

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 15, 2023

Start: 2:27 a.m.

Recess: 7:21 p.m.

HELD AT: COMMITTEE ROOM - CITY HALL

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

COUNCIL MEMBERS:

Shaun Abreu  
Alexa Avilès  
Charles Barron  
Tiffany Cabàn  
David M. Carr  
Eric Dinowitz  
Oswald Feliz  
Crystal Hudson

## A P P E A R A N C E S

Kazimir Vilenchik  
Acting Commissioner for the New York City  
Department of Buildings

Sharon Neill  
Deputy Commissioner for Finance and  
Administration

Nadya Stevens  
Leader of Human Resources

Guillermo Patino  
Deputy Commissioner for External Communication

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Chief of Staff and Deputy Commissioner for  
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## A P P E A R A N C E S (CONTINUED)

AnnMarie Santiago  
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Department of Housing Preservation & Development

Brendan McLaughlin  
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Gabriela Sandoval Requena  
Director of Policy and Communications at New  
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Rabbi Barat Ellman  
Testifying on behalf of Tirdof

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

Farhana Hussain  
India Home

Jackie Del Valle  
Coordinator of Stabilizing NYC at TakeRoot  
Justice

Victor Herrera  
Leader and member of Freedom Agenda

Deyanira Del Rio  
Co-Director at New Economy Project

Joelle Ballam-Schwan  
Supportive Housing Network of New York

2 SERGEANT AT ARMS: Today's hearing is on Housing  
3 and Buildings. Today's date March 15, 2023, being  
4 recorded by Keith Polite.

5 SERGEANT AT ARMS: Good afternoon and welcome to  
6 the Committee on Housing and Buildings. At this  
7 time, please place your phone on vibrate or on silent  
8 mode. If you want to submit testimony, send it to  
9 [testimony@council.nyc.gov](mailto:testimony@council.nyc.gov). Once again, that's  
10 [testimony@council.nyc.gov](mailto:testimony@council.nyc.gov). Thank you for your  
11 cooperation. Chair, we are ready to begin.

12 CHAIRPERSON SANCHEZ: [GAVEL] That was a test  
13 run. Good afternoon and thank you for attending  
14 today's hearing of the Committee on Housing and  
15 Buildings on the Fiscal 2024 Preliminary Budget and  
16 Fiscal 2023 Preliminary Mayor's Management Report.  
17 We will also hear Resolution 503 from Council Member  
18 Justin Brannan which calls upon the New York State  
19 legislature and governor to pass legislation enabling  
20 the conversion of commercial units to residential  
21 units.

22 I am Council Member Pierina Sanchez, Chair of the  
23 Committee on Housing and Buildings and I would like  
24 to acknowledge my colleagues today Council Member  
25 Hudson, Council Member Carr, Council Member Barron,

Public Advocate Jumaane Williams, Council Member Feliz and Council Member Abreu. I will also note that Tiffany Cabàn is joining us shortly.

We will first hear today from the Department of Buildings followed by the Department of Housing, Preservation and Development at 3:30. And then, members of the public regarding both agencies can testify about 5:30 p.m.

To set the stage for this hearing, I will begin by again revisiting the state of our city's affordable housing crisis. Disproportionately impacting low to moderate income communities and communities of color and it has been exacerbated by the COVID-19 pandemic and recovery efforts since then.

In our city, only 18 percent of renter occupied homes are well maintained by landlords, according the Department of Health and Mental Hygiene. Over 70 percent of the lowest income households in some communities live in homes that they cannot afford.

Rent burden is disproportionately felt among those that are the most vulnerable and that we see that we are subsidizing the highest AMI's and units stand vacant for unconscionable periods of time. In

1 districts like mine where 94 percent of residents are  
2 renters, this is tant amount to a persistent  
3 displacement risk. As we approach solutions,  
4 homeownership approaches will be key. Hundreds of  
5 thousands of evictions have been filed since the  
6 moratorium was lifted last year and our affordable  
7 housing, including NYCHA faces an arrears crisis that  
8 destabilizes even those homes that should be  
9 affordable today.  
10

11 DOB has an essential role in the city's excuse  
12 me, the Department of Buildings has an essential role  
13 as the city agency responsible for enforcing the New  
14 York City Construction Codes, Zoning Resolution, the  
15 New York State multiple dwelling law at one million  
16 buildings in New York City and over 40,000 known  
17 active construction sites. Additionally, the  
18 Department of Buildings plans and will enforce  
19 heightened energy standards due to Local Law 97.

20 They work to improve construction site safety and  
21 training compliance. And implement the department's  
22 self service online portal, DOB now. Your work is  
23 crucial. Not perhaps in the view of the every, every  
24 single day New Yorker but you keep us safe. We  
25 appreciate your efforts towards efficiency over the

2 last year. The last recommendations and the many,  
3 many roundtables that you have held but there are  
4 tension and concerns arising with respect to how we  
5 continue to keep New Yorkers safe, even as we chase  
6 efficiencies.

7 DOB's Fiscal 2024 Expense Budget totals at \$187.8  
8 million and its revenue budget is \$337.6 million.  
9 The expense budget is \$51 million less than in Fiscal  
10 Year 2023 at adoption. The major action in DOB's  
11 preliminary budget is a \$11.9 million baseline  
12 vacancy reduction cut or PEG, which eliminates 94  
13 positions. The PEG attempts to find savings as a  
14 result of DOB's vacancy crisis, which has impacted  
15 the inspector titles at the heart of the agencies as  
16 well as other titles.

17 There remain over 100 inspector vacancies that  
18 DOB is challenged to fill, with 334 vacancies  
19 overall. So, DOB is removing 133 headcount positions  
20 and proposing \$51 million in cuts. At the same time,  
21 the DOB has completed 12 percent fewer construction  
22 inspections in the first four months of fiscal year  
23 2023 versus the same period in 2022.

24 DOB did not meet its annual inspection target of  
25 140,000 inspections and construction fatalities in

2022 calendar year is the highest on record since the record high of 20 in 2015. So, before construction safety reforms and that's before excuse me, construction safety reforms were implemented by the Council and previous administration. In October 2022, DOB had the highest vacancy rate of any medium to large agency at 22.7 percent. Today, that vacancy rate is lower at 17.7 percent but this is because of the vacancy reductions.

Given DOB's core responsibilities, the Administration's proposed cut of \$51 million without an understanding here at the Council of how these core functions will be maintained is a cause for concern.

The first construction worker death of this year, which happened last week on a site that had received multiple violations from the Department is a reminder of the high stakes of the Departments work to protect the public.

Connected to buildings is of course housing, the domain of HPD. New York City has entered a new and more challenging phase of its longstanding housing affordability crisis. Half of the city's renters now spend more than one third of their income on rent,

1 while one-third spend more than 50 percent of their  
2 income on rent. The failure over decades to build  
3 enough affordable housing has caught up to us and it  
4 is hallowing out New York's diverse communities.  
5

6 The lack of adequate affordable housing is felt  
7 most acutely by ordinary workers, youth, seniors. A  
8 cohort that in New York City is disproportionately  
9 people of color. It is a serious issue that New  
10 Yorkers who either grew up here or helped build the  
11 city are being forced out. So, prior to the next  
12 panel, I will speak more on HPD's budget. I would  
13 like to thank the Committee Staff who have helped  
14 prepare for today's hearing, Daniel Kroop our  
15 Principal Financial Analyst, Jack Story the Finance  
16 Unit Head, Chima Obichere the Deputy Director, Audrey  
17 Son and Taylor Zelony, our Committee Counsel's Jose  
18 Conde and Charles Kim, our Policy Analyst and my  
19 district office staff, Chief of Sam Cardenas and  
20 Legislative and Communications Director Kadeem  
21 Robinson. It takes a village.

22 After HPD, we will hear from members of the  
23 public and I would like to remind everyone that if  
24 you would like to testify, please fill out a witness  
25 slip with the Sergeant of Arms, so we can put you in

1 the queue. Agency testifiers are kindly reminded to  
2 please keep your oral testimony to 15 minutes. And I  
3 will now pass it to our Committee Counsel to swear in  
4 DOB's leadership before turning it over for  
5 testimony.

6  
7 COMMITTEE COUNSEL: Thank you. Please raise your  
8 right hand. Do you affirm to tell the truth, the  
9 whole truth and nothing but the truth before this  
10 Committee and to respond honestly to Council Member  
11 questions? Thank you. You can begin when you are  
12 ready.

13 KAZIMIR VILENCHIK: Good afternoon Chair Sanchez  
14 and member of the Committee on Housing and Buildings.  
15 I am Kazimir Vilenchik, Acting Commissioner for the  
16 New York City Department of Buildings and I am joined  
17 today by Sharon Neill, members of my leadership,  
18 department leadership team, Deputy Commissioner for  
19 Finance and Administration Sharon Neill, Chief of  
20 Staff and the leader of Human Resources Nadya  
21 Stevens, and Deputy Commissioner for External  
22 Communication Guillermo Patino. We are pleased to be  
23 here to discuss the Fiscal Year 2024 Preliminary  
24 Budget and the Department priorities for the upcoming  
25 year.

2 Construction and real estate are the backbone of  
3 New York City, a built environment unlike any other.  
4 As the primary regulator of these vital industries,  
5 the Department helps facilitate the creation of new  
6 residential and commercial space for our growing  
7 city, all the while promoting safety on tens of  
8 thousands of active construction sites and at the  
9 city's nearly 1.1 million existing buildings.  
10 Through its work, the department strives to strike  
11 the right balance between compliant development and  
12 safety. To further its mission, the department, with  
13 approximately 1,600 dedicated public servants,  
14 enforces the City's Construction Codes, the Zoning  
15 Resolution, and the New York State Multiple Dwelling  
16 Law, to protect those who live, work, or visit the  
17 city.

18 The Fiscal Year 2024 Preliminary Budget allocates  
19 approximately \$188 million in expense funds to the  
20 Department. Of this funding, approximately \$155  
21 million is for Personal Services, which supports  
22 1,833 budgeted positions, and nearly \$33 million is  
23 for Other Than Personal Services, which primarily  
24 supports contractual services, equipment, and  
25 supplies. This funding is critical to supporting the

1 Department's mission and priorities. The Department  
2 continues to make tremendous progress in key areas,  
3 including to facilitate compliant development in an  
4 efficient manner, to improve safety at construction  
5 sites, and to ensure building owners implement  
6 aggressive emissions reductions and energy  
7 conservation measures, all while continuing to  
8 improve the services we offer to our customers and  
9 members of the public.  
10

11 In Fiscal Year 2022, the last full fiscal year,  
12 approximately 150,000 construction jobs were filed  
13 with the Department, and we issued nearly 164,000  
14 initial and renewal construction permits combined.  
15 This represents an uptick from the previous fiscal  
16 year, which indicates that construction activity is  
17 picking up as the construction industry recovers from  
18 the impact of the COVID-19 pandemic, which included a  
19 pause on non-essential construction.

20 So far, this fiscal year, we are already seeing  
21 an uptick over the construction jobs filed and  
22 permitted last year, which indicates that the  
23 industry is hard at work.

24 The number of construction jobs filed online in  
25 DOB NOW continues to grow year over year as we

1  
2 continue our shift from the Buildings Information  
3 System, a three-decades-old mainframe system. The  
4 majority of construction jobs are currently filed in  
5 DOB NOW. Earlier this month, the Department took  
6 steps to further phase-in DOB NOW by requiring full  
7 demolition jobs to be filed in DOB NOW. When fully  
8 implemented, DOB NOW will allow our customers to  
9 conduct all of their business with the Department  
10 online, which will lead to greater efficiency and  
11 more transparency by allowing building owners,  
12 business owners, design professionals, and  
13 contractors to determine exactly where a construction  
14 project is in the approval process.

15 Despite recent increases in construction  
16 activity, we continue to review plans for new  
17 buildings, major renovations, and minor renovations  
18 expeditiously. Last year, we completed initial plan  
19 reviews for new buildings in eight days, which is an  
20 improvement over nine days the previous year. The  
21 time it took for the Department to review  
22 applications involving major renovation was six days,  
23 which is also an improvement over nine days the  
24 previous year. Applications involving minor  
25 alterations continue to be reviewed within two

1 business days. We are on track to maintain and to  
2 improve upon these strong service levels this year.  
3 Our goal is to continue to promptly complete our  
4 initial plan reviews and to ensure that customers  
5 know what to expect when their plans are being  
6 reviewed by continuing to train our plan examiners to  
7 ensure that plan review is efficient and consistent.  
8

9 We have also launched new programs to create  
10 greater efficiencies for certain projects, including  
11 larger construction projects and those pursued by  
12 small businesses. We have launched our Major Project  
13 Development Program, which provides larger  
14 construction projects with dedicated resources at the  
15 Department. The goal of this program is to engage  
16 with larger construction projects, even before they  
17 begin their project to review the project scope and  
18 to work together to find best paths forward.

19 The Department is continuing this hands-on the  
20 approach to help prevent delays on these larger  
21 construction sites, with the goal of keeping the  
22 industry working on safe and code compliant  
23 development projects. We also recognize that  
24 businesses may face hurdles when embarking on a  
25 construction project. As such, we recently launched

1  
2 a Small Business Support Team, which provides  
3 businesses with dedicated resources at the  
4 Department, who they can rely on even before they  
5 start a construction project or at any time during  
6 the process if they have any question or face any  
7 hurdles. This innovation program eliminates any  
8 construction-related uncertainties a business may  
9 face as they operate their business or work towards  
10 opening their new business.

11 The wait time between a construction inspection  
12 request and an inspection, which occurs after a  
13 construction project is completed by a contractor,  
14 also continues to be short. Development inspections  
15 are being completed within three days of a request in  
16 most instances, which includes inspection involving  
17 general construction, electrical work, and plumbing  
18 work. This progress on the development inspection  
19 service levels can be attributed to the efficiencies  
20 gained from DOB NOW, which allows for all types of  
21 development inspection to be scheduled online. This  
22 makes it easier for our customers to schedule  
23 inspection appointments and offer more precise  
24 inspection scheduling.

1  
2 To help our customers understand what to expect  
3 when starting a construction project, we have  
4 launched a Customer Services Dashboard, which we  
5 continue to improve upon. This online tool allows  
6 our customers to view a variety of metrics that are  
7 updated regularly, including the average wait times  
8 for plan review by job type, the number of  
9 appointments to plan approval, and the time it takes  
10 the Department to complete inspection requests.

11 We also continue to respond to complaints from  
12 members of the public expeditiously. We are  
13 responding to the most serious complaints, Priority A  
14 complaints, which are those complaints that relates  
15 to conditions that may present an immediate threat to  
16 the public, within hours. We are responding to  
17 Priority B complaints, which capture violating  
18 conditions that if occurring, while serious, do not  
19 represent an immediate threat to the public, within  
20 ten days. As a result of responding to these  
21 complaints, and our proactive inspections concerning  
22 construction safety, we issued nearly 67,000 OATH  
23 summonses last fiscal year.

24 To ensure that safety regulations are being  
25 complied with at construction sites, the Department

1 continues to conduct proactive, unannounced  
2 inspections of large construction sites. Since these  
3 inspections began in late 2018, the Department has  
4 conducted over 95,000 proactive inspections at nearly  
5 38,000 unique construction sites. During these  
6 inspections, we ensure that workers and supervisors  
7 have received the construction safety training they  
8 needed to work on such sites.  
9

10 While the Department will continue to conduct  
11 proactive inspections at sites that pose the greatest  
12 safety risk, we recognize that incidents can occur at  
13 sites of any size. As such, late last year we  
14 announced the start of a construction safety campaign  
15 that will involve enforcement sweeps and educational  
16 outreach to all active constructive sites, regardless  
17 of size. To date, we have already visited over 4,000  
18 sites to look for unsafe conditions and to distribute  
19 multilingual educational materials to construction  
20 workers about avoiding common work site hazards.

21 The Department is also prepared to fulfill its  
22 obligation to address greenhouse gas emissions coming  
23 from buildings. We are well positioned, with a  
24 dedicated team of energy and sustainability experts,  
25 to support the city's goal of achieving carbon

1  
2 neutrality. In addition to enforcing the Energy  
3 Code, enforcing existing laws that require certain  
4 buildings to report their energy and water use and to  
5 perform retro commissioning, we are also implementing  
6 the Climate Mobilization Act.

7 The Climate Mobilization Act requires all new  
8 buildings and existing buildings undergoing certain  
9 major roof renovations to install a solar  
10 photovoltaic system, a green roof system, or a  
11 combination of the two, and regulates greenhouse gas  
12 emissions at large buildings starting next year. At  
13 the end of last year, the Department released the  
14 Local Law 97 of 2019 Advisory Board report, which  
15 includes a collection of recommendations for the city  
16 to consider regarding the implementation of Local Law  
17 97. We also finalized the first comprehensive set of  
18 rules that support the implementation of this  
19 groundbreaking law and plan on issuing additional  
20 rules throughout this year to ensure building owners  
21 have the guidance they need to comply with this law.

22 While I'm proud of the strong service level we  
23 are maintaining and of the ambitious goal we are  
24 pursuing, I understand that more can be done to  
25 better serve New Yorkers. As such, we are partnering

2 with the industry to craft recommendations for  
3 structural improvements at the Department. Late last  
4 year, the Department launched the Adams Commission,  
5 which convened stakeholders from labor, industry, the  
6 nonprofit sector, and city government to produce  
7 recommendations for improving the work of the  
8 Department. The Department is in the process of  
9 finalizing these recommendations and expects to share  
10 them with the City Council in the coming weeks.  
11 Further, we look forward to your support to implement  
12 any recommendations that might require changes to the  
13 law.

14 Thank you for the opportunity to testify before  
15 you. We look forward to partnering with you to  
16 improve the work of the Department for the benefit of  
17 all New Yorkers. We welcome any questions that you  
18 have.

19 CHAIRPERSON SANCHEZ: Excellent, thank you.  
20 Thank you so much for your testimony Commissioner.  
21 I'm going to ask just a few quick questions and then  
22 I'm going to turn it over to some of my colleagues  
23 who have some time constraints and definitely want to  
24 encourage their participation.  
25

1 So, starting off, thank you, thank you for your  
2 testimony. You highlighted of course a couple of  
3 areas in which DOB has improved timelines such as  
4 reviewing certain kinds of applications but I  
5 mentioned in my testimony with 133 headcount removed  
6 and the \$51 million in cuts from the FY23 Adopted  
7 Plan, does DOB have the resources to ensure your core  
8 mission? Like building safety enforcement? Do you  
9 feel confident that you have the amount of resources  
10 that you need?  
11

12 KAZIMIR VILENCHIK: DOB is committed to provide  
13 evidence by our service level first of all during  
14 plan examination. Our service continues to be  
15 improved and with implementation of DOB NOW, which  
16 definitely proves efficiency around our plan  
17 examination level. We are looking forward to see  
18 that service level even improve with our goal to two  
19 business day for each application.

20 So, I committed to this goal and kind of working  
21 towards this direction, this current staff level. In  
22 addition, if speaking about inspection level, we are  
23 improving efficiency of our operation. We're  
24 improving cross training of our inspectors. Make  
25 sure when inspector is dispatched or dispatched to

1  
2 the site, in spite that he is cross trained to  
3 perform multi-rate inspections.

4 If we needed to visit, for example, if we send a  
5 boiler inspector to inspect a site in the vicinity of  
6 the boiler inspection area, there is a stop work  
7 order which needs to be visited off site which is  
8 abandoned. We utilize this inspector to perform this  
9 inspection. So, overall as I said, we implemented  
10 this efficiency in our duration. With DOB NOW, we  
11 route an inspector and I'm very confident that we  
12 complete our tasks.

13 CHAIRPERSON SANCHEZ: Thank you. Thank you  
14 Commissioner. Zooming in, so understanding that you  
15 know maybe some inspectors can do – they can carry  
16 out more than one kind of inspection and there's  
17 cross training but what about the fact that DOB did  
18 not meet your target of 140,000 inspections this  
19 year?

20 KAZIMIR VILENCHIK: This explains the target.  
21 First of all, I want to say that we're going to  
22 change this reporting structure because it does not  
23 reflect our department right now who perform two  
24 types of inspection.

1  
2 First, the development inspection and enforcement  
3 inspection. Development inspection is more  
4 associated with the construction industry, when the  
5 work is completed, we send an inspector to site and  
6 enforcement inspection and mainly inspections related  
7 to complaints on safe conditions which we visited.

8 So, this number does not reflect all of the  
9 inspections, of our current level of inspections  
10 around 300,000 inspection per year and we kind of  
11 found a way to meet this level for next year right  
12 now.

13 CHAIRPERSON SANCHEZ: Okay, and what can we  
14 expect in terms of changes to those two types of  
15 inspections? Are you saying you're going to have  
16 different targets for development inspections versus  
17 enforcement?

18 KAZIMIR VILENCHIK: Yes, we're going to modify  
19 MMR differently. See a reason that we're going to  
20 discuss with you how we're going to modify MMR to  
21 reflect the way we operate because this seems to be a  
22 better way to report and first of all, better way to  
23 inspect and to assign of an inspection.

24 So, in this case, no confusion that we haven't  
25 met our target.

2 CHAIRPERSON SANCHEZ: Okay and finally, how and  
3 this is a related question. How is DOB balancing  
4 that need to get core safety and inspections right  
5 while advancing those regulatory reforms that were  
6 proposed in the BLAST report that you all published,  
7 the administration published a few months ago as well  
8 as implementing important legislation like Local Law  
9 97?

10 KAZIMIR VILENCHICK: Depending of Local Law 97 is  
11 kind of a long subject for now, so we're kind of  
12 working to – as I said, we just released advisory  
13 board report and we released a set of rules and Local  
14 Law Enforcement Division contained 24 dedicated  
15 individuals right now. So, obviously this division  
16 will need to be enforced once the rules are  
17 developed. Because with its current set of rules, it  
18 would be good enough to work with it right now but  
19 once the reports start coming in, we definitely will  
20 be approach and discuss with OMB how we need to  
21 improve this division.

22 CHAIRPERSON SANCHEZ: Okay, could you put the mic  
23 a little bit closer to you, it's a little difficult  
24 to hear.

25 KAZIMIR VILENCHICK: Sorry, yeah.

2 CHAIRPERSON SANCHEZ: So, now I'm going to start  
3 turning it over to my colleagues. Council Member  
4 Carr, you were first up and then we're going to go to  
5 our Public Advocate and then to Council Member Abreu.

6 COUNCIL MEMBER CARR: Thank you so much Chair  
7 Sanchez. Commissioner, it's good to see you and your  
8 team. I want to just focus a little bit in my  
9 questioning about Local Law 97, right. We're coming  
10 up in 2024, the year where enforcement begins from  
11 your agency and I guess I'm just kind of concerned  
12 about the benchmark or the standard by which we're  
13 going to be judging folks use of the electrical grid.  
14 Because my understanding is when Local Law 97 was  
15 enacted, a very specific energy usage was written  
16 into the law with respect to the entire system. And  
17 yet, a lots changed since the law was enacted. We've  
18 seen a 47 percent increase since the enactment of  
19 Local Law 97 in terms of emissions for the NYC  
20 region, 27 percent in the last year. Perhaps it has  
21 something to do with the closure of the Indian Point  
22 Nuclear facility. We see fossil fuel use up across  
23 the board for the area. And so, I'm just wondering  
24 if that's the benchmark, the standard by which  
25 buildings own energy consumption carbon usage going

1  
2 to be determined or measured against, how are you  
3 able to give guidance to those buildings about how  
4 they're going to come into compliance again, when  
5 kind of the measuring stick has kind of changed a lot  
6 since that enactment took place. So, how are you  
7 going to give that kind of guidance? How are you  
8 going to do that kind of enforcement when again, the  
9 standard against which buildings are measured, seems  
10 to be out of date based on our own regional  
11 consumption based on sources of energy we no longer  
12 have?

13 KAZIMIR VILENCHIK: Yeah, this time as I said,  
14 this Local Law 97 right now Advisory Board's Report  
15 was released and only first set of rules was issued  
16 right now. So, it's the first set of rule, allowed  
17 building owners to calculate their emission,  
18 establish a based benchmark based on cohesion  
19 established in the rules, and this has created a  
20 benchmark and after that, it's the right cohesions,  
21 which kind of owner supposed to equalize the energy  
22 use.

23 So, first report is expected to be only, the  
24 compliance date is 25 and first reports will be  
25 probably start coming in 24<sup>th</sup>. This as I said, a

1  
2 total staff of Local Law 97 unit, I'm sorry ability  
3 unit is 54 employees and those employees with not  
4 just Local Law but energy related, system ability  
5 related loss and dedicated to energy court planning  
6 semination process.

7 For the rules, will be developed obviously to  
8 clarify submission request. I believe for this time,  
9 we have for benchmark established precisely and we'll  
10 see because as I said, this is only for set of rules  
11 and more will be developed and we're expecting a  
12 covered building will be able to submit their reports  
13 on time when received quality review for that.

14 COUNCIL MEMBER CARR: Okay, well, I think it's  
15 difficult to hold buildings to a standard and we  
16 ourselves as a regional energy strategy are burning  
17 more fossil fuels at the same time. And I'll just  
18 ask my last question, which is related to site safety  
19 inspections. We passed legislation at the end of  
20 last term to protect workers on sites and there's  
21 some concern amongst those in organized labor that  
22 you know may DOB doesn't have the resources to make  
23 sure that law is being enforced properly. That folks  
24 are safe on site.

1  
2 Can you speak a little to that and whether or not  
3 you feel you have the resources you need to do the  
4 enforcement of that recent enactment?

5 KAZIMIR VILENCHIK: Okay, no we committed to  
6 comply with the law no question about and as I said,  
7 It's like we're looking to improve our efficiency and  
8 with that in our dispatch system for inspectors was  
9 manual until now, let's say. So, we're implementing  
10 IT solution more efficiently to dispatch dispatchers  
11 to the construction site. And obviously it will be  
12 more inspection done.

13 In addition, we established a construction safety  
14 compliance unit who performed what we call proactive  
15 inspections and we have construction safety  
16 enforcement unit who perform a reactive inspection.  
17 So, between those three units, It's 138 inspectors  
18 we're technically covering the majority of the  
19 construction sites, and we were able to complete all  
20 the tasks. Obviously, besides doing inspection, just  
21 enforcing the law does not work. So, we're reaching  
22 out to the industry, we're seeing a partner in the  
23 industry and developers and the construction  
24 management industry. We're talking to them. We're

1 explaining to them for example, we recently issued a  
2 major recent why staff can issued.

3  
4 So, people know we're giving them full  
5 transparency. That if we absorb this condition stop  
6 work order will issued immediately. And this is, I'm  
7 sorry, this will definitely help the construction  
8 industry to plan the operation, understand our  
9 criteria's to keep workers safe. And obviously we're  
10 enforcing site safety parts, Local Law 196.

11 COUNCIL MEMBER CARR: Thank you Commissioner.  
12 Thank you Chair.

13 CHAIRPERSON SANCHEZ: Thank you so much and I  
14 know Commissioner that we've talked about the new SST  
15 requirements and there was a little bit of more time  
16 that was given to certain workers to get their cards  
17 but I want to make sure that we continue to follow  
18 closely the implementation of -

19 KAZIMIR VILENCHIK: And we do. At this point of  
20 time, it's 250,000 cars were issued, so it's our  
21 discussion with the industry. The industry ask us  
22 for not delay but what we call self-enforcement. So,  
23 the law is applying but we are not issuing  
24 violations, so for people who are in possession of  
25

1  
2 legitimate car but not the car that's required  
3 currently.

4 So, this law, this self-enforcement period is  
5 expired on Monday and full enforcement will be  
6 inspected to start.

7 CHAIRPERSON SANCHEZ: Thank you. Thank you.  
8 That's helpful Commissioner. Next, we're going to go  
9 to our Public Advocate Jumaane Williams.

10 PUBLIC ADVOCATE WILLIAMS: Thank you very much  
11 Madam Chair and I just actually want to read a  
12 statement into the record. As mentioned, my name is  
13 Jumaane Williams, Public Advocate for the City of New  
14 York. I want to again thank Chair Sanchez and the  
15 members of the Committee on Housing and Buildings for  
16 holding this hearing.

17 My testimony will address housing issues as well  
18 as building code enforcement as overseen. And thank  
19 you Chair for allowing me for reading this  
20 respectively, on the Department of Housing  
21 Preservation and Department of Buildings.

22 With a deteriorating housing stock and a  
23 worsening affordability crisis, preserving and  
24 building new affordable housing, income targeted  
25 affordable housing in the City of New York is more

2 important than ever. As of February, the city's  
3 homeless population reached a high of 77,000 people,  
4 a concerning number that coincides with the loss of  
5 thousands of rent-stabilized apartments in the city  
6 and loss of thousands of income-targeted affordable  
7 units as a whole.

8 The Mayor's current proposal allocates \$36  
9 million dollars for HPD's Office of Development,  
10 earmarking funds for homeowner assistance programs,  
11 supportive housing and emergency rental vouchers. An  
12 additional \$660,000 is allocated towards rental  
13 subsidy programs, reflecting a critical need to  
14 support rent-burdened households. Staffing the  
15 departments in charge of these programs is key; a  
16 recent report by the Comptroller's office found that  
17 amid high vacancy rates, HPD only met 33 percent of  
18 its targets, the Office of Administration ranking as  
19 one of the units of appropriation with the highest  
20 vacancy rate across city agencies.

21 In addition to supporting homeowners and renters,  
22 the city must invest in efforts to legalize, regulate  
23 and ensure the safety of converted accessory dwelling  
24 units or ADUs. The conversion of ADUs can help meet  
25 the need for housing stock. There are currently an

2 estimated 400,000 people living in basement and  
3 cellar dwellings across the five boroughs. In  
4 addition to this, the city and state have explored  
5 converting empty office buildings into housing as an  
6 alternative to building on public land, which proves  
7 difficult given the shortage of publicly owned land.

8 I urge the Council to pass Resolution 503, which  
9 calls for the conversion of commercial units to  
10 residential units. We have to make sure that  
11 affordability is key there, and that those  
12 neighborhoods have what they need so residents can  
13 live comfortable lives. The creation of the  
14 Affordable Housing from Commercial Conversions tax  
15 benefit program would stimulate more funding for  
16 conversion projects, funding often cited as a key  
17 barrier to conversion efforts. DOB staffing should  
18 be increased to move this process forward quickly and  
19 create new housing.

20 Furthermore, with recent legislation seeking to  
21 amend building codes, DOB must commit to enforcing  
22 code compliance. Code enforcement will not only  
23 equip our city's buildings with the means to weather  
24 the impact of climate change, as it pertains to new  
25 green energy-efficient initiatives, but it will also

1  
2 ensure the lives and safety of New Yorkers as it  
3 relates to fire prevention. In this, I commend the  
4 administration for allocating additional city funds  
5 to reinspecting buildings and existing self-closing  
6 door violations.

7 I will say, as the Chair has mentioned, in both  
8 of these agencies there seems to be a high rate of  
9 vacancies, and I do agree in trying to find  
10 efficiencies where possible in terms of vacancies,  
11 but not every vacancy is the same. Vacancies at DOB  
12 and HPD are very harmful, particularly if we don't  
13 have enough people to inspect housing, for people to  
14 go into, or inspect construction sites, where we have  
15 sadly seen an uptick in deaths. And I was proud to  
16 have worked on Local Law 97, as it does concern me to  
17 see what we can do to prevent those deaths from  
18 coming in.

19 I would also like to know what is the total  
20 revenues received from issuing After Hours Variances  
21 for this fiscal year and the previous fiscal years  
22 before and during the pandemic. And in closing, I  
23 would like to know whether the AHV or After-Hours  
24 Variance revenues end up in New York City's general  
25

1 funds or does it remain in the agency. Thank you so  
2 much.  
3

4 CHAIRPERSON SANCHEZ: Thank you so much Public  
5 Advocate. DOB, would you want to respond to any of  
6 the questions that the Public Advocate face,  
7 presented?

8 KAZIMIR VILENCHIK: Yeah, sure. Thank you so  
9 much for your statement. We are fully committed to  
10 support you. Everything that you said is definitely,  
11 it's a true fact which we're looking into and I  
12 picked it up right away; like you're talking about  
13 basement cellar unit and we're totally commitment to  
14 work with the Council to make this unit legal. We  
15 are observing, we as you know, in our reinforcement  
16 unit, we have one of the enforcement unit called  
17 Quality of Life and this enforcement unit  
18 unfortunately it didn't work following the complaints  
19 and vacating illegal unit. So, there is a great  
20 merit of what you're saying and we have to find the  
21 safe way to use those units. It's an incredible  
22 large stock of units, which we can improve.  
23 Definitely living conditions. We improve lives and  
24 we improve safety and we put a lot of new units on  
25 the market, make our rental much cheaper. So, we're

1 really committed to work with you on this, if you  
2 want this and get back to you on our proposals  
3 because we have definitely have an idea how to make  
4 it right and make it safe for everyone.

5 If you – you know Sharon, would you like to  
6 discuss after hours?  
7

8 SHARON NEILL: Sure, so we collected \$26 million  
9 in Fiscal Year 2022 for after hour variance requests  
10 and we're at \$18 million year to date this year.

11 PUBLIC ADVOCATE WILLIAMS: And that goes all to  
12 the general fund?

13 SHARON NEILL: Yes.

14 PUBLIC ADVOCATE WILLIAMS: Thank you. And in  
15 terms with the first answer with the dwelling units  
16 and of course construction site safety, I just want  
17 to add you know, saying that I didn't think that  
18 there was enough inspectors for DOB and HPD, so it  
19 does concern me if there are any vacancies in some of  
20 these agencies and hope we could push to not only  
21 fill some of those but particularly when it comes to  
22 inspectors, getting enough out there to get all of  
23 the inspections that we need. Particularly, we see  
24 deaths going up and we see a housing crisis where  
25 some folks can't even get their housing inspected.

1  
2 This is for another agency but their housing  
3 inspected so they can move in. Thank you.

4 CHAIRPERSON SANCHEZ: Thank you. Thank you  
5 Public Advocate and I'll turn it over to Council  
6 Member Barron.

7 COUNCIL MEMBER BARRON: Thank you very much. You  
8 know there's some conflicting reports, or conflicting  
9 analysis of progress and when I hear the Chairs  
10 report saying that 140,000 failing to inspect, the  
11 number, the goal that you should have inspected. We  
12 hear your report, we're doing great with what we  
13 have. We're happy that we're reaching goals. And  
14 hear somebody else, I want to commend the Mayor, the  
15 Administration for what they're doing and then the  
16 PEGs, the Administration is cutting. Then I hear, oh  
17 vacancies can be filled. No, they can't be filled  
18 but the Mayor said, they could if you fill those and  
19 then we'll give you more and until you fill those,  
20 you're not getting anymore. Then hear agencies say,  
21 we tried to get it filled but OMB didn't put them all  
22 through and come on. What the hell is going on? You  
23 know this is some serious stuff and all of these you  
24 know this double talking and all of the, trying to  
25 get clarity on what's happening. What's happening

1 with the vacancies and is your pay equitable to the  
2 skills and talents of the people that need to be  
3 hired for these positions? Just what is really truly  
4 going on? Let's forget the politics. Let's forget  
5 that we can't criticize the Mayor publicly because  
6 you know awkward position. But the bottom line, this  
7 stuff ain't going right and the safety of our people  
8 in these buildings are at risk while these games are  
9 being played. \$36 million out of a \$102 billion  
10 budget.  
11

12 You know, three percent PEGs from all the  
13 agencies. PEGs, these are cuts, savings. These are  
14 cuts. What is the real picture of filling vacancies,  
15 making building safer for our people? And you having  
16 access to be able to offer people a decent, quality  
17 prevailing salary to fill these positions. What's  
18 going on, really?

19 KAZIMIR VILENCHIK: First of all, to address the  
20 salary, I'd just like to mention that recently OMB  
21 allowed us to increase; give a 15 percent increase of  
22 salary for employees. It is hard to recruit titles  
23 and inspectors, one of those. Second, is thanks to  
24 City Council, you passed the law which allows to hire  
25 people with lower experience level and allow them to

2 train and bring through the Department training to  
3 the level required for to perform job duties.

4 Third, we definitely are trying to attract the  
5 applicants because our position with the Department  
6 is a profession in debt with the market. Which a  
7 profession which has a value outside of the  
8 Department. This is the biggest market value to  
9 attract applicants to work for us. We give a real  
10 time training. We give certifications. We allow  
11 people to participate in a project which under - in  
12 the project industry, you're not all that has to  
13 experienced and move from project to project, which  
14 is not a beneficial point and this so - what I'm  
15 trying to say that money, although salary it's  
16 important and we bonded obviously by union agreement  
17 that was allocated for inspectors but money is  
18 important but obtaining level of development when a  
19 person working for DOB is invaluable.

20 At any given moment, a person with I always cite  
21 example that the plan examiner with two, three years'  
22 experience working with Department of Building has  
23 doubled the valued the value of the salary outside  
24 and street.

1  
2 So, the same apply for inspectors and they see  
3 that some of our inspectors leaving us but this is  
4 only after so many years of inspector. That's what  
5 we're trying to market. That's what you're trying to  
6 say to people. We introduce union for our  
7 inspectors. I was really proud to recently conduct  
8 an inspector graduation ceremony cause and it was so  
9 beautiful for the family to see people in uniform  
10 pledging the Allegiance through the Department of  
11 Buildings to perform an inspection, safety  
12 inspection, honest inspection.

13 And I'm just trying to explain to you that it's  
14 not just salary is most attractive but obviously -

15 COUNCIL MEMBER BARRON: Yeah, but it's more than  
16 just the salaries. It's your ability to fill these  
17 vacancies, which is contradicting to what we're  
18 hearing from OMB sometimes and you all couldn't do it  
19 but you're not doing it, so we're not going to add no  
20 more. You know, something's up and I know, it's not  
21 making sense to me. Secondly, and this will be my  
22 last question.

23 The FDNY and the unions and those FDNY inspectors  
24 from the Fire Department, mostly Black, I'm going to  
25 turn this into a Black and White discussion. So, the

1  
2 Black Mayor wants to take the Black members of the  
3 FDNY mostly who does inspections on structural stuff,  
4 you know like alarms and all of that, put them under  
5 you DOB but your racial composition is very, very  
6 different than the racial composition of those fire  
7 inspectors who are more experienced but yet the Mayor  
8 wants to put those inspectors either under your  
9 department or they are discussing it. Are you aware  
10 of that plan or that discussion that they're trying  
11 to do that and a lot of the FDNY, which is a very  
12 racist institution but did have these Black  
13 inspectors, Fire Inspectors who are far more  
14 experienced than the DOB inspectors on structural  
15 questions but yet wants to put it all under you.

16 I think they may have backed up off it when  
17 people had some push back but where are you on that  
18 plan? Your position on it and where is it at this  
19 point?

20 KAZIMIR VILENCHIK: So, this recommendation was  
21 made in the blast, Get Stuff Built report and it's  
22 suggest coordination. It doesn't say directly that  
23 it should be transferred on the Department of  
24 Building jurisdiction but it says it should be

1  
2 coordination efforts between the Department of  
3 Buildings and the FDNY.

4 COUNCIL MEMBER BARRON: Well, that's a different  
5 interpretation. They're saying it's coming under  
6 your control now because they were doing fine without  
7 you. They were experienced. They knew what they  
8 were doing, so why the shift? What's the purpose of  
9 the shift?

10 KAZIMIR VILENCHIK: The shift is - it was, I  
11 believe it was some slight delay in inspections from  
12 where inspections were not conducted timely and  
13 people were waiting -

14 COUNCIL MEMBER BARRON: Oh, they were doing great  
15 with the inspections. You're not even doing good  
16 with all your inspections. Nobody is shifting your  
17 stuff anywhere. But people think it was more of  
18 racist thing than it was. They weren't doing  
19 inspections. These were professional Black fire  
20 fighter inspectors who were doing an excellent job  
21 but now it wanted to be shifted under your  
22 department.

23 And it wasn't because of any incompetency of  
24 their inspections or lack of doing the amount of  
25 inspections they were supposed to do. You haven't

1 done all the inspections you all were supposed to do  
2 either. Nobody is shifting you anywhere, so I don't  
3 think that was the reason but continue.  
4

5 KAZIMIR VILENCHIK: Yeah, no definitely. I agree  
6 with you that that's definitely not the way I'm  
7 looking into this. It's just a coordination issue  
8 and you know our inspection rate, it's like we're  
9 conducting all the development inspection in two,  
10 three business days. I don't know what's the current  
11 rate for everything rise today but our inspection is  
12 two to three business days and on our enforcement  
13 side, we do this safety inspection. We classified as  
14 a priority in four hours, so we're definitely very  
15 proud of our service level.

16 As again, I don't want to criticize or say  
17 anything about that, I'm not in possession of their -

18 COUNCIL MEMBER BARRON: Do you know where the  
19 plan is at this point?

20 KAZIMIR VILENCHIK: At this point, we're still  
21 negotiating.

22 COUNCIL MEMBER BARRON: Negotiating.

23 KAZIMIR VILENCHIK: Right, so nothing yet  
24 affirmative I can report to you but you know I will  
25 keep you posted.

1  
2 COUNCIL MEMBER BARRON: Well, I'd like to be kept  
3 updated on that and how the negotiations are going.  
4 I'd like to be very, very informed on that.

5 CHAIRPERSON SANCHEZ: Thank you Council Member.

6 SHARON NEILL: Excuse me Chair. Council Member  
7 if I could just add one piece to that. At DOB our  
8 staff is 49 percent people of color.

9 COUNCIL MEMBER BARRON: I'm not talking about  
10 DOB's staff. I was talking about the specific  
11 structural inspectors. I'm not talking about  
12 diversity in DOB, you know like, I know all the  
13 statistics. I'm talking about not for the structural  
14 inspectors, it's a little different. So, you don't  
15 have to - you know DOB 49 percent, the whole agency.  
16 I'm talking about the structural inspectors. Do you  
17 have that number?

18 SHARON NEILL: I don't have the numbers.

19 COUNCIL MEMBER BARRON: Right, that's what I'm  
20 talking about, not the whole agency.

21 CHAIRPERSON SANCHEZ: Thank you Council Member  
22 Barron. Thank you. So, please do follow-up on  
23 Council Member Barron's question there and I know  
24 that there is a lot to be determined with the FDNY  
25

1  
2 and DOB inspectors but let's continue to have those  
3 conversations.

4 I now want to turn it over to Council Member  
5 Feliz.

6 COUNCIL MEMBER FELIZ: Thank you. Thank you  
7 Chair Sanchez for this hearing. Thank you to  
8 colleagues who have joined and thank you to those who  
9 have Resolutions and Bills before this Committee  
10 today.

11 So, a few questions. Borough President Mark  
12 Levine recently announced a very creative plan to  
13 take down sidewalk sheds. Call for streamline  
14 permits to get construction done. What's your  
15 opinion on that? Is that feasible? And do you agree  
16 with that plan?

17 KAZIMIR VILENCHIK: Yes, sidewalk shed is  
18 definitely a problem in our city. As you see it's a  
19 lot of areas covered by the sidewalk sheds. You see  
20 a lot of them in the commercial corridors and we  
21 understand that's a problem. I believe it's about  
22 10,000 sheds or building with a shed at this moment.

23 Some of the sheds in place for more than five  
24 years. So, to enforce shed removal to improve the  
25 uptick of this. We created long standing shed

1  
2 program and for those sheds we're standing five or  
3 plus more years. It's about 180 sheds at this  
4 moment. Right now, it's part of this program.

5 In addition, you realize that a longstanding shed  
6 is bad when it's next to it, even new shed directed.  
7 So, realizing this problem, as I said to improve the  
8 upticks of the public and convenience for  
9 pedestrians, we decided to follow any shed and we  
10 initiated a pilot program, which is in Community  
11 Board 101 and 105 in Manhattan which is commercial;  
12 in the commercial area, it's a lot of sheds cover it.  
13 We initiate the program whenever we install the shed,  
14 we are following up with email, how can we help you  
15 to proceed to replace your obligation? Which is of  
16 course shed installation in the first place and to  
17 eliminate the shed.

18 With president proposal, I especially like  
19 suggestion to improve access to low interest loans  
20 for people to implement repairs. So, obviously the  
21 Department of Buildings, we cannot provide this  
22 access but we fully support this because we have to  
23 eliminate when construction work cost a lot more in  
24 much more efficient and cheaper wages to continue  
25 paying rent for the shed in place. This is obviously

1 kind of effect our quality of life, the different  
2 experienced businesses. So, a couple things we are  
3 doing right now to make sure that the shed  
4 disappears. New cost allowed for shed, for different  
5 models of sheds. Not different models, for more  
6 modified shed. We seek to increase span so give it a  
7 little more light to pedestrians on the sidewalk and  
8 we are looking for RFP, Request for Proposal. We are  
9 currently reviewing what we should do. Maybe we  
10 create a new shed competition if we need it. Because  
11 we cannot eliminate completely sheds. They need it.  
12 Okay, so sometimes sheds is a good sign. It means  
13 construction. They cannot make activity because any  
14 extension of a two-story high, you need to install  
15 the shed.  
16

17 So, sometimes it's a good thing. But we're  
18 trying to mainly - to eliminate sheds which are  
19 effected by Local Law 11 for example and owners might  
20 not have sufficient funds to complete the repairs.  
21 And as a result, they are keeping the shed in place  
22 and just paying rent.

23 COUNCIL MEMBER FELIZ: Yeah, and I guess getting  
24 a little bit more specific, what are examples of  
25

1  
2 processes that could be streamlined to speed up  
3 construction? If you have any now?

4 KAZIMIR VILENCHIK: Right, I'm going to give you  
5 from my point of view because it's from Department of  
6 Buildings point of view because obviously, as I said,  
7 we cannot financially have help to owners but we have  
8 small business improvement team, which can help  
9 building owner needs help to understanding phasing.  
10 To understand how to process applications through the  
11 Department of Buildings to file a job. We have  
12 access to our engineer, who as I said, is an  
13 extremely experienced person who can provide advice  
14 how to address the problem.

15 So, these facts keep adding up but the majority  
16 of people complaining that it's financially feasible  
17 instead of performing to keep the [INAUDIBLE 55:27]  
18 in place and with that, as I said, it's like we're  
19 suggesting change the phasing of your construction.  
20 We're looking into shed is not for whole. Shed is  
21 one of the elements which you could use for  
22 pedestrian protection. You may want to use netting  
23 to encapsulate the façade. You might want to install  
24 some kind of deployable structure to protect. So, we  
25 have to find, we keep looking for ways to improve the

1  
2 most efficient, technically efficient to recommend to  
3 the developers and building owners.

4 COUNCIL MEMBER FELIZ: Got it. Chair, I see my  
5 time is up but if I could just conclude with another—

6 CHAIRPERSON SANCHEZ: Sure, go ahead.

7 COUNCIL MEMBER FELIZ: Yup, so a few questions  
8 which are related and which are also related to the  
9 questions that were mentioned earlier. Are DOB staff  
10 centers competitive? How quickly do people or  
11 staffers generally get raise? Would you say what is  
12 the Department doing to retain staff? And also is  
13 retention a problem in the department?

14 KAZIMIR VILENCHIK: Well, we'll start with  
15 retention. It's uh, I can say it's an issue but  
16 we're doing what we can to keep employees in place.  
17 And as I said, we'll produce a lot of factors to make  
18 sure that people understand the value of being an  
19 employee of Department of Buildings and to a certain  
20 extent, Local Law 97 and Local Law 11. This is all  
21 one of the nation's first we're doing and being part,  
22 obviously it's a great achievement for any person  
23 that we could reflect in these resumes for future  
24 life. So, we're trying to introduce this first. We  
25 provide conditional training to our inspectors, to

1  
2 our planning centers. We're introducing new  
3 opportunities for a person to be promoted. For  
4 example, right now, we're kind of trying to stop this  
5 since Department of Building does not have access to  
6 project manager title. Because we're not managing  
7 any capital project. In fact, the management project  
8 but not capital and we're introducing a type of  
9 senior planning seminar to introduce new  
10 opportunities to be promoted for non-licensed  
11 planning examiner. We obviously provided training  
12 for people to become architect and engineers.  
13 Department of Building compensate people for expenses  
14 associated with license and renewals. So, it's all  
15 these factors that make it all this, we make it  
16 factor when we find to retain employees. And this  
17 has double roll because we've kind of raised the  
18 value and it's raced the value for outside  
19 individuals as well. I won't tell nobody you raised  
20 and the fact that its outside value raised as well  
21 and we have been you know trying to compete with the  
22 industry to hold our employees. Obviously the  
23 benefits package is great with Department of  
24 Buildings. So, it's a lot of factors.

1  
2 COUNCIL MEMBER FELIZ: Got it thank you. Thank  
3 you Chair.

4 SHARON NEILL: If I could just add to what the  
5 Commissioner said Council Member. In the past two  
6 quarters, we've had 85 promotions of our staff and we  
7 understand our vacancy rate is an issue. We've done  
8 145 recruitment efforts in those two quarters and  
9 from job fairs to postings to list calls, and we try  
10 to hire from a diverse pool of candidates who we do  
11 job fairs at the NAACP, LGBTQ Community Fair Centers,  
12 Alpha Pia Alpha and technical positions, we're  
13 posting at the school, the Society of Women Engineers  
14 and the National Society of Black Engineers. So,  
15 we're looking to diversify our ranks and to continue  
16 growing the agency.

17 So, we understand and we're looking out for it.  
18 We're doing our best where that's concerned.

19 COUNCIL MEMBER FELIZ: Thank you.

20 CHAIRPERSON SANCHEZ: Thank you. Thank you so  
21 much Council Member and thank you for those  
22 responses. I want to recognize that we've ben joined  
23 by Council Members Cabàn, Restler, Narcisse and  
24 Dinowitz who had to step out.

2 I'm going to ask a series of more questions and  
3 then I'll turn it over to colleagues if they have  
4 additional questions. So, moving to Local Law 97.  
5 Can you just start for this important policy, can you  
6 share what is the amount of funding both personnel  
7 services and other than personnel services as well as  
8 the associated headcount associated with allocating  
9 the implementation of Local Law 97?

10 SHARON NEILL: So, the Sustainability Bureau  
11 actually has a budgeted headcount of 74 authorized  
12 budgeted headcount. Local Law 97 has 11. So, we  
13 anticipate the additional resources will be requested  
14 and we will be negotiating them. As we've testified  
15 last year to the Council, we were waiting for the  
16 work of the Advisory Committee to wrap up  
17 understanding that more work was going to be coming.  
18 So, we're in the process of trying to augment the  
19 Local Law 97 team at DOB.

20 Unfortunately, right now there is six vacancies  
21 in that group. The Deputy Commissioner has been  
22 working very closely with Nadya and her team to make  
23 sure that we're prioritizing those positions to be  
24 hired and hopefully we'll be seeing some movement, so  
25 that we can attract folks to come and work on this

1  
2 very important initiative. So, the issue is going to  
3 be at the same time, that this law is being  
4 implemented and we're going to be trying to hire  
5 people. The industry and building owners are also  
6 going to be looking to hire these same people.

7 So, again, we continue to be in a double edge  
8 situation where we're trying to drive and facilitate  
9 change and hire folks that are typically hard to  
10 recruit. So, this is the situation that we're  
11 constantly in but the good news is echoing the  
12 comments that the Commissioner made, folks who are  
13 very dedicated and want to be part of this change are  
14 going to be very enthusiastic to be joining the  
15 Department of Buildings to do this work.

16 CHAIRPERSON SANCHEZ: Thank you. So, when you  
17 say that there are six vacancies, that's out of the  
18 11 Local Law 97 positions?

19 SHARON NEILL: Hmm, hmm, yes.

20 CHAIRPERSON SANCHEZ: Okay, that is more than  
21 half. How is DOB, can you remind us how DOB is  
22 working with the Chief Climate Officer on the  
23 implementation of Local Law 97?

24 KAZIMIR VILENCHIK: Deputies talk with Chief  
25 Climate Officer in the city. The work I know it's a

1 lot of work. Work is slightly coordinated. As you  
2 know, it is our department, we I believe from last  
3 hearing, we were able to recruit a new Deputy  
4 Commissioner who is in charge of full sustainability  
5 effort, including Local Law 97 [INAUDIBLE 1:02:44].  
6 She is working very closely with Chief Climate  
7 Officers at this time.

9 CHAIRPERSON SANCHEZ: Are there DOB staff that  
10 are working, like DOB lines that are under the Chief  
11 Climate Officer or vice versa?

12 KAZIMIR VILENCHIK: I don't believe so, no.

13 CHAIRPERSON SANCHEZ: There's a segregation but  
14 working together.

15 SHARON NEILL: No, that's not the case. That's  
16 not the case, there's no overlap or detailing of  
17 staff at this time.

18 CHAIRPERSON SANCHEZ: Okay, thank you. So,  
19 following up from a recent hearing, where we were  
20 talking about NYSERDA, an upcoming NYSERDA report on  
21 renewable energy credits, we were told that it was  
22 expected next month. Is that still on track?

23 KAZIMIR VILENCHIK: Yes, yes, it's still on  
24 track. We're working on renewable energy credits.

2 CHAIRPERSON SANCHEZ: Okay, thank you. Okay, so  
3 moving forward to alternative compliance mechanisms,  
4 which has been a subject of questions and  
5 conversation here with you and the Council. So, we  
6 have seen these reports in the last few days, in the  
7 last week around carbon capture technology and carbon  
8 capture technology in particular that has been  
9 retrofitted to possibly be able to be used in  
10 apartment buildings. Usually its you know been used  
11 at big factories and larger sites. So, is carbon  
12 capture technology currently being used or currently  
13 being considered as a compliance mechanism for Local  
14 Law 97.

15 GUILLERMO PATINO: Thank you for that question  
16 Chair. So, we've certainly heard from companies and  
17 building owners that are interested in using that  
18 technology. But it is relatively new technology and  
19 Local Law 97 doesn't contemplate that technology. In  
20 terms of how it could be used to offset emissions.  
21 So, we're talking to the companies and the building  
22 owners that are interested in using that technology  
23 now and we have a lot of questions about the  
24 technology ourselves. Specifically, you know what  
25 happens to the carbon that's being captured. So,

1  
2 we're asking them for more information and we're  
3 evaluating that technology but we're not ready to  
4 determine how it could be used to comply with Local  
5 Law 97 at this time.

6 CHAIRPERSON SANCHEZ: Understood, thank you and  
7 what is the context of pilots of this technology  
8 within the City of New York under DOB's knowledge?

9 GUILLERMO PATINO: So, the city's not piloting  
10 this technology but we're aware of companies piloting  
11 this technology for their own use.

12 CHAIRPERSON SANCHEZ: Got it. Will DOB be  
13 undertaking a study of the risk, benefits, worst case  
14 scenarios for these technologies in residential  
15 buildings?

16 GUILLERMO PATINO: Yes, we're certainly going to  
17 evaluate the technology to see if it has any benefits  
18 and what those benefits are and how it could be used  
19 to comply with Local Law 97 if that use is  
20 applicable. So, we can certainly keep you updated on  
21 those efforts.

22 CHAIRPERSON SANCHEZ: Got it, thank you and as of  
23 this time, is DOB aware of the risk to residents in  
24 offices and New Yorkers that should be avoided and/or  
25 mitigated with respect to carbon capture technology?

1  
2 GUILLERMO PATINO: Not at this time but we'll  
3 look into that as well.

4 CHAIRPERSON SANCHEZ: Thank you so much. Okay,  
5 so turning to – turning back to construction site  
6 safety and compliance, unfortunately, last week the  
7 city saw our first construction fatality of this year  
8 when a 64-year-old construction laborer died after a  
9 wall collapsed at a China Town job site on Lafayette  
10 Street. OSHA counted the 22 construction worker  
11 deaths last calendar year as I mentioned in my  
12 opening remarks, which surpass the previous record of  
13 20 in 2015. So, how does DOB interpret these  
14 numbers? What is happening? Why are we trending in  
15 the wrong direction? And is the city's construction  
16 site safety training getting worse?

17 KAZIMIR VILENCHIK: That's right, it's  
18 unfortunate that happened at Lafayette Street in  
19 Manhattan and I just want to address the OSHA stats.  
20 That OSHA covering entire region, which might not be  
21 all the projects associated with DOB jurisdiction.  
22 So, we, last year, we have only ten that's on the  
23 construction site. We're unfortunate not to take  
24 responsibility but I'm just saying, because the  
25 reporting structure of OSHA is different because not

1  
2 all the buildings on the DOB jurisdiction and it  
3 might happen on the MTA construction site. It may  
4 happen somewhere else, Port Authority construction in  
5 New York area.

6 But you know, we're looking at this very  
7 seriously. We're reviewing these reports because  
8 those workers work as constructors who potentially  
9 might end up being in our site as well. So, it's  
10 equally important to us and we don't want to remove  
11 yourself out of this discussion, so let's be honest  
12 about it.

13 We have ten construction accidents and the first  
14 accident last year, we definitely looked at it. I  
15 don't want to make any conclusion what's happened up  
16 there. We are formerly with knowledge of the  
17 situation and what caused the deaths of the worker.  
18 It was preventable; I can say it right away and what  
19 we do, we're trying to conduct proactive inspections.  
20 Because things like that, when you see the free-  
21 standing wall unsupported, our inspector would be  
22 able to see this as it probably would be pointed out  
23 to a construction super or any competent person  
24 probably would be able to point it out, to work at it  
25

1  
2 so safe conditions exit. So, we're trying to improve  
3 and build upon that.

4 SHARON NEILL: Can I add?

5 KAZIMIR VILENCHIK: Sure, please.

6 CHAIRPERSON SANCHEZ: Can you just bring it a  
7 little closer to you?

8 SHARON NEILL: Sure, so just to let you know and  
9 when you were asking whether or not we thought that  
10 the training was being effective, I would say based  
11 on the numbers that we see in terms of over a quarter  
12 of a million people have their SST you know training  
13 cards at this point, I would say that it's become  
14 very successful and the thing that we've noticed with  
15 the compliance date with workers who already had the  
16 training that had to get the new card to make sure  
17 that the enforcement is really strong, is the sites  
18 are actually really taking this seriously too and  
19 hopefully the training will drive a culture of safety  
20 on a site. That is really what we're hoping is going  
21 to happen with the worker training is that folks  
22 realize that they need to prioritize training for  
23 themselves and for their fellow workers, as well as  
24 the public. So, we're hoping to see that over time

1  
2 that less fatalities occur, as well as less safety  
3 incidents occur on construction sites.

4 CHAIRPERSON SANCHEZ: Got it, thank you. Just  
5 following up here with the Lafayette fatality, what  
6 are DOB's next steps in investigation here first and  
7 disturbingly is that the second question, the site  
8 where the hard hat died, DOB had previously issued  
9 five safety violations. Were those a result of  
10 proactive inspections? And a DOB spokesperson said  
11 the violations had been resolved but the violations  
12 were technically still open because the contractor  
13 had not yet filed the appropriate paperwork  
14 certifying that the problems were addressed. So, can  
15 you please also elaborate on how DOB's protocol  
16 permitted a stop work order to be discontinued if the  
17 appropriate paperwork had not been certified. So,  
18 next steps was this proactive inspections and what  
19 happened with the paperwork?

20 KAZIMIR VILENCHIK: Yes, the rest of this  
21 particular that violating condition, if I remember  
22 correctly, we're of losing construction materials,  
23 require it to be used during demolition to support  
24 the demolition and our inspector observed that these  
25 conditions - observed that overloading I believe at

1 second floor level and is a result of when partial  
2 stop work order was issued along with violations.  
3 But it has to remember, violations still remain open  
4 but partial stop work order was a result because  
5 those conditions was modified and there were material  
6 that was stored or placed or stored somewhere else.  
7 So, that would address your question regarding  
8 partial stop work order. The violations may take,  
9 may exist and it takes ECB hearing in court to  
10 obviously and to explain what's happening. But in  
11 terms of a proactive inspection, I believe th is  
12 partial stop work order was a result of our proactive  
13 inspection.  
14

15 What's following next, as I said, it seems to be  
16 they have this unsupported masonry wall which was  
17 freestanding with lateral supports weakened by the  
18 demolition process and we still cannot say precisely;  
19 I didn't have access to the witnesses what caused the  
20 death. The collapse of the wall first or collapse of  
21 the lateral supports in the floor beam with the wall,  
22 which eventually caused the death of this person who  
23 was working the level below.

24 Definitely it's a lesson over here because it's a  
25 competent person, construction super must likely

1 should be notifying worker, instructing him.

2 Explaining what's the safe process, what's the safe  
3 phasing of works that supposed to be done in the  
4 vicinity of wall. First of wall, this wall should  
5 not left unsupported. So, it's the bottom line on  
6 this.  
7

8 CHAIRPERSON SANCHEZ: And do we know if the  
9 appropriate levels of site supervision were present  
10 at this work site?

11 KAZIMIR VILENCHIK: I cannot confirm. I'm not  
12 preview to this information Chair.

13 CHAIRPERSON SANCHEZ: Are you - is that going to  
14 be asked? Is that going to be investigated?

15 KAZIMIR VILENCHIK: Well, we're part of  
16 investigation if requested by District Attorney. So,  
17 at this time, it's being investigated by DOI District  
18 Attorney office, so it will be requested with them,  
19 who we partner with but at this time, we just  
20 submitted our report based on preliminary observation  
21 of this site when we saw it and which has deplumated  
22 all conditions for future investigation. But as I  
23 said, a witness is extremely important to establish  
24 precisely what's happened first, second and cause of  
25 death.

2 CHAIRPERSON SANCHEZ: Okay, thank you. Thank you  
3 and just appreciating the goal toward changing the  
4 culture, toward a culture of safety on these work  
5 sites. You know we have carrots, we have sticks, we  
6 have rules, these SST cards are a major step in the  
7 right direction. But can you talk to us about the  
8 penalties that a work site like Lafayette would face,  
9 right for such violations? Unsafe conditions on a  
10 site? What kind of penalties to they face and do you  
11 think that they are high enough?

12 KAZIMIR VILENCHIK: Yes, there definitely will be  
13 some violations issued for failure to comply.  
14 Obviously we saw some other conditions. So, multiple  
15 violations were issued. I cannot say precisely what  
16 was issued but definitely one of them was failure to  
17 comply and failure to maintain. This all is related  
18 by court, these two violations most likely were  
19 issued right away.

20 In addition, the biggest final two; you have to  
21 understand a stop work order was issued and this is I  
22 believe a big penalty to a construction site, to the  
23 developers for not following the required rules.  
24 Because the job will be stopped until only  
25 investigation complete, until necessary measures

2 implemented, documented to us. With that, and other  
3 penalties, we are investigating constructor and  
4 construction super. We conducted fully, we sweep all  
5 the projects conducted by where this constructor  
6 particular to see as the permits opened and the same  
7 applied to the construction super.

8 CHAIRPERSON SANCHEZ: Got it. Thank you. Thank  
9 you so much and before I continue I want to give a  
10 chance to my colleagues who are present. Council  
11 Member Lincoln Restler, would you like to ask your  
12 question?

13 COUNCIL MEMBER RESTLER: Thank you so much Chair  
14 Sanchez. It's a pleasure to be with you and really,  
15 really appreciate your tremendous leadership and it  
16 is good to see the team from DOB. Commissioner, from  
17 the days you were a Deputy Commissioner in the  
18 borough office in Brooklyn all the way to today, it's  
19 been a pleasure working with you and I always  
20 appreciated how effective you've been at cutting  
21 through the bureaucracy and solving problems. And  
22 so, I really want to thank you for your work. I'm  
23 very concerned about vacancies at DOB. I'll start  
24 with vacancies in the Commissioners Office. I don't  
25 think it's fair to ask somebody to serve in the roles

1 of First Deputy Commissioner and Commissioner at DOB.  
2 They are two essential positions and I just want to  
3 say that I hope if anyone from City Hall is listening  
4 that I hope that they fill the other position  
5 promptly and so that we have the support and  
6 leadership that we need for the agency.  
7

8 I'm also concerned about agencywide, the  
9 reduction in positions. If I have this number right,  
10 my notes have it at an 11 percent reduction in the  
11 DOB staff as a result of PEGs and eliminated  
12 positions. 133 positions have been eliminated in  
13 FY23 and FY24 at DOB. We haven't seen an 11 percent  
14 reduction in housing starts. We haven't seen an 11  
15 percent reduction in applications to DOB. I don't  
16 understand how this Mayor and OMB believe that we can  
17 safely build as much as we are in New York City with  
18 this kind of dramatic reduction in DOB staff when in  
19 addition to that, we're facing an 18 percent vacancy  
20 rate. Separate and apart from the eliminated  
21 positions.

22 So, my question is, could you walk us through  
23 what are we doing to staff up as quickly as possible?  
24 And are there any ways that the Council can help  
25

1 support efforts to ensure that DOB has the  
2 appropriate staffing in place?

3 SHARON NEILL: So, there's a couple of questions.  
4 Good afternoon. So, yes, we did - we were part of  
5 the Citywide Vacancy Reduction Plan. And part of  
6 that plan included 94 positions during the January  
7 plan as well as the prior plan reduction, so.

8 COUNCIL MEMBER RESTLER: How many total positions  
9 have been cut at DOB during FY23 and FY24?

10 SHARON NEILL: Budget to budget, it's 140  
11 positions between the two years.

12 COUNCIL MEMBER RESTLER: And that is over ten  
13 percent of the budgeted agency headcount?

14 SHARON NEILL: So, but also you have to uhm, we  
15 have to look at it in context of what the total  
16 budget was. The high vacancy rate is attributed to  
17 the fact that the budget increased and then hiring  
18 lagged right. So, that's also been contributing to  
19 the high vacancy rate.

20 COUNCIL MEMBER RESTLER: Nope separate and apart  
21 from a high vacancy rate, you've seen an exceptional  
22 reduction in your headcount. I just think it's  
23 unconscionable when it comes to the amount of  
24 construction, my constituents struggle to get the  
25

1  
2 attention from DOB that they deserve because we don't  
3 have the staff. And I'm deeply frustrated by it and  
4 I'm concerned for our collected safety because of, I  
5 think reckless decisions by this Administration to  
6 reduce headcount, eliminate positions and not  
7 prioritize hiring.

8 So, I just, you know I think a lot of the  
9 responsibility falls at the doorstep of City Hall and  
10 OMB but I do think that every agency can and should  
11 be doing more to expedite hiring and I'd like to  
12 understand what it is that you all are doing.

13 SHARON NEILL: So, I can turn it over to Nadya  
14 who is -

15 COUNCIL MEMBER RESTLER: Thank you for the clear  
16 answers.

17 NADYA STEVENS: So, uhm, absolutely. The hiring  
18 freeze hurt a lot of agencies including ours but when  
19 it was lifted in December, we did start hiring at a  
20 higher rate of speed. I think we hired 140 people in  
21 the last two quarters. I just want to double check  
22 that one second.

23 COUNCIL MEMBER RESTLER: Is that a net increase  
24 in the DOB staff?  
25

1  
2 NADYA STEVENS: Well, no, because there's also  
3 separations as well but we did hire 140 in the last  
4 two quarters but there also have been separations as  
5 well. So, I can get back to you on the exact numbers  
6 of the net gain but we did, we are hiring as much as  
7 possible. We do have very hard to recruit titles and  
8 it's a lot to compete with but we are trying the best  
9 we can once the hiring freeze is lifted. We do our  
10 OBM submissions every month. The first week of every  
11 month and we've put several through and they're  
12 coming back to us. But every month, we do more and  
13 we try to hire as much as possible but I can get back  
14 to you on all those numbers.

15 COUNCIL MEMBER RESTLER: I hope that leadership  
16 in this Administration will start streamlining and  
17 expediting the hiring processes. If there's any  
18 partnerships that we can provide in District 33 to  
19 recruit and attract talent, we want to help in any  
20 way we can. So, please let us know. Not just for  
21 the very hard to attract positions but for the  
22 general positions you're trying to fill.

23 And just one final question if I can. I think I  
24 heard Chair Sanchez ask of this but my notes have it  
25 that we're at seven people that are in the Local Law,

1 kind of in the Office within DOB that oversees Local  
2 Law 97. Is that right? Is that the actual  
3 headcount?  
4

5 SHARON NEILL: The budget is 11.

6 COUNCIL MEMBER RESTLER: The budget is 11 but  
7 filled?

8 SHARON NEILL: We have six active; five vacancies  
9 and we will be negotiating to look to increase the  
10 resources to support Local Law 97.

11 COUNCIL MEMBER RESTLER: I just have to say that  
12 this is the most important law that has come out of  
13 the Council in years. And for us to successfully  
14 implement and drive down emissions from our largest  
15 source, we're going to need a lot more people. And  
16 we pushed as a Council for the increase in the  
17 headcount last year. It's very disappointing to not  
18 see the positions filled. I hope you all will  
19 expedite that hiring and do more so that we can  
20 ensure broad compliance. We are on the doorstep of  
21 2024 when the worst offenders need to start getting  
22 their act together and if we don't have the staff at  
23 DOB, it's not going to happen.

24 We have rule making that still needs to be  
25 developed. And so, I know you have good people that

1 are working on this but it's not enough. We don't  
2 have enough good people. And so, I really, really,  
3 really, really want to implore you all to prioritize  
4 more hiring.

5  
6 NADYA STEVENS: I just wanted to add one thing to  
7 that. Every OMB submission, I do directly to  
8 sustainability first and I ask, which ones we're  
9 hiring there because I know how crucial it is.

10 COUNCIL MEMBER RESTLER: Thank you.

11 NADYA STEVENS: And we are on the same page where  
12 that's concerned for sure.

13 COUNCIL MEMBER RESTLER: Well, let us know how we  
14 can help. Thank you for the answers.

15 NADYA STEVENS: Absolutely.

16 CHAIRPERSON SANCHEZ: Thank you. Thank you  
17 Council Member. A couple of follow-ups there. Big  
18 vacancies - hi. Big vacancies at DOB, so 94  
19 positions for a savings of \$7.6 million. The PEG did  
20 not remove specific lines or titles and is drawn from  
21 the budgetary holding code. So, how is HPD - sorry,  
22 how is DOB thinking about the 94 positions that are  
23 being cut?

24 SHARON NEILL: So, we spend a lot of time  
25 internally trying to figure out the best places to

1  
2 reduce the vacancies. We pretty much distributed  
3 them between the main category, position categories  
4 that we track in the agency, which are inspectorial  
5 plan exam, technical titles, administrative support  
6 and clerical support. And we pretty much, we did  
7 distribute reductions to those categories of  
8 positions pretty equally. We were exempted from  
9 cutting - uhm, I'm sorry, from reducing the inspector  
10 titles but we did make a decision to reduce some of  
11 the inspectorial titles as part of that 94 reduction  
12 plan.

13 And that had to be a balanced approach because  
14 the technical titles and the inspectorial titles were  
15 exempt from the hiring freeze, it's just that because  
16 they are hard to recruit positions, we needed to make  
17 some gains in the other positions that were subject  
18 to the hiring freeze.

19 CHAIRPERSON SANCHEZ: Okay, so thank you and  
20 drilling down on inspectors, so hearing that you say  
21 that the cuts are across the board on different  
22 titles, what is the inspectors average case load?

23 KAZIMIR VILENCHIK: Chair, we generally expect  
24 inspector to complete between six to eight or six to  
25 ten inspections per day. It depends on the

1 complicity of the assignment. It depends on size of  
2 job. It depends if inspector work for enforcement or  
3 development. Because some developments sometimes  
4 inspector can spend or compliance inspections,  
5 inspector can only spend one day in one location  
6 continuously inspecting. But in general, if you  
7 refer to enforcement inspection, safety inspection,  
8 complaints related inspection, it should be six to  
9 ten.  
10

11 Right now, our average level is eight but we, as  
12 I said, we're trying to improve this level. I  
13 believe we could do ten and we're currently  
14 experimenting using IT technology for litigating and  
15 dispatching inspectors through ligation more  
16 efficiently and cross inspecting for what I do  
17 centralized unions. So, this way inspection go up  
18 with the same stuff.

19 CHAIRPERSON SANCHEZ: Got it and so you say six  
20 to eight inspections per day, closer to eight about  
21 now. What is the annual inspection capacity? Is  
22 that 130,000 that we saw this year?

23 KAZIMIR VILENCHIK: We have about 562  
24 inspections, so potentially we could do about; we do  
25 300,000 inspections per year.

2 CHAIRPERSON SANCHEZ: And does that include  
3 emergency inspections like every single time that I  
4 call our Deputy Commissioner here when there's a  
5 fire, those are counted in there?

6 KAZIMIR VILENCHIK: Yes, I hope we don't need so  
7 many this year but it does include, yes.

8 CHAIRPERSON SANCHEZ: Got it, thank you. I'm  
9 going to turn it over to Council Member Mercedes  
10 Narcisse for a question.

11 COUNCIL MEMBER NARCISSE: Thank you Chair  
12 Sanchez. Thank you Commissioner. My question is  
13 about illegal, what we call conversation, basic  
14 conversation right. One other thing; I may be wrong,  
15 that the community of color are more targeted. Maybe  
16 I'm wrong.

17 So, can you share with me what zip code and how  
18 many inspections that took place in the city for the  
19 past year and if you can share the zip code, that  
20 would be very helpful?

21 KAZIMIR VILENCHIK: I was talking earlier about  
22 that. We have a dedicated unit which we called  
23 Quality of Life. Which perform an inspection of  
24 illegal conversation. I don't have in front, the  
25 inspectors question in front of me, which was

1 community involved but we definitely can take a look  
2 at it and analyze the data. The unit is citywide and  
3 initially was started in Queens, expanded to Brooklyn  
4 and now it's like a citywide unit. And we can  
5 definitely provide you with the data and the  
6 frequency of inspection or violations issued for  
7 illegal conversion. But in general, Public  
8 Advocate Jumaane Williams was here before and we talk  
9 about find a way to legalize such unit. I mean, just  
10 duplicating and throwing people on the street is not  
11 the right way and we see this and we're really  
12 willing to be helpful to make sure that this is  
13 happening and we have our own ideas on that.

15 COUNCIL MEMBER NARCISSE: It is a safety issue  
16 that I have concerns but I am for legalizing basement  
17 but what I don't want to see happen before we  
18 finalize, before the city step up and do our part for  
19 people Black community, Brown community getting  
20 summonses and by the way, how do the initial for the  
21 inspector to go out? Does it have to be by call or  
22 it's on a regular basis or it is just randomly?

23 KAZIMIR VILENCHIK: No, it's not random.  
24 Majority if it's not all inspection generated by  
25 complaint. So, you know 311 complaint and it is you

1  
2 know complaint throughout the Quality-of-Life unit is  
3 in most of the cases is illegal conversion. We do  
4 not target any community or in neighborhood,  
5 particularly as I said, it's only by complaints.

6 COUNCIL MEMBER NARCISSE: Uhm, you can give the  
7 statistic, the data to the Chair. So, maybe the  
8 Chair can share it because I'm interested in that. I  
9 don't know by any chance if Local 196 why it was  
10 already asked. I'm concerned about the safety at the  
11 site, of construction site development because the  
12 complaint has been that there is no inspectors and  
13 from what the time I walk in I think that was some of  
14 the question. Chair is that the question that you  
15 already asked? Hmm, hmm, I want to know how many  
16 inspectors that you have now that's going out on a  
17 regular basis and we upped to parts of taking the  
18 steps to make sure workers are safe.

19 KAZIMIR VILENCHIK: We have 552 inspectors on  
20 staff right now. Out of 552 inspectors performing  
21 inspections throughout the city, 138 inspectors  
22 directly dedicate the construction site safety. So,  
23 I believe we have a sufficient number of inspectors  
24 to enforce our rules. On top of this is you know as  
25 I mentioned before, we initiated construction sweep

1  
2 because at the end of last year, we have  
3 construction. Not the deaths of construction,  
4 incidents and we felt like we needed to put our  
5 efforts and we initiated a sweep of all sites. We  
6 made the commitment to visit all construction sites  
7 regardless small or big, okay. And at this moment,  
8 we have visited 4,000 construction sites and continue  
9 doing that.

10 Which if you're concerned about cards, SST cards,  
11 you mentioned, so at this moment 250,000 workers in  
12 possession of those cards and what's most important  
13 it's not just not the card. But the importance that  
14 this worker completed 40 hours of safety training.  
15 And that's the bottom line. So, that why because the  
16 industry was populated with fake card or fake  
17 providers giving cards. So, we kind of straightened  
18 out this process and initiated enforcement,  
19 enforcement which expired on Monday and if we find a  
20 proper card on the construction site, we will issue  
21 \$5,000 fine to the contractor and \$5,000 fine will be  
22 to the owner of the site.

23 COUNCIL MEMBER NARCISSE: Thank you. Thank you  
24 Chair.

1  
2 CHAIRPERSON SANCHEZ: Thank you. Thank you so  
3 much Council Member. Okay, so last round from me and  
4 I'm not seeing colleagues here, so maybe this is the  
5 last round for now. So, first I am hearing from  
6 advocates that DOB is not requiring landlords to show  
7 that they have obtained a DHCR approval for  
8 reductions or modifications of services before  
9 issuing permits for work that will substantially  
10 change the layout of a rent stabilized tenant  
11 apartment. This was, I'm hearing it from advocates,  
12 it was also recently reported in Gothamist. So, are  
13 there particular times or reasons why DOB would or  
14 would not require landlords to show DHCR approval for  
15 changes that they want to make to rent stabilized  
16 apartments?

17 KAZIMIR VILENCHIK: I don't think it's a true  
18 fact to say that they are not requiring of a form  
19 specific question. If this building contains rent  
20 related apartments and the owner of the building, the  
21 signature, under his own signature, her own signature  
22 must state if it is and if there's the DHCR approval  
23 required.

24 So, to say that we are not asking for that, it's  
25 totally not correct. It's a part of our construction

1 documents and it's always if we find a situation  
2 where it was not a complete statement, we should stop  
3 recorder and permits certifications. Obviously a  
4 violation is issued as well for that.  
5

6 CHAIRPERSON SANCHEZ: So, the Department of  
7 Buildings does not have its own way of confirming  
8 with HCR, DHCR about the rent regulated status of  
9 units within a building?

10 KAZIMIR VILENCHIK: Our B system and DOB NOW  
11 system contain, the building contains rent regulated  
12 apartment, so we can see it. So, we can confirm it  
13 correctly but not all the construction activity must  
14 be required at DHCR approval. So, this is why  
15 sometimes; not sometimes, we always rely on the owner  
16 to be truthful about this fact and if we see this  
17 different we obviously issue order application and  
18 stop work orders.

19 CHAIRPERSON SANCHEZ: Do you do any auditing to  
20 check on the veracity of the landlords or owners  
21 claims that there are well, in the case that there  
22 aren't units?

23 KAZIMIR VILENCHIK: We do so and absolutely yes,  
24 we do so and I want to say that rent you know  
25 population of rent regulated apartment, so if it's

1 something inappropriate we always get a call and we  
2 immediately follow up and the process of if not  
3 response received, we stop work order.

4  
5 CHAIRPERSON SANCHEZ: Okay, thank you. Back to  
6 the \$51 million reduction in DOB's budget for this  
7 cycle. \$15 million is attributed to savings with  
8 respect to DOB NOW. Can you help us understand those  
9 savings on DOB NOW?

10 KAZIMIR VILENCHIK: Yes, DOB NOW, it's our first  
11 step to introduce virtual reality. So, we  
12 eventually, it's more of a primitive right. I  
13 understand the smile, but yes, it is a first step.  
14 So, it's DOB NOW took over certain duties performed  
15 by DOB in the past by a planned examiner, by our  
16 clerical staff. You know by auditors, so it's the  
17 same applied for inspection. So, it's like certain  
18 information available to the inspectors, much faster  
19 than needed. They don't need to spend time for  
20 research, so they can go more on the construction  
21 site and spend more time on the field instead of  
22 researching for information.

23 So, I see the same and continue; I see that it's  
24 a way for us to find more efficiency, more  
25 expeditious, more frequency of our inspections and

1  
2 shortening our review time and indirectly, as I said,  
3 my idea is to make construction cheaper and maybe  
4 develop construction products at more affordable  
5 price.

6 CHAIRPERSON SANCHEZ: Okay, so there's no cutting  
7 back on the implementation of DOB NOW, it's just been  
8 more efficient than -

9 KAZIMIR VILENCHIK: Absolutely, right. It's more  
10 efficient. It's captured to more than you know a  
11 human can do.

12 SHARON NEILL: So, I just wanted to note, it's  
13 not a cut because it's a contractual program. So,  
14 it's money dropping out, right. So, it's not like  
15 baseline funding. So, as the project gears up and  
16 reduces based on the contract capacity or the scope  
17 of the project, that's why you're seeing the  
18 variations. So, you're seeing we're in the process  
19 of negotiating additional funding to support the next  
20 work that needs to be continued on DOB NOW and that  
21 will be part of the executive budget negotiations.

22 CHAIRPERSON SANCHEZ: Thank you. That makes  
23 sense. Okay, so in the very beginning, you started  
24 talking about inspectors that could inspect different  
25 kind of work sites. Looking at the breakdown of

1 inspectors. So, you have 353 construction  
2 inspectors, that's the largest sub cohort. Then you  
3 have 52 plumbing inspectors, 46 electrical, 34  
4 elevator, 8 crane, 8 multidisciplinary and 1 low  
5 pressure boiler inspector. What's up with the 1, the  
6 single person? Is there no one else at DOB? No  
7 other inspectors that can do that kind of inspection  
8 and can you help me understand the eight  
9 multidisciplinary inspectors, what is within their  
10 purview?

12 SHARON NEILL: Were you given specific stats on  
13 discipline titles?

14 CHAIRPERSON SANCHEZ: These are from OMB. This  
15 is all I have, yup.

16 SHARON NEILL: Just to make sure I'm  
17 understanding your question. So, the  
18 multidisciplinary inspector is a very unique title  
19 that was created with the intention to cross train  
20 people in multiple disciplines. Like, electrical,  
21 construction or plumbing and construction, so that  
22 way we could, if we had inspection types that were  
23 multiple types on one site, then you could route and  
24 efficiently have a multidiscipline inspector conduct  
25 those inspections. It was a big lift to get the

1 title created and it was also a big lift to cross  
2 train staff and then in terms of operationally how it  
3 works out in the construction field, construction  
4 isn't always coordinated amongst the different  
5 disciplines. So, the plan was to deploy these  
6 multidisciplinary inspectors but the reality is is  
7 that the work doesn't always happen at the same time.  
8 It does happen sequentially and you're also dealing  
9 with different players in the industry, so if a  
10 plumber needs their stuff inspected, they're going to  
11 schedule the inspection and if an election finishes  
12 their work, they're not necessarily coordinating  
13 amongst the trades unless it's under a general  
14 contractor right.

16 So, uhm, that is why there are so low number of  
17 multidisciplinary inspections, so it was a  
18 combination of us operationally structuring that work  
19 and continuing to allow people to be hired into that  
20 title. So, it's definitely something worth  
21 revisiting to see now that we have DOB NOW, there's  
22 more transparency. There is actually able to  
23 schedule stuff online. There may be an opportunity  
24 to try to revive that title and see if we can promote  
25 people into that title.

1  
2           So, I don't know if that answered all of the  
3 questions.

4           CHAIRPERSON SANCHEZ: That answered one part.  
5 The other part was just why is there an alone low-  
6 pressure boiler inspector?

7           KAZIMIR VILENCHIK: I don't believe that's a  
8 correct number.

9           SHARON NEILL: So, I think what happened, uhm,  
10 there is also; there is high boiler pressure boiler  
11 inspectors and low pressure. So, again, it's just a  
12 matter of who we're able to recruit for. I'm not  
13 sure whether or not we're posting that job in  
14 particular. So, it also, I think there's been a  
15 shift in terms of the number of jobs required for  
16 boiler inspectors. So, I don't know off hand but we  
17 should follow up.

18           KAZIMIR VILENCHIK: I just need to verify because  
19 we have like 23 boiler inspectors, because it's  
20 between low and high pressure boilers, so I'm not  
21 sure what this one; it's overall, we have to relook  
22 in our MMR, because it's like so much. We are so a  
23 dynamic organization right now. We're changing a  
24 lot, so we want to make sure that we're on the same  
25 page with Mayor reporting and I believe hopefully by

1  
2 next hearing, we will work with members to clarify  
3 all of this. This information has kind of become  
4 convoluted, mixed up you know.

5 CHAIRPERSON SANCHEZ: Okay, okay, thank you.  
6 Alright, finally on Get Stuff Built and BLAST. So,  
7 the Get Stuff Built was a report produced by the  
8 Building and Land Use Approval Streamlining  
9 Taskforce, often known as BLAST. It was convened  
10 last June and include 111 concrete actions that the  
11 city will take to create more housing, more quickly  
12 by cutting red tape, streamlining processes, and  
13 removing bureaucratic obstacles that are slowing  
14 housing production and economic recovery, as you  
15 know.

16 What are the key measures that are being taken to  
17 speed up and lower the cost of development by DOB?  
18 What are the metrics for success and how much has  
19 been invested so far?

20 KAZIMIR VILENCHIK: So, DOB is involved at this  
21 time. It involved six initiatives associated with  
22 Get Stuff Built report. So, I don't know if you're  
23 interested in all particular, so one of them was  
24 obviously coordination. We did everything right and  
25 improved the service level but we're currently

1 negotiating and it's not progressing really fast  
2 enough but we're looking into this and sharing our  
3 technology, sharing our knowledge because our service  
4 level as I said, two, three days and we're still  
5 looking at improvement, so it's at NY Service level.

6 We also have our specific practice of reviewing  
7 plants. So, we would like to share them with NY  
8 obviously for plants to be transferred fire alarm and  
9 fire safety transferred to us. It would look like  
10 the same practice we do for regular review of our  
11 project, because you could see service levels justify  
12 of approach and give industry a ready product to  
13 build much faster.

14 Additional initiatives, we're looking into SBS  
15 transfer of waterfront unit to the Department of  
16 Buildings.

17 CHAIRPERSON SANCHEZ: By which unit?

18 KAZIMIR VILENCHIK: SBS, Small Business Support  
19 team. Yes, SBS Waterfront Development Team being  
20 transferred to TAB. It makes a lot more sense for us  
21 to take it over. The process will take a little time  
22 because it's obviously - we're working right now on  
23 the waterfront court, which is estimated to be  
24

1  
2 completed in 2025 and we're in the process of this  
3 development.

4 And you know multiple other initiatives are being  
5 in the process of review. I don't know if I answered  
6 that question completely, so it's so many directions  
7 we're going right now.

8 CHAIRPERSON SANCHEZ: Yeah, I'd like maybe it's a  
9 follow-up conversation but just to understand exactly  
10 where DOB is in the process of implementing those  
11 initiatives. It sounds like some of them are just  
12 getting started.

13 KAZIMIR VILENCHIK: Correct, they're all in the  
14 works. It's like we are in negotiations with  
15 preferring to self-negotiation or working towards.  
16 You know we'll keep you posted if you want to, it's  
17 just on the level as Council Member Barron wants on  
18 that review.

19 CHAIRPERSON SANCHEZ: Okay, thank you and then my  
20 final question on the BLAST report. Does DOB  
21 anticipate you all are a revenue generating agency,  
22 different from many others. So, does DOB anticipate  
23 that cutting red tape, that implementing any of these  
24 reforms is going to result and reduce revenue for the  
25 City of New York?

1 KAZIMIR VILENCHIK: No, not at this time.

2 SHARON NEILL: Not at this time.

3 KAZIMIR VILENCHIK: So, it should improve the  
4 revenue. As I said, we want to – bottom line of all  
5 what we do in Adams Commission and get stuff built.  
6 Bottom line, it's generated economic activity. Okay,  
7 so we want to be a leader in the nation because New  
8 York City is a leader in so many aspects. So, if we  
9 want to bring it city, it's easy to develop. We want  
10 to bring more developers, more economic activity.  
11 One or more people moving, make housing more  
12 affordable for people. So, it's because all of this  
13 eventually benefit all of us and we're kind of  
14 working in this direction. So, it's as I said, we're  
15 trying to make it easier, more attractive, more to  
16 bring it more to the city.

17 CHAIRPERSON SANCHEZ: Okay, well, thank you.

18 Thank you so much Commissioner. Thank you Deputy  
19 Commissioner, thank you leadership for answering all  
20 of our questions today. I think I'll just by a  
21 closing note just reemphasize that we want to make  
22 sure that yes, it's a wonderful thing to see you  
23 focus on customer service, on improving efficiency  
24

1 but just want to be very mindful of any unintended  
2 consequences right.

3  
4 You mentioned that there are going to be changes  
5 in the way that DOB carries out inspections and  
6 things like this but there have been a dip in the  
7 numbers and so, where there performance indicators  
8 are chilling changes, we want to stay close to you on  
9 that and make sure that we're not having unintended  
10 consequences. Thank you so much.

11 KAZIMIR VILENCHIK: Thank you so much. We  
12 appreciate your preparation and work with us. Thank  
13 you.

14 SHARON NEILL: Thank you.

15 CHAIRPERSON SANCHEZ: So, now we will take about  
16 a five minute recess before starting with HPD and I  
17 look forward to HPD's testimony [1:45:01-1:59:13].  
18 Sergeants are we ready?

19 [GAVEL] Good afternoon at 4:24 p.m.. Whew whoo  
20 and welcome back to today's hearing of the Committee  
21 on Housing and Buildings. We will turn to the  
22 Department of Housing Preservation and Development.  
23 To set the stage, New York City and municipalities  
24 really across the United States are facing a dire  
25 housing crisis. It is not one that is filed equally

1  
2 by all New Yorkers but one with a pain concentrated  
3 in low-income communities, communities of color and  
4 one that is felt by underrepresented people like  
5 persons living with disabilities, sexual and gender  
6 minorities, religious minorities, they feel it the  
7 most.

8 To the lowest income New Yorker of being housing  
9 insecure, means the looming threat of homelessness.  
10 This is a 70 percent of constituents that I represent  
11 in District 14.

12 It means children being forced to commute for  
13 long hours from shelter in Queens to their school in  
14 the Bronx. Often times missing invaluable class time  
15 because of the long distances traveled, missing key  
16 moments with their school friends. It means parents  
17 being far from families and social supports and it  
18 means community level stress that entire blocks and  
19 entire neighborhoods feel when their apartments are  
20 falling apart, when heating is insufficient, when  
21 they look at their paychecks and their bills at the  
22 end of the month and know full well that they will  
23 not be able to make ends meet.

24 As we know the manifestation of that community  
25 level stress ripples through the economic insecurity,

2 food insecurity, poor health outcomes and ultimately  
3 even violence within communities. The urgency of  
4 this situation is born out by HPD's own housing  
5 vacancy numbers. In 2021, a staggering 53 percent of  
6 renter households were rent burdened, paying over 30  
7 percent of their household income and rent and that's  
8 nearly one million New York City households. Of  
9 those, almost 600,000 households were severely rent  
10 burdened paying over 50 percent of their household  
11 income and rent. And the median asking rent for all  
12 units that were vacant and available to rent was  
13 \$2,750. Based on affordability and income most  
14 renters could not afford the greater part of  
15 available units.

16 And in fact, New York City's median income would  
17 need to double in order for New Yorkers to be able to  
18 afford the median rent. When considering our lowest  
19 income households in the city, the HVS finds an  
20 extreme vacancy shortage at below one percent in the  
21 lowest, the apartments that rent for the lowest  
22 levels.

23 This is the lowest that its been over 30 years  
24 and it's no surprise to those of us who live with and  
25 serve these households day in and day out. And with

2 this, I turn to HPD. You have the gargantuan mission  
3 to lead the city's response to this crisis on behalf  
4 of the City of New York. By some estimates that  
5 looks something like by 2030, producing an additional  
6 560,000 units of housing to keep pace with increasing  
7 demand. At varying levels of affordability.

8 HPD's Fiscal 2024 Preliminary Budget totals \$1.2  
9 billion. Roughly one percent of New York City's  
10 expense budget. A decrease of \$61.6 million from  
11 Fiscal 2023 Budget Adoption. The reduction includes  
12 a program to eliminate the gap or a PEG of \$15.1  
13 million in the Fiscal 2023 November Plan and a \$3.6  
14 million cut in the Fiscal 2024 Preliminary Plan.  
15 PEGs include cuts to supportive housing production  
16 and the removal of 97 full time positions, although  
17 inspectors are exempted.

18 As previously discussed, the need for affordable  
19 housing is exploding post pandemic in New York. Yet,  
20 at the same time, the number of affordable units  
21 created or preserved by HPD is falling. Total  
22 affordable housing starts decline by 44 percent  
23 between Fiscal 2021 and 2022 according to the Mayor's  
24 Management Report.

1 With 16,428 units started the last fiscal year.  
2  
3 The trendline continues to decrease in Fiscal Year  
4 2023 with only 2,359 starts in the first four months  
5 of the year. This pace would keep us well below the  
6 intended target of 18,000 housing starts, which  
7 itself was reduced by this administration from 25,000  
8 which was the previous goal. The slow down according  
9 to the Mayor's Management report, results from a  
10 shortfall of staff and rising construction costs.  
11 The data show that the slow down in housing  
12 production is even starker among very low and low  
13 income dedicated units. Those New Yorkers that earn  
14 below 50 percent of the area median income and I  
15 always highlight that in my district, the area median  
16 income is below 28 percent.

17 As a candidate, the Mayor pledged a \$2.5 billion  
18 in capital commitments per year at HPD. Although his  
19 ten year housing capital plan is historically large  
20 at \$23 billion, the five year plan totals at \$9.2  
21 billion, which is \$3.3 billion short of the target he  
22 set for the agency as a candidate.

23 Even if more capital funding were added, HPD's  
24 challenges on the expense side with staffing in  
25 program areas like development and project management

1 would likely continue to throttle construction. I  
2 look forward to hearing what HPD is doing to turn  
3 this around including through moving toward higher  
4 salaries and hybrid schedules. There is a critical  
5 need for affordable housing rentals and home  
6 ownership opportunities throughout the city and more  
7 must be done in the Fiscal 2024 budget process to  
8 meet the need.  
9

10 HPD also plays a critical role in conducting  
11 inspections for potentially dangerous housing  
12 conditions, such as lead and heat. The PMMR revealed  
13 that in the first four months of Fiscal 2023, HPD  
14 closed emergency complaints in 13.6 days. About a  
15 day and a half slower than it's target of 12 days.

16 Nonemergency complaints face deeper delays. The  
17 total rose to 25.9 days, almost six days slower than  
18 HPD's target of 20 days. These delays could have  
19 severe safety implications for the public. HPD  
20 reports over 100 inspector vacancies seeing the  
21 connections.

22 The Preliminary Plan begins to role out elements  
23 of the Mayor's Housing Blueprint. I am pleased to  
24 see that among the modest new needs introduced, HPD  
25 receives nine additional inspectors to reinspect

1 self-closing doors. This was in response to Local  
2 Law 63 that the Council passed after the Twin Parks  
3 Tragedy in January 2022, which made us lose 17 New  
4 Yorkers.  
5

6 Another new need of interest totals at about \$3  
7 million over four years to help identify a source of  
8 income discrimination. The Committee would like to  
9 ensure that HPD's new work aligns with the key role  
10 of the City's Commission on Human Rights or CCHR in  
11 combating source of income discrimination.

12 Whether on preservation, new construction,  
13 supportive housing, or inspections, the department  
14 has your work cut out for you. The challenge is real  
15 but the Council is here to support in your ambitious  
16 initiatives that will set New York City on a path to  
17 meeting our goals.

18 The Governor's Housing Compact calls for 800,000  
19 new units statewide within a decade. While the  
20 Mayor's Moonshot announced in December reaches for  
21 500,000 new units over the next decade. But that  
22 level of production and for that production to be  
23 deeply affordable and promote low and middle income  
24 home ownership, will take a serious commitment and  
25 deliberate changes to zoning, funding and more.

2 Thanks once again to the Committee Staff who have  
3 helped prepare for this hearing and another reminder  
4 for members of the public who would like to testify  
5 to please fill out a witness slip with the Sergeant  
6 of Arms, so that we can put you in the queue. HPD is  
7 kindly reminded to please keep your oral testimony to  
8 under 15 minutes and I will now pass it our Committee  
9 Counsel to swear in HPD leadership before turning  
10 over for testimony.

11 COMMITTEE COUNSEL: Thank you. Please raise your  
12 right hand. Do you affirm to tell the truth, the  
13 whole truth and nothing but the truth before this  
14 Committee and to respond honestly to Council Member  
15 questions?

16 PANEL: Yes, I do.

17 COMMITTEE COUNSEL: Thank you. You may begin  
18 when ready.

19 CHAIRPERSON SANCHEZ: I'm sorry, it's you know,  
20 when you have a little kid every hour feels like 2:00  
21 a.m. I just want to acknowledge that we have been  
22 joined by Council Member Brewer and we are still  
23 joined by Council Member Barron and Council Member  
24 Dinowitz. Thank you Commissioner.

2 ADOLFO CARRIÒN JR.: Great, thank you Madam  
3 Chair. Good afternoon Chairwoman Sanchez and member  
4 of the New York City Council Committee on Housing and  
5 Buildings. I am Adolfo Carriòn Jr., Commissioner of  
6 the New York City Department of Housing Preservation  
7 & Development and I'm joined by members of our  
8 agency's senior leadership team at the dais here to  
9 my right is the First Deputy Commissioner Ahmed  
10 Tigani. To my left is our Deputy Commissioner for  
11 Finance and Administration Gardea Caphart and we also  
12 have with us Chief of Staff and Deputy Commissioner  
13 for External Affairs George Sarkissian. Deputy  
14 Commissioner for Enforcement and Neighborhood  
15 Services AnnMarie Santiago. Deputy Commissioner for  
16 Policy and Strategy Brendan McLaughlin. Our Deputy  
17 Commissioner for Development Kimberly Darga and a  
18 host of Assistant Commissioners. We travel deep you  
19 know; we want to make sure we're ready for you.

20 Last year, when I testified before the Council on  
21 the Agency's budget, we were just finalizing our  
22 Housing Our Neighbors, a Blueprint for Housing and  
23 Homelessness. Today, we're nine months into our  
24 plan, and our dedicated team has been working  
25 diligently and resourcefully to tackle the housing



2 Most of this funding is allocated for Section 8  
3 Housing Choice Vouchers and other rental assistance  
4 programs. The bulk of the remaining federal grants  
5 we receive come from the Community Development Block  
6 Grant program and HOME Investment Partnerships  
7 program, which must be used to support specific  
8 objectives related to the neighborhood development  
9 and housing development. This funding supports the  
10 core of HPD's programs and operations.

11 The balance of our agency's expense budget  
12 consists of about \$180 million in city funds, and a  
13 relatively small amount of state and other grants  
14 totaling \$1.7 million. The city funds are used for  
15 the administration of agency and to fill gaps in  
16 programs and services that are not eligible for  
17 federal reimbursement or require a local matching  
18 contribution.

19 This requires us to be very creative when  
20 designing and implementing new programs and services  
21 in order to maximize this limited city resources that  
22 we get. HPD's capital budget for fiscal year 2024 is  
23 \$1.65 billion, of which again \$156 million is a pass  
24 through to the New York City Housing Authority's  
25 Permanent Affordability Commitment Together program,

2 properly known as PACT, leaving us with a balance of  
3 \$1.49 billion of capital. Almost 100 percent of our  
4 capital plan is funded by city sources, as you all  
5 know and the remaining two percent is funded by the  
6 Federal HOME block grant for affordable housing.

7 Let me talk a little bit now about Expanding  
8 Access to Affordable Housing. One of our core  
9 priorities as an Administration is to expand access  
10 to affordable to all New Yorkers. We cannot meet the  
11 scale of the housing crisis we face without  
12 significantly increasing the supply of new housing  
13 every where in the city. In Mayor Adam's Get Stuff  
14 Built plan, the Mayor set a moonshot goal to build  
15 500,000 new homes in New York City over the next ten  
16 years and proposed zoning changes through the City of  
17 Yes plan to help meet this ambitious goal. With your  
18 help, and partnership, we can unlock the potential  
19 for tens of thousands of new homes by increasing the  
20 floor area ratio for all types of affordable housing,  
21 making commercial conversions easier, allowing more  
22 housing types and sizes, and reducing costly parking  
23 mandates in favor of housing. The Council is also a  
24 critical partner in the land use process and we rely  
25 on your support to deliver much needed housing to all

1 New Yorkers in every neighborhood and make New York  
2 City a City of Yes.

3  
4 And let me just insert here informally our  
5 gratitude for the leadership of the Council, the Land  
6 Use Committee, you as Chair, Madam Chair, the Speaker  
7 in some of the recent rezoning's and up zoning's that  
8 we've been able to achieve in the Bronx and Queens  
9 that allow for the production of a lot more housing.  
10 We look forward to continuing that kind of  
11 collaboration.

12 Last fiscal year, of the total number of  
13 affordable homes we created and preserved, nearly  
14 10,000 were new construction. You should know that  
15 this is the second highest on record for the agency  
16 in new construction. We remain committed to  
17 deepening the affordability of the homes we finance,  
18 last year, 64 percent of the new homes we subsidized  
19 were affordable to people and households earning up  
20 to 50 percent of AMI.

21 More importantly 95 percent were affordable to  
22 those earning up to 80 percent of AMI. So, by the  
23 federal standard, the lion share, 95 percent of the  
24 housing, reaches low-income families. We understand  
25 the commitment and the need to go deeper.

2 I want to thank this City Council for being a  
3 great partners to HPD, so we can continue to ramp up  
4 production to meet growing demand. Despite supply  
5 chain challenges and national labor shortages, we are  
6 making strides in creating new affordable housing.  
7 We hired 218 new employees in 2021, 442 new employees  
8 in 2022 and so far this year, we've hired 138 new  
9 employees to aggressively continue to fill vacancies.  
10 We're also excited about the tentative agreement with  
11 DC 37. You all know HPD is a DC37 shop, which would  
12 benefit a huge part of our workforce. There is still  
13 more to do but the team at HPD continues to expand  
14 the supply of affordable housing to meet demand.

15 We also want to be responsive to the immediate  
16 housing needs of New Yorkers today. As we committed  
17 to in the Housing Blueprint, we're working to move  
18 New Yorkers into housing more quickly and seamlessly.  
19 Last year, we connected more New Yorkers to HPD  
20 financed affordable housing than ever before. 11,000  
21 households, including 2,300 households experiencing  
22 homelessness. We've eliminated overly burdensome or  
23 redundant steps to improve the lease up process. For  
24 example, we now allow Section 8 or CityFHEPs voucher  
25 holders to prove their eligibility with their subsidy

1  
2 qualification, rather than having to resubmit  
3 documents to the city all over again. We're  
4 continuing to work to make every part of the lease up  
5 process as efficient and user friendly as possible.

6 And here, I will tip my hat to the Chief Housing  
7 Officer of the city, who has made very clear that  
8 this is a huge priority for us. We're aligned with  
9 her and working vigorously on that.

10 Let me speak to you a little bit about advancing  
11 equity in fair housing. Ultimately, our efforts to  
12 reduce administrative burden are not just about  
13 efficiency. This work is all about advancing equity  
14 and fair housing for all and the city has taken  
15 several actions in recent years to advance fair  
16 housing as a part of the Where We Live NYC plan,  
17 which you all are familiar with. This plan was first  
18 released in 2020 and was inspired by the 2015 rule  
19 issued by the U.S. Department of Housing and Urban  
20 Development to guide city's and county's to  
21 affirmatively further the goals of the Federal Fair  
22 Housing Act, signed by my former boss, the President  
23 of the United States, President Obama.

24 We recently published our first progress report  
25 which shows over three quarters of our 81 commitments

1  
2 are either complete or under way. Including  
3 increasing down payment assistance to break down  
4 barriers to homeownership and expanding anti-  
5 displacement initiatives citywide.

6 Our Administration is committed to making the  
7 dream of home ownership a reality for more New  
8 Yorkers. Particularly, in lower income communities  
9 and communities of color that have been historically  
10 excluded from opportunities to build and maintain  
11 family wealth. The Mayor has committed \$53 million  
12 in city tax levy and federal home funds over the next  
13 five fiscal years to out to '27 to expand  
14 homeownership initiatives including our Home First  
15 Downpayment assistance program, which has leveraged  
16 more than \$50 million to date, to help over 3,000 low  
17 income families purchase their first homes.  
18 Additionally, funding will allow us to serve twice as  
19 many first-time home buyers, about 200 every year.

20 Our other housing programs, Home Fix and the  
21 Homeowner Help Desk, are also funded to help even  
22 more homeowners keep and maintain their homes. A  
23 critical service for homeowners at risk of  
24 displacement due to rising, operating and maintenance  
25

1 costs, foreclosure, scams and other challenges that  
2 homeowners face.

3  
4 These programs also assist many older New  
5 Yorkers, many of whom are likely to live on a fixed  
6 income to remain in their homes and neighborhoods by  
7 providing access to forgivable, home repair loans and  
8 the state planning services.

9 In his recent State of the City address, the  
10 Mayor committed to investing in tenant protections  
11 and the preliminary budget include \$22 million in new  
12 funds for a fair housing testing contract. And funds  
13 to expand our Partners in Preservation Program and  
14 our Anti-harassment unit.

15 New Yorkers who rely on rental assistance are  
16 still facing source of income discrimination, as you  
17 all know in the city's housing market today. So, HPD  
18 will use these new funds to work with partners to  
19 design, test and implement strategies to more  
20 effectively identify and root out housing  
21 discrimination.

22 We're also expanding our Partners in Preservation  
23 Program into priority areas citywide. Through this  
24 program we work in partnership with community-based  
25 organizations, legal service providers and other

1  
2 government agencies to identify and proactively  
3 address tenant harassment in rent regulated  
4 buildings. The initial pilot reached over 3,000  
5 households, formed 72 tenant associations, and  
6 trained more than 350 new tenant leaders. This  
7 expansion will allow us to protect even more New  
8 Yorkers.

9 And finally, we're also adding the additional  
10 staff to our anti-harassment unit, which identifies  
11 buildings where owners harass tenants, conducts  
12 inspections, and refers buildings to our Housing  
13 Litigation Division. Our Enforcement and  
14 Neighborhood Services team works tirelessly to  
15 protect tenants and ensure landlords meet their  
16 responsibilities, so we're glad to add staff to this  
17 important unit as well.

18 As the Council knows, HPD enforces the New York  
19 City Housing Maintenance Code on behalf of tenants by  
20 responding to 311 complaints from New Yorkers and  
21 proactively identifying buildings where there may be  
22 more systemic problems. We respond to every  
23 complaint while prioritizing immediately hazardous  
24 conditions such as lack of heat and hot water, as  
25 well as fire safety and lead base paint hazards. And

1 last year, we conducted more than 738,000 inspections  
2 and issued more than 731,000 violations.

3  
4 When owners failed to correct emergency  
5 violations, we stepped in to enforce emergency  
6 repairs in more than 42,000 homes. I'm very  
7 grateful, exceedingly grateful to our housing  
8 inspectors who are critical to this work and we  
9 continue to build up this team. Thanks to the  
10 support of many Council Members, over 400 people  
11 attended our most recent job fair for housing  
12 inspectors. So, thank you to the Council Members  
13 that spread the word. We hired 44 inspectors who  
14 completed training last week and are now ready to go  
15 into the field and we established start dates for  
16 another two classes of inspectors. On the  
17 neighborhood services side, our Mobile Outreach Team  
18 is gearing up for another round of HPD in your  
19 district in collaboration with the Council. So, I'd  
20 ask you to please reach out to schedule a time for  
21 our Outreach Van to visit your district and share  
22 housing resources directly with your constituents.

23 Finally, we have also been hard at work to ensure  
24 that homes financed by the city meet our high  
25 standards for design and climate resiliency and that

1  
2 property owners have the resources and support to  
3 meet those goals. We recently released new design  
4 guidelines for preservation, which ensure that  
5 buildings we finance reduce carbon emissions through  
6 strategic building electrification and efficiency  
7 measures. That they are more resilient to flood and  
8 heat risks by incorporating requirements like cooling  
9 for seniors and resources for tenants in flood prone  
10 areas and improving indoor air quality by setting  
11 standards for ventilation, material safety, mold and  
12 pest control.

13 The new guidelines will help the city meet its  
14 ambitious climate goal of 40 percent greenhouse gas  
15 reduction by 2030, while incorporating best practices  
16 for resiliency, health and safety in existing  
17 multifamily buildings. We will soon be releasing  
18 important updates to our design guidelines for new  
19 construction projects.

20 I was glad to join Council Member Hudson last  
21 month for the signing of Intro. 676-A, which requires  
22 new homes financed by the City to incorporate  
23 universal design. We wholeheartedly agree that our  
24 homes must be adaptable to the needs of New Yorkers  
25

1 with disabilities and older New Yorkers to make this  
2 a fairer city that works for everyone.

3  
4 And in closing, ultimately, that's what we're to  
5 do here. To ensure New Yorkers can afford to live,  
6 work and thrive in this great city. But we cannot do  
7 it alone. We must work in lockstep at the local,  
8 state and federal levels to secure more resources to  
9 stably and safely house more families and individuals  
10 in need.

11 On the federal front, we're facing a fiercely  
12 divided congress, which makes the proposals for  
13 additional affordable housing resources in the  
14 President's budget unlikely to be enacted this year.  
15 With the threat of very real funding cuts from the  
16 House of Representatives, it is critical that the  
17 Council raise its collective voice to fight for a  
18 fully funded housing and urban development budget.

19 At the state level, we're calling on Albany to  
20 unlock several tools that will make a real difference  
21 in our work to create and preserve safe, affordable  
22 housing.

23 Regulatory changes that facilitate commercial  
24 conversions and legalize basement apartments,  
25 reformed tax incentives to help create and preserve

1 affordable housing and increased floor area ration  
2 cap to allow more affordable housing and long overdue  
3 improvements to HPD's loan authorities that are stuck  
4 way in the past. I want to thank the Council for  
5 being a critical partner in fighting to get the  
6 resources we need and in advancing legislative  
7 priorities and reforms. I look forward to continuing  
8 to work with you to bring more high-quality  
9 affordable housing to New Yorkers and doing so in a  
10 way that meets our shared, fair housing goals.

11  
12 Thank you again for the opportunity to testify  
13 today and me and my team are here and look forward to  
14 your questions.

15 CHAIRPERSON SANCHEZ: Thank you so much  
16 Commissioner and all of the members of your team who  
17 have been working on this hearing. I want to start  
18 off by saying something on the record. I want HPD to  
19 be up there with DOE in terms of being a very major  
20 agency in terms of budget and capacity to just build,  
21 build, build and do more for New Yorkers. I just  
22 want to say that at the onset. The work that you do  
23 is so important.

24 So, to kick us off with questions. When looking  
25 at the Fiscal 2024 Preliminary Budget, funding for

1  
2 HPD is \$62 million less than in Fiscal 2023 at  
3 Adoption. Meanwhile the Preliminary Mayor's  
4 Management Report shows decreased performance on  
5 certain indicators relating to inspections,  
6 enforcement, and affordable housing preservation and  
7 construction.

8 So, very broad question, is this budget that has  
9 you at \$62 million less, is it sufficient to meet not  
10 only the city's deep affordable housing crisis but  
11 also the targets that you yourself at HPD are laying  
12 out in the PMMR? How is this decrease rationalized?

13 ADOLFO CARRIÒN JR: So, as you know we are an  
14 important agency as you suggest. One of the larger  
15 agencies. We have suffered significant losses of  
16 staff over the last several years just like everyone  
17 else across the city and across the economy, even in  
18 the private sector. We can always do more with more  
19 and will continue to work with our partners at the  
20 Office of Management and Budget to achieve the  
21 staffing levels, maintain the staffing levels that  
22 are required to do our job.

23 The agency is delivering on every important  
24 measure. If you look at the inspections, if you look  
25 at the development numbers at new construction for

1 new housing units in fact, you know we had 10,000 new  
2 units of housing just this past year. The second  
3 highest on record. I think where you saw some of the  
4 fall off in housing unit numbers was in preservation  
5 work but we will continue to do everything that is  
6 necessary in partnership with the Office of  
7 Management and Budget to get the resources necessary  
8 to deliver affordable housing for New Yorkers.  
9 Deputy Commissioner.

10  
11 GARDEA CAPHART: Thank you Council Member for  
12 that question. I just also wanted to add to that  
13 that about budget, some of the funds you see in the  
14 current year are one time funding from federal  
15 government and also, there are some funds there that  
16 usually will roll over into the next fiscal year.  
17 That hasn't happened yet, so that's why you see it  
18 appears as though there is some drop in our overall  
19 budget. And we also have some grant funds that we  
20 get directly from the federal government that we  
21 schedule as needed. And so, at this point we haven't  
22 scheduled those funds here, so as we schedule those  
23 funds in the coming year, we see our budget go up.

24 CHAIRPERSON SANCHEZ: Understood. Thank you for  
25 that. So, zooming in here, so good, it's a positive

1 that we've reached a record number of new  
2 construction units in the last year to 10,000 units  
3 but help us understand the dip in preservation. Why  
4 are we seeing uhm, why are we seeing that dip? And  
5 specifically, you know to couch it in and what I said  
6 in my opening remarks, this administration decreased  
7 its plan number of affordable housing starts from  
8 \$25,000 to \$18,000. So, put the work that is  
9 happening at HPD with the 10,000 new construction in  
10 context of a lower goal and decreased preservation.  
11

12 ADOLFO CARRIÒN JR.: So, our target is 18,000  
13 units of housing, both in new construction and  
14 preservation. We do expect that there will be a  
15 rebound of preservation work. We need tools to  
16 achieve that rebound. We're building up the staff in  
17 the preservation unit. As you heard from the  
18 Director of the Office of Management and Budget, as  
19 we fill those positions, the positions we have, more  
20 resources will come to the agency.

21 The dip in the preservations number will turn  
22 around as we build up that unit. As we secure the  
23 tools that we need to deliver on preservation. One  
24 of the biggest problems that we face right now in the  
25 city in terms of the tools that we use, is we've lost

1  
2 J51. J51 was an important tool for owners and  
3 landlords to deliver on good, sound affordable  
4 housing, keep it affordable. So, we're in front of  
5 the State Legislature. We're partnering with the  
6 Governor. We hope that we'll get your support on  
7 that legislative initiative.

8 We've seen a number of hires come in, in the  
9 preservation unit. It's trending in the right  
10 direction. So, we're very confident that we will  
11 meet our objectives this year. We are on pace to  
12 meet and possibly exceed the 18,000 units of housing  
13 this year.

14 CHAIRPERSON SANCHEZ: That's helpful and I know  
15 that it's not unusual for this activity to pick up at  
16 the end of the year.

17 ADOLFO CARRIÒN JR.: Closing season is coming,  
18 yes.

19 CHAIRPERSON SANCHEZ: Right. Uhm, what does HPD,  
20 what does the administration believe should replace  
21 J51?

22 ADOLFO CARRIÒN JR.: There should be a better  
23 tool that addresses the costs of the work. The  
24 eligible items or the items that are eligible for  
25 owners to use for the improvements work needs to be

1  
2 done. We've taken the position that owners should  
3 not pass on the increases to tenants that are  
4 represented in the costs to renovations.

5 I probably should lean on one of my experts to  
6 talk about this a little bit.

7 AHMED TIGANI: I can start and then of course I  
8 will be joined by Deputy Commissioner McLaughlin.  
9 Especially just taking a step back, in addition to  
10 the number of things that came out of COVID. So,  
11 restructuring an agency, the build back up that  
12 everyone is experiencing coming back from. That was  
13 not something that was immune to our building stock  
14 as well. The building stock as we are seeing now,  
15 does need investment and we believe that we can  
16 structure an investment that with the states help,  
17 that preserves people and focuses on keeping people  
18 in existing homes.

19 In addition to what we want to put forward in new  
20 construction, we want to make sure that we have a  
21 strong tool that helps with existing homes. So, as  
22 the Commissioner laid out, there are number of  
23 different structural changes, that also includes  
24 allowing for streamlining so that the application  
25 process is something that owners can work with as

1  
2 useful and applies – it applies in a way where more  
3 buildings can take advantage of it.

4 COMMITTEE COUNSEL: Sorry, before you answer, let  
5 me just swear you in. Can you raise your right hand?  
6 Do you affirm to tell the truth, the whole truth and  
7 nothing but the truth in your testimony before the  
8 Committee and respond honestly to Committee Member  
9 questions?

10 BRENDON MCLAUGHLIN: Yes. Thank you. You'll  
11 hear from all of us on J51 today. So, to give a  
12 little more granular detail on the proposal that's in  
13 front of the state at the moment, it's a revamp of  
14 the previous J51 program but a more targeted version  
15 of the program, so it will be available to buildings  
16 that provide at least 50 of their units affordable at  
17 80 percent AMI or below. Those units will have to be  
18 rent stabilized and those will be rent stabilized in  
19 perpetuity and also for condo's or co-ops where the  
20 average assessed value in the building to the units  
21 is 45,000 per unit.

22 So, the idea here is to really target the benefit  
23 towards the buildings that we think need it the most.  
24 This tool has not been available for some time and we  
25 know the period of time that we've come out of.

1  
2 There's been a lot of deferred maintenance in a lot  
3 of these buildings and we want to make sure there is  
4 a robust tool for them to be able to access and do  
5 the rehab work that they need. So, we are creating  
6 an abatement program here, where they'll receive up  
7 to 70 percent of the cost of doing that work.

8 And as the Commissioner said, the goal is to  
9 really update the cost of the program or the cost  
10 that we would allow to reflect true cost of doing the  
11 work today. And so, we really want to incentivize  
12 folks to do that work and to target the benefit.

13 ADOLFO CARRIÒN JR.: And since its sunset last  
14 June, and even before its sunset, owners were pretty  
15 much not using the program anymore because it was  
16 dated and irrelevant related to costs.

17 CHAIRPERSON SANCHEZ: Thank you and thinking  
18 about Local Law 97 compliance and how much of a  
19 challenge that can represent for some buildings,  
20 especially co-ops and condo's as you just mentioned.  
21 What if any nexus is there between this revamp  
22 proposed J51 and complying with Local Law 97?

23 BRENDAN MCLAUGHLIN: Sure, I'm happy to take  
24 that. So, one of the great things about the updated  
25 program is that we've updated a lot of the eligible

1  
2 cost items to include you know greener, more  
3 sustainable items, particularly for buildings that  
4 are mostly rent stabilized that would comply with  
5 article 321 of Local Law 97. They would have the  
6 prescriptive measures that are in there to be able to  
7 address the work that they need to comply. I will  
8 say it's not necessarily designed to be the full  
9 compliance measure for all buildings for Local Law 97  
10 but will certainly have updated tools for them to get  
11 where they hopefully need to go.

12 AHMED TIGANI: I would just add in addition to  
13 that, we have our standard term sheets, some of which  
14 are targeted on sustainability. And if you look at  
15 our new design guidelines, you see that we are trying  
16 to factor in those improvements into the capital  
17 costs that we provide with our term sheets.

18 CHAIRPERSON SANCHEZ: Thank you. Thank you so  
19 much and do you have an estimate of the value of the  
20 proposed benefit?

21 BRENDAN MCLAUGHLIN: We don't at the moment  
22 because it's dependent upon that abatement, sort of  
23 updating those costs. We hope to do that actually  
24 with you all through a public process later once the  
25

1  
2 state sort of approves the authorization of the  
3 program.

4 CHAIRPERSON SANCHEZ: I will take you up on that.  
5 Okay, thank you and I'm going to just ask one more  
6 question before I turn it over to my colleagues with  
7 questions. And this one is really personal to me and  
8 I'm looking at you commissioner because you are my  
9 predecessor a couple years ago. You represented  
10 District 14, a previous version of District 14 and  
11 you know how economically depressed our community is,  
12 and how painful it is when you go back to the  
13 community and they ask you, what is there for me?  
14 What are you doing that's for me. Oh, you're the  
15 Chair of Housing, you're doing housing work. What  
16 are you doing for me? And the answer is not robust  
17 right? So, the question here is on the very low-  
18 income unit completions. They were very, very low in  
19 2023 or they have been so far. There were about 500  
20 completions in the first half of the year but in  
21 Fiscal 2022, there were over 7,000 completions for  
22 the entire year.

23 If these trends continue, HPD will only produce  
24 about a seventh of the very low-income units this  
25 year that it did last year. So, what exactly is



1 very low income. We still have to do more and we  
2 recognize it.  
3

4 And so, we're working on a multipronged strategy  
5 that includes continuing what we do in neighborhoods,  
6 working very specifically on neighborhoods specific  
7 plans and revamping our term sheets to include deeper  
8 affordability every where we can.

9 I remember my experience as Council Member there  
10 in the 14<sup>th</sup> District where we worked to create  
11 affordable housing for very poor families but we also  
12 created homeownership opportunities for low income  
13 families and in some cases very low income families.  
14 So, we're employing every tool that we possibly can.  
15 I'd like the Deputy Commissioner for Development  
16 Kimberly Darga; I just we have to do another swearing  
17 in. We should do a mass swearing in here.

18 COMMITTEE COUNSEL: Oh, sorry, my apologies.  
19 Please raise your right hand. Do you affirm to tell  
20 the truth, the whole truth and nothing but the truth  
21 before this Committee and to respond honestly to  
22 Council Member questions.

23 KIMBERLY DARGA: Yes. So, I know you also asked  
24 specifically about completions. The pandemic had a  
25 really significant impact on construction activity

1 for a few years. There were complete halts and then  
2 need to remobilize projects. So, we did see a dip in  
3 completions in the later years of the pandemic.  
4

5 Most of the completions we see tend to be in the  
6 spring and summer, so we are expecting to get back up  
7 to a more normal level this year.

8 CHAIRPERSON SANCHEZ: And that will be across  
9 very low income?

10 KIMBERLY DARGA: It's pretty much across the  
11 board for construction projects. Preservation was  
12 uhm, new construction there was some slow down in the  
13 first year of the pandemic and then it ramped back up  
14 but certainly there were delays in those projects and  
15 preservation projects where we were doing work when  
16 occupied buildings, there were much longer delays  
17 because residents were really hesitant to have people  
18 in their homes, understandably so.

19 CHAIRPERSON SANCHEZ: Thank you. Thank you, that  
20 makes sense.

21 ADOLFO CARRIÒN JR.: And let me just reiterate  
22 because I think I misspoke. It's almost two-thirds  
23 of the new construction is affordable to extremely  
24 low income and very low-income families in our  
25 portfolio.

1 That doesn't keep us or should not keep us from  
2 focusing on deeper affordability and that's what's  
3 we're doing.

4  
5 CHAIRPERSON SANCHEZ: Thank you. Thank you  
6 Commissioner. Right, because even the allies, like  
7 the folks in D14 that are okay, right? We have ten  
8 percent of AMI, 15 right? Everything at the lowest  
9 ends.

10 ADOLFO CARRIÒN JR.: Yes.

11 CHAIRPERSON SANCHEZ: So, thank you. Thank you  
12 Commissioner. I want to turn it over to my  
13 colleagues who may have some questions before I take  
14 it back. Council Member Brewer.

15 COUNCIL MEMBER BREWER: Thank you very much and I  
16 appreciate all the work that you do certainly Ahmed  
17 Tigani. One question I have, just the other day when  
18 we were DSS listening, I'm just confused because they  
19 too now have a new unit on tenant protection and then  
20 the Commission on Human Rights, they have units on  
21 tenant protection just in terms of discrimination.  
22 Does that – and then DOB has a tenant unit and then  
23 you have a tenant unit. Does everybody coordinate?  
24 Because just from the outside here, it's a little, I  
25 just call Sarah, that's what I do but I didn't know?

1  
2 ADOLFO CARRIÒN JR.: That's a good question  
3 Council Member. We do coordinate quite a bit. We  
4 work in tandem with those agencies. We, in many  
5 cases play a supporting role but we also have a suite  
6 of tenant protection programs, the antiharassment  
7 unit. Part of our work and this important investment  
8 we've made, the Mayor has committed to in the  
9 partners and preservation is to take a pilot that  
10 we've tested that works. Where we partner with local  
11 nonprofit organizations to organize tenants, to allow  
12 them to understand their rights, their legal  
13 protections. To provide you know legal services to  
14 them. To provide housing counseling but that's done  
15 in tandem with DOB. With the City Human Rights  
16 Commission and other partners.

17 COUNCIL MEMBER BREWER: Because DSS popped up.  
18 I'm sorry, it just seemed to me like it was over just  
19 complicated. Go ahead.

20 AHMED TIGANI: As the Commissioner laid out,  
21 there's a lot of coordination going on. In addition,  
22 the legislative pieces where certain protections  
23 happen, fall under different codes. So, with the  
24 Department of Buildings, the Office of Tenant  
25 Advocate in that agency focuses on construction

1 harassment, tenant harassment and tenant protections  
2 as it relates to requirements under the building  
3 code, whereas HPD focuses on the housing and  
4 maintenance code. And since the many buildings  
5 you'll see that there could be issues, one side that  
6 is contributing and pointing in the direction of the  
7 other and vice versa, both Deputy Commissioner  
8 Santiago and various officials on the DOB side, are  
9 either talking mostly or meeting regularly in  
10 different working groups to think about how we can  
11 align those services.  
12

13 And then on the DSS and CCHR side, we're looking  
14 on issues that fall on the Human Rights Code. In  
15 particular, we've pointed out today the focus of the  
16 source of income discrimination and that's why we're  
17 so glad to have this \$3.1 million focused on testing  
18 and protecting tenants.

19 COUNCIL MEMBER BREWER: And I think DSS is also  
20 doing source of income and I was just wondering why  
21 they got in the game to. Source of income. DSS is  
22 doing that also.

23 AHMED TIGANI: DSS, CCHR, uhm, with state  
24 agencies, we're all coordinated to maximize the  
25 resources we have.

1  
2 COUNCIL MEMBER BREWER: Alright, I'm just waiting  
3 for the outside perspective, it's confusing. So, I  
4 hope that it is coordinated.

5 ADOLFO CARRIÒN JR.: It is a multiagency  
6 coordination that happens and there's a lot of  
7 information sharing so that for instance we step in  
8 and are able to issue violations, take landlords to  
9 court. You know we have the housing litigation unit  
10 that kicks into gear.

11 COUNCIL MEMBER BREWER: I know Marty.

12 ADOLFO CARRIÒN JR.: And then the source of  
13 income you know discrimination boost that we just got  
14 is going to allow us to be more effective.

15 COUNCIL MEMBER BREWER: Okay, I'm not disagreeing  
16 with you just on the outside, somebody does  
17 constituent work, it's confusing right? And so, you  
18 should know that and hopefully you coordinated. I'm  
19 not going to belabor the point but I don't think it's  
20 as coordinated out here as you think it is, so  
21 hopefully you will work at it.

22 So, I call - the TIL program, so I just wanted to  
23 know at this point how many of these properties are  
24 entail? How many units? And of course, some people  
25 in Manhattan do not like AMCP, we want ACFC's. So, I

1  
2 wanted to know just the update on TIL and where we  
3 are just generally in terms of the funding.

4 ADOLFO CARRIÒN JR.: Okay.

5 COUNCIL MEMBER BREWER: It's kind of a challenge  
6 to put it mildly.

7 ADOLFO CARRIÒN JR.: As you know, yeah this has  
8 been a challenge for -

9 COUNCIL MEMBER BREWER: Phillip St. George  
10 started it. Thank you and I was in the room.

11 ADOLFO CARRIÒN JR.: Yes, it's been a long time.

12 COUNCIL MEMBER BREWER: Yes.

13 ADOLFO CARRIÒN JR.: You know I think everybody  
14 should know that it is our most costly program that  
15 we subsidize. We're committed to making cooperative  
16 ownership a reality for the residents of these  
17 buildings. Some of those are much harder than  
18 others. ANCP has over \$300 million in the next five-  
19 year cycle of Fiscal Years. That's our capital  
20 commitment plan. And close to \$650 million over the  
21 ten-year investment that we're making in housing. We  
22 have many successes so far believe it or not. You  
23 know, we often hear a lot of the bad news but we've  
24 financed over 50 buildings with nearly 700 units have  
25 converted to -

1  
2 COUNCIL MEMBER BREWER: That's in the last year,  
3 50 buildings?

4 ADOLFO CARRIÒN JR.: Successful co-ops.

5 COUNCIL MEMBER BREWER: How many in the last  
6 like, what's the updated statistics? That's what I'm  
7 looking for.

8 ADOLFO CARRIÒN JR.: So, you're looking for -

9 COUNCIL MEMBER BREWER: Maybe what you did in the  
10 last year and then, what do you project for the  
11 future, in terms of numbers? Of not just cost but  
12 numbers of projects.

13 ADOLFO CARRIÒN JR.: Yeah, I'll tell you what's  
14 remaining to do.

15 COUNCIL MEMBER BREWER: Yeah.

16 ADOLFO CARRIÒN JR.: There are still 78  
17 buildings.

18 COUNCIL MEMBER BREWER: TIL?

19 ADOLFO CARRIÒN JR.: In TIL.

20 COUNCIL MEMBER BREWER: Okay.

21 ADOLFO CARRIÒN JR.: Which represent over 1,300  
22 units.

23 COUNCIL MEMBER BREWER: Okay.  
24  
25

1  
2 ADOLFO CARRIÒN JR.: So, we're fully committed to  
3 getting each and every one of those across the finish  
4 line.

5 COUNCIL MEMBER BREWER: Okay.

6 ADOLFO CARRIÒN JR.: One of our challenges  
7 Council Member is convincing tenants who either still  
8 live in these buildings or who lived in them and hope  
9 to return to them.

10 COUNCIL MEMBER BREWER: Because I'm familiar with  
11 every single one of those tenants.

12 ADOLFO CARRIÒN JR.: Yeah, to convince them to -  
13 and have them understand that they could be very  
14 successful and I've been, you know I've visited some  
15 of the success stories. They're beautiful buildings.  
16 When they're renovated, the owners are happy. It's a  
17 great deal for New Yorkers. \$2,500 for a brand-new  
18 apartment in a stable building. But it's an  
19 expensive program, so we've got to work some kinks  
20 out.

21 COUNCIL MEMBER BREWER: Okay, but you also -  
22 you're going to have trouble with some of the  
23 Manhattan folks, just so you know.

24 ADOLFO CARRIÒN JR.: Yeah, we kind of know about  
25 that.

1  
2 COUNCIL MEMBER BREWER: Who want to be ANCP.  
3 They want to be ACFC, so hope it works.

4 ADOLFO CARRIÒN JR.: Yeah, and there's you know  
5 look, folks have options ultimately it's you know,  
6 it's their choice but we want to get them across the  
7 finish line successful in safe, high quality housing.

8 COUNCIL MEMBER BREWER: Alright, we can have a  
9 debate. Can I go to the second round?

10 CHAIRPERSON SANCHEZ: Yes. Thank you. Thank you  
11 so much Council, we'll circle right back. Council  
12 Member Barron.

13 COUNCIL MEMBER BARRON: I want to really get the  
14 crucks of affordability. Affordability, everybody  
15 uses the term loosely and it can be defined many  
16 different ways. Affordable to who and affordable for  
17 who? What is the AMI? See now if you use the  
18 metropolitan are AMI and they bring in Suffolk county  
19 and all of that. That's one number for those three  
20 and four families.

21 And then if you use the five boroughs through  
22 your New York City AMI for three families and for  
23 four families, if you could just give me some clarity  
24 on that and then I have a few other questions.

1 ADOLFO CARRIÒN JR.: Yeah, so, yeah, this is an  
2 ongoing challenge. I think municipalities across the  
3 country are dealing with this. A number of  
4 legislators both at the municipal level and at the  
5 state level and some of our congressional  
6 representatives are toiling with this. How we define  
7 the SMSA's, the statistical metropolitan areas. But  
8 what we have today, the 2022, which is the latest  
9 AMI's. So, let's take a family of - a family size -

10 COUNCIL MEMBER BARRON: Just because in terms of  
11 my time, if you could just do three and four for  
12 metropolitan and three and four for five boroughs.  
13 The five boroughs don't exist?

14 ADOLFO CARRIÒN JR.: They don't exist, yeah.

15 COUNCIL MEMBER BARRON: Okay, so let's do the  
16 metropolitan.

17 ADOLFO CARRIÒN JR.: Which is precisely the point  
18 of view challenge right, of our challenge? A three-  
19 member household at 30 percent AMI.

20 COUNCIL MEMBER BARRON: No, no, just do the 100  
21 percent. What is the 100 percent AMI?

22 ADOLFO CARRIÒN JR.: 100 percent is \$120,000.

23 COUNCIL MEMBER BARRON: Right, 120,000.  
24  
25

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2 ADOLFO CARRIÒN JR.: And for a family of four 133  
3 and four.

4 COUNCIL MEMBER BARRON: Now, I just want to stop  
5 there. That's where the problem lies. Because when  
6 you say 80 percent of that is affordable, and that is  
7 not counting inflation area AMI. You know when it's  
8 going to rise you know in five, two, three years,  
9 five years, it's going to rise. So, today, 80  
10 percent of the AMI is what? About what? You're  
11 mathematicians.

12 ADOLFO CARRIÒN JR.: Oh, here we go. I can give  
13 it to you right here. It's 96,000.

14 COUNCIL MEMBER BARRON: Right, 96,000.

15 ADOLFO CARRIÒN JR.: And 106 for a family of  
16 four.

17 COUNCIL MEMBER BARRON: Right, right, so that's  
18 80 percent of the AMI that HUD is saying is  
19 affordable for us. Do you know my neighborhood AMI?  
20 And I know you know the Bronx AMI. So, my \$36,000  
21 for a family of three is my AMI. So, if a developer  
22 comes in and says, we're building affordable housing  
23 and 80 percent of it is going to be for those making  
24 80 percent and below and no developer is going to go  
25 below unless you have it in like I say, a percentage

1 has to be at 30 and 40 and all of that. So, my  
2 concern is, how are we defining this AMI and we're  
3 not taking into consideration the inflationary AMI.  
4

5 When I came into office, the 100 percent was at  
6 \$86,000 for a family of three and then when I would  
7 say, okay, 80 percent of that is \$64,000. So, I  
8 said, well if I can get - there's some people in my  
9 neighborhood that make \$64,000, so I'll do the income  
10 band and I'll to the \$64,000 at 20 percent but then  
11 the other 80 percent has to be 30 and 40 percent of  
12 the AMI. That's affordable.

13 So, we've had 100 percent affordability in East  
14 New York, that's why we're not gentrified like some  
15 of these other neighborhoods. No brags, just facts.  
16 But now when I'm signing on to stuff and even when I  
17 get it at 30 percent of the AMI - do 30 percent of  
18 the AMI for me please.

19 ADOLFO CARRIÒN JR.: \$36,000 for a family of  
20 three, \$40,000 for a family of four.

21 COUNCIL MEMBER BARRON: Right, see, so I got to  
22 do 80 percent at 30 percent at AMI for it to be  
23 affordable to the income band of my beloved East New  
24 York.

1  
2 ADOLFO CARRIÒN JR.: You know the deals, the  
3 projects we've done in your district, is largely the  
4 extremely low and low -

5 COUNCIL MEMBER BARRON: No, see I'm really  
6 talking for the others we're in trouble in my  
7 district. Honesty compels me. I love beating you  
8 all up but I just can't because it's been good in my  
9 district but for the city, because what I've done is  
10 I said no, I'm not just going to 80 percent and  
11 below. We're going to say we get a percentage at 30.  
12 A percentage at 40, a percentage at 50 and so, I have  
13 projects that have come in.

14 So, we have all 100 percent affordable projects  
15 and can I just finish? And the reason being is  
16 because we break it down like that and to be honest  
17 with you, I wasn't good for the middle class in my  
18 neighborhood because when I first started, everything  
19 was a 30 and 40 percent. So, someone making \$60,000  
20 or \$80,000 of household income is not a lot of money  
21 at all. So, but what I was saying, if you make more  
22 than \$50,000, you're not getting into these units  
23 because I was just focusing on the extremely poor.  
24 So, I think changed and said okay, let me do at least  
25 the income band, at least 20 percent should be at 80

1 percent of the AMI and then look at the rest for the  
2 real thing. So, we got to get to a point where we  
3 can say let's do the income band of a neighborhood  
4 and then get in all of those pieces, so that that's  
5 true affordability and then I don't know how we do  
6 this, maybe I'll work on some legislation. And how  
7 do we keep it at that even if it takes ten years to  
8 build the project? Because see, if I get 30, 40  
9 percent of the AMI and right now, it's 36 percent.  
10 That's my AMI. And then they build it ten years  
11 later, 30 percent of the AMI is going to be \$80,000  
12 because the inflationary rate of the AMI.

14 So, what was originally affordable on paper after  
15 it gets built, it's no longer affordable. Yes,  
16 Ma'am.

17 KIMBERLY DARGA: You are absolutely covering the  
18 most complicated issue that we are grappling with.  
19 Costs have gone up across the board for residents.  
20 They've gone up for building owners. Operating costs  
21 now are probably above \$9,000 per residential unit to  
22 operate a building and uhm, so in order for us to  
23 meet the needs of very low income, extremely low-  
24 income New Yorkers, we need to create some mix within  
25 the housing projects that we finance.

1 COUNCIL MEMBER BARRON: Now, let me address that  
2 because see, that's another thing they come with but  
3 I was ready for that one too. See, so then they'll  
4 say, okay Charles, if you want you know 30, 40  
5 percent at 30 percent, then we're going to have to go  
6 up with another 20, 30, 40 percent at 90 percent of  
7 the AMI just to meet it. But that's not the only  
8 alternative. Is to talk to your Mayor, your buddy  
9 and put more in for subsidies.  
10

11 See, if more subsidy money comes in out of this  
12 \$93 billion you know five year capital plan for the  
13 city and \$159 billion ten year capital plan and I  
14 hate to get more subsidies for the developers but if  
15 they were not for profit developers would be better  
16 would be better as well and community land trust as  
17 developers as well. But if this state and this city  
18 that has that kind of subsidies, and they subsidize  
19 those units, then we don't have to, we can be 100  
20 percent truly authentically affordable.

21 ADOLFO CARRIÒN JR.: You know I want to go back  
22 to; if I may Madam Chair just for a second Council  
23 Member. We're all grappling with this issue. The  
24 Council Member is in trouble with the Chair right now  
25 right.

1  
2 COUNCIL MEMBER BARRON: You see me begging over  
3 here. I don't mess with my Chair now, that's my  
4 boss. I don't mess with her. I'll mess with you all  
5 before I mess with her.

6 ADOLFO CARRIÒN JR.: But I think this is where we  
7 could use your partnership. Because frankly, one of  
8 the biggest tools available to us is tax credits as  
9 you know right, low income housing tax credits to be  
10 able to layer the kind of financing and the subsidy  
11 required to deepen affordability. Just because of  
12 the cost of things.

13 So, to get to the price point for the people who  
14 live in our districts, in the neighborhoods that you  
15 all represent. We're going to need to have the  
16 federal government increase the availability of tax  
17 credits and that means—

18 COUNCIL MEMBER BARRON: But excuse me for a  
19 minute. That's one way. The other way is just —

20 ADOLFO CARRIÒN JR.: Well, yeah I was going to  
21 get to the other way.

22 COUNCIL MEMBER BARRON: The other way is this  
23 city, this mayor, your buddy. This mayor that has  
24 that big capital budget and if you gave him a figure,  
25 what the subsidies would be needed from the city and

1 the bonds, you know and the capital. You know you  
2 got the subsidies; you got the bonds, you got  
3 capital. There's a lot of ways to get to  
4 affordability without pitting us against each other.  
5

6 ADOLFO CARRIÒN JR.: Multilayered.

7 COUNCIL MEMBER BARRON: It is and I know it can  
8 be done. If I were Mayor, if you all would vote for  
9 me for Mayor. No, I'm just kidding, I'm not running  
10 but all he has to do it's really not complicated.  
11 It's really not complicated. The money is there. We  
12 got \$8.3 billion. Anyway, the money is there, so if  
13 we could fight for that then we can have 100 percent  
14 affordability especially since the time we get the  
15 project built to you know, it's going to go even  
16 higher. I'll pass on that and just one last thing,  
17 the Community Land Trust.

18 You know I have never afraid of anybody in all my  
19 life except for this Chair here. But the Community  
20 Land Trust, we used to give these rich, White male  
21 developers a dollar for the land. You all remember  
22 them days? And some of that may still happen for all  
23 I know. Not quite but they're still selling it dirt  
24 cheap. They are not paying what they should be  
25 paying for the land. Give it to the Community Land

1 Trust. We got to get our Community Land Trust to own  
2 land and build projects on those lands and get the  
3 subsidies that these rich guys get. These rich guys,  
4 I used to always tell them when they come in or we  
5 can't afford to do this. I say, go get your welfare.  
6 He said, welfare?  
7

8 I said, when we get free money from the  
9 government, it's welfare and when you get it free  
10 it's subsidies. How come you all have a cute term?  
11 Either we're all on subsidies or we're all on welfare  
12 but I think subsidies is an answer and we got to get  
13 more to community land trust. Of the 500,000 units,  
14 how much, what percentage is set aside for the  
15 homeless?

16 ADOLFO CARRIÒN JR.: So, you know Madam Chair, do  
17 we have time to respond? Because we're going to,  
18 look we're committed to working with Community Land  
19 Trusts. We're actively working in certain parts of  
20 the city and Ahmed can talk to that. Mr. Tigani can  
21 talk to that. One of the things we need from you.  
22 We need your help. Our loan authority to do deals  
23 with Community Land Trusts or a single family  
24 homeowner, a one to four family homeowner is very  
25 limited. We want to do more downpayment assistance.

1  
2 We want to do more development with Community Land  
3 Trusts but we're limited by the loan authorities that  
4 we now have.

5 We have legislation that we're going to  
6 aggressively push post April 1. You know the state  
7 budget. Right now, they are a little bit distracted  
8 with other things but we're going to come back to  
9 them but we can use your help but if you can share a  
10 little bit about our Community Land Trust work Mr.  
11 Tigani.

12 CHAIRPERSON SANCHEZ: One minute please.

13 AHMED TIGANI: The very quick version is at least  
14 over 1,200 units of planning already in motion and  
15 supportive CLT drop the city, Super Square started  
16 new CLT's that emerged in East Harlem. We've worked  
17 with CLT's not only to develop community based  
18 planning but also sustainable communities planning  
19 with a set of projects with habitat. Net Zero  
20 project, which I'd love to talk to you about.

21 COUNCIL MEMBER BARRON: Okay.

22 AHMED TIGANI: 13 vacant dilapidated NYCHA  
23 properties and 16 new ownership opportunities with  
24 the CLT.

1  
2 In 2021, we issued a report, we issued a request  
3 that will establish a new CLT that will take and re  
4 envision vacant land as well.

5 COUNCIL MEMBER BARRON: And I appreciate the work  
6 you all are doing with the East New York Community  
7 Land Trust and Jewel Street Project after 60 years of  
8 neglect. Doing some great work together there.

9 AHMED TIGANI: Both the housing plan and the  
10 staff at HPD has dedicated resources to put CLT's a  
11 priority in this administration.

12 COUNCIL MEMBER BARRON: Thank you. Thank you  
13 Madam Chair.

14 CHAIRPERSON SANCHEZ: Thank you Council Member.  
15 You got to respect the OG Council Member though.

16 ADOLFO CARRIÒN JR.: That was good.

17 CHAIRPERSON SANCHEZ: Thank you. Thank you so  
18 much and just to agree with Council Member Barron  
19 right, yes, we need to get you know Washington DC to  
20 give us more flexibility in how we use Litech and  
21 allow us to finance you know deeper affordability  
22 levels and all of that and yes, we need affordability  
23 plus. I will you know introduce a Reso at some point  
24 if I'm first in time and all of that in the Council  
25 but a big part of the reason why I and member of this

1 Council last go around, this go around and the  
2 advocacy community are asking for the Mayoral  
3 commitment of \$4 billion for affordable housing to  
4 materialize. Is so that we can go deeper on  
5 affordability. It's so that we can subsidize more of  
6 the units that we know that we need for our lowest  
7 income New Yorkers.  
8

9 So, we're going to continue to drive that point  
10 even as we agree on other points and join in advocacy  
11 efforts.

12 I am going - is it okay you know? I'm like, I  
13 don't want to lose any of my colleagues questions  
14 because of schedules but I just wanted to quickly  
15 touch on staffing and HPD staffing crisis right. The  
16 vacancy rate is still 14.8 percent. HPD has met only  
17 33 percent of your critical indicators. You are  
18 doing hiring fairs. There have been some steps that  
19 have been taken to make the hiring process easier and  
20 attract more talent for longer terms but what about  
21 civil service reforms? Because I understand that you  
22 now some of barriers that you're facing are enshrined  
23 in New York City Civil Service Laws required by the  
24 State Constitution but it is governed within the  
25 city.

1  
2           So, what are we doing to – I just find it  
3 ridiculous that we only offer an exam for let's say  
4 the housing development specialist exam was last  
5 offered in November 2020. It's an exam. We have  
6 computers now. There's this whole thing called the  
7 internet. Why can we only offer an exam three years  
8 ago for title that we need at HPD today and we're  
9 facing barriers to hiring for?

10           ADOLFO CARRIÒN JR.: So, uhm, these are ongoing  
11 challenges as you suggested, the rules and  
12 regulations around salary standards, tests, the cycle  
13 of the tests, what pool of potential candidates we  
14 can draw from, the salaries we can offer them. All  
15 of these things are controlled by the Department of  
16 Citywide Administrative Services, which is our sister  
17 agency.

18           We also have the civil service law, which is a  
19 state law. We're doing everything in our power to  
20 communicate what we need. The resources that we need  
21 at any given time. Right now, our focus is to  
22 backfill hundreds of vacancies and in my prepared  
23 testimony, I talked about the hundreds of people that  
24 we've hired recently and just in – if we keep pace  
25 now, with that we've done in the first two and a half

1 months of the year, we're going to have a pretty darn  
2 good year.

3  
4 And I think the agreement that was hatched with  
5 DC37 is going to be helpful for us. Certainly for  
6 moral. We're going to continue to have these hiring  
7 fairs but the challenges, these are not new  
8 challenges. I would love it if my former  
9 Commissioner, I mean the Commissioner DCAS was  
10 sitting right next to me so we could tag team on this  
11 but our able First Deputy can probably address some  
12 of this.

13 AHMED TIGANI: I just want - the we in this is us  
14 and DCAS. So, Commissioner Pinnock and her staff has  
15 been actively working with us to look at titles, to  
16 look at engagement in the field. To look at  
17 publicizing the tests that exists, matching those  
18 tests to possible candidates. Working with us to  
19 understand how we can continue to recruit and bring  
20 more people in.

21 You know, even with the title that you mentioned  
22 now, we've been working to figure out how to get more  
23 people to take the test and be able to pull from that  
24 list in order to fill our positions. They've been a  
25 great partner and we definitely have appreciated it.

2 ADOLFO CARRIÒN JR.: And in fact, you know I do  
3 have to tip my hat to Commissioner Pinnock for  
4 working so closely and aggressively with us. When I  
5 first walked in a year and change ago, we had a much  
6 more severe shortage of housing inspectors and we  
7 needed help hiring them. We've made some adjustments  
8 to the numbers and we've worked, she worked very  
9 creatively with us to get a couple of classes right  
10 AnnMarie? A couple of classes and now you see the  
11 numbers that I've shared at the start of the  
12 testimony, which is pretty amazing. We're adding 58  
13 new people. 44 new people very soon, two additional  
14 classes and in no small part because of the  
15 partnership with DCAS. So, I think the agency is  
16 working hard to be creative and think outside the  
17 box.

18 CHAIRPERSON SANCHEZ: Thank you and I appreciate  
19 that. I know that one of the changes that has been  
20 made is not always requiring the agency to hire at  
21 the bottom of the pay scale for a position and that  
22 makes a difference. But what about some of the other  
23 challenges that is making HPD and city agencies at  
24 large not as competitive as the private sector? Like  
25 the option to work remotely or to have bonuses or

1 just some of these other ideas that you keep hearing  
2 about. What progress is being made there?  
3

4 ADOLFO CARRIÒN JR.: You know I referenced the  
5 deal with DC37 which is going to allow us to pilot  
6 remote work beginning in July.

7 AHMED TIGANI: June.

8 ADOLFO CARRIÒN JR.: June. Beginning in June,  
9 thank you. So, we're testing the waters on this.  
10 And so, I believe it's going to move in the right  
11 direction. You know like any-

12 CHAIRPERSON SANCHEZ: I'm sorry Commissioner but  
13 we just had three years of testing the waters on  
14 remote work. Like, what exactly are we hoping to  
15 learn?

16 ADOLFO CARRIÒN JR.: Well, there's a taskforce  
17 that's looking at it but I think there's some issues  
18 that are pretty challenging or that are clear right.  
19 And the Mayor mentioned this in his early remarks on  
20 this, which was, you know how do you treat and this  
21 is the discussion that's happening with DC37 and some  
22 others. How do you treat a person who does not have  
23 the option to work remotely? A housing inspector is  
24 out there earning shoe leather every day. They did  
25 it through the entire global pandemic. They never

1 stopped. They didn't have the option to sit at home  
2 in front of a computer and process information and  
3 make phone calls and you know operate in that.

4 So, it's a challenge. We want to walk into it  
5 very responsibly.

6 CHAIRPERSON SANCHEZ: Thank you. That makes  
7 sense and it's something that we're also thinking  
8 about at this side in the Council. Thank you so  
9 much. I want to turn it over to my colleague Council  
10 Member Lincoln Restler.

11 COUNCIL MEMBER RESTLER: Thank you so much Chair  
12 Sanchez. We are incredibly fortunate to have you in  
13 this role and it's good to see you Commissioner. I  
14 want to express my condolences to you because I think  
15 almost every one on this dais has had either work  
16 with or overseen Ahmed Tigani in our previous  
17 professional jobs and -

18 ADOLFO CARRIÒN JR.: Thank you sir. Thank you  
19 for that. I appreciate it.

20 COUNCIL MEMBER RESTLER: So, I just, I mean those  
21 condolences as sincerely as I possibly can.

22 ADOLFO CARRIÒN JR.: Thank you.

23 COUNCIL MEMBER RESTLER: I love you Ahmed, I do.  
24 So, I do want to just start by the thread that Chair  
25

1 Sanchez was pulling on vacancies. You know I talk to  
2 affordable housing advocates all across the city  
3 every day, every week who are doing everything they  
4 can to try to protect and preserve and build more  
5 affordable housing and the number one issue they say  
6 to me every time is staff up HPD. That HPD doesn't  
7 have enough people. That is our biggest impediment  
8 to building, protecting and preserving more  
9 affordable housing. And so, I just have to say  
10 plainly how angry I am that we've seen 100 odd  
11 positions eliminate at HPD. We should not be  
12 shrinking the HPD workforce. We need the HPD  
13 workforce to address the affordability crisis. I  
14 have a great deal of confidence in Deputy  
15 Commissioner Darga's team and Deputy Commissioner  
16 Santiago's teams in the work that they do but if they  
17 don't have staff, then they can't achieve their  
18 goals. They can't achieve the goals we need you to  
19 achieve and so, I just would like to pin you down a  
20 little bit. I believe we're at about 400 vacancies.  
21 15 percent vacancy rate as Chair Sanchez noted.

22  
23 How many new folks have you hired so far this  
24 year? Is that a net increase in the total staff  
25 headcount at HPD?

1  
2 ADOLFO CARRIÒN JR.: Yeah, there was a net  
3 increase and that's a very good sign. We have lots  
4 of candidates in the pipeline and you heard the OMB  
5 director talk about the vacancies and the need to  
6 backfill, which we're committed to doing. And we  
7 work very closely with OMB. Our goal is to backfill  
8 the positions that became vacant like in so many  
9 other places during COVID that effected every agency,  
10 every business etc., and as we go through this  
11 recovery and I said it last year, my number one goal  
12 is to rebuild the agency to ensure that we can  
13 deliver on the mission.

14 But Deputy Commissioner Caphart could probably  
15 talk a little bit about it.

16 GARDEA CAPHART: Yeah and thank you Council  
17 Member. Yeah, thank you sir. I just want to add to  
18 that that as far as the vacancy reduction you saw  
19 with the PEG that we had affordable positions that  
20 are being restored by OMB right now, so we're excited  
21 about that and that's the -

22 COUNCIL MEMBER RESTLER: So that means only 67  
23 were cut?

24 GARDEA CAPHART: And then we also got more new  
25 positions funded yeah, and we also got more new

1 positions funded with this budget with different  
2 programs. So, the goal is to again work hard to fill  
3 out vacancies. We're out there as you mentioned as  
4 the Commissioner has shared; this is a priority for  
5 us. We want to make sure that we are fully staffed.  
6 We are working with our partners at OMB.  
7

8 COUNCIL MEMBER RESTLER: Do you have the numbers  
9 on how many additional hires were made over the first  
10 two months?

11 GARDEA CAPHART: Yeah, the first two months,  
12 yeah, we brought in 138 new employees. We saw  
13 roughly about seven leave, so a net gain of 67. And  
14 over the last couple of years, we've been seeing net  
15 losses, so that's a good sign for us. And with the  
16 DC37 deal, that tentative deal that has been working  
17 with DC37 and all the different [INAUDIBLE 3:18:19]  
18 we're getting and updates we're getting from OMB,  
19 we're very excited about that and hoping that -

20 COUNCIL MEMBER RESTLER: If you were to maintain  
21 this pace in about a years' time, you would fill the  
22 vacancies that you're facing as an agency. We just  
23 need to speed it up and it just has to be the top  
24 priority to be able achieve all of the other goals  
25 because we know you know according to the PMMR,

1 housing starts were down ten percent. Total housing  
2 completions were 62 percent lower than the same time  
3 last year. 29 percent fewer Section 8 vouchers were  
4 issued. All of the key indicators that we all want  
5 to achieve are moving in the wrong direction  
6 primarily as a result of low staffing but the area  
7 I'd like to just dig in on most that's of greatest  
8 concern to me is the reduction in the number of units  
9 for housing that's intended for formerly homeless  
10 individuals and supportive housing. Which is  
11 overall, I believe we had saw a year over year  
12 increase of 27 percent for all homeless households  
13 and 50 percent among supportive housing starts.

14 And this is to me, where we need to be most  
15 prioritizing our attention on generating more  
16 supportive housing and more housing for formerly  
17 homeless individuals. Are you - what are the  
18 expectations for the full fiscal year in terms of  
19 achieving the goals relative to where we were last  
20 year? Are we expecting to continue to be at a  
21 significant deficit from the previous year?

22  
23 ADOLFO CARRIÒN JR.: Let me have Kim Darga, our  
24 Deputy Commissioner with Development address that.

1  
2 COUNCIL MEMBER RESTLER: It's good to see you  
3 Deputy Commissioner Darga.

4 KIMBERLY DARGA: Nice to see you again. Uhm, so  
5 last year was actually an amazing year for us in  
6 terms of financing new supportive housing. As the  
7 Commissioner mentioned, our overall production was  
8 down but in terms of new affordable housing and  
9 particularly supportive housing, the production was  
10 one of the highest years ever and we are very  
11 committed to that work.

12 As part of the housing blueprint, we committed to  
13 accelerating supportive housing production in the  
14 city to meet the New York 1515 goals by 2020. So,  
15 two years earlier by 2028, we feel we are absolutely  
16 on track to meet that goal and we're also looking at  
17 ways that we can integrate supportive housing within  
18 other projects we finance. Not just in our  
19 supportive housing loan program. How we can do that  
20 in a more robust manner and almost every single  
21 project we finance with the exception being  
22 homeownership projects, we have a homeless  
23 requirement that we house formerly homeless  
24 households.

2 So, we are extremely committed to that work and  
3 we are hoping that as part of the rebuilding, we will  
4 be able to gradually ramp up our production work  
5 overall.

6 COUNCIL MEMBER RESTLER: Every year needs to be a  
7 better year and the achievements of last year need to  
8 be met this year and exceeded. Just a final comment  
9 in closing because I know I've gone overtime. Just  
10 on two critical Mitchell Lama projects in District  
11 33. I think we're meeting next week about Bedford  
12 Gardens where the landlord has proposed 80 percent  
13 rent increases on very low-income tenants. I hope  
14 that we can work together to ensure long term  
15 affordability at Bedford Gardens for the 600 odd  
16 units there and prevent extreme and egregious rent  
17 increases that would cost significant new  
18 homelessness in our community.

19 And then secondly, HPD has been working on  
20 Article 2 to 11 conversion at Camon Towers. I have  
21 some concerns about it and want to make sure that our  
22 concerns are incorporated into the process. We know  
23 you've been working closely with residents there for  
24 years and I think it's been a good process but it's  
25 really important that our office be a partner in

1 achieving a goal that's ultimately going to come to  
2 the Council for approval.

3  
4 So, I just hope that you and your team will be  
5 open to our input as we move forward on this process.

6 ADOLFO CARRIÒN JR.: Thank you Council Member and  
7 we look forward to the upcoming meeting next Friday  
8 about the Mitchell Lama's in your district and I'll  
9 take the opportunity now Chairwoman to point out that  
10 Mitchell Lama's have been so important to providing  
11 affordable housing to working families, to working  
12 class people, to low-income New Yorkers, to seniors.  
13 A lot of seniors; families have grown old in Mitchell  
14 Lama in affordable housing in many neighborhoods  
15 across the city. We have 93 Mitchell Lama housing  
16 developments, most of them co-ops. But we have this  
17 persistent and endemic problem that we're going to  
18 have to address and it's larger than the budget  
19 discussion. And it has to do with those rent  
20 increases right.

21 They're self-driven rent increases because of the  
22 onuses on the development and the board to determine  
23 when they're going to ask for a rent increase. We  
24 process the rent increase. We work with them on the  
25 math but we see the costs going up and rent increases

1  
2 being delayed for five, ten, twelve years and all of  
3 a sudden you get this crisis where you can't meet  
4 your mortgage, you can't meet your operating costs,  
5 your insurance costs have gone up. So, we need to  
6 PEG the rent increases to something, right?  
7 Something regular and we look forward to having that  
8 discussion with you all, maybe at a different  
9 hearing. A dedicated discussion about Mitchell Lama.

10 AHMED TIGANI: Just Council Member you had  
11 mentioned a stat about vouchers before. So, the stat  
12 about vouchers specifically, it sounds like it's a  
13 reduction based on us not issuing vouchers more  
14 frequently. It's in fact because federal vouchers  
15 have a cap and had been hovering around 96, 97  
16 percent of utilization. We have now gotten to the  
17 point where we have effectively used almost 100  
18 percent of our utilization. We're happy to have done  
19 that. That means more families have vouchers that  
20 are in homes but we do run up against a federal cap,  
21 which we are advocating and we hope to have you as  
22 partners advocating to see our PHA, receive more  
23 federal housing vouchers from the federal government.

1  
2 COUNCIL MEMBER RESTLER: Thank you for that  
3 clarification. Thank you for your service to our  
4 city, Mr. Tigani.

5 CHAIRPERSON SANCHEZ: Thank you so much Council  
6 Member. Council Member Brewer, did you have a  
7 follow-up?

8 COUNCIL MEMBER BREWER: I just wanted to ask  
9 about vouchers in general and I've never you know  
10 obviously we have six and eight. NYCHA has some, you  
11 have some, how does that break down? Because for the  
12 public to understand, now how much is involved? Like  
13 is it something that you can assign funding to? We  
14 think we'd love more in congress; that's a different  
15 issue. And then there are also, I think there are  
16 some vouchers that some developers have that they  
17 hold onto.

18 I don't know if that's true but I just want to  
19 ask particularly about the vouchers and what's the  
20 assignment of money to them?

21 ADOLFO CARRIÒN JR.: Yeah, I mean from a very  
22 high level and I'll have Ahmed address the vouchers,  
23 he's Mr. Vouchers at HPD. But just to say, it's a  
24 hugely important tool for us.

25 COUNCIL MEMBER BREWER: Yes, it is.

1  
2 ADOLFO CARRIÒN JR.: I think 43,000, 44,000  
3 households. 80 some odd thousand New Yorkers benefit  
4 from this. It's not enough. If we hit 100 percent  
5 utilization, we obviously need more. So, so, I just  
6 want to emphasize the need for our partnership right  
7 to be strategic between this city agency and this  
8 Council and this Committee to go to federal  
9 government and knock on their door you know together  
10 do that and you can talk a little bit about -

11 COUNCIL MEMBER BREWER: Yeah, the Section 8, then  
12 we have the FHEP, then we have the emergency, go  
13 ahead. There's so many different types of vouchers.

14 AHMED TIGANI: So, in New York City, we have a  
15 unique situation where we have two public housing  
16 authorities that are authorized to issue out housing  
17 choice vouchers among other voucher programs  
18 depending on how that rental administration system is  
19 set up. I don't want to speak too much for NYCHA's  
20 program. NYCHA is the largest in the country. I  
21 think they have roughly somewhere between 88,000 and  
22 90,000 Section 8 families, but again I will verify  
23 with them. We're about the fifth largest in the  
24 country, HPD. Our voucher program is mainly  
25 dedicated toward supporting the development program,

1 so we can make sure that we get those extra low and  
2 extra low and very low income families. Our voucher  
3 program is about 43,000 of all our different voucher  
4 types, which includes federal and other income  
5 sources. About 37, the exact number sorry, is a  
6 little bit over 37,000 are federal housing choice  
7 vouchers.  
8

9 COUNCIL MEMBER BREWER: Okay.

10 AHMED TIGANI: Those are section 8. When house  
11 about 84,000 New Yorkers. When you break down those  
12 stats even more, the average tenant income in our  
13 subsidized household for us is about 17,000. 88  
14 percent are extremely low income. 52.5 percent are a  
15 minority. 41 percent are elderly, so we're doing a  
16 lot to serve that population and 48 percent have a  
17 diagnosed disability.

18 So, our vouchers are truly going to serve the  
19 most vulnerable out there. So, for us, we work  
20 together. NYCHA has more of a general tenant based  
21 focused. HPD focus in on the development pipeline.  
22 There's also state vouchers, so the housing community  
23 renewal as their voucher program. The coordination  
24 is tenants have the ability to reach out and find  
25

1  
2 availability in different ways from these different  
3 sources.

4       The other, I think when you were talking about  
5 sort of ownership of voucher, not only do we have  
6 tenant base voucher but we also have project base  
7 vouchers. So, vouchers that we use to make a  
8 particular development affordable. Once a tenant  
9 enters a project base voucher project, if he or she  
10 would like to move, they actually are - we make sure  
11 they're afforded the opportunity to take a voucher  
12 and move with it, even though the voucher had started  
13 off as a project base voucher.

14       Then there is of course the HRA City FHEPS or  
15 City FHEPS program that's run by HRA. Again, I would  
16 defer to them on much of their specifics but we  
17 actually work very closely with them, especially in  
18 our placement pipeline, coordinating and making sure  
19 that there are DHS referrals that can make their way  
20 into one of our new construction of subsidized.

21       COUNCIL MEMBER BREWER: Okay, but do you hold  
22 back? Obviously you need to make sure you have  
23 enough for upcoming development projects. So, you  
24 hold back to hopefully make those numbers work.

1  
2 AHMED TIGANI: We don't hold that back. There's  
3 a cycle, a calculation that's done. A general rate  
4 of attrition that happens every year because there  
5 are people who either leave the program or there's  
6 different versions of attrition and we try to  
7 estimate to the best of our ability what that  
8 allocation will be, and then plan a development  
9 pipeline or different allocations around that.

10 COUNCIL MEMBER BREWER: Okay, I wish there would  
11 be more in the Borough of Manhattan. That's another  
12 story.

13 AHMED TIGANI: Yes, you know I'll get back to you  
14 with the exact number but the Borough of Manhattan is  
15 actually very, very well served by our vouchers.

16 COUNCIL MEMBER BREWER: Oh, don't get me started.  
17 Now the other things is Harborview. You know I'm  
18 going to ask about, what's going on with Harborview  
19 and my units of 100 percent affordable housing on a  
20 NYCHA development where everybody wants it to be  
21 built but it hasn't been built since Kristine Quinn  
22 and I signed off on it, Hudson Yards.

23 BRENDAN MCLAUGHLIN: So, uhm, I'm very familiar.

24 COUNCIL MEMBER BREWER: Yes, you are.  
25

1  
2 BRENDAN MCLAUGHLIN: It's a project that sits on  
3 currently NYCHA land. We've went through community  
4 vision processes there. I know that it's been a very  
5 long process that's gone through different versions  
6 of how to move forward. We hear you on the comment  
7 and we'll make sure to loop back with NYCHA to decide  
8 how they would like to proceed forward with that  
9 application.

10 COUNCIL MEMBER BREWER: I knew the answer already  
11 but I just would like to get this project going. If  
12 you want affordable housing, this is the 100 percent  
13 requested. Can you imagine? No complaints, nothing,  
14 just do it and please do it with the developer that I  
15 like, Trinity. Not from New York, Trinity from  
16 Boston.

17 BRENDAN MCLAUGHLIN: Yes, I know Trinity yes.

18 COUNCIL MEMBER BREWER: That's the only developer  
19 I like, just so you know.

20 BRENDAN MCLAUGHLIN: The only one.

21 COUNCIL MEMBER BREWER: Pretty much.

22 CHAIRPERSON SANCHEZ: Alright, thank you.

23 BRENDAN MCLAUGHLIN: For the record Chair.

24 CHAIRPERSON SANCHEZ: Let the record show.

25 BRENDAN MCLAUGHLIN: Let the record show.

2 CHAIRPERSON SANCHEZ: Thank you. Thank you so  
3 much Council Member Brewer. Okay, I have a lot of  
4 questions, so I'm hoping for just short responses. I  
5 just want to make sure I get a couple key facts on  
6 the record here and then we'll turn it back to my  
7 colleague Council Member Barron.

8 So starting off and thinking about the production  
9 and preservation pipeline. With increased inflation  
10 and interest rates, how much has the cost of new  
11 construction and preservation increased from last  
12 year for the agency finance projects and over the  
13 past two years, what has the impact been on the  
14 preservation pipeline? Sorry, the development  
15 pipeline.

16 ADOLFO CARRIÒN JR.: You hit a hot topic for us  
17 because we see the impact but between 2019 and end of  
18 year 2022, about 30 percent increase in costs, which  
19 is dramatic right. So, it's like a one-third jump  
20 and obviously it has obvious impacts across the  
21 board. So, it you know, it clearly reduces the  
22 number of units. It challenges you know the  
23 affordability of these projects. So, there's a lot  
24 that comes from this.

2 Operating costs have increased 8 to 12 percent  
3 from 2021 to 2022. Interest rates, every body knows  
4 the interest rate environment we're in. I think two,  
5 two and half points right Kim? Uhm, and we don't  
6 know where we're going to land. So, Kim, do you want  
7 to address a little bit of how you see this from your  
8 development point of view.

9 CHAIRPERSON SANCHEZ: And Deputy Commissioner, if  
10 you could also address in there, we used to have a  
11 target of 25,000 units preserved or created. Now  
12 it's 18 is tis part of it? Part of the reason?

13 KIMBERLY DARGA: Okay, so as the Commissioner  
14 said, costs have gone up across the board.  
15 Construction, operating, interest rates, we co-  
16 finance a lot of projects right with banks. Long-  
17 term interest rates were certainly significantly  
18 higher. The cuts impact across programs has really  
19 varied depending on what the project is. What  
20 financing is involved. The range is really  
21 significant. We're not seeing a very clear trend  
22 right now in preservation because preservation you  
23 know, you have everything from limited rehab to very  
24 substantial renovations, everything in between.

1  
2 In new construction, the subsidy cost is up about  
3 one and a half times. About 50 percent higher than  
4 it was who knows a year and a half ago, at this point  
5 and time before rates started to really tick up  
6 significantly.

7 You know we're certainly on track and I think  
8 feeling good about getting to our target this year.  
9 The 18,000 units. So, I think we have the capital  
10 resources at this point and time and we are certainly  
11 actively monitoring this and talking to OMB about you  
12 know potential longer term and how to account for  
13 cost increases. So, those conversations are you know  
14 we're continuing to monitor and if should there be a  
15 need for additional funding, we'll certainly be  
16 talking to them.

17 CHAIRPERSON SANCHEZ: How long does it take to  
18 get through HPD's new construction pipeline?  
19 Measured in the average time for proposal to closing  
20 and the same question for the preservation pipeline.  
21 How long does it take from proposal to closing?

22 KIMBERLY DARGA: Mias well stay here for a little  
23 bit.

24 ADOLFO CARRIÒN JR.: Yes, stay for a little bit.  
25 Sit around the campfire with us.

1  
2 KIMBERLY DARGA: So, the timeline for projects  
3 really varies really significantly. HPD finances  
4 everything from single family homes right, home  
5 repairs, down payment assistance, new construction,  
6 and ministers as of right financial benefits and  
7 preservation financing. So, the work that we do is  
8 extremely varied. There is no very simple answer to  
9 that question.

10 With that being said, if you're talking about  
11 like new construction more specifically, subsidized  
12 new construction, not the projects that we administer  
13 through as of right programs that moves very quickly  
14 because it's an as of right program. There is no  
15 negotiation around budget or affordability or the  
16 rest of it, right. In the subsidized new  
17 construction space, the largest constraint is the  
18 availability of low-income housing tax credits. We  
19 talked a little bit about that earlier. That really  
20 limits the amount that we can finance in any given  
21 year because almost every single new construction  
22 project we finance has low-income housing tax credits  
23 as a major source.

24 Because of that, the average time probably about  
25 five years, from a project coming in, again that's

1  
2 because there's a scarce source that we're really  
3 allocating.

4 CHAIRPERSON SANCHEZ: And how, just in that  
5 example, projects you know sitting on this waitlist  
6 for credits, what happens when costs escalate? Do  
7 they have to redo their project financing and –

8 KIMBERLY DARGA: I mean, usually when projects  
9 first come into it, things are not completely baked,  
10 right? Applicants come in with a project proposal.  
11 We say here are our term sheets. This is basically  
12 if you know if you are going to develop something,  
13 you're going to do it within these parameters. They  
14 start working on the project on their end and then at  
15 some point, they got plans designed a bit more. They  
16 are starting to think about going into DOB and it  
17 becomes a more active development project. So,  
18 certainly from like project proposal, through the  
19 point and time that it's an active project, things  
20 can change pretty substantially but that's kind of  
21 par for the course. Yeah, it's pretty normal to see  
22 changes.

23 CHAIRPERSON SANCHEZ: So, five years on the  
24 waiting list from proposal until project is financed  
25 or closed. What about this year or yes, over the

1  
2 last year I've seen and we've seen at the Council  
3 some creativity from HPD using your own financing,  
4 own HPD capital to move projects along faster. How  
5 long are those projects taking to close?

6 KIMBERLY DARGA: So, there's more flexibility to  
7 finance from a timing perspective. If we are not  
8 financing something with low-income housing tax  
9 credits. But the tax credit equity is the most  
10 significant source in a development budget and so,  
11 the you know substituting that source in order to  
12 accelerate projects would be very, very, very costly.

13 We did do it on a limited basis in the last year  
14 for projects with MWBE developers that have been you  
15 know applying for nine percent low-income housing tax  
16 credits and had not been awarded credits over a  
17 couple years. And we felt we really needed to  
18 accelerate those projects. So, we did on - like a  
19 basically a more tailored basis, make a decision that  
20 we needed to invest additional resources to move  
21 those forward.

22 CHAIRPERSON SANCHEZ: Thank you. How long is  
23 HPD's current pipeline?

24 KIMBERLY DARGA: That's a really complicated  
25 question to answer. Again, we're dealing with a

1 really range of types of projects. So, I think about  
2 a home repair project, we are managing that pipeline  
3 as the applications come in. Talking about down  
4 payment assistance, we're managing as things come in.  
5 And we talked about new construction.  
6

7 You know we have a long list of projects that  
8 applicants have said hey, we're potentially  
9 interested. Those projects are everything from  
10 concept, very preliminary stages to you know kind of  
11 barely a conversation to you know projects that have  
12 design etc., within them.

13 CHAIRPERSON SANCHEZ: If we focus on new  
14 construction and preservation, could you give us an  
15 estimated number of units in the two pipelines?

16 KIMBERLY DARGA: The unit again, so in new  
17 construction, we don't you know when you're talking  
18 that early stages, you don't necessarily have a firm  
19 unit count yet, so it's really not until you get  
20 further into predevelopment that we start actually  
21 having that level of detail. So, I don't have a  
22 great estimate for new construction.

23 CHAIRPERSON SANCHEZ: Can we follow up with you  
24 for a breakdown for estimates on those two  
25 categories?

1  
2 KIMBERLY DARGA: We could give you certainly like  
3 estimated number of projects. Units is a little bit  
4 tougher but we could see what we could do.

5 CHAIRPERSON SANCHEZ: Okay, how long does it take  
6 for a project to be assigned a project manager after  
7 the proposal phase?

8 KIMBERLY DARGA: So, again, we don't really  
9 assign project managers in new construction at the  
10 very preliminary stages because it's conceptual.  
11 There's not like regular and ongoing work to do at  
12 that point and time. We actually have like an intake  
13 team that like gives feedback to the development  
14 team, and in the preservation space, the project  
15 managers are generally assigned at the point of  
16 application. And in that world, there is a delay  
17 right now. We've been very transparent about that  
18 delay because of the issues the commissioner talked  
19 earlier about. That team was certainly impacted most  
20 substantially on the staffing side, and so, we are  
21 rebuilding. We've basically been transparent for  
22 about a year and a half now with applicants. That is  
23 a delay to assign a project manager and so, we're  
24 hoping to eat away at those delays as we rebuild the  
25 team but it is, it's taking a while. At this point,

1 we're trying to prioritize the projects that have the  
2 most urgent need.

3  
4 So, you know there's a lot of reasons that we do  
5 preservation work. We help people do repairs right,  
6 finance repairs in their units. That's where having  
7 J51 would be really useful right now, right? So,  
8 that people don't have to when they don't have other  
9 options, they don't have to come necessarily to me  
10 for subsidy.

11 We also help people managing operating costs and  
12 we are you know helping ensure affordability. So,  
13 depending on the project, there is a different  
14 urgency.

15 CHAIRPERSON SANCHEZ: I'm just going to because  
16 there's a long list.

17 KIMBERLY DARGA: Sure.

18 CHAIRPERSON SANCHEZ: So, in — we're in a perfect  
19 world and we have addressed HPD staffing challenges.  
20 We've got project managers on board now and we've  
21 just fixed that side of the house. How many billions  
22 of dollars would we need to move all the projects in  
23 the pipeline through the closing if we wanted to do  
24 it in one fiscal year? With construction and  
25 preservation.

1  
2 ADOLFO CARRIÒN JR.: Just for the record, I think  
3 it's impossible to do it in a Fiscal Year. You asked  
4 about the number of projects in the pipeline earlier,  
5 It's in the hundreds of projects. So, I don't think  
6 there is a world that exists like that that is  
7 perfect. You're talking about approximately 240  
8 projects just in our subsidized new construction  
9 programs. And in excess, about 450 projects in a  
10 multifamily preservation. And these are all  
11 estimates because like the Deputy Commissioner said,  
12 they're all at different stages of entry into our  
13 orbit, right. And when they do enter our orbit, we  
14 consider them and then we look at what's real, what's  
15 not and also, for the record, just because I know  
16 that you mentioned and I don't want to have people  
17 think that there's a low-income housing tax credit  
18 waiting list. There's not a waiting list.

19 Every project comes in with ideas about what the  
20 deliverable is terms of housing and then if it's a  
21 low-income housing tax credit deal, that's the most  
22 efficient way to deliver it. That's what we'll  
23 choose to do. We can get more aggressive but not a  
24 Fiscal Year. I don't think that -

CHAIRPERSON SANCHEZ: Yeah, and the point is not to try to get HPD to do it within a fiscal year. It's more so for the Council for us to be able to understand the scale of willingness that there is to build and willingness that there is to preserve which it sounds like there's a lot more of that willingness than there is you know capacity, which we've been talking about but just to put a number on it, it's helpful.

ADOLFO CARRIÒN JR.: Helpful, point well taken.

CHAIRPERSON SANCHEZ: Thank you. Thank you so much for that. Okay, so turning to the capital commitment rate. So, HPD's capital commitment rate did take a dip this year down to 60 percent. HPD is usually very good at committing capital and spending down money that is assigned to the agency on the capital front. So, what is the relationship between the capital commitment rate and achieving the departments housing production goals?

ADOLFO CARRIÒN JR.: I'm sorry could you just repeat, I didn't get the second half of the question.

CHAIRPERSON SANCHEZ: Yeah, so I mean what I really want to know and I kind of worded this a little funky but the capital commitment rate is down.

1  
2 How is that impacting – what are the driving factors  
3 that are causing that capital commitment rate to be  
4 down, if we haven't already discussed them?

5 ADOLFO CARRIÒN JR.: Do you want to answer.

6 KIMBERLY DARGA: So, as I mentioned before, the  
7 pandemic really disrupted the normal operations for  
8 us. So, 2022, it was a small impact because it was  
9 less order – sorry, 2020, 2021, certainly there was a  
10 lot of disruption from a construction perspective.  
11 You know at that point and time; the city was trying  
12 to figure out how much money it could spend. What  
13 money it could spend. And so, we didn't actually  
14 close capitally funded projects for months.

15 Uhm, that started to stabilize by 2021 but by the  
16 end of 2021, we were also starting to see some  
17 challenges around staffing. We've talked about that  
18 you know by the end of the last administration we  
19 were certainly in a pretty significant deficit. That  
20 has certainly slowed down some development projects.  
21 I'm going to be quite honest. We had been  
22 rebuilding. We feel more optimistic about where we  
23 are today and we think there's a lot more we can do  
24 when we can get the staffing situation stabilized.

2 CHAIRPERSON SANCHEZ: Okay, thank you so much.

3 Okay, so according to the 2022 MMR, the number of  
4 affordable housing units created or preserved by HPD  
5 was 45 percent lower in 2022 compared to the prior  
6 year as we've discussed. And this reduction has been  
7 attributed to the staffing shortages and construction  
8 costs. The staffing situation has become so dire  
9 that the HPD Office that manages tax credits to  
10 develop low-income housing shrank from six active  
11 employees to one. The first question is, is that  
12 still the case. Are we still at one?

13 And this reduction has required the agency to  
14 request a waiver from the City's Conflicts of  
15 Interest Board to allow the programs former director  
16 to fill gaps as a paid consultant. How many staff  
17 are in the HPD Tax Credit Management Office  
18 currently? How many vacancies are there and just  
19 jumping on that, how much of this kind of action  
20 where HPD is hiring someone as a contractor or as a  
21 consultant to fill a gap. How much of that is  
22 happening at the agency?

23 ADOLFO CARRIÒN JR.: Let me just say very quickly  
24 and then I'll pass it to Kim and to Gardea. But on  
25 the question of contractors that are former employees

1 that could continue to – in some cases were retiring  
2 but had the institutional knowledge and memory and  
3 talent and could keep that work going consistently.  
4 I signed off on a number of those with the commitment  
5 toward ensuring that we kept our momentum going in  
6 those units while we looked to backfill these  
7 positions and then maybe talk a little bit about  
8 addressing the numbers.  
9

10 KIMBERLY DARGA: Yeah, absolutely, we have filled  
11 a number of those vacancies. I don't know Gardea if  
12 you have the number and the team here today but we  
13 can certainly check.

14 GARDEA CAPHART: Housing incentives?

15 KIMBERLY DARGA: Yeah, yeah.

16 GARDEA CAPHART: So, yeah, right now for housing  
17 incentives we have to rate full time folks on board  
18 right now. Inclusionary housing, we have six. So,  
19 you know we're still ramping up. We're still  
20 building. We're still building our staff and the  
21 goal is that we can be very aggressive about hiring  
22 and filling those positions, so that we can start  
23 ramping up our work and start ramping up our  
24 production.  
25

CHAIRPERSON SANCHEZ: Okay, thank you. So, you said six?

GARDEA CAPHART: Yeah, for inclusionary housing.

KIMBERLY DARGA: Well, I think she's talking about low-income housing tax credit, which is part of that team. I think let's check and get back to you.

GARDEA CAPHART: Yeah, we can get back to you the breakdown specifically later.

KIMBERLY DARGA: Yeah, we've hired a lot there. Inclusionary housing was another team that we were down to one person. That is almost fully staffed.

GARDEA CAPHART: Yeah, no backups.

CHAIRPERSON SANCHEZ: Okay. Thank you. So, this is a segway. Can you please help us understand how HPD shares work between its in-house staff and contractors? For instance, is there any effort to outsource project management functions from HPD's depleted internal capacity to outside vendors?

AHMED TIGANI: I'll just give the general project manager and you can talk a little bit about the financial point. So, a number of different areas, we are trying a complimentary approach. So, as we continue to ramp up and as we've indicated earlier, we're actually seeing additional heads, we're growing

1  
2 the agency. In the meantime, given the housing need,  
3 we are looking to retain and maintain institutional  
4 knowledge. The other part that makes it a very key  
5 piece of the growth plan is that since we have new  
6 staff, staff may not be as experienced in public  
7 sector housing development. They serve as  
8 mandatories and trainers, so that we can bring our  
9 new staff up to par and be able to complete the  
10 projects effectively and on time.

11 GARDEA CAPHART: Yeah and as part of that  
12 relationship do have a payroll staffing contract that  
13 we use to bring temporary staff on and the goal is to  
14 as we fill with permanent staff, we take those temps  
15 off the temp contract.

16 So, the most that we bring, the less things we  
17 have but we understand the need for delivering  
18 services and we want to make sure we continue to  
19 deliver services, so that's why we have that contract  
20 to at least have staff to temporary fill those roles  
21 to ensure that we deliver our services.

22 ADOLFO CARRIÒN JR.: And let me just add to that.  
23 We've also retained contractors in the legal work and  
24 in particular, we took that opportunity to ensure  
25 that it was MWBE only law firms that hadn't had the

1  
2 opportunity in the past you know historically to  
3 participate in this multibillion affordable housing  
4 industry and we're doing that in every area of the  
5 agency especially in development, engaging minority  
6 and women owned business enterprises. In  
7 development, in procurement, we're one of the highest  
8 scoring agencies in terms of using MWBE's and I know  
9 you probably are going to get to that, so I could  
10 have shortened the hearing by just bringing that up.

11 CHAIRPERSON SANCHEZ: Only ever so slightly.  
12 Thank you. Thank you so, two quick ones and I'll  
13 turn it back over to Council Member Barron. What is  
14 the cost implication of these temporary hires and  
15 contracted capacity while we look for the permanent  
16 positions? Are we paying more for these temporary  
17 individuals or firms? Or is it the same?

18 GARDEA CAPHART: It's about the same in terms of  
19 the staff and also we have some staff that will on  
20 for a part-time basis. So, even if having a staff at  
21 that salary is going to be costly, we should  
22 eliminate that by having to work part-time as opposed  
23 to full-time. So, we have different ways we try to  
24 keep costs down. But yeah, we try our best not to  
25 over pay.

2 CHAIRPERSON SANCHEZ: Got it. Thank you so much.  
3 Actually with that, I'll turn it over to Council  
4 Member Barron and then I'll come back.

5 COUNCIL MEMBER BARRON: Thank you very much. I  
6 know you're still very vigorous and excited to be  
7 here and everybody's wide awake and just so happy to  
8 see everybody.

9 ADOLFO CARRIÒN JR.: Yes, yes, you captured it.  
10 Yes.

11 COUNCIL MEMBER BARRON: Yes, I know and by the  
12 way, I have a special skill, I know when you're  
13 looking at me but your mind is somewhere else and a  
14 few of your staff, people actually, they did that.  
15 They pretended that they were paying attention but  
16 they left.

17 ADOLFO CARRIÒN JR.: So, you're a mind reader?

18 COUNCIL MEMBER BARRON: Yes, oh, I'm deep. I'm  
19 deep like that. Uhm, on the WMBE's, HPD has a  
20 history of giving the general contractor, the major  
21 contractor to White men, White developers and then  
22 when it comes to WMBE's, we are subcontractors and  
23 less. So, I want to know what's the record on that?  
24 How many Black developers, Brown developers are  
25 actually the major developer of the general

1 contractor, not no sub thing and say we did 30  
2 percent you know for the WMBE. Has that improved?  
3 Because it was horrible.  
4

5 ADOLFO CARRIÒN JR.: Yeah, let me, let me just to  
6 sort of a high level and then Ahmed, who is our  
7 agencies chief diversity officer could talk about the  
8 amazing work that we've been doing to change that  
9 right. To address the inequities to open up  
10 opportunity. You know one of the big challenges for  
11 the so-called emerging developers right has been  
12 access to capital. And having a strong enough  
13 balance sheet, in some cases, to be bankable, to  
14 become sort of a prime developer and run their own  
15 deals and not have to share, right?

16 So, we're doing a lot of work in that space but I  
17 want to point to the Mayor's commitment because just  
18 last week, you know we announced the new citywide  
19 MWBE. I don't know what the title is, but it's the  
20 person in charge of making sure that we hit new  
21 higher targets. So, we're doing the reach now, where  
22 by 2027, we want to have \$30 billion of business  
23 going to minority and women owned business  
24 enterprises and by 2030, we want to double that to  
25 \$60 billion of the city's business.

1  
2 COUNCIL MEMBER BARRON: Well, that's good for the  
3 goal - if I may, I used to do this with Governor  
4 Cuomo. They all set the goals and everything that  
5 they'd never reached.

6 ADOLFO CARRIÒN JR.: We've reached by the way and  
7 Ahmed can talk about that.

8 COUNCIL MEMBER BARRON: And to be real honest  
9 with you, I am not talking about diversity. I'm  
10 talking about Black and Brown because diversity can  
11 mean a whole lot of stuff now and so, I meant that.

12 ADOLFO CARRIÒN JR.: Yup, I understand.

13 COUNCIL MEMBER BARRON: But be it as it may, I  
14 think we just need to be more aware of that and there  
15 are Black developers who have the capacity. I saw  
16 the racist thing they do with us. Do you have  
17 capacity? I had an incident with HPD where you know,  
18 the Ebenezer Project? Well, the Ebenezer Project, a  
19 Black developer, a Black woman developer, you know  
20 right? She talked to the owners of the property, a  
21 Black church and when she came to HPD, they said, you  
22 don't have capacity. You have never built 300 units  
23 and they told her she had to get somebody, "a White  
24 man."  
25

1                   So, she gets a White developer, he comes in and I  
2                   said, sir, I know he did, do you have the capacity to  
3                   do 300? He said yes and I said, when did you first  
4                   do 300 units? He probably said 1972. I said, "That  
5                   was your first time? That means you didn't have  
6                   capacity at that time but you got an opportunity to  
7                   do 300 units without having capacity."

9                   And access to capital you know sometimes you know  
10                  it's HPD's capital. It's your money and sometimes  
11                  the subsidies and sometimes it's the lending  
12                  institutions that are available to Blacks but we just  
13                  can't get the major contracts. I'll move past that.

14                 NYCHA, a lot of NYCHA residents are not pleased  
15                 with RAD and PACT. And then for the Mayor and you  
16                 all just to give capital money to RAD and PACT  
17                 developments. It's almost like saying if you don't  
18                 get in this, you're not getting capital improvement.  
19                 And so, the rest of the NYCHA that's not in it, not  
20                 being privatized, and by the way RAD and PACT is  
21                 doing terrible in my development, a lot of tenants  
22                 are saying they wish they would have stayed with  
23                 NYCHA. So, I'm really putting something together  
24                 around tenant management. Their own developments and  
25                 looking at funding money into Section 9. Maintaining

1 Section 9, the federal money. By the way, Barack  
2 Obama and Biden, cut HUD as you know, and came in  
3 with the idea of privatizing with RAD and PACT.  
4

5 So, I think we got to reverse that and get into  
6 tenant management and teach them the technical stuff,  
7 get them the lawyers and all of that and show them  
8 access to capital and let the tenants manage it and  
9 whatever is left, keep it in Section 9. It protects  
10 them more than Section 8 and it's going to go through  
11 these private companies that are doing a horrible  
12 job.

13 AHMED TIGANI: Well, there's a lot to get there  
14 and I know that we are on the clock. Let me try to  
15 quickly get through some facts. Thank you, sorry.  
16 There's some important facts. First and foremost,  
17 HPD is completely committed to a strong MWBE  
18 investment. And I understand that there are some  
19 specific data points that you'll ask for and we'll  
20 come back to you on that. But as a performer  
21 citywide among large city agencies, we spend, we're  
22 at the top of our procurement spin rate among large  
23 agencies that spend over \$10 million. We commit over  
24 the last 20, oh sorry, since 2018, we have spend \$86  
25 million for our local law 1 obligations.

1 We made a commitment to ourselves between our own  
2 procurement spending, our requirements that we made  
3 at developers. Since 2017, we wanted to make a  
4 commitment to meet \$1.3 billion and we've actually  
5 exceeded that and hit \$1.4 billion. So, we see that  
6 our work both using our dollars and pushing  
7 developers to invest in MWBE firms is working. Our  
8 13,000 individual awards last year, 10,000 of those  
9 went to MWBE commitments.  
10

11 COUNCIL MEMBER BARRON: Was it for major general  
12 contractors?

13 AHMED TIGANI: Oh, I'm happy to break down those  
14 numbers for you but -

15 COUNCIL MEMBER BARRON: I'd like to see the  
16 general contractors because they give us a lot of  
17 subs, subcontractors.

18 AHMED TIGANI: These are individual awards and  
19 it's a variety of general and subs but we are making  
20 requirements on both fronts.

21 COUNCIL MEMBER BARRON: So, I don't want to kill  
22 all the time. I'll accept that. No, I don't accept  
23 it but I hear you. I hear you. Anyway, what about  
24 the parking? I think it's a mistake to try to build,  
25 to not do parking and do housing. I think I saw it

1  
2 somewhere in the report. Parking is a major issue.  
3 These developers need to go down underground with the  
4 parking. They don't want to spend that kind of  
5 money. But parking is a major problem and they need  
6 to do the parking you know deep. They need to go  
7 down and do the parking lots because if you wipe that  
8 out and put more housing, it's going to be a mess.

9 Finally, affordable in perpetuity. You know  
10 sometimes affordability lasts the duration of the  
11 loan, 30, 60, even 90 but how many of the projects  
12 have been fighting for affordability and perpetuity  
13 forever? You know how many projects are in  
14 perpetuity? How are you doing with that?

15 AHMED TIGANI: I think what we have tried to is  
16 design regulatory agreements and financial tools  
17 working with developers but also making clear to them  
18 that what we're designing is building incentives to  
19 keep these buildings into perpetuity. We also try to  
20 shape our term sheets so that they see the value and  
21 continued affordability for the long term and very  
22 often we have seen many of our projects continue that  
23 over and over. That is partly why we have the  
24 backlog. There are projects that come back to us and  
25 we have the capital. We have the rental assistance

1 tools. Right now, what we've been asking for from  
2 the state and look for your support to get both state  
3 and federal support for are more tools because we see  
4 that they are coming back and these incentives that  
5 we're building into our agreements are working.

6  
7 COUNCIL MEMBER BARRON: Thank you Chair Sanchez.

8 ADOLFO CARRIÒN JR.: And if I can just quickly  
9 add that you know the affordability plus legislation  
10 asks for an extension of that affordability. The  
11 regulatory agreements that are tied to the life of  
12 the mortgage, which we can only do 30 years now. We  
13 want to go to 35 and 40 years.

14 CHAIRPERSON SANCHEZ: Thank you. Thank you so  
15 much Council Member. Okay, so turning to  
16 homelessness and supportive housing. The Fiscal 2023  
17 November plan implemented a right sizing PEG on New  
18 York City 1515 supportive housing of \$6 million in  
19 Fiscal 2023 and \$5 million in Fiscal 2024, with a  
20 total of \$14.7 million across four years. The PEG  
21 aligned HPD's budget to slower than expected project  
22 timelines for supportive housing and longer wait  
23 times until lease up.

24 At Fiscal 2023 Budget adoption, \$24 million was  
25 funded for supportive housing rental assistance,

1 which means that the end year cut is 25 percent. The  
2 New York City 1515 agreement targets for development  
3 500 units of congregate housing at HPD and 500 units  
4 of scattered site housing at the Department of Social  
5 Services each year over 15 years. Therefore, the  
6 quarter cut suggests around 375 units that HPD may be  
7 expected to be produced in Fiscal 2023.  
8

9 So, the question here is this seems to me to be  
10 going in the wrong direction right. We should be  
11 producing more supportive housing. The need is dire  
12 across the city and so, how many congregate  
13 supportive units are expected, is HPD expected to  
14 produce in Fiscal 2023? And can we expect to see  
15 this PEG again in future years?

16 GARDEA CAPHART: Yeah, so as far as the NYC 15,  
17 talking about the PEGs in the budget first, what we  
18 saw as we mentioned before was with underspending.  
19 So, we make sure that we plan for the full fiscal  
20 year with these projects that some chance that these  
21 projects would be leased up within a year.

22 CHAIRPERSON SANCHEZ: Can you move a little bit  
23 closer to the mic?

24 GARDEA CAPHART: Okay, sure. So, the expectation  
25 that the projects when we do the budgeting or do the

1 estimate is based on a full year but in reality those  
2 come online later in the year and so, we may have  
3 underspending during the Fiscal Year.

4 And so, the way we save is the underspending that  
5 gets reduced. It doesn't impact the actual projects.  
6 So, in terms of the PEGs we've mentioned. Now, as  
7 far as 1515, of the 15,000 units target, HPD's share  
8 is 7,500 units and we are working toward meeting that  
9 target and we are on track to making that target. I  
10 think we're at about 46 percent and we're expected to  
11 be ahead of that as well.

12 CHAIRPERSON SANCHEZ: Okay, two years early, so  
13 we shouldn't be worried about the supportive housing  
14 numbers?

15 GARDEA CAPHART: No.

16 CHAIRPERSON SANCHEZ: Okay, the PMMR reports that  
17 the median time to lease up in a homeless placement  
18 set aside for new construction grew by 106 days in  
19 Fiscal 2021 to 203 in Fiscal 2022. There's no data  
20 given for the first four months of Fiscal 2023, so  
21 what's the current median time to lease up for  
22 homeless placement?

23 AHMED TIGANI: So, you know in order to be  
24 consistent and accurately measure trends in homeless  
25

1  
2 placements, the MMR is calculated using an annual  
3 cohort, so it's reproduced by year but I'll say that  
4 we have worked extensively both on staffing,  
5 technology and looking at our workflow and processes  
6 to make improvements. Also, this is another example  
7 of how HPD, DHS and HRA are working closely together  
8 both on the immediate question but also large about  
9 how we are working together on streamlining and  
10 putting people to housing faster.

11 An example of that is that uh, this when you  
12 compare Fiscal Year 2023, the time that we have lost  
13 so far in Fiscal Year 2022. We are actually placing  
14 25 percent more people per week than we were last  
15 time. That is directly a result on the coordination  
16 among the agencies at this point. We're also working  
17 on a number of different initiatives that among the  
18 agencies as worth noting, homeless applicants going  
19 into non federally funded units are not required to  
20 provide their eligibility because their City FHEPS  
21 eligibility is excepted as proxy. Waiving unit  
22 inspections on HPD new construction development  
23 because we're already monitoring the construction of  
24 units investing in technology to consolidate client  
25 management, document sharing, streamlining the intake

1 and qualification process and additionally, in  
2 partnership with HDC, we are engaging with a  
3 consultant to actually go further and do a thorough  
4 review of our entire process. So, we started with  
5 some initial assumptions, staffing investments,  
6 technology improvements and we actually look forward  
7 to going further and beyond in the coming year to  
8 make additional improvements.  
9

10 CHAIRPERSON SANCHEZ: Thank you. Thank you so  
11 much. So, two more sets of questions. The first set  
12 is just one question. I have heard uhm a lot of  
13 concern from advocates, the advocate community as  
14 well as just you know landlords, homeowners, on the  
15 arrears crisis but particularly the affordable  
16 housing arrears crisis.

17 So, we know NYCHA is being impacted. Their rent  
18 rule are at 65 percent collection versus 80 percent  
19 collection prior to the pandemic and these kind of  
20 this kind of reality is also settling in for  
21 affordable housing owners. So, the question here is  
22 what is HPD's role and relationship with a project or  
23 a development after the financing stage? How does  
24 HPD — what does HPD do to ensure the success of the  
25 development?

2 AHMED TIGANI: So, there are several ways we  
3 maintain our relationship with buildings that are  
4 subsidized by HPD or HDC. We have both agencies have  
5 asset management teams that stay in communication,  
6 work to make sure that the terms and conditions of  
7 the housing first and foremost are met. But second,  
8 we maintain a relationship with both the property  
9 manager and the owner to look annually at how the  
10 activity and the buildings integrity and wellness is  
11 overtime making sure that they are aware of ways that  
12 we can plug in help and maintain that building in  
13 perpetuity.

14 So, we have talked about our preservation term  
15 sheets. We have talked about our rental assistance  
16 tools. All of those are put on the table at each of  
17 our conversations to make sure that they know that  
18 we're there to maintain them long term. If you want  
19 to talk more specific.

20 KIMBERLY DARGA: Also, I would say in addition to  
21 that, we were very fortunate the legislature passed  
22 change at the state level that allows affordable  
23 housing projects to collect the full tenant-based  
24 voucher rent. And so, we are actually starting to  
25 mend regulatory agreements to allow that now, so that

1 where there is a rental subsidy today, that rental  
2 subsidy can help offset or cover some of the  
3 operating costs of the building, which puts just less  
4 pressure on the building and the residents.  
5

6 CHAIRPERSON SANCHEZ: Okay, so in the immediate  
7 with these affordable housing owners being concerned  
8 that they didn't receive ERAP money. That they are  
9 on a waitlist that's never going to materialize, what  
10 tools does HPD have to support these buildings?

11 AHMED TIGANI: I think at this point, we've also  
12 read the reports and looking at the data, we continue  
13 to have conversations and you know we are putting and  
14 making available the tools that we do have and  
15 hearing more from the community about what else we  
16 could be doing. So, at this point, we're still  
17 evaluating what can be done.

18 CHAIRPERSON SANCHEZ: Awesome. You all, we're  
19 going to make it home to bed time. Don't worry.  
20 Okay, so my last round is on homeownership,  
21 affordable homeownership. You know I think the  
22 administration, the blueprint, HPD, and members of  
23 this Council, lot's of members of this Council from  
24 very different communities, we've all expressed home  
25 ownership as a very important priority that we share.

1  
2 And yet some of the investments, even those that are  
3 mentioned in the blueprint are, they seem smaller in  
4 scale then you know something like the Mitchell Lama  
5 of our generation right. The co-op city. Where are  
6 we building the co-op city of our generation. And  
7 so, you know in addition to downpayment assistance  
8 and home fix and the home owner help desk, how is HPD  
9 thinking about new production of home ownership  
10 opportunities? Are we to expect a homeownership term  
11 sheet in the near future?

12 ADOLFO CARRIÒN JR.: Let me just, as I said at  
13 the outset, emphasize once again you know the level  
14 of priority of homeownership for us. And you know  
15 while you characterized it as modest, it's in excess  
16 of \$50 million and just in this year alone, we're  
17 going to take some of these programs citywide, double  
18 the number of people we help to become first time  
19 home buyers and continue to help existing homeowners  
20 as we have in the past, but redouble our efforts,  
21 taking the homeowner help desk. You know one of the  
22 problems that we faced recently I think the New York  
23 Times covered this about the flight of Black families  
24 from New York City. We lost a couple hundred

1  
2 thousand and they're going to places where they could  
3 by a home and build some family wealth.

4       So, we're committed to keeping people in their  
5 homes, keeping seniors in their homes, sustaining  
6 home ownership rates. And then we have some as you  
7 suggested, and I'm going to call Kim back because we  
8 do have multifamily homeownership tools that we have  
9 in our toolbox. Open Door and the Affordable  
10 Neighborhood Cooperative Program. We want to use  
11 those tools very aggressively and we're working with  
12 our partners in government to try to resuscitate some  
13 of those initiatives.

14       KIMBERLY DARGA: I think you covered it. I mean,  
15 we do actually really want to see affordable  
16 homeownership developed in New York City. We've  
17 committed really significant resources to  
18 preservation of affordable homeownership,  
19 particularly Mitchell Lama properties, HDFC  
20 cooperatives and we're trying to expand support for  
21 both. As the Commissioner said, the two main areas  
22 where we develop new affordable housing, sorry,  
23 affordable homeownership projects as in Open Door,  
24 which is our new construction program, we've had some  
25 issues figuring out how to structure the financing

1 there, so that it actually works as an efficient use  
2 of public resources. And that we think we've made  
3 pretty significant progress. We're hoping that we'll  
4 be able to do more of that in the future.

5  
6 CHAIRPERSON SANCHEZ: Thank you. Thank you so  
7 much. Okay, so I mean just and yes, \$50 million is  
8 great. And just looking at the downpayment  
9 assistance program, am I correct that it will benefit  
10 about 70 households this year? Just about? I see  
11 some nods.

12 KIMBERLY DARGA: Hoping to do a lot more.  
13 Actually I think you know historically we were  
14 dependent on home funds and we actually significantly  
15 increased the home funds that we're dedicating to  
16 provide down payment assistance for low-income New  
17 Yorkers. We also for the first time, hopefully will  
18 be able to introduce a downpayment assistance program  
19 for moderate income New Yorkers, so between 80  
20 percent and 120 percent AMI. Homeownership is a very  
21 hard market in New York City for almost everybody.  
22 And so, I put a pin in, actually launching that  
23 because we need state legislation. We need  
24 affordability plus in order to fully launch that.  
25 But we should be able to once we fully up and

1  
2 running, be able to double the support and we have  
3 uhm, already increased the level of assistance that  
4 we provide to low-income applicants.

5 AHMED TIGANI: The only other thing I'll add is  
6 our ownership programs obviously range from moderate,  
7 middle and down. They actually range down to some of  
8 our most vulnerable New Yorkers in our family self-  
9 sufficiency program. There is a very targeted  
10 building to use. Some Section 8 vouchers do actually  
11 facilitate the ability to move into homeownership.  
12 It's a small program. It's something that we're  
13 really excited about and hope to grow with new  
14 additional funding from the federal government. It  
15 provides the ability to move a family forward with a  
16 15-year commitment for when it's collected, a 30-year  
17 mortgage and its uhm, excuse me, it's something where  
18 if we still have other fail safes to support that  
19 family, since it comes with the wrap around services.  
20 The mentorship, the family development that the  
21 family self-sufficiency program has and is a  
22 cornerstone of our Section 8 work, which is just  
23 providing a voucher but providing other opportunities  
24 to grow for that family.

1  
2 So, our homeownership work is very diverse and we  
3 are going to continue to try every prong and grow  
4 every prong.

5 CHAIRPERSON SANCHEZ: Thank you.

6 ADOLFO CARRIÒN JR.: And the legislative agenda  
7 that we have obviously includes homeownership which  
8 goes back to yeah, our loan authority. Our ability  
9 to help the people that we're all trying to help.

10 CHAIRPERSON SANCHEZ: Yeah, that sounds yeah,  
11 affordability plus sounds like the solution to many  
12 of our questions here.

13 ADOLFO CARRIÒN JR.: Many things.

14 CHAIRPERSON SANCHEZ: Just a last question on  
15 homeownership, which is, what are we looking at?  
16 What are folks using downpayment assistance for? Are  
17 they buying single family homes? Multi-family co-  
18 ops, condo's, what's sort of the breakdown sizes of  
19 homes and such?

20 KIMBERLY DARGA: I don't have a breakdown with me  
21 today of the type of homes that people are purchasing  
22 but the assistance is available for small homes which  
23 could have rental units within them as well as for  
24 condo or cooperative units.

1  
2 CHAIRPERSON SANCHEZ: Okay, well, my final note  
3 on this is that I have a \$3.5 billion proposed  
4 development in my district with a lot of willingness  
5 it sounds like. It's a private development site but  
6 a lot of willingness from the development team at  
7 least at this very conceptual phase to have  
8 conversations about what is possible there and I  
9 think there is possibility for a big homeownership  
10 demonstration. So, look forward to talking more  
11 about that. That's the Fordham Landing Development.  
12 I've asked your sister agency at DCP to work with us  
13 on a neighborhood planning study to see what the  
14 community would like to do there but you know, as  
15 those conversations continue, just having HPD's  
16 partnership and willingness to bring homeownership  
17 there would be wonderful.

18 ADOLFO CARRIÒN JR.: And we're very interested in  
19 that project, as you know, we've been in  
20 conversations with the development team and we're  
21 very excited about an opportunity on the waterfront  
22 like that in that part of the city.

23 CHAIRPERSON SANCHEZ: Alright, well, with that,  
24 no more colleagues with ten minutes worth of  
25 questions. Okay, thank you. Thank you all so much

1  
2 for answering all of these questions, for being with  
3 us today. I really appreciate the deep partnership  
4 with HPD and the Council. We just want you all to  
5 have all the money so you could do all the things,  
6 but in all seriousness, I look forward to seeing more  
7 deeply affordable housing that is answering you know  
8 a community like mine, as well as homeownership and  
9 all the goals that we share really making progress on  
10 those. So, thank you for your time. Thank you.

11 ADOLFO CARRIÒN JR.: Thank you Council Member.

12 CHAIRPERSON SANCHEZ: With that, no, let's go.

13 She asked if we want to break before public  
14 testimony.

15 ADOLFO CARRIÒN JR.: Oh, I thought you were going  
16 to say something about pizza.

17 CHAIRPERSON SANCHEZ: All for pizza. No, thank  
18 you HPD. So, now we'll turn it over to well, okay,  
19 so now I will turn it over to Committee Counsel to  
20 bring us into public testimony.

21 COMMITTEE COUNSEL: So, we will now turn to  
22 testimony from the public. Please listen for your  
23 name to be called, whether you are here in person or  
24 appearing via Zoom. If you are testifying on Zoom  
25 when it's your turn to testify, you will be prompted

1 to unmute. Please accept this prompt and begin your  
2 testimony.  
3

4 In the interest of time, we will be limiting your  
5 testimony to two minutes per person. For our first  
6 panel, we will be going with Visnja Vujica, Brendan  
7 Cheney, Dr. Irvinia Moody, and Lauren Velez. If you  
8 are here in person, please come up to the table.

9 SERGEANT AT ARMS: Time starts now.

10 COMMITTEE COUNSEL: You can begin when you are  
11 ready. Press the button, yup it will be red.

12 Thanks.

13 VISNJA VUJICA: Good evening Madam Chair and this  
14 team, members of the Committee. My name is Višnja  
15 Vujica, I am an Attorney at TakeRoot Justice. We're  
16 a community lawyering organization. We work with  
17 grassroots community groups. I am testifying tonight  
18 on behalf of our Equitable Neighborhoods Practice,  
19 which is the department that I work in. My colleague  
20 Jackie del Valle will be testifying about our housing  
21 work and our Stabilizing NYC work.

22 My testimony here tonight is really going to be  
23 focused on three parts around the CLT movement and  
24 our CLT community organizing partners. Our first ask  
25 on behalf of our CLT organizing partners and

1  
2 ourselves is that we really need the Council to  
3 increase funding for the CLT initiative. The CLT  
4 initiatives has been funded at the \$1.5 million. It  
5 hasn't been increased even though the number of  
6 CLT's, the number of neighborhoods, their organizing  
7 CLT's increasing. All of those CLT's are becoming  
8 more and more advanced and have much more advanced  
9 project needs that come with more costs. And also,  
10 they get more advanced into developing their  
11 projects. They're developing more conflicts,  
12 technical assistance needs, which is where we come in  
13 at TakeRoot. We're a legal service provider.

14 From the beginning, some simple needs that our  
15 partners had within the corporation understanding how  
16 to do board development. Since then, we've worked on  
17 really very complex real estate, transactional real  
18 estate projects that if a private firm were hired for  
19 it would cost tens or hundreds or thousands of  
20 dollars. We're basically the only people providing  
21 these services for free. The CLT's need  
22 sophisticated legal services because they're  
23 functioning in housing, which is a highly, highly  
24 regulated field where a sophisticated understanding  
25 of the law is really necessary.

1  
2 So, we're asking you not to make CLT's do more  
3 with less money. We're asking you to double the \$1.5  
4 million currently to \$3 million. If I could just  
5 wrap up very quickly. We also need additional  
6 capital funding for CLT's to be able to successfully  
7 develop these public land sites that they're getting.  
8 We had the public land hearing last week and it's  
9 really important for the city not to dump neglected  
10 sites without taking any responsibility for the  
11 decades of neglect during the time that it was  
12 stewarding these sites.

13 And the third item is that we really need the  
14 budget to reflect that the tax lien sale is over.  
15 So, it needs to be removed from the revenue line in  
16 the budget. And the replacements need to be put in  
17 into the budget. The East New York CLT and the  
18 Abolish the Tax Lien Sale Coalition have a detailed  
19 proposal. It's on their website. It's in my  
20 materials. Happy to answer any questions and there's  
21 more information in my papers.

22 CHAIRPERSON SANCHEZ: Thank you so much and I'm  
23 going to ask for your partnership in advocating to  
24 baseline some of the CLT funds, right? Because  
25 otherwise, we're going to be at the table every

1 single year, even past when I'm a Council Member,  
2 asking for CLT funding, right? But if the  
3 Administration can baseline it and have it become  
4 part of the HPD's programming, then you know we will  
5 be in a better position.

7 VISNJA VUJICA: Yeah, we would be happy to do  
8 that and all of the CLT's as well.

9 CHAIRPERSON SANCHEZ: Awesome, thank you.

10 VISNJA VUJICA: Thank you.

11 BRENDAN CHENEY: Alright, good evening. My name  
12 is Brendan Cheney, I am the Director of Policy and  
13 Operations at the New York Housing Conference. Thank  
14 you Chair Sanchez and the Housing Committee for  
15 giving me the opportunity to testify. So, you have  
16 my full written testimony. In the interest of time,  
17 I'm going to briefly highlight the four issues that  
18 we're concerned about. First, we remain concerned  
19 about the understaffing at HPD and other housing-  
20 related agencies.

21 I'll skip the data. I think the agency talked  
22 about the data at the hearing just now. It sounds  
23 like they're making progress. I think on our data,  
24 we saw a one percent increase in net headcount from  
25 October to January, so like good signs. I think we

1  
2 want to see continued progress and acceleration of  
3 progress actually. And so, we're going to continue  
4 monitoring it. We really appreciate your work  
5 highlighting it and pressuring them.

6       You know we're pleased to see the two new  
7 proposals to address staffing from the Mayor. The  
8 increase for hard to hire positions and faster OMB  
9 response. Probably more is needed. We issued a  
10 report back in May that had some really detailed  
11 recommendations about how to deal with the staffing  
12 crisis and so, I think you know looking at some of  
13 those recommendations also to help really increase  
14 staffing. And to be clear and you guys know this but  
15 just want to put it on the record. Understaffing is  
16 really effecting services. I'll skip that data.  
17 We're also concerned about capital funding. The  
18 agency talked about rising costs. It sounds like  
19 they think they've got the money to address their  
20 count this year but it sounds like there needs to be  
21 - they really need to look at it for this year and  
22 next year and the future years. Thank you for  
23 bringing up the rental arrears crisis. Just to put  
24 it on the record, we looked at 50,000 units. 30  
25 affordable housing, 31 percent of tenants of arrears.

1 On average \$9,500 owed in arrears per tenant. It's a  
2 crisis that could lead to massive evictions and is  
3 effecting the financial stability of our affordable  
4 housing.  
5

6 And then just real quick, lastly we're concerned  
7 about code enforcement. We're concerned about the  
8 prospect of deteriorating housing conditions and the  
9 need for greater code enforcement, as signs of  
10 financially distressed and over leveraged housing are  
11 emerging. So, we just recommend that HPD monitor the  
12 housing stock and protect existing housing through  
13 Code Enforcement. Thank you for the opportunity to  
14 testify and happy to answer any questions.

15 CHAIRPERSON SANCHEZ: Thank you. Thank you so  
16 much Brendan and thank you for your partnership and  
17 making sure that we raise all these important issues.  
18 On your last point about Code Enforcement and  
19 overleveraged housing, are you seeing this  
20 concentrated in any particular neighborhoods  
21 throughout the city?

22 BRENDAN CHENEY: We haven't seen any great data  
23 yet. I think you know we look at uhm, was it the  
24 sugar hill portfolio that was in the news I think.  
25 That feels like sort of a warning sign. You know,

1  
2 when I was at the Council back in 2009, we were  
3 walking on this after the financial crisis there was  
4 a big stock of overleveraged housing and it felt like  
5 the same thing. Where buildings are overleveraged,  
6 we're financed based on the assumption you get turn  
7 over rent regulated housing and raise the rents and  
8 especially with the 2019 rent laws, that's not  
9 possible and so, I think we're really worried that  
10 there is going to be more housing like this that's  
11 overleveraged and what that leads to is disinvestment  
12 of housing and risk for the tenants.

13 So, I think the point is, we haven't seen great  
14 data and I think the idea is that we're hoping that  
15 HPD will do what they did back then, which is look at  
16 the data, pay attention to Code Enforcement data,  
17 look at financial data and work with tenant advocates  
18 to sort of look out for which buildings are in this  
19 condition.

20 CHAIRPERSON SANCHEZ: Awesome, thank you. That's  
21 very helpful. Thank you both and thank you for being  
22 here for all of these hours.

23 COMMITTEE COUNSEL: Just give us one second,  
24 we're waiting for Lauren Velez to be unmuted. When  
25 the prompt comes up, oh, there you go. Go ahead.

1                   LAUREN VELEZ:  There we go.  Thank you so much.  
2  
3   Good evening all and thanks for the opportunity to  
4   provide testimony before you all today.  My name is  
5   Lauren Velez and I'm the Associate Director for New  
6   York at CSH.  We're the corporation for Supportive  
7   Housing.

8                   We are a national nonprofit that works with  
9   communities all over the country to devise and  
10  implement supportive housing solutions as a response  
11  to homelessness.  We know that supportive housing is  
12  an effective, long-term intervention that pairs  
13  permanently affordable units with voluntary,  
14  individualized wrap-around services, to offer our  
15  most vulnerable and behaviorally complex community  
16  members an opportunity to stabilize and thrive in  
17  safe, affordable housing.

18                   Supportive housing has been proven to increase  
19  public safety, and create more inclusive, resource  
20  rich communities and it is far more cost effective  
21  than crisis systems such as jail, shelter, and  
22  improper emergency department use.  We all know that  
23  New York City is experiencing an unprecedented  
24  housing and mental health crisis and it's clear that  
25  we need more investment and solutions that we know

1  
2 work. And one of these solutions is supportive  
3 housing, which directly helps at risk New Yorkers  
4 gain access to the right services and supports.

5 All New Yorkers deserve a safe home and to be  
6 connected to resources in their community, not just  
7 those who have the most at their disposal and if we  
8 are truly committed to increasing public safety and  
9 creating a healthier New York, we've got to invest in  
10 housing options for all.

11 The populations most heavily impacted by this  
12 housing crisis are exactly the people that need our  
13 support the most, those with severe mental health  
14 challenges and other chronic conditions, those with  
15 histories of generational trauma and marginalization,  
16 those who have been targets of historic and systemic  
17 racism, and those impacted by the criminal legal  
18 system. Supportive housing is an evidence-based  
19 intervention that has proved to be effective with all  
20 of these populations.

21 Although New York has dedicated funding streams  
22 to pay for supportive housing, it is not enough and  
23 more and more we are hearing from tenants, advocates  
24 and others that the funding we have allotted for  
25 these programs isn't making the cut. Rental

1 subsidies are too to be competitive in the rental  
2 market and ensuring that we can place people in  
3 quality units, and the service dollars are too low to  
4 provide adequate services and pay staff acceptable  
5 wages.  
6

7 The impact of the funding gap goes well beyond  
8 this, as you know and we have talked about it today  
9 though: impacting city agencies like HPD that are  
10 severely understaffed and creating even more of a  
11 ripple effect of bottlenecks in our systems. While  
12 new units are needed, this is not an issue that we  
13 can just build our way out of. And in addition to  
14 the need for more affordable and supportive housing  
15 units -

16 SERGEANT AT ARMS: Time expired.

17 LAUREN VELEZ: We have got to protect and  
18 preserve the ones that we have. We must ensure these  
19 units are safe, quality units and that we are not  
20 letting the most at risk New Yorkers live in squalor.  
21 Increased vulnerability and need should not equal a  
22 decrease in quality of life and subpar living  
23 conditions. I think I'm at time, so I will not go  
24 into the individual asks. Uhm, they will be in my  
25 submitted testimony but we're asking for significant

2 investment in housing subsidies and supports to the  
3 tune of \$103 million. We want to see investment in  
4 New York 1515, supporting the MOCJ hotels. We want  
5 to see reallocated funding to increase congregate  
6 units and preserve units through 1515. Support for  
7 the Fair Chance for Housing bill. Support for the  
8 closure of Rikers. And the case where you know  
9 investing in housing can be made both ethically and  
10 financially and the conclusion is the safe,  
11 affordable housing with services and connections to  
12 the community resources is how we increase public  
13 safety, get people connected to the support they need  
14 to achieve stabilization and help folks move beyond  
15 what is often generational cycles of poverty in  
16 crisis. Thank you.

17 CHAIRPERSON SANCHEZ: Thank you. Thank you so  
18 much Lauren.

19 COMMITTEE COUNSEL: For the next panel, who are  
20 all on Zoom, we'll have John Rusk then Gabriela  
21 Sandoval Requena, Rabbi Barat Ellman then Farhana  
22 Hussain(SP?).

23 SERGEANT AT ARMS: Time starts now.

24 JOHN RUSK: Shall I speak?

25 COMMITTEE COUNSEL: Yes, go ahead, thank you.

1  
2 JOHN RUSK: Thank you so much Committee Chair  
3 Sanchez. You've done an amazing job today. Thank  
4 you for this opportunity to testify on a topic we  
5 believe is crucial for the safety of the tenants of  
6 New York City's buildings, as well as increasing  
7 their value.

8 New York City has a rare opportunity this year to  
9 support a technological leap forward for its existing  
10 building stock. This year, the New York City Council  
11 is expected to see the New York City Department of  
12 Buildings implement new rules for natural gas  
13 detection. Detectors are expected to be installed in  
14 all New York City dwellings where natural gas  
15 appliances exist and these rules will require a  
16 substantial investment of time and resources by NYC  
17 public housing.

18 These new requirements are part of Local Law 157,  
19 which was passed in 2016 after the devastating losses  
20 of eight lives in the 2014 East Harlem explosion and  
21 two lives in the 2015 East Village explosion. Of  
22 special note to the City Council is that if the deal  
23 be decides that these gas detectors are to monitor,  
24 which will certainly save residents and fire fighters  
25 lives, a cost-efficient wireless net river created

1  
2 within buildings to sense gas leaks, can monitor,  
3 record and enable the ability to address several of  
4 the issues that the city's buildings currently face,  
5 particularly in public housing and low-income  
6 housing.

7 With a low-cost network installed for the gas  
8 monitors, other small wireless sensors can be  
9 deployed, alerting buildings staff within seconds of  
10 water leaks, temperature, humidity and exhaust fan  
11 malfunctions and other operational and environmental  
12 concerns. These near instant notifications will  
13 allow residents and service teams to stop water  
14 leaks, prevent freezing pipes, or determine if  
15 exhaust fans are operating properly. These specific  
16 malfunctions create mold, a leading cause of asthma.

17 Other sensors will alert as soon as the boiler  
18 goes cold, if an elevator stops moving and when a  
19 rodent is trapped, allowing swift cleaning and  
20 rebating so that infestations can be quickly  
21 addressed.

22 In my testimony two days ago for Public Housing  
23 with Chair Avilès, she and I discussed how our hard  
24 data can force the federal government to acknowledge  
25

1  
2 the issues in public housing and force financial  
3 support. Happy to answer any questions.

4 SERGEANT AT ARMS: Time.

5 JOHN RUSK: Two minutes.

6 CHAIRPERSON SANCHEZ: Yeah, very good. Thank  
7 you. Thank you so much. I look forward to learning  
8 more about the product. Thank you.

9 JOHN RUSK: Excellent, thank you so much.

10 GABRIELA SANDOVAL REQUENA: Good afternoon Chair  
11 Sanchez, members of the Committee on Housing and  
12 Buildings and Council staff. Thank you for the  
13 opportunity to testify on behalf of New Destiny  
14 Housing for the Fiscal Year 2024 Preliminary Budget.  
15 My name is Gabriela Sandoval. I am the Director of  
16 Policy and Communications at New Destiny.

17 Our mission is to end the cycle of abuse in  
18 homelessness for domestic violence survivors. We do  
19 this by developing supportive housing for homeless  
20 survivors, assisting survivors obtain subsidies and  
21 find apartments and by advocating for increased  
22 housing resources for the.

23 New Destiny is also a co-convener of the Family  
24 Homelessness Coalition. For more than six years now,  
25 domestic violence has been the number one cause of

2 family homelessness in New York City. Evictions is  
3 second to that. Yet survivors are excluded from two  
4 life saving housing resources. HPD's homeless set  
5 asides and city funded supportive housing. Last year  
6 with the release of the Housing our Neighbors  
7 Blueprint, the Adam's Administration committed to  
8 expand access to HPD homeless set asides to all  
9 unhoused New Yorkers in shelter.

10 Currently, these homeless designated units  
11 financed by the city are only available to New  
12 Yorkers in DHS shelter with rare exceptions. We  
13 wholeheartedly support this initiative and look  
14 forward to the city making HPD homeless set asides  
15 available to survivors in HRADD shelter, youth in  
16 BYCD shelter and families in HPD's own shelter  
17 system.

18 Similarly, we support sister agencies from  
19 including domestic violence survivors as an eligible  
20 population for city funded supportive housing created  
21 through NYC 1515. These are two budget neutral  
22 administrative modifications that do not cost the  
23 city anything. New Destiny is also excited to  
24 support funding for the newly established housing  
25 stability program for survivors of domestic violence,

2 thanks to Intro. 153-A sponsored by Council Member  
3 Cabàn. We urge the city to fund the program at \$6  
4 million. We are also concerned that staffing  
5 shortages at HPD, limited capacity has delayed the  
6 affordable housing project significantly. Less staff  
7 means less affordable housing in the city. We urge  
8 the administration to address this issue.

9 On behalf of New Destiny, I would like to thank  
10 the Council for the opportunity to testify. We will  
11 submit extended written testimony and look forward to  
12 continue working together. Thank you.

13 CHAIRPERSON SANCHEZ: Thank you. Thank you so  
14 much Gabriela and thank you for your partnership and  
15 preparing for this hearing. Appreciate you.

16 RABBI BARAT ELLMAN: Hello, good afternoon.  
17 Thank you all for sticking around so long. My name  
18 is Rabbi Barat Ellman and I'm submitting testimony  
19 today on behalf of Tirdof, new arch Jewish clergy for  
20 Justice. We are a new group of project of Jews for  
21 racial and economic justice and [INAUDIBLE 04:38:07]  
22 call for human rights. And our inaugural campaign is  
23 centered on housing. Housing for the unhoused and  
24 housing for the housing insecure.

1  
2 While this is clearly a top priority for our  
3 city, which is experiencing a housing crisis, it's  
4 also a central concern for me as a Jew. The dignity  
5 of every human being, people made in the image of  
6 God, is a central principle in my tradition and the  
7 crisis of homelessness is an assault on human  
8 dignity. Without housing and there are close to  
9 55,000 homeless adults in New York City, it's  
10 difficult to keep clean and when you can't keep  
11 clean, it's hard to hold or even get a job.

12 For children and there are over 20,000 homeless  
13 children in our city, it's difficult to get to school  
14 and succeed in school. A Beit or a home is  
15 foundational to a person's ability to survive, thrive  
16 and live with dignity and health and humanity in this  
17 world. But on any given night, tens of thousands of  
18 New Yorkers are sleeping in shelters and on the  
19 streets.

20 In synagogues this week, New York Jews are going  
21 to be reading in the Tora about the construction of  
22 the Tabernacle. The place where ancient Israel  
23 centered their worship of God and in the reading that  
24 accompanies the reading we'll read about Solomon's  
25 construction of the temple. There are two different

1 words that are used for these structure. The  
2 tabernacle is called Mikdash, which literally means a  
3 place of holiness. God requests this so that God can  
4 dwell among the Israelites and this means creating a  
5 space, a community for God to dwell in.  
6

7 The temple on the other hand is called Beit,  
8 literally a house. The disposition of these two  
9 terms teaches us that communities are made of houses  
10 and houses need communities. Housing needs  
11 communities that welcome the less affluent and value  
12 supportive system that many of our unhoused neighbors  
13 need. Our city budget is our community budget and  
14 has the capacity to address the housing crisis in our  
15 city if allocated properly. There are solutions  
16 before us.

17 SERGEANT AT ARMS: Your time has expired.

18 RABBI BARAT ELLMAN: Can I just have a second  
19 more? The city owns land across the five boroughs,  
20 which can be developed for affordable housing,  
21 supportive housing and subsidized housing purposes.  
22 There are empty rate stabilized apartments and  
23 apartments in NYCHA housing that could be made  
24 available to unhoused families. One of the obstacles  
25 carrying out these solutions is understaffing and the

1  
2 apartments of housing and preservation of  
3 homelessness and of health and mental hygiene. I  
4 urge the City Council to dedicate more funds for  
5 staffing in these areas. We must increase our stock  
6 of supportive housing and decrease the barriers to  
7 it. And we need to ensure that the stock of  
8 affordable housing is distributed across all of the  
9 five boroughs. I live in Park Slope, it should be in  
10 my borough, White neighborhood as well.

11 I urge the City Council to make housing a top  
12 priority in the new years budget. Foundations are  
13 essential to structurally strong buildings. Housing  
14 is a foundation essential to a dignified life in our  
15 city. Thank you for your time and attention.

16 CHAIRPERSON SANCHEZ: Thank you. Thank you so  
17 much Rabbi. That was a very helpful reminder of  
18 bringing us back to the why we're here and what we're  
19 trying to accomplish collectively. Thank you so  
20 much. I really appreciate your testimony.

21 FURHANA HUSSAIN: Good evening to the Committee  
22 Chair on Housing and Buildings, Council Member staff  
23 and all who are present today. My name is Farhana  
24 Hussain and I am speaking on behalf of India Home. A  
25 Queens based senior serving nonprofit dedicated to

1 serving South Asian and Indo Caribbean older adults.  
2  
3 And one of the housing problems that has long existed  
4 in this community is overcrowding, which is adversely  
5 affecting the mental and physical health of our  
6 seniors, while also limiting their independence in  
7 and outside of their homes.

8 Additionally, many of our seniors rent small  
9 studio apartments or live in shared living spaces  
10 with their adult children and grandchildren, where  
11 they are prone to experiencing emotional and  
12 financial abuse. Yet, because they have few  
13 affordable and competent housing options available,  
14 they're forced to continue experiencing this ill  
15 treatment. Specifically, at India Home, we about 50  
16 to 55 percent of Bangladeshi seniors we serve who are  
17 low to fixed incomes and can't afford higher quality  
18 housing.

19 NYCHA is an option, seniors are commonly directed  
20 to apply for in order to address their housing needs,  
21 however, we've noticed that the service has some  
22 shortcomings that make it underutilized by our  
23 seniors. Most NYCHA housing options offered to  
24 seniors we serve are in an entirely different borough  
25 or very far away from communities in Queens, in which

1  
2 our seniors feel closely connected to and have a  
3 great sense of belonging.

4 They do not want to relocate to those areas.  
5 Especially because the homes are not only far but  
6 also lack culture sensitivity since there are no  
7 South Asian grocery stores, houses of worship,  
8 cultural centers and other neighborhood amenities  
9 that aren't there.

10 With housing issues having exacerbated over the  
11 last two years since the pandemic, India Home is  
12 embarking on several housing projects to bring higher  
13 quality, affordable and cultural sensitive housing to  
14 the South Asian community. We are establishing and  
15 50-unit supportive senior workforce residence with  
16 related communal resident spaces and a 2,000 square  
17 foot community facility which will be used as a  
18 senior center for local residents -

19 SERGEANT AT ARMS: Your time is expired.

20 FURHANA HUSSAIN: At 1/11/13/15 89<sup>th</sup> Avenue in  
21 Jamaica Queens in District 27. The residents will  
22 have 30 studios and 21-bedroom units with amenities  
23 for enriched programming. And so, since I'm low on  
24 time, I ask that the Committee on Housing and  
25 Buildings support our \$2 million innovative senior

1 housing project that I just mentioned. Further  
2 details can be found in our written testimony, as  
3 well as I urge you to please propel city housing  
4 departments at agencies to integrate more culturally  
5 competent housing options. Often more subsidized  
6 rent support and reduce the long wait times that  
7 currently make up our NYCHA housing vouchers  
8 programs. Thank you so much for your time and  
9 cooperation.  
10

11 CHAIRPERSON SANCHEZ: Thank you.

12 COMMITTEE COUNSEL: Next, we will have Jackie Del  
13 Valle, Victor Herrera, Deyanira Del Rio and Joelle  
14 Ballam-Schwan.

15 SERGEANT AT ARMS: You may begin.

16 JACKIE DEL VALLE: Hi, good evening. My name is  
17 Jackie Del Valle and I am the Coordinator of  
18 Stabilizing NYC at TakeRoot Justice. Stabilizing NYC  
19 is a collation of grassroots organizations that  
20 combines tenant organizing with legal representation  
21 to combat tenant harassment and preserve affordable  
22 housing. Our tenant associations from coalitions  
23 across landlord portfolios and rent strikes, ERAP  
24 protects, prevented evictions and corrected hazardous  
25 conditions. The coalition also targets bad lenders

2 as predator equity would not exist without the highly  
3 speculative loans. Signature Bank, whose been in the  
4 news this week for unscrupulous banking practices,  
5 has been one of the more egregious multi-family  
6 lenders having provided loans to Steve Croman,  
7 Raphael Toledano and Ved Parkash.

8 Despite these efforts, safe affordable housing  
9 continues to be under a threat. Courts have been  
10 overwhelmed with eviction cases since the moratorium  
11 was lifted and tenants struggle to pay rent all while  
12 landlords continue to use a variety of harassing  
13 tactics to displace tenants to flip buildings out of  
14 regulatory status in order to maximize profits over  
15 people. But I don't think I need to spend a lot of  
16 time explaining our housing crisis and the toll it's  
17 taking on our community to this Committee. Council  
18 Member Sanchez came to this role with a deep  
19 understanding of organizing and housing issues and  
20 her leadership is impressive and all while being a  
21 new mom. So, we're requesting \$4 million to allow  
22 modest COLA increase to each of the 20 coalition  
23 members, helping to ensure that we continue to same  
24 work as business and living costs have risen sharply.  
25 Moreover, in general I oppose the deep cuts and

2 reductions proposed by Mayor Adams in the Preliminary  
3 Budget to HPD and DOB and support the care not cuts  
4 in peoples budget. Both of these departments are  
5 facing potential cuts and vacancy reductions as you  
6 know in the upcoming budget and any reduction  
7 services could lead to increase and displacement,  
8 homelessness and unsafe living conditions.

9 Further, our work wouldn't be possible for the  
10 Community Housing Preservation strategy and the  
11 Community Land Trust, which my coworker Visnja spoke  
12 so well about. We ask for your continued support and  
13 I believe Visnja has delivered to you my written  
14 testimony which goes a lot longer and I am in two  
15 minutes. So, thank you so much. It's great to see  
16 you.

17 CHAIRPERSON SANCHEZ: Likewise, thank you so much  
18 Jackie.

19 SERGEANT AT ARMS: Time starts now.

20 VICTOR HERRERA: Hi, thanks for the opportunity  
21 to testify. My name is Victor Herrera. I'm a Leader  
22 and member of Freedom Agenda and a longtime advocate  
23 for the closure of Rikers Island.

24 In this Budget Hearing I see that there is not  
25 much strength in acknowledging the severity of trauma

1  
2 that is the result of funding Criminal Justice  
3 measures versus Treatment and housing. As a directly  
4 impacted constituent and community member, I am  
5 committed to voicing support for funding the  
6 underserved community that is the result of many of  
7 the tortured and tormented citizens of our  
8 communities that are confronted with an unfair and  
9 highly racist criminal justice system that preys on  
10 the differing factors impacting people of color and  
11 demographically stereo-typed members.

12 If the City of New York is to benefit from  
13 change, it needs to invest in our communities that  
14 have suffered decades of trauma that is clearly the  
15 product of systemic ideology starting with the  
16 traumatic institutional practice from childhood ACS  
17 to the racial profiling of our youth and young and  
18 the criminalization of Mental health, Trauma that can  
19 only be blamed on the specific funding of agencies  
20 that exacerbate Homelessness, mental illness and  
21 recidivism. If we continue to fund Profit over  
22 people concepts, the problem does not fade but  
23 becomes worse as it progresses.

24 The Department of Corrections is a well-known  
25 institution of tragedy and travesty that takes our

1 constituents into a tomb like environment as  
2 tormenting as it is and returns the constituent a  
3 broken dismayed individual, unsure of a future in our  
4 society on account of the experiences forced to  
5 endure in pre-trial detention that can be diverted  
6 and prevented, funding resources that focus on  
7 Treatment not Jails, Housing and employment.

8 Returning citizens that have no resources are left in  
9 a worse crisis with more in the future. With no  
10 structured setting such as housing, the risk of  
11 economic hardships becoming tragic costing the city  
12 more in the future. The mayor's budget proposes  
13 cutting 10 percent from HPD while DOC is set to get  
14 \$35 million more. HPD is already moving far too  
15 slowly to build affordable housing and move people  
16 into it, a process I experienced while waiting more  
17 than four years to move into my current apartment.

18 Cutting HPD's budget with further delay -

19 SERGEANT AT ARMS: Time expired.

20 VICTOR HERRERA: The processing of affordable  
21 housing applications and new development, whereas  
22 further investments in really affordable housing and  
23 accessible housing can reduce the DOC jail population  
24 and meeting the closure of Rikers by 2027.  
25

1  
2 In closing, nothing changes unless there is  
3 change. Thank you.

4 CHAIRPERSON SANCHEZ: Thank you. Thank you so  
5 much. You have a lot of work to do to center  
6 formerly incarcerated persons. Appreciate your work.

7 DEYANIRA DEL RIO: Hi, good evening Chair Sanchez  
8 and member of the Committee. Thanks so much for  
9 sticking around and for the opportunity to testify.  
10 My name is Deyanira Del Rio. I am the Co-Director at  
11 New Economy Project, we're a citywide organization  
12 that works with community groups to build a just  
13 economy rooted in cooperation, equity, racial  
14 justice, and ecological sustainability.

15 We worked with the City Council and coalition  
16 partners all over New York a few years ago to launch  
17 a groundbreaking discretionary funding initiative  
18 that you heard about, the Citywide Community Land  
19 Trust Initiative. And that support from the City  
20 Council has helped catalyze the growth of CLTs across  
21 the five boroughs that are now providing or on their  
22 way to providing deeply and permanently affordable  
23 tenant and community-controlled housing and other  
24 neighborhood-led development.

1  
2 CLT's are a social housing model that New York  
3 City desperately needs to address root causes of our  
4 city's affordability crisis. To combat displacement  
5 and to build power in collective community wealth in  
6 Black and Brown neighborhoods. As you know, CLTs  
7 give communities shared ownership of land. This is  
8 what they uniquely contribute to the affordable  
9 housing movement. They take that land out of the  
10 speculative market for good and they set the terms of  
11 development on top of that land to ensure permanent  
12 affordability and neighborhood led development  
13 without displacement. This is vital. CLTs can work  
14 with multiple affordable housing models and it is a  
15 tool that makes sense for the city from a public  
16 policy and equity point of view. CLTs preserve city  
17 investment in affordable housing through that  
18 permanent affordability and again, are just urgently  
19 needed to promote racial equity in housing and land  
20 use decisions.

21 I wanted to just underscore you heard about the  
22 need to expand funding for this initiative. This  
23 year we're asking for \$3 million for 20 organizations  
24 that are working around the city on community  
25

1 education, organizing, neighborhood planning, groups  
2 that are providing comprehensive, legal -

3  
4 SERGEANT AT ARMS: Time expired.

5 DEYANIRA DEL RIO: Technical support. Forming  
6 partnership with developers in their communities and  
7 forming community driven plans for housing and  
8 neighborhood development.

9 As the city and state are advancing policies that  
10 will help CLTs steward more land and housing, we need  
11 a commitment from the city to continue to robustly  
12 support this infrastructure. This isn't just about  
13 community by community providing services or  
14 outreach. This is a really vital infrastructure that  
15 New York needs again to keep New Yorkers safely  
16 housed and meet the scale of demand that we have all  
17 over the city.

18 So, thank you so much for this hearing and the  
19 chance again to testify.

20 CHAIRPERSON SANCHEZ: Thank you. Thank you so  
21 much Deyanira and really appreciate your advocacy on  
22 this.

23 JOELLE BALLAM-SCHWAN: Hi, my name is Joelle  
24 Ballam-Schwan, I'm with the Supportive Housing  
25 Network of New York. The network is a statewide

1 membership organization representing some 200  
2 nonprofit developers and operators of supportive  
3 housing, affordable housing with embedded support  
4 services for people with a history of homelessness  
5 and additional challenges. Thank you so much for the  
6 opportunity to testify today.  
7

8 The Mayor recently referred to 8,000 units of  
9 supportive housing. These units are part of the  
10 preexisting New York City 1515 units. The networks  
11 analysis suggests this commitment is not on track to  
12 be completed in the proposed timeframe. 6,200 units  
13 are in imminent danger of not being realized. As you  
14 know, half of the plans units were to be new  
15 development, congregate but already at year seven, 70  
16 percent of those units have been awarded. Meanwhile,  
17 only 17 percent of the plans scattered site units  
18 have been awarded. These are apartments rented in  
19 the private market with mobile case management. This  
20 is due to the underfunding of scattered site rates in  
21 combination with the very tight housing market and  
22 rising rents.

23 To accelerate or even reach its original goal,  
24 the city needs to immediately reimagine 1515 as well  
25 as increase scattered site service rates to 17,500 to

1 match those of congregate. The city should this year  
2 reapportion the remaining 6,200 unawarded scattered  
3 site units into four buckets. First, we propose the  
4 city develop more congregate residents, thereby  
5 increasing the city's stock of supportive and  
6 affordable housing.  
7

8 Next, we propose the city create a flexible  
9 preservation fund to bolster the service in operating  
10 contracts, underpinning thousands of units of older  
11 supportive housing. Third, we recommend the city  
12 keep a portion of the original scattered site  
13 commitment albeit funded at \$17,500 per unit, rather  
14 than the current unusable rate of \$10,000.

15 And lastly, we recommend the city work with city  
16 funded affordable housing developers to overlay  
17 homeless set aside units that have little to no  
18 funding for services with 1515 scattered site  
19 contracts. To ensure equitable access to all units  
20 under 1515, the Administration should allow stays in  
21 jail and prison of more than 90 days to count towards  
22 time, homeless time, to allow thousands of people  
23 returning from jail or prison access to 1515  
24 supportive housing.

25 Meanwhile, to achieve 1515-

1                   SERGEANT AT ARMS: Time expired.

2                   JOELLE BALLAM-SCHWAN: The Administration needs  
3 to expedite the contract approval process at DSS,  
4 which currently takes a year and finally, the  
5 administration must adopt a 6.5 percent cost of  
6 living increase across the human services sector to  
7 provide – so providers can recruit and obtain  
8 qualified staff who provide essential services.  
9

10                  Sorry for going over. Thank you so much again  
11 for the opportunity to testify.

12                  CHAIRPERSON SANCHEZ: Thank you. Thank you so  
13 much for that and I look forward to your written  
14 testimony as well.

15                  COMMITTEE COUNSEL: Thomas Gogan(SP?), Donald  
16 Nesbit, Shervanti Conical(SP?), Kira Armstrong,  
17 Chanelle Boyno(SP?), Viviana Gordan, Paula Segal,  
18 Juan Calcuta(SP?), Alex Stein. Okay, this concludes  
19 the public testimony. If we have inadvertently  
20 forgotten to call on someone to testify, please raise  
21 your hand now using the Zoom raise hand function and  
22 we will try to hear from you. Okay.

23                  CHAIRPERSON SANCHEZ: Alright, thank you so much  
24 to all of the team members and staff members who  
25 pulled many overnight late sessions of working to put

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this hearing together. Thank you so much to our  
teams. Thank you to HPD, thank you to the members of  
the public. This hearing is adjourned. [GAVEL]

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COMMITTEE ON HOUSING AND BUILDINGS

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COMMITTEE ON HOUSING AND BUILDINGS

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 8, 2023