

1 COMMITTEE ON HOUSING AND BUILDINGS JOINTLY
2 WITH THE COMMITTEE ON FINANCE AND THE COMMITTEE
3 ON SANITATION AND SOLID WASTE MANAGEMENT 1

4 CITY COUNCIL
5 CITY OF NEW YORK

6 ----- X

7 TRANSCRIPT OF THE MINUTES

8 Of the

9 THE COMMITTEE
10 ON FINANCE JOINTLY WITH THE
11 COMMITTEE ON HOUSING AND BUILDINGS
12 AND THE COMMITTEE ON SANITATION AND
13 SOLID WASTE MANAGEMENT

14 ----- X

15 May 12, 2023
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18 HELD AT: COUNCIL CHAMBERS - CITY HALL

19 B E F O R E: Justin Brannan, Chairperson of
20 Committee on Finance

21 Pierina Ana Sanchez,
22 Chairperson of Committee on
23 Housing and Buildings

24 Sandy Nurse,
25 Chairperson of Committee on
Sanitation and Solid Waste
Management

COUNCIL MEMBERS:

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

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4 COUNCIL MEMBERS: (CONTINUED)

5 Lincoln Restler
6 Amanda Farias
7 Diana Ayala
8 Althea Stevens
9 Selvena Brooks-Powers
10 Francisco Moya
11 Farah Louis
12 Kamilah Hanks
13 Nantasha Williams
14 Chi Ossè
15 Keith Powers
16 Marjorie Velàzquez
17 Robert Holden
18 Gale A. Brewer
19
20
21
22
23
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25

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4 A P P E A R A N C E S

5 Adolfo Carriòn Jr.
6 Commissioner of the New York City Department of
7 Housing Preservation and Development

8 Sharon Neill
9 Deputy Commissioner for Finance and
10 Administration

11 Guillermo Patio
12 Deputy Commissioner for External Affairs

13 Jessica Tisch
14 Commissioner of the New York City Department of
15 Sanitation

16 Javier Lojan
17 First Deputy Commissioner of the New York
18 Department of Sanitation

19 Joseph Antonelli
20 Deputy Commissioner for Management and Budget

21 Gregory Anderson
22 Deputy Commissioner for Policy and Strategic
23 Initiatives

24 Ryan Merola
25 Deputy Commissioner for External Affairs

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1 SERGEANT AT ARMS: This is a microphone check
2
3 for the Executive Budget Committee on Finance joint
4 with Committee on Housing and Buildings, Sanitation
5 and Solid Waste Management recorded on May 12, 2023
6 in the City Hall Chambers by Giselle Rivera.

7 SERGEANT AT ARMS: Good morning and welcome to
8 today's New York City Council hearing for the Fiscal
9 Year 2024 Executive Budget. This is a hearing on
10 Finance joint with Housing and Buildings, joint with
11 Sanitation and Solid Waste Management. At this time,
12 we ask that you silence all cell phones and
13 electronic devices to minimize disruptions throughout
14 the hearing. We thank you for your cooperation.
15 Chairs, we are ready to begin.

16 CHAIRPERSON BRANNAN: Thank you Sergeant.
17 [GAVEL]. Good morning and welcome to the fourth day
18 of FY24 Executive Budget hearings. Today, we'll
19 begin with the Department of Housing Preservation and
20 Development. I'm Council Member Justin Brannan, I
21 Chair the Committee on Finance and I'm pleased to be
22 joined by my good friend and colleague Council Member
23 Pierina Sanchez, Chair of the Committee on Housing
24 and Buildings.

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We've been joined this far by Council Members
Hanks, Louis, Dinowitz, Hudson, Aviles, Cabàn and
Moya. Welcome Commissioner Carriòn and your team.
Thank you all for joining us today to answer our
questions. On April 26, 2023, the Administration
released the Executive Financial Plan for FY23 to '27
with a proposed FY24 budget of \$106.7 billion. HPD's
proposed FY24 budget of \$1.36 billion represents 1.3
percent of the Administrations proposed FY24 budget
in the Executive Plan.

This is an increase of \$160.2 million or \$13.4
percent from the \$1.2 billion originally budgeted in
the Preliminary Plan. This net increase comes from
several actions. \$147 million added for asylum
seeker shelter in support. \$20.1 million for DC 37
collective bargaining adjustments. \$1.8 million in
new needs and a \$5.2 million PEG reducing supportive
housing rental assistance along with swapping \$7.9
million in NYCHA vacant unit funding. HPD also
projects a decrease of 34 additional full-time
positions since adoption of the FY23 budget. As of
March 2023, the HPD's vacancy rate was 15.2 percent.

My question today will largely focus on the
PEG's impact to HPD's supportive housing programs,

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1 delivery of services and overall staffing as well as
2 HPD's role in sheltering asylum seekers and risks to
3 our affordable housing from signature banks failure.
4 As has been noted, this Council has serious concerns
5 about the vacancies at HPD and their impact on the
6 agencies core mission. We've heard from constituents
7 and others around the city who have sorely needed
8 housing projects that are ready to go but are caught
9 in a holding pattern because of processing backlog
10 due to vacancies at the department.
11

12 And now, earlier in a hearing this week, we were
13 notified that HPD has been thrust into the role of
14 running at least one emergency shelter for asylum
15 seekers, as well as securing placements for other
16 asylees that the administration is looking to send
17 upstate, diverting further staffing and resources
18 already in short supply from HPD's Charter mandated
19 core responsibilities.

20 So, I very much look forward to hearing what the
21 Department has to say on these matters and now I want
22 to turn to my Co-Chair for this hearing Council
23 Member Sanchez for her opening statement.

24 CHAIRPERSON SANCHEZ: Thank you so much Chair
25 and good morning everyone. My name is Pierina

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1 Sanchez, I am Chair of the Committee on Housing and
2 Buildings and I am pleased to welcome Commissioner
3 Carriòn and your team to this important hearing on
4 HPD's Fiscal 2024 Executive Budget.
5

6 The city continues to be in a housing crisis as
7 we have been discussing since the beginning of our
8 term but of course, extending much further back. The
9 most recent findings of the housing vacancy survey
10 tells us what is truly – it paints a picture of what
11 is truly one of the most economic difficult times for
12 renters in our city. One would need to earn at least
13 \$110,000 to move into a median rental in the city.

14 The findings are also sharing what we know to be
15 true in parts of the city like the Bronx. Where a
16 vacancy rate is lower than one percent for rent
17 stabilized apartments. In a recent United Way report
18 finds that over three quarters of renting households
19 cannot meet the true cost of living in our city.
20 Underscoring the urgency and severity of this crisis.

21 Our discussion in the Preliminary Budget hearing
22 centered around the Departments lagging performance
23 in delivering basics. Affordable housing starts
24 affordable housing preservation, closing emergency
25 complaints, inspecting housing. I'm particularly

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1 interested today in learning about how the executive
2 budget bolstered the departments capacity to
3 preserve, develop and inspect the city's housing
4 stock.
5

6 HPD's Fiscal 2024 Executive Budget totals \$1.36
7 billion, an increase of \$160.2 million from the
8 Preliminary Budget, which I was really, really
9 excited to see until Chair Brannan mentioned, this
10 increase is primarily driven by a \$147 million
11 investment for asylum seeker shelter cost and \$20.1
12 million for the DC 37 Collective Bargaining
13 Agreement.

14 Important investments but not representing the
15 kinds of new investments that this Council has been
16 asking for. Despite this budget growth, the
17 executive budget introduces only \$1.8 million in new
18 needs in Fiscal 2024, a modest addition in a billion
19 plus dollar agency. One new need, unlocking doors is
20 a pilot program that will give landlords a
21 preservation bonus of \$25,000 for unit repairs in
22 exchange for renting to City FHEPS voucher holders.
23 This initiative shows how important HPD and the city
24 considers rent stabilized units to be in the City of
25

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1 New York. And I look forward to learning more about
2 HPD's plan for preserving rent stabilized housing.
3

4 The Executive Budget also includes net savings
5 of \$2.8 million in the current fiscal year and \$13.1
6 million in fiscal 2024. The Council is concerned
7 that the Administration has continued a progression
8 of budget reduction to the NYC 1515 Supportive
9 Housing Rental Assistance program. It is problematic
10 that while the Council called for additional
11 resources for supportive housing in its Prelim Budget
12 response, the Administration has gone a different
13 direction to reduce funding for this critical
14 resource that houses some of the most vulnerable New
15 Yorkers. It is estimated that four out of every five
16 individuals found eligible for supportive housing
17 have to remain in shelter or on the street because of
18 lack of available units.

19 We should be doubling down on supportive
20 housing, not making cuts while calling them savings.
21 We should do more to tackle the city's joining
22 population of homeless people and families teetering
23 on the edge who are clamoring for more affordable and
24 supportive housing. While the executive budget
25 includes some revenue generating initiatives as part

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1 of the program to eliminate the gap, I'm interested
2 in learning about what more can be done to maximize
3 revenue and maintain spending for HPD services and
4 functions.
5

6 A recent IBO report found that there is nearly
7 \$110 million in unpaid bills levied by HPD since
8 2017. And in our December 6th hearing on Code
9 Enforcement, we also talked about HPD's low
10 collection rates. This is money that HPD is
11 effectively leaving on the table, and often times in
12 the pockets of landlords who are not properly
13 maintaining the buildings.

14 Whether on preservation, new construction,
15 supportive housing, or inspections, HPD has a
16 critical road ahead. As we indicated in the prelim
17 budget response, the Council is here to support the
18 ambitious initiative that will set New York City on a
19 path to meeting the challenges we face and I look
20 forward to hearing from the Commissioner and the
21 Agency about how we can partner for a strong adopted
22 budget that builds on existing investments and goes
23 further. Thank you to the Committee Staff who helped
24 to prepare this hearing. Dan Kroop to my left.
25 Chima Obichere, Jack Storey in the Finance division,

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1 Taylor Zelony, Jose Conde, Charles Kim, Brooke Frye,
2 and Reese Herotta in the Legislative Division and my
3 Chief Sam Cardenas and Legislative and Communications
4 Director Kadeem Robinson, as well as my constituent
5 team who also always ensures that our hearings are
6 informed by our neighbors.
7

8 A reminder for members of the public who would
9 like to testify, please make sure that May 24 is on
10 your calendar. All public testimony on the Executive
11 Budget will be heard that day and you can appear in
12 person, at Chambers or over Zoom.

13 HPD is kindly reminded to keep your testimony to
14 about ten minutes so we can hear Council Member
15 questions and I will now pass it over to the Finance
16 Committee Counsel to swear in HPD's leadership before
17 turning it over to testimony.

18 CHAIRPERSON BRANNAN: Thank you Chair. We've
19 also been joined by Council Members Carr and Ossè.
20 Before we get started, I also want to give my thanks
21 to Daniel Kroop and Andrew Lane-Lawless from Council
22 Finance for all their work in preparing today's
23 hearing. My Committee Counsel Mike Twomey, my
24 Senior Advisor John Yedin and all the Finance
25 Analysts who work so hard behind the scenes to make
these

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4 hearings possible. So, I'll now turn it over to
5 Committee Counsel to swear in the witnesses for their
6 testimony.

7 COMMITTEE COUNSEL: Good morning, could you
8 raise your right hands, please? Do you affirm that
9 your testimony will be truthful to the best of your
10 knowledge information and belief, and you will
11 honestly and faithfully answer Council Member
12 questions? Commissioner Carriòn?

13 ADOLFO CARRIÒN JR.: I do.

14 COMMITTEE COUNSEL: First Deputy Commissioner
15 Tigani?

16 AHMED TIGANI: I do.

17 COMMITTEE COUNSEL: Deputy Commissioner Caphart?

18 GARDEA CAPHART: I do.

19 COMMITTEE COUNSEL: Thank you, you may begin.

20 CHAIRPERSON BRANNAN: You can begin.

21 ADOLFO CARRIÒN JR. Thank you. Good morning,
22 Chair Sanchez, Chair Brannan and members of the New
23 York City Council Committees on Housing and Buildings
24 and Finance. I am Adolfo Carriòn Jr., Commissioner
25 of the New York City Department of Housing
Preservation and Development. I am joined by member
of our agency's senior leadership team. Last year,

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1 when I first testified before the Council on HPD's
2 Executive Budget, I shared that one of my main
3 priorities as Commissioner would be to rebuild this
4 agency. A robust and healthy workforce that both
5 values public service and feels valued as public
6 servants is critical to our ability to carry out our
7 mission. Hiring and retention have been a top
8 priority for us over the last year, and thanks to the
9 support of Council Members, proactive citywide hiring
10 strategies, and recent wins like the DC 37 contract,
11 we are on track to meet our goals around expanding
12 access to affordable housing, advancing fair housing,
13 and keeping New Yorkers safe in their homes.

14
15 Specifically, I want to thank the Council for
16 promoting HPD's hiring initiatives. Our last hiring
17 fair for the Division of Tenant Resources was
18 immensely successful. The event was shared over 900
19 times on social media, including by a number of
20 Council Members. 225 New Yorkers attended, and we
21 extended offers for all 49 openings on that team.
22 DCAS has also been hosting weekly citywide hiring
23 fairs and HPD has attended every single one of them,
24 making about 50 job offers over the last eight fairs.

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2 Please continue to share these opportunities
3 with your constituents. Your support goes a long
4 way. Two months ago, I shared that we hired 218 new
5 employees in 2021; 442 new employees in 2022, and so
6 far this year, we've brought in 242 new employees,
7 obviously on a very good pace. As OMB has shared, we
8 will continue to work with them to request additional
9 headcount as needed but our primary focus now is
10 filling existing roles.

11 We were also thrilled when the DC 37 contract
12 passed in April providing well deserved raises and
13 \$3,000 bonuses to more than 1,300 of our staff or
14 about 60 percent of our workforce. Working with OMB
15 we provided pay increases in about 200 of our recent
16 hires to make our wages fairer and more competitive.
17 I will be sharing additional staffing updates in the
18 rest of my testimony but now I will turn to HPD's
19 Fiscal Year 2024 Budget and how it will, along with
20 our growing staff, help us meet our mission and then
21 I'll be happy to take questions.

22 As you mentioned, HPD's proposed fiscal year
23 2024 expense budget totals \$1.35 billion, of which
24 \$226 million passes through to the New York City
25 Housing Authority. So, excluding this pass-through,

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1 it's \$1.13 billion allocated to the agency's
2 operations.
3

4 Approximately 71 percent of our expense budget
5 comes from federal grants, primarily for Section 8
6 Housing Vouchers and other rental assistance
7 programs. The agency also relies heavily on funding
8 from the Community Development Block Grant and HOME
9 Investment Partnerships program, federal programs,
10 which support activity such as targeted code
11 enforcement, emergency repairs, tenant anti-
12 harassment and downpayment assistance for first time
13 homebuyers.

14 The balance of our expense budget consists of
15 \$320—almost \$324 million in city funds, with a
16 relatively small amount of state and other
17 categorical grants amounting to about \$1.7 million.
18 City Funds are used to fill gaps in programs and
19 services that are not eligible for federal
20 reimbursement or require a local matching
21 contribution. This of course requires innovative
22 design and implementation of new programs and
23 services to maximize the city's resources.

24 On the capital side, our capital commitment for
25 fiscal year 2024 totals \$2.5 billion, of which \$440

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1 million passes through to NYCHA for their Permanent
2 Affordability Commitment Together program, otherwise
3 known as PACT, leaving a balance for us of \$2.07
4 billion for our project pipeline. Almost 98 percent
5 of our capital plan is funded by city sources, while
6 the remaining 2 percent is financed by the Federal
7 HOME block grant for affordable housing.
8

9 Let me turn to expanding access to affordable
10 housing in my testimony. To meet the demands of the
11 current housing crisis and address cost escalations,
12 we moved up more than a half a billion dollars in our
13 capital budget from the out years, so we can deliver
14 urgently needed affordable housing. In partnership
15 with Housing Development Corporation, we're also
16 investing \$7.7 million for what we're calling the
17 Capacity Accelerator Program. This was designed by
18 us specifically to support our development team by
19 hiring temporary staff to move our robust pipeline
20 projects forward.

21 We're actively working to fill positions in the
22 Office of Development, including 17 new positions and
23 we're going to use the Capacity Accelerator Program
24 to deliver results, especially for preservation
25 projects in our pipeline.

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2 We recently released a Supportive Housing
3 Request for Qualifications, in order to accelerate
4 the creation of the 15,000 supportive homes that were
5 promised by 2028. This is a plan we laid out in our
6 blueprint, Housing our Neighbors. This competitive
7 process will establish a list of qualified developers
8 to build supportive housing on city-owned land. For
9 New Yorkers experiencing chronic homelessness and
10 serious mental health or substance abuse challenges,
11 affordable housing alone is not enough.

12 Supportive housing provides effective solutions
13 for keeping our neighbors stably housed. This helps
14 uh, our proposed budget also includes \$3.2 million
15 over the next five fiscal years for the Moving On
16 program. This helps people who no longer need on-
17 site services transition out of supportive housing
18 and into permanent affordable housing.

19 We also committed to speeding up and improving
20 the process of connecting New Yorkers to the housing
21 we create. In Fiscal Year 2022, we placed more
22 homeless households into affordable units than ever
23 before, and we are on track to house even more
24 homeless households this year. We, together with
25 NYCHA, have issued all 7,788 Emergency Housing

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2 Vouchers we received from the federal government and
3 more than 5,300 households have found housing with
4 assistance from the City's Housing Navigators. And
5 since overhauling our Housing Connect platform to be
6 more intuitive and seamless, we've seen a huge uptick
7 in users, hitting more than one million registered
8 account users last month.

9 I encourage the Council to take advantage of,
10 also take advantage of our outreach events like HPD
11 in Your District, which many of you have used and
12 Tenant Resource fairs, so we can continue to get the
13 word out about the affordable housing opportunities,
14 including homeownership created by the city.

15 I'll turn to Advancing Equity and Fair Housing
16 now. While we reach more New Yorkers about
17 affordable housing opportunities available on Housing
18 Connect, we are also revamping our efforts to include
19 more New Yorkers in the community visioning process
20 at the start of HPD's neighborhood planning work. We
21 recently launched the community engagement process
22 for two public sites. One, Jersey Street on the
23 north shore of Staten Island, which I personally
24 attended and 388 Hudson in Lower Manhattan.
25 Gathering input from New Yorkers with connections to

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2 those sites is critical to developing a strong
3 project that incorporates the affordable homes that
4 neighborhood assets the community wants to see. We
5 look forward to launching even more sites this year
6 and in line with our equitable ownership requirement,
7 ensuring that minority and women owned business
8 enterprises and nonprofits have at least a 25 percent
9 ownership stake in those projects.

10 Creating economic opportunity for MWBE's through
11 the work we do is critical to our mission. We do
12 this through our multibillion-dollar affordable
13 housing pipeline, as well as through the work of our
14 emergency operations division, which orders and
15 monitors emergency repairs and responds to
16 immediately hazardous conditions in residential
17 buildings. We have been actively seeking MWBE
18 contractors with experience in demolition, heating,
19 plumbing, lead, abatement and removal and other areas
20 to keep New Yorkers safe in their homes. We are now
21 strengthening our outreach in every borough to
22 identify more firms for HPD's pre-qualified list.
23 Qualified firms gain access to a steady stream of
24 emergency repair work, nearly 25,000 repair jobs a
25 year are conducted and we welcome the Council's

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1 support in sharing this opportunity with business
2 constituents in your district.
3

4 In terms of keeping New Yorkers safe in their
5 homes, elected officials obviously play an important
6 role in the work that we do, from outreach and
7 education to legislation and public accountability.
8 The City Council has been very helpful in our
9 recruitment efforts, including for our Housing
10 Inspector positions. Thank you very much.

11 As a result of our immensely successful hiring
12 fair in January, we're now welcoming our third class
13 of inspectors this week. In addition, New York City
14 would not have some of the strongest housing
15 maintenance laws in the country if it were not for
16 the City Council. Since changing the definition for
17 lead-based paint to the strictest standard in the
18 nation, HPD has issued 30 percent more lead-based
19 paint hazard violations. We're also on track to
20 implement the new fire safety law that was enacted
21 after the devastating Twin Parks fire. In Fiscal
22 Year 2024, HPD will star proactive inspections for
23 self-closing doors at 300 buildings identified by HPD
24 and the Fire Department as high-risk buildings.
25

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2 Communicating effectively about home health
3 hazards, tenant rights, and the owners'
4 responsibilities is just as important as mobilizing
5 our frontline staff to inspect homes and issue
6 violations and last week, after many months of
7 designing focus group testing and gathering feedback,
8 we launched our new HPD online, an essential tool for
9 New Yorkers to use to find building data about
10 complaints, violations, litigation, charges and a lot
11 more. So, I invite you to please visit. Our new
12 website is streamlined to provide tenants, owners,
13 constituents and Council Staff with a better user
14 experience and a better understanding of their
15 building. These are just a few of the many
16 investments we're making in technology to make HPD
17 more user friendly.

18 And finally, as we enforce housing quality and
19 safety in existing homes across the five boroughs, we
20 also work with our partners to build housing for the
21 future. Earlier this month, we and the New York
22 State Energy, Research and Development Authority,
23 also known as NYSERDA, announced the Future Housing
24 initiative. A new partnership to invest \$15 million
25 to fund the construction of high performance all

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1 electric multifamily buildings that will achieve
2 passive house certification. The program will
3 benefit approximately 3,000 affordable homes. This
4 builds upon an earlier partnership between us and
5 NYSERDA to invest \$24 million in the electrification
6 retrofits for buildings in HPD's Preservation
7 pipeline. Benefiting approximately 1,200 affordable
8 homes. We've also kicked off a robust Act Now
9 education campaign to outline steps buildings owners
10 can take right away to get on a path to compliance
11 with Local Law 97 a support the city's ambitious goal
12 of reducing carbon emissions by 80 percent by 2050.

14 From affordability to climate resiliency, New
15 Yorkers are counting on us to deliver solutions to
16 their housing struggles. And together it's our duty
17 to do that. I want to thank the Council for being a
18 constant partner in fighting to get the resources we
19 need and in advancing legislative priorities and
20 reforms we need.

21 I'll close with this. The housing crisis
22 demands action from our partners in Albany. While
23 the state budget did not include the tools we need to
24 incentivize the creation of new housing and preserve
25 the quality of existing housing in New York City, we

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2 are ready to work hand and hand with the State
3 legislature to address this crisis and we need your
4 support. We are calling on the state legislators to
5 unlock the tools that we need. Regulatory changes to
6 facilitate commercial conversions and legalize
7 basement apartments. Reformed tax incentives to
8 replace 421A and J51 to help create and preserve
9 affordable housing. Lifting the floor area cap to
10 allow more affordable housing, especially in high
11 cost, high concentrated areas, high density areas and
12 long overdue improvements to HPD's loan authorities.

13 The agency needs its decades-old loan
14 authorities; go back to the 70's and 80's. We need
15 modernize to strengthen our response to the housing
16 climate resiliency and energy efficiency issues the
17 city faces today. We need the flexibility to better
18 support homeowners and community land trusts and to
19 preserve affordable housing. We need your help to
20 advance these housing priorities so we can get stuff
21 done and make this city of yes for all New Yorkers.

22 We look forward to continuing to work together
23 to make the city a fairer city for all New Yorkers
24 and thank you again for the opportunity to testify
25 today. My team and I look forward to your questions.

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CHAIRPERSON BRANNAN: Thank you Commissioner.

We've also been joined by Council Members Velàzquez, Powers, and Abreu. I want to jump right in and I want to start with asylum seekers. Increases in HPD's executive plan are largely attributable to asylum seeker shelter costs. The plan includes \$25.4 million in FY23, \$147 million in FY24, and \$51 million in FY25. The Council is concerned already at the vacancies at HPD, and our concern now is if the influx of asylum seekers is going to put additional strain on HPD's resources for the rest of its emergency housing portfolio. So, I think we're trying to sort of rectify the dissidence there with the understaffing and the vacancies with HPD continually being asked to do more with less.

ADOLFO CARRIÒN JR: So, uhm, we are obviously facing a multinational crisis that has literally come to our ports. To the Port Authority, to our airports. We've served already more than 65,000 people and with the sunseting of Title 42 at midnight last night, you could see already a surge at the border that appears to ultimately be coming this way again and increasing the pressure on New York City.

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2 The Mayor has asked every agency that can assist
3 in this effort to step up. HPD is one of a chorus of
4 agencies that is working literally around the clock.
5 We stood up teams including my Chief of Staff,
6 including my Deputy Chief of Staff who were pulled
7 away from their normal duties to deal with this
8 crisis. We hired; we were able to get temporary
9 staff assigned to this but this is a crisis that
10 requires all of our attention. And so, we have stood
11 up a housing emergency center in Brooklyn as you all
12 know and we'll continue to do everything that we can
13 to treat these families that are coming to our ports
14 in desperation seeking refuge in this country as
15 asylum seekers to get integrated, ultimately find
16 work permits. So, we need the federal government to
17 step up. You've heard the Mayor talk very clearly
18 about the failure of the federal government and look,
19 you know New York City is home to five of 62 counties
20 in New York State and this is our problem as a state
21 and as a city. We're tackling it as best we can.
22 These families are receiving critical services and
23 we're going to continue our commitment.

24 CHAIRPERSON BRANNAN: So, I understand that HPD
25 is currently operating one HERC in Brooklyn.

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4 ADOLFO CARRIÒN JR: Yes.

5 CHAIRPERSON BRANNAN: Could you tell us how many
6 are housed there and what the capacity is?

7 ADOLFO CARRIÒN JR: Yes, there is 532 residents
8 there.

9 CHAIRPERSON BRANNAN: And what's the capacity?

10 ADOLFO CARRIÒN JR: 532.

11 CHAIRPERSON BRANNAN: Okay, so it's at full
12 capacity?

13 ADOLFO CARRIÒN JR: It's at full. I believe
14 it's at full capacity. Yes, it is.

15 CHAIRPERSON BRANNAN: Is there a concern around
16 I mean, you mentioned pulling some of your highest
17 aids off their normal work to help with all hands-on
18 deck effort which is understandable but are we
19 pulling people off of normal HPD responsibilities to
20 assist here?

21 ADOLFO CARRIÒN JR: We are not. You know when
22 the wave hit, we had to jump quickly and then we
23 brought on temp staff to be able to do the day-to-day
24 operations and I know you mentioned about our
25 emergency housing infrastructure and how we handle
that. That is unaffected. Whenever there is an
emergency declaration or a vacate order anywhere in

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1 the city for danger reasons, fire, we still have a
2 process that is stood up for that and remain
3 standing.
4

5 GARDEA CAPHART: To add quickly. Just in terms
6 of staffing, yes, we have a higher-level coordination
7 but we do have contractors who manage the day-to-day
8 operations, so it's not HPD staff that are at the
9 facilities managing day-to-day operations. And we
10 also have the additional temp staff who help with
11 that coordination, so I just wanted to clarify that.

12 CHAIRPERSON BRANNAN: Okay, that's good to know.
13 What is the current vacancy rate at the agency?

14 ADOLFO CARRIÒN JR: It's approximately 15
15 percent.

16 CHAIRPERSON BRANNAN: Okay. Uhm, okay, I want
17 to ask about supportive housing. What's the status
18 of the NYC 1515 Supportive Housing Program?

19 ADOLFO CARRIÒN JR: You know we as a city made a
20 commitment that in 15 years we would build 15,000
21 units. The city's and HPD's share of that
22 responsibility was 7,500. Together, between all of
23 the government partners, we've created nearly 10,000
24 congregate units and we are on pace to not only
25 deliver the 15,000 units but deliver them literally

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1 two years ahead of schedule. The capital commitment
2 for supportive housing remains the same to achieve
3 that objective and where you see the difference is in
4 the rental assistance payments portion. But the
5 delivery of the units, the delivery of the services
6 to these needy New Yorkers is clear and remains
7 exactly the same.
8

9 CHAIRPERSON BRANNAN: Did HPD ask OMB to forego
10 the supportive housing PEG and instead reinvest the
11 \$20.5 million PEG in supportive housing?

12 ADOLFO CARRIÒN JR: Gardea, do you want to
13 explain.

14 GARDEA CAPHART: Sorry, can you repeat the
15 question please Council Member?

16 CHAIRPERSON BRANNAN: Sure. Did HPD ask OMB to
17 forego the supportive housing PEG and instead
18 reinvest the \$20.5 million PEG in supportive housing?

19 GARDEA CAPHART: That is something we have to
20 clarify. No, we haven't had that conversation and
21 just to clarify, as the Commissioner mentioned
22 earlier, the PEG you see is a re-estimate of the
23 housing assistant payments, so nothing to do with the
24 production. Production is on schedule but this is
25 just to look at our budget and see the units that are

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1 available right now, that are ready to be leased up
2 and those payments are reflecting that. And so, we
3 took a look at our budget and seeing where we are
4 right now and realize that there is some
5 underspending there and we are projecting there will
6 be some underspending in the out years, so we are
7 merely adjusting for the underspending. The program
8 across the financial plan still has over \$200 million
9 available to go towards those housing assistance
10 payments for units that will be available at the
11 time. But as far as changing the PEG, that's
12 something I would have to double check and get back
13 to you but that's not something I'm aware of.

14
15 CHAIRPERSON BRANNAN: Okay. What is HPD's
16 assessment of the number of New Yorkers who are
17 likely eligible for supportive housing?

18 ADOLFO CARRIÒN JR: So, I think it would be much
19 more difficult for us to estimate. I think the
20 Department of Social Services that obviously operates
21 the Human Resources Administration and the Department
22 of Homeless Services and keeps the troves of data,
23 probably would give you the better, more clear answer
24 than we can.

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CHAIRPERSON BRANNAN: Okay, I want to go back to staffing. The Executive Plan introduces a one-time PEG restoration for 34 positions in FY23 totaling \$888,000 partially reverses the vacancy reduction introduced in the FY23 prelim. The restoration represents 50 percent of the cost of the original PEG. Will HPD baseline the PEG restoration and then return those 37 positions back to the budget?

ADOLFO CARRIÒN JR: There were 34 vacancies that were restored in the Executive Budget and you might want to speak to that a little bit.

GARDEA CAPHART: I can speak to that. So, and just going to back to the vacancy reduction as we have mentioned before in our previous testimony that we manage our headcount at the bottom line, meaning we're dealing cut specific positions, so those lines are restored just our overall headcount. It was a one-time restoration, so it's not reflected in the outyears but we do, we are in communications with OMB and the agreement we have is that we'll continue to fill our existing vacancies and mostly max our current headcount. We'll go back and we can negotiate for additional headcount but to answer your

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1 question, the 34 positions that were restored was not
2 baselined in the budget.
3

4 CHAIRPERSON BRANNAN: How many of these titles
5 do you expect to be hired by the end of this fiscal
6 year?

7 GARDEA CAPHART: So, again with those positions,
8 the were not specific positions that were reduced.
9 It was just our overall headcount what our number was
10 and just reducing our overall headcount by the
11 amount. So, it's not targeting or its not effecting
12 any specific positions that we can tell you what
13 titles they are. It was just looking at our overall
14 approved authorized headcount and reducing by the
15 number.

16 CHAIRPERSON BRANNAN: So, you mentioned before
17 sort of in passing temporary staffing. Why is it
18 easier to hire and pick up temp staffing than to hire
19 for these normal open positions?

20 GARDEA CAPHART: So, there are several things.
21 In terms of our hiring process, of course we go to
22 the city's hiring processes, civil service process
23 and as far as the civil service guidelines, we work
24 very closely with our partners at DCAS and at OMB.
25 So, there's a whole process in terms of home boarding

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2 staff through the city's process. As far as the
3 temporary employees, that's through a contract with a
4 vendor. It's much quicker. We reach out to the
5 vendor. We have one of the contracts, we can quickly
6 bring staff on through the contractor, as opposed to
7 the city's regular hiring process. As you know, we
8 need several levels of approvals when it comes to
9 personal actions as opposed to when we are having
10 temps come on through a contract.

11 CHAIRPERSON BRANNAN: So, even with OMB lifting
12 all the hiring restrictions, it's still way easier to
13 hire outside contractors than it is to hire normal
14 employees?

15 GARDEA CAPHART: In terms of the overall process
16 and the timeline for bringing staff onboard, the
17 temporary contract is much faster.

18 CHAIRPERSON BRANNAN: Don't you think that's
19 crazy?

20 AHMED TIGANI: So, I can add. So, I would say
21 that the same kind of labor challenges we're seeing
22 across the market regardless of the sector that
23 you're looking at, also has occurred in the
24 contracting world. So, I don't think we would
25 characterize it as much easier. Many consulting

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1 firms are able to keep in contact or retain a pool of
2 experienced professionals. And so, those are people
3 who are looking potentially for a particular type of
4 work style or experience. And so, we provide them
5 that opportunity through maybe a limited time
6 contract to work on a limited project.
7

8 I'll also note that these are also good
9 opportunities for us to expose people to our work and
10 our business. So, it's not been uncommon for us to
11 be able to work with someone who is with us in the
12 contracting capacity and then bring them on later
13 through the normal hiring process as a member of our
14 team.

15 ADOLFO CARRIÒN JR: And let me just add Council
16 Member, it also gives us an opportunity to do
17 targeted business opportunities for minority and
18 woman owned business enterprises and just recently,
19 we issued a targeted request for proposals for
20 minority law firms to answer a call to help us with
21 closings. We had a good number of applicants and we
22 sought out firms that had not done business with the
23 city in the past, to begin to prime the pump for
24 them. So, it's an opportunity for targeted efforts
25 when we're trying to right historic wrong and I saw

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2 that as Commissioner and I insisted we have to do
3 this as fast as we can.

4 You know, the other thing that happens is as
5 First Deputy Commissioner Tigani suggested is that
6 when you prime some temps with an opportunity to come
7 into the public sector, they can also ultimately
8 become permanent employees.

9 CHAIRPERSON BRANNAN: How often does that
10 happen?

11 GARDEA CAPHART: We see that on a regular basis
12 where we have temps that have transitioned into
13 permanent positions at the agency. And there are
14 times too like especially there are times where we
15 have temps, people who are you know going through the
16 process and while they're there and the priority,
17 they are opening positions that they applied for and
18 we see them come onboard.

19 CHAIRPERSON BRANNAN: I mean, you know the
20 Council want's to be partners. Like, we want you
21 guys to have the staff you need to do what you got to
22 do. It's just, there's a dissidence there with OMB
23 sort of you know saying they've lifted all these
24 restrictions and happy days are here again. Let's
25

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1 start hiring people and we keep hearing that there's
2 still some challenges.
3

4 ADOLFO CARRIÒN JR: Yeah, the pace of hiring has
5 increased and like you saw in my testimony, from '21
6 to '22, there was a dramatic acceleration of 442
7 employees. We're at pace, if we keep the pace this
8 year that we have, we could probably be at 500 new
9 hires. Now, you have to factor in you know,
10 attrition, but the net environment that we're in is a
11 net gain and it's trending in the right direction.

12 CHAIRPERSON BRANNAN: Has it gotten noticeably
13 faster since OMB lifted all the restrictions?

14 GARDEA CAPHART: Yes, it's gotten better. It's
15 gotten better since OMB lifted restrictions. There
16 are still areas where we are still in negotiations on
17 certain positions but overall, it's gotten better.

18 CHAIRPERSON BRANNAN: Okay, I have a couple more
19 than I want to turn it over to my Chairs. The two
20 offices that we are particularly concerned about are
21 the Office of Development and the Office of Housing
22 Preservation, how many Code Enforcement Inspectors
23 are there below the budgeted head count? Could you
24 talk a little bit about the vacancy rate in those two
25 offices?

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2 ADOLFO CARRIÒN JR: Sure, thank you for that
3 question and admittedly, we have one of the highest
4 vacancy rates in that office.

5 CHAIRPERSON BRANNAN: In the development office?

6 ADOLFO CARRIÒN JR: In the development office.

7 CHAIRPERSON BRANNAN: Why is that you think?

8 ADOLFO CARRIÒN JR: 30 percent.

9 CHAIRPERSON BRANNAN: 30 percent?

10 ADOLFO CARRIÒN JR: 30 percent, yes. It's - we
11 have about 115 vacancies in an office with a
12 headcount of 405. Part of the reason that it's
13 difficult is we had a significant attrition during
14 COVID. I mean, everybody saw it, so it was severe.
15 And the largest drop off was in the Office of
16 Preservation and preservation is the lion share of
17 the work that we do in a typical year. This year has
18 been different. Last year was different but in a
19 typical year, we have a spread between preservation
20 and new construction of about 65/35, 70/30. We saw
21 that drop off and it is literally in tandem with the
22 vacancies and that's why we're standing up the
23 Capacity Accelerator Program.

24 But in the meantime, we're also hiring people
25 working with OMB on accelerating, on increasing

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1 salaries wherever we can. There's folks in the queue
2 that we expect will be coming in very soon. We
3 recently added 17 new positions in the executive
4 budget in the Office of Development. And again, you
5 know speaking of targeting, these positions will be
6 dedicated to areas that we need to move. Three will
7 go to support Home First Down Payment Assistance
8 program expansion to create new homeowners in our
9 city. Five will go to support Home Fix for home
10 repair to expand that program citywide and keep
11 people in their homes. Let people age in place with
12 dignity and keep their homes. Three will go support
13 development of a new division of portfolio management
14 and conversions to facilitate the successful
15 completion of HPD financed deals. Six are going to
16 go support our community development block grant
17 disaster recovery funded programs for homeowners and
18 for resiliency work. And we're also going to add
19 four temporary staff for the Unlocking Doors pilot
20 that you referenced, I think you both referenced in
21 your testimony.
22

23 I mentioned the Capacity Accelerator program.
24 That's going to enable us to hire attorney's and
25

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2 project managers quickly so we can meet the demands
3 of the pipeline.

4 CHAIRPERSON BRANNAN: What's the average you
5 know, you have the rockstar candidate, you're ready
6 to hire him. He passes you know; everyone loves the
7 person. How long from when you tell OMB you've got
8 the candidate till he or she starts their first day,
9 average? Weeks, months?

10 GARDEA CAPHART: So, you know average is months
11 but in terms of OMB, the OMB process right now,
12 because the actions don't go through OMB, they go
13 through the entire process of recruitment, you know
14 interviews and all of that. So, talking about the
15 time at OMB for those actions in the current salary
16 guidelines and everything, the approval standard
17 right is about ten days for you know, interactions
18 with OMB. But for those who are outside of salary
19 guidelines, those take a little longer and those are
20 the ones we continue to have ongoing conversations
21 with OMB about and those take up to a month.

22 ADOLFO CARRIÒN JR: Yeah, we often offer a job
23 to a professional in this very competitive
24 environment and we make a special ask of a salary
25 reconsideration and that can take a little while.

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2 CHAIRPERSON BRANNAN: Okay, my last question, I
3 want to talk a little bit about Signature Bank. It's
4 one of the third largest real estate lenders in New
5 York City and the improper sale of its loans and the
6 tumultuous period ahead for its access could endanger
7 tens of thousands of units of multifamily housing has
8 been reported. Is there a fear that the FDIC's
9 auction of signature loans could attract buyers
10 looking to squeeze tenants that already in troubled
11 buildings?

12 ADOLFO CARRIÒN JR: Uhm, I think everyone should
13 be rightfully concerned with the toppling of that
14 bank and first republic and other pack west, it's
15 starting to indicate that something is wrong. I
16 think affordability, late rental payments are
17 something that happens across the country. In New
18 York especially aggravated. The FDIC is working very
19 closely with us. There is no auction at the moment.
20 We are in a working group with the FDIC, with the New
21 York City Housing Development Corporation. And with
22 our sister housing agency at the state level, we meet
23 at least once a week.

24 In fact, we are going to meet with the FDIC
25 officials on Tuesday. They're coming to New York

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2 City to sit with us, and the big task right now is
3 combing through the records and gathering data on
4 these properties to assess the impact. So, I will
5 say it's premature now to determine exactly what the
6 impact. We're starting to see you know, some of the
7 data is starting to indicate where the hurt is but we
8 still have a ways to go before we can conclude.

9 CHAIRPERSON BRANNAN: Does the city have any
10 role in ensuring that any potential mortgage buyers
11 enforce basic housing standards?

12 ADOLFO CARRIÒN JR: In our HPD finance deals, I
13 think the short answer would be yes. Right? Yes,
14 the short answer is yes, we do.

15 AHMED TIGANI: And if I could just add, any
16 building in the portfolio, would have to meet code
17 and have the ability standards. So, part of the data
18 that the Commissioner is speaking to is that we're at
19 the data that we have on these buildings. We're
20 collecting citywide data on physical needs
21 assessment. We're bringing that to bear and SDIC has
22 asked us to bring that to bear because they want that
23 to be part of the picture that they're looking at.

24 CHAIRPERSON BRANNAN: Okay, thank you
25 Commissioner and your team. I'm going to hand it

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1 over to my Co-Chair quickly. We've been joined by
2 Council Members Brewer, Barron, Feliz, Brooks-Powers
3 and Holden. Council Member Sanchez.

4 CHAIRPERSON SANCHEZ: Thank you so much Chair.
5 So, excuse me. So, I just want to start with a
6 couple of questions that are just based in the
7 testimony. It's a quick few.

8 So, in the beginning of your testimony you
9 talked about extending 49 offers for opening on the
10 team after a tenant resource fair. Was that the day
11 of the resource fair?

12 ADOLFO CARRIÒN JR: Literally on the spot, yeah.

13 CHAIRPERSON SANCHEZ: Cool, so District 14 up in
14 the Northwest Bronx, we can come back and do that.

15 ADOLFO CARRIÒN JR: I encourage, you know let me
16 take this as a commercial break for all the Council
17 Members. We obviously have a lot of positions to
18 fill and I've encouraged many of you personally and
19 individually to take advantage of those opportunities
20 and bring them aggressively to your constituents. I
21 mean these are good, well-beneficial jobs as you
22 know. And not only on the employment side but also
23 on the MWBE opportunity side.

24 CHAIRPERSON SANCHEZ: Right, right.
25

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2 ADOLFO CARRIÒN JR: We want to bring it to your
3 district.

4 CHAIRPERSON SANCHEZ: Yeah, absolutely and then
5 I partnered with City Hall and DC37 on hiring haul,
6 so I will take every other opportunity. Just on this
7 question about HPD's hiring. So, the Mayor has
8 focused many of these efforts in community that have
9 a high unemployment rate and you know economic
10 challenges. Can you share with us the positions that
11 have been filled in the agency? What do we see in
12 terms of geographic distribution of where folks are
13 coming from in the city?

14 ADOLFO CARRIÒN JR: I can tell you about the
15 positions, I'm not certain about the geographic
16 spatial distribution but you know you can kind of
17 surmise because the hiring fairs and the hiring halls
18 are taking place in certain geographies. So, the
19 folks who show up are from those geographies but we
20 have made a huge dent in clearly the offers we made
21 and the division of tenant resources, close to 50
22 positions that hopefully all those people will
23 ultimately get through the process. I remember in my
24 first testimony back 15 months ago, that we talked
25 about almost 147 vacancies in the inspector corp. We

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2 are now close to closing out those vacancies and
3 having maybe seven to ten percent. As I said in the
4 testimony, we brought in a new class. We have 80 new
5 inspectors. We're bringing construction managers
6 that help us with our emergency repair work. Project
7 managers that help us with working with our
8 contractors, the minority contractors that we try to
9 attract for that emergency repair work.

10 So, we're trending in a very good direction. I
11 don't know the impact of the hiring hauls is on other
12 parts of the agency.

13 AHMED TIGANI: We can look at zip codes and
14 geographically and then come back to you.

15 CHAIRPERSON SANCHEZ: Great, alright, thank you.
16 Thank you so much and picking up where Chair Brannan
17 was asking about the Capacity Accelerator program.
18 The temporary staff that is being hired through this
19 program, how do their salaries, their compensation,
20 how does it compare to civil service stuff?

21 GARDEA CAPHART: Yeah, similar. So, we haven't
22 hired yet, but typically what we do with temporary
23 staff, we base the rate on what we pay the civil
24 service as well.

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2 CHAIRPERSON SANCHEZ: And will there be pathways
3 for those temporary staff to go through – hello,
4 Council Members. Will there be pathways for the
5 temporary staff to become permanent staff through
6 civil service?

7 ADOLFO CARRIÒN JR: We encourage that.

8 GARDEA CAPHART: Yeah, for sure.

9 CHAIRPERSON SANCHEZ: Great, thank you. Okay,
10 so now I want to also ask a number of questions about
11 the asylum seeker shelter. So, you talked about the
12 existing shelter. Focusing on the new need in the
13 capital, sorry, in the Executive plan. How many
14 asylum seekers are estimated to be housed with the
15 \$147 million that was added for Fiscal 2024?

16 ADOLFO CARRIÒN JR: So, you know as I said
17 earlier with the sunset of Title 42 last night at
18 midnight, uhm, and the surge that we're seeing at the
19 border and the pattern of behavior that we saw from
20 the governor of Texas over the last months and the
21 Governor of Arizona and the funny stuff in quotes
22 that happened with the Florida Governor. It's hard
23 to estimate where we will land. You know I think
24 what this demonstrates in affect is the commitment in
25 the budget that if the trends continue as they are,

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2 we are prepared as a city to continue to serve these
3 people.

4 Let me just add a footnote that you know a lot
5 of these folks have been on a long journey, right? A
6 long journey through jungle and desert and just
7 adversity that I can't even imagine. Part of that
8 journey has brought them to New York. That journey
9 could be to go somewhere else. Many of them have
10 target cities. I saw on CNN last night uhm, they
11 asked one gentleman that was on a rail car coming in
12 and walking across the border, "where are you going?"
13 And he was able to say [INAUDIBLE 00:54:32]. "I'm
14 going to Baltimore." He has somebody there and a lot
15 of these folks we're finding. So, we do what's
16 called reticketing at our centers and our contractors
17 DACO and what's the other? Garner?

18 GARDEA CAPHART: Garner.

19 ADOLFO CARRIÒN JR: Part of their charge besides
20 taking care of these folks basically just finding out
21 okay, you know do you have family and friends
22 elsewhere? So, it's really hard to measure right
23 now.

24 CHAIRPERSON SANCHEZ: My question is less what
25 we anticipated because that's not knowable but how

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1 did we get to \$147 million being the proposal? What
2 kind of costs are estimated to be covered by that
3 \$147 million?
4

5 ADOLFO CARRIÒN JR: Yeah, I think frankly
6 Council Member, that's way above my pay grade in
7 terms of you know the multiple agencies that are you
8 know being considered and their work and their
9 contribution to this work. So, that's one where I
10 would respectfully come back to you with some more
11 clarity.

12 CHAIRPERSON SANCHEZ: Okay, so when it comes to
13 temporary staffing as well, you'll come back with
14 that?

15 ADOLFO CARRIÒN JR: Yes.

16 CHAIRPERSON SANCHEZ: How many staffers? Okay.
17 So, one thing that we have been hearing is that
18 shelter placements could be outside of New York City
19 and of course there was a lot of news this week about
20 conversations to put it. Specifically with Orange
21 County and Rockland Counties but can you share more
22 information about what the administration is thinking
23 regarding placements outside of New York City?

24 ADOLFO CARRIÒN JR: The lane of our
25 responsibility as HPD has been narrowly defined to

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2 deal with the standing up of the Jefferson HERC,
3 which is running well right now and we have an
4 infrastructure of attorneys and people who work on
5 contracting that like every other agency is being
6 tapped to figure out solutions. I mean, you know
7 that we as a city have stood up already 130 shelters?
8 130 stand alone independent shelters for this
9 phenomenon. It's astounding.

10 65,000 people, so it's kind of as you go you
11 know figuring it out but we're including obviously
12 locations outside New York City and like I said
13 earlier in my comments, you know there's 62 counties
14 in New York City. We're five of them. This is not a
15 New York City only challenge. We're going to pay the
16 people who come to New York City, they're going to
17 get treated with dignity and respect unlike in many
18 other places around the country where they're being
19 rejected. We're embracing them. We are feeding
20 them. We are helping them find homes, ultimately,
21 where to go and we're going to maintain that
22 commitment.

23 CHAIRPERSON SANCHEZ: Thank you and I'm
24 specifically and we are specifically following up on
25 these questions because we asked the General Welfare

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1 hearing on Monday and they referred the questions to
2 HPD.
3

4 ADOLFO CARRIÒN JR: That's very clever of them.

5 CHAIRPERSON SANCHEZ: It will be very helpful to
6 get you know some of this information on what the
7 Administration is thinking but just reiterating the
8 call that we need the federal government to step in
9 and we need the state to invest more here and help us
10 meet this challenge and we as a Council have to say
11 that at every opportunity.

12 ADOLFO CARRIÒN JR: And Chair, yes ma'am and
13 Chair, I will say that the voice of this body and
14 having sat behind that podium there many years ago,
15 matters. The City Council's voice matters. The ask
16 of the federal government, the ask of the state on
17 our housing crisis priorities, our legislative and
18 regulatory fixes. So, we treasure this partnership
19 and I understand it better now when sitting on this
20 side how important it is for us to work together.

21 CHAIRPERSON SANCHEZ: So, thank you and just one
22 more question about, that we may not have the answer
23 to but it's still important to ask, about the
24 procurement process for this \$147 million. Are we
25

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1 talking about emergency contracts, which we know to
2 be more expensive or will these be standard RFPs?

3
4 ADOLFO CARRIÒN JR: I believe they're -

5 GARDEA CAPHART: They're emergency contracts
6 that we're working on.

7 ADOLFO CARRIÒN JR: Yes because the normal
8 process obviously is a bit smaller.

9 AHMED TIGANI: So, it's been a multifaceted
10 response on behalf of the city, so there has been an
11 RFP that went out looking for potential locations.
12 We are looking at emergency contracts. As the
13 Commissioner has said and I'm sure other colleagues
14 in government has said, as we see the situation come
15 to our five boroughs, we try to assess and respond
16 and make sure that there is a safe place for
17 everyone. So, we're using all tools. Both our fees
18 and source location, the emergency contracts, any
19 tool we have.

20 CHAIRPERSON SANCHEZ: Thank you and just want to
21 put a finger on the; I don't know what the thing is
22 that you say but it is - thank you finer point, yeah.
23 Yeah, I want to put a finer point on - You're the
24 Finance Chair and I'm just along for the ride. But I
25 do want to put a finer point on that, which is that

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2 emergency RFPs are more expensive and we're talking
3 about such an expensive proposition for the City of
4 New York. We don't have the federal support, the
5 state support, so just pointing at that as an area
6 that if we save on procurement, we can do more.

7 So, just one more question on the shelters.
8 Does HPD; have you thought through what the
9 communication will be on notifying neighborhoods?

10 ADOLFO CARRIÒN JR: I'm sorry under?

11 CHAIRPERSON SANCHEZ: The notification process
12 for neighborhoods?

13 ADOLFO CARRIÒN JR: Yeah, uhm, I'll let the
14 folks who have been involved in those conversations
15 speak a little bit but I know that we are working
16 with the host communities certainly the Jefferson
17 HERC was a pretty robust conversation with the local
18 officials. We toured the facility with them several
19 times. Fielded the concerns and questions. There
20 was some neighboring buildings that had you know
21 questions but we're definitely working with the host
22 community.

23 AHMED TIGANI: I think the only thing I would
24 add there is that both City Hall and the various
25 agencies are working on - are looking to work with

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2 the elected officials on the ground going further
3 looking to work with the community organizations on
4 the ground. Trying to build a community around these
5 locations, so that the circle of services and support
6 can be provided and that kind of connection and that
7 work continues to be built out as we work out
8 different contours of the plan.

9 CHAIRPERSON SANCHEZ: Thank you. I have two
10 more sets of questions that I want to ask but we have
11 a lot of colleagues here, so if we can just keep them
12 really, really short and see what I can get through.
13 I just want to take a few more minutes.

14 So, on supportive housing the 1515 target,
15 understanding that the production targets are not
16 changing, but we do have unspent supportive housing
17 fund, rental payments because if they haven't been
18 built yet, you know we're not spending those funds.
19 So, have you pushed to reinvest the underspent funds
20 on supportive housing elsewhere toward congregate
21 units or higher service rates?

22 ADOLFO CARRIÒN JR: Do you want to address how
23 we handled -

24 GARDEA CAPHART: Yeah, so we look at everything
25 in terms of service rates. As you know, this is

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2 something where the city is more interest [01:02:24]
3 right now. And so, all city agencies have been asked
4 to look for saving, look for efficiencies and look
5 within our budgets. So, we explore all different
6 possibilities and this is something where we saw as a
7 way that we can help as far as managing the deficits
8 in the outyears because it's something where it's
9 money not being spent. But it's something where we
10 always have conversations with OMB about ways we can
11 find to reinvest, even if you look at our PEGs, we
12 also have a program where we swap funding sources.
13 So, that's another thing we do. We look at our
14 budget and see what are some of the things that we
15 are paying for with city tax dollars that we can now
16 pay for with federal dollars because they're not
17 eligible.

18 So, like one of the programs we have that the
19 Commissioner mentioned with our moving on program
20 where it was a one-time funding we had, \$800,000 for
21 a year but now we're using federal dollars and
22 baseline our program across fiscal years. So,
23 there's other things we look at. We talk about OMB
24 and I just want to share that these are very tough
25

2 decisions for us to make but we understand that
3 there's a need there.

4 AHMED TIGANI: And I'll just add, reiterate that
5 we just had our new call of our supportive housing
6 RFQ. It's our ability to expand the field of
7 potential partners. It's us making the statement
8 that we want to do more of this work. We have
9 committed to accelerating this work and as OMB has
10 said before and we have said before, we consistently
11 talk to each other about what our needs are and as we
12 build a development pipeline to expand, they have
13 committed to working with us to make sure that the
14 money is in place to do that based on the conditions
15 at the time.

16 So, we're excited. We're very hopeful that once
17 we've built out that development pipeline, we'll have
18 the resources.

19 CHAIRPERSON SANCHEZ: Thank you and the need is
20 the starkest right among supportive housing, folks
21 that need supportive housing in the City of New York
22 as we know, so you know just going to continue to
23 push on that. I don't want to see money that is
24 allocated for supportive housing, shouldn't go
25 anywhere except to do everything we can today, so

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1 that we can – we can ask for more money later, right?

2 Like, let's not throw money that we have today to
3 later.

4
5 Okay, so one more just on Unlocking Doors Pilot.

6 So, one area, one of the areas that the Council is
7 calling for greater investment in Fiscal 2024 in our
8 response, is preservation in the Exec Budget. HPD
9 has a new need reflected for \$616,000 over Fiscal
10 2024 and 2025 for the Unlocking Doors pilot, which
11 aims to preserve 400 rent stabilized units by giving
12 landlords a preservation bonus of up to \$25,000 in
13 exchange for a green to rent to City FHEPs voucher
14 holders in the renovated units.

15 So, I see that – we see that there's \$10 million
16 for this at DSS for these preservation bonuses. And
17 so, first what is HPD's role and second, how is
18 eligibility for this program being determined and let
19 me couch this by you know referencing a state pathway
20 for hardship, right? So, rent stabilized owners have
21 the ability to petition, and I'm preaching to the
22 choir, but for the rest of the public. So, rent
23 stabilized owners have the ability to petition to the
24 state for hardship. We do not have enough money.

25

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2 We're working at a deficit, open up their books and
3 you know there is a pathway.

4 In the last year of available data, I believe it
5 was 2019, there were two hardship petitions that were
6 granted. That were saw and granted and no others
7 right? So, we are not seeing petition hardships at
8 the state level but we are here creating a program
9 that is granting assistance for these rent stabilized
10 units. So, how and I'm not you know, thing one.

11 Thing two is, maybe there of course are some folks
12 that are experiencing hardship but you know haven't
13 claimed it. So, how is HPD thinking about
14 eligibility for these spots and how will landlords be
15 selected?

16 ADOLFO CARRIÒN JR: So, I'll answer your second
17 question first. This is an application first come
18 first served construct that will allow an owner of a
19 rent stabilized property with rent stabilized units
20 to come and apply to modernize, improve rehab three
21 units in their property. And the idea is to try to
22 spread it around as much as possible in as many
23 neighborhoods as possible in as many neighborhoods as
24 possible.

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2 The target population for the tenancy is the
3 neediest people in New York City, right? These are
4 folks who are experiencing homelessness. They will
5 be recipients of City FHEPS vouchers and we will be
6 assisting the Department of Social Services. So,
7 we're a supporting actor in the Administration of the
8 program and we will have temporary staff because it
9 is a pilot program that will be dedicated to
10 application and unit inspections and we're hoping to
11 launch the program this summer. And then to the
12 spirit of the first question/you know explanation you
13 gave; you know what we're seeing across the entirety
14 of the portfolios is a lot of stress and we need to
15 figure out ways where one, these units can become
16 available but the conditions that exist don't make
17 them available. And so, it's an opportunity for us
18 to test this and like I said, it is application first
19 come first serve driven program.

20 CHAIRPERSON SANCHEZ: Thank you. Uhm, okay,
21 we'll leave it at that and my last question for now,
22 is this right, the pilot implicitly affirmed the
23 importance of rent stabilized units as you just
24 described. If the city is willing to give \$25,000 to
25 landlords to keep these rent stabilized units

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1 occupied. What is HPD's opinion about the proposed
2 rent increases at the rent guideline board, which
3 would be, which are looking to be very high, two to
4 five percent on one-year leases and four to seven
5 percent on two-year leases. What other strategies is
6 HPD thinking about for the preservation of rent
7 stabilized apartments?
8

9 ADOLFO CARRIÒN JR: So, you know I said at the
10 beginning, preservation is the lion share of our
11 work. It's an opportunity to preserve the naturally
12 occurring affordable housing that exists in our city
13 where so many New Yorkers live. One of the critical
14 tools that we lost since last June is J51, that
15 allowed owners to fix up their buildings. There is a
16 bill at the state level that would resuscitate that
17 program, would protect tenants, would ensure that
18 these investments could be made. So, we need that
19 tool right away. Preservation is very important for
20 our agency. It is the area of our work that suffered
21 the most during the pandemic. So, we're rebuilding
22 that part of our agency but we need the tools from
23 our partners in Albany to make it happen.

24 CHAIRPERSON SANCHEZ: And your position on the
25 increases?

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4 ADOLFO CARRIÒN JR: You know we – the Rent
5 Guidelines Board is an independent body from HPD. We
6 recognize that we have an affordability crisis and an
7 affordability emergency. I will say that 95 percent
8 of all the subsidized new construction we create goes
9 to extremely low income, very low income and low-
10 income families and that's below 80 percent AMI but
11 two-thirds of that goes to families of extreme and
12 very low incomes. So, the lion share of our work, 95
13 percent of our work is targeted in the right
14 direction and you know that is going to continue. We
15 don't subsidize middle income housing. We want to
16 assist homeownership and we think it's good for
17 wealth creation but our target, our focus is on the
18 lowest income New Yorkers. We also have other tools,
19 as you know, rental assistance programs that we lean
20 on the federal government for. We've created, we
21 hope, I mean there is a bill in the state legislature
22 being advanced for more vouchers.

23 So, as much as we can gather as a city to help
24 the lowest income New Yorkers, that's what we're
25 focused on.

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CHAIRPERSON SANCHEZ: Okay, thank you. Thank
you so much. I just you know want to put a marker on
the Open Door, Unlocking Door, what is it called?

ADOLFO CARRIÒN JR: Unlocking, yeah.

CHAIRPERSON SANCHEZ: Thank you.

ADOLFO CARRIÒN JR: Open Door is homeownership,
yeah.

CHAIRPERSON SANCHEZ: Yes but unlocking door you
know beyond first come first serve, it would seem
wise to put some other requirements on the program,
making sure that the apartment is really needed.
That the landlord is a good landlord. You know
things like that would be helpful to see.

ADOLFO CARRIÒN JR: Yeah, part of our
responsibility is exactly that. The quality of the
unit. We inspect it after the work is done. We
certainly will look at the histories of violations
and the general physical conditions of the building.
So, people will not be living in a dire situation.
They are going to be living in high quality units.

CHAIRPERSON SANCHEZ: Okay, thank you. Thank
you so much Commissioner. I will now turn it back to
Chair Brannan to call on some colleagues.

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1 CHAIRPERSON BRANNAN: Thank you Chair Sanchez.

2
3 I just want to acknowledge we've been joined by a
4 class from the Academy for Scholarship and
5 Entrepreneurship from Councilman Riley's District in
6 the Bronx. Welcome. [APPLAUSE] From the Bronx.

7 [APPLAUSE] A lot of Bronx pride around here.

8 We've also been joined by Council Members Ayala,
9 Stevens, Restler and Farias and now we're going to
10 start with Council Member questions and we're going
11 to start with Council Member Hudson followed by Ossè.

12 COUNCIL MEMBER HUDSON: Thank you so much and
13 good morning. I just want to revisit some of the
14 questions on supportive housing. So, you mentioned
15 \$3.2 million over FY24 through FY27. Do you have a
16 breakdown of the investment per fiscal year?

17 GARDEA CAPHART: We don't have that right now;
18 we can get back to you with that breakdown.

19 COUNCIL MEMBER HUDSON: Okay and then also, how
20 many units you're looking to?

21 GARDEA CAPHART: Oh, so far our NYC15 program,
22 we —

23 COUNCIL MEMBER HUDSON: Sorry, for the Moving On
24 Program.

25

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1 GARDEA CAPHART: Oh, for the Moving On Program.

2
3 So, no, I'll get back to you with that as well but
4 for the Moving On program just to clarify, it is to
5 assist yeah, to assist individuals so we can give you
6 the breakdown of the numbers.

7 COUNCIL MEMBER HUDSON: Okay.

8 ADOLFO CARRIÒN JR: And you're clear on what the
9 purpose of the program is?

10 COUNCIL MEMBER HUDSON: Yeah, yeah,
11 transitioning out of -

12 ADOLFO CARRIÒN JR: It's a graduation.

13 COUNCIL MEMBER HUDSON: Yeah.

14 ADOLFO CARRIÒN JR: To permanent affordable
15 housing.

16 COUNCIL MEMBER HUDSON: Yeah.

17 ADOLFO CARRIÒN JR: Independent living.

18 COUNCIL MEMBER HUDSON: And then uhm, how many
19 units of supportive housing will be brought online
20 under the proposed budget?

21 GARDEA CAPHART: So far for the NYC 15 program,
22 supportive housing units we're still on target. Our
23 share of that production is 7,500 units.

24 COUNCIL MEMBER HUDSON: I'm sorry, 7,500 did you
25 say?

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4 GARDEA CAPHART: Yeah. So, HPD's share of
5 congregate units is 7,500 and we're still on target
6 to produce that number of units by 2028.

7 COUNCIL MEMBER HUDSON: Okay, thank you and then
8 how many units of justice involved supportive housing
9 will be funded?

10 GARDEA CAPHART: Justice involved. How many
11 units of what did you say justice involved?

12 COUNCIL MEMBER HUDSON: Justice involved
13 supportive housing.

14 GARDEA CAPHART: We'll have to get back to you.

15 COUNCIL MEMBER HUDSON: Is that all-inclusive or
16 separate?

17 GARDEA CAPHART: I will have to get back to you
18 on that in terms of the breakdown.

19 ADOLFO CARRIÒN JR: Ahmed, do you have -

20 AHMED TIGANI: No, I think we'll have to come
21 back to you.

22 COUNCIL MEMBER HUDSON: Okay, alright, those are
23 all my questions. Thank you.

24 ADOLFO CARRIÒN JR: Thank you Council Member.

25 CHAIRPERSON BRANNAN: Okay, we have Council
Member Ossè followed by Brewer.

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1
2 COUNCIL MEMBER OSSÈ: Good morning Commissioner,
3 nice to see you.

4 ADOLFO CARRIÒN JR: Nice to see you.

5 COUNCIL MEMBER OSSÈ: I'm not sure if you
6 remember since you have been a Commissioner for
7 almost two years now but in 2018, around 2019, there
8 was a program called the Bed Stuy Housing Initiative,
9 which pertained to a couple open lots, vacant lots
10 that were controlled by HPD and Bedford Stuyvesant
11 and the District in which I represent. There are two
12 sites, one on Utica and Fulton and another on
13 Nostrand and Marci, which have not even begun
14 construction. And I hear that in your testimony that
15 yes, there are \$2.07 billion dollars allocated for
16 capital projects. What is the timeline on these two
17 projects? As we're all aware in this room, there's a
18 housing shortage here in New York City. These have
19 already approved by the city to you know turn into
20 affordable housing and I was wondering what the
21 timeline would be on constructing housing on these
22 HPD owned sites?

23 ADOLFO CARRIÒN JR: So, with regard to specific
24 sites, I'd need to obviously look into where exactly
25 in the pipeline and in the life of the project, that

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1 is. So, we can circle back to you on the details but
2 more generally, we're doing a lot of work in Bed
3 Stuy. In fact, I don't know Ahmed, do you want to
4 talk a little bit about the Bed Stuy plan and some of
5 the neighborhood planning efforts. But if you gives
6 us the exact locations, we'll circle back to you on
7 the timeline.
8

9 COUNCIL MEMBER OSSÈ: Again, it's part of the
10 Bed Stuy Housing Initiative. That should be easy for
11 you to find. It should be on Fulton and Utica.

12 ADOLFO CARRIÒN JR: Yeah, no, it is easy for us
13 to find but not right here, right now.

14 COUNCIL MEMBER OSSÈ: Not for here right now but
15 I mean -

16 ADOLFO CARRIÒN JR: We'll circle back with you.

17 COUNCIL MEMBER OSSÈ: And I would love to hear
18 about what else you're doing in Bed Stuy but this is
19 a top priority within the district. This is what the
20 Community Board has been pushing for for years now
21 and I was just wondering what the delay and timeline
22 would be on those whenever you two have an answer for
23 that.

24 AHMED TIGANI: Absolutely, let me just say on
25 the delay and the timeline, so we are continuing to

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1 push out our fees. In fact, the last RFP that we
2 designated and made public wasn't Bed Stuy. It's
3 step on Saratoga, that's 238 units both targeted for
4 extra low- and low-income New Yorkers and seniors and
5
6 -

7 COUNCIL MEMBER OSSÈ: Yeah, it's outside of my
8 district.

9 AHMED TIGANI: I understand but for the
10 neighborhood of Bed Stuy, we've put together a pretty
11 comprehensive plan and we're trying very aggressively
12 to move those parcels. We'll come back both on the
13 individual site but overall, because of our pipeline
14 constraints, resource constraints and work that we're
15 trying to do to make changes to how our federal
16 funding comes through so we can finance and do more.
17 We are working to push with the resources we have but
18 absolutely can get back to you on details on the Bed
19 Stuy housing in your district.

20 COUNCIL MEMBER OSSÈ: Thank you. Another
21 question that I do have is in regards to I guess the
22 staffing vacancy and I'm glad to hear that there is
23 progress that has been made especially with the new
24 contracts with DC 37. Could you talk to us about
25 some of the starting salaries for housing inspectors,

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1 the construction project manager as well as a member
2 of the senior repair crew?

3
4 ADOLFO CARRIÒN JR: Sure, do you have any
5 details on that.

6 AHMED TIGANI: For the inspectors specifically,
7 one of the good things we were able to do is that we
8 increased the starting salaries for our inspectors
9 before we were starting at 50's, now we are at
10 \$61,000 is the starting salary, so that was very
11 helpful and that's what we, you know with these job
12 fairs, we're going through and bringing along, you'll
13 be seeing the difference. For the other one's we'll
14 have to get back to you on the specific salaries for
15 the different titles.

16 COUNCIL MEMBER OSSÈ: Thank you for that. And
17 in your progress in hiring, what does the retention
18 rate look like for those who are recently accepted
19 into some of these job positions? Have some folks
20 left and do you know of some of the reasons in which
21 they left?

22 ADOLFO CARRIÒN JR: I'll say from my level
23 because you know I sit with my leadership team every
24 week and we get sort of a rapid-fire reporting on the
25 temperature of the agency everywhere. You know

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2 before you walked in, before you arrived, I was
3 sharing with the Committee that when I came 15 months
4 ago, we had 147 vacancies in the inspector corp.
5 We're down to soon just about seven to ten percent.
6 So, we, you know and I think what I can say is that
7 in this surge of hires, part of it because we've been
8 attending every job fair, all eight of them. We've
9 had our own job fair at our site at 100 Gold Street.
10 The number of people that have come in is significant
11 and I don't think we are far enough forward to start
12 seeing people leave. They just got a job with great
13 benefits. So, I don't know if we have any stats.

14 AHMED TIGANI: Yeah, I mean just speak broadly
15 about just looking at where we were a few years ago,
16 so in the last few fiscal years, we saw that we - I
17 mean with the pandemic and everything, we had more
18 employees leave than we had come onboard and that has
19 changed now. And so, now we have more new hires than
20 we have people leaving. So, for this current fiscal
21 year, we have about 25 percent of what we did for all
22 of last fiscal year. So, that's progress and even in
23 terms of employees who have left, versus who have
24 come onboard we see a net of about 100 employees and
25 even just going back to where we were at this time

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1 last year in terms of our active headcount, we've
2 seen about a four percent increase. So, right now we
3 have 2,285 employees, whereas last year around this
4 time, we were like just a little over 2,200.

5 So, we're seeing progress and we're seeing
6 retention. That's why as the Commissioner mentioned
7 before, we're very excited about the DC 37 collective
8 bargaining agreement because we see the impact that
9 it's having on staff and now our retention and we'd
10 like to keep that pace.

11 COUNCIL MEMBER OSSÈ: Hmm, hmm, thank you and
12 great work on the hiring and you know my office is
13 already in talks about partnering on doing a hiring
14 event but please, please, please, get me a response
15 in regards to the Bed Stuy Housing initiative. I
16 would really appreciate that.

17 ADOLFO CARRIÒN JR: You got it Council Member.

18 CHAIRPERSON BRANNAN: Council Member Brewer
19 followed by Barron.

20 COUNCIL MEMBER BREWER: Thank you. Ahmed Tigani
21 knows my first question is going to be about
22 Harborview. So, what's the story with Harborview?
23 124 units, affordable housing. I signed off on it.
24
25

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2 Queens signed off on it. Harbor all came about
3 because of Hudson Yards CAPASA.

4 AHMED TIGANI: So, since the last hearing, we've
5 talked to NYCHA. We're working with them on a
6 broader set of goals around development. I don't
7 have an answer or timeline on review today but it is
8 part of the larger conversation of where they're
9 going forward with development.

10 COUNCIL MEMBER BREWER: Okay, I heard that
11 answer before. So, I need 100 percent affordable
12 though. That's still on the table?

13 AHMED TIGANI: That is still on the table.

14 COUNCIL MEMBER BREWER: Alright, I think George
15 Sarkissian deserves a metal of honor because he and I
16 sat through along with Council Member Hudson and
17 others about four hours of Pelenta on I call it TILL
18 and I call it HDFC. So, my question is, what's the
19 budget and there you have hundreds and hundreds and
20 hundreds of vacancies. What's going to happen? It's
21 a mess. I'm not saying it's your mess but it is a
22 mess.

23 ADOLFO CARRIÒN JR: Let me just say first -

24 COUNCIL MEMBER BREWER: Really, George deserves
25 a lot of credit.

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4 ADOLFO CARRIÒN JR: I'm sorry that you had to
5 sit through that.

6 COUNCIL MEMBER BREWER: I don't mind sitting
7 through it. They love me. They don't love HPD. So,
8 the question is, how we going to help them and the
9 city?

10 ADOLFO CARRIÒN JR: Okay, so I think what I'd
11 like to do is have a separate discussion, not
12 necessarily in the form of a hearing, because you
13 know the hearings are constricted by time and rules
14 and all that stuff, to help the Council understand
15 you know with all do respect the narrative of what
16 happened, a program from the 1970's.

17 COUNCIL MEMBER BREWER: I was there when it
18 started with Philip Saint George in the room.

19 ADOLFO CARRIÒN JR: Me too. Oh, I wasn't in the
20 room but -

21 COUNCIL MEMBER BREWER: I was in the room.

22 ADOLFO CARRIÒN JR: Yeah, I just became a
23 grandfather so I'm old, like.

24 COUNCIL MEMBER BREWER: I'm older.

25 ADOLFO CARRIÒN JR: Now, this is going to become
a competition about whose older.

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1
2 COUNCIL MEMBER BREWER: I know how old I am. I
3 was with Philip.

4 ADOLFO CARRIÒN JR: I think you win.

5 COUNCIL MEMBER BREWER: I do. I'd like to win
6 this one too.

7 ADOLFO CARRIÒN JR: We are committed. We are
8 fully 100 percent committed to creating homeowners in
9 every one of these former TIL ANCP buildings. Some
10 of them are still in the original form.

11 COUNCIL MEMBER BREWER: I know.

12 ADOLFO CARRIÒN JR: And let me give you a quick,
13 if I may Mr. Chairman and Madam Chair? We have 53
14 buildings with almost 700 units. 22 of those
15 buildings have completed construction already and of
16 those, 11 have converted to cooperative.

17 21 of those 53 are in construction and obviously
18 the conversion will occur right after the
19 construction. So, you take 53 off the table. The
20 number of buildings remaining in the ANCP pipeline
21 are 78 buildings that represent about 1,360 units.
22 33 of those buildings have assigned sponsors. 33 of
23 the 78, so we lap those off because there is a
24 sponsor. They're in predevelopment. The tenants
25 have agreed that they want to be homeowners for the

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1 cost, of "\$2,500". Different from the original 1970
2 \$250.
3

4 COUNCIL MEMBER BREWER: \$250, right.

5 ADOLFO CARRIÒN JR: So, we're down to 45
6 buildings that represent about 780 units. They're
7 all pending engagement if you will. As we hire
8 staff, we're going to engage those tenants. Of the
9 one's that remaining, we know that there are about a
10 dozen buildings that were the subject of that public
11 conversation that was had, a long conversation where
12 you were at. Those people are unfortunately being
13 fed a lot of this information, misunderstanding about
14 the purpose of the program and the impact that it
15 will have on their lives, where they can become
16 homeowners. And in some cases, at no cost to them
17 almost. And they will be secure in New York City, in
18 Manhattan neighborhoods in some cases, in Bronx
19 neighborhoods in some cases, mostly the Manhattan,
20 they will homeowners.

21 COUNCIL MEMBER BREWER: Okay.

22 ADOLFO CARRIÒN JR: So, what we said and our
23 Deputy Commissioner for Development was here talking
24 about this homeownership and I don't want to eat up
25 your time, so -

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2 COUNCIL MEMBER BREWER: Uh, - go ahead sorry.

3 ADOLFO CARRIÒN JR: I will just finish with
4 this. We and anybody who represents a TIL building
5 that is resistant, let's come to the table with the
6 tenants.

7 COUNCIL MEMBER BREWER: Okay.

8 ADOLFO CARRIÒN JR: Not with an advocacy group
9 that is spreading misinformation and lies, which is
10 what they're doing.

11 COUNCIL MEMBER BREWER: Okay, I understand that
12 and we've had a longer conversation because Alicia
13 Pelente is not going away and I have a lot of money
14 in this. I put a lot of money into these programs
15 and it's sitting there. Because the issue is, we
16 don't want to be mortgaged that they are then saddled
17 with into the future. That's the issue.

18 ADOLFO CARRIÒN JR: Absolutely. We agree on
19 that.

20 COUNCIL MEMBER BREWER: We know what the issues
21 are. I don't know how to address it right now but it
22 does need more discussion because they're not going
23 away, just so you know and it's amazing whose in
24 there.

25

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4 ADOLFO CARRIÒN JR: We're inviting them to the
5 table.

6 COUNCIL MEMBER BREWER: Okay. Inviting and
7 solving are challenging.

8 ADOLFO CARRIÒN JR: They're welcome to come to
9 my conference room and I will be there personally.

10 COUNCIL MEMBER BREWER: Okay, alright, alright,
11 I appreciate that. Now, the other quick Mitchell
12 Lama. So, Julie Waldport is a super star also,
13 working hard on these issues. There's a proposal I
14 think on the table Dick Heitler who was at HPD for
15 many years has other ideas. Can we also have further
16 discussions? We got to save Mitchell Lama. We got a
17 Co-op, we got rental, I lost 32 Mitchell Lama's on
18 the west side. I got about four or five left. I
19 know Mitchell Lama, I hate to say it, but I was there
20 when they started also. Okay, but do you have some
21 plans on making sure that Mitchell Lama, particularly
22 co-ops if you want to have that conversation. They
23 all want to buy out, at least in Manhattan. So, you
24 have some ideas, 15 years they don't necessarily like
25 that for the financing. They want to buy out and pay
taxes and sell for their kids who live in Florida.

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2 You know how that goes. So, what are your ideas?

3 Just, I know time is of the essence here.

4 ADOLFO CARRIÒN JR: Top line, we're committed to
5 Mitchell Lama's intent, original intent. This is a
6 program; we have 93 developments in our basket. Two-
7 thirds of them are co-ops so these are owned by the
8 tenants.

9 COUNCIL MEMBER BREWER: Right.

10 ADOLFO CARRIÒN JR: We like that and we should
11 like that. These are paths to the middle class.
12 Affordable housing, high cost, many high-cost
13 neighborhoods and neighborhoods across the city.

14 COUNCIL MEMBER BREWER: So I got 150-160 West
15 96th Street, they want to buy out and Turn House,
16 they both want to buy out. So, I mean you have
17 fights in the elevators about who wants to and who
18 doesn't. You got to make a good deal that they want
19 to stay in the program.

20 ADOLFO CARRIÒN JR: Yeah.

21 COUNCIL MEMBER BREWER: So far that's not
22 happening.

23 ADOLFO CARRIÒN JR: So, we're committed to
24 continuing our work with the Mitchell Lama's to
25 keeping them affordable.

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1 COUNCIL MEMBER BREWER: Okay, it's kind of like
2 the TIL program. You know it sounds good on paper
3 but it's a real struggle to get it right.

4 ADOLFO CARRIÒN JR: We're doing a full court
5 press on the Mitchell Lama program with our partners
6 HDC and as I said, the aim is to protect these assets
7 for New York City.

8 COUNCIL MEMBER BREWER: I know I want to protect
9 them too but the people who are living there want to
10 make money and I'm saying it's the right thing but
11 they see dollars, 96th and Broadway. You can't make
12 but you know they're selling for \$25 million around
13 the corner.

14 ADOLFO CARRIÒN JR: I remember when Coff City
15 when through that existential -

16 COUNCIL MEMBER BREWER: I know but it's a
17 different group on the upper west side. Thank you
18 very much. Alright, thank you very much.

19 CHAIRPERSON BRANNAN: Okay, Council Member
20 Barron followed by Brooks-Powers.

21 COUNCIL MEMBER BARRON: First of all Mr. Chair,
22 I'd like for you to correct your opening statement.
23 You said and I quote, "Good morning Chair Sanchez,
24 Chair Brannan." But you forgot to say elder because
25

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2 there is two elders. You forgot to put the elder,
3 the two elders. Could you guess which two?

4 CHAIRPERSON BRANNAN: Elder Barron.

5 COUNCIL MEMBER BARRON: And?

6 CHAIRPERSON BRANNAN: And elder Brewer.

7 COUNCIL MEMBER BARRON: That's what I'm talking
8 about. There you go.

9 CHAIRPERSON BRANNAN: Blessings to you elder.

10 COUNCIL MEMBER BARRON: Please make that
11 correction. Respect your elders. This is a
12 traditional thing in our culture.

13 CHAIRPERSON BRANNAN: Yes sir.

14 COUNCIL MEMBER BARRON: Number two, I'm really
15 concerned about the 400 and some odd million that
16 goes to NYCHA if they in RAD or PACT. See the Mayor
17 is supportive of privatizing public housing. So, one
18 of the incentives of privatization is to only give
19 capital funding to those developments, which is for
20 you at this point, that's in RAD and PACT, that's not
21 right. I think they're using the funding, our public
22 funding to encourage developments to privatize.

23 ADOLFO CARRIÒN JR: Thank you sir. I just want
24 to for the record state very clearly that the Mayor
25 and this Administration is not interested in

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2 privatizing public housing and in fact, we were
3 successful last year in creating a vehicle with the
4 help of the State of New York to allow for the
5 financing of -

6 COUNCIL MEMBER BARRON: See now, I let you in.
7 I let you in but that is not true.

8 ADOLFO CARRIÒN JR: That is accurate, yes.

9 COUNCIL MEMBER BARRON: No, not Mayor Adams
10 because even prior to becoming Mayor, he was
11 supportive of RAD and PACT.

12 ADOLFO CARRIÒN JR: So, for the record, we have
13 a fundamental-

14 COUNCIL MEMBER BARRON: No, we don't have a
15 fundamental disagreement. It's on record. This is
16 not a fundamental disagreement. It is on record that
17 he stated out of his mouth that he was supportive of
18 the RAD and PACT program and it is reflected in his
19 capital allotment. But go ahead.

20 ADOLFO CARRIÒN JR: I think and we probably will
21 eat up a lot of time with this but I think the
22 interpretation of RAD and PACT as privatization is
23 the fundamental misunderstanding. We could talk
24 about it over a cup of coffee at the diner. You have
25 a nice diner over there.

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2 COUNCIL MEMBER BARRON: No, no, I even inviting
3 you out to talk about that one. Come on, there's
4 some things we'll discuss but it won't be that. The
5 reason why they go into the public trust now is
6 because RAD and PACT was so privatized and now
7 they're talking about public trust. But RAD and PACT
8 cannot be the only places that money is going into
9 NYCHA because there are great needs as you know, it's
10 almost what \$33 billion, \$40 billion need, capital
11 need. So, to not include you know other
12 developments, unless they're in RAD and PACT, it's
13 just unconscionable and it's just not correct and I
14 hope that we can do something about that.

15 ADOLFO CARRIÒN JR: And I will encourage you sir
16 to take up that conversation with NYCHA specifically,
17 which I'm sure -

18 COUNCIL MEMBER BARRON: I have already.

19 ADOLFO CARRIÒN JR: You're engaged in it yeah.

20 COUNCIL MEMBER BARRON: I have already but it's
21 where the money in the Mayor's budget is designated
22 to RAD and PACT. That's my problem. Why don't they
23 just dedicate it to NYCHA and then let NYCHA chose
24 its development.

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2 ADOLFO CARRIÒN JR: It's a pass through to NYCHA
3 for their work.

4 COUNCIL MEMBER BARRON: For RAD and PACT, it's
5 in the budget.

6 ADOLFO CARRIÒN JR: Yes, and it's in my
7 statement.

8 COUNCIL MEMBER BARRON: It's in the budget, it's
9 in your statement so fess up here. The other piece,
10 this is probably going to hurt me more than anything
11 has hurt me in my political career. And that's to
12 compliment you and say that we're working very well
13 with you in my district and this is hurting me
14 Adolfo, this is hurting me tremendously.

15 ADOLFO CARRIÒN JR: I want to see the pain
16 inflictions.

17 COUNCIL MEMBER BARRON: This is taken me out of
18 my character. You know I reserve this moment to beat
19 up commissioners. That's why I started off with RAD
20 and PACT, so I could do a little hit before I -

21 ADOLFO CARRIÒN JR: Get a shot of positive.

22 COUNCIL MEMBER BARRON: But on the real side,
23 since Shawn Donovan and now you, and East New York is
24 not gentrified and East New York has had several 100
25 percent affordable projects and we worked well with

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1 you and your team on that. The question is when they
2 take you know how they cut capital money, they push
3 it out, so they don't tell you they cutting it, so we
4 pushed that out to 2024. We pushed it out to 2025,
5 then 25 comes and we pushing that out to '27. So,
6 there's a way of you never ever getting it.
7

8 In some instances because you know the
9 developers are getting subsidies and some of the
10 capital the bonding for the capital project, a lot of
11 that is being pushed out and sometimes our projects
12 when we go to closing, you know we have a real
13 problem. So, we close in June. We can't close in
14 June because we pushed it out. Now we got to close
15 in January and then we got to close in Next June.

16 ADOLFO CARRIÒN JR: So a piece of good news,
17 which was also in my prepared testimony but in order
18 to deal with the backlog, the backline issues, the
19 preservation work that has suffered so much
20 especially during the pandemic and the rising cost of
21 development, we actually did the reverse of what you
22 were describing. We took a half a billion dollars
23 from future years and we put them into 24 so we could
24 accelerate some of the work that we're doing in your
25 district and around the city and we welcome the

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2 continued partnership. We're doing a lot of stuff in
3 your district, which is really transformative, so I
4 appreciate this.

5 COUNCIL MEMBER BARRON: Right, and I'll be
6 talking to you about a particular project in my
7 district 421 Van Siclen. It's a very important
8 project. I think it's an HDC and they've been
9 struggling over the years. We got them off the list
10 of being you know thrown off and given to somebody
11 else. But I want to call and my office is already
12 calling your office but I would like for you to
13 really come and help us with that because of your
14 office, we did sustain it this far. But you know,
15 the real challenge sometimes in those developments is
16 whether enough rent is being collected so you can get
17 the proper loans that you need. And then, could we
18 get a break in the water bill or a break in this bill
19 and that bill.

20 There is one in my district that went very, very
21 well, Alva McVeel was excellent. They had 500,000 in
22 water bills and \$4 million in taxes and it was
23 forgiven and they were able to now own you know their
24 own development. So, that's the kind of work we
25 would like to have spread throughout the district.

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2 Finally, Black developers not diversity, not
3 inclusionary, what other term do you use? Minority,
4 MBE, Black, Black developers, not subcontractors but
5 GC's, general contractors who are Black is a real
6 problem because they don't get the same kind of
7 opportunities as others. So, how do we stand on that
8 in terms of numbers?

9 ADOLFO CARRIÒN JR: Yeah, no, I'm so glad that
10 you bring that up because I think I said it at my
11 first hearing with you all last year. We have worked
12 over the past 15 months during my tenure, very
13 aggressively to do a number of things to change the
14 game. We operate in New York City a multibillion
15 affordable housing industry. As you see the capital
16 numbers, you see the expense numbers. People in our
17 city have built very good well-intentioned businesses
18 on the work we do and that's a good thing.

19 We are specifically targeting the M in MWBE, the
20 minority developers, which are Black, mostly Black
21 and some Brown, to be honest with you.

22 COUNCIL MEMBER BARRON: But Black and Brown is
23 alright but minority can be a whole lot of things and
24 sometimes White women. Minorities can be a whole lot
25 of things.

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4 ADOLFO CARRIÒN JR: There's a distinction.
5
6 There's minority in women owned.

7 COUNCIL MEMBER BARRON: Oh, yeah that's true but
8
9 I'm saying that just ethnically, minorities can be a
10
11 broad -

12 ADOLFO CARRIÒN JR: A broad thing. So, one of
13
14 the things that we have to do every year is we have
15
16 to tell the federal government how we're going to use
17
18 low-income housing tax credits and what's called a
19
20 qualified allocation plan. And it basically says,
21
22 look you know this how these credits are going to
23
24 land in the neighborhoods and impact peoples lives.
25
26 And these are the rules that we're associating with
27
28 the disbursement or the distribution of these tax
29
30 credits. And what we've done is we've added points
31
32 for minority and women owned businesses for the first
33
34 time. In other words, you come to us with a project,
35
36 with a development. Most of our developments are
37
38 private sites, everybody knows that right?

39 COUNCIL MEMBER BARRON: Hmm, hmm, just in the
40
41 interest of time, I'm not talking about minority and
42
43 women owned stuff, I'm talking about Black
44
45 developers. However, the last thing Chairs and I'll

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1 stop. 421 A, I know the Mayor is very supportive of
2
3 421 A, correct?

4 ADOLFO CARRIÒN JR: Yes.

5 COUNCIL MEMBER BARRON: And that's a real
6 problem because 421 A historically has done 80/20 in
7 terms of affordability, historically and even at 80
8 that 20 percent wasn't really affordable and they get
9 major tax breaks and major breaks on property,
10 purchasing property. 421 A was such a failure that
11 the state put it on hold because people don't want
12 that anymore. We'd be better off letting them pay
13 the taxes and let the funds go into an affordable
14 housing fund that not for profits could get instead
15 of these rich developers in 421 A. They're getting
16 richer and you could check out the statistics
17 yourself. Over the years the affordable,
18 affordability is dismal especially when we define
19 affordability and not 421 A.

20 CHAIRPERSON BRANNAN: So, we got to move along
21 here.

22 ADOLFO CARRIÒN JR: So much to cover Mr.
23 Chairman, if I could just briefly respond. The tax
24 incentive that invites the private sector to invest
25 in high-cost areas of the city has generated

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1 thousands and thousands of affordable housing units.

2
3 Now, we -

4 COUNCIL MEMBER BARRON: I'll stop there Chair.
5 I'm going to stop.

6 ADOLFO CARRIÒN JR: But wait, let me just say -

7 COUNCIL MEMBER BARRON: You say thousands and
8 thousands, it fell way below and I have the
9 statistics, I'll be glad to have that coffee with you
10 and show you the real statistics.

11 ADOLFO CARRIÒN JR: Ah, all of a sudden I'm
12 going to the diner.

13 COUNCIL MEMBER BARRON: Yeah, I want the coffee
14 now because when you thousands and thousands, that
15 means that you don't want to say the real number and
16 how much they really made as compared to what they
17 really did with affordability. So you say thousands
18 and thousands. It's been thousand of years almost.

19 ADOLFO CARRIÒN JR: I will say for the record
20 that I love arguing with you Council Member because -

21 COUNCIL MEMBER BARRON: Oh, this is not a love
22 affair, this is trying to get some results.

23 ADOLFO CARRIÒN JR: Yeah, and what we need is a
24 tax incentive that works that creates.

25 COUNCIL MEMBER BARRON: That doesn't.

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2 ADOLFO CARRIÒN JR: It doesn't, it didn't and
3 that's why we're supporting a new tax incentive that
4 will deepen the affordability and we hope that the
5 legislature will step up and have that conversation.
6 Let's just have that conversation because we are
7 leaving a lot of units on the table that could be in
8 high-cost neighborhoods and giving people opportunity
9 and forget about the 130 percent AMI. That's gone
10 and rightfully so. So, the question is where do we
11 land and I look forward to that conversation and the
12 administration does.

13 CHAIRPERSON BRANNAN: Okay, Council Member
14 Brooks-Powers followed by Restler.

15 COUNCIL MEMBER BROOKS-POWERS: Thank you Chair
16 and thank you Commissioner for your testimony today.
17 Looking forward to having you back in my district.

18 ADOLFO CARRIÒN JR: I promised you I was going
19 to come on my Harley, so.

20 COUNCIL MEMBER BROOKS-POWERS: Yeah, I've been
21 waiting. I think it's over two years now, but it's
22 okay.

23 ADOLFO CARRIÒN JR: No.

24 COUNCIL MEMBER BROOKS-POWERS: In the Council's
25 budget response, we call for an additional \$5 million

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2 in the executive budget for renter and homeowner
3 support programs like Home Fix and Homeowner Help
4 Desk. As you know, my district contains so many;
5 this is really diverse because we have our renters
6 but we also have homeowners, low-income homeowners,
7 Black and Brown homeowners who could benefit from a
8 boost of programs like these. A couple of things
9 around that. One, why wasn't this request for an
10 increase accepted? How many full time staff are
11 assigned to providing support to low-income
12 homeowners and what provisions are being made in this
13 budget to improve support for homeowners? And I ask
14 that you not take all the time because I do have
15 another question for you.

16 ADOLFO CARRIÒN JR: Okay, I won't filibuster.

17 COUNCIL MEMBER BROOKS-POWERS: Please.

18 ADOLFO CARRIÒN JR: Uhm, so let me - top line,
19 this is a very high priority for us and I think
20 you've heard the Mayor talk about it. We've made a
21 historic investment in homeownership, in supporting
22 homeownership. And I don't know the \$5 million that
23 you mentioned, maybe somebody could help me with that
24 but I know that what we have done is we've dedicated
25 \$53 million over the next five years in the financial

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1 plan for efforts related to homeownership. Almost
2 \$30 million of that is going to the Home First Down
3 Payment Assistance Program to encourage people to
4 become first time homebuyers and we want to take that
5 program and double the number of people that we have
6 served historically.
7

8 Secondly, we're investing \$16.5 million in Home
9 Fix and it's in the budget. It's obviously as you
10 know the Home Repair program and it immensely helps
11 with keeping folks in their home and making sure that
12 they're safe in their home and that they keep their
13 home, especially older New Yorkers. And we're
14 bolstering our Homeowner Help Desk and expanding it
15 citywide so we're taking that investment to \$7.2
16 million to help owners with access to technical,
17 legal and other assistance that they need to keep
18 their homes intact.

19 In addition, we're dedicating almost \$1.3
20 million in the new capital funding over the ten-year
21 plan for some other homeownership like multifamily
22 homeownership programs. And then in terms of
23 staffing real quick, let me just -

24 AHMED TIGANI: So, in terms of our current
25 budget, we have 40 staff across programs that are

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1 dedicated to homeownership and that includes
2 additional staff. We just received as the
3 Commissioner mentioned earlier with the 17 positions
4 that were added to our budget. Three of those went
5 to our Home First Down Payment Assistance program.
6 Another five went to support our Home Fix, Home
7 Repair program. So, we do have 40 staff right now
8 across our Home Ownership Programs.
9

10 COUNCIL MEMBER BROOKS-POWERS: Thank you and
11 Chair if I could just – thank you. So, I just want
12 to briefly talk about prevailing wage requirements
13 for developers that receive financial assistance from
14 the city. As you know, I inherited a number of
15 development in Far Rockaway and have grown very
16 concerned about the lack of prevailing wage happening
17 on these projects where people are building these
18 multimillion-dollar projects paying people \$15 an
19 hour. So, can you walk us through prevailing wage
20 requirements for construction or building service
21 workers? And how does HPD help ensure that these
22 requirements are being met? How does this budget
23 help HPD ensure these requirements are being met?
24 And what are some of the challenges of extending some
25

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1 of these prevailing wage requirements to smaller
2 developments?
3

4 ADOLFO CARRIÒN JR: So, let me have First Deputy
5 Commissioner Tigani address that.

6 AHMED TIGANI: Thank you for the question
7 Council Member. So, let me start first through the
8 regulatory and compliance piece. We have a team
9 called the Economic Opportunity and Regulatory
10 Compliance team. It's four different divisions that
11 look over both labor and workforce and employment and
12 wage requirements. There is a regular communication
13 reporting that goes on between the contractors and
14 developers who do work on HPD projects and the city
15 and specifically HPD. They're the one's who look
16 over invoices and make sure that they are in
17 compliance with what they are supposed to Local Law
18 and we are regularly enforcing that, making
19 adjustments as necessary. Making sure people are
20 doing what they've agreed to do regardless of the
21 project.

22 That's both on our development work and that's
23 also on our procurement work as well. On the
24 development side, depending on the funding that we
25 always comply with whatever the wage requirements

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2 are, there are federal projects, like our center
3 projects that do come with prevailing wage
4 requirements. I think the bigger picture about the
5 balance and cost of developing affordable housing
6 these days, we work very hard to make sure that we
7 have enough money to make the projects happen and
8 ensure that there are good paying jobs and we are
9 following all the regulations that we need to.

10 The other balance of it too is that for building
11 service workers, there is a requirement that on
12 projects that receive over \$2 million in city funds,
13 there is prevailing wage for service workers. That
14 another requirement that -

15 COUNCIL MEMBER BROOKS-POWERS: Does that extend
16 for the construction side?

17 AHMED TIGANI: The building service workers?

18 COUNCIL MEMBER BROOKS-POWERS: No, like the
19 construction workers. Like, when they are actually
20 doing the construction. If it's over a certain
21 amount, does the requirement extend for prevailing
22 wage for that too?

23 AHMED TIGANI: My understanding is and I'm happy
24 to get clarity and come back to you based on the
25 funding stream. There are different requirements.

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2 For instance when we use home funds in our SARA
3 projects -

4 COUNCIL MEMBER BROOKS-POWERS: So, sorry not to
5 cut you off, just in the interest of time, but like
6 the projects for example in my district, most of
7 which have money from HPD. So, because they're
8 getting public dollars and it's on public land, and
9 it's over \$2 million and it's more than 120 units, is
10 there a requirement for those types of projects to
11 have prevailing wage?

12 AHMED TIGANI: I think, I can go through, we can
13 go through every project and look at the different
14 positions and talk about the requirements of each
15 one, so you have the full picture but this becomes
16 and this is why we need 14 units to make sure that
17 compliance happens. This becomes a complicated set
18 of questions for us.

19 With that being said, we have the people in
20 place to make sure that those rules are followed on
21 our projects. So, we're happy to follow-up and go
22 through every project in your district to lay that
23 out.

24 COUNCIL MEMBER BROOKS-POWERS: And then, in
25 terms of this budget, like how does the budget help

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2 HPD ensure that these requirements are being met?

3 Like, is it meeting the need now do you find or is it
4 additional resources needed. Are you operating with
5 less resources than you generally would?

6 AHMED TIGANI: Our, if I can use the acronym
7 because it's very long, EORC team, actually has hired
8 back up. We have a couple positions still necessary
9 but our budget also is providing for new technology
10 so that we can do our work more efficiently a new
11 dashboard and basically a system that will allow us
12 to better talk across units. So, I would say that
13 the money that we have in the budget actually puts us
14 in position to do more effective work in the future.

15 COUNCIL MEMBER BROOKS-POWERS: And then the last
16 question I'll ask before, I'm just reiterating it
17 because it was a lot. What are some of the
18 challenges of extending some of thee prevailing wage
19 requirements of smaller developments? I often hear
20 when developers are coming to us, in order for it to
21 be affordable, you know we can't do this or we can't
22 do that. So, from your expertise, you know what do
23 you feel that some of those challenges are for
24 extending the prevailing wage requirements to smaller
25 projects?

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2 AHMED TIGANI: I think at this point, our
3 development projects that we're seeing a number of
4 different complications. They're dealing with high
5 interest rates, bank and lending environment, labor
6 shortages. There are carrying costs with land as we
7 work to try to prime that project ready to go. There
8 are legal costs. There are a number of different
9 factors that drive up development budgets, much more
10 than we've seen in the past. That's part of the
11 reason why we had to move capital budget dollars from
12 the outyears to the new years to be able to meet the
13 development goal. So, we know that the production
14 needs to be at a certain point to meet the crisis,
15 but that does come with a price in the current budget
16 environment.

17 So, there are a number of those factors that
18 exist just in the market. There are number of
19 factors that exist with sourcing out supplies and
20 construction overall. Insurance is also not only
21 something that impacts existing buildings but also
22 the different phases of construction and build up and
23 as an agency and with our sister agencies, we're
24 trying to tackle this in different ways. Wage,
25

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2 salary, competition for labor, that's another input
3 into it.

4 COUNCIL MEMBER BROOKS-POWERS: Thank you and I
5 would love to work with you more closely, especially
6 on the projects in my district to try and reconcile
7 some of this because when you think about it, the
8 developers are getting public land. They're getting
9 subsidy and they're building out something that's
10 going to make them money into perpetuity but then you
11 have people from the community either not getting
12 hired or getting hired minimum wage to do very labor-
13 intensive work with no benefits. So, we should be
14 looking at labor work. We should be looking at when
15 labor is not on the projects, making sure that it's
16 prevailing wage but that needs to be a priority so
17 we're not exploiting workers that are New Yorkers
18 here as well. But thank you and look forward to
19 working with you.

20 ADOLFO CARRIÒN JR: Thank you Council Member.
21 We look forward to working with you.

22 CHAIRPERSON BRANNAN: Councilman Restler
23 followed by Dinowitz.

24 COUNCIL MEMBER RESTLER: Thank you very much to
25 Chairs Brannan and Sanchez. Commissioner, I have

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1 some good news, which is that I got to see your First
2 Deputy last night and so, I got much of my rage out
3 on him them.
4

5 ADOLFO CARRIÒN JR: Oh, great. I noticed a
6 little different look this morning.

7 COUNCIL MEMBER RESTLER: Yeah, I think he's
8 still recovering, I'll be honest in lots of different
9 ways but it's good to see you.

10 ADOLFO CARRIÒN JR: Likewise.

11 COUNCIL MEMBER RESTLER: I wanted to focus on
12 first the headcount. So, we were doing a review of
13 the city record and found and I think you mentioned
14 this at your last hearing, at the prelim budget
15 hearing that 442 folks were hired by HPD last year,
16 which is great. But we also found that 405 folks
17 left HPD last year, so we netted 37 new people at a
18 time when everybody in the housing world is
19 acknowledging that the biggest challenge to us
20 meeting our housing goals is the fact that there's
21 nobody at HPD and that the place is suffering from
22 extremely high rates of vacancy. I think there are
23 400 vacancies right now, if we include the 100
24 positions that you eliminated, they're really 500
25 positions down.

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4 ADOLFO CARRIÒN JR: Let's put that nobody at HPD
5 in quotes as poetic license. Some of us are there,
6 2,285 -

7 COUNCIL MEMBER RESTLER: No, when we're talking
8 about a net reduction between the vacant positions
9 and the eliminated positions of 500 odd bodies, that
10 is a huge reduction and great public servants like
11 Ann Marie Santiago, can only help to keep our tenants
12 safe if she has inspectors to deploy and a team in
13 place. So, what's the current headcount at HPD?

14 ADOLFO CARRIÒN JR: Why don't I have Gardea
15 address that but I will say this, which you missed at
16 the beginning of my remarks, which was we are making
17 lots of progress and you'll see the trend and some of
18 the winds that we've had with getting a fresh DC37
19 contract, some salary increases for new hires of
20 \$3,000.

21 COUNCIL MEMBER RESTLER: I mean Commissioner, I
22 looked at the city records for two months of this
23 year and I found that while you hired 128 people, 58
24 had left. So, that is a net gain of 70.

25 ADOLFO CARRIÒN JR: Which is better than the 30
some odd.

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1 COUNCIL MEMBER RESTLER: 37 that you gained in
2 net all of calendar year 2022 but it's still way to
3 low.
4

5 ADOLFO CARRIÒN JR: I agree with you.

6 COUNCIL MEMBER RESTLER: Yeah, I hear you, some
7 progress is being made. Totally inadequate but some
8 progress. Where are we on the current headcount?

9 GARDEA CAPHART: So, we have 2,285 right now.

10 COUNCIL MEMBER RESTLER: 2,285, so we still have
11 400 odd positions that we are actively looking to
12 fill. Do we have a timeline by which we anticipate
13 HPD meeting it's headcount goals?

14 GARDEA CAPHART: So, we are still actively
15 involving different hiring fairs. We are on a
16 vacancy reduction -

17 COUNCIL MEMBER RESTLER: It's okay if the answer
18 is no, I'm just looking for a no timeline? Okay, so
19 just on a couple other topics if Chair Sanchez and
20 Brannan will give me a little bit of latitude on
21 supportive housing production, where I am deeply
22 concerned about the lack of productivity. We all
23 know that we're facing a homelessness crisis in New
24 York City. Last year or in the PMMR for the first
25 four months of FY23, HPD started 381 new units of

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1 housing for homeless individuals including 250
2 supportive units. In the same period last year. We
3 were doing far better. Overall, we're seeing a 27
4 percent decrease year to date in the PMMR for all
5 homeless households for new housing starts and 50
6 percent among all housing starts.
7

8 So, we're seeing big declines. I'm attributing
9 most of this to the lack of staff that are at HPD but
10 what really concerned me is that the PEG in the
11 November plan took away \$15 million in funding for
12 supportive housing. OTPS was reduced by \$14.7
13 million from FY23 to FY26 for supportive housing,
14 which I think we would all agree in the wake of
15 Jordan Neily's death and acknowledging the mental
16 health and homelessness crisis we're facing as a
17 city, one of the most important investments we make
18 in city government.

19 So, what's the roadblock to us generating more
20 supportive housing units to getting back on track?
21 To reaching our 15,000-unit goal over the next 15
22 years? How can this Council help HPD achieve the
23 goals that we are unfortunately so far behind on?
24
25

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2 ADOLFO CARRIÒN JR: Let me do a top line because
3 it's hard to unpack all the numbers you threw out and
4 -

5 COUNCIL MEMBER RESTLER: I go fast, I'm sorry.

6 ADOLFO CARRIÒN JR: Yeah, very fast.

7 COUNCIL MEMBER RESTLER: That's how we talk.

8 ADOLFO CARRIÒN JR: It's a Brooklyn style you
9 know. You know at the beginning of the hearing, I
10 shared our commitment and that we're on pace to meet
11 our 15,000 units of supportive housing goal, under 15
12 years and we've already created just in congregate
13 alone close to 10,000 units. Another 3,600 and some
14 more are in the works that have been completed with
15 our partners. We will meet that goal. It's not
16 being defunded. We have the capital to get it done.

17 You mentioned Housing Starts and I don't know if
18 you were referring to the set aside units that become
19 available in new construction of those housing
20 starts. Last year, we had a banner year in new
21 construction.

22 COUNCIL MEMBER RESTLER 520 units of homeless
23 housing including 500 supportive units, which is
24 great. My concern is that the PMMR data showing how
25 we're doing for the current fiscal year is way

2 behind. And I just, look, I'm happy to hear that
3 we're on pace to hit our 15,000 goals. We should be
4 focused on exceeding it considering there are 60,000
5 people in New York City that are eligible for
6 supportive housing and desperately need it and the
7 idea that we're taking resources away from supportive
8 housing at some meaningful scale \$15 million. I just
9 think is wrongheaded. It may be pennywise but it's
10 pound foolish and it undermines the long-term safety
11 and stability of our city.

12 I have one last item and I know Justin is going
13 to kick me if I keep talking. So, you wanted to say
14 something but could I ask that you do it briefly.

15 AHMED TIGANI: I do, just very quickly, our
16 fiscal year is still going on and as people know,
17 while we close at different times throughout the
18 year, our main closing season is toward the end of
19 the fiscal year.

20 So, we actually do a lot of deals. We have
21 people doing deals right now.

22 COUNCIL MEMBER RESTLER: Yes, but I'm comparing
23 date year over year for the same four-month period in
24 the PMMR and showing that we're way behind our
25 progress for the last year. I hope that you're going

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1 to speed things up and have a really great closing
2 and I'm rooting for ya. If we can help in any way,
3 you let us know.
4

5 ADOLFO CARRIÒN JR: Thank you Council Member.
6 We're going to have a good closing season this year.

7 COUNCIL MEMBER RESTLER: Well, keep us posted
8 and hopefully more stuff in District 33. The last
9 thing before I get punched is this, Bedford Gardens.
10 The 80 percent rent increase that Crouse has proposed
11 that would affect 50 percent of the tenants in this
12 very low-income housing development is disastrous.
13 I've been disappointed by the communication from HPD
14 through this process. I just want to say very
15 plainly on the record, my hope is that there's a
16 long-term financing deal that can secure long term
17 affordability, keep Crouse and the Mitchell, keep
18 Bedford Gardens in the Mitchell Lama program and limit
19 the rent increases that we're facing now. The
20 tenants in our community, low-income Black, Latino,
21 Jewish households would be forced into shelter if a
22 fraction of this rent increase were to be imposed and
23 I am counting on HPD to be a good partner here.
24 We're counting on HUD to be a good partner here. We
25 are very eager for more information and hoping you're

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2 working on the long-term solution that we really
3 need.

4 ADOLFO CARRIÒN JR: We are. We share the same
5 goal. We're collecting information. We're meeting
6 with HUD next week to compare notes. I did receive
7 your letter yesterday and from Congresswoman
8 Velàzquez and Borough President Reynoso and I
9 appreciate your advocacy on this. I know we had a
10 meeting with the elected officials and some of the
11 members of your staff several weeks ago. We are
12 committed to making sure that that development
13 continues to be an asset in the neighborhood.

14 COUNCIL MEMBER RESTLER: I appreciate it and I
15 want to thank you all for your service and the hard
16 work that you all put into trying to address the
17 affordability crisis in New York.

18 ADOLFO CARRIÒN JR: Thank you sir.

19 CHAIRPERSON BRANNAN: Council Member Dinowitz
20 followed by Ayala.

21 COUNCIL MEMBER DINOWITZ: Thank you Chairs
22 Brannan and Sanchez. Thank you Council Member
23 Restler. I in contrast to Council Member Restler, I
24 did not get my rage out last night so, here we are.
25 Well, it's good to see a fellow Bronxite here. I

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2 have two things I want to ask about. I'm sure you
3 can guess what one of them is. It's about our
4 Mitchell Lama Program here in the city and I was
5 little surprised to hear you say that you're doing a
6 full court press on Mitchell Lama. I'm interested to
7 know what that looks like. We had a hearing here
8 last week, a Housing and Buildings hearing. We've
9 had hearings obviously every month and the costs are
10 skyrocketing.

11 As you know Tracy Terrace 22 percent and they
12 have holes in their ceiling, elevators don't work.
13 Cannon Heights in my district, I just received
14 maintenance statements from three months in a row,
15 went from \$800 a month to over \$1,200 a month. And
16 that's over a 50 percent increase. It's going to be
17 going up a total of 78 percent, it's completely
18 unsustainable. And when we asked last week, the
19 answer and the answer keeps changing every so often.
20 Well, maintenance, it's hard to maintain these
21 buildings and now the answer has been the cost of
22 insurance. The cost of these umbrella insurance
23 policies which appear to be more expensive for some
24 reason for Mitchell Lama's than they do for any other
25 co-op in New York City.

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2 And so, I'm wondering if included in your full
3 court press is addressing the insurance costs that
4 are from what you say, causing these maintenance and
5 rent increases to skyrocket?

6 ADOLFO CARRIÒN JR: So, there is a real crisis
7 in the Mitchell Lama's that we have to address but it
8 really cuts across all residential real estate
9 portfolios in New York City that rental portal
10 portfolios.

11 COUNCIL MEMBER DINOWITZ: But it's not hitting
12 other rentals as hard as it's hitting Mitchell
13 Lama's.

14 ADOLFO CARRIÒN JR: It is. So, and it turns out
15 that Mitchell Lama's are on the much more affordable
16 side in terms of the monthly costs to tenants.

17 COUNCIL MEMBER DINOWITZ: Sorry, but I don't
18 know any shareholder anywhere in the district whose
19 going up almost 100 percent.

20 ADOLFO CARRIÒN JR: Nobody wants to see an
21 increase.

22 COUNCIL MEMBER DINOWITZ: Well, 78 percent, I
23 mean 78 percent is not like a reasonable increase.
24 Let's, come on.

2 ADOLFO CARRIÒN JR: It's gigantic. For the
3 record and for all our benefit, the rent increases
4 that come to us for consideration are from the
5 Mitchell Lama's themselves and let me just finish.
6 So, two-thirds of the 93 developments that we're
7 responsible for in New York City, uhm, are owners,
8 are shareholders are co-ops right and so the board
9 comes to us and says, oh my God, we can't keep up
10 with costs. We can't pay our mortgage. Our
11 insurance costs just went up. We need to, we're
12 requesting permission to do a rent increase. We look
13 at their books and we say in order for you to sustain
14 this business operation because every building has a
15 business operation, you need to do the following. We
16 agree it gets reviewed by several parties. To point
17 out insurance in particular, we have seen Cannon
18 Heights, annual insurance costs go from \$200,000 a
19 year to \$900,000 a year in one year that jump. So,
20 they came to us and said, we need to increase our
21 rents.

22 The full court press includes what kind of
23 financing tools should we be considering? What
24 insurance instruments are out there in the industry
25 including maybe something that we can create locally.

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2 COUNCIL MEMBER DINOWITZ: So, you're creating -
3 I mean it's been years. It's been really years that
4 these Mitchell Lama's and I'm only interrupting you
5 out of time not out of and full respect, especially a
6 fellow Bronxite, you know. But you know it's been
7 years and we've just said, well insurance and this
8 was what it last week at the hearing. Every time it
9 sort of feels like you throw your hands up in the air
10 and say, well insurance costs are going up, so
11 there's nothing we can do and I would just push back
12 a little. Tracy Towers did not request an increase.
13 It was their management, I think it was the
14 management company but you know look, I grew up in
15 Mitchell Lama, right? Like I understand this is a
16 you know a middle-income family growing up. I lived
17 there as a single adult. I was a teacher, like a
18 union job you know this was something I relied on.
19 My family relied on and in turn I think residents in
20 Mitchell Lama rely on you to provide guidance and
21 support and I just, I do need to hear more about
22 what's being done to push back against insurance
23 costs.

24 I have one more quick thing and I do want to
25 continue offline but I do have one more quick thing

1 about your term sheets. We have a lot of families in
2 New York City and we have as of right developments
3 that use your term sheets to create affordable
4 housing and it's, it's I think we all agree important
5 to create affordable housing but your term sheets
6 incentivize the construction of a lot of units but
7 not a lot of bedrooms. And what does that mean if
8 you look at your mixed and matched term sheets? A
9 lot of developers will opt to create 70 percent of
10 their units as studios and one-bedroom apartments,
11 regardless of where it is.

12
13 So, for example, we have developments that are
14 adjacent to or across the street from schools and
15 down the block from family shelters, family shelters.
16 And the developers because of the term sheets are
17 constructing buildings which don't really meet the
18 need of the neighborhood. They're not constructing
19 apartments for the people who would go to school or
20 apartments for the people to get them out of the
21 shelter into permanent living conditions. So, my
22 question is, what efforts are being made by HPD to
23 incentivize the production of more bedrooms rather
24 than shoving as many units into a building as
25

1 possible so that more families can stay in or move to
2 New York City.
3

4 ADOLFO CARRIÒN JR: So, we as an agency work
5 with developers, for-profit, non-profit to try to
6 ensure that the unit mix is responsive to the local
7 needs. The reality that we face is that there are in
8 some areas of the city, many three-bedroom units that
9 sit unable to be rented and the stuff that's flying,
10 the units that are flying off the shelf are the ones
11 and twos. And if you look at the typical household
12 and I know that we have our Deputy Commissioner for
13 the Office of Policy and Strategy that oversees the
14 New York City Housing Vacancy Survey, which we're
15 engaged in right now. We're in the middle of the
16 survey. The majority of renters in New York City are
17 single and two person households, the majority. But
18 what we try to do is ensure that we get the unit mix
19 that answers the local need.

20 COUNCIL MEMBER DINOWITZ: So, I appreciate you
21 saying that and I think that would, I would love if
22 that reflected the experiences that have been in my
23 neighborhood. And it sounds like you do recognize
24 that a building next to a school would and next to a
25 family shelter has you know different needs than

2 maybe something in another neighborhood where there
3 are more need for single units.

4 Your term sheets don't reflect the nuance that
5 exists throughout all the neighborhoods in New York
6 City and so, it sounds like you know whatever we can
7 figure out, we do but it doesn't sound like there's
8 any structure in place that to build something that
9 meets the needs of the more localized individual
10 communities.

11 ADOLFO CARRIÒN JR: We do require a unit mix.

12 COUNCIL MEMBER DINOWITZ: Yeah, no, I see it on
13 the term sheet. It's a minimum of 30 percent two
14 bedroom. Minimum of 15 percent one bedroom. A
15 maximum of 25 percent studio for your mix and match.
16 But look developers are there to make money right?
17 And they're going to put as many units and look, you
18 as HPD, you are very proud of the number of units.
19 If you look at every press release you put out, it's
20 we've created this many units, not this many
21 bedrooms.

22 So, a developer is going to do you know 30
23 percent two bedroom and then 70 percent one bedroom
24 and studio. So I know my time is way up and I
25 appreciate the Chairs granting me extra time but I do

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2 want to emphasize the fact that we have different
3 neighborhoods in New York City with different needs.
4 Every square block is different and I would hope that
5 HPD as they develop new incentives and new housing
6 arrangements recognize those nuances and those
7 differences in our neighborhoods so that we can
8 retain and attract families here in New York City.

9 CHAIRPERSON BRANNAN: Okay, we have questions
10 now from Council Member Ayala followed by Velàzquez.

11 CHAIRPERSON SANCHEZ: I'd also like to note that
12 we have weekly meetings in our Committee on Housing
13 and Buildings, not monthly.

14 CHAIRPERSON BRANNAN: For the record.

15 COUNCIL MEMBER AYALA: In case you wanted to
16 show up Eric. But he's actually, he's right you
17 know, I'm just listening to what he's saying and it
18 is my experience as well. We've had a number of
19 projects that have been approved in my district as
20 well where the number of units are not really
21 reflective of the population and I get it. Like,
22 we're building for citywide needs, not specific
23 community-based needs. But to build in a community
24 where we have higher density, where you know
25 historically Black and Brown families or larger, you

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2 know the number of one bedrooms and studios that we
3 see is really just not making sense to me you know
4 and I think that developers you know, they want to
5 develop as many units as they can right? Not
6 necessarily units that are specific to larger
7 families and there's a need for those.

8 But I have a couple of questions. Regarding the
9 mandate on you know sheltering the asylum seekers,
10 how has that impactive at all your ability to house
11 families? Because I know, you know I don't think
12 most people know that HPD runs shelters anyway right
13 but those shelter beds are usually for families that
14 are displaced through fire or building, the
15 conditions that are -

16 ADOLFO CARRIÒN JR: Emergency shelters, yes.

17 COUNCIL MEMBER AYALA: Exactly and actually
18 people usually say that those shelter settings are
19 better than the city shelters, the DHS shelter sites,
20 which is really you know interesting but how does
21 that impact then your ability to house a family in
22 need who might find themselves as slaves because of
23 an emergency?

24 ADOLFO CARRIÒN JR: So, there's no impact
25 between our efforts as a city to address the needs of

2 the asylum seekers that are arriving here in droves
3 and you know, as I earlier said, you know we're
4 obviously very concerned about the sunset of Title 42
5 last night. We expect that a surge will continue in
6 northern cities and this city in particular that's
7 carried the lion share of this. But our
8 infrastructure for emergency housing stands is well
9 equipped. We have the three shelters that we run in
10 three boroughs and you know how it works. The
11 American Red Cross is involved for the first couple
12 of days, three days. They get put up in a hotel and
13 then people, families are offered the option. Many,
14 many of them don't take it. To go into a shelter and
15 wait while the repairs happen in their units so they
16 can return home. Many of them find family members
17 elsewhere and friends that they can stay with.

18 But let me just for one hot second go back to
19 the unit mix that you mentioned because one of the
20 opportunities we get is to use the public sites that
21 we have and you know we own more than 800 properties
22 around the city. A lot of it land. A lot of it tied
23 up already in RFPs and RFQs looking to develop and
24 that's where we have a very unique opportunity to
25 work with the local elected officials, let alone on

1 the private sites, which we do and I you know I don't
2 want people to come away from this hearing thinking
3 that there is no discussion about the local need of
4 unit mix. There is absolutely and different members
5 insert themselves in different ways, aggressive or
6 not. And so, I encourage you to come argue the case
7 on behalf of your constituents. Press the developer
8 as -

10 COUNCIL MEMBER AYALA: Ahmed is shaking his head
11 because he knows that I have argued my case plenty of
12 times.

13 ADOLFO CARRIÒN JR: But the RFP, the public
14 sites give us a very special opportunity to craft the
15 development in a very you know tailored way to the
16 needs of the local community.

17 COUNCIL MEMBER AYALA: Yeah, yeah, because I
18 mean I get like we want to - it sounds like when we
19 say we build a 1,000 units right, but if 1,000 units
20 are not necessarily you know addressing the needs in
21 communities like mine where we have you know larger
22 families, then it becomes problematic for me.

23 AHMED TIGANI: I think that for HPD the big
24 culture shift is the reason why we have a community
25 planning team, the reason why we have the

1 neighborhood strategies is because we try to go into
2 each project. We use the term sheet as our base map,
3 as our guide and then we go from there to see how we
4 can move the numbers around. And not only with the
5 unit cap but also how we're using nonresidential
6 space. How we're also bringing in conversations with
7 DOT or Fire or Parks about how the project fits in
8 that neighborhoods, so. The culture shift is to do
9 what you described and use the tools as the baseline
10 and see where we can go from there.

12 COUNCIL MEMBER AYALA: Okay, alright.

13 ADOLFO CARRIÒN JR: And a quick plug, again, we
14 need your help in Albany you know for our loan
15 authority. It's in my prepared testimony. Take a
16 look at it. I don't want to eat up time Chairman or
17 Chairwoman but our loan authority will allow us to do
18 things like working with Community Land Trust in your
19 district. It will help us to finance other uses,
20 community facility uses in our residential
21 developments. We can't do that right now, so there's
22 tools that we wish we had and our loan authority is
23 stuck in the 1970's and 1980's.

24 COUNCIL MEMBER AYALA: Absolutely, absolutely.
25 Well, so, we all know, everybody in this room knows

2 that we're facing a pretty challenging housing
3 crisis. But I've also been here for quite a number
4 of years and know that we've also voted on a quite a
5 substantial of projects that to me seem to be kind of
6 on hold somewhere in the abyss. Not sure where they
7 are in the pipeline. Why it's taking so long to
8 finance and start construction on those units. Can
9 you share a little bit about where you are in terms
10 of the pipeline and number of units that are
11 scheduled to be breaking ground or whatever in the
12 next year?

13 ADOLFO CARRIÒN JR: So, last year, we had a
14 banner year over 10,000 new construction units. We
15 expect to see that pattern continue. Uhm, and this
16 year, we established a target of about 18,000 units.
17 We're super confident that we're going to meet that
18 and possibly even exceed it and if things remain in
19 the direction they're going, which we think they will
20 and with the Capacity Accelerator Program that we're
21 applying to our development team and bringing in new
22 staff, I think we're going to continue to see more
23 unit generation and that obviously a great thing.
24 So, the delays that happen in projects is one, many
25 of them are tax credit deals for new construction and

2 they're all queued up in a line of trying to get it
3 you know that tool. So, another commercial break for
4 HPD and the Administration, we need help from Federal
5 government to free up tax credit capacity.

6 And I'll just say that uhm, we have a regular
7 conversation going with our congressional delegation,
8 the house members and the senators about advocating
9 on our behalf and delivering on what's called
10 reducing the 50 percent test to 25 percent on what is
11 it the bond cap, which frees up the tax credits,
12 yeah. And this stuff is obviously very complicated
13 and that's why we have a Deputy Commissioner for
14 Development who has been here a thousand times and is
15 known as an expert. But we need, you know we need
16 you all to help us get that message to Washington to
17 help us with the tools.

18 COUNCIL MEMBER AYALA: I mean, I'm always
19 excited and happy to help.

20 ADOLFO CARRIÒN JR: Okay, appreciate that.

21 COUNCIL MEMBER AYALA: I need somebody to call
22 me and say hey, we need when we need it and I'm happy
23 to do that but you know it does put us in a really
24 awkward kind of position because we feel a lot of
25 pressure to pass you know all of the zoning projects

2 and what happens then is like now I have a pipeline
3 of projects that are on hold in my community. Five
4 years passed, ten years passed and now I'm
5 renegotiating something that took me you know a
6 significant amount of time to negotiate because now,
7 the term sheets are no longer applicable you know to
8 those construction projects. And even the AMI's that
9 were negotiating may not be applicable you know in
10 ten years, five years. So, that creates you know, so
11 like we're rushing, so we're voting them out and then
12 you know we're consistently hearing, well we need to
13 build, we need build, we need to build right? So,
14 you need to pass this ULURP. You need to pass this
15 ULURP. But we're passing them at the rate that - at
16 a faster rate than we're building. Then we're
17 creating this bottleneck that in essence makes us
18 inefficient because if the projects sit there for
19 long enough, then they're no longer - they may no
20 longer benefit the community that we intended them
21 for.

22 ADOLFO CARRIÒN JR: So, we invite the discussion
23 with you and with the developers and we're talking
24 constantly to developers about making the necessary
25 adjustments to continue to keep the projects

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2 affordable and relevant to the district. So, you
3 know we encourage you to do that.

4 AHMED TIGANI: And the only thing I'll add is
5 the key part about your vote and getting through the
6 rezoning period, it puts us in a place to work with
7 the predevelopment team through the due diligence
8 process. Through putting together the budget that we
9 need, so we know what we're building. We are, we
10 certainly as a city with your partnership, will work
11 on making those tools more flexible at the state and
12 federal level but we do need to get through to ULURP
13 to get through the rest of the work so we can get to
14 the closing. And that is certainly a key piece,
15 which is why we're trying to move through those
16 ULURPs as fast as we can.

17 COUNCIL MEMBER AYALA: Okay, uhm, I have another
18 question and then just two comments. But so,
19 regarding the pilot program that is being proposed to
20 help incentivize landlords to make the necessary
21 repairs to their apartments in exchange for City
22 FHEPs rental. Why are we paying a landlord to
23 incentivize them to do something that they are
24 legally required to do under the law? Because
25 legally, they cannot deny that apartment to a tenant

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2 because that would be considered discrimination
3 right, as a source of income discrimination. So, my
4 question is, we have I think the city identified last
5 year, the city's the newspaper. Identified last
6 year that there were a total of almost 50,000
7 registered vacant units of rent stabilized units in
8 New York City. Wouldn't be more effective to work
9 with HCR to try to identify those landlords and you
10 know start some level of communication that way as
11 opposed to using city resources to incentivize the
12 law?

13 ADOLFO CARRIÒN JR: You want to?

14 AHMED TIGANI: Thank you for the question
15 Council Member. I think there's a couple of ways to
16 approach this piece. I think taking a step back.
17 There are units, there's units out there in building
18 stock that either need a lot of attention, repair,
19 have extensive physical needs. Sometimes there is a
20 tenant in place and after an extended period of time,
21 that apartment needs to go through repair just so it
22 can meet basic habitability, basic code requirements.
23 In order for us to put someone who has a voucher into
24 an apartment, we have to make sure as a city that
25 that apartment is safe and secure for them to move

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1 into. Owners in various degrees have told us both in
2 the nonprofit and the for-profit world that the cost
3 of doing that work has gone up. As we've talked
4 about today, new construction and rehab, the cost of
5 doing that work has gone up tremendously both on
6 minor repairs and more extensive building system
7 rehab. So, like we've done with the Landlord
8 Ambassador program, like we've done with our
9 preservation programs, we recognize that there is a
10 class of units that we can put back onto the market
11 if it has some funds to go through some repair.
12 Whether that comes through a loan or a grant, we try
13 different methods. This is a new attempt at trying
14 to look at apartments that will meet basic criteria
15 to allow for us to take someone who has a voucher,
16 put them in a safe home and recognize that there are
17 units out there that are beyond a certain point of
18 rehab.

20 COUNCIL MEMBER AYALA: Yeah, many of them are in
21 NYCHA. You should start there. I don't have a
22 problem using taxpayer dollars to fix those units
23 right and yet this budget shifts funding from that
24 program that would renovate those units from NYCHA
25 and you know at least in the preliminary budget. I

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2 don't know if it was put back in but that's a better
3 use of you know taxpayer dollars, is renovating those
4 - and I'm not saying, listen, if you have a landlord
5 that's uh, I own one building and you know I have
6 really good intentions and I can, you know I can help
7 but it just seems to me like the wrong message to
8 send, to use you know taxpayer dollars to incentivize
9 something that is legally required. And especially
10 at a time when we're not really doing the level of
11 enforcement on you know income discrimination cases
12 that we could be.

13 AHMED TIGANI: Well, I'll say on the income
14 discrimination, we actually now have put a tremendous
15 investment and we'll be building up and doing that
16 work and working across multiple jurisdictions to see
17 that we are doing more testing in the field,
18 especially supporting the 7,700 vouchers we put out
19 to help people but on the rehab work, I think we want
20 to use this as one tool to get the entire building
21 stock. It's the reason why we're desperately in need
22 for help for J51 and looking for support from the
23 Council and the state on that but this will not in
24 itself solve the crisis.

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2 We want owners to put units out there for
3 everyone who is looking and we want to be able to
4 make sure that we have even additional opportunities
5 and pipelines for voucher holders, so they can move
6 from a temporary status to a permanent status of
7 shelter. Like with other pilots, we may decide to go
8 a different route or a different strategy but we're
9 working with DSS to see if this could be a tool that
10 can help lift those numbers.

11 COUNCIL MEMBER AYALA: Okay, uhm alright, we're
12 just, we're trying to figure out the fastest, most
13 efficient way to reduce the census count at DHS. And
14 you know, in doing that, right?

15 AHMED TIGANI: We are engaged daily, weekly,
16 working groups. We're coming up with new names for
17 task force but all joking aside, we are working
18 extensively on that.

19 COUNCIL MEMBER AYALA: Almost 50,000 units
20 somewhere in the universe of rent stabilized, you
21 know the rent stabilization world that are registered
22 as vacant. This is an opportunity to really work
23 with the state to identify where the heck are those
24 units? Why are they still vacant? And then come up
25

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2 with a comprehensive plan because that's a lot of
3 units.

4 AHMED TIGANI: I think especially when we look
5 at the vacancy numbers and my colleague can go more
6 deeply into it. That number represents units of
7 different stages in its life cycle as well. So, you
8 know owners who are moving through rehab to put the
9 units back in place. Sorry.

10 ADOLFO CARRIÒN JR: Let me just interrupt for a
11 minute and I -

12 COUNCIL MEMBER AYALA: It's also called
13 warehousing on that.

14 CHAIRPERSON SANCHEZ: Council Member, we love
15 you. We really do.

16 ADOLFO CARRIÒN JR: I know that yeah, we've run
17 out of time. I'm getting a very strong signal from
18 the Chairs and at some point what I'd like to do is
19 go back to this issue of the so-called warehousing or
20 the units that are out there. There's a whole
21 universe of units that are totally uninhabitable,
22 that are not on the market, that are at different
23 stages of renovation, of lease up, of development
24 that are being marketed. So some of these reports
25 are painting an inaccurate picture of what's actually

2 available out there. But you know, we can get into
3 the weeds at another point.

4 COUNCIL MEMBER AYALA: Well, that's fine.

5 ADOLFO CARRIÒN JR: We look forward to it.

6 COUNCIL MEMBER AYALA: That's fine. I just have
7 one last comment rather than anything but regarding
8 the third-party transfer program, you know I've been
9 very clear about my interest in seeing more and more
10 of those units. If you know at the end, we need to
11 transfer them, my preference would be that HPD really
12 consider transferring to the CLT programs first.
13 That they have first right of refusal because it
14 allows for you know long term affordability and a
15 different kind of you know, a system. So, I just
16 want to put it out there. Thank you so much.

17 ADOLFO CARRIÒN JR: Thank you.

18 CHAIRPERSON BRANNAN: Okay, I want to
19 acknowledge we've been joined by some members of the
20 City Council in Vienna Austria, thank you for joining
21 us today. We are about 45 minute behind, so let's
22 set a good example for our friends from Austria and
23 show them how we do things here in the city. We have
24 questions now from Council Members Velàzquez followed
25 by Farias.

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2 COUNCIL MEMBER VELÀZQUEZ: Hi and good
3 afternoon. Great seeing very familiar faces. Very
4 quickly Open Door, can you tell me how many units do
5 you expect to have by year end with the Open-Door
6 program?

7 ADOLFO CARRIÒN JR: I think we will unless you
8 can help me here, yeah, so I'm told we have a few
9 projects in the pipeline. We don't have an exact
10 number but we can circle back to you on that.

11 COUNCIL MEMBER VELÀZQUEZ: Okay and then I know
12 a lot of your work is working along with other
13 agencies like DOB and FDNY. When it comes to DOB,
14 how can we get to close quicker on our projects when
15 it comes to DOB sign off and how are you working to
16 expedite that?

17 ADOLFO CARRIÒN JR: So, I think, you know that's
18 a good question and we're sort of doing an all of
19 government effort here to try to fast track. There's
20 a number of acronyms and working groups out there. I
21 think one of them is called blast. We were hoping
22 that that rocket ship would blast off and that's what
23 we're working on. We're trying to ensure that it is
24 quicker, easier and cleaner to do development and to
25 deliver for New Yorkers. You know a lot of the

1 delays obviously hold back the economy. The work,
2 the tax base, the income taxes, the economic activity
3 that happens in places all over the city. Commercial
4 investments that follow residential development. All
5 of that we're working very closely with DOB. In
6 fact, we've had ongoing discussions about how to
7 clean up the process and doing things in tandem. So,
8 you know we don't necessarily have to wait for one
9 step to happen so that the next step and have better
10 cross agency communication.
11

12 COUNCIL MEMBER VELÀZQUEZ: Have the PEGs
13 impacted that relationship and has it caused any
14 delays when it comes to closing?

15 ADOLFO CARRIÒN JR: We haven't lost any staff.
16 The headcount we increased by 34 right or restored.
17 You want to talk a little bit about it.

18 GARDEA CAPHART: Yeah, so the PEGs did not
19 impact that at all. We didn't lose any with these
20 PEGs. It didn't impact staff or anything of that
21 nature.

22 COUNCIL MEMBER VELÀZQUEZ: Thank you. And then
23 I guess when it comes to FDNY and their smoke alarm
24 sign offs, there's also significant delays when it
25

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1 comes to closing on that. How do you work with FDNY
2 and is there a capacity to expedite that as well?

3
4 AHMED TIGANI: Thank you Council Member. So,
5 both here at HPD, we have a team that works
6 specifically on the building construction and
7 architectural side. It's called Builds. They have
8 points of contact with the other regulatory agencies
9 and sign-off agencies. When it comes to construction
10 work, we collectively work through a team at DOB
11 called the HUB. It has a specific staff dedicated
12 for affordable housing projects and sign offs. So,
13 through that coordination, we try to keep tight.
14 Obviously all agencies are dealing with staffing
15 shortages and working to expedite their processes and
16 the Get Stuff Built report that the Mayor signed off
17 on and has been tasking us to do more work on is
18 going to expedite and streamline some of those
19 processes.

20 COUNCIL MEMBER VELÀZQUEZ: Thank you so much.

21 ADOLFO CARRIÒN JR: Thank you Council Member.

22 COUNCIL MEMBER FARIAS: Thank you Chair. Hi
23 Commissioner. I'm going right into it; I'm not even
24 waiting for it. Hi. So, I have a couple of
25 questions that I want to get through, there's about

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1 three or four of them. Are private housing entities
2 operating in New York City required to submit annual
3 reports on their operations to HPD?
4

5 ADOLFO CARRIÒN JR: Private housing entities,
6 the short answer is yes.

7 COUNCIL MEMBER FARIAS: And do you happen to
8 know off hand if this is containing information on
9 vacancies, rent increases, maintenance expenses for
10 all units or violations, repairs, etc.?

11 ADOLFO CARRIÒN JR: We can get back to you with
12 the hairy details but there is a lot of reporting
13 that goes on from private owners to government on
14 just about everything and we have -

15 COUNCIL MEMBER FARIAS: Okay, awesome. And are
16 all New York City housing entities required to fill
17 out the HPD's e-rent role every year upon
18 registration with HPD?

19 ADOLFO CARRIÒN JR: E-rent role? Yes, the
20 answer is yes.

21 COUNCIL MEMBER FARIAS: And can you specify the
22 Admin code or role that requires HPD and private
23 housing entities operating within NYC to file rent
24 tolls with HPD?
25

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4 ADOLFO CARRIÒN JR: Could you restate the
5 question? I'm sorry.

6 COUNCIL MEMBER FARIAS: Sure, can you specify
7 the Admin code or role that requires HPD and private
8 housing entities operating within NYC to file rent
9 tolls with HPD?

10 ADOLFO CARRIÒN JR: It's referenced in the
11 regulatory agreements that we established with
12 affordable housing developers.

13 COUNCIL MEMBER FARIAS: Okay, great. And I do
14 also like to give compliments, like Council Member
15 Barron earlier. Thank you for all the work that
16 we've been doing in the community on the variety of
17 issues that we've had meetings on and with your team,
18 you folks have been really great. Specifically, the
19 work surrounding purchase to co-ops in Jamie Towers.
20 Selfishly, I'd like to ask a question, if there are
21 any updates on Jamie Towers project manager
22 assignment for the elevator modernization and if that
23 staffing shortage is still there?

24 ADOLFO CARRIÒN JR: Yeah, I'm not aware right
25 here, right now of any update but we can follow up
right after the hearing and update you.

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1
2 COUNCIL MEMBER FARIAS: That's great and then in
3 terms of the staff shortages that you folks have been
4 seeing, have those been directly impacted by PEGs and
5 reductions that have been called by the Admin?

6 ADOLFO CARRIÒN JR: The PEG has not impacted our
7 staffing.

8 COUNCIL MEMBER FARIAS: Not at all? Okay, great
9 and I'm giving 33 seconds back.

10 CHAIRPERSON BRANNAN: Your example.

11 CHAIRPERSON SANCHEZ: You get an award.

12 CHAIRPERSON BRANNAN: Stellar, stellar. We have
13 now Council Member Louis followed by Stevens.

14 COUNCIL MEMBER LOUIS: Thank you Chair and I
15 just want to say when Council Member Barron could say
16 for the record that you're doing a good job, it's a
17 new day in New York City.

18 ADOLFO CARRIÒN JR: Thank you.

19 COUNCIL MEMBER LOUIS: So, congratulations to
20 you and your team. Good to see you Commissioner.
21 Two quick questions. The AEP program has been
22 helpful in keeping landlords accountable and making
23 sure that they are maintaining their buildings. But
24 in addition to that, making sure that they stay in
25 compliance, but for those that don't stay in

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2 compliance, it's a good enforcement tool. So, I
3 wanted to ask, how many staff including inspectors
4 are assigned to the AEP program? And do you have the
5 capacity to expand in the proposed FY24 Budget?

6 ADOLFO CARRIÒN JR: Let me take a look at uh -

7 COUNCIL MEMBER LOUIS: While you review that, I
8 ask that question because there's five landlords on
9 the worst landlords list and when I counted the
10 amount of violations they have, they have like close
11 to 10,000 violations in totality. And I just wanted
12 to know, do you have the capacity because we may have
13 more landlords in the future?

14 ADOLFO CARRIÒN JR: Well, we do have the
15 capacity and you know with your partnership, we've
16 expanded this and we select 250 of the most
17 distressed buildings in the city and enforce, talk
18 about a full court press, I mean we show up in full
19 force to fix things at these buildings. And then we
20 hold the owners accountable and then there's a whole
21 series of violations and fees associated with that,
22 that get leveled against these owners.

23 We just launched HPD online or a relaunch, which
24 now gives you, your staff, the public, the ability to
25 quickly look up property addresses and see if a

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1 specific building or if the building they live in is
2 in the AEP program. So, that's a tool that you all
3 should use and then you can follow up with us on
4 timing of when things are going to happen.
5

6 COUNCIL MEMBER LOUIS: Right but you've hired
7 242 employees for 2023. So, I don't know if of that
8 242, you've already assigned some of them to -

9 GARDEA CAPHART: So, thank you for your question
10 Council Member. The AEP program specifically right
11 now has 40 active full-time employees.

12 COUNCIL MEMBER LOUIS: How many do you need to?

13 GARDEA CAPHART: So, you know we can get back as
14 far as the vacancy, I don't have that right now but I
15 know that as far as active headcount we have 40
16 staff.

17 COUNCIL MEMBER LOUIS: Okay, and my second
18 question is in regards to influx of Article 11 that
19 the Council is about to pass, that members have
20 supported. I wanted to know how much staff is
21 assigned to the TIP unit for FY24? And if those
22 staffers have been identified in the 242 that you've
23 hired?

24 ADOLFO CARRIÒN JR: TIP Unit?

25 COUNCIL MEMBER LOUIS: That's the Tax -

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4 ADOLFO CARRIÒN JR: Oh, the Tax Incentive.

5 COUNCIL MEMBER LOUIS: Yeah.

6 GARDEA CAPHART: We don't have a breakdown for
7 the Office of Development but we can also get back to
8 with the specifics on that particular unit.

9 COUNCIL MEMBER LOUIS: So, I think the larger
10 question is, does the agency have the capacity in the
11 TIP unit to support the influx of Article 11's that
12 we're passing in the next couple of weeks, to ensure
13 that in FY24, you have the staff available to support
14 all of those Article 11 requests.

15 GARDEA CAPHART: So, yeah, for the current
16 pipeline, we still need people and we're still out
17 there hiring but for the current pipeline we do have
18 staff to handle.

19 COUNCIL MEMBER LOUIS: But for FY24 you're not
20 aware of that?

21 GARDEA CAPHART: For FY24, we still, that's why
22 as far as our vacancy reduction spring, they're
23 hiring and trying to staff up for the current
24 pipeline we do.

25 COUNCIL MEMBER LOUIS: Thank you.

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2 AHMED TIGANI: And Council Member, also when we
3 mentioned the Capacity Accelerator, this is one of
4 the areas as well.

5 COUNCIL MEMBER LOUIS: Alright, thank you so
6 much.

7 ADOLFO CARRIÒN JR: Thank you Council Member.

8 COUNCIL MEMBER LOUIS: Thank you Chair.

9 CHAIRPERSON BRANNAN: Council Member Stevens.

10 COUNCIL MEMBER STEVENS: I will keep it quick
11 and I want just before I start, be associated with
12 the comments that Council Member Dinowitz was saying
13 just around the units and often in my district. I'm
14 always being proposed with a lot of studios and one
15 bedrooms and my district often have a lot of families
16 who are struggling to find multiple units.

17 But one of my questions is just around, what
18 does your coordination look like? What other city
19 agencies? Because one of the issues that I'm
20 continuously having is I have transportation deserts
21 and food deserts but I keep getting units built in
22 places where there is not a lot of access to
23 anything.

24 And so, just trying to understand what does your
25 coordination look like because even I have a couple

2 of projects where I'm pushing back because I'm like,
3 you're putting a senior building here. The closest
4 supermarket is eight blocks away. There's only one
5 bus line. How are these seniors going to survive.
6 There's no medical facilities. And just really
7 trying to understand like how are we also
8 coordinating with other city agencies to ensure that
9 the units that we're placing also has the things that
10 people need to thrive?

11 ADOLFO CARRIÒN JR: So, you know one of the
12 things that I emphasized since I started as
13 Commissioner 15 months ago, and I know that there's a
14 team of people that already were in this mindset at
15 HPD, is that we are much, much more than a housing
16 production and housing preservation agency. A lot of
17 the work that we do is neighborhood planning and we
18 work very closely with neighborhoods around the city
19 to try to craft a strategy for the area that
20 addresses the full spectrum of human needs. Like for
21 instance, like you mentioned, senior housing in a far
22 away place, may not always make sense you know in
23 certain spots. When we work developers and they come
24 to us with ideas about - well, we're going to have a
25 community facility space, we engage them in a process

1 of how to use that space. If they come to us and
2 they have the right to develop a commercial space, we
3 encourage those uses in our developments.
4

5 We do have the Neighborhood Planning Team, which
6 maybe you could speak a little bit to.

7 COUNCIL MEMBER STEVENS: And just because you
8 don't have to eat up my time, so I do know about the
9 Neighborhood Planning but I know a lot of the
10 projects that I'm talking about were in the pipeline
11 before I got here and the consideration was not
12 taken. Because like I said, I am literally pushing
13 back, like how are you putting 200 seniors here?
14 What are they going to do?

15 And even thinking about when we're doing these
16 units, how are we really making sure that people can
17 thrive here and before we're doing that, we should be
18 thinking about what are the economic development we
19 need to push into this community before we just put
20 units in because I think even when we're talking
21 about units, it seems like it's more of an emphasis
22 on units than actually, does it make sense for people
23 to be here.

24 And just because for lack of time and I know I'm
25 the last one and I don't want to just you know. We

2 can continue this conversation offline but my next
3 question is, obviously we are in a housing crisis and
4 thinking about affordable housing. However, do you
5 have a target number for development for
6 homeownership and affordable homeownership? That's
7 another thing that I'm really big on and trying to
8 get more in my district. I have a couple of projects
9 coming in. Is there a target number in the same way
10 we have for affordable housing and how do we make
11 sure that we are doing these things simultaneously
12 and not just focused on affordable housing?

13 ADOLFO CARRIÒN JR: So, I think before you
14 arrived at the hearing, we were talking about this.
15 A large investment that we've made in homeownership
16 and probably the largest share, \$30 million over five
17 years is dedicated to creating first time homebuyers
18 through downpayment assistance.

19 And so, that's a big emphasis for us. We also
20 have the former TIL ANCP and the several thousand
21 units that we can generate that are really
22 homeownership opportunities and unfortunately so many
23 of them have been missed. And then, I think I forgot
24 who it was that asked about Open Door. I think you
25 mentioned Open Door Council Member Velàzquez. That

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2 gives us an opportunity as well and that program, we
3 want to see it accelerate because the multifamily
4 model for homeownership is a good model. It's a good
5 starter for young people. You know one of the
6 problems that we discussed in the Bronx often was our
7 kids leave, they go to college, they come back and
8 they can't - there's no where for them to go.

9 And I met this lady who was a school teacher, a
10 lifelong school teacher, raised four boys in Central
11 Harlem, they all left and they went, one of them went
12 to Atlanta, one to Philie, one to the DC area because
13 they could find homes. We want to generate that kind
14 of housing in neighborhoods all across the city and
15 especially in the neighborhoods where our kids, they
16 want to come back to those neighborhoods. So, we're
17 committed to expanding homeownership opportunities.

18 COUNCIL MEMBER STEVENS: But my question was
19 around do you have a target number of like how many
20 in the same way you do with affordable housing? Is
21 there like a number or a blueprint or plan that's
22 like actually going to be dedicated to it?

23 AHMED TIGANI: So, overall our numbers are based
24 on our capacity. Right now, we're hoping to aim for
25 18,000 units overall. Homeownership is fluctuated

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1 from time to time, it's about 25 percent of our
2 production. We are looking at projects, it's also
3 based on what tools we have out there. So, where we
4 the Open-Door Term Sheet that we've continued to work
5 and make it more applicable to the market. We've
6 also put a lot of money in the Home First as our
7 first-time homebuyer to put people in a position to
8 buy in the private market. So, we're looking at both
9 strategies, both seen with the market. Putting
10 people in position to buy was being created in the
11 market and also creating what we can on public land
12 and through our term sheets. But those tools
13 continue to be work in progress.

14
15 ADOLFO CARRIÒN JR: And just in terms of our
16 capital. Sorry to interrupt First Deputy. Just in
17 terms of capital, we've made a \$1.27 billion
18 commitment over the next ten years to encourage you
19 know homeownership development through Open Door and
20 some other tools.

21 COUNCIL MEMBER STEVENS: Thank you.

22 ADOLFO CARRIÒN JR: Thank you Council Member.

23 CHAIRPERSON SANCHEZ: Thank you so much and with
24 that, I think we're concluding colleague questions
25 for HPD. I just to close on my behalf, just want to

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1 note and thank you for ending on that note about
2 capital for homeownership. But we are continuing to
3 push forward through this Council \$4 billion per
4 year. And so, of course we noted the increase that
5 was made in the Executive Plan but you know we're
6 just at 18 percent of that \$4 billion per year at
7 this time and we're going to continue to be pushing
8 HPD to do more and more and more. And I had other
9 questions. I'm going to refrain from asking them at
10 this time but can you commit to answering, sending us
11 responses, written responses to our follow-up
12 questions?
13

14 ADOLFO CARRIÒN JR: Absolutely.

15 CHAIRPERSON SANCHEZ: Thank you so much. Chair.

16 CHAIRPERSON BRANNAN: Commissioner and you team,
17 thank you so much. Ahmed, always good to see you.
18 Thank you very much. We look forward to working with
19 you in this budget.

20 ADOLFO CARRIÒN JR: Thank you very much.

21 CHAIRPERSON BRANNAN: Okay, we're going to break
22 and then we will hear from the Department of
23 Buildings, ten minutes.

24 BREAK [02:49:14- [03:14:05]

25

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CHAIRPERSON BRANNAN: Okay, good afternoon. We
are now ready to begin the second Executive Budget
Hearing of the day focused on the New York City
Department of Buildings. I'm Justin Brannan, Chair
of the Finance Committee and I'm joined again by my
good friend, Chair of the Housing and Buildings
Committee Council Member Pierina Sanchez.

Welcome First Deputy Commissioner and your team.
Thank you all for joining us today to answer our
questions. Just to set the table on April 26, 2023,
the Administration released the Executive Financial
plan for FY23 to '27. It included a – sorry the
proposed FY24 Budget of \$106.7 billion. The DOB's
Proposed FY24 Budget of \$217.1 million, is less than
one percent of the Administrations entire proposed
FY24 Executive Plan. It's an increase of \$29.3
million or 15.6 percent from the \$187.8 million
budgeted in the FY24 Preliminary Plan. This net
increase is driven by \$23.4 million in contractual
spending for DOB Now and other services. \$4.8
million for DC 37 collective bargaining adjustments.
A \$1.8 million one-time new need for sidewalk sheds
and a PEG that raises \$6.8 million in revenue and
reduces spending by 750,000. The DOB also projects a

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1 decrease of 133 full-time positions since the
2 adoption of the FY23 Budget. As of March 2023, the
3 DOB's vacancy rate was 18 percent.
4

5 My questions today will largely focus on the PEG
6 impacts on DOB staffing members along with
7 enforcement and inspection efforts, failure to file
8 penalties and the Project Advocate Program, which I
9 just recently learned about. Not like with HPD, the
10 staffing vacancies at DOB and the corresponding
11 delays in providing services are of great concern to
12 this Council, particularly in Code Enforcement and
13 Inspection.

14 In addition, I am interested in learning more
15 about the DOE's, sorry the DOB's Project Advocate
16 Program. This appears to be a system where people
17 can pay a premium to skip the backlog and effectively
18 receive concierge service from a city agency. While
19 others who can't afford the concierge service, are
20 left mired and waiting their turn online.

21 If everyone's tax money goes into DOB then
22 everyone should receive the same treatment and I hope
23 that the department can clear that up for us. I'll
24 now turn it back to my Co-Chair Council Member
25 Sanchez for her opening statement.

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2 CHAIRPERSON SANCHEZ: Thank you so much Chair
3 Brannan. My name is Pierina Sanchez, Chair of the
4 Committee on Housing and Buildings and I am pleased
5 to welcome First Deputy Commissioner Vilenchik back
6 to the Council. We look forward to hearing from you
7 today and your team and as well as the new
8 Commissioner Jimmy Otto when he does come to testify.

9 I want to start with something that has been of
10 course heavy on us, on all of our minds. DOB has
11 been in the spotlight since our preliminary budget
12 hearing in March. The parking garage collapsed on
13 Ann Street, just blocks from us here at City Hall,
14 killed a long-time worker on the site on April 25th.
15 The garage had four open violation with DOB at the
16 time of the collapse including for defective
17 concrete. Our understanding is that the private
18 owner had not yet corrected the violations at the
19 time of the collapse. This Committee and the Council
20 have long been concerned with DOB's very high vacancy
21 rate. Still at 18 percent, even as other agencies
22 are making progress.

23 And what this means for timely inspections,
24 reinspection's and safety. The garage is a somber
25 reminder of the real life every day impact of the

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2 Department of Buildings. Chair Brannan has already
3 discussed some of the budgetary actions in DOB's
4 budget, which are marked by one new need for sidewalk
5 sheds, a range of revenue generating an expense
6 cutting PEGs and rolls of contractual spending that
7 has been delayed.

8 I would like to underscore that the Fiscal 2024
9 budget proposed in the Executive plan at \$217.1
10 million is \$21.7 million less than the Fiscal 2023
11 Budget at adoption last June. Today, I'm looking
12 forward to hearing much more about where we are about
13 backfilling inspector vacancies and making sure that
14 safety is paramount. I'd also like to learn about
15 the ongoing implementation of Local Law 97, which
16 still appears to be short staffed at DOB.

17 Finally, I am concerned about IT projects, like
18 DOB Now, that have seen delays and hurdles in
19 implementation. The Mayor's vision for a city of
20 yes, has to be one that's able to do business
21 effectively while assuring public safety and
22 compliance with all applicable laws and regulations.
23 Thank you once again to the Committee staff who
24 helped to prepare for this hearing, Dan Kroop, Chima
25 Obichere, Jack Storey in the Finance Division, Taylor

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2 Zelony, Jose Conde, Ricky Chala(SP?) in the
3 Legislative Division and Sam Cardenas and Kadeem
4 Robinson in my office. A reminder for member of the
5 public once again, if you would like to testify,
6 please make sure that May 24th is on your calendar as
7 public testimony for the executive budget will be
8 heard that day and you can appear in person here in
9 Chambers or over Zoom. Thank you and I will now pass
10 it back to our Finance Committee Chair.

11 CHAIRPERSON BRANNAN: Thank you Chair Sanchez.
12 I'll now turn it over to our Committee Counsel Mike
13 Twomey to swear in the witnesses for their
14 testimony today.

15 COMMITTEE COUNSEL: Good afternoon. Could you
16 raise your right hands please? Do you affirm that
17 your testimony will be truthful to the best of your
18 knowledge, information and belief and you will
19 honestly and faithfully answer Council Member
20 questions. First Deputy Commissioner Vilenchik?

21 KAZIMIR VILENCHIK: I do.

22 COMMITTEE COUNSEL: Deputy Commissioner Neill?

23 SHARON NEILL: I do.

24 COMMITTEE COUNSEL: Deputy Commissioner Patino?

25 GUILLERMO PATINO: I do.

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1 COMMITTEE COUNSEL: Thank you. Please begin.

2 KAZIMIR VILENCHIK: Good afternoon Chair

3 Brannan, Chair Sanchez, and members of the Committee
4 on Finance and Housing and Buildings. My name is
5 Kazimir Vilenchik, First Deputy Commissioner for the
6 New York City Department of Buildings. I am joined
7 today by Sharon Neill, Deputy Commissioner for
8 Finance and Administration, and Guillermo Patio,
9 Deputy Commissioner for External Affairs. We are
10 pleased to be here to discuss the Fiscal Year 2024
11 Executive Budget and the Department's priorities for
12 the upcoming year.

13 Construction and real estate are the backbone of
14 New York City, a built environment unlike any other.
15 As the primary regulator of these vital industries,
16 the Department helps facilitate the creation of new
17 residential and commercial spaces for our growing
18 city, all while promoting safety on tens of thousands
19 of active construction sites and at the city's nearly
20 1.1 million existing buildings. Through its work,
21 the Department strives to strike the right balance
22 between compliant development and safety. To further
23 its mission, the Department enforces the City's
24 Construction Codes, the Zoning Resolution, and New
25

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1 York State Multiple Dwelling Law, to protect those
2 who live, work, or visit the city.

3
4 The Fiscal Year 2024 Executive Budget allocates
5 approximately \$217 million in expense funds to the
6 Department. Of this funding, approximately \$159
7 million is for Personal Services, which supports
8 1,833 budgeted positions and nearly \$58 million is
9 for Other Than Personal Services, which primarily
10 supports contractual services, equipment, and
11 supplies. This funding is critical to supporting the
12 Department's mission and priorities.

13 Of note, the most recent program to eliminate
14 the gap, which assigned a four percent target to the
15 Department, did not result in the reduction of
16 headcount as the Department was able to achieve this
17 target by increasing its revenue plan. Proposed
18 increases to the revenue plan will be achieved by
19 assessing penalties where building owners failed to
20 file required elevator and boiler compliance filings,
21 by implementing a new fee for the review of site
22 safety plan, by updating the Department's cost
23 validation index, which is used to assess permit
24 fees, and by spending less on temporary services
25

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2 contracts. These proposals will not impact the
3 services the Department provides to New Yorkers.

4 One of the key areas of the Department is
5 focusing on is the people who work hard day in and
6 day out to support the construction and real estate
7 industry and to keep New Yorkers safe. As of today,
8 there is a 16 percent vacancy rate at the agency,
9 which primarily includes inspectorial and
10 administrative vacancies. We will pay close
11 attention to recruitment and the employee experience
12 to ensure that we can recruit and retain talented
13 professionals.

14 Along those lines, we also plan on working hard
15 to find efficiencies to ensure that the agency is
16 being as productive as it can to meet the needs of
17 New Yorkers. We will not shy away from supporting
18 innovation, including new technologies, in the
19 construction and the real estate industry,
20 particularly where that innovation puts the talented
21 professionals that work at the agency at the
22 forefront of their respective fields.

23 Despite recent increases in construction
24 activity, the Department continues to review plans
25 for new buildings, major renovations, and minor

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1 renovations expeditiously. Last year, we completed
2 initial plan reviews for new buildings and major
3 alterations faster than in the previous years. We
4 are on track to maintain and improve upon these
5 strong service levels this year. We will build on
6 these achievements by implementing recommendations
7 regarding the development and plan examination
8 process that stemmed from the Adams Commission, which
9 was convened late last year. These recommendations,
10 which developed with input from the industry experts,
11 include developing more standardized plan examination
12 objections, enhancing the training offered to our
13 plan examiners, and finding greater efficiencies
14 during the plan examination process. We will soon be
15 announcing a slate of short-term recommendations that
16 the Department will implement over the coming years
17 and look forward to updating you further on this
18 effort.
19

20 While seeing the industry hard at work is
21 encouraging, we remind construction professionals to
22 always keep safety at the top of their minds. The
23 Department will continue to focus on construction
24 safety, with the goal of driving down serious
25 injuries and fatalities on permitted construction

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1 sites. This will be accomplished by continuing our
2 proactive, unannounced inspections of larger
3 construction sites, during which we ensure that
4 workers and supervisors have received the
5 construction safety training they need to work on
6 such sites. In addition, we will continue the
7 construction safety campaign that was launched late
8 last year, which involves enforcement sweeps and
9 educational outreach to all active construction sites
10 regardless of size. To date, we have already visited
11 over 9,000 sites to inspect for unsafe conditions and
12 to distribute multilingual educational materials to
13 construction workers about avoiding common work site
14 hazards.
15

16 Last week was National Construction Safety Week,
17 which the Department used as an additional
18 opportunity to remind the construction industry that
19 safety must always come first on construction sites
20 by holding safety-focused events and connecting
21 directly with workers and contractors at construction
22 sites in all five boroughs. During Construction
23 Safety Week, the Department also launched a new
24 program, the Community-Based Inspector Pilot program,
25 aimed at better integrating our staff into the

1 communities that they work in to help address
2 community concerns and improve safety. Inspectors
3 and community engagement staff assigned to this
4 program are conducting educational site visits of all
5 activity permitted construction projects in certain
6 Community Boards, with a focus on work sites that do
7 not receive regular Department inspections, such as
8 smaller sites and sites that have not received any
9 recent 311 complaints.
10

11 The Department will also continue the important
12 work of implementing the Climate Mobilization Act,
13 which regulates greenhouse gas emissions at large
14 buildings beginning next year. While this important
15 milestones have been met, including releasing the
16 Local Law 97 of 2019 Advisory Board report and
17 finalizing the first comprehensive set of rules that
18 support the implementation of this law. A lot more
19 work remains to be done to ensure that this law is
20 implemented successfully.

21 This year, the Department plans to issue
22 additional rules to ensure that building owners have
23 the guidance they need to comply with the law and the
24 Department will continue its efforts, in partnership
25 with New York City Accelerator, to conduct outreach

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1 to building owners, design professionals, and other
2 impacted stakeholders. We are committed to providing
3 the Sustainability team with the resources it needs
4 to implement this historic law to help New York City
5 meet its ambitious goal of reaching net zero carbon
6 emissions by 2050.

8 Finally, the Department will work to diligently
9 address the quality-of-life issues created by
10 sidewalk sheds. As the Mayor announced during State
11 of the City earlier this year, we will work to
12 incorporate new designs for sidewalk sheds into the
13 New York City Construction Codes, with the goal of
14 selecting designs that are more pedestrian friendly.
15 The Fiscal Year 2024 Executive Budget provides the
16 Department with \$1.8 million in additional funding to
17 support this effort.

18 Additionally, the Department will work to ramp
19 up enforcement against building owners who have
20 allowed sidewalk sheds to remain in front of their
21 buildings for far too long, taking away valuable
22 space from the public and negatively impacting
23 businesses. This will be accomplished by introducing
24 new penalties that will be imposed against building
25 owners who allow sidewalk sheds to remain in place

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2 without starting repairs to their facades. The
3 Department will also be adding additional inspectors
4 to its ranks, who will be on the lookout for sidewalk
5 sheds that have overstayed their welcome. I look
6 forward to working closely with the Manhattan Borough
7 President and this Committee to push for common sense
8 reforms to address this important issue.

9 Thank you for the opportunity to testify before
10 you today. We look forward to working closely with
11 you over the coming year to achieve our collective
12 goal of improving safety, both on construction sites
13 and in our built environment. We welcome any
14 questions you may have. Thank you.

15 CHAIRPERSON BRANNAN: Thank you Commissioner.
16 Let's jump right into it. The Executive Plan
17 includes a \$5 million PEG in the current year
18 associated with underspending and personal services.
19 So, March 2023, we had the vacancy rate at DOB at 18
20 percent. Could you tell us what the current vacancy
21 rate is?

22 KAZIMIR VILENCHIK: The current vacancy rate 16
23 percent.

24 CHAIRPERSON BRANNAN: And how does that
25 breakdown amongst inspectors?

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2 KAZIMIR VILENCHIK: Inspectors vacancy rates is
3 about 15 percent and the most of the rate – the
4 biggest vacancy rate is on the construction inspector
5 sites.

6 CHAIRPERSON BRANNAN: And what's the lowest?

7 KAZIMIR VILENCHIK: Eight percent I believe for
8 the plumbing.

9 CHAIRPERSON BRANNAN: On the what?

10 KAZIMIR VILENCHIK: On the plumbing, I'm going
11 to check for you this number. Six percent plumbing
12 inspectors, that's the lowest.

13 CHAIRPERSON BRANNAN: Plumbing, oh, okay, okay
14 and how many additional inspectors are you hoping to
15 hire by the end of this fiscal year?

16 KAZIMIR VILENCHIK: So, we're looking at about
17 over 17 inspectors by the end of the year. So, we're
18 actively addressing this by attending job fairs,
19 marketing yourself. It goes on the construction site
20 and we'll always advertise yourself because we're
21 looking for people with construction experience with
22 an educational degree. That's our intended goal and
23 that's who we're –

24

25

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4 CHAIRPERSON BRANNAN: Have you noticed an
5 improvement with the amount of time it takes for OMB
6 to approve a new hire?

7 KAZIMIR VILENCHIK: I believe we did.

8 SHARON NEILL: So, just to echo what Kazimir is
9 saying is we've been pretty successful at the hiring
10 halls. So, we've attended five of them. We
11 interviewed about 65 qualified candidates. We ended
12 up offering 23 positions to inspectors. So, we're
13 hoping that those folks will be onboarded. We have
14 seen less of a yield in our inspectorial hires this
15 fiscal year. Actually over the last four years, our
16 inspectorial hires have been less than what they were
17 the previous four years, so but we're on average
18 hiring about 17 to 20 inspectors every quarter, which
19 they then attend our inspector training academy. So,
20 hopefully we'll finish the year in our last class
21 with a larger class than what we've been seeing this
22 fiscal year. With the 23, hopefully we'll be able to
23 get them through the hiring process.

24 Our Plan Examiner positions and Technical
25 positions, which are basically engineers, architects
and inspectors, were always exempt from the hiring

1 freeze through this period. We just were not seeing
2 the yields that we were hoping to see.
3

4 CHAIRPERSON BRANNAN: There is a baselined PEG
5 reduction of \$750,000 for a temporary contract.
6 What's the use of temps currently in DOB and how will
7 baseline reduction impact operations?

8 So, on average, we have anywhere from 40 to 50
9 temps. They primarily fill clerical positions or
10 other positions associated with special projects.
11 Most of the time they're backfilling vacancies, so
12 we're hoping that we'll be able to meet this PEG
13 reduction by being able to hire up in the
14 administrative titles and clerical titles that we
15 have vacant currently.

16 CHAIRPERSON BRANNAN: So, there was a recent
17 report from IBO that talked about over \$2 billion of
18 uncollected fines in the City of New York and about
19 627 million of those seem to be DOB fines. Do you
20 attribute this to that we need more staffing and
21 folks that are collecting that revenue and going
22 after those folks that haven't paid their fines?

23 KAZIMIR VILENCHIK: Yes, that's you know I'd
24 like to - we're taking this seriously, this
25 consideration of outstanding fines but anecdotally we

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2 have to take in account that DOB civil penalty much
3 higher than any penalty of any other agency. And
4 normally what we do on our part when we make an
5 aggressive effort to collect this penalty by
6 collecting those few in person or the entity applied
7 for the permit that was asked. The facts which
8 allowed us to break even certain permits when penalty
9 exceed the amount of \$25,000. So, we're also
10 partnering with Department of Finance to find a way
11 to collect those civil penalties by applying liens
12 over the property.

13 But in general, to answer your question
14 obviously, DOB's civil penalty always much higher
15 than any other agency that's why it's attributed to
16 the outstanding larger number.

17 CHAIRPERSON BRANNAN: What is the typical
18 process for you know I had a constituent who came to
19 me with an issue where the person across the street
20 from them had built an illegal driveway, not just a
21 curb cut but like a dug down into their basement and
22 built like a pitch driveway. Totally illegal, not
23 allowed. DOB wasn't able to stop it in progress even
24 though they were made aware of it. This is years
25 ago. They were made aware of it; they didn't do

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2 anything to stop it as it was happening. Now the guy
3 just has an illegal driveway whose better than him,
4 right? So, I guess every quarter does he receive a
5 fine as long as he pays it, he's allowed to, well not
6 allowed to but he can get away with keeping this
7 driveway? Like, how often can you find somebody?

8 KAZIMIR VILENCHIK: That's the wrong perception.
9 That bank fine does not mitigate the violation,
10 especially if it's Department of Building. Any
11 violation of Department of Building besides payment
12 of fees associated with violations, it has to be
13 corrected. So, obviously we have, I would be happy
14 to if you share that, so we will take a look at it
15 and see what we can do because we can issue
16 aggravated violations. We can take person to court.
17 So, there's a variety of tools available to us to
18 react on this. They cannot physically stop; you're
19 probably correct, so it's like we cannot interfere
20 with the construction but if it's so effected the
21 neighborhood, it's so endangering a joining building.
22 It seems to be extremely dangerous since they
23 excavated the site under, probably undermined the
24 foundation, foundations for joining buildings. So,
25 it's totally unacceptable what was reported to you

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2 and I would suggest to report it to us immediately
3 and we will take appropriate actions.

4 CHAIRPERSON BRANNAN: I want to ask about this
5 project advocate program that I was completely
6 unaware of but correct me if I'm wrong. DOB has a
7 project advocate program which gives developers the
8 option to pay DOB \$50,000 to receive concierge
9 service from the agency. Is that right?

10 KAZIMIR VILENCHIK: Yes, we have first of all,
11 we have to distinguish. We have project advocates
12 being called in stuff. It's been available to all
13 throughout you know prior to me but I don't know how
14 many years back. So, each project advocate was
15 assigned to each board. And not only \$1 or two
16 project advocates whose duty is to assist our
17 customers to obtain the permits, process violations,
18 give them a guidance, meet with the customers to
19 provide necessary support as it goes. Facilitate the
20 project when it's needed for the elected officials.
21 So, we notice that success of this program and it was
22 decided to extend this program in two following
23 directions. One, the direction was a major building
24 development and that's what you're referring when you
25 saying for the fee because we're providing this

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2 service anyway, so we decided that by - it was
3 decided so if we can collect the fee and provide
4 service to the developers. So, in return beside that
5 we're collecting a fee, in return developers may
6 build faster. When each day on the construction site
7 has an associate cost and by reducing the cost of
8 construction, essentially this saving may be passed
9 to us, to consumers so making our development faster
10 and cheaper. So, the goal of this program was to
11 help developers to develop those buildings and as I
12 know right now, we have 37 building enrolled in this
13 program. As of today, we collected over \$2 million
14 in appointments from the developers. Out of 37 I
15 believe over 20 buildings are affordable
16 construction. So, this is one direction and in
17 addition, we organized our group of the project
18 advocate who assists in small businesses and this
19 group of advocates works for free. You're not paying
20 for any services. It's any small business can apply
21 for a similar service and receive the same support.

22 CHAIRPERSON BRANNAN: And the money that comes
23 in from revenue from the project advocate program, is
24 it earmarked for anything in particular?

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2 SHARON NEILL: So, I can comment on that. So,
3 the major projects plan, which is what Kaz was
4 referring to. It's specifically geared towards major
5 projects. So, the fees associated with that were
6 directly attributed to supporting that team. So, we
7 negotiated with OMB, how many staff members we needed
8 to do the plan exam, coordinated efforts to make sure
9 that those projects were on track.

10 The fees collected for that service is
11 specifically to fund those staff. There was a
12 previous project advocate program that placed project
13 advocates in the borough offices to help make sure
14 that we're facilitating projects that may get stuck
15 or they may need to have interactions with other
16 agencies or within the Department. Those are also
17 funded through increases and fees. So, we are a
18 revenue generating agency and we collect fees
19 associated with the cost of providing those services.
20 So we are not you know just gouging people and making
21 up fees. It's a very structured process that we have
22 to define what the services are, what the cost of
23 those services are and we go through OMB and we
24 negotiate to try to figure out the balance between
25

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2 how much we can charge for the fee and how much it's
3 costing us to provide those services.

4 CHAIRPERSON BRANNAN: Yeah, I mean, I got no
5 problem with the concierge service for big developers
6 as long as they feel it's working. I just think, my
7 concern is the perception that it creates sort of a
8 class system where if you have \$50,000 to pay, you
9 get white glove service where there's some guy who's
10 trying to get a permit to you know renovate his
11 kitchen, can't even get anyone to answer the phone.

12 KAZIMIR VILENCHIK: To you answer your question,
13 as I said, we have equal service provided for free.
14 As I said, this is a small business services.
15 There's a substantial number of people allocated into
16 this program and they do this absolutely with no fee
17 and on top of this, we have our small army of project
18 that gets in each boroughs who is assisting people to
19 help them to facilitate their project to get
20 consultation and obtain required services.

21 SHARON NEILL: So, I would also just add that we
22 are providing expedited services in terms of meeting
23 our service level. So, I would say that the major
24 projects demand a different level of services and
25

2 complexity than somebody whose doing a kitchen
3 renovation.

4 So, if someone is hiring a design professional
5 to submit a permit, that level of effort to review
6 that project and have it reviewed by the boroughs
7 plan exam staff, that is happening at a very quick
8 pace, as well as scheduling sign off inspections.

9 So, we are definitely meeting our service level needs
10 and I would argue that the major projects are a
11 completely different scale and scope and require
12 different levels of attention and interconnections to
13 make sure that our agency is keeping a pace with what
14 the project demands are as the construction project
15 changes through the construction project schedule.

16 CHAIRPERSON BRANNAN: I don't want to put
17 anybody out of work but would you love to see a world
18 where there isn't a need for expeditors?

19 KAZIMIR VILENCHIK: You know that's a whole
20 industry.

21 CHAIRPERSON BRANNAN: I know but I feel like
22 it's an industry that exists because of bureaucracy.

23 KAZIMIR VILENCHIK: Correct and you know there
24 is not much bureaucracy right now because we
25 implement to now. So essentially expedited industry

1 converted itself into professionals as such as a Code
2 and Zoning Consultants. So, in order either to
3 complete your filing process was asked through DOB
4 Now, you have to have [03:43:56] really easy but
5 consultation to complete the project, to obtain
6 optimum efficiency of the project, to optimum
7 benefits. As you know, New York is a very tight
8 environment and everybody trying to maximize their
9 potential of their developments and their
10 construction. So, to obtain this or what I see it
11 right now, a lot of expediting firm converted
12 yourself into this type of industry which also
13 construction project are facing appropriate
14 positioning yourself is Department of Buildings at
15 certain points of development.
16

17 So, honestly, I do not envision world result
18 this profession but there's a very significant change
19 because as an expeditor, as a paper pusher does not
20 exist anymore, so there is no such thing.

21 CHAIRPERSON BRANNAN: Okay, last question for me
22 is going to be about sidewalk sheds. The FY24 Exec
23 adds \$1.8 million for a contract to develop three to
24 four alternative sidewalk sheds as a step towards
25 updating relevant sections of the city's admin code.

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2 What has been the process regarding this RFP so
3 far and can you give us an idea when it's expected to
4 be released?

5 KAZIMIR VILENCHIK: We're actually working on a
6 request for proposal. Right now, it's budgeted for
7 \$1.8 million.

8 CHAIRPERSON BRANNAN: Yup.

9 KAZIMIR VILENCHIK: So, our vision for RFP will
10 be a request to submit design of two sidewalk sheds.
11 A new design, lighter. We establish loading tickets.
12 It will be a heavy duty shed and light duty shed,
13 which will be used for storage construction and heavy
14 duty obviously for probably seven and higher. Six
15 story and higher buildings.

16 In addition, we're under consideration to
17 propose to submit alternative means of protection,
18 such as non-sidewalk level. Which means it's in
19 capsulation in place, protection. But we currently
20 are discussing actively how to do this so it's either
21 request a specific design, like a netting to
22 incapsulate a limited place or just a request, place
23 a request for the loading and let industry doing it
24 themselves. So, that's what our major idea is, how
25 we're working on this side. We're expecting RFP to

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2 be ready for sometime next year. Okay, and the
3 expectation that by end of next year. So, it's the
4 beginning of year after, so it's beginning of '25, we
5 will have submission for the design which we can
6 evaluate for use in New York City.

7 CHAIRPERSON BRANNAN: Okay, alright thank you.
8 I'm going to turn it over to Chair Sanchez and we've
9 been joined Council Member Williams.

10 CHAIRPERSON SANCHEZ: Thank you so much Chair.
11 So, I want to start with some follow-up questions
12 just from your testimony. So, in your testimony, you
13 said there is a 16 percent vacancy rate at the agency
14 but a run that we got from OMB, some updates we got
15 from OMB at the end of March put the vacancy rate
16 around 18 percent. How many hires have you had since
17 the end of March?

18 KAZIMIR VILENCHIK: So, regarding, I will start
19 it. So, regarding eight in discrepancy, what's the
20 discrepancy? A real vacancy rate for us right now
21 it's 16 percent. Okay, so I don't know if you will
22 be able to update the information.

23 CHAIRPERSON SANCHEZ: What is your active
24 headcount and budgeted headcount at the moment?

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2 SHARON NEILL: Sorry, so the budgeted headcount
3 is 1884 and our active headcount is 1576.

4 CHAIRPERSON SANCHEZ: Okay, thank you.

5 SHARON NEILL: I don't have the actual number of
6 hires since the last hearing.

7 CHAIRPERSON SANCHEZ: That's fine, that's fine.
8 That is 30 more than, we had 1545 from the end of
9 March, so. Okay, so I started off my testimony
10 talking about the parking garage collapse and I think
11 that just draws attention to what are the protocols
12 for DOB violation resolution? So, can you, can you
13 enlighten us on that? What is the protocol for
14 ensuring that a hazardous violation is corrected and
15 what are your targets? How do you measure success?

16 KAZIMIR VILENCHIK: So, in general to maintain
17 the building, it's the responsibility of the owner
18 and when Department of Building visited site and
19 observed deficiency in the maintenance or any you
20 know any other deficiency violation because of a
21 zoning resolution, we obviously issue violations.

22 It depends on the conditions; it depends on the
23 situation and it depends on their heart of the
24 violation. The violation could be what we call Class
25 1 violations right now and based on this fact, the

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1
2 owner required to take remedial actions to correct
3 this violation. If it's Class 1, it's probably in
4 immediate danger and the owner required to take
5 action as soon as possible. Just keep in mind, if we
6 see conditions really present a real danger, there is
7 other tools at our disposal. We can issue an
8 emergency declaration and emergency declaration it's
9 also could be emergency and immediate emergency. And
10 based on this, we can take, we can ask HPD to take
11 actions almost immediately.

12 So heart of this violation means is there is an
13 opportunity for owner to use his or her time and hire
14 a professional to relay the conditions and take those
15 conditions and remediate those conditions. And in
16 order to correct the violation, I just want to bring
17 it up, the first of our discussion, initial
18 discussion that paying the fee is not the correction
19 violation only. Paying the fines is just a fine for
20 violating, for not maintaining building in the proper
21 way. So, it's obviously the owner must complete the
22 repairs, must submit it. We have an administrative
23 enforcement unit, which collected evidence of repairs
24 and opted this violation and considered it closed.

25

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2 CHAIRPERSON SANCHEZ: Thank you so much. And
3 so, emergency declarations that cause HPD to step in
4 via their emergency repair program. Were there any
5 Class 1 violations that would have merited an
6 emergency declaration at this particular parking
7 garage?

8 KAZIMIR VILENCHIK: I trust our inspector, the
9 judgment of inspector was not, it was issued a
10 violation only and in the reality if an inspector
11 absorbed, the inspector is in doubt if the violation
12 is just can be corrected timely or can be corrected
13 or the certain period of time will require immediate
14 attention, we have forensic available and an
15 inspector can call and receive a consultation.

16 CHAIRPERSON SANCHEZ: Thank you and I got to say
17 thank you to Deputy Commissioner Patino and you know
18 there's just a level of comfort. I've had a number
19 of fires, for example in my district and to see when
20 the DOB engineers are on site and they you know are
21 walking through and they're looking at the
22 conditions, it's very clear that they know what
23 they're talking about. So, it's really important to
24 understand you know for Class 1 violations you know
25 how often are we going to HPD. How often is HPD

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2 stepping in and making the repairs and you know just
3 getting a sense of how essentially are there other
4 locations like that garage in the City of New York
5 that we should be mindful of?

6 KAZIMIR VILENCHIK: Thank you so much praising
7 us. Yes, we have dedicated individuals who work 24/7
8 and responding when it's requested by fire department
9 or when it's conditioned warranty this request. In
10 general, we issued inspector observed - first , the
11 way the procedure work, inspector observe the
12 condition and if conditioned warranted, obviously
13 next step is to pull our engineers. Our engineer
14 will relay condition based on engineer assimilation.
15 Immediate or emergency, simple emergency declaration
16 issued.

17 In general emergency declaration could be
18 remediated by HPD within 30 days. Immediate
19 emergency declaration must be you know attacked
20 immediately obviously. So, that's a procedure, how
21 it works. I don't have the numbers on me to say how
22 many were issued but we'll work together with HPD
23 closely and then to find ways most of proactive
24 approach. You know how we can efficiently address
25 this and you have to keep in mind that in certain

1 instances, in spite of ED issuance of ID or ED,
2 that's what we call emergency declaration, owners
3 step in and ahead of time hire an engineer and when
4 we see this action, we put IDED on hold and this give
5 opportunity to owner to remediate and if we see no
6 actions obviously, HPD would go for next step.

8 CHAIRPERSON SANCHEZ: Yeah absolutely. How much
9 funding is allocated for the Emergency Response Team
10 at DOB? What's the budgeted headcount for this unit
11 and are there any vacancies?

12 SHARON NEILL: I don't have the specifics on
13 that unit vacancies but we'll be happy to get back to
14 the staff to give you an answer on that.

15 CHAIRPERSON SANCHEZ: Okay. We'll be following
16 up on that. Thank you Deputy Commissioner. And so,
17 turning to the DC 37 contract, you know and DOB's
18 higher vacancy rate, a higher vacancy than other
19 agencies. Have you had any conversations about
20 appealing for a share of the equity fund to cover DOB
21 titles?

22 SHARON NEILL: There was a conversation that I
23 had with one of my colleagues who did suggest that we
24 include I believe engineers in that but I don't know
25

1 ultimately what ended up happening as part of that
2 discussion with OLR and with the other agencies.
3

4 CHAIRPERSON SANCHEZ: How many – what are the
5 titles that are hardest to recruit?

6 SHARON NEILL: We have a difficult time hiring
7 our technical titles, which consist of plan
8 examiners, engineers and architects across multiple
9 title groups within that main functional category and
10 inspectors.

11 CHAIRPERSON SANCHEZ: Do you think that our
12 salary and benefits part of the problem here? Does
13 DOB support raises to wages to speed up this – well,
14 let me leave it at that. Does DOB support increasing
15 the wages?

16 SHARON NEILL: Of course.

17 KAIMIR VILENCHIK: Just I'd like to add to this
18 that I also see this in spite of this so let's say if
19 we're talking about inspectors, I would be happy to
20 work with the Council Members if it's possible to
21 lower experienced requirements because we're still
22 having like an oversight for inspectors, at least one
23 year. Wasting our experience attending job fairs, a
24 lot of people possess technical degrees or technical
25 education but do not have construction experience.

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2 And we're willing and able to train the people, okay.

3 So, it's like similar to Fire Department when they
4 hire, individually trained to be fireman, we would
5 like to train our building inspectors. So, it's
6 definitely helped them to hire more.

7 CHAIRPERSON SANCHEZ: And who would these
8 conversations have to happen with? Is it DCAS?

9 SHARON NEILL: So, it's a three-prong approach.
10 So, we did work with the Council to have the Level 1
11 Inspector job specification amended for that Level 1
12 title within the tile series. That has shown to help
13 us with our recruitment efforts. We've hired about
14 70 inspectors since the first class that we hired at
15 the end of 2019. It represents about 25 percent of
16 the folks that we did hire. We are seeing some
17 success with those folks being promoted to Level 2 as
18 well as filling plan exam vacancies as well. The
19 effort to have the Charter changed for that title
20 started with the Council changing the Charter and
21 then also working with DCAS on the civil service
22 specifications, which also needs to be submitted to
23 the state and also working with OLR to make sure that
24 they were in agreement on that.

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2 And as you know, our salary scales are all
3 collectively bargained, so you know we have to you
4 know do our best to try to recruit and retain staff
5 by you know supporting our staff, making sure that
6 people are given the resources and the support that
7 they need. We offer robust training programs.
8 Getting folks hired is one piece of it but also the
9 other piece of it is trying to get people to stay.

10 CHAIRPERSON SANCHEZ: Thank you. Turning to
11 specialty, inspectors with specialties. What is the
12 current active and budgeted headcount for DOB
13 specialty inspectors and does the Department believe
14 that there are adequate resources to meet the demands
15 of inspecting specialized projects, specialized
16 aspects of the city's building need and construction
17 codes? What is the - well actually that's a separate
18 question.

19 And particularly with the specialty inspectors,
20 I'm asking about areas like facades, local law
21 implementation, local law compliance, boilers, cranes
22 and parking structures.

23 KAZIMIR VILENCHIK: Yeah, so it's - we have
24 right now like for electrical inspection, we have a
25 budgeted head count 57, actual headcount 53. For

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1 construction inspection is 411 and the actual 352.

2 Plumbing guess budgeted 68 and the actual is 62.

3 Elevator inspection is 37, actual headcount 33.

4 Investigation budgeted headcount 23, actual headcount

5 11. Boilers inspection is 23 and budgeted count 22.

6 And Cranes and derricks in derricks unit, budgeted

7 headcount 11 and actual headcount 10. Construction

8 is -

9
10 CHAIRPERSON SANCHEZ: Construction is very low,

11 got it. Okay, thank you so much. So, turning to

12 Local Law 97 in the Departments follow up to the

13 Preliminary Budget hearing, the Council learned that

14 there were 11 budgeted positions in the Department to

15 handle Local Law 97 implementation and only four of

16 those positions were filled as of the Preliminary

17 Budget hearing.

18 So, what is the status at this time? What is

19 the Department doing to fill these vacancies? And

20 does the Department believe that the budget includes

21 adequate resources to support requirements of Local

22 Law 97?

23 KAZIMIR VILENCHIK: So, currently Local Law 97

24 was in our sustainability unit and our sustainability

25 unit is consists of 53 individuals who are working

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1 for this unit. Out of 53 and the budgeted headcount
2 for this unit is 74. So, it's just going to grow and
3 we're aggressively hiring for that and this is on my
4 personal note, I'd like to say that this is the unit
5 I'm less worried about vacancies because we got
6 people who just, not just they would like to work for
7 the unit because they friends of the idea.

9 So, that's why we have all this full of
10 applicants and we're really happy to explore this to
11 our benefit. For Local Law 97 right now is, we
12 allocated 11 positions and four positions budgeted.
13 And we're kind of progressively hiring. This number,
14 we'll staple it as we go along with implementation of
15 rule and advisory board report.

16 SHARON NEILL: Yeah, so and there's actually 11
17 positions; 7 are active and 3 are being hired in the
18 pipeline now.

19 CHAIRPERSON SANCHEZ: Thank you. So, we talked
20 about this at a number of hearings. That there was a
21 report that DOB is working on with NYSERDA about
22 compliance options for Local Law 97 that has been
23 delayed.

24 It was once expected in April and now the
25 timeline is June, so what is the current expectation

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2 for when that report is going to be complete and
3 available to the public and what should building
4 owners be doing right now to get ready to comply with
5 Local Law 97?

6 KAZIMIR VILENCHIK: Yes, we're actively working
7 as you know. We know that at the end of last year,
8 Advisory Boards Report was issued and this year
9 alone, we issued first set of rules. Those rules
10 identify helping homeowners to calculate their
11 admission limits for each space in the building and
12 starting from this rule, set a foundation for new
13 rules, which help to allocate the penalty associated
14 for the not building the required limits and in
15 addition, consideration for REX what we call shows
16 for limits which you can for penalty which you can
17 pay to buy additional - to buy credits toward
18 compliance with the Local Law 97.

19 CHAIRPERSON SANCHEZ: So, you mentioned in your
20 testimony that the Department is working on issuing
21 additional rules it has made. The compliance begins
22 for many properties in 2024. So, are you confident
23 that building owners will have the information that
24 they need in order to comply in time for the first
25 compliance period?

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2 KAZIMIR VILENCHICK: Absolutely, I have full
3 confidence with performing extensive outreach and
4 people are receiving information even with the Con
5 Edison Bill. That's how we are planning. We set up
6 a site, it's a beautiful website, Accelerator NYC.
7 It gives plenty of information for people to
8 understand how the law will be applied and where
9 we're heading, so people can take some preliminary,
10 owners can take preliminary actions to brace yourself
11 for compliance. And I am fully confident with the
12 amount of kind of conversation this law generate.
13 Everyone well aware about this law, I'm really happy
14 to hear that we have a lot of good suggestions, a lot
15 of good arguments and we're happy to hear all.

16 CHAIRPERSON SANCHEZ: Okay, thank you. My last
17 set of questions before turning it over to colleagues
18 on DOB Now. So, the budget rolls \$11.6 million from
19 Fiscal 2023 into 2024 to reflect project delays for
20 DOB Now, which is the Departments public facing
21 information system. We understand that OTI has a
22 project under review due to concerns over its cost
23 and range of functionality.

24 So, a couple of questions. What have been
25 obstacles hampering the DOB Now project and what is

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2 being done to overcome them? How much has already
3 been spent on DOB Now? And what have the largest
4 contracts been for? What are the next steps in the
5 OTI review? And I'll leave it at that and continue
6 with questions after.

7 KAZIMIR VILENCHIK: I'll start answering this
8 question and then ask Sharon later on to help me with
9 the numbers. So, just looking at the DOB Now
10 program, it's allowed totally to revamp old system
11 [04:04:52], base system based on the main frame
12 allocations. So, it's totally revamped the system
13 and allowed us to review plans. To give it to our
14 customers such as Bronx service level. So, it's
15 never been heard from the Department that our goal to
16 review applicants was in two days. So, this system
17 is allowed.

18 On top of this DOB Now, has allowed us to
19 implement first primitive steps for implementation of
20 artificial intelligence, for automatic plan review,
21 for issuing automatically licensing and a permit.
22 So, the system overall, I'm a big fan of DOB Now
23 personally, so that's why I'm so enthusiastic. But I
24 just would say that overall, it will give us
25 opportunities which we never had before. Give us

1 access to social fabrics of their submitted
2 documents. Give us access to documents if we collect
3 it and analyze what our weakness is. Where we should
4 send an inspector, which here we should be talking to
5 our applicants. So, this is a lot of good, great
6 things happen with DOB Now.
7

8 What's holding sometime implementation of the
9 program, it will cause delays because we are
10 constantly updating our court. Building quarters
11 City of New York must be updated each three years and
12 new rules, new changes, new local laws. Everything
13 must go back to DOB Now. So, we're talking with DOB
14 Now, if we implement a new court in 2024, in 2025,
15 new changes need to be applied. We implemented new
16 fines and new fees; we changed our fee structures.
17 It's again, we have to kind of take a step back and
18 change the system. That's because overall delaying
19 development of the program.

20 In terms of the transfer question, so what's the
21 overall number?

22 SHARON NEILL: Right, so in FY24, the funding
23 was increase by \$11.6 million and all of that was to
24 address code updates, legislative changes as well as
25 the extension of production support associated with

2 new scope. 5.6 was the roll over from original
3 projects scope work that was allocated in 2023,
4 that's going to roll into 2024.

5 CHAIRPERSON SANCHEZ: And the largest contracts,
6 what have they been for?

7 SHARON NEILL: The largest contracts are its
8 systems integration contracts. Uhm, we're using
9 Microsoft dynamics, which is being configured for our
10 business process flow, so most of the – when you're
11 referring to the delay in the project, it's
12 reprioritizing the original scope and then to also
13 address additional items that we need to incorporate
14 based on mandates.

15 We've been working closely with OTI. They've
16 been scrutinizing and reviewing the project plan and
17 we're continuing to work in collaboration with them
18 to make sure that the project stays on scope.

19 CHAIRPERSON SANCHEZ: So, what at this time can
20 property owners, contractors and others that do
21 business with DOB expect from the platform? Have
22 there been any delays due to DOB Now? Changes, have
23 their been any delays cost?

24 KAZIMIR VILENCHIK: No, I don't, they should not
25 expect any delays and it's simplification of the

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2 process. It's easiness of the process. The process
3 assure make the project must cheaper than it could be
4 to reduce the cost because as mentioned before, it's
5 like some you know, in certain instances, not to
6 sort, in most of the instances, you don't need any
7 longer expeditor. You don't need intermediate
8 matter. You can hire always as an option but you do
9 not need it because system quite simple self-guiding.
10 You just go through the system and fill the required
11 information.

12 So, it's in general, the public should be you
13 know, do not expect any delays or any complication as
14 long as you have knowledge about using a computer.

15 CHAIRPERSON SANCHEZ: Got it, great, thank you.
16 Thank you so much for answering my questions. I'll
17 now turn it back to the Chair.

18 CHAIRPERSON BRANNAN: We have questions from
19 Council Members Brewer, Carr and Stevens.

20 COUNCIL MEMBER BREWER: Thank you very much. I
21 always thank Guillermo Patino for everything and I
22 want to say that I would want to point out that you
23 had a great person when Laura Poppa did Local Law 97
24 for my district. So, thank you for everything.
25 Scaffolding, I guess you call them sheds. So, my

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1 question is, I know you talked about it earlier but
2 my question is, you are obviously doing the RFP.
3 Those that have long term you know placement shall we
4 say, sometimes in my district, up to 20 years. 15
5 West 86th Street is an example. I think it's about
6 17 years now. So, the question is, how do you
7 because according to your testimony, you're going to
8 be looking to see inspecting. Are they doing the
9 work? Are they not doing the work? But how do you
10 determine whether or not they're doing the work
11 because sometimes they could be doing it one day and
12 not the next day and because when we call to
13 complain, we're always told the scaffolding, the shed
14 has a permit. So, there's nothing I can do.

16 So, how are we going to address with limited
17 staff to work being done, not being done, scaffolding
18 up too long. What's your game plan for that?

19 KAZIMIR VILENCHIK: Yeah, we have a game plan,
20 absolutely. So, it's for the work being done to us
21 first of all is obviously permit should issue,
22 application should be filed and after that goes to
23 the next concern. You notice that person do not work
24 consistently on the project. As you mention, they
25 work on one day and not work another day and with

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2 that is a certain set of new requirements we're
3 discussing right now which will be implemented really
4 soon. And with that, anytime we're planning to first
5 of all, first we're planning to reduce - let me start
6 it back. Any permitted issued with Department of
7 Building is active for one year. What they're
8 planning to do with permits to be limited to 90 days.
9 Each time when you renew permit, obviously you're
10 doing it through DOB Now. We have a record.

11 There's recent consideration right now since 90
12 days, apparently at least on that renewal of the
13 permit, it will be stopped. At this time, you will
14 have to see the technical person you know
15 Commissioner or Board of Commissioner or the Deputy
16 Commissioner or the other technical person to discuss
17 status of your project. And at this time, we can
18 obviously reconsider saying okay, so, it's time for
19 you to stop. We're not going to issue permits.
20 We're going to leave it for yourself.

21 Second, we're going to extend, implement new
22 fees for long standing shed. The more time you renew
23 the permit, the more costly it's going to cost a
24 person to renew. So, the recent creation, what we're
25 doing right now, we're creating incentive for people

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2 to comply. Because what the system which exists
3 right now, it's cheaper instead of performing very
4 clear, it's better to rent a shed and keep the shed
5 for a long time, which you're complaining about.

6 COUNCIL MEMBER BREWER: So, these rules are in
7 effect now is what you're saying or will they be in
8 effect?

9 KAZIMIR VILENCHIK: Will be in effect. Just
10 right now, we're currently working and making sure
11 they implement it.

12 COUNCIL MEMBER BREWER: Okay, I guess you'll
13 keep us up to date because many of us have long,
14 long. Just quickly, fire and DOB. So, my
15 understanding, the Fire Department staff anyways, not
16 happy but are you, have you already taken over some
17 of their responsibilities or is that in the works in
18 terms of inspections?

19 KAZIMIR VILENCHIK: No, nothing is being taken
20 over. The discussion is continued and a proposal is
21 being considered. We're working closely with the
22 Fire Department. We're exchanging opinions. We work
23 closely on technical matters.

24 COUNCIL MEMBER BREWER: But it hasn't happened
25 yet?

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4 KAZIMIR VILENCHIK: It hasn't happened.

5 COUNCIL MEMBER BREWER: Okay, quickly, quickly,
6 the other thing is plan examiners. I know that area
7 pretty well. So, the question is according to my
8 understanding architects, engineers, they make I
9 don't know 90,000 out of school, 65 maybe at DOB. Do
10 you have the ability without going through that long
11 rigmarole that you just described to increase our
12 salaries? I don't know how you're ever going to get
13 plan examiners because I know you have a shortage.
14 When I say plan examiners, I mean the architects, the
15 engineers, and so on without a salary increase. Is
16 that something that is possible or not?

17 KAZIMIR VILENCHIK: We're trying to create
18 promotional opportunity for our examiners.

19 COUNCIL MEMBER BREWER: You have to get new ones
20 though; you're not going to get new ones at 65.

21 KAZIMIR VILENCHIK: To be plan examiner, you
22 have to be trained first, okay. So, it's what course
23 make our examiner worth being trained through the
24 Department of Buildings, working for the Department.
25 That's what makes them value the examiner street
value much higher than what we're paying.

2 But what we're working right now, we're trying
3 to create more promotional opportunity for our
4 examiners within the Department so we can increase -

5 COUNCIL MEMBER BREWER: I'm just trying to help
6 you out because they're not coming unless you pay
7 them more money for architects and engineers.

8 Quickly, drones, are you working with drones in
9 terms of scaffolding? Is that something that's part
10 of your RFP? Is that being discussed? What's the
11 status of the drones?

12 KAZIMIR VILENCHIK: Yes, we're looking in an
13 implementation of drone program. You have to
14 understand that drones is not the replacement for
15 scaffolding.

16 COUNCIL MEMBER BREWER: No, but it could start
17 the process so they're not up so long.

18 KAZIMIR VILENCHIK: Exactly.

19 COUNCIL MEMBER BREWER: I just did it with the
20 drones. I have some sense of it. Go ahead.

21 KAZIMIR VILENCHIK: Correct, but there are some
22 issues with the drones right now. It's illegal.

23 COUNCIL MEMBER BREWER: It is illegal but we do
24 it anyway.

25 KAZIMIR VILENCHIK: Exactly.

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4 COUNCIL MEMBER BREWER: Alright, thank you. I
5 could go on but I'll stop. Thank you.

6 CHAIRPERSON BRANNAN: Okay, now we have Carr
7 followed by Stevens and Restler.

8 COUNCIL MEMBER CARR: Thank you Chair Brannan
9 and Chair Sanchez. Deputy Commissioner, it's good to
10 see you and the team again. I guess my questions are
11 going to focus on Local Law 97. My understanding is
12 that the finalization of RECs pursuant to the Local
13 Law are soon to be completed, if not already. So, if
14 you could kind of confirm a tentative timeline on
15 when that would be coming public and if we'll have an
16 opportunity to maybe have some discussion with you
17 and the team at the sustainability office before that
18 happens?

19 KAZIMIR VILENCHIK: First of all, I'd like to
20 say that RECs is currently in the work is not yet
21 completed. It's just in inception phase. We
22 currently consider except there are some limitation
23 on RECs implementation. It's only to offset the
24 [04:15:54] and it's not yet implemented. We're not
25 finalizing the rules. I definitely welcome any
discussion. As I said, we're getting in our
discussions, we're getting the most of our knowledge

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2 and understanding of the issue and it will help us to
3 kind of – a lot of people as a team in this.
4 Definitely I will be able to have this.

5 COUNCIL MEMBER CARR: Thank you. I appreciate
6 that but given that we're really just around the
7 corner from the enforcement of this Local Law mandate
8 and you know we're not finalizing the reg, so are you
9 concerned about you know being able to enforce this
10 in a timely fashion and allowing folks to know what
11 the consequences of not being in compliance are as we
12 approach that start time?

13 KAZIMIR VILENCHIK: I do not have a concern
14 about this. This is I can say precisely on that, but
15 you know we're expecting this set of rules to be
16 completed by some of next year. So, it's definitely
17 RECs discussions and there is some limitation on the
18 RECs use. I don't want to go in details of this
19 since it's only, it's in the work but as I said, it's
20 like if you're willing to, if you ever decide to
21 participate in this discussion, we would definitely
22 be happy to have you onboard.

23 COUNCIL MEMBER CARR: No, I appreciate that, I
24 mean listen I have manufacturing buildings in my
25 district that are definitely under threat from the

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1 mandates here as many members of the team know, we've
2 been in discussions about that for a little over a
3 year now. Same thing with residential buildings, not
4 so much in my district but in other parts of the
5 city. I get emails from the co-op community all the
6 time about this and so, I have a lot of concerns
7 about implementation and what that will mean for
8 businesses and residents across the city but I
9 appreciate your answers.
10

11 KAZIMIR VILENCHIK: Right and it's a fair
12 concern and the same with us. We have these concerns
13 and we're already being contacted by all these
14 individuals and owners and we're trying to make sure
15 that the accommodation is available and at the same
16 time, we find the compliance to achieve zero
17 [04:17:59].

18 COUNCIL MEMBER CARR: Thank you. Thank you
19 Chairs.

20 KAZIMIR VILENCHIK: Thank you.

21 CHAIRPERSON BRANNAN: Council Member Stevens.

22 COUNCIL MEMBER STEVENS: Hi, good afternoon. I
23 just have a question and it's super hyperlocal
24 because I have a development in my district, Concords
25 Village, and we've been having a lot of issues. And

2 so, just around like the emergency action, I'm just
3 trying to figure out, how do you get something
4 declared emergency action? And what are the
5 circumstances that would get that to happen, because
6 this structure, they have a podium that is really
7 decaying, so one, I guess my first question is around
8 how often are we inspecting buildings to ensure that
9 the safety of these structures? Because the podium
10 in this building, and one, the development and the
11 structures, uhm, has been decaying over a number of
12 years and we've had to remove the cars from the
13 parking lot. It first started at the underground and
14 now we have to remove all the cars from the parking
15 lot on the top ground because of just the weight
16 constraints. And so, I'm just trying to figure out
17 uhm, how often are these inspectors inspecting the
18 building and why are we waiting for a building that
19 could get this far along before we started to
20 measures? And then I have another question after
21 that.

22 KAZIMIR VILENCHIK: Absolutely, so the first
23 step in any inspection obviously, you should call
24 311. That's the best, the most reliable way.

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2 COUNCIL MEMBER STEVENS: Well, no, I'm not even
3 talking about 311, I understand the process but I'm
4 saying how often do you inspect building because this
5 one is at a place where it can possibly, they said
6 possibly collapse.

7 KAZIMIR VILENCHIK: Oh, okay, so I have to look
8 specific of this address because as I said, there is
9 a procedure. It depends what kind of violation
10 issue. If there is emergency conditions or emergency
11 declaration issued. So, we need to understand the
12 status. I would not speculate theoretically, if as
13 you mentioned assuming that there is emergency
14 declaration issued, we inspect it. We try to inspect
15 the structure weekly. If there is an emergency
16 declaration issue and we're waiting for owners to
17 react or -

18 COUNCIL MEMBER STEVENS: Well, it's a co-op so.

19 KAZIMIR VILENCHIK: It's owners, so it means
20 we're waiting for co-op to react. So, if there is
21 indeed emergency declaration issued, our inspectors
22 are supposed to be looking at this once a week. But
23 if you give me a specific address, I need to know -

24 COUNCIL MEMBER STEVENS: Yeah, I can definitely
25 give the address but I'm just trying to also just

2 understand the process. Because like I said, uhm, it
3 has over the years gotten worse, and so that's why
4 I'm trying to figure out like how often do you
5 inspect buildings? What does that look like? And
6 just trying to get a better understanding of how do
7 we get to th is point where it got so bad? Where
8 we're out of place, where like I said, first it was
9 one level of garages but now we have to remove all
10 the cars from the development because they said the
11 weight was too much.

12 And so, I'm just trying to figure out how did we
13 get here? Because clearly there was something
14 missing. And so, I'm going to figure out how often
15 do you inspect buildings? What does this look like
16 and trying to understand this process better.

17 KAZIMIR VILENCHIK: Right, but still I need to
18 understand involved into this because if it's an
19 emergency declaration, should we do this weekly? We
20 could do this you know if you call 311 and say the
21 structure is shaking and cracking, we send in an
22 inspector who is in there within four hours. So,
23 that's why I mentioned 311 call. If it like the way
24 you described, it sounds terrible, so it's uh, I

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2 would say if you place a call with such description,
3 inspector will be there within three to four hours.

4 COUNCIL MEMBER STEVENS: So, you guys don't
5 inspect buildings unless someone calls 311?

6 KAZIMIR VILENCHIK: We do a routine inspection
7 in the building?

8 COUNCIL MEMBER STEVENS: How often is that?

9 KAZIMIR VILENCHIK: On the Class 1 violations,
10 we do between 30-60 days, for return normally to the
11 building.

12 COUNCIL MEMBER STEVENS: And then after that,
13 then what happens?

14 KAZIMIR VILENCHIK: It's as the tools available
15 to our disposal, we can issue other weight violations
16 and after the weight, we can take owners to court if
17 you see immediate danger and the owner is not
18 reacting. In this case, emergency declaration issue
19 and in this case, we can hire, refer this for HPD
20 execution and HPD will take necessary action to
21 perform the repairs or shoring of the structure just
22 normally that what is being done.

23 COUNCIL MEMBER STEVENS: And just if Chairs it's
24 okay, I just have one more quick question and I don't
25 know if it's going to be quick but I have to ask it

2 quickly. But uhm, the other issue is like, in order
3 to get to there someone owns the other property and
4 so the owner of the property you have to walk through
5 to get to the structure that's holding up the
6 building is denying access but how does DOB work in
7 those situations? Is it a way to like you know
8 because it's an emergency situation to just kind of
9 go in and do the repairs? Because that's been
10 another issue we've been having where there's an
11 owner of part of the property who is like, no you
12 guys come through my property to get to the area that
13 you need to fix. And so, there's been a lot of back
14 and forth and my issue and concern is that while this
15 fighting and all this is taking as long as it is, the
16 roof is going to fall. And so, just trying to figure
17 out how do we prevent this?

18 KAZIMIR VILENCHIK: Yeah, that's unfortunately
19 this happened, this case has happened and we see it,
20 I wouldn't say it often but we do see it as cases.
21 In general, DOB do not interfere in the private
22 disputes but in the case as you're reporting where
23 conditions can be a reason to a level of emergency.
24 In this case, in order to resolve this dispute,

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1 emergency declaration and inform they are unable to
2 fix it, we ask HPD in this case.

3
4 So, if it's really dangerous and present danger
5 to the surrounding or another option is obviously to
6 go to court and judges issue excess warrant, is what
7 it's called and we see this in people sometimes doing
8 this quite successfully.

9 COUNCIL MEMBER STEVENS: Okay, I'll follow up
10 with your office offline because I still have a ton
11 of questions just around the issue and hopefully we
12 don't have a tragedy before that happens. Thank you.

13 KAZIMIR VILENCHIK: Sure.

14 CHAIRPERSON BRANNAN: Council Member Restler
15 followed by Velàzquez.

16 COUNCIL MEMBER RESTLER: Thank you so much
17 Chairs Brannan and Sanchez. It's always good to be
18 with you both. Appreciate your leadership and to the
19 First Deputy Commissioner, one of Brooklyn's finest,
20 we appreciate your service to the city, even if we'd
21 rather just have you focused always on Brooklyn. You
22 know other parts of New York deserve your attention
23 as well.

24 So, there are a few things I wanted to ask about
25 today but I just wanted to start firstly by focusing

1 on headcount. As I remain, as I was at the
2 Preliminary Budget hearing, deeply concerned about
3 the lack of staffing at DOB, both from a public
4 safety standpoint and because if we're going to reach
5 our housing production goals then we need you all to
6 be properly staffed up to make that happen.

7
8 So, data that I was looking at found that we
9 have 334 vacancies, 18 percent vacancy rate. If we
10 include the nearly 100 additional positions that were
11 eliminated, we're talking about what would be a 23
12 percent vacancy rate. So, and if you over FY23 and
13 FY24, 133 DOB positions were eliminated, 11 percent
14 of the headcount. 11 percent of the DOB headcount
15 has been eliminated by the Mayor. Construction
16 hasn't gone down by 11 percent, safety needs at our
17 construction sites haven't gone down by 11 percent.
18 I don't understand how we're expected to do
19 everything that is on your plate without the staff.

20 So, I am deeply concerned about it. The
21 question I'd like to ask is this. What can we do to
22 help you get more people in place as quickly as
23 possible? And how do we convince the Mayor that we
24 need to restore these egregious cuts that have been
25 made to the Department of Buildings?

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2 KAZIMIR VILENCHIK: Thank you just for Brooklyn.

3 I just want to say that I feel very confident to work
4 with the headcount I have it right now and as I said,
5 I see you know, I would definitely welcome more
6 personnel on our staff. This definitely would help
7 us a lot too but I don't see as increasing headcount
8 would give us more advantage. I see more
9 opportunities in improving our efficiency with the
10 amount of inspections, with applying more technology.
11 And you're asking what could we do so we can work
12 together to apply maybe generate new set of floors,
13 which will give us opportunity to do inspection a
14 little different way. We're doing, apply more
15 authority through the professional engineers and
16 licensed architects.

17 So, share responsibility. I always see
18 Department as a compliance, in compliance and
19 auditing and because we're licensed multiple
20 professions and after that, it doesn't make sense for
21 us not to trust those professionals to complete the
22 work, satisfy the work. New York State licensed
23 professional, engineers and architects, so it doesn't
24 make sense for us not to trust them to verify and
25 complete the work.

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4 And the transfer auditing functions of those
5 professions, verifying their honestly would be more
6 appropriate ways for future Department of Buildings.
7 And that's why I see where we can have a lot of
8 resources which could be implemented and give us a
9 lot of help. In this case, we probably didn't need
10 even so many people.

11 COUNCIL MEMBER RESTLER: I really appreciate
12 that. If I may Chair, just very briefly on RECs and
13 then just a local item. I'm concerned about RECs. I
14 think it was Council Member Carr, but perhaps we're
15 concerned about it for different reasons. He's a
16 friend but kind of at this one on different angles.
17 I'm very concerned that if we were to you know as of
18 now, DOB has rule making to limit RECs around
19 electricity. Based on the current rules, two-thirds
20 of office buildings using RECs would comply without
21 having to make, with Local Law 97 mandates, without
22 having to make any further adjustments and it seems
23 to me like we're allowing buildings to buy their way
24 out of making efficiency upgrades, which is not the
25 purpose or the spirit of the law. We want people to
reduce their emissions. We're not trying to generate
revenue.

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4 So, I know that Chair Sanchez has been doing a
5 masterful job leading on this effort and I mean that
6 earnestly but does DOB have timeline for when it
7 intends to do additional rule making to limit RECs?

8 KAZIMIR VILENCHIK: Yes, we're actively working
9 and planning, I believe it's summer of next year.

10 COUNCIL MEMBER RESTLER: Okay.

11 KAZIMIR VILENCHIK: Expectation.

12 COUNCIL MEMBER RESTLER: Sooner is better.

13 GUILLERMO PATINO: Summer of this year.

14 COUNCIL MEMBER RESTLER: Summer of this year.

15 That's good okay, I hadn't heard that. Thank you
16 Guillermo. Okay, then very briefly, I'm not asking
17 specific questions but rather just because you are
18 the best problem solver I know at the Department of
19 Buildings, the Bathurst Hotel had its scaffolding
20 taken down on Montague Street but it's come back up
21 and we could really use your help in navigating how
22 we get it down.

23 Guillermo's already working on it but I feel
24 like this may be a Kaz special. And then the second
25 one is a building that you've come at and visited
before or the big empty site at Smith and Douglas, we
finally have I think an opportunity to move forward

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2 on the demolition of the adjacent buildings, we are
3 close to getting this all resolved but I think we
4 could really use some help on that one as well. So,
5 if you would allow us to follow up with you after
6 this in the next week or so, we would really
7 appreciate it. Thank you. Thank you for the work
8 you do, deeply appreciate it.

9 KAZIMIR VILENCHIK: Thank you.

10 CHAIRPERSON BRANNAN: Council Member Velàzquez.

11 COUNCIL MEMBER VELÀZQUEZ: Hi, going off the
12 inspecting of properties, but a different take on it.
13 Unfortunately in my district, it's used as a
14 mechanism to attack each neighbor. So, we have
15 multiple calls going to same addresses, usually like
16 40 times in one address and little to no violations
17 are done. Is there an opportunity for you guys and I
18 know, and a call comes in you have to inspect because
19 you know you never know. However, this is egregious
20 now in my district and is there an opportunity where
21 we can see if it's the same caller with the same
22 address within the last month or so to either not
23 show up or to record this as a violation or what can
24 we do to basically stop the harassment? Because
25 that's what's being done.

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2 KAZIMIR VILENCHIK: Yes, we're well aware of
3 cases like that and we see this property sometimes to
4 using Department of Buildings as a punishment for
5 each other, neighbors with fighting between each
6 other. The following you could do: You can always
7 alert us that there is a location where you feel that
8 the complaint is being filed as a part of their
9 harassment campaign. What we do on our part, we have
10 - we're not blindly going of all complaints. We have
11 triage officers working who look through each
12 complaint, looking through Googles three tier
13 property profile and seeing, looking for a complaint
14 and assigning priority for this complaint.

15 So, obviously we can alert our triage officers
16 that you know obviously part of the harassment, so
17 they will know if they see its repetitive. So, we're
18 not going to send an inspector. In addition, what we
19 notice, we started to implement when they send the
20 same inspector. So, we know the same person being
21 assigned to this address, he or she well aware of
22 what's going on so they can make a judgement not to
23 make wrong calls and punishing people.

24 That's obviously available to us and third of
25 course, I saw cases where people go to court and

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1 attorney's filing harassment complaints. So, that's
2 probably not preferable but that's what we could do.
3 That's what's available to us right now.

4 COUNCIL MEMBER VELÀZQUEZ: Perfect and if we
5 could work offline, I can definitely identify.

6 KAZIMIR VILENCHIK: Please refer, right as I
7 said.

8 COUNCIL MEMBER VELÀZQUEZ: Yeah, because it's
9 just becoming a nuisance at this point and it's using
10 city resources and abusing city resources, especially
11 when you guys have so much on your plate. So, I
12 would love to work with you on that. Thank you so
13 much.

14 KAZIMIR VILENCHIK: Sure, of course, thank you.

15 CHAIRPERSON BRANNAN: Okay, Commissioner and
16 your team, thank you so much for joining us today.
17 We look forward to working with you. Chair Sanchez.

18 CHAIRPERSON SANCHEZ: Thank you so much,
19 appreciate you.

20 KAZIMIR VILENCHIK: Thank you.

21 CHAIRPERSON BRANNAN: Thank you. [GAVEL] Yeah,
22 we're taking a break and then we're going to hear
23 from the Department of Sanitation.

24 BREAK [04:33:27- [04:44:06]
25

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2 CHAIRPERSON BRANNAN: Okay [GAVEL]. Okay, good
3 afternoon and welcome to the final Executive Budget
4 Hearing of the day. We'll be focused on the
5 Department of Sanitation and I'm now joined by my
6 colleague Council Member Sandy Nurse, Chair of the
7 Committee on Sanitation and Solid Waste Management.
8 In addition to the folks that have been here for the
9 first two hearings, we've been joined by Council
10 Members Menin and Richardson Jordan.

11 Welcome Commissioner Tisch and your team. Thank
12 you all for joining us today to answer our questions.
13 On April 26, 2023, the Administration released its
14 Executive Financial Plan for FY23 to FY27 with a
15 proposed FY24 budget of \$106.7 billion. DSNY's
16 proposed FY24 budget of \$1.86 billion represents 1.7
17 percent of the Administrations proposed FY24 budget
18 in the Executive plan. This is an increase of \$33.4
19 million or 1.8 percent from the \$1.82 billion
20 originally budgeted in the preliminary plan.

21 This net increase comes from several actions
22 including \$23.2 million to cover rollout of curbside
23 organics collection in Brooklyn and the Bronx over
24 FY24. \$3.2 million for a waste containerization
25 pilot. \$4.6 million for DC 37 collective bargaining

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1 adjustments and minimum wage increase and \$2 million
2 for vending enforcement covering 40 new uniformed
3 positions. DSNY projects a total growth and
4 headcount of 372 positions since the adoption of the
5 FY23 budget.
6

7 My questions today will largely focus on the PEG
8 and other plan adjustment impacts on the DSNY's
9 budget along with resource allocation and the
10 Council's budget response items. I think as you
11 know, I'm a big fan of DSNY but obviously I'm
12 concerned with the Department continuing to be asked
13 to take on new responsibilities while grappling with
14 rounds of PEGs. In addition, this Council is
15 interested in learning more about the equitable
16 distribution of basic baseline resources across the
17 city.

18 I'd like to recognize my Co-Chair for this
19 hearing, Council Member Nurse for her opening
20 statement.

21 CHAIRPERSON NURSE: Thank you Chair Brannan for
22 your remarks. Good afternoon everyone. Good
23 afternoon Commissioner Tisch and everyone else here.
24 I'm not going to go over the budget numbers but just
25 wanted to say you know to the credit of you all and

2 to the city, undertaking and planning an era of
3 projects from Citywide Curbside Organics collection
4 and implementation of CWZ, changes to refuse set out
5 times, the new waste containerization pilot, it's a
6 lot. It's impressive. These are projects and
7 initiatives that are important. They're long overdue
8 and an important step in our efforts to reduce rats,
9 become a cleaner city and work toward our zero waste
10 goals.

11 So, we just want you all to have what you need
12 to do the job, to cover all parts of the city. We
13 are a little concerned that and weary that the city
14 not lose site of the vitally important sanitation
15 services such as maintaining an equitable approach to
16 cleanliness in every neighborhood and we see this as
17 especially important as you're taking on additional
18 things like highway cleaning and street vendor
19 enforcement. We just want to ensure the agency is
20 not spread too thin. So, looking forward to diving
21 into it today.

22 I just want to give a special thank you to my
23 team, Anel Hernandez over here in the corner, Ms.
24 Branes on the Committee as well as Andrew Lane-
25 Lawless and Ricky Chawla for your support in

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1 preparing for today's hearing. So, I'll turn it back
2 to Chair Brannan.
3

4 CHAIRPERSON BRANNAN: Thank you Chair. Okay,
5 now I'm going to turn it over to Committee
6 Counsel Mike Twomey to swear in the witnesses for
7 their testimony.

8 COMMITTEE COUNSEL: Thank you. Please raise
9 your right hands. Do you affirm that your testimony
10 will be truthful to the best of your knowledge,
11 information and belief and you will honestly and
12 faithfully answer Council Member questions?
13 Commissioner Tisch?

14 JESSICA TISCH: I do.

15 COMMITTEE COUNSEL: First Deputy Commissioner
16 Lojan?

17 JAVIER LOJAN: I do.

18 COMMITTEE COUNSEL: Deputy Commissioner
19 Anderson?

20 GREGORY ANDERSON: I do.

21 COMMITTEE COUNSEL: Deputy Commissioner Merola?

22 RYAN MEROLA: I do.

23 COMMITTEE COUNSEL: Deputy Commissioner
24 Antonelli?

25 JOSEPH ANTONELLI: I do.

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4 COMMITTEE COUNSEL: Thank you. You may begin.

5 JESSICA TISCH: Good afternoon Chair Brannan,
6 Chair Nurse, and member of the City Council
7 Committees on Finance and Sanitation and Solid Waste
8 Management. I am Jessica Tisch, Commissioner of the
9 New York City Department of Sanitation. I am joined
10 today by First Deputy Commissioner Javier Lojan,
11 Joseph Antonelli, Deputy Commissioner for Management
12 and Budget, Gregory Anderson, Deputy Commissioner for
13 Policy and Strategic Initiatives and Ryan Merola,
14 Deputy Commissioner for External Affairs. Thank you
15 for the opportunity to testify today on DSNY's Fiscal
16 Year 2024 Executive Budget.

17 You may not know it yet, but there is a
18 revolution taking place on the streets of this city.
19 This is a trash revolution. A complete overthrow and
20 overhaul of our old way of doing things. We have
21 through the implementation of both new set out time
22 rules and several operational changes dramatically
23 reduce the amount of time that trash sits in bags on
24 the sidewalk waiting collection and fundamentally
25 transformed the impact that waste has on public space
in New York City.

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2 Before these changes, New Yorkers could set out
3 their waste in bags at 4 p.m., the night before
4 collection, and nearly all collections happened on
5 the 6 a.m. shift, letting trash bags sit at the curb
6 for a minimum of 14 hours before they would even
7 start to be collected. Some collections would be
8 scheduled for the 4 p.m. shift, meaning our daily 24
9 million pounds of waste could sit on the sidewalk,
10 blocking pedestrians, attracting rats and blemishing
11 our neighborhoods for as many as 32 hours. This is
12 the number one reason New York City has for too long
13 been called Trash City.

14 Today, bags of waste can be set out no earlier
15 than 8 p.m. The first collection crews leave the
16 garage at midnight and nearly 30 percent of all
17 collections in high density neighborhoods happen on
18 that first shift of the day. The remainder are
19 scheduled on the day shift, which now starts at 5
20 a.m. instead of 6 a.m. And for the first time in
21 memory, no trash collections are scheduled for the 4
22 p.m. afternoon shift. This represents a massive
23 overhaul of how the Department of Sanitation
24 approaches collection operations. In addition, we
25 implemented these changes in a largely cost neutral

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2 way, working with labor to make changes that would
3 have the greatest impact. Now, it's difficult to see
4 things that aren't there. But think back to March,
5 or last summer, or any other time in the last two
6 decades, and imagine walking down a dense residential
7 block at 4:30 in the afternoon before trash day.
8 There were piles of bags stacked all along the
9 sidewalk and twice as many if it happened to be
10 recycling day. Those bags had no hope of moving
11 anywhere before 6 a.m. the next morning and would
12 often linger on the sidewalk until late morning. It
13 was disgusting.

14 On a street with businesses, bags would be out
15 at all hours of the day oozing trash juice on the
16 sidewalk until collection by private carters in the
17 early morning hours.

18 Fast forward to today. Every week that passes,
19 we see more containers and less trash on the streets
20 during the highest trafficked hours of the day.
21 That's the beginning of a revolution. In
22 neighborhoods where there has been compliance with
23 the new set out time rules, these changes have made a
24 dramatic difference in the experience of our streets
25 and our neighborhoods.

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2 DSNY worked with New Yorkers and property owners
3 and managers citywide to encourage that compliance.
4 We offered a one-month warning period in April and
5 issued 22,600 warnings, focusing on commercial and
6 high-density residential areas where the problems are
7 the most pressing. Agents and Officers are now
8 revisiting these same places where we issued warnings
9 to make sure that they got the message and if not,
10 issuing a summons. DSNY will continue to conduct
11 enforcement on these new rules, not for the sake of
12 enforcement but with a focus on the most egregious
13 violators and the large buildings and commercial
14 properties that have the greatest impact on the
15 public realm.

16 We are doing our part to clean up New York City.
17 But every New Yorker has a role to play in
18 maintaining the cleanliness of our neighborhoods in a
19 city this size, it can't just be the 10,000 members
20 in the Sanitation Department doing the important
21 work. Property owners and commercial establishments
22 are responsible for the cleanliness of their
23 sidewalks, public areas and along the curb 18 inches
24 into the street. We have a renewed focus on

1 enforcing basic cleanliness rules, the kinds of
2 things that keep our streets clean.

3
4 But enforcement only goes so far when the
5 penalty for an action is too low. Right now, fines
6 for violating basic sanitation rules are set by Local
7 Law at just \$50, an amount that is in my opinion, far
8 too low. This was reduced from \$100 by the City
9 Council in 2021, sending the wrong message that
10 cleanliness is not a priority in our city. I am
11 calling on this Council to reverse course and create
12 stiffer penalties. I am eager to work with you to
13 make this happen.

14 As Deputy Commissioner Anderson testified last
15 month, DSNY strongly supports Intro. 544, sponsored
16 by Council Member Ossè, which would increase
17 penalties for larger properties for failing to set
18 out waste properly. We support reasonable increases
19 to other penalties as well, to create a strong
20 deterrent for egregious or repeat offenders that see
21 fines as just the cost of doing business. We need
22 more tools in our enforcement toolbox to uphold this
23 shared responsibility.

24 In the last month, DSNY has implemented two
25 important new partnerships with our fellow agencies

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2 to make New York City cleaner. First, we are now
3 working much more closely with the Police Department
4 to address the scourge of abandoned vehicles on our
5 streets. This problem, like illegal dumping, does
6 not affect every neighborhood, but in those areas
7 where it does, the impact is profound.

8 Abandoned vehicles fall into two categories:
9 derelict vehicles with no plates and little resale
10 value under DSNY jurisdiction and all others under
11 NYPD jurisdiction. Too often, New Yorkers would file
12 a complaint about an abandoned vehicle only for that
13 complaint to ping pong back and forth between both
14 agencies and land in a bureaucratic morass with no
15 resolution.

16 Next week, a new citywide Abandoned Vehicle Task
17 Force will hit the streets to address this issue
18 comprehensively. The NYPD has detailed six uniformed
19 members to DSNY to enable the two agencies to work
20 much more closely to address abandoned vehicles and
21 already join operations between the two agencies at
22 the precinct in district levels, which used to happen
23 just once or twice a month, now happens several times
24 a week.

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2 Overall, derelict vehicle removals by DSNY are
3 up 21 percent this calendar year to date. Removals
4 of abandoned and derelict vehicles in partnership
5 with NYPD are up 132 percent.

6 Second, DSNY has assumed operational control of
7 graffiti removal operations conducted by the Economic
8 Development Corporation for approximately two
9 decades. Graffiti removal in the five boroughs has
10 been handled by EDC, despite the fact that 311
11 complaints about graffiti are and have always been
12 routed to DSNY.

13 Now, DSNY both takes the complaints and directly
14 coordinates removal activities, streamlining the
15 customer experience for all New Yorkers that report
16 graffiti conditions.

17 For the first time, more service requests are
18 resolved each day and are received and we are working
19 to eliminate the backlog of more than 2,000 service
20 requests since the beginning of the year. Since
21 April 1, when our work started, crews have cleaned
22 nearly 800 locations in total.

23 We are also reorienting the entire agency around
24 cleanliness and a customer service approach. We have
25 created Trash Dash, a weekly report and interactive

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1 dashboard to provide a detailed, district level view
2 of 311 service request, actions and response times.
3 Modeled on NYPD's CompStat, this tool for the first
4 time ever gives managers at every level of the
5 department and up to date information on service
6 requests and will ensure that not just the executives
7 but the entire department have a relentless focus on
8 customer service.
9

10 Just yesterday, we held our very first Trash
11 Dash weekly meeting and brought in the staff from the
12 Manhattan Borough Office. Senior ranking chiefs
13 grilled superintendents on everything from missed
14 collections to overflowing liter baskets to
15 strategies to ensure compliance with the new set out
16 rules. We are continuing to refine our performance
17 indicators and plan to make Trash Dash reports and
18 weekly meetings with rotating boroughs available to
19 the public in the near future.

20 In March, Mayor Adams announced the transition
21 of the Office of Street Vending Enforcement from the
22 Department of Consumer and Worker Protection to DSNY.
23 Legal street vending is a vital part of New York
24 City's economy. However, vendors who do not play by
25 the rules have an overwhelming impact on cleanliness

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2 and quality of life, and the city has never before
3 had a meaningful strategy to address these issues.

4 Our focus is on the infractions that affect
5 communities the most, things like obstructing
6 sidewalks, curb cuts and building and subway
7 entrances, leaving equipment and goods out overnight
8 and creating dirty conditions. Since April 1st, DSNY
9 officers have conducted 144 street vendor inspections
10 citywide. This is a compliance first approach,
11 rather than a licensed check first approach. DSNY
12 toured many communities with elected officials who
13 asked DSNY to help solve the vending problems with
14 which their residents and businesses grapple. Many
15 Council Members and community leaders know this is a
16 cleanliness and quality of life issue. Sanitation
17 Police Officers are accustomed to dealing with the
18 intersection of public space and businesses and
19 communities. They understand cleanliness and safety
20 and are specially trained for this kind of issue.
21 DSNY is uniquely qualified in my opinion, to do this
22 work.

23 The FY24 Executive Budget includes \$2.87 million
24 to support this effort. This includes new headcount
25 of 40 people in our Sanitation Police unit, including

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1 35 officer, 4 lieutenants and 1 inspector. This new
2 funding grows over time to \$4.65 million in FY27 and
3 the out years. In addition, beginning in FY25, a
4 share of this new funding is offset by the transfer
5 of current funding for street vending enforcement
6 from DCWP.
7

8 As I mentioned at the Preliminary Budget
9 Hearing, Mayor Adams has committed to creating a
10 universal curbside composting program for the first
11 time in the city's history. This program is already
12 running in Queens year-round and will roll out
13 borough by borough over the next 17 months, beginning
14 with Brooklyn this fall.

15 The new program is built on a number of
16 efficiencies that drive cost down, including the use
17 of dual bin trucks and rightsizing the workforce to
18 reduce overtimes. The leaf and yard waste first
19 approach was designed based on an analysis of
20 successful programs in other cities. In March, we
21 issued a proposed rule to make yard waste separation
22 mandatory, an appropriate first step toward a
23 mandatory universal program. We expect to finalize
24 this rule in the next few weeks.
25

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2 This citywide curbside program is part of a
3 comprehensive approach to organic waste diversion.
4 Earlier this year, we completed the installation of
5 250 Smart Compost Bins across all five boroughs. We
6 will install an additional 150 bins this summer in
7 Manhattan, which will receive curbside collection
8 last. These bins are accessible 24 hours a day via
9 an app for iOS and Android called NYC Compost.

10 The FY24 Executive Budget includes \$23.16
11 million in new funding for this program, including
12 \$4.5 million for bin deliveries, outreach and
13 communications. This funding includes 289 new staff
14 this year, including 233 Sanitation Workers for
15 collection operations. In FY25, funding increases to
16 \$24.43 million, including 335 new staff.

17 Last month, DSNY released The Future of Trash, a
18 95-page report that was the result of a six-month,
19 intensive department led study of the feasibility of
20 waste containerization in New York City.

21 Containerization defined as both the use of shared
22 containers and individual bins based on the street's
23 residential density, is feasible in 89 percent of New
24 York City residential streets comprising 77 percent

1 of the city's residential waste output. Like many
2 good things, it will not come easily.

3
4 Of the street sections analyzed, 39 percent
5 would be appropriate for shared stationary
6 containers. This requires repurposing up to 10
7 percent of available curb space on blocks with
8 residential buildings and approximately up to 150
9 parking spaces total. On some blocks, up to 25
10 percent of existing curb space would be occupied by
11 containers, but on most blocks the share would be far
12 lower.

13 Another 50 percent of residential street
14 sections would be appropriate for individual bins
15 without eliminating any existing uses of curb space.
16 These include substantial lower density areas in
17 Staten Island, Eastern Queens, Southern Brooklyn and
18 the Northern Bronx. Containerization offers the
19 potential to be among the most transformative changes
20 to our city's streetscape in decades and one of the
21 biggest public infrastructure projects in a
22 generation. As I mentioned, the path to
23 containerization is not an easy one and it will take
24 time and some challenging tradeoffs. But the path is
25 clearer now than ever before.

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2 The FY24 Executive Budget includes \$5.66 million
3 in new funds between FY23 and FY24 to rapidly deploy
4 the first scaled pilot of mechanized collection of
5 shared containers in Manhattan District 9. This
6 pilot will include approximately 10 residential
7 blocks in a subset of the district, as well as up to
8 14 public schools and we expect it to launch by the
9 fall.

10 This budget also includes new reductions as part
11 of the Program to Eliminate the Gap. The good news
12 is this, these cuts do not impact direct service
13 delivery and we did not lay off a single employee.
14 DSNY worked with OMB to identify greater
15 efficiencies, but we were partially relieved of our
16 target to ensure that no direct services were
17 impacted.

18 The PEG totals \$45 million in FY23 and \$23.5
19 million in FY24. These reductions include \$45
20 million in FY23. \$0.9 million in FY24 and \$11.8
21 million in the out years to adjust the snow budget to
22 reflect actual spending. I want to be very clear
23 that this reduction will not tie our hands from
24 responding quickly and forcefully to conditions in
25 future snow seasons.

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\$6.7 million in FY24 and annually thereafter related to eliminating snow training on Sunday and reorienting training activities on straight time. \$7.5 million in additional revenue annually in recognition of increased issuance of ASP fines. \$2.1 million and 33 positions in FY24 for a reduction in uniformed staff assigned to solid waste management operations. \$1.7 million and 19 positions in FY24 for a reduction in uniformed staff assigned to non-frontline administrative units. \$1.1 million and 24 positions in FY24 for a reduction to precision cleaning crews. \$2.5 million in FY24 to reduce the scope of the waste characterization study from three seasons to two seasons. \$1 million in FY24, \$2 million in FY25, and \$3.5 million in the out years for a phased reduction of funding for food scrap drop offs and community composting programs to align with the rollout of curbside composting. And \$2.3 million in FY26 for the relinquishment of DSNY property.

The Executive Budget includes \$1.86 billion in expense funds in Fiscal Year 2024, reflecting an increase of \$33.4 million from the Preliminary Budget.

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2 The Fiscal Year 2024 Expense Budget includes
3 \$1.08 billion for personal services to support a
4 total budgeted headcount of 9,816 full time
5 positions, including 7,878 uniformed positions and
6 1,938 civilian positions and \$774 million for other
7 than personal services.

8 DSNY's Fiscal Year 2024 Preliminary Budget
9 includes \$4.24 billion in capital funding in the ten-
10 year plan, including \$1.48 billion for garages and
11 facilities, \$2.56 billion for equipment, \$72.6
12 million for IT, and \$135.3 million for solid waste
13 management infrastructure.

14 The Capital Budget includes new funding of \$76
15 million to purchase 158 new dual-bin and rear loader
16 collection trucks this year for the expansion of
17 curbside composting over the next 18 months.

18 Thank you so much for the opportunity to testify
19 today. My staff and I look forward to answering your
20 questions.

21 CHAIRPERSON BRANNAN: Thank you. It's a lot of
22 trash talk. We've been joined also by Council Member
23 Bottcher and we've also been joined, we've been a
24 very busy cameos today. We've been joined by Facing
25 the History School from Council Member Bottcher's

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1 District. [APPLAUSE] Thank you for coming. I want
2 to jump right in. You answered a bunch of my
3 questions in your testimony, which I appreciate. One
4 of the things in Council's Budget Response DSOI has
5 quoted \$31.8 million for straight time and \$33
6 million for overtime as the costs for litter basket
7 service.
8

9 Can you confirm that these two costs are the
10 baseline and one-shot costs respectively to provide a
11 minimum level of service, which would be twice daily,
12 six day a week litter basket service.

13 JESSICA TISCH: Can you just repeat the numbers?

14 CHAIRPERSON BRANNAN: Yeah, sure. So, \$31.8
15 million for straight time and \$33 million for OT.
16 What we're looking for is to get to a minimum level
17 of twice daily, six day a week corner basket service
18 in every Council district.

19 JESSICA TISCH: So, as you know and I said many
20 times before, not every litter basket is created
21 equal. Meaning, there are some on very busy
22 commercial corridors that even when we go at them
23 four times a day, it still isn't enough on a
24 beautiful spring day and there are others in quieter
25

2 locations where once a day service is certainly
3 plenty.

4 So, when we look at the numbers, we don't look
5 at universal, twice a week, sorry twice a day what
6 does it cost? What I can tell you is, today we run
7 793 weekly trucks. We've been doing that in Fiscal
8 Year 2023. That is based on a \$22 million investment
9 over our baseline and our baseline is 452 weekly
10 trucks. We are definitely open to working with
11 Council on adding heads to the Department of
12 Sanitation for litter basket service as opposed to
13 running the extra service on overtime. But I should
14 note that straight time versus overtime is not so
15 different when you account for fringe.

16 As to the \$31.8 straight time versus the \$33
17 million for overtime. I believe that that is the
18 cost. Is that the cost we came up with? Right, that
19 is the cost for universal twice a day service.

20 CHAIRPERSON BRANNAN: Okay, six days a week,
21 twice a day that's the price?

22 JESSICA TISCH: Hmm, hmm.

23 CHAIRPERSON BRANNAN: Okay. Uhm, I guess as it
24 relates, there's something that comes up a lot at the
25 community level and also through members here, my

2 colleagues here, which is difficult to understand.

3 The baseline not baseline in terms of the budget but
4 baseline meaning the basic service that's provided
5 for every garage and how those decisions are made for
6 you know what Midtown Manhattan gets versus what the
7 South Bronx gets. Is there a basic pickup schedule
8 that every garage gets and then you build from there.
9 How is that determined?

10 JESSICA TISCH: Sure. There's two different
11 collection frequencies and those are mostly based on
12 density. And they haven't really changed in quite a
13 while. So, part of the city gets twice a week
14 collection of refuse and once a week collection of
15 recycling. And the other part of the city, the
16 higher density neighborhoods get three times a week
17 collection of refuse and one time a week collection
18 of recycling. It's based on density.

19 CHAIRPERSON BRANNAN: What about the corner
20 baskets?

21 JESSICA TISCH: The litter baskets is largely
22 based on foot traffic and how trafficked the corridor
23 is. What I would say about the litter basket service
24 is we are always working to refine it and get it
25 right within the budget that we have. I would say

2 this year, we saw the single largest decrease in 311
3 complaints about overflowing litter baskets. They
4 were down to like 50 percent. And I think that that
5 is a testament to the fact first, that we had more
6 funding this year to use but also to the fact that
7 litter basket service is an art and not a science.

8 CHAIRPERSON BRANNAN: And how is DSOI working
9 with the new rat czar? What's the coordination
10 there?

11 JESSICA TISCH: Very closely. As you know, the
12 rat czar, there are so many different agencies
13 involved in our war on rats. NYCHA, DOE, DOH, the
14 Department of Sanitation. Our stake in rats is that
15 the trash on the street in particular, the 24 million
16 pounds that sits on our curb lines every day, really
17 is the main food source for the rats. We know from
18 our last waste characterization study, that one-third
19 of the material in those black bags that sit on the
20 curbs, is food waste. So, that's just for
21 residential trash. That's eight million pounds a
22 day, so we play a very important role in the fight
23 against rats but the fight against rats is much
24 bigger than the Department of Sanitation and rat czar

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2 does Gods work coordinating all of the agencies
3 involved.

4 CHAIRPERSON BRANNAN: Does DSNY anticipate
5 receiving any money from the state for FY24 based on
6 the agreement that is currently public?

7 JESSICA TISCH: I don't think so.

8 CHAIRPERSON BRANNAN: Okay. The OPPA funds that
9 covered waste export costs in FY24 and FY25, were
10 they transferred from another agencies budget?

11 JESSICA TISCH: I don't know if they were
12 transferred from another agencies budget.

13 CHAIRPERSON BRANNAN: Okay. I think that's all
14 I got for now. I'm going to hand it over to Chair
15 Nurse. Thank you.

16 CHAIRPERSON NURSE: Thanks Chair Brannan. I'm
17 going to start with organics. My favorite topic. Do
18 you have new or updated data on the organics
19 collection from Queens since resuming?

20 JESSICA TISCH: I don't but I hope that we'll
21 have it soon. It really just started about a month
22 ago, so we wanted to have a meaningful amount of data
23 but we do hope to release some soon.

24 CHAIRPERSON NURSE: Okay, so the Citywide
25 Curbside Organics Program budget for collections

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1 outreach and materials is \$23.2 million in FY24. And
2 then jumps to \$37.1 million in FY27. Can you share a
3 little bit more about the jump there?
4

5 JESSICA TISCH: Sure, it's the same number of
6 sanitation workers, it's just as sanitation workers
7 get more seniority their salaries go up. So, that's
8 why you see the big jump in FY27.

9 CHAIRPERSON NURSE: Great, so I know we had
10 talked in earlier hearings about some ordering of
11 some of the trucks for organics that you needed.
12 What is the timing of the additional 158 trucks
13 needed for expansion of the program? And are the
14 trucks that are needed for this fall here or already
15 in motion?

16 JESSICA TISCH: All of the trucks are ordered.
17 We worked with OMB to get an early approval to order
18 the trucks so that we didn't have to wait for this
19 budget to come out because we knew we were doing
20 this. So, we ordered the trucks months ago and all
21 of them and I can confirm that all of the trucks
22 needed for Brooklyn will be here in time for service
23 to start in the fall.

24 CHAIRPERSON NURSE: Great. That's great, and
25 then you had started in Queens in the past because

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1 there was already this familiarity with the yard
2 waste pickups. Not so much in Brooklyn. So when are
3 you all starting that kind of outreach and engagement
4 and can you share a little bit about what that looks
5 like?
6

7 JESSICA TISCH: Yes, the budget does have I
8 think a nice amount in it for outreach associated
9 with the rollout of curbside organics. We have \$2.5
10 million in FY24 for outreach and \$800,000 in FY25 for
11 that outreach. I think that the outreach model that
12 we used in Queens was actually a very effective model
13 and we did learn from it and we we'll tweak some but
14 we started several months in advance and the aim was
15 to one, deliver a mailer directly to every Queens
16 resident. We plan to do that again for every
17 Brooklyn resident but also to do the door-to-door
18 outreach, the in-person outreach for all buildings or
19 all residences, up to like nine residence units.

20 CHAIRPERSON NURSE: And you're not bringing on
21 outside contractors for that?

22 JESSICA TISCH: We do, we do. Last time, we did
23 have outside contractors that we worked with and we
24 had department employees do it as well. But we do
25 plan to have outside contractors help in the effort

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2 because it is so massive. I mean, there's over two
3 million people.

4 CHAIRPERSON NURSE: Okay, in terms of bins and
5 decals. We know you all gave about just under 45,000
6 bins, a little over 7,000 stickers for people to use.
7 What was the cost of that and what are you
8 anticipating for those types of materials for this
9 upcoming fiscal year?

10 JESSICA TISCH: Okay, so maybe I can start with
11 the second part of your question first. So, in the
12 budget for FY24, we have \$2 million associated with
13 bins and decals and in FY25, that's 700,000. We have
14 also already prepurchased 90,000 bins, which are on
15 hand and just as a reminder, I think one of the
16 innovations of the new organics program that we're
17 rolling out is that we got rid of so many of the
18 barriers to participation. For example, having to
19 opt in, having to sign up, having to express
20 interest, having to use a specific type, a specific
21 brown bin. And so what we found in Queens is we said
22 to everyone, we're going to give you two months,
23 order a bin from us, we'll deliver it for free. It's
24 a very simple form. Call 311 like make it really
25 simple to order a bin but if you don't want to use

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1 our bin and you have your own bin at home, God bless,
2 use whatever bin you want. And we've actually gotten
3 some really good feedback on how that flexibility has
4 encouraged more participation in the program. So,
5 when I give you the numbers, like we've only ordered
6 90,000 bins, we think that that's what is more than
7 enough based on the demand for those bins that we saw
8 in Queens.
9

10 CHAIRPERSON NURSE: So, you're not- you don't
11 anticipating needing to order more for FY24?

12 JESSICA TISCH: What I can say is we definitely
13 will order more if we need them and ordering more has
14 not been a problem and we certainly have the budget
15 to do it. I should also note that the bin budget
16 that I quoted to you includes both purchase of bins
17 but also the delivery of the bins, which can be
18 expensive.

19 CHAIRPERSON NURSE: Does the city currently have
20 all needed contracts for organics exporting and
21 processing?

22 JESSICA TISCH: Actually, we are working right
23 now on bringing on new vendors to work with on
24 organics back in processing. We're working on a
25

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1 procurement solicitation right now that we hope to
2 have out in June.

3
4 CHAIRPERSON NURSE: Can you break down back-end
5 processing?

6 JESSICA TISCH: Yeah, we're looking for two
7 different types of things. Composting and digestion.

8 CHAIRPERSON NURSE: Composting for in city or to
9 be exported out regionally?

10 JESSICA TISCH: There is no requirement that it
11 be in city. I would obviously love to get some bids
12 back for in city. But there are no, we all know that
13 there are no facilities.

14 CHAIRPERSON NURSE: Okay. For yard waste, we
15 know that you are picking up together now, how much
16 will be going to composting facilities and where are
17 these facilities located for the October 2024 launch?

18 JESSICA TISCH: Greg, do you want to answer that
19 one?

20 GREGORY ANDERSON: So, we anticipate most of the
21 material collected in Brooklyn. This fall, we'll go
22 to the waste management facility. They separate out
23 the yard waste and send it to a compost facility in
24 New Jersey and then you know some of the greener yard
25 waste can actually be mixed in with the food waste

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1 and be digested but the browns, the leaves and sticks
2 and things like that generally get sent to the
3 compost.
4

5 CHAIRPERSON NURSE: Does DSNY have an update on
6 the plan citywide collection of organics from every
7 school. Is this initiative fully funded in the
8 Executive Budget?

9 JESSICA TISCH: It's fully funded and we are
10 right on, we are right on schedule. We finished the
11 entire borough of the Bronx just a few months ago, so
12 we did like hundreds of schools this school year and
13 remember the commitment was to do it over the two
14 school years and uhm we have a few hundred schools
15 left to do next school year but it's all going right
16 on plan.

17 CHAIRPERSON NURSE: Okay, I'm just going to
18 touch on community composting because that's where
19 we're seeing some of the cuts. Many composters have
20 lost space and capacity and now they're cutting the
21 budget. So, which community compost sites will be
22 receiving cuts? What is the timing of them? And
23 does DSNY plan to completely defund community
24 composting by FY26?
25

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2 JESSICA TISCH: No, simple answer is no. I want
3 to be very clear that all this cut is doing is taking
4 funding levels back to the long-term historical
5 baseline of \$3.5 million a year. If you remember an
6 additional \$3.5 million was added in FY 2022 when the
7 Administration paused the rollout of curbside
8 composting to bridge the gap. Not only did the Mayor
9 commit to a full rollout as we just discussed of
10 curbside composting for the first time ever in New
11 York City. The Administration put its money where
12 its mouth is and also for the first time in New York
13 history, fully funded it at \$23 million in FY24.

14 That's on top of the investments we have in
15 smart bins. What this cut is, it's a phased
16 reduction that follows or will follows or will follow
17 the rollout of curbside composting and smart bins.

18 CHAIRPERSON NURSE: What direct impacts do you
19 see that having? Is it in terms of collections? I
20 mean can you illustrate a little bit more about what
21 that will look like for an actual community composter
22 in your network?

23 JESSICA TISCH: Sure, one of interesting things
24 we saw, when we rolled out universal curbside
25 composting in Queens. We had a bunch of smart bins

2 that had been preplaced before the curbside
3 composting started in Astoria. And before curbside
4 composting was rolled out in Queens, those bins were
5 always full. And when we started curbside composting
6 there, the bins were sometimes used but certainly not
7 nearly to the extent that they were prior. And so,
8 what we're trying to do in tough budget times is make
9 smart, thoughtful investments and careful reductions
10 where we believe that they will not meaningfully
11 effect the overall goal of diverting food and also
12 yard waste.

13 CHAIRPERSON NURSE: Yeah, no, I mean I hear what
14 you are saying. I think like the logic makes sense,
15 I guess I'm just saying like in terms of a community
16 composting site, what does that mean for them? Like,
17 what type of activity will they be losing out on or
18 having to draw back on?

19 JESSICA TISCH: Well, I think that's really a
20 question for the community composters because my
21 assumption is that each one is different. But I just
22 want everyone to keep in mind that this is not being
23 completely defunded by any stretch. There was a
24 period of one year where the community composters
25 basically doubled their funding due to a pause in

2 plans for universal curbside organics and all that's
3 happening is they are going back to the funding level
4 that they lived with for many, many, many years prior
5 up until 2022 now that we're rolling out and have
6 made such significant investments in curbside
7 composting.

8 CHAIRPERSON NURSE: Uhm, so last time we had a
9 hearing, we asked if you all have had a conversation
10 with community composters about just kind of
11 imagining what their role is moving forward. You
12 said, yes. They said no after you all left. They
13 testified no, so has there been a conversation? If
14 so, when exactly and then if not, what's the plan to
15 integrate them into the overall vision of a network
16 of composting?

17 JESSICA TISCH: Well, I can tell you that I,
18 myself, I don't have the date and time right here.
19 But I myself have had a number of conversations with
20 community composters who have asked me generally
21 about like what, where do we exist? What is our role
22 as curbside composting rolls out? And I was very
23 clear at the last hearing and I'll be very clear and
24 I was very clear in my conversations, that's
25 something that we all have to figure out. Because

1 they lifted the city to where we are today to be in a
2 place where we can roll out curbside composting.

3
4 We're doing that on their shoulders for sure and that
5 service is not only commendable but is to be honored
6 and respected. And in my vision of composting in New
7 York City, I've also been very clear that they should
8 continue to play an important role. Right now, a lot
9 of them do a lot of important work around outreach
10 and education, which to me is a very obvious place to
11 continue to invest, especially given the budget that
12 we have now for outreach around composting services.

13 CHAIRPERSON NURSE: So, just one question
14 around, will you continue to fund the Master
15 Composter Certification program?

16 JESSICA TISCH: There's no plans to cut the
17 Master Composter Certification Program.

18 CHAIRPERSON NURSE: Okay, I have a set of
19 questions on street vendors and then I will give it
20 back over for a little while. Has DSNY been working
21 with DCWP on the transition of street vendor
22 enforcement. I know we've met since then. If so,
23 can you please share any details on trainings or
24 preparation work that's been done to date?

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2 JESSICA TISCH: Yes, we work with DCWP very
3 closely on the transition of street vending
4 enforcement. We have for the past two or so months.
5 Deputy Commissioner Merola can give more detail on
6 exactly what that has been like because he has been
7 leading those efforts.

8 RYAN MEROLA: Sorry about that. Thank you
9 Commissioner. Chair, we have been working hand and
10 hand with DCWP and DOHMH for the past three months.
11 Both agencies did an enforcement knowledge transfer
12 with our sanitation police to make sure that we
13 understood their trainings and curricula that were
14 given to their inspectors and enforcement agents,
15 which have been turned into curriculum for the
16 sanitation police officers. Sanitation police
17 officers have undergone hours of training under that
18 and field work too before going out. And DCWP and
19 DOHMH also made sure that we had access to their data
20 on who was licensed, when licensing occurs and in
21 particular with DOHMH, the online application they
22 have to real time check licensing.

23 We have recently updated our website to include
24 our own version of DCWPs checklist and guidance for
25 vendors as well. General vending, mobile food

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2 vending, and the specialized vending licenses and we
3 continue to work with them. We were a silent
4 listener yesterday on the Street Vendor Advisory
5 Board meeting because we don't have a formal role in
6 that but we're in touch with our colleagues everyday
7 on this.

8 CHAIRPERSON NURSE: The 40 new budgeted
9 positions, those are specifically sanitation police
10 and not necessarily sanitation enforcement, right?

11 JESSICA TISCH: There's 35 sanitation police
12 officers, yes.

13 CHAIRPERSON NURSE: And the other five new
14 positions?

15 JESSICA TISCH: They're also police, they're
16 just the executives, one inspector and four
17 supervisors.

18 CHAIRPERSON NURSE: And they'll do more than
19 just street vendor enforcement right?

20 JESSICA TISCH: That group is supposed to be
21 dedicated and focused on street vending enforcement,
22 although they will have all of the powers and
23 authorities of sanitation police generally.

24 CHAIRPERSON NURSE: When will written materials
25 about the policy transition in details on DSNY's

1 procedure for street vending for oversight be
2 available publicly?

3
4 JESSICA TISCH: Commissioner Merola.

5 RYAN MEROLA: Chair, on the written policies and
6 procedures, we inherited what DCWP and DOHMH had,
7 which is reflected online right now. If there's
8 further on that, I'm very happy to take this back and
9 talk further about it but at the moment, we have what
10 our partner agencies had when they had enforcement
11 and we'd be happy to look into more.

12 CHAIRPERSON NURSE: Okay and even if things are
13 online, people ask us to put things on the record.
14 Under what conditions will DSNY issue a vendor a
15 civil summons versus having their materials
16 confiscated?

17 JESSICA TISCH: One thing that hasn't come up in
18 these conversations is that Commissioner Merola
19 actually works very closely, I hope you know with
20 Mohammed and the team at the Street Vendor Project
21 and we appreciate that you facilitated that
22 introduction I think we have found it to be a very
23 productive helpful partnership.

24 Uhm, sorry, your specific question was -
25

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4 CHAIRPERSON NURSE: Civil summons versus having
5 materials. Civil summons versus having materials.

6 JESSICA TISCH: Right, what we discussed with
7 them and what I testified to, is that we do not
8 believe in enforcement for the sake of enforcement
9 generally. On vending, we are very much focused no
10 cleanliness and quality of life, which is why among
11 the reasons the Sanitation Department was selected to
12 take over this important responsibility. Our
13 sanitation police operate at the intersection of
14 businesses, public space and cleanliness. And sorry,
15 one more time.

16 CHAIRPERSON NURSE: Yeah, I know. What
17 condition are for civil summons versus -

18 JESSICA TISCH: Oh, right I was getting there, I
19 was getting there, sorry.

20 CHAIRPERSON NURSE: It's Friday.

21 JESSICA TISCH: And so, we - every situation is
22 different but our approach to enforcement is, we are
23 looking for the quality-of-life issue first, not is
24 this vendor a legal vendor or an illegal vendor? Do
25 they have a permit or not? We are looking for the
quality-of-life issue. Is the curb cut being
blocked? Is the entrance to the subway being

1 blocked? Is their trash being left behind? Is there
2 grease being poured down the sewer? That's what gets
3 our attention focused on an area for enforcement. We
4 have said and we have I think like lived this in
5 practice that we want to take a warnings first
6 approach to enforcement. That warning can take
7 several forms. It can be a posted warning in an area
8 the day before enforcement. Those warnings are
9 posted in many different languages. It can be a
10 written warning to an individual vendor if they
11 provide a valid ID and we're very flexible on what a
12 valid, what counts as a valid ID.

14 But there are certain circumstances where what
15 we encounter is either so egregious or the property
16 is abandoned when we show up that we do take either
17 enforcement action through summonsing or
18 confiscations.

19 CHAIRPERSON NURSE: Okay, and just could you
20 clarify, so these 40 folks are for vending. How many
21 sanitation police officers are dedicated to brick and
22 mortar enforcement?

23 JESSICA TISCH: So, we have actually a fairly
24 large I would say enforcement arm in the Department
25 of Sanitation. There's three different parts to it.

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2 There are the sanitation police, which is by far the
3 smallest part of our enforcement team. There are
4 Sanitation enforcement agents who are our civilian
5 enforcement agents and then we also have every single
6 supervisor in the entire department can write
7 summonses. So, our enforcement efforts on any given
8 day are like certainly hundreds if not like how many
9 supervisors, thousands.

10 CHAIRPERSON NURSE: Go to brick and mortar.

11 JESSICA TISCH: On the total number of police,
12 we have 76 sanitation police officers.

13 CHAIRPERSON NURSE: So, about 30-ish or
14 something and these Sanitation Police are armed?

15 JESSICA TISCH: But the 76 does not include the

16 -

17 CHAIRPERSON NURSE: Other enforcement.

18 JESSICA TISCH: No, the additional police that
19 were funded for vending -

20 CHAIRPERSON NURSE: And another 40 and these are
21 armed officers right? They wear blue? They got the
22 blue car?

23 JESSICA TISCH: They do and I just want to point
24 out that the last time anyone in this department can

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1
2 ever remember, the Sanitation police making an arrest
3 is never.

4 CHAIRPERSON NURSE: Okay and can you talk a
5 little bit about why the choice to put sanitation
6 police on street vending versus sanitation
7 enforcement just for the record.

8 JESSICA TISCH: Yes, I think we saw in the model
9 with DCWP that civilian enforcement was not effective
10 for vending and in particular, the sanitation police
11 have special training on working at the intersection
12 of businesses, communities and public space. They go
13 through a several month very intensive academy. And
14 so, we found them to be best suited to take on this
15 work.

16 CHAIRPERSON NURSE: And do sanitation police
17 wear body cameras?

18 JESSICA TISCH: They do not at this time.
19 Although it's definitely something that we are
20 tossing around. When I was at the NYPD, I was the
21 Deputy Commissioner of IT and I oversaw the program
22 to give every single uniform police officer a body
23 camera. So, body cameras are things that I believe
24 in and I understand how to do.

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4 CHAIRPERSON NURSE: Okay, two more questions and
5 then I'm done for a little bit. So, sanitation
6 police have the ability to issue criminal summonses.
7 What are the conditions under which street vendors
8 could be issued a criminal summons and/or arrested?

9 JESSICA TISCH: I have said this to the street
10 vendor project in your presence I think and I will
11 say it again. We do not have any intention of
12 issuing criminal summonses associated with our work,
13 enforcing the street vending laws, nor do we have any
14 intention of making an arrest. As I mentioned, we
15 can't remember a time when the sanitation police have
16 made an arrest.

17 CHAIRPERSON NURSE: Agreed. Last question. So,
18 ultimately, which agency will be leading on street
19 vendor education around rules, regulations, to follow
20 and those trainings that may need to accompany that?

21 JAVIER LOJAN: Chair, in terms of education and
22 outreach, it is a multiagency approach. Our partners
23 at SBS in particular, DCWP and DOHMH are forefront on
24 this. SBS having its business express solutions,
25 it's workforce center and a number of its community
business, liaisons and hotlines available to street
vendors is kind of the tip of the spear for the city

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2 on this one. And as I believe you know as well, SBS
3 had made available a grant to the Street Vendor
4 Project for this Fiscal Year to work with them to do
5 trainings for street vendors on compliance and for
6 de-escalation when it comes to any interactions with
7 enforcement of any kind. That will continue to be
8 the model and the approach and I've been talking to
9 my colleagues at all those agencies to find out what
10 role DSNY can have in supporting that.

11 CHAIRPERSON NURSE: So, just to regurgitate back
12 to you. SBS at this moment, like for this year,
13 through this grant process will take lead on that and
14 then DCWP is kind of the backup?

15 JESSICA TISCH: I don't want to speak for SBS or
16 DCWP, I think what Commissioner Merola was trying to
17 get across is there are a few agencies that are very
18 much involved and invested in outreach and education
19 associated with vending but you'd have to ask either
20 of them as to which one is the lead.

21 CHAIRPERSON NURSE: Well, it's not you all since
22 you're not saying that.

23 JESSICA TISCH: It's not us.

24 CHAIRPERSON NURSE: Yeah, great okay Chair.
25

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2 CHAIRPERSON BRANNAN: Quick question, would DSNY
3 be willing to expand its budget function areas
4 categories to include a second enforcement program
5 area for a street vendor enforcement?

6 RYAN MEROLA: Yeah, we'd be willing to do that.

7 CHAIRPERSON BRANNAN: Okay, thank you. Okay, we
8 start with questions from Council Members Carr
9 followed by Brewer.

10 COUNCIL MEMBER CARR: Thank you Chairs. Good
11 afternoon Commissioner. I just want to thank you and
12 your team for all your work, whether it's the
13 executive team, Chief Linley and everyone on down.
14 In my office, we always know we have willing partners
15 to help us with issues. So, thank you for that. I
16 want to start with the Staten Island E-waste program.
17 For the second fiscal year in a row, it seems to be
18 on the chopping block. The agency spanning all kind
19 of curbside programming including some of that you
20 were discussing earlier. So, in light of that and in
21 light of that you were spared the worst of the PEGs,
22 I'm just kind of confused about why this program is
23 again on the chopping block. It does so much to
24 prevent illegal dumping scenarios, which I know
25 you're very invested in and I think it's been a great

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1 boon to Staten Islanders and I'd actually love to see
2 it spread to the rest of the city but as far as
3 Staten Island is concerned, we have the fewest number
4 of dwellings eligible for e-cycle of any borough in
5 the city. So, this is really critical for us and I'd
6 like to get your support to keep the program in play
7 for another year.

9 JESSICA TISCH: Understood Council Member. I
10 would just note if I'm remembering correctly, I think
11 that the Staten Island E-waste program was something
12 that was included in the Adopted Budget as well last
13 year. So, the fact that we're discussing it now
14 isn't like precedent setting.

15 Uhm, I like the Staten Island E-waste program.
16 I would love for it to be more productive to be
17 honest than it is. We tried earlier in this year to
18 expand it within the budget to include pickups for
19 things like textiles and batteries and I have to
20 admit that didn't go so well that we didn't see a
21 huge amount of uptake on that but I would love to
22 work with you and your office on ways that we can
23 make Staten Island E-Waste and potentially textiles
24 and batteries a model for the other boroughs.

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2 COUNCIL MEMBER CARR: Absolutely, this started
3 as a pilot for the rest of the city and I'd like to
4 work to make sure that it's successful and in place
5 moving forward. A couple of other notions, set out
6 times. I know I wrote to you with Council Member
7 Williams about this issue. You know you talked about
8 in your testimony the neighborhoods that you think of
9 when you think it's going to help the most and you
10 kept using the word dense. Not a word usually
11 applied to Staten Island, so I've been asking for a
12 differentiated set out time for boroughs or even
13 garage service areas that don't meet the dense
14 standards where this program may be helpful and I'm
15 rooting for you that it's going to help places here
16 in Manhattan and other boroughs but I don't think we
17 need that in Staten Island. And I get nothing from
18 complaints, particularly from the elderly about the
19 later set out times and the differentiated set out
20 times. Because most folks put out their bins and
21 then a couple of bags of additional waste too and
22 they're all at risk of being fined when there's
23 really no reason for them to be.

24 JESSICA TISCH: Yeah, well you know we were
25 thoughtful about it and we uhm, I felt very strongly

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2 that we needed to have a single citywide setout time.

3 We know that every borough is different, every
4 neighborhood, even every block is different. And so,
5 it would be I think quite challenging to do this by
6 block or even by neighborhood, certainly by borough.

7 There's just the diversity of New York City is one of
8 its strengths, so we didn't find that to be workable.

9 I would say on Staten Island in particular for a
10 single family and like the lower density, that's why
11 we gave the option to put your trash out earlier at 6
12 p.m. in a container, so that we weren't making just a
13 massive change for everyone. You do have the earlier
14 option and I would finally conclude by saying we
15 looked at every major city around the world and 4
16 p.m. was like a wild ridiculous outlier. And I know
17 change is very hard. I don't like change myself and
18 I know that this change effects all 3.5 million
19 residences, all businesses in the city and like
20 basically all 8.5 million New Yorkers but it's a
21 change that is like decades past due. Like it is
22 wild to me that in 2023, it was acceptable in New
23 York City to dump your trash on the sidewalk that
24 other people walk on at 4:00 in the afternoon and
25 just have it like sit and bake there and feed the

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1 rats. It's just, it's crazy. It's like the type of
2 thing I think that once people get used to it and I
3 do think that that is beginning to happen. We see so
4 much more compliance now than we even did at the
5 beginning of April. It's like the type of thing
6 we'll look back on in a few years and be like, oh, my
7 God, do you remember when we used to push our trash
8 on the street at 4:00 and let it sit there for 32
9 hours a day every day.
10

11 COUNCIL MEMBER CARR: Just a little latitude
12 Chairs just to follow up. Uhm first of all, I agree
13 with you in terms of I'm a frequent visitor to
14 Manhattan. I've seen the trash piles and I'll be
15 very happy if those become a thing of the past. The
16 conditions you're describing were not present in my
17 borough and I know we can handle differentiated
18 schedules for set out times in the city because
19 that's how collection is done. You don't do
20 collections uniformly on the same day everywhere in
21 the city. You couldn't, you don't have the man power
22 to do that or the workforce to do that. So, I know
23 we can do that. I would expect legislation from me
24 about this issue coming down the pike, so it's not
25 going away as far as I'm concerned. But I want to

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1 turn just to the other issue I'd love to work with
2 you on, which is Pratt Paper. I'm very glad that
3 your agency renewed its contract with Pratt. I know
4 they take 100 percent of the city's recycled paper
5 collection. They're an integral part of our
6 recycling infrastructure and they're under threat
7 because of Local Law 97. I want to thank Chair Nurse
8 for coming out to visit the facility along with
9 Council Member Hanks and I last year and I'd love to
10 work with you on making sure they're held harmless
11 and can continue to fill the role they fill in
12 sanitation recycling collection effort.
13

14 JESSICA TISCH: Yes.

15 COUNCIL MEMBER CARR: Thank you.

16 CHAIRPERSON BRANNAN: Okay, now we have Council
17 Member Brewer followed by Sanchez.

18 COUNCIL MEMBER BREWER: Thank you for all your
19 hard work. Street cleaning, so you're doing the
20 right thing but the cars aren't moving in some cases.
21 So, maybe you have some suggestions. Sometimes PD
22 can come and ticket. Sometimes your guys ticket.
23 Sometimes a block association tries to do something
24 but I didn't know if this is just a Manhattan issue
25

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2 or is this citywide and what we could be doing about
3 it. Technology might be down the road.

4 JESSICA TISCH: So, this is citywide. It is a
5 big problem for us. The mechanical brooms are the
6 single best street cleaning tool we have in our
7 arsenal and when cars don't move, we can't clean the
8 streets. The opportunity and tragedy for me as
9 someone with a big background in tech is the
10 technology exists and it's not hard but we need a
11 change in state law to allow us to use the technology
12 to do automatic ticketing for violations or failure
13 to move vehicles for alternate side parking. It's
14 not a massive change to the VTL law but it's a change
15 that has to be handled at the state level and it's
16 something that we are pushing for up in Albany.

17 COUNCIL MEMBER BREWER: Okay, thank you.
18 Second, on the graffiti, I'm glad you're doing it.
19 Years ago EDC had graffiti trucks. I don't know if
20 they're still in the garage, where are they? They
21 were my favorite trucks.

22 JESSICA TISCH: EDC still have graffiti trucks.

23 COUNCIL MEMBER BREWER: They haven't moved in a
24 long time. Do they work?

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2 JESSICA TISCH: Actually we now oversee not only
3 the trucks but the people who work on the trucks.

4 COUNCIL MEMBER BREWER: Okay.

5 JESSICA TISCH: And they move all day every day.
6 That's what goes across the city to clean up the
7 graffiti.

8 COUNCIL MEMBER BREWER: Good, alright, now do
9 you have paint for the mailboxes?

10 JESSICA TISCH: Well, yes, the trucks have paint
11 on them.

12 COUNCIL MEMBER BREWER: Okay, so the trucks do
13 clean the mailboxes?

14 JESSICA TISCH: Oh, oh, as to whether they clean
15 the mailboxes, I don't think so because my
16 understanding is that those are federal property.

17 COUNCIL MEMBER BREWER: I know, they will not -
18 so you don't do them and the feds don't do them.
19 They will not do them, so I just want to flag that as
20 an issue. We do them ourselves but nobody from the
21 federal government will do them, just FYI.

22 JESSICA TISCH: Noted, thank you for raising
23 that and I look forward to working with you on
24 getting to resolution on that because I agree, they
25 should be cleaned.

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2 COUNCIL MEMBER BREWER: Abandoned cars, I have
3 so many. We all do. They are you know ready for the
4 lien sale, ready for the crash that didn't take etc.
5 So it is great because getting one moved by PD is I
6 don't know, it took me two months, I got one moved.
7 So, the question is, down the line, should you just
8 be in charge with or without the license? Would that
9 take a change in law? You mention that in your
10 testimony.

11 JESSICA TISCH: So, what I mentioned in my
12 testimony is two things. First, the NYPD has
13 detailed six officers over to the Department of
14 Sanitation, which I think is like somewhat
15 unprecedented and great.

16 COUNCIL MEMBER BREWER: Very.

17 JESSICA TISCH: And great to work hand and hand
18 with us as part of the Citywide abandoned vehicle
19 taskforce. That way whether it's a derelict vehicle,
20 a row tow, it doesn't matter, we can get it off the
21 street and I think that that will create like some
22 immediate relief. We get 100,000 complaints every
23 year about abandoned vehicles into 311 and so many of
24 them are duplicate because the cars sit on the
25 streets for so long.

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2 COUNCIL MEMBER BREWER: I'm quite familiar with
3 it.

4 JESSICA TISCH: So, that is what we're looking
5 to address but the other thing we're doing is as I
6 mentioned, more joint operations at the garage and
7 precinct level between NYPD and Sanitation, so that
8 it's not just this ten-person citywide -

9 COUNCIL MEMBER BREWER: But you have a tow
10 truck? Who tows?

11 JESSICA TISCH: We do have two trucks but we
12 also have, in the case of derelict vehicles,
13 contracts with vendors that come and pick them up.
14 We've only had two. Wish was crazy and clearly like
15 not sufficient. We actually, Joe just put out new
16 contracts to get more vendors to come in and help us
17 out.

18 COUNCIL MEMBER BREWER: Okay, because just so
19 you know when you call PD, the story is very
20 different. No place to put the car. No person to
21 tow the car and months and months go by, so what
22 you're doing is great. I'm just letting you know
23 from the local level last week until I finally go the
24 car towed. Nothing's happening, so it's great that
25 you're doing what you're doing.

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2 JESSICA TISCH: I look forward to working with
3 you on it.

4 COUNCIL MEMBER BREWER: And then in terms of the
5 Parks Department, now since you're taking over the
6 world, which I think is great, the Parks Department
7 doesn't do great. They take care of parks. There's
8 something called mediums on Broadway and that is
9 basically the street. I know it's Parks Department
10 Property but it sure looks like the sidewalk to me.
11 So, just so know, they have overloading trash at the
12 mediums, which are part of where the subway comes
13 out. I don't know if this unique to Manhattan. So,
14 Parks Department just doesn't have the staff, so
15 maybe you could pick up their staff, their trash.

16 JESSICA TISCH: So, Council Member, one of the
17 things that I am most proud of in the past year is
18 the creation of our new unit that six or maybe a
19 little more than six months ago, called TNT, which
20 stands for Targeted Neighborhood Taskforce.

21 COUNCIL MEMBER BREWER: Good, here's one right
22 there.

23 JESSICA TISCH: They're dynamite. They were
24 constituted to solve this bureaucratic mess.

25 COUNCIL MEMBER BREWER: Good.

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4 JESSICA TISCH: Of who's responsible for
5 cleaning what. Like when someone needs something
6 cleaned, it should be like a game of pick your
7 agency. And so, in particular the TNT teams focused
8 on about 2,000 locations citywide. So, we can add
9 that to our list.

10 COUNCIL MEMBER BREWER: Thank you. And then
11 finally for Ryan Merola, the issue of, I call it the
12 vendor generators, which are now diesels and they are
13 to the credit of Mohamed Otti(SP?), whom we all love
14 to death, he is looking at other alternatives but
15 support doing that would be great. So many
16 complaints about the generator because its smelly,
17 it's got all the issues that you know and I just
18 didn't know, are you aware of that issue?

19 RYAN MEROLA: We are aware of that issue.

20 COUNCIL MEMBER BREWER: I've known him since he
21 was little. Go ahead.

22 RYAN MEROLA: We are aware of that issue Council
23 Member and we do look into it when we receive 311
24 complaints about that, our community call outs.

25 COUNCIL MEMBER BREWER: Alright, we have to do
more. Thank you very much.

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4 CHAIRPERSON BRANNAN: I look forward to your
5 podcast. We've also been joined by Council Member
6 Gennaro. Now we have questions from Council Member
7 Sanchez and Stevens.

8 CHAIRPERSON SANCHEZ: Still here, still here.
9 Good afternoon but I had a break needed, so I Chaired
10 my hearing earlier with the Chair. So, thank you
11 Commissioner for your responses today. I got to say
12 Sanitation is just one of the coolest agencies. You
13 know no disrespect to my housing agencies but just
14 you know your team is super responsive and I just
15 deeply appreciate you know how Sanitation just shifts
16 gears throughout the year to meet you know from snow
17 to cleaning our streets and everything in between and
18 the mail baskets and the litter and everything else.

19 But my question is going to be focused around
20 the concern around street vendor enforcement and it
21 moving to DSNY and I want to couch it in you know
22 there was a sweep at around the Kings Bridge Armory,
23 which is in my district, which we are working very
24 hard to redevelop with the Administration. And there
25 was a sweep of the street vendors that who are a part
of the Kings Bridge Armory process and I shared
concerns with the Administration about sending the

2 wrong message. You know these folks are an integral
3 part of the community and I you know, I think and I
4 believe that what we fundamentally need to be doing
5 is addressing the fact that the current system is
6 just set up to fail, right. Not enforcing so heavily
7 and punitively but instead you know just being frank
8 and truthful about the fact that there are all these
9 folks who are ready to vend and want to be part of
10 our city's economy and then there is absolutely no
11 way for them to be a part of it because there's no
12 vending permits available. And that means, that
13 comes along with no access to education. Not knowing
14 exactly how to be a good neighbor except of they have
15 to come into contact with the Street Vendor Project,
16 which has limited resources.

17 So, my question is just intended to understand
18 how DSNY is approaching this new responsibility. Can
19 you describe the shift in enforcement to DSNY? Is
20 DSNY conducting outreach or education with street
21 vendors? How much of a budget change has the agency
22 been given? How many officers are dedicated to
23 street vendor enforcement? And what has the
24 enforcement approach to date and what can we at the
25 Council expect moving forward?

2 JESSICA TISCH: Yes, and I covered this I think
3 pretty comprehensively in my testimony, so I can just
4 read it back and then if I've missed anything, we can
5 go from there.

6 In March, Mayor Adams announced the transition
7 of the Office of Street Vending Enforcement from the
8 Department of Consumer and Worker Protection to DSNY.
9 Legal street vending is a vital part of New York
10 City's economy. However, vendors who do not play by
11 the rules have an overwhelming impact on cleanliness
12 and quality of life, and the city has never before
13 had a meaningful strategy to address these issues.

14 Our focus is on the infractions that affect
15 communities the most, things like obstructing
16 sidewalks, curb cuts and building and subway
17 entrances, leaving equipment and goods out overnight
18 and creating dirty conditions.

19 Since April 1st, DSNY officers have conducted
20 144 street vendor inspections citywide. This is for
21 sure a compliance first approach, rather than a
22 licensed check first approach. DSNY toured many
23 communities with elected officials who asked DSNY to
24 help solve the vending problems with which their
25 residents and businesses grapple. Many Council

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2 Members and community leaders know this is a
3 cleanliness and quality of life issue. Sanitation
4 Police Officers are accustomed to dealing with the
5 intersection of public space and businesses and
6 communities. They understand cleanliness and safety
7 and are specially trained for this kind of issue.

8 CHAIRPERSON SANCHEZ: Commissioner, thank you
9 and I can finish reading that also on my own but I
10 guess, is there a difference in the way that
11 sanitation is treating vendor based on whether they
12 have a license or not or are you focused on these
13 conditions?

14 JESSICA TISCH: Understand your question. The
15 approach is, we focus on cleanliness and quality of
16 life. So, the areas that get our enforcement
17 attention are the areas where there are real clear
18 quality of life or cleanliness violations. So, for
19 example, blocking a curb cut, blocking the entrance
20 to a subway station or a building. Making a sidewalk
21 impassable, throwing grease down a sewer. Those are
22 the types of things that bring us, get us to focus
23 our enforcement on a certain area.

24 As I also said, it is a warning first approach.
25 Legal vendor, illegal vendor, doesn't matter in terms

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1 of the warning first approach. We are going to give
2 warnings unless there is some egregious circumstance
3 or some extenuating circumstance. As to the issue at
4 Kings Bridge Armory, I have to say respectfully, I
5 still have those pictures. That sidewalk was
6 absolutely impassible. There were tables on one full
7 side of the street and then clothing hung up on the
8 fence line.
9

10 CHAIRPERSON SANCHEZ: Yes, Commissioner, thank
11 you and I walk by there every day and you know this
12 is coming from a place I did not get a call, I did
13 not get a warning. I understand that there wasn't a
14 warning first approach in that instance and that's
15 why I raise it and you want to make sure that there
16 is that focus on education first, as you say is the
17 intention.

18 JESSICA TISCH: That is the intention and in
19 that circumstance, we took two enforcement actions as
20 my understanding. The first was on a vendor that had
21 six or seven tables set up that were like truly
22 blocking access to the sidewalk. You're only
23 supposed to have one table. So, one vendor had six
24 or seven tables. The other one, we didn't intend to
25 take any enforcement action on as my understanding

2 but abandoned the table. And so, we had to
3 ultimately end up taking that property because it was
4 abandoned there. But yes, warnings first approach
5 and look forward to working close with you and your
6 office. Ryan, who is our Deputy Commissioner of
7 External Affairs who oversees this work, is very
8 invested in it and we're right in it with you.

9 CHAIRPERSON SANCHEZ: Thank you.

10 COUNCIL MEMBER STEVENS: Hello, good afternoon.
11 I just have two quick questions. My first question
12 is just around I know there's supposed to be two
13 litter basket pick ups a day but just trying to
14 figure out, is that across the city or is that just
15 in specific areas? Because I can say for sure right
16 now in my district, we do not get two litter basket
17 pickups. And then on top of that, all of my litter
18 baskets in my district keep disappearing. Before my
19 predecessor left, she purchased a host of them. We
20 put them throughout and they are gone again. I am
21 not purchasing more litter baskets because it is my
22 understanding that you guys keep removing them.

23 So, could you talk to me about how this is?

24 JESSICA TISCH: Sure, generally we - every
25 litter basket in the city is different and the

2 frequency of collection is generally dictated by how
3 trafficked the commercial corridor is and/or if a
4 Council Member provides supplemental funding
5 specifically for their district, they may receive
6 extra beyond the baseline.

7 Some litter baskets in the city require once a
8 day collection. Some litter baskets in the city
9 require four times a day collection but if there is a
10 specific concern about insufficient collection from
11 litter baskets in your district, I would be very
12 pleased to work with you on it.

13 As for the question about litter baskets
14 disappearing, I will tell you the reason generally
15 but we can speak specifically if you give me the
16 examples. Generally, the reasons that litter baskets
17 would be removed is if they are chronically misused
18 for commercial trash. But again, I am happy to talk
19 with you off line about any specific issue that you
20 know -

21 COUNCIL MEMBER STEVENS: No, I would definitely
22 love, yeah, I would definitely love to talk more
23 offline. I mean, the whole city is chronically
24 misuse for commercial trash. So, I think it's
25 arbitrary to say if they're chronic misuse.

1 Obviously, because everyone is dumping all throughout
2 the city.
3

4 And my next question is I guess to kind of
5 piggyback off of what Council Member was talking
6 about even with the street cleaning rules because I
7 have a number of blocks where cars have not moved for
8 months, which means the street has not been moved and
9 there's no enforcement right? Like they're not
10 getting ticketed or anything. Like, literally and
11 I've watched it, the street sweeper just rides up the
12 block in the middle of the street and keep a going
13 and that's it. And so, there's a huge issue in my
14 district where like, we just have been ignored around
15 like the cleaning and the upkeep in specific
16 neighborhoods. And so, I can definitely talk with
17 you online and give you specifics but I have like sat
18 there and watched how it's just like no enforcement,
19 no nothing and for months now.

20 JESSICA TISCH: I'd love to work with you and
21 would definitely dedicate enforcement efforts in any
22 area that you suggest in your district.

23 COUNCIL MEMBER STEVENS: Thank you.
24
25

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4 CHAIRPERSON BRANNAN: Council Member Velàzquez
5 followed by Menin. We've also been joined by Holden
6 and Ossè both on Zoom. Velàzquez, then Menin.

7 COUNCIL MEMBER VELÀZQUEZ: Hi Commissioner, good
8 to see you again.

9 JESSICA TISCH: Hi.

10 COUNCIL MEMBER VELÀZQUEZ: Uhm, I know this week
11 was tough for us and I thank you for working with our
12 office on it but to the Chairs point about
13 enforcement. Unfortunately, again here we are with
14 one of our street vendors, all of her merchandise be
15 removed. And so, can you guide me through the
16 process? What happened and how are working not only
17 with the vendor but the Street Vendor Project in
18 ensuring that this will never happen again to Diana?

19 JESSICA TISCH: Sure, Ryan can go into more
20 details but I can give you generally a high level of
21 what happened there and if you want more, Ryan can
22 add in. My understanding is that in that in that
23 circumstance, our enforcement officers showed up.
24 There was a person at the, there were four tables
25 with a tent that went into the street, which is
obviously something that would get our attention.

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2 Because it's on the list of things that create
3 quality of life issues and concerns in the community.

4 We were actually directed there by 311
5 complaints. When our enforcement officers got there,
6 they asked the person at – who was at those tables,
7 if they were responsible for those tables. The
8 person indicated that they weren't. We waited there,
9 our officers waited there for an hour and no one
10 showed up.

11 If the person who had been there had just given
12 us an ID, we would have issued a warning. As I
13 mentioned, we have a warnings first approach and that
14 would have it. But because we waited there for an
15 hour because we didn't have anyone who was claiming
16 ownership or responsibility for the tables and the
17 tents, because we've been brought there by 311 and
18 because it was creating a quality-of-life issue going
19 into the street the four tables and the tent, we did
20 take enforcement action.

21 COUNCIL MEMBER VELÀZQUEZ: And that enforcement
22 action was?

23 JESSICA TISCH: We took the property but the
24 property is all retrievable. We have it in every
25 piece of property that we take itemized out. We have

1 our own facility where we securely store that
2 property, so we don't leverage the NYPD's property
3 system. And that property is available to be
4 retrieved.
5

6 COUNCIL MEMBER VELÀZQUEZ: Can you confirm if it
7 has been retrieved by the vendor?

8 RYAN MEROLA: Council Member, I will confirm
9 that after this whether or not it has. But in terms
10 of the property the Commissioner was discussion, this
11 is the tables and the tents. All of the produce was
12 donated. So, that's one of the things that we do if
13 we find ourselves confiscating raw, untouched produce
14 or fruits vegetables, we do donate those. So, that
15 won't be there but the actual, physical implements
16 would be and I'll find that for you after this.

17 COUNCIL MEMBER VELÀZQUEZ: Perfect and that's
18 different than last time, where everything was
19 basically just thrown into the trash.

20 JESSICA TISCH: That's right and that's an
21 important point that I did neglect to make about our
22 vending enforcement. In the case of raw and
23 untouched fruit and vegetable, we can donate it. In
24 the case of cooked food, we will compost it.
25

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4 COUNCIL MEMBER VELÀZQUEZ: Thank you and then
5 can I ask one more question? Okay, when it comes to
6 illegal dumping, it is very prevalent in my district.
7 Do we know when more cameras will be coming into my
8 district? Because I have put in the request but they
9 have not been put up yet.

10 JESSICA TISCH: Yes, you have four new ones
11 already. Just newly installed, hot off the press.

12 COUNCIL MEMBER VELÀZQUEZ: Thank you.

13 JESSICA TISCH: So, hooray. We are installing
14 cameras now every week citywide and it's something
15 that's going to be ongoing this summer. Both the
16 Council Member funded cameras and the cameras that
17 the Admin funded. And so, my office can follow up
18 with yours about where exactly the four cameras in
19 your district are.

20 COUNCIL MEMBER VELÀZQUEZ: And then one more.
21 Can we talk about the garages in my district right
22 now. We know that both, well all three nine, ten and
23 eleven have been struggling with the garages itself.
24 Where are they with that development and how can it
25 be constructed?

JESSICA TISCH: Greg, do you want to take that?
Okay.

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2 GREGORY ANDERSON: Yeah, so that project as we
3 know, we added additional funding in the January plan
4 to bring the full funding up to \$472 million. The
5 construction is funded in Fiscal Year 2025 but
6 because that complex does host operations for all
7 three districts and those operations have to continue
8 during construction, it will be a phased approach.

9 So, starting with the construction of swing
10 space in FY25, then going to demolition of the
11 existing garage, then going into construction of the
12 new three district multistory facility. So, it's a
13 long process. We do expect it will be completed in
14 2030 overall but we will continue full operations.
15 Full-service delivery throughout that time and that's
16 our intent.

17 COUNCIL MEMBER VELÀZQUEZ: Awesome, thank you.
18 I just want to jump in on the camera piece. So, I
19 guess my main question is, how do we get to a place
20 where Council Members don't have to take their
21 capital and put it towards cameras? Because you know
22 for high needs districts, where our schools are just
23 never been fixed up, we really don't want to spend
24 that money and it goes for trash cans too. You know,
25 trash cans, cameras, how do we just not have to pay

2 for that out of our pots that should be going for
3 social services and other things?

4 JESSICA TISCH: Yup, actually the cameras, the
5 Mayor made a big investment in purchasing cameras
6 that are going in every borough of the city,
7 including some in your district. Council Members can
8 fund if they want extra cameras or like cameras in a
9 specific location but the Mayor did make a large
10 investment in purchasing cameras of like almost two
11 million dollars. \$2.9 million, sorry. \$2.9 million
12 not in the last plan, the plan before.

13 COUNCIL MEMBER VELÀZQUEZ: How many cameras is
14 that come out to?

15 JESSICA TISCH: We are putting up, well the
16 Mayor funded 150 additional cameras. But this
17 summer, we have like almost 300 cameras that are
18 being planned to go up.

19 COUNCIL MEMBER VELÀZQUEZ: From this current
20 fiscal year?

21 JESSICA TISCH: Not exactly all from this
22 current fiscal, some is like state funding and it's
23 weird what the fiscal year is but like our total
24 plans are for funding. Either we have or we know
25 will eventually come in as for around 300.

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1 COUNCIL MEMBER VELÀZQUEZ: For the 300? And
2 then for in terms of the targeting of those. Is that
3 just by just based on requests by members? I mean -

4 JESSICA TISCH: You know every Council Member
5 and frankly every garage knows where their illegal
6 dumping's are. So, we have a very good sense and
7 list of where like the prime locations are. The
8 other thing we have to look at is whether the
9 location has the infrastructure to support a camera.
10 Because the camera needs power and a pole.

11 So, sometimes when we have one on the list, it
12 won't necessarily have the infrastructure necessary
13 to support a camera.

14 COUNCIL MEMBER VELÀZQUEZ: And so, when that
15 happens, who what are you working with like DOT or
16 Parks or?

17 JESSICA TISCH: When that happens right now,
18 just because the cameras are so new, we chose and
19 there's plenty of locations that need one. We chose
20 a location that does have the infrastructure but as
21 we exhaust the location. This won't happen soon, but
22 when we start to exhaust the locations that have the
23 infrastructure, we will work. We will figure out how
24 to get the infrastructure installed. I will say that
25

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2 we've done a huge amount of work with DOT, Verizon,
3 Con Ed, PSCNG, who are all in the Paul game in New
4 York City to put agreements in place with all of
5 them. I don't think PSENG's is done yet, so that we
6 can install our cameras. Not just on DOT poles but
7 so that we can be brought in the type of
8 infrastructure that we use.

9 COUNCIL MEMBER VELÀZQUEZ: So, for the 300 that
10 you're planning a roll out, do you have a timeline of
11 when you anticipate them all being up online? Where
12 you have infrastructure.

13 JESSICA TISCH: As I said, we don't have the
14 state funding for some of the them but I think like
15 it's safe to say, you're going to see like 150
16 cameras go up this summer. Like it's happening now.

17 COUNCIL MEMBER VELÀZQUEZ: Okay. So, there's
18 150 going up now.

19 JESSICA TISCH: We had 50 up already. I mean
20 I'm giving you broad numbers. In the follow up, we
21 can give you like very specific camera type but I
22 think the headline is like this summer will be a
23 massive expansion of our camera network.

24 COUNCIL MEMBER VELÀZQUEZ: That doesn't include
25 the 150 addition that the Mayor has put -

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4 JESSICA TISCH: That does include it.

5 COUNCIL MEMBER VELÀZQUEZ: Okay, so just for my
6 numbers and what you've just said now, 300 are coming
7 online. We don't have the full state funding for it
8 yet. 50 are up, you're rolling out a bunch this
9 summer but that includes the 150 that the Mayor -

10 JESSICA TISCH: Correct.

11 COUNCIL MEMBER VELÀZQUEZ: Uhm, and so the same
12 thing, so I think that will be really helpful to know
13 a timeline because I think members are starting to
14 think about what they're going to do for the next
15 year and it will be great for them to have that
16 known. Like is their district getting it? Where is
17 it happening? So, they don't have to allocate that
18 money.

19 JESSICA TISCH: Sounds good. I mean currently
20 installed, 68. End of summer, 250. End of calendar
21 year 292 and the difference between the 292 and the
22 250 is because we don't have all the funding in but
23 it's a relatively small amount and yes, we can also
24 make available to Council Members how many cameras
25 are funded for their districts.

26 COUNCIL MEMBER VELÀZQUEZ: Okay, and so the same
27 kind of thinking for trash cans. How do we get all

2 the trash cans replaced with better trash cans that
3 we don't have to pay for?

4 JESSICA TISCH: So, we as you know, we have
5 developed a new rat resistant litter basket. The
6 first several hundred of which are coming in
7 imminently and will be put on the streets. But
8 you're right, we have 20,000 litter baskets citywide
9 and every single one of them needs to be replaced.
10 And it's something that we look forward to working
11 with you as part of the adopted budget to address.

12 COUNCIL MEMBER VELÀZQUEZ: Okay, can you give me
13 a little more specifics? You have 20,000 that need
14 to be replaced. How many are you planning to replace
15 by the end of this fiscal year? How many do you hope
16 to replace by the end of next year?

17 JESSICA TISCH: So, in our — we bought was it
18 like 300? 330 initial baskets in this fiscal year,
19 just like as the initial trench. They all have to be
20 in before June 30th and so those will go out. But at
21 this time, there is no funding yet in the budget for
22 additional replacements of litter baskets. We have
23 estimates for what that would cost. If you did like,
24 I think it was like, there's approximately 20,000
25 citywide. If you did 10,000 this fiscal year, I

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1 think next fiscal year it would 10.3 million. And
2 then you could do the other half, would be another
3 10.3.
4

5 Oh, and Joe corrected me that we do have current
6 funding in FY24 but it's for a little less than 1,000
7 of them.

8 COUNCIL MEMBER VELÀZQUEZ: 1,000 bins.

9 JESSICA TISCH: Hmm, hmm.

10 COUNCIL MEMBER VELÀZQUEZ: And that's for that
11 same dollar amount, the 10.3 or that's if you wanted
12 the, like another 300?

13 JESSICA TISCH: Sorry, we bought 300 in FY23.
14 In FY24, we have funding to buy just under 1,000.

15 COUNCIL MEMBER VELÀZQUEZ: Just under 1,000.

16 JESSICA TISCH: There are 20,000 litter baskets
17 citywide. And so, additional funding would be
18 required to go above the 1,300 that are budgeted.

19 COUNCIL MEMBER VELÀZQUEZ: Yeah, and then you
20 said you did 10,000?

21 JESSICA TISCH: I said if we were to do 10,000,
22 it would be \$10.3 million.

23 COUNCIL MEMBER VELÀZQUEZ: Yeah, just trying to
24 make sure I get it all down.
25

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4 JESSICA TISCH: No, it's my fault, I wasn't
5 clear enough. Usually we're very quick with this
6 stuff.

7 COUNCIL MEMBER VELÀZQUEZ: I know these are long.
8 Okay, that's my question on cameras and things.

9 CHAIRPERSON BRANNAN: How many corner baskets
10 are there citywide?

11 JESSICA TISCH: Approximately 20,000.

12 CHAIRPERSON BRANNAN: Okay, now we have
13 questions from Council Member Menin followed by
14 Hanks.

15 COUNCIL MEMBER MENIN: Great, thank you so much.
16 So, I have a couple questions. First of all, I'm
17 concerned about the PEG. You mentioned Commissioner
18 in your testimony 45 million in Fiscal Year 2023, 0.9
19 million in Fiscal Year 2024, 11.8 million in the
20 outyears to adjust the snow budget to reflect actual
21 spending. So, while we didn't obviously have a lot
22 of snow this year, I am concerned about how this will
23 impact future years for all of our respective
24 communities?

25 JESSICA TISCH: Uhm, it won't and I don't say
that lightly. What happened was, we saved a huge
amount of money this year by the fact that it didn't

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2 snow. And we saved approximately half of our snow
3 budget. As you know the snow budget is set by
4 Charter, so it's an average across five years. And
5 so, we got credit in our PEG for the fact that by
6 Charter, the snow budget in later years is going to
7 be lower because it didn't snow this year but the
8 Mayor has been very clear. Whatever the snow budget
9 is, whatever is required to address snow will be made
10 available.

11 The PEG that you're seeing in the plan is truly
12 an administrative budgeting change but not actually
13 reflecting any operations.

14 COUNCIL MEMBER MENIN: Okay, another question.
15 On the new way set out times, how are you going to
16 know if they're working? What are the data metrics by
17 which you're to judge that it is working and have 311
18 complaints going down since it's been and it's
19 obviously only been implemented short time but have
20 we seen a reduction in 311 complaints?

21 JESSICA TISCH: I do think it's too early to
22 even talk about or begin to look at in a meaningful
23 way 311 complaints. I will tell you anecdotally my
24 eyeballing of neighborhoods in the city, it has
25 already started to make a really big difference in

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1 certain parts of the city where compliance is higher.

2 If you look at a commercial corridor for example in
3 your district, like I drove up 3rd Avenue the other
4 day, there was no trash on the street at 6 p.m.. It
5 was like truly a pleasure for like 15 blocks. So, I
6 don't have hard data or evidence or metrics at this
7 time but what I can say is absolutely and
8 emphatically, if you look at what's not there, you
9 will see. There is a lot less trash.

10
11 COUNCIL MEMBER MENIN: Okay, can I just ask,
12 when do you think we are going to have hard data and
13 data metrics?

14 JESSICA TISCH: Well, we already kind of have
15 hard data and data metrics, which is the average
16 amount of time the 24 million pounds or actually 44
17 million pounds of trash spent on our streets every
18 day. In my testimony, I said that in the past that
19 could be up to 32 hours. We collected 20 percent of
20 our trash on the 4 p.m. shift. Meaning started to
21 collect it 24 hours after it was set out. Now, all
22 of our trash is collected either at midnight or at 5
23 p.m. and the bags go out later. So, like just like
24 those raw numbers of like the significant decrease in
25 the average amount of time the trash spends on the

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2 City of New York, I think those are the best metrics
3 that we have and that we'll get.

4 COUNCIL MEMBER MENIN: Okay.

5 CHAIRPERSON BRANNAN: Council Member Hanks.

6 COUNCIL MEMBER HANKS: Good evening. It's been
7 a long day. It's really good to see you Commissioner
8 Tisch.

9 JESSICA TISCH: Good to see you.

10 COUNCIL MEMBER HANKS: Being from Staten Island,
11 you know we have a lot of issues with our sanitation
12 but I have to say that I just want to commend the
13 agency for doing such a great job in keeping the 49-
14 district nice and clean. Anytime we call, you're
15 there. It's wonderful.

16 My question revolves around the zones and when
17 we can expect to have the franchises go into effect
18 and if there are any budgetary implications for that?
19 Actually you can explain it, I don't know if any of
20 my colleagues know.

21 JESSICA TISCH: Sure, uhm, we are on track. We
22 had a hearing recently, a few months ago about
23 commercial waste zones and I committed to a timeline
24 at that hearing and I can tell you that we are on
25 track to meet that timeline. That timeline has the

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1 first pilot zone going live in the second half of
2 2024.

3
4 So, you will start to see the first zone in the
5 second half of 2024. We do want to pilot a zone
6 before we blow it out larger, just because I think
7 there will be things to learn about implementation
8 and when you're dealing with something as big and
9 present as trash, you really can't that wrong.

10 COUNCIL MEMBER HANKS: Thank you so much.
11 That's all, thank you.

12 CHAIRPERSON BRANNAN: Commissioner, do we have a
13 cost for what it would be to implement E-waste pickup
14 citywide?

15 JESSICA TISCH: Do we have that cost? Yeah,
16 Greg can give it to you.

17 GREGORY ANDERSON: Yeah so based on the PEG that
18 we took at FY22 or FY21 Exec sorry, in April 2020, I
19 think the PEG at that time was around \$3.7 million
20 for the citywide or the citywide program, which was
21 in four boroughs, every borough but Manhattan. So,
22 we'd expect it to be on that order. Again, that's on
23 straight time baseline funded. As a one year it
24 would be slightly higher then.

25 CHAIRPERSON BRANNAN: Rather one-shot.

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4 GREGORY ANDERSON: Correct.

5 CHAIRPERSON BRANNAN: And right now, the only
6 borough that has it is Staten Island right?

7 JESSICA TISCH: Yes.

8 CHAIRPERSON BRANNAN: Okay, uhm, with regard to
9 the capital plan, beyond the 158 collection trucks,
10 are there any other large-scale equipment purchases
11 that DSNY has committed to?

12 JESSICA TISCH: Well, this fiscal year, like
13 looking forward?

14 CHAIRPERSON BRANNAN: Forward.

15 JESSICA TISCH: Obviously we buy lots of trucks
16 every year. The 160 some odd were for the organics
17 program. The 158 were for the organics program.
18 Trucks are really like the main big piece of
19 equipment that we buy. Is there anything else Greg
20 that comes to mind?

21 GREGORY ANDERSON: Yeah, I think the short
22 takeaway is this year, including the \$76 million that
23 the Commissioner mentioned for organics, plus the
24 \$100 million that we added, that the Mayor added at
25 preliminary budget plus existing funding. We have
and dual bin collection trucks and those, some of

2 them will start coming in this summer, as the
3 Commissioner mentioned ahead of organics and will
4 continue coming in over the course of several months
5 after that.

6 And then beyond this year, we have additional
7 funding in FY24, 176 rear loader trucks, 17 dual bin
8 trucks and then you know the normal buying plan is in
9 place beyond that.

10 CHAIRPERSON BRANNAN: Do we have EB garbage
11 trucks? Are we moving towards more of those?

12 ESSICA TISCH: We have seven coming in later
13 this year. As I testified I think at a previous
14 hearing, we cannot scale those out yet because they
15 conk out in the snow.

16 And as you know we use our fleet, not just for
17 collection but also for plowing. So, we can't make
18 significant investments in electric collection trucks
19 until the industry makes them work in the snow, which
20 we're hopeful will happen but we're also not in
21 control of it. We have made more investments in
22 mechanical brooms, where we've purchased 30.

23 CHAIRPERSON BRANNAN: Thank you.

24 CHAIRPERSON NURSE: Okay, I just have a few more
25 topic areas. Highway cleaning, the precision

2 cleaning. I think we're all excited that someone's
3 actually going to clean these areas that no one ever
4 cleans. For highway cleaning from DOT, is sanitation
5 retaining the DOT workers currently assigned to
6 highway cleaning?

7 JESSICA TISCH: Uhm, actually the specifics of
8 highway cleaning, the press got out a little bit
9 ahead of everyone, so the specifics for highway
10 cleaning have not exactly been ironed out. But what
11 I can tell you is in the things that have been
12 contemplated, there was never any contemplation of
13 DOT losing a single worker associated with the move
14 of responsibility for highway cleaning. The Material
15 maintenance unit has a lot of different
16 responsibilities, lots and lots of them, mowing
17 grass, fixing fence lines, potholes. So, no there
18 was never going to be any DOT personnel moving to
19 sanitation and no loss of DOT personnel in anything
20 that had been contemplated but again, this hasn't
21 been finalized yet. The specific plans haven't been
22 finalized yet.

23 CHAIRPERSON NURSE: Okay, is there any cost
24 analysis being done with a switch from DOT to DSNY?

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2 JESSICA TISCH: I believe that for either agency
3 to perform those functions, it will take an
4 investment. And I think that that was not included
5 in the Executive Budget, so I don't know where that
6 has shaken out yet.

7 CHAIRPERSON NURSE: Okay, so and you might have
8 the answer to this but it's Friday, we haven't all
9 eaten. Why is the precision cleaning initiative that
10 was launched last year being cut by \$1.1 million in
11 FY24 and more in the outyears?

12 JESSICA TISCH: So, PCI was created in 2021. In
13 response to emergency conditions caused by a complete
14 decimation of the sanitation departments cleaning
15 budget. So, like things like litter basket service
16 and street sweeping. So, PCI was created to deal
17 with these emergency conditions. I think the idea
18 behind these cuts is we are now running, we've now
19 not only restored the services that were cut during
20 the pandemic, we are running each of them at the
21 highest levels that this city has ever seen. So, we
22 thought in a difficult, financial moment, a sensible
23 place to take the cut was on 8 of 29 teams. Last
24 year we ran 29 teams that just dealt with the
25 emergency conditions given that the emergency

2 conditions are - given that our other services are
3 restored.

4 CHAIRPERSON NURSE: Kind of back at normal,
5 okay. The waste containerization pilot, uhm, will
6 all these receptacles for the pilot be mobile? Or
7 will there be any construction or sidewalk street
8 alteration be necessary?

9 JESSICA TISCH: They will be on wheels and they
10 have to be on wheels because the truck necessary to
11 hoist shared stationary shared containers doesn't
12 exist today in the United States at any scale the way
13 it does in Europe. So, it will take time for the
14 industry to develop an American version of the
15 automatic side loader that is capable of dealing with
16 the city as dense as New York.

17 So, to answer the question, they will all be on
18 wheels. We will place what I call enclosures, but
19 they don't really close over anything, they're more
20 like docking stations in the parking lane where those
21 containers will be to keep the containers on wheels
22 in place.

23 That's the only change or it's not construction

24 -

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2 CHAIRPERSON NURSE: Yeah, an alteration. So,
3 because that kind of leads to my second question
4 about the trucks. I was going to ask you about the
5 need for trucks to be retrofitted, refitted and
6 timeline but it sounds like -

7 JESSICA TISCH: Yeah, we've retrofitted, it's
8 actually really exciting. We got our first
9 retrofitted DSNY truck back from the manufacturer and
10 they just basically add a tipper at the back of it.
11 It's much more complicated than I would have ever
12 imagined. And we're sending about ten more out to be
13 retrofitted to support the pilot.

14 CHAIRPERSON NURSE: And what are the costs of
15 those retrofits?

16 JESSICA TISCH: Do you remember?

17 GREGORY ANDERSON: They were funded at \$75,000
18 each.

19 CHAIRPERSON NURSE: Per truck?

20 GREGORY ANDERSON: Yeah, per truck.

21 CHAIRPERSON NURSE: To add the arms on?

22 GREGORY ANDERSON: Yes.

23 CHAIRPERSON NURSE: And do you have an initial
24 estimate of what this would cost to scale?

25 JESSICA TISCH: Citywide?

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2 CHAIRPERSON NURSE: Yeah.

3 JESSICA TISCH: No, and that's because first the
4 truck that we would need to scale citywide doesn't
5 exit today and in our capital plan, we turn over
6 trucks every year, so I imagine on the truck side, it
7 would just be replacing old rear loaders with new
8 ASP's if we were to go in that direction.

9 The part that gets expensive, well there's a few
10 parts but one of the parts that gets expensive is the
11 increase in service, frequency that is required to
12 pull of something like shared containers. One of the
13 things that our study found is that containerization
14 is viable in 89 percent of New York City residential
15 streets. About 39 percent are the mid and high
16 density. And those would be where the shared
17 containers as opposed to the individual bins would
18 go.

19 But for cities where they use shared containers
20 like Barcelona or Paris, they don't collect two or
21 three times a week. They collect six or seven times
22 a week. And so, we don't have those estimates yet
23 for what that would look like citywide or what that
24 would cost and in my opinion, it's still premature to
25 get there. I want see how this pilot goes and one of

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1 the things we're testing in the pilot in West Harlem
2 is going to be the six day a week collection.
3

4 CHAIRPERSON NURSE: Right, do you know that the
5 cost of that pilot will be?

6 JESSICA TISCH: Yup, we got uhm, \$2.5 million
7 actually in FY23 to buy bins truck, to the
8 retrofitting of the trucks and the enclosures and
9 then \$3.2 million in FY24 a lot of that is staffing
10 for the extra service level but it does include some
11 more enclosures and some of the truck retrofits as
12 well.

13 CHAIRPERSON NURSE: Okay, one question on CWZ.
14 What is the current staffing level in the CWZ unit?

15 JESSICA TISCH: Uhm, the current staffing level
16 is 17 civilian, 10 enforcement. In our last hearing
17 we told you that in June we projected that we would
18 have 3 additional people hired. We are right on
19 track for that. One has already been approved by
20 OMB; two I think are - what's that? Are about to go
21 to OMB. So, we're looking forward to bringing those
22 new staff members on board.

23 CHAIRPERSON NURSE: I think we asked this a
24 number of times and I always forget the answer when
25 I'm here. Can you provide an update on the status of

2 the women's facilities at the garages and have they
3 all been completed?

4 JAVIER LOGAN: Yeah, so at the preliminary
5 budget hearing, I think we said that we had just
6 finished the second last, which was Queens West 2.
7 We had one left which was Queens West 4. The latest
8 update I have is a little stale. It's a few weeks old
9 and I think that - and it's very detailed, that
10 location is awaiting one part, which is an evaporator
11 for the HVAC system in the locker room. That part
12 was ordered. I don't know yet if it's come in or not
13 but that's the one facility that's not yet completed
14 but there is not at this moment a female sanitation
15 worker assigned at that facility but if it's not
16 completed today, it's you know imminent.

17 CHAIRPERSON NURSE: Okay, and what is the
18 timeline of repairs at Brooklyn District 15 garage?

19 JESSICA TISCH: I have that here, hold on. Here
20 we go, sorry you said Brooklyn 15. I don't see
21 Brooklyn 15. I don't have that one. This happened
22 last time too. I'm so sorry, oh, do you have it?
23 Okay, we have it. Okay, we plan to replace an oil
24 water separator at Brooklyn 15. Other than that,
25 there are no other big plans for repairs as we

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2 continue to search for a potential site to replace
3 these garages.

4 CHAIRPERSON NURSE: Okay, and then can you tell
5 us about the progress of roof repairs on Bronx and
6 Staten Island 3, which suffered a collapse last week
7 or this week?

8 JESSICA TISCH: Yes, so Staten Island 3 is
9 paused as of today to address an asbestos condition
10 that arose and was caught through air monitoring. I
11 want to commend and thank the sanitation workers who
12 work there, who showed up to work at a different
13 location at midnight last night and again at 5:00
14 this morning and were out on their trucks right after
15 this happened. I think it does show their dedication
16 to the community they serve. So, unfortunately for
17 Staten Island, that is on pause until the very
18 serious situation is addressed. And the other one
19 you said?

20 CHAIRPERSON NURSE: Bronx 3. I think it's
21 listed here as Bronx 3; someone had a question about
22 it.

23 JESSICA TISCH: I don't think that we have a
24 roof project there.

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2 CHAIRPERSON NURSE: Okay, maybe they missed it.

3 Uhm, and the timeline for construction of the new
4 Staten Island garage?

5 JESSICA TISCH: The Staten Island 1 and 3
6 garage, uhm okay \$125 million was committed in 2021
7 and a total of \$15 million in construction and
8 construction management change order funds were
9 committed in 2023, are planned for 2023 and 2024.
10 Completion of the new garage anticipated in 2024.

11 CHAIRPERSON NURSE: Okay, alright we're almost
12 there. We're at the stretch. Uhm, the Fiscal 2024
13 Budget add \$1.2 million for the Solid Waste
14 Management Plan Consultants for FY24 through FY27.
15 What additional funding does DSNY have in the budget
16 for the Solid Waste Management Plan?

17 JESSICA TISCH: Just the Waste Characterization
18 study, which is a precursor to the Solid Waste
19 Management plan and as you know that waste
20 characterization study is well under way and we're
21 actually in the middle of our sort season now.

22 CHAIRPERSON NURSE: Okay, yeah, I had a question
23 about how the reduction in the \$2.5 million in FY24
24 impact the Waste Characterization Study?

25

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4 JESSICA TISCH: Even with the cuts that we took
5 in this plan for the Waste Characterization Study,
6 this study will still be the most robust waste
7 characterization study that we have had since 2005.
8 So, basically we're taking from three sort seasons
9 down to two but I just want to point out that not
10 only can we achieve a statistically significant
11 sample in two seasons, we are fully, we are still
12 fully correcting the short comings of the 2017 study,
13 which did not have representative samples. As you
14 know across certain density and income strata's.

15 CHAIRPERSON NURSE: Okay, some more questions.
16 What is the address in current or past use for the
17 DSNY property being relinquished in FY26?

18 JESSICA TISCH: Where our lot is?

19 CHAIRPERSON NURSE: Yeah, which one is it?

20 JESSICA TISCH: Oh, it's - you can say it.

21 JOSEPH ANTONELLI: 427 East 87th Street.

22 CHAIRPERSON NURSE: Okay, how many budgeted
23 positions are left in the splinter group unit?

24 JESSICA TISCH: Do we have that in here? I
25 don't think that I have that sheet with me but we can
very easily get it to you after a class meeting.

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4 CHAIRPERSON NURSE: Yeah, that would be really
5 helpful to have because that's something we've been
6 hearing that folks aren't feeling there's enough
7 levels of support.

8 JESSICA TISCH: First Deputy Commissioner has
9 some numbers.

10 JAVIER LOJAN: So, uh, for the splinter units,
11 we have 42 general superintendents remaining, 232
12 supervisors, and 501 sanitation workers assigned to
13 various units throughout the agency.

14 JESSICA TISCH: And just to be clear Chair,
15 those units are not public facing and so, those were
16 areas where we could cut and not have a service
17 impact and just the other thing to note on that is
18 like, in this plan, despite all those cuts, it's a
19 very small number of cuts there, we're still up over
20 200 sanitation in this plan, netted out.

21 CHAIRPERSON NURSE: Okay, I think I'm covered
22 with everything. I'm good Chair. Thank you.

23 CHAIRPERSON BRANNAN: I have a question here
24 that was from one of the members that left earlier.
25 Did the DSNY reject the Council's call for more
funding for illegal dumping enforcement?

JESSICA TISCH: I certainly didn't.

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2 CHAIRPERSON BRANNAN: Okay. It's seemed odd to
3 me to.

4 JESSICA TISCH: I will say that I'm not super
5 familiar with what the Council was looking for for
6 funding. I think for illegal dumping, we've had,
7 we've gotten a lot of funding already recently to
8 support it in terms of almost \$3 million for our
9 cameras and the like. So, we feel like we are making
10 very good investments now.

11 CHAIRPERSON BRANNAN: And back to the E-waste
12 collection. Does DSNY plan to continue the curbside
13 E-waste in Staten Island? Because I don't think the
14 funding was there in the Exec.

15 JESSICA TISCH: As I think you know the funding
16 was one time included in last years adopted budget,
17 so I guess that will depend on how this budget shakes
18 out.

19 CHAIRPERSON NURSE: Alright, I guess we're
20 closing out. It's Friday. Aren't we all happy?
21 Thank you so much Commissioner and all of the
22 leadership team here for your candidness and really
23 laying out and answering questions. I look forward
24 to seeing you all not in June. I don't think we're
25 having a June hearing, so happy summer.

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4 JESSICA TISCH: Thank you.

5 CHAIRPERSON BRANNAN: Thank you all. With that,
6 day four of Executive Budget Hearings is adjourned.

7 [GAVEL].
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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 MAY 31, 2023