



**Testimony of the New York City Department of Housing Preservation and Development
to the New York City Council Committee on Housing and Buildings**

FY2023 Executive Budget Hearing

May 9, 2022

Good morning, Chairwoman Sanchez, Chairman Brannan, and members of the New York City Council Committees on Housing and Buildings and Finance. My name is Adolfo Carrión Jr., and I am the Commissioner of the New York City Department of Housing Preservation & Development (HPD). I am joined by members of HPD's senior leadership team.

I came back to public service as HPD Commissioner because I know how important and impactful this agency is and the direct impact it has in providing safe, quality, and affordable housing and strengthening communities. I have witnessed this mission come to life through the dedication of the HPD staff, who have time and again risen to face the challenges presented by the COVID-19 pandemic on their work and in their lives. In the face of staffing shortages, the folks at HPD persisted and continued to deliver access to housing and ensure that housing is safe for New Yorkers. Over the past few months, I have been working with my partners, Chief Housing Officer Jessica Katz, Housing Development Corporation President Eric Enderlin, NYCHA Chair Gregory Russ, and Department of Social Services Commissioner Gary Jenkins on developing a housing blueprint that will lay out the course for how the Adams Administration will tackle our city's housing challenges and secure new opportunities going forward. In close collaboration with our colleagues, housing stakeholders and advocates we will be presenting the housing blueprint in several weeks.

I will begin my testimony by providing a brief overview of HPD's Fiscal Year 2023 budget and then I will describe how it will help us achieve our goals of expanding access to affordable

housing, protecting tenants, and advancing equity and fair housing in New York City. I will then be happy to take your questions.

FY 2023 Budget Overview

Our fiscal year 2023 expense budget is about \$1.2 billion. That amount includes \$236 million in pass-through funding for NYCHA, which results in a net total of \$953 million for HPD's programs and operations. Of this \$953 million budget, \$791 million comes from federal sources, \$6 million comes from state and other categorical grants, and the remaining \$156 million represents the City's investment in HPD—a 16 percent share of our operating budget. We are grateful for that funding, because that \$156 million goes a long way to help to fund 77 new positions and will go toward initiatives like our NYC 15/15 supportive housing program, Housing Connect, and funding our project managers, borough planning teams, asset management staff, and housing inspectors. HPD offers a great value to the taxpayers with how much we can accomplish with limited City funding.

With the current affordability crisis, we urgently need to build more affordable and supportive housing. Working with our many partners, we were able to secure a \$5 billion investment in new capital funding from 2023 through 2031, of which \$3.6 billion comes to HPD so that we can keep up our recent pace of development over the next ten years, even in the face of rising costs and inflation. And so I want to especially thank the City Council and all our partners for the role you played in securing this new support.

We are thankful for the critical role the City's resources play in our expense budget in strengthening areas of the agency that are not otherwise eligible for federal grants. My testimony will highlight several areas where this city funding will help us further strengthen our programs and services.

Housing Blueprint & Our Priorities

As I mentioned earlier, we are working on developing a strategic housing blueprint that prioritizes people over process for New Yorkers in need of housing and related services. In our plan we are seeking to accelerate and increase capacity for new housing supply, increase access to affordable homeownership, and improve the quality, sustainability, and resiliency of affordable housing to keep New Yorkers safe and healthy. Most importantly, we are unequivocally affirming that homelessness is a housing problem, and as such will be a central part of our housing blueprint that addresses our growing homeless population.

The blueprint will also invest in jobs, technology, and agency operations so that we as City government can better serve New Yorkers and ensure resources are allocated equitably. We will hire and train more inspectors to strengthen housing quality enforcement, improve processes and increase efficiency to streamline development, modify our procurement process to address the disparity within the disparity, and reduce administrative burdens so that New Yorkers can access

the housing and help they need. We are also committed to promoting the participation of Minority- and Women-owned Business Enterprises (M/WBEs) by increasing the number of M/WBEs that contract directly with HPD and grow the size and diversity of the affordable housing community. We look forward to announcing the housing blueprint very soon and working with our partner agencies and the City Council.

Recent Successes

Every New Yorker deserves a safe, affordable home, and to live free from discrimination and harassment. This administration is committed to breaking down the barriers New Yorkers face in finding and keeping their homes, thriving in their communities, and ensuring the quality of the city's housing stock. Though we are early in the new administration, we have already started getting stuff done. Let me share some of our recent successes on these important policy priorities

Last month, in partnership with the Department of City Planning, we launched the Equitable Development Data Explorer to implement Local Law 78 of 2021. This interactive website will allow New Yorkers to easily explore data about housing affordability, racial equity, displacement, and many other issues related to the future of New York City and its neighborhoods. Starting in June, developers and City agencies will use this data tool to create Racial Equity Reports about projects that are going through ULURP. With this data, communities in the City of New York will be better equipped to create policies that increase affordable housing opportunities and help New Yorkers stay in the homes and neighborhoods they love.

In response to the tragic Twin Parks apartment fire that took place in The Bronx in January, Mayor Adams signed Executive Order 12 in March. This Executive Order will strengthen coordination between the Fire Department and HPD, supporting Fire Department enforcement with our violation data to enhance their targeted approach to inspecting high-risk buildings. With our partners at the Fire Department, we will also launch a campaign to educate New Yorkers on fire safety. We are also currently working with the Council and our partner agencies on a number of proposals to enhance our enforcement around fire safety. This is just one example of our commitment to strengthening our enforcement tools with the goal of keeping tenants safe in their homes.

I'm also pleased to announce that this Summer we are restarting *HPD in Your District*, where representatives from our Office of Enforcement & Neighborhood Services make our Outreach Van and staff available to spend a Tuesday or Thursday at a location in a Council Members' district or in their offices, providing one-on-one education and assistance on housing related issues. I encourage you to reach out to our team, if you haven't already, to set up a day for HPD to be in your district this Summer.

Opportunities to Work Together

We continue to push forward with one mission in mind, to get stuff done and to put people over process and people over bureaucracy. This work cannot be done by HPD alone. The Council is and has been a critical partner in fighting to get the resources we need to ensure New York City works for everyone. Thank you for that partnership, and I know we will continue to work together on critical legislative priorities and reforms; on affordable and supportive housing projects; on advocacy for tenant protection laws; and on a whole host of issues vital for the good of New Yorkers and for the future of our city. Thank you again for the opportunity to discuss HPD's budget and our priorities in the coming year. My team and I look forward to your questions.