPERSON CORNEGY: I'm sorry, I have a
15 question for you.

16 KHUSH KAM-AU: Yes.

17 CHAIRPERSON CORNEGY: In your testimony you
18 talked about all criminal involvement not being
19 involved in the application process. Could you just
20 explain that to me?

21 KHUSH KAM-AU: Yes, the question in regards to
22 criminal involvement being removed from the
23 application process as a whole. Similarly, to band
24 the box, in other processes where questions around
25 criminal conviction and records are raised, we're

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2 asking in regards to housing, especially affordable
3 housing and low income housing, that that application
4 question be removed entirely.

5 CHAIRPERSON CORNEGY: I'm curious though, some of
6 the involvement is in direct correlation to the
7 safety of individuals. Are you considering in your
8 testimony excluding violent crime, excluding
9 relationships with minors or just everything? There
10 should be no way to articulate whether or not someone
11 has the potential?

12 KHUSH KAM-AU: As a Fair Chance Act around
13 housing is worked out, we're hoping that people fine
14 tune the credentials for folks who this will apply
15 for but for the time being, we ask that the barriers
16 of all people who have criminal records be removed in
17 which the degree of which your criminal involvement
18 is not even brought up or mentioned or held as a
19 barrier to get in housing.

20 CHAIRPERSON CORNEGY: Thank you.

21 KHUSH KAM-AU: Thank you.

22 VIVIANA GORDON: Good afternoon Chairman Cornegy
23 and members of the Committee on Housing and
24 Buildings. My name is Viviana Gordon and I am the
25 Deputy Director of the Red Hook Community Justice

1
2 Center in Brooklyn where I oversee our Housing
3 Resource Center. The Resource Center serves
4 litigants in our housing court and residents of the
5 Red Hook Houses, which is the largest NYCHA
6 development in Brooklyn.

7 The Justice Center is a project of the Center for
8 Court Innovation, which works to create more
9 effective and humane justice system. Three Center
10 program in particular, the Red Hook Justice Center,
11 the Harlem Community Justice Center and Legal Hand
12 work directly with New York City residents who are
13 facing housing instability. I am here to request
14 support from the Council for three applications we've
15 submitted under the Community Housing Preservations
16 Strategies initiative.

17 Both Justice Centers in Red Hook and Harlem
18 operate neighborhood based housing courts in
19 partnership with the Court System. Harlem handles
20 public and private housing from two local zip codes.
21 In Red Hook, we handle exclusively public housing
22 cases from Red Hook east and west.

23 Our Legal Hand project aids thousands of New
24 Yorkers with housing issues in communities of
25 Brownsville, Crown Heights, High Bridge, Tremont and

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2 Jamaica. Taken together, our work serving tenants in
3 both court and community settings, we've learned a
4 great deal about preventing eviction, enforcing the
5 city's housing code for tenants in need of critical
6 home repairs, addressing the human need of litigants
7 beyond just the legal needs, expanding access to
8 justice and advancing fairness in housing court.

9 I just want to share one example of our work in
10 Red Hook. Where we are altering the reality of
11 housing court as the landlords home court and
12 transforming it to a place where tenants can seek
13 justice. Housing courts are not set up to be tenant
14 friendly and yet, for NYCHA residents in HP action or
15 court order is the only way to obtain a city
16 inspection.

17 In Red Hook and Harlem, we've made the housing
18 court experience more accessible. Tenants in Red
19 Hook have increasingly come to court to file HP
20 actions on housing maintenance issues, including
21 health hazards of lead paint, mold and chronic leaks.
22 Citywide, tenant initiated HP actions comprise less
23 than 6 percent of court filings. Last year in Red
24 Hook, HP actions comprised 34 percent of our housing
25 court filings and resulted in over 800 cited city

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2 code violations which has exposed a significant unmet
3 capital needs.

4 Tenant driven court actions – may I continue to
5 30 more seconds? Thank you.

6 Tenant driven court actions allow households with
7 severe emergency repairs to take NYCHA to court and
8 restore safety and habitability in their home and
9 provides localized accountability for code compliance
10 to the city's largest landlord.

11 Furthermore, tracking code violations which are
12 not available in public record, allows our housing
13 resource center to identify systemic trends such as
14 the need for plumbers and NYCHA and the correlation
15 between chronic leaks and lead paint exposure
16 resulting from delays and obtaining skill trade
17 dates.

18 The City Council's support has been invaluable to
19 our success at the Center for Court Innovation in the
20 past. We respectfully ask for your continued support
21 through the Community Housing Preservations
22 Strategies initiative.

23 Thank you very much for your time.

24 LYRIC THOMPSON: Hello, how are we all doing
25 today? My name is Lyric Thompson and I am a tenant

1
2 in 1355 Decatur, the building that Louise Carroll was
3 sitting right here lying her face off over. We
4 evidently have very different definitions of taking
5 care of.

6 Our saga began in 2015 when our landlord tried to
7 clear our building. We had no idea that we were rent
8 stabilized because HPD at that time along with
9 Finance had agreed to informally ignore the rule that
10 said you had to have two final approve certificates
11 of eligibility before you got tax exemptions.

12 So, what Decatur Assets did in our case was they
13 bought a building that was incomplete. Sonya
14 Lugo[SP?], the woman that was constructing this
15 building sadly died halfway through construction. It
16 was never completed; it was thrown together by her
17 children which I'm sure you remember my seven inch
18 slate closet, that's how we got a seven inch slate
19 closet with a full size door.

20 When Decatur Assets purchased the building, they
21 obtained a CFO from Artemije[SP?] Ugo and Gordon
22 Holder to corrupt DOB inspectors that were busted for
23 signing off incomplete buildings in 2015 by DOI. He
24 forged and notarized Sonya Lugo's signature then
25 submitted it to HPD. HPD gave them the tax exemption

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2 and did nothing but send notices about registration
3 because the man never registered.

4 Fast forward to 2015, I found out wow, we have
5 rights, we're a rent stabilized building.
6 Unfortunately, he had already cleared a tenant out of
7 the building via a hold over, Olga Ortiz. He
8 subsequently went on to forge leases to feign that he
9 never evicted Olga Ortiz. I forwarded them to Louise
10 Carroll, she said it was very sad.

11 Evidently not sad enough to do anything about it
12 but that wasn't the only forgery and the dead lady
13 forgery wasn't the only forgery in our 421A
14 application. The architectural signature is forged,
15 HPD when they sit here and say, "we've taken care of
16 it", there's a seal, as if a seal cannot be
17 fraudulently obtained. The public accountants papers
18 are forged. These numbers are what HPD is using six
19 years later to recalculate our rent but they wish to
20 claim statute of limitations. They can't do anything
21 about this fraudulent filing.

22 If they bothered to read the rules they were
23 supposed to enforce, they would see that pursuant to
24 Title 28, Chapter 39, there is no statute of
25

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2 limitations. HPD can remove an exemption from a
3 shady developer at any time for misrepresentation.

4 The permits they submitted to HPD to demonstrate
5 our building. Council Member, do we have a laundry
6 facility downstairs as stated on our plans? No, we
7 have a rotten moldy basement. HPD doesn't care.
8 They know all of this.

9 The leases they submitted to HPD to feign that
10 they were in compliance after I got kind of testy in
11 2015 and pro-public, I published a story about our
12 building in 2016, oh, they feign compliance. How
13 many forgeries are too many for my city? And why is
14 my city engaging in criminal activity or covering up
15 criminal activity?

16 CHAIRPERSON CORNEGY: Lyric, do me a favor, what
17 I want you to do on record is give me the specific
18 things that you want HPD to hear, because
19 unfortunately the Commissioner is gone.

20 LYRIC THOMPSON: Oh, yeah, she ran from here.
21 She had offered to sit down afterwards but then she
22 left.

23 CHAIRPERSON CORNEGY: So, I need you to get the
24 most important things on the record and then I will
25 get a meeting with you and her and me.

1
2 LYRIC THOMPSON: I would like my building
3 finished. I'd like the heating reinstalled in my
4 building. HPD has an unwritten policy regarding
5 common area heating in buildings. They don't think
6 you're entitled to it, so hack it out. That's what
7 they told my landlord. They said it right in front
8 of me. They said it to Council Member Espinal's
9 office, they said it to Leslie on Community Board 4.
10 They've said it to me in writing and Ray Santiago has
11 written this. I'd like that heating installed,
12 because you see, the thing is Council Member is that
13 hacking out that heating system wasn't just removing
14 the heating. Our plumbing is intertwined, it was
15 creating situations like what we have in the bathroom
16 downstairs in our unfinished moldy, rotten basement
17 at this point. It's created gas leaks; it's created
18 plumbing issues.

19 So, what I would like is I would like this
20 building brought up to architectural standards as it
21 should be. I would like the person who submitted all
22 those forged documents to go to prison because we
23 have laws that penalize people that do crimes,
24 because we don't want them to continue doing those
25 crimes. However, when Louise Carroll in HPD just

1
2 ignores them, it allows that person to continue that
3 crime. You see, what this guy did was Decatur Assets
4 drop sold our building to some other guy. Who is
5 right now trying to use those forgeries in our
6 Supreme Court case. Isn't that lovely, forgeries
7 that I told Louise Carroll about and she knows about.

8 CHAIRPERSON CORNEGY: So, let me ask you this.
9 Have you attempted to get a meeting with the
10 Commissioner at HPD?

11 LYRIC THOMPSON: I have tried to contact, I've
12 contacted HPD hundreds of times, hundreds of times.

13 CHAIRPERSON CORNEGY: So, what I'm telling you in
14 the absence of Council Member Espinal, I will double
15 down because I don't know when that seat will be
16 filled and I will broker a meeting between you, I and
17 her. I had the displeasure of actually coming to
18 visit. You were a pleasure to visit but your
19 building was not a pleasure to see.

20 LYRIC THOMPSON: Thank you.

21 CHAIRPERSON CORNEGY: Both myself and Rafael and
22 now Council Member Espinal is no longer in office, so
23 I will take up that slack.

24 LYRIC THOMPSON: I appreciate it and the tenants
25 appreciate it. I mean, we want it resolved. The

1
2 easiest thing, you see what should have happened, was
3 as soon as HPD found these forgeries, what they
4 should have done rather than concealing them and
5 covering them up, was drag this guy on the carpet.
6 You pull him into the carpet because he's not only
7 doing this in this building.

8 I would also like to go ahead and make the
9 Council aware of 1660 Broadway. This was another
10 building I told Louise Carroll about in 2016. They
11 hadn't at that point registered with DHCR and they
12 still haven't registered with DHCR. I believe they
13 are in year what 13 or 14 of 25.

14 CHAIRPERSON CORNEGY: So Lyric, in the interest
15 of time, because I really want to get your situation
16 resolved. I had a chance to personally witness what
17 you've experienced. If I can just ask you, if you
18 could just speak to my Chief of Staff so we can get a
19 date and time on the books for us to meet with Louise
20 Carroll?

21 LYRIC THOMPSON: I would very much appreciate
22 that.

23 CHAIRPERSON CORNEGY: If you promise me to behave
24 in that meeting, I will broker the meeting.

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LYRIC THOMPSON: I will be nice; I will be nice
as long as she tells the truth.

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CHAIRPERSON CORNEGY: See, we got to negotiate
this afterwards then but thank you for your
testimony. I always appreciate it, your advocacy not
only for yourself but for people in similar
conditions is important for this Council to do its
work. So, I don't want you to think that I don't
appreciate what you are doing.

11

12

LYRIC THOMPSON: I know you do. I look forward
to working with you.

13

14

CHAIRPERSON CORNEGY: Okay, so, you're going to
talk to my Chief as soon as -

15

LYRIC THOMPSON: Yeah.

16

17

CHAIRPERSON CORNEGY: And we'll get a time.
Thank you.

18

LYRIC THOMPSON: Thank you.

19

20

21

22

CHAIRPERSON CORNEGY: Thank you all. We have the
next panel coming, which is Mr. Komatsu, Arielle
Hersh, Graciela Blandon, Shelby Fredrickson, oh
Bernell Grier, I'm sorry.

23

24

25

So, the only thing I ask again is for the record
if you can state your name prior to your testimony.
I'm asking in the interest of time, we have a couple

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more panels to go, if people could try to stay in the framework of the two minutes, which means that if you could condense and get your very pertinent points out, it would be helpful. I know everybody is passionate about what's happening in their particular lives. If you could just highlight the points that you would want HPD to hear and that you would want on the record, I would appreciate that. It would be beneficial for everybody.

So, you can begin when and wherever you like.

ARIELLE HERSH: Hi this is Arielle Hersh. Good afternoon everyone and thank you for the opportunity to testify. My name is Arielle Hersh and I am here on behalf of UHAB, the Urban Homesteading Assistance Board. For 45 years, UHAB has been creating, preserving, a supporting resident controlled housing, as well as tenant associations to build leadership, democratic participation and community through cooperation.

UHAB is part of the Climate Works for All campaign because HDFC communities are on the front lines of the climate crisis. Most HDFC residents are disproportionately impacted by the legacies of redlining, neighborhood disinvestment and aging

1
2 building conditions. Furthermore, many HDFC building
3 are in the areas of the city most vulnerable to
4 rising sea levels and increasingly powerful storms
5 like Superstorm Sandy.

6 We are calling for the City to allocate \$1
7 billion annually to retrofit buildings that were left
8 out of Local Law 97 because we cannot fight climate
9 change without the affordable housing community. We
10 are grateful for the strides the city has already
11 made to fund energy efficiency and retrofit programs
12 for affordable housing but this progress still falls
13 short.

14 It is nowhere near the city's own stated goals
15 and the reality of the impending climate crisis.
16 Residents and owners of affordable housing cannot be
17 left behind in this fight. They are the ones on the
18 front lines of climate change and they need to be at
19 the table to guide us through a just transition to a
20 more sustainable future.

21 Thank you for your time.

22 GRACIELA BLANDON: Thank you so much for having
23 me. My name is Graciela Blandon. I'm an NYU student
24 here also with Climate Works for All, an alliance of
25 community and labor united for a just and sustainable

1
2 New York. I'd like to highlight that coalition is
3 led by young people and I'm here to reiterate the
4 calls to action of the youth internationally because
5 we're running out of time to delay the existential
6 threat that is the climate emergency. Whatever
7 issues you think the City of New York has now will
8 pale in comparison to the pandemonium wrought by our
9 current negligence to sustainability efforts.

10 My generation is disheartened by the lack of
11 urgency with which resources have been allocated to
12 emergency preventative and restorative measures. We
13 are here fighting for equity for marginalized
14 communities who have been forgotten in localized
15 efforts to slow climate change and we are here
16 fighting for tenants so that their housing maybe
17 sustainable.

18 In sum, we are here to demand that \$1 billion is
19 spent, annually for ten years to retrofit affordable
20 housing a public housing left out of Local Law 97.
21 This ambitious investment in our community is both
22 the least we can do and in line with the spirit of
23 New Yorkers. We have never been a population to back
24 down from becoming global leaders. Local Law 97 was
25

1
2 only the beginning in New York City's pursuit of
3 aggressive and uncompromising resiliency efforts.

4 These retrofits must occur equitably across New
5 York City in order to have the strongest impact.

6 Funding from the New York State Energy Research and
7 Development Authority has remained inaccessible to
8 too many for too long and we cannot afford a lack of
9 funding when prescriptive measures still may not even
10 happen without financial supports.

11 For the sake of the city, the planet, and your
12 moral conscience, I ask that this committee reaffirm
13 its commitment to leading in ecological housing
14 development by allocating \$1 billion over ten years
15 for retrofitting affordable housing in an equitable
16 manner.

17 Thank you so much for your time.

18 SHELBY FREDERICKSON: Hi, my name is Shelby
19 Frederickson, I am here speaking on behalf of Pratt
20 Center for Community Development. Also, in support
21 of Climate Works for All Coalition's call for a \$1
22 billion retrofit fund to ensure just transition for
23 the residents of New York City's affordable housing
24 stock.

1
2 Recognizing how low income communities and
3 communities of color have been denied access to the
4 benefits of energy efficiency, Pratt Center has been
5 advocating for energy efficiency policies and
6 piloting programs that can ensure these communities
7 are no longer excluded.

8 Not only have these communities borne the burden
9 of years of inequitable energy policy, but without
10 clear and directed action, they now face the
11 potential to yet again be left behind by the Climate
12 Mobilization Act.

13 The Local Law 97 affordable housing carve out was
14 designed with the correct intention to limit
15 displacement pressure on tenants. But without public
16 intervention, all the benefits that come with
17 increasing a building's energy efficiency, such as
18 reducing the burden of high energy bills, improving
19 indoor air quality and home health and safety, will
20 not be accessible to the tenants of these building.
21 As a city, a limited and inequitable approach is not
22 an acceptable solution. We will not meet the goals
23 of 80/50 if we do not greatly reduce emissions across
24 all building types, no matter how complicated. We
25 cannot rely on the good will of the private sector.

1
2 We cannot rely on current utility and state incentive
3 programs that have proven to be less than effective
4 in pushing the affordable housing retrofit market
5 forward in New York City. This is why we are calling
6 on the City to invest \$1 billion annually to retrofit
7 buildings with vulnerable tenants who deserve to
8 benefit from a building retrofit, both in larger and
9 smaller affordable housing.

10 Homeowners cannot afford to do this on their own
11 and landlords likely won't. Superstorm Sandy costs
12 the city \$19 billion in damages and 44 lives. \$1
13 billion a year for ensuring we are equitable in
14 mitigating our building's impacts on climate change
15 while reducing the potential of future costly
16 disasters is a small price to pay for an investment
17 in our future.

18 We urge the City Council to fund a just
19 transition.

20 Thank you for your time.

21 TOWAKI KOMATSU: My name is Towaki Komatsu, this
22 is a public hearing. However, what I see in front of
23 me are empty seats. So, with regards to due process,
24 I'm left wondering where is it. Ms. Chin you're here
25 but where are your colleagues? Mr. Cornegy just

1
2 exited the room in spite of the fact that we have a
3 first amendment and 14th amendment right to be heard
4 at a meaningful time instead of seeing empty seats in
5 front of us.

6 COUNCIL MEMBER CHIN: Your testimony will be on
7 record.

8 TOWAKI KOMATSU: That's not the same. I'm
9 currently contending with a frivolous housing court
10 proceeding where I previously beat that slumlord
11 through a decision that was issued in November of
12 last year. It then filed yet another frivolous
13 lawsuit against me where it essentially committed
14 mail fraud by doing so.

15 So, there has been some discussion today in this
16 room about forgery. HRA Ashley forged my lease
17 agreement two days after I signed it in HRA's
18 offices. I talked to Mr. Cornegy about that fact in
19 a public hearing just like this, he told me that I
20 would get assistance. He lied; I didn't get
21 assistance. Instead, I got 15 punches to my left
22 temple on July 2nd in that building only because of
23 the fact I had a roommate that I was never supposed
24 to have and that occurred after an attempted assault.

1
2 So, the question is, if HRA extended its contract
3 Urban Pathways, that landlord, as a Council Member,
4 as a lawmaker, what can you do to make sure that the
5 money in your wallet stays in your wallet instead of
6 going to Urban Pathways that is responsible for me
7 getting a concussion from those 15 punches.

8 Also, this is a segment from the audio transcript
9 of that court hearing in March of 2019 in that
10 housing court case that I prevailed and before Urban
11 filed yet another frivolous court case against me.

12 Sorry, something is wrong with my laptop. I'll
13 summarize it for you. The housing court judge
14 basically said he didn't have jurisdiction to
15 determine whether there was an invalid lease at play.
16 Instead he said that a New York Supreme Court judge
17 would need to examine that. However, he still
18 allowed Urban to file yet another frivolous lawsuit
19 against me.

20 So, bottom line to close out, what can you do for
21 people like me that are contending with [INAUDIBLE
22 5:01:06] fraud and forgeries with lease agreements
23 that are perpetrated by HRA and its business
24 partners?
25

1
2 CHAIRPERSON CHIN: Can we talk about your case
3 after the hearing? We'll have a staff that will talk
4 to you and also to see if we can help you find legal
5 representation or get more information. Thank you.

6 BERNELL GRIER: Good afternoon, I'm Bernell
7 Grier, the Executive Director of Impact Brooklyn. I
8 also serve on the board of ANHD, the joint ownership
9 entity as well as the New York Housing Conference.

10 So, first of all, I happened to be in the
11 neighborhood and decided to stop by. One, to thank
12 you. To thank the Council for their efforts in terms
13 of supporting Stabilize NYC.

14 As I've heard quite a few of the people here
15 speaking today about you know, needing assistance.
16 Through last year, the City Council was able to
17 expand our reach with Stabilize NYC increasing the
18 amount of money and we were able to add two groups to
19 have further outreach where there is unscrupulous
20 landlords and being able to fight.

21 We're asking for another \$100,000 to be added to
22 the \$3 million that was provided last year into this
23 years budget and so, being able to move that forward.

24 I also served on the Task Force that Robert
25 Cornegy had put together in regard to the third party

1
2 transfer and really wanting to be able to see within
3 the city's budget and support for homeownership
4 opportunities for people that are living in HDFC's
5 and just being able to have that ownership as a way
6 to stay gentrification.

7 Lastly, we have found that through the housing
8 lottery system that there is an opportunity for job
9 creation and almost like an apprentice program to be
10 able to train people how to manage the lotteries for
11 a lot of the different developers that are running
12 lotteries across the city and being able to have that
13 be a pipeline to jobs within the overall industry.

14 So, with that again and stopping by, I just
15 wanted to make those three points and thank you for
16 your time.

17 CHAIRPERSON CHIN: Thank you. Thank you for your
18 testimony. Priya Mulgaonkar, Taurean Lewis, Sonal
19 Jessel, Hannah Anousheh from Cypress Hill Local
20 Development Corp. How do you pronounce your last
21 name? Anousheh, okay and Teresa Elguera. Yes, you
22 can begin.

23 PRIYA MULGAONKAR: Good afternoon Council Member
24 Chin. Thank you for the opportunity to testify. My
25 name is Priya Mulgaonkar, I am the Resiliency Planner

1
2 at the New York City Environmental Justice Alliance.
3 Founded in 1991, NYC-EJA is a citywide network
4 linking 11 grassroots organizations from low-income
5 communities and communities of color in their
6 struggle for environmental justice.

7 Today, I am here to testify in support of the
8 Climate Works for All coalition demand for the
9 Climate and Community Development Fund, a \$1 billion
10 allocation in this years budget and in every budget
11 for the next ten years to address energy efficiency
12 in low-income rent stabilized and affordable housing.

13 New York has less than 10 years to limit global
14 warming to 1.5 degrees Celsius, which will require
15 rapid and equitable investment in every single
16 building in our city and an unwavering and
17 substantial financial commitment in the City budget.

18 We commend the City Council for passing Local Law
19 97, the Climate Mobilization Act in 2019, which
20 mandates energy efficiency retrofits in most of our
21 large polluting buildings. With buildings accounting
22 for 67 percent of all greenhouse gas emissions in our
23 City, Local Law 97 sets a bold and necessary mandate
24 to help tackle the escalating risks of climate change
25 and the adverse public health impacts.

1
2 Yet, however ambitious this legislation may be,
3 the fact remains that it only covers about 50,000 of
4 our city's over 1 million buildings. Local Law 97
5 exempts rent stabilized and affordable housing from
6 mandatory retrofits, which are instead only given
7 prescriptive measures to avoid the cost being passed
8 off to vulnerable tenants in the form of major
9 capital improvements which could lead to
10 displacement.

11 This will leave a significant portion of New
12 York City's housing stock struggling to achieve
13 energy efficiency and reducing energy burden.

14 We believe the City Council should fund the CCDF
15 for the following reasons:

16 Every single City Council district in New York is
17 home to some form of public rent regulated or
18 government assisted housing. Collectively, housing
19 over 3 million people; affordable rent regulated and
20 public housing tends to require a higher baseline of
21 consumption of energy than their market rate
22 counterparts. These buildings tend to older, less
23 efficient and in disrepair, thus investing in
24 increased efficiency will be essential to achieving
25 our city's 80/50 climate goals.

1
2 New York needs a large scale city funded energy
3 efficiency program to help improve and preserve
4 affordable and public housing. Energy efficiency is
5 also key to increasing community resiliency. Tenants
6 of rent stabilized affordable and public housing,
7 tend to be low income people of color, residing in
8 areas of high heat vulnerability made worse due to
9 lack of access to green space.

10 These tenants also pay a much higher proportion
11 of their income on energy costs. On hot days when
12 everyone is running their air conditioning, the most
13 heat vulnerable communities are susceptible to
14 blackouts and brownouts, meaning losing power when
15 it's needed most.

16 By providing direct investments, the city will
17 help improve and preserve the affordable housing
18 stock which is essential to maintaining the vibrant
19 diversity of our city.

20 We urge the City Council to make 2020 the year of
21 the climate budget and invest in preserving and
22 climatizing our valuable affordable housing stock.

23 Thank you.

24 CHAIRPERSON CHIN: Thank you. We also want to
25 invite up Jackie Delvalle. Please continue.

1
2 SONAL JESSEL: Hi, good afternoon Council Member
3 Cornegy and Council Member Chin. Thank you for
4 holding this hearing today. My name is Sonal Jessel,
5 I'm the Policy and Advocacy Coordinator at WE ACT for
6 Environmental Justice. Over the past 32 years, WE ACT
7 has been combating environmental racism in Northern
8 Manhattan. I am here as a member of the Climate
9 Works 4 All Coalition and I'm testifying to demand
10 more funding for action to address our climate
11 emergency. As we know, climate change is an issue
12 that has and will affect all New Yorkers. It's
13 important to always act with a climate justice
14 framework that climate change impacts low-income
15 communities and community of color first and worst.

16 For example, frequency, severity and duration of
17 the extremely hot days has risen significantly in New
18 York City. Low income neighborhoods of color are
19 most impacted by health effects of extreme heat due
20 to a number of reasons such as lack of access to
21 cooling, higher rates of chronic conditions that
22 increase vulnerability and more.

23 WE ACT joins the Climate Works 4 All Coalition
24 and stands with New York City Community members,
25 labor groups and environmental justice communities to

1
2 demand to Fund our future by funding equitable
3 climate action for all New Yorkers. Last year we
4 passed Local law 97, which was very exciting and
5 moved us toward meeting our climate goals. This year
6 we're asking to allocate \$1 billion annually to
7 retrofit buildings that were left out of that law to
8 ensure that we fight climate changes aggressively but
9 as equitably as possible.

10 This billion dollar budget allocation will have
11 immediate impact on job creation, community
12 revitalization and the climate.

13 With this allocation, New York City will be a
14 leader in the fight for climate action not only in
15 the United States but around the world.

16 WE ACT is enthusiastic to see the successful
17 implementation of Local Law 97. However, we believe
18 that we must expand retrofitting to affordable and
19 low income housing left out of Local Law 97 and Fund
20 it, because NYSERDA funding is inaccessible.

21 People living in affordable housing deserve to
22 have energy efficient homes that will benefit their
23 health and wellbeing while also reducing emissions.
24 Expanding retrofitting and funding it is key for
25

1
2 ensuring equity in the city's climate change adaption
3 and mitigation efforts.

4 Allocating more funding to retrofit New York City
5 is important action because we all know that
6 buildings is the city's number one contributor to
7 greenhouse gas emissions. Retrofitting for
8 affordable housing will promote equity in our city's
9 fight.

10 So, going back to my example about extreme heat,
11 low income residents often have hundreds of dollars
12 per month in utility bills. I know this because I
13 have spoken to them hundreds of times but only
14 receive a tenth of that per year in bill assistance
15 for cooling for example.

16 All in all, New York City must be aggressive in
17 action to slow climate change. Local Law 97 is an
18 important and significant step, but we know it is
19 just the beginning. It is important that Committee
20 on Housing and Buildings align Local Law 97 work with
21 other initiatives to combat the climate crisis, like
22 funding affordable housing retrofitting.

23 Thank you for your time.

24 TAUREAN LEWIS: Good afternoon Committee Chair
25 Cornegy and members of the Committee on Housing and

1
2 Building. My name is Taurean Lewis and I'm a 4th
3 generation Brownsvillian.

4 I offer this testimony in support of the citywide
5 Community Land Trust Initiative on behalf of
6 Community Solutions and its local initiative, the
7 Brownsville Partnership, where I am the Community
8 Engagement Specialist. Before I do, I'd like to
9 share a quick quote with you: "All power comes from
10 the land, while all absolute power comes from God."

11 These prophetic word, spoken by Charles Sherrod
12 in the movie Arc of Justice, served as the spark of
13 the Community Land Trust Movement that began over 50
14 years ago. Today the land is fully protected and
15 serves as a functioning farm, market, educational
16 institution that is self-sufficient and whose vision
17 can be summed in three words preserve, farm culture.
18 At the heart of this inspiring story, it speaks about
19 one community's perseverance to protect one of its
20 most important assets: its land.

21 Now we all know that New York City is an
22 extremely expensive city for renters and homeowners
23 alike. In Brownsville Brooklyn, where my
24 organization is based, there are real fears of
25 gentrification, as Brownsville is one of the last

1
2 communities that hasn't been. We are venturing to
3 establish a community land trust with the support of
4 Enterprise Community Partners, the New Economy
5 Project and HPD, whose vision builds upon the goals
6 and strategies of the Brownsville Plan. Within
7 Brownsville's 1.2 square mile radius, exists 200 plus
8 vacant lots, where nearly 900,000 un-built square
9 feet could produce 1,500 plus dwelling units. If
10 combined with new community facilities used to
11 support important service delivery around health,
12 education, and workforce development, these sites
13 could produce even more valuable square footage to
14 utilize for its local stakeholders. Despite the
15 ultimate aim of repurposing this land as housing
16 whose affordability is perpetually protected and
17 sustainable, our broader goal is to strengthen the
18 capacity of the community based organizations that
19 wish to remain in Brownsville and invest in the
20 people that make it the special place that it is for
21 so many for generations, at least five, I know
22 because I'm fifth generation. It says fourth but I'm
23 fifth generation.

24 This was the vision of our founder, former New
25 York Knick Gregory Jackson, which centered on

1
2 community mobilization to build the local
3 infrastructure to support the collective problem
4 solving around Brownsville's most complex challenges.
5 Through a new Brownsville CLT, Community Solutions
6 and its community partners would endeavor to
7 influence the ongoing discourse around community
8 development and investment. As our mission and focus
9 is to create and preserve permanently affordable
10 community guided housing for extremely low to
11 moderate income households in the Brownsville and
12 neighboring Ocean Hill communities. It would also
13 utilize the CLT local ownership framework to steward
14 key, large scale pipeline projects that one, promote
15 mixed use corridors. Two, foster neighborhood level
16 financial empowerment by connecting Brownsville
17 residents to jobs and entrepreneurial opportunities,
18 and three, improve social and physical connections in
19 the neighborhood in and around its eighteen public
20 housing campuses.

21 In October 2018, the Brownsville Partnership
22 devoted its annual Hope Summit to kick-off a
23 community education campaign to inform residents of
24 the concept and identify critical values to inform
25 its design and in February 2019, a twelve member

1
2 resident led advisory board was established. The
3 Brownsville Neighborhood Empowerment Network or BNEN.
4 The group which will grow to become the formal
5 planning advisory committee for the Brownsville CLT
6 are experienced in assisting community residents with
7 solving housing related problems for themselves and
8 others. While building awareness of the land trust
9 through the neighborhood, being members help
10 residents act on any issues threatening disability of
11 their housing. This peer led approach to housing
12 stability is a distinct and intentional departure
13 from traditional case management and service delivery
14 models for supporting members.

15 In 2020, the BNEN will work alongside the
16 Brownsville Partnership team to complete the launch
17 of the BVCLT while continuing to educate residents
18 and community stakeholders on community land trust.

19 With that being said, we appreciate the Council's
20 support in the Fiscal Year 2020 budget as community
21 land trusts are a sustainable alternative, crucial to
22 combating speculation and predatory equity driven
23 tenant displacement.

24 Your support will also provide a means to resist
25 the continued movement of publicly owned lands into

1
2 the private sector and will provide CLT's the
3 opportunity to educate and empower communities to
4 solve local problems and achieve community driven
5 goals, creating a less exploitative housing system to
6 preserve sustainable affordability.

7 Your continued support in the Fiscal Year 2021
8 budget of CLT's will help communities reclaim their
9 most valuable land assets while providing much needed
10 stewardship and oversight to guide their long term
11 investment and also facilitate the opportunity for
12 all 15 members within the YCLT initiative to leverage
13 and possibly expand their staff and resources that
14 will enable some to move forward in acquiring
15 property for development and also will help, sorry,
16 no, that's it.

17 Thank you.

18 HANNAH ANOUSHEH: Good afternoon Committee Chair
19 Cornegy and Council Member Chin. My name is Hannah
20 Anousheh and I am the Community Land Trust
21 Coordinator at Cypress Hills Local Development
22 Corporation.

23 CHLDC is a non-profit organization based in
24 Cypress Hills East New York. And we provide
25 comprehensive services to more than 11,000 Cypress

1
2 Hills and East New York residents each year through
3 college access, youth education and leadership
4 programs, as well as workforce development and
5 housing counseling and CHLDC also has developed 417
6 units of affordable rental and homeownership units in
7 Community Board 5. And so, CHLDC and 14 partner
8 organizations are part of a citywide Community Land
9 Trust Initiative that seeks \$1.5 million in City
10 Council discretionary funding for Fiscal Year 2021,
11 to develop CLTs as well as permanently affordable
12 housing commercial space and other community needs.

13 And we ask that the Committee recommend funding
14 for the CLT initiative for Fiscal Year 2021's budget.
15 So, we know that CLT's are a proven model to combat
16 speculation and displacement, protect public subsidy
17 and facilitate community led development and we
18 really appreciate the City Council's support for
19 CLT's in the 2020 budget.

20 In 2018, CHLDC was awarded 12 lots from HPD
21 through the New Infill Homeownership Opportunities
22 Program and through that, we're building 2-3 family
23 co-op building and we want to put those lots into a
24 community land trust. And so, with the funding last
25 year, we are able to hire a community land trust

1
2 coordinator and begin working with local residents to
3 create a CLT in East New York.

4 And since November, we've been holding CLT
5 workshops twice a month and are building a dedicated
6 and energetic steering committee of residents to move
7 this project forward.

8 Fiscal Year 2021 discretionary funding will allow
9 us to build on this momentum and move towards
10 incorporating the East New York CLT and after that,
11 CHLDC can transfer the lots from HPD into the CLT to
12 get it off the ground and the CLT can look towards
13 acquiring more properties to get to a sustainable
14 scale.

15 Thank you very much.

16 TERESA ELGUERA: Good afternoon Committee Member
17 Cornegy and Deputy Leader Chin. Thank you for the
18 opportunity to address you today. My name Teresa
19 Elguera and I am here in support of Climate Works for
20 All's proposal. I come to the hearing as a parent of
21 young climate activists and also as a middle class
22 homeowner who has had the privilege of affording the
23 installation of solar panels and other energy
24 efficient items in my own home. As the city debates
25 whether to provide additional funds to simultaneously

1
2 address climate change and preserve low income
3 housing, the logic is irrefutable, both can and must
4 be done. The city has a lot to gain from such an
5 investment in a variety of ways.

6 The creation of new green jobs which would train
7 and employ people to participate in a green economy
8 as they work to address the climate crisis. The
9 preservation and improvement of low-income housing
10 and mitigating ever increasing homelessness by
11 keeping costs down. And reaping economic gains from
12 the investment in infrastructure.

13 As a homeowner, I can confidently tell you that
14 every investment in energy efficiency saves me money.
15 We reduce our costs and don't need to raise the rent
16 on our friends who live upstairs. With the support
17 of funding by district to tackle this problem
18 systematically with larger groupings of buildings,
19 the savings would be even greater.

20 By allocating \$1 billion annually over the next
21 ten years you have the opportunity to take a moral
22 stance, a realistic stance and a sustainable stance
23 on both climate justice and homelessness in our city.

24 I urge you to take such a stance and allocate the
25 funding.

1
2 UNIDENTIFIED: Hi, good afternoon. Hi Council
3 Members, I passed out to you copies of the
4 stabilizing NYC report. We ran out of color copies;
5 we gave out all 50 yesterday at our legislative
6 briefing but both of your staff was there and have
7 them.

8 Stabilizing NYC is a coalition of 18 grassroots
9 organization, a legal service provider and a housing
10 advocacy organization who together combat tenant
11 harassment and preserve affordable housing for New
12 Yorkers who need it most. This year we are
13 requesting \$3.1 million. Last year the Council
14 generously awarded us \$3 million and we're asking for
15 an additional increase of \$100,000 so we can protect
16 more homes and get our two newest members up to par
17 with the other groups.

18 Our work results in improved and well maintained
19 New York City housing staff that's kept affordable
20 for working class families. Tenant organizing
21 creates empowered communities where people with
22 various levels of vulnerability or marginalization
23 including immigration status support each other by
24 building relationships, learn and exercise the rights
25 and build an agency that has been denied to them. I

1
2 want to point out very critically to that the
3 leadership that we've build over the past seven years
4 in Stabilizing NYC really help lead the fight up in
5 Albany to strengthen the rent laws and that's had a
6 huge impact on protecting people as you know and I
7 just want to say that we think that it's really of
8 critical importance to not scale back in any way.

9 The landlord lobbies are now on the defense.
10 We're seeing some things where they are trying to
11 pull - find as many loopholes as they can to pull out
12 buildings from rent regulation. There is some
13 warehousing going on. We're seeing what we're
14 calling the Frankensteining of apartments, where they
15 are kind of keeping apartments vacant and putting
16 them together and I think that we've built a really
17 strong network of empowered leaders and this
18 initiative has really supported community organizing
19 in a very deep way.

20 So, we just really want to encourage to keep up
21 the level of funding with a slight increase to bring
22 all 20 groups up to the same amount.

23 Thank you.

24 CHAIRPERSON CORNEGY: So, I want to thank you all
25 for your testimony, but specifically, I'd like to

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thank two organizations here who they are founders
and/or were mentors to me, that's Michelle
Neugebauer[SP?] and Jacquo[SP?] of course.

Thank you.

This hearing, the Fiscal 2021 Budget is
adjourned. [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 April 1, 2018