

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON HOUSING AND BUILDINGS

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June 18, 2014  
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HELD AT: 250 Broadway - Committee Rm,  
16th Fl.

B E F O R E:  
ROSIE MENDEZ  
Chairperson

COUNCIL MEMBERS:

ANTONIO REYNOSO  
ERIC A. ULRICH  
HELEN K. ROSENTHAL  
JUMAANE D. WILLIAMS  
KAREN KOSLOWITZ  
MARK LEVINE  
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ROBERT E. CORNEGY, JR.  
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A P P E A R A N C E S (CONTINUED)

[gavel]

CHAIRPERSON MENDEZ: This hearing is coming to order. I want to thank everyone for your patience. The Chair of this committee, Jumaane Williams is at budget negotiations and so he and many others are not here today. So that doesn't mean that this is any less important and these bills. But there's work that we need to do by June 30<sup>th</sup>. So having said that once again thank you for your patience. I am the ranking member of the Housing and Buildings Committee and I will be chairing the meeting today. And the, we are holding a hearing on several bills, four bills and two resolutions. I will give a brief description on each. The first item is Intro 33. That was introduced by Council Member Weprin. This bill would allow cooperative cooperations that own multiple buildings to file consolidated energy efficiency reports rather than a separate report for each building. The second item before us today is Intro 35 which was introduced by the chair of this committee Council Member Williams. This bill would require that owners of multiple dwellings indicate on their annual registration whether the

1 building contains rent regulated apartments. The  
2 bill would also require such owners to post a sign  
3 indicating that there are rent regulated apartments  
4 in the building if appropriate. The third item  
5 before us today is Proposed Intro 48-A sponsored by  
6 Council Member Cabrera. That bill will require that  
7 owners provide tenants with certain information  
8 about their rights. The bill would also require  
9 that HPD maintain a list of organizations that can  
10 provide legal assistance for tenants. The fourth  
11 item was introduced by me, Rosie Mendez but on  
12 behalf of the Borough President of Manhattan Gale  
13 Brewer. It's a bill that she carried for many years  
14 and I have the honor of introducing it on her  
15 behalf. This bill would require that leases contain  
16 a writer listing the various notices that  
17 landlords, landlords must provide to tenants. The  
18 resolutions.. The fifth item is a resolution by  
19 Council Member Williams. This resolution calls upon  
20 the State Division of Housing and Community Renewal  
21 and the rank guidelines board to work together to  
22 provide notice by mail to tenants before their  
23 meetings and hearings. And the sixth and final item  
24 before us on the calendar today is Reso 191  
25

1 sponsored by Council Member Johnson. This  
2 Resolution calls upon the State Division of Housing  
3 and Community Renewal to release the addresses of  
4 illegally deregulated units before their return to  
5 rent regulation. Now according to our new rules I  
6 need to ask you Sir and the administration to raise  
7 your hands, does it make a difference which hand it  
8 is? I prefer left always but apparently we need to  
9 raise our right hand. So do you swear or affirm to  
10 tell the truth, the whole truth, and nothing but  
11 the truth before the committee today? Thank you. I  
12 will now ask the administration to, if you could  
13 first identify yourselves for the record and then  
14 you could start with your opening testimony.

16 VITO MUSTACIUOLO: Good afternoon. My  
17 name is Vito Mustaciuolo. I am the Deputy  
18 Commissioner for the Office of Enforcement and  
19 Neighborhood Services at HPD.

20 JORDAN PRESS: Jordan Press. I'm  
21 Director of Legislative Affairs and Federal Policy  
22 at HPD.

23 ANNMARIE SANTIAGO: AnnMarie Santiago,  
24 Associate Commissioner of the Office of Enforcement  
25 and Neighborhood Services, HPD.

2 CHAIRPERSON MENDEZ: Thank you very  
3 much. And if you're ready.

4 VITO MUSTACIUOLO: Good afternoon  
5 Council Member Mendez. My name is Vito Mustaciuolo  
6 and I'm Deputy Commissioner for Enforcement and  
7 Neighborhood Services at HPD. Today we are also  
8 joined by Gina Bocra, Holly Savoia, and Steve  
9 Figueiredo from the Department of Buildings. We  
10 appreciate the opportunity to testify today and  
11 we'll focus our comments on bills most relevant to  
12 our departments. Please allow me to start by  
13 reiterating that the administration and HPD  
14 strongly support educating New York City's tenants  
15 about their rights. All three of these bills seem  
16 to intend to go, to intend to further that goal.  
17 Bill number 35 relating to posting information  
18 about rent regulated units, bill number 48 related  
19 to a tenant bill of rights, and bill number 163  
20 relating to information required to be provided  
21 upon signing a lease each seek to empower tenants  
22 by providing information upon which they can make  
23 informed decisions or take informed actions to  
24 ensure that they can live in safe and affordable  
25 housing. Bill number 35 requires owners of multiple

1 dwellings that contain one or more units subject to  
2 rent regulation to post a sign that states this  
3 building contains one or more units that are  
4 subject to rent regulation. The bill also requires  
5 owners to indicate the number of such rent  
6 regulated units when they register these properties  
7 with HPD. Residential properties are required by  
8 law to register annually with HPD if the property  
9 has three or more residential units or one or two  
10 residential units and neither the owner nor any  
11 family member occupies a unit. The purpose of  
12 property registration is to provide the department  
13 with reliable information about the building owner  
14 and managing agent for purposes of serving notices  
15 and contacting building owners and agents when  
16 complaints are filed or emergency conditions arise.  
17 It is our understanding that the intent of bill  
18 number 35 is to inform tenants or perspective  
19 tenants of the possibility that their unit is rent  
20 regulated. We would like to offer an alternative  
21 strategy to reach the same goal. For the purposes  
22 of information gathering on rent regulated units  
23 the New York State Department of Homes and  
24 Community Renewal which oversees rent regulation is  
25

1 the best resource. We propose working with the  
2 council and our colleagues at HCR to obtain  
3 information about rent regulated buildings from  
4 HCR. HPD could then provide the information on our  
5 website about which New York City buildings are  
6 currently regulated. Obtaining information directly  
7 from HCR would avoid any conflicting information  
8 between HPD and HCR on the identification of rent  
9 regulated buildings without adding additional  
10 potentially conflicting information to the property  
11 or registration process. The tenants could then  
12 check our website which many tenants already use to  
13 check for general building information, complaints,  
14 violations, and property registration information.  
15 If our website indicated that a building was rent  
16 regulated the tenant could then call or contact HCR  
17 to check on the status of their individual unit.  
18 The Law Department is also currently reviewing this  
19 bill and we look forward to working with the  
20 council on crafting a proposal that would address  
21 HPD suggestions and any legal concerns that are  
22 identified. Regarding bill number 163 our  
23 assumption is that the intent of the bill is to  
24 ensure that tenants are aware of lease documents  
25



1 that are required to be provided upon lease. The  
2 bill requires an additional lease writer to  
3 describe that certain notices such as lead paint,  
4 bed bug infestation, and window guards must be  
5 provided upon each renewal. Because these notices  
6 must in fact already be provided we are unclear  
7 that there is any value in also requiring a lease  
8 writer to state the same. If a landlord does not  
9 provide the existing notice it is unlikely that he  
10 or she will comply with the provision of an  
11 additional notice. We would like to propose that  
12 the council work with us on providing this  
13 information to tenants in a much more public way,  
14 perhaps through our website and tenant events. HPD  
15 has co-hosted with the city council 13 tenant  
16 nights with almost 800 tenants in attendance in the  
17 last two fiscal years. We continue to represent the  
18 agency at events throughout the city when requested  
19 by block associations, community groups, and other  
20 interests. It is also important that we remind  
21 owners of their existing obligations through HPD's  
22 owner outreach mechanisms which include owner  
23 nights, owner training, email notifications, and  
24 other outreach that we engage in every day.  
25

1  
2 Regarding bill 48 as I stated earlier the  
3 department strongly supports educating New York  
4 City's tenants about their rights. There are some  
5 legal and procedural concerns with the legislation  
6 that the Law Department is reviewing and we look  
7 forward to discussing this bill further. We would  
8 like to commit to working with a bill sponsor and  
9 the Committee on this legislation to improve it as  
10 we cannot support it in its current form. Our  
11 concerns include some of the following items. The  
12 preamble of the proposed notice urges tenants to  
13 contact their landlord to correct conditions in  
14 their apartment and to contact HPD if they feel  
15 their rights have been violated. While we agree  
16 contacting the landlord should be the first course  
17 of action their next step depends on the concern.  
18 In order to advise HPD of possible code violations  
19 or a landlord not making repairs tenants should  
20 contact the citywide hotline at 311. Contacting a  
21 lawyer may be more appropriate if a tenant believes  
22 harassment or discrimination is taking place.  
23 However this is a difficult determination to  
24 broadly make in a posted notice required by the  
25 city. We would like to work with the committee on

1  
2 revising the preamble accordingly. Regarding legal  
3 assistance guide HPD's website already contains an  
4 easily found page for residential tenants. This  
5 page includes links to helpful information about  
6 housing court as well as a link to LawHelp.org, a  
7 resource that tenants can use to search for legal  
8 assistance. The department cannot be in a position  
9 as the legislation requires of determining the  
10 level of expertise of an attorney or whether such  
11 attorneys or organizations fully comply with the  
12 law, regulation, or legal standards. If the council  
13 feels our existing reference is insufficient there  
14 may be a way to satisfy the intent of this action.  
15 Finally we need to raise a concern about the  
16 enforceability of section 26-1004 of this  
17 legislation. While HPD can enforce the posting  
18 requirement in subdivision B when it inspects a  
19 building it cannot enforce the requirement in  
20 subdivision A that an order provide a notice to  
21 tenants at lease up or renewal. Accordingly we  
22 would ask that this section be removed from the  
23 legislation. Regarding Intro number 33 I have been  
24 asked to convey that the Department of Buildings in  
25 general supports this bill and concept but they

1 have some issues that will need to be addressed  
2 moving forward in partnership with the council. DOB  
3 currently makes allowances for multiple covered  
4 buildings owned by the same co-op condo entity if  
5 the buildings are on blocks that are contiguous.  
6 The data currently evaluable does not make such  
7 buildings easily identifiable and as such DOB must  
8 make the determination on a case by case basis.  
9 Also the intro as written appears to apply to co-op  
10 associations however this could also apply to a  
11 condominium ownership structure and the New York  
12 City construction codes identify those ownership  
13 structures separately and reference to condominium  
14 ownership would need to be added to the bill. Again  
15 we appreciate the opportunity to testify, we hope  
16 the committee will accept our suggestions and we  
17 are happy to answer any questions that you may  
18 have.  
19

20 CHAIRPERSON MENDEZ: Thank you very  
21 much. We've been joined by Council Member Koslowitz  
22 from Queens and Council Member Cornegy from  
23 Brooklyn. Let's, let's start with, well let's start  
24 with the big bill that I, that's fresh in my mind  
25 that you had real big issues with. Bill number 48

1 Council Member's, Cabrera's bill. You sited a  
2 couple of issues, the preamble among other things.  
3 So just changing the preamble wouldn't make this a  
4 bill you would support in its current written form.  
5 There are additional... [crosstalk]

7 VITO MUSTACIUOLO: There are additional  
8 concerns.

9 CHAIRPERSON MENDEZ: Okay. So can you  
10 just talk us through those concerns in more detail  
11 than what you've written here please?

12 VITO MUSTACIUOLO: Sure so we actually  
13 had a very productive meeting with a sponsor and a  
14 number of, of interest groups, legal services  
15 groups, tenant organizing groups about a year or so  
16 ago. And we actually looked at a document that...  
17 council had drafted which was a one pager which  
18 basically just provided a, a brief guideline  
19 outlining most tenants' concerns, what their rights  
20 are. And there was a brief section that also  
21 pointed to rent regulated tenants and what their  
22 rights are. And we believe that we should really be  
23 pointing to information sources as opposed to  
24 trying to , to explain to a tenant what their  
25 rights are. If you were to look at tenant rights

1  
2 there are volumes and volumes of tenant rights and  
3 they change frequently for us to continue to update  
4 that information and make it available we believe  
5 would be almost an impossible task. So we again  
6 agree with the concept that, that we should be  
7 educating tenants. We should be pointing them to  
8 the right direction, providing website information  
9 or, or hotline numbers for the appropriate  
10 agencies. There are also legal concerns that the  
11 Law Department raised with the, the, with the  
12 council for the council. And I believe that those  
13 issues still remain unaddressed.

14 CHAIRPERSON MENDEZ: Okay. And this  
15 administrative burden would cost the department how  
16 much money in trying to implement it... [crosstalk]

17 VITO MUSTACIUOLO: We have not put a, a  
18 cost with any of these intros, not yet.

19 CHAIRPERSON MENDEZ: Okay. Okay, intro  
20 33. We would like to know what is involved in  
21 putting together one of these energy efficiency  
22 reports and how much does it generally cost per  
23 building. What level of savings can cooperative  
24 corporations expect from this bill? And you  
25 probably making way for someone from DOB to help...

2 VITO MUSTACIUOLO: That is correct.

3 CHAIRPERSON MENDEZ: ...in answering this  
4 question.

5 VITO MUSTACIUOLO: Exactly.

6 CHAIRPERSON MENDEZ: And I'll just  
7 remind you to identify yourself for the records.

8 HOLLY SAVOIA: Holly Savoia from DOB,  
9 Assisting..

10 CHAIRPERSON MENDEZ: Yeah, just pull the  
11 microphone a little closer to you. Thank you.

12 HOLLY SAVOIA: So what happens is an  
13 audit and retro commissioning activity.. and those  
14 activities could span nine months. The cost for  
15 that could range depending on the.. building or the  
16 complexity of the mechanical systems that are..

17 CHAIRPERSON MENDEZ: So let's just.. yes.  
18 Let's just say a six unit building ball park figure  
19 of what that would cost and then a multiple  
20 dwelling of like 30 units or more. Do you have a  
21 sense of what kind of cost it would be per  
22 building?

23 HOLLY SAVOIA: I couldn't estimate that  
24 right now because it depend.. on the complexity of  
25 the mechanical systems that are involved.

2 CHAIRPERSON MENDEZ: And again you  
3 couldn't estimate the savings for either one of  
4 those types of buildings at this point?

5 HOLLY SAVOIA: It's, it's very building  
6 specific. ...cooling equipment or heating only.. it's  
7 very, it's, it's very building specific based upon  
8 the mechanical equipment that the building  
9 possesses.

10 CHAIRPERSON MENDEZ: Okay thank you.  
11 Okay I'm going to move onto intro 35. We'd like to  
12 know intro 35 would make a change to what's  
13 required on landlord annual registration forms. But  
14 we understand that landlords may not be finding  
15 these registration forms as often as they should  
16 be. Does HPD have a sense of the compliance rate  
17 for annual registrations?

18 VITO MUSTACIUOLO: My question would be  
19 are you referring to the annual registrations with  
20 the state, HCR?

21 CHAIRPERSON MENDEZ: The one that's  
22 filed with the city.

23 VITO MUSTACIUOLO: With the city. Yep.  
24 So as of the last registration cycle we had a  
25 compliance rate of approximately 60 percent of



buildings that are required to register with us.

It's important to note that the bigger buildings are, are much more likely to register than the smaller properties. We have done...

CHAIRPERSON MENDEZ: When you're saying smaller we're talking of building of how many units or less?

VITO MUSTACIUOLO: Generally three to 10 units that that population is a little bit more difficult with respect to, sorry, with respect to, to getting compliance. We have made a number of changes to the registration process. So we went from two cycles based on building size a year to one annual cycle to try to make easier for owners. We prepopulate the registration information if it's the same ownership to allow for an easier registration process. We allow for our owners to establish portfolios. So if they have multiple addresses they can create a portfolio and manage the information on their portfolio account. We also have gone from one registration form for all types of ownerships to individual registration forms based on the type of ownership to make it more simple and understandable for an owner. So, so we

1  
2 have made it simpler for owners to register and we  
3 are also looking at possibly additional enforcement  
4 actions in the future for owners who don't register  
5 such as the issue in civil violation which we can  
6 issue under the housing maintenance code.

7           CHAIRPERSON MENDEZ: In your testimony  
8 you say that the purpose of property registration  
9 is to provide the department with reliable  
10 information about the building owner and managing  
11 agent for the purposes of serving notices. But if  
12 this legislation was passed and if these postings  
13 needed to be done would it not be helpful to a code  
14 enforcement inspector who's coming into the  
15 building in terms of identifying what type of  
16 protections tenants may have with rent  
17 stabilization comes a lot more protections that  
18 those tenants would be afforded. So would that not  
19 be helpful to an inspector to know when entering  
20 the building?

21           VITO MUSTACIUOLO: So it, it would, it  
22 would only really be helpful to an inspector again  
23 if there is a provision of the law that requires  
24 the owner to post a notice. Absent that when an  
25 inspector goes into a building whether the building

1  
2 or a unit is rent regulated or not is irrelevant to  
3 the inspector. They're there in response to a  
4 specific complaint. The concern that we have with  
5 putting that information on the, on the New York  
6 City registration form is one it's a piece of  
7 information that potentially could invalidate a  
8 registration. If the owner fails to indicate the  
9 number of units or whether or not the building is  
10 rent regulated. And again the real intent of our  
11 registration process is to create, lack of a better  
12 word, a rolodex for us for, of emergency contacts  
13 for our owners. Whether or not the building  
14 contains a rent regulated unit for our enforcement  
15 purposes is not relevant. So what we have proposed  
16 in the testimony again for tenant education and  
17 awareness is for us to match our building file to  
18 HCR's and actually just take the data directly from  
19 HCR. That would also eliminate the need for us to,  
20 should we capture that information on our  
21 registration form we would then want to validate  
22 that with HCR anyway. So there would be an extra  
23 step in involved if it were to be on our  
24 registration form. We feel it is much simpler for  
25 us just to go and get a building file from HCR and

1 port that onto our, our website and in our database  
2 and have that information available.  
3

4 CHAIRPERSON MENDEZ: We've been joined  
5 by Council Member Levine from Manhattan. Can I ask  
6 you besides increasing possibly doing additional  
7 enforcement measures and violations if they don't  
8 file is there a reason why so many landlords are  
9 not registering their apartments. We do have an  
10 additional about 20 percent of registrations that  
11 are filed with us but are invalid for any number of  
12 reasons. So again we do outreach and we do send  
13 notices out to an owner indicating that their  
14 registration form was invalid and we point out what  
15 the problems are. We really are encouraging owners  
16 to electronically file with us. Because when they  
17 do that before they actually can print the, the  
18 registration form the system will check for  
19 validations. So if there is a critical piece of  
20 information that is required it will not allow the  
21 owner to print the form until that information is,  
22 is submitted. You know and then there are some of  
23 the obvious reasons where owners just print it and..  
24 forget to sign it. But all the information is  
25 there. So our intent is to, before we embark on, on

1  
2 an enforcement initiative is to do more outreach to  
3 owners and again to better educate them.

4 CHAIRPERSON MENDEZ: Okay. Council  
5 Member Koslowitz.

6 COUNCIL MEMBER KOSLOWITZ: Thank you.  
7 Before you were talking about the, too much to give  
8 tenants what their rights are, like to distribute  
9 them amongst all the tenants. Recently a building  
10 got an MCI. They had gotten one before and it was  
11 paid and they stopped taking it out. Then they got  
12 it again. And what it said was it was an additional  
13 532 dollars and people freaked out. And I  
14 understand that originally when you get the, when  
15 you got it it said it in there. But you know  
16 seniors don't necessarily read their rights. So  
17 everybody thought they had to do 532 dollars at one  
18 time and a lot of people can't do that. I made the  
19 phone call to find out that they had two years to  
20 pay it which is a lot different. So to me it would  
21 help that individually when something like that  
22 happens separately other than reading a whole bunch  
23 of words that it says that you have the right, the  
24 landlord should say you have the right to pay this  
25 out within a two year period or something that

comes specifically to let the people know they have the two years to do it.

VITO MUSTACIUOLO: So I, I think the case that you just described is a, a perfect example of why we believe that it's a very complicated process. And the MCIs are not administered by city but by the, by the state HCR. So we would want appointer such for instance if a tenant has a question about MCI increases to the appropriate part of, of the Department of Housing and Community Renewal, sorry apologies, Homes and Community Renewal which would be the Office of Rent Administration. So that would be, that's administered by the state. So there are federal regulations. There are state, there are city... so to kind of put that all into one concise form we would just... too voluminous if, you can go to any number of websites... look at the State Attorney General's website, State Human Rights Commission, City Human Rights Commission, the state HCR, HPD. Everyone lists tenants' rights so...

COUNCIL MEMBER KOSLOWITZ: I, I understand that but if you're, if you're 80 years old and you don't understand this, you, you know

1  
2 it's hard for some people to comprehend this, to  
3 even read it. It's not just a sentence or two it's  
4 a long thing that you have to read. First of all  
5 many people can't even see it to read it.

6 VITO MUSTACIUOLO: ...we agree and again  
7 that's why I had mentioned earlier that you know  
8 Met Council had done a one pager, Your Rights as a  
9 New York City Tenant. Very basic language for most  
10 people to understand.

11 COUNCIL MEMBER KOSLOWITZ: Are you  
12 holding it?

13 VITO MUSTACIUOLO: Yes, I'm holding a  
14 copy. This might not be the latest version but this  
15 is what we have looked at... [crosstalk]

16 COUNCIL MEMBER KOSLOWITZ: That's pretty  
17 hard to, that would be pretty hard to read and  
18 there's a lot of words when it could just be very  
19 simple.

20 VITO MUSTACIUOLO: Well, but it covers a  
21 number of topics it, it, there's eviction, repairs  
22 and services, lease renewals and writers,  
23 succession rights, rent reductions, overcharges. So  
24 there are subsections within this. We believe that  
25 this is a good starting point but then obviously we

1  
2 would want to add to this specific agencies that  
3 have jurisdiction over these areas.

4 COUNCIL MEMBER KOSLOWITZ: Can I get a  
5 copy of that?

6 VITO MUSTACIUOLO: Absolutely.

7 COUNCIL MEMBER KOSLOWITZ: Okay, thank  
8 you.

9 CHAIRPERSON MENDEZ: So I haven't taken  
10 a look at their, their one pager and I'd like to do  
11 that. My main concern is that it be in plain  
12 English which usually the advocates do try to make  
13 it more plain English. And then my second concern  
14 is that it be made available in several languages.  
15 So that for individuals who are not English  
16 speaking or are not English dominant that they  
17 could understand their rights. Okay, thank you. I'd  
18 like to ask you about the owner rights. So you  
19 referenced the tenants rights and that you've  
20 organized over the last two fiscal years 13 of them  
21 and that you've had over, almost 800 tenants so I'm  
22 assuming it's under right? Under 800? [crosstalk]

23 VITO MUSTACIUOLO: I believe the number  
24 was like 780.

25 CHAIRPERSON MENDEZ: Okay.



VITO MUSTACIUOLO: Yeah.

CHAIRPERSON MENDEZ: And the owner nights how many of those have you had and what's the attendance been?

VITO MUSTACIUOLO: I apologize I do not have that with me. But we do conduct owner nights. We have even kind of tailor ordered nights depending on the council districts. So we have done owner nights where we just talk about Queen initiatives. We've done owner nights for small property owners. We've done owner nights for larger property owners. We can get you the list of them in the last two years of the districts and, and the attendance for... [crosstalk]

CHAIRPERSON MENDEZ: If you can...

VITO MUSTACIUOLO: ...the owners nights.

CHAIRPERSON MENDEZ: ...get that to the committee it would be great.

VITO MUSTACIUOLO: Absolutely.

CHAIRPERSON MENDEZ: Thank you.

Gentleman do you have any questions? no? Okay. So intro 163... so and, I understand that the Manhattan Borough President is here and will give testimony so if you would hang around to, to listen to her

1 testimony that would be great. So I think what's  
2 important here is, and I think the point of the  
3 legislation is that tenants don't necessarily know  
4 what's mandated to come with their leases. So if  
5 there's some kind of check off that they know  
6 they're supposed to get the bed bugs which is a new  
7 thing bed bug infestation, lead paint, once we pass  
8 my asthma bill, asthma information, abating mold.  
9 And the safety guards, the window guards.

11 VITO MUSTACIUOLO: Right.

12 CHAIRPERSON MENDEZ: So, so if someone  
13 sees these items and then they realize hey it's not  
14 attached then they can go and try to inquire with  
15 someone about it. So can you tell me how you think  
16 we could try to make that happen. And what do you  
17 think we would need to do to this building, your  
18 opinion to, to make it a better bill...

19 VITO MUSTACIUOLO: ...So... we believe that,  
20 and, if an owner is intentionally not providing the  
21 current required writers for issues like lead  
22 paint, window guards, and bed bugs they're not  
23 going to provide the additional writer with the  
24 checklist of what they're not providing in the  
25 first place. So we believe that really, the, that

1  
2 educating both owners and tenants because there may  
3 actually be owners out there who are not familiar  
4 with the, what the law requires that if we were to  
5 put that information upon our website available to  
6 both owners as well as to tenants as to what  
7 writers are currently required by law to be  
8 submitted at the time of a lease... order to be  
9 signed by, of the tenant and the owner. A tenant  
10 could then go to the website and we can update that  
11 accordingly. So if there are additional writers  
12 that are added we can update the website. But again  
13 the concern would be if the owner's not providing  
14 what's required now we don't believe that they'll...  
15 also supply the checklist.

16 CHAIRPERSON MENDEZ: And for individuals  
17 who don't have access to... [crosstalk] website or  
18 computer on a ongoing basis?

19 VITO MUSTACIUOLO: Yeah I mean we can  
20 certainly, again we can produce this as part of our  
21 tenant nights. We can talk about it at each of the  
22 events that we go to. We do have publically  
23 accessible computers in each of our site offices.  
24 We do have a lot of walk-ins. I would also ask that  
25 both the city council as well as, as well as

2 community boards help us disseminate that  
3 information when tenants come into their offices.

4 CHAIRPERSON MENDEZ: Okay. Just a couple  
5 of administrative issues. We were joined by Council  
6 Member Ritchie Torres who is part of the Budget  
7 Negotiations Team so he was here briefly and left  
8 and now we've been joined by Council Member Ulrich  
9 from Queens. Going back to bill number 48, so your  
10 testimony you could not support it in its current  
11 form but you also did indicate that you had a very  
12 productive meeting last year. Do you think that  
13 there will be some changes that could get HPD to a  
14 point where it could support this bill in a manner  
15 that is tweaked and approved by the sponsoring  
16 council member?

17 VITO MUSTACIUOLO: Support the concept?  
18 Yes, yes. I mean we were on board with the concept  
19 of, and we'll continue to support any legislation  
20 that educates tenants and provides information and  
21 knowledge. I think we did have a very productive  
22 round of meetings and look forward to, to  
23 rescheduling those.

24 CHAIRPERSON MENDEZ: Okay, that is all  
25 of my questions and I'll turn back to my colleagues

1  
2 to make sure. They don't have any questions. Okay,  
3 so thank you very much...

4 VITO MUSTACIUOLO: Thank you.

5 CHAIRPERSON MENDEZ: ...for your  
6 testimony. We will be calling, if she's here, the  
7 Borough President of Manhattan. Where is she? There  
8 she goes, and my hero, my shero [phonetic] Gale  
9 Brewer.

10 [off mic comments, laughter]

11 CHAIRPERSON MENDEZ: Madam Borough  
12 President is an honor to have you here.

13 BOROUGH PRESIDENT BREWER: Well it's an  
14 honor to be with you Council Member Mendez and all  
15 the great people on the committee and all the  
16 people in this room who work so hard on these  
17 issues. And thank you for all your good questions  
18 and for giving me the opportunity to testify before  
19 the committee today. I am here as you know to urge  
20 the committee to pass Intro 163 of 2014. Thanks to  
21 you I am a co-sponsor with Council Member Mendez. I  
22 do think it's important however we do it but I  
23 think this is the best way that, to inform  
24 perspective tenants that they are thoroughly  
25 informed of the condition and history about their

1 units before they sign a lease. And before I, just  
2 to give you some examples of what does not happen.  
3 So we have a new staff member who move recently  
4 from Brooklyn to Harlem. She is a very informed  
5 tenant. And she was not given any of the material  
6 that she is supposed to in terms of the one that  
7 I'm most familiar with is the bed bug sign up. But  
8 nothing was given to her. She signed anyway just  
9 because she wanted the apartment but she doesn't  
10 know if there were ever bed bugs in that apartment  
11 because nobody's ever informed her. So 163 call for  
12 the creation of a checklist as you know that owners  
13 can download and print from HPD or an enforcing  
14 agency's website. The checklist serves as a  
15 coversheet to the writer that tenants are required  
16 to receive but often don't, prior to or at the time  
17 of lease signing and that's all pursuant to the  
18 city administrative code. The writer must include  
19 one that we're talking about regarding 163 lead  
20 based paint notices, window guard notices, and bed  
21 bug infestation history as Council Member Mendez  
22 and others have indicated. The checklist does not  
23 add to the workload in my opinion or cost of  
24 preparing lease documents. While there is intended  
25

1  
2 to make the leasing process more transparent as  
3 perspective tenants will know which notices they  
4 are entitled to receive at the time of lease  
5 signing as well as provide disclosure as to the  
6 units condition before contractual agreement is  
7 established. It does seem to me that if it's on the  
8 lease it has a better chance of being included as  
9 opposed to an additional. And we know in 2010  
10 Governor Patterson signed the law requiring the  
11 notice to tenant disclosure of bed bug infestation  
12 history. According to DHCR every landlord in New  
13 York City who issues a new tenant lease including  
14 owners of rental units in two family houses and in  
15 condo and co-op buildings they're all required to  
16 fill out the form. And what I think we all know  
17 that when I was in the city council we passed bills  
18 to deal with the bed bug, the advisory board and so  
19 on and the citywide strategy that was part of that  
20 legislation to address the bed bug epidemic. One of  
21 the recommendations was to do what the state did.  
22 So I think it hasn't necessarily been enforced. And  
23 so I would welcome an amendment to this bill  
24 requiring that landlords provide written bedbug  
25 information to tenants upon lease signing and

1  
2 renewal. As for the current state of bed bugs in  
3 New York I don't need to go through this with you  
4 because... all... there is some good news I thank much  
5 thanks to HPD and to the work that they've done. So  
6 in 2013 we had 520 bed bug violations and that's  
7 many fewer if you're as neurotic about this as I am  
8 compared to 675 in 2012 and 775 in 11. Now that's  
9 just 311 calls to HPD. That doesn't call, count all  
10 the people who didn't dare call anybody. But just  
11 because there are fewer infestations doesn't mean  
12 we shouldn't push for stronger regulation to  
13 enforce a requirement that owners provide bed bug  
14 history and other important apartment information  
15 to renters. In fact now is the ideal time to  
16 strengthen enforcement so we don't end up back in a  
17 infestation situation. I don't want to forget the  
18 ones, the 500 plus that did exist last year and  
19 probably more because not everybody calls 311. And  
20 we've been working with one woman in particular.  
21 This woman is president of her building. The  
22 building has been battling bed bug infestations for  
23 three years with periodic ebbing of the problem.  
24 But the bed bugs have not truly gone away. And the  
25 latest search happened in April of this year. A 9<sup>th</sup>



1 floor unit was infested. This unit is rented by a  
2 senior who's in his 80s and his disabled daughter  
3 and they've gotten rid of most of their furniture.  
4 They're resorting to sleeping on the floor. We know  
5 these histories. And for over two months their  
6 unit's bedbug problem has remained unabated. But I  
7 will tell you... and she, and it's been confirmed  
8 that there are other tenants on other floors I hate  
9 to tell you that have now experienced the bed bugs.  
10 We, while as, in this case the owner did provide a  
11 notice that discloses, discloses her building's bed  
12 bug history in compliance with the law. So that's a  
13 good thing. But we worked in my, with my staff and  
14 that we've worked with several constituents who  
15 told us that they did not receive a bed bug  
16 notification upon signing their lease. And I can  
17 tell you two staff people in particular who did not  
18 in the last two months. Implementing a required  
19 checklist will demand accountability from owners  
20 and eliminate the inconsistency. I think using the  
21 checklist incoming renters will know what is  
22 required, what notices are required that they're  
23 entitled to so they can ask for any missing  
24 documents before signing the lease and with  
25

1 knowledge... a building's history renters can then  
2 request a landlords to offer a bedbug free  
3 apartment or one that is clear from the vicinity of  
4 a, in the past infested unit. Instead of starting a  
5 new lease only to discover that they have to battle  
6 bed bugs shortly after moving. So I'm confident  
7 that this intro 163 will increase bed bug control  
8 and accountability for infestation history. Overall  
9 owners and management have been compliant with  
10 providing lead paint and window guard notices to  
11 people who are signing leases as required by the  
12 law. But our experiences at the enforcement of the  
13 bedbug notification has been less consistent. And I  
14 can understand that because if you have a lease  
15 that says you might have bed bugs you tend to not  
16 take that apartment. However I believe that the  
17 owners now have a much better system of getting rid  
18 of the bed bugs. They're doing a much better job.  
19 And that apartment is very likely to be bed bug  
20 free but you should know that. With introduction of  
21 the housing checklist as part of the minimally  
22 required documentation to be included as a, in a  
23 lease writer the renters will receive an added  
24 layer of disclosure and protection against harmful  
25

1 conditions. So I want to thank you for this  
2 opportunity to testify and thank you for all the  
3 good work you do on housing issues. Thank you very  
4 much. Madam Chair.

5  
6 CHAIRPERSON MENDEZ: Thank you Madam  
7 Public Advocate. So my first question for you is  
8 you have a problem with bedbugs? That's...  
9 [crosstalk]

10 PUBLIC ADVOCATE BREWER: I know a little  
11 bit about bed bugs.

12 CHAIRPERSON MENDEZ: Yes. So I don't  
13 know if you were here. And one is I disclose that  
14 this was your bill, you carried this in the council  
15 and you gave me the honor of reintroducing this on  
16 your behalf here. I don't know if you were here  
17 when the administration was talking about the bill.  
18 Their issue with the bill is that if a landlord or  
19 owner is not providing these writers that they're  
20 not going to provide the attachment that says these  
21 are the required writers.

22 PUBLIC ADVOCATE BREWER: Right. I mean I  
23 don't, I mean I have signed leases. People in the  
24 audience and others know... played often. So the  
25 question would be would we be able to include it as

1 a, in the boiler plate. That would be the most  
2 preferable because people do read every last page  
3 of that boiler plate. So that would be my  
4 preference. Now if it's an additional writer and  
5 includes the fact that you need to get the window  
6 guards or maybe somebody mentioned something about  
7 asthma and so on... You know if it's mixed in... the,  
8 the bed bugs are obviously the most controversial.

9  
10 CHAIRPERSON MENDEZ: Mm-hmm.

11 PUBLIC ADVOCATE BREWER: Because if you  
12 don't have children you're not going to worry about  
13 window guards etcetera. So I think you know my goal  
14 is to try to get that in there. So I, I would  
15 suggest could it be part of the actual boiler  
16 plate. On the other hand I think if it includes  
17 less controversial issues as part of the..

18 CHAIRPERSON MENDEZ: Mm-hmm.

19 PUBLIC ADVOCATE BREWER: ...writers to be  
20 included I think the people are more likely to  
21 include it.

22 CHAIRPERSON MENDEZ: So that would, that  
23 would make sense because if they're not attaching  
24 any of the other writers, even if you mention it in  
25 the writer they're never going to see that these

1  
2 other writers should have come with it. So if it's  
3 actually in part of the lease then...

4 PUBLIC ADVOCATE BREWER: That would be  
5 my preference.

6 CHAIRPERSON MENDEZ: Then, then your,  
7 your tenants who are as anal as you are would read  
8 it and see now you represent all of Manhattan so...

9 PUBLIC ADVOCATE BREWER: Right, more  
10 bed...

11 CHAIRPERSON MENDEZ: ...everyone in  
12 Manhattan...

13 PUBLIC ADVOCATE BREWER: ...more bed bugs...

14 CHAIRPERSON MENDEZ: ...reading every part  
15 of the lease. Okay. We, we've been joined by  
16 Council Member Cabrera from the Bronx and I want to  
17 ask my colleagues... Yes, Council Member Cornegy.

18 COUNCIL MEMBER CORNEGY: I don't have a  
19 question, I have a statement to Madam Borough  
20 President. I just want to thank you for your  
21 leadership. Some of us who are new come in and we  
22 look like bright shiny pennies based on having to  
23 being able to expound on legislation that you've  
24 already introduced and I just, I just want to thank  
25 you for that.

2 CHAIRPERSON MENDEZ: Thank you very much  
3 Council Member. He rides his bicycle to Manhattan  
4 on the weekends. I'm very impressed.

5 PUBLIC ADVOCATE BREWER: Thank you very  
6 much.

7 CHAIRPERSON MENDEZ: Thank you Madam  
8 Borough President and thank you for your leadership  
9 during the last few years on bed bugs and of course  
10 all tenant issues. Thank you. Okay, we're going to  
11 be calling a couple of different panels. The, we'd  
12 like to call now Frank Ritchie from the Rent  
13 Stabilization Association and Ryan Baxter from  
14 REBNY. If you'd like to make your way to the table.  
15 Thank you. And the next panel to follow this panel  
16 will be a panel of four; Anita Wu from Legal  
17 Services New York City, Nahita Youden [sp?] from  
18 Stabilizing New York City, Camilla Signee [sp?]  
19 from NYLAG, and Katie or Kanie Goldstein from  
20 Tenants and Neighbors you will be our next panel  
21 up. Okay, and the last panel is testimony that's  
22 going to be provided on Intro 43; Bob Frederick and  
23 Maryann Rothman. And so if anyone else would like  
24 to give testimony you can go to the Sargent and  
25

1  
2 fill one of these out and we can add you to a panel  
3 or create another panel. Gentleman.

4 FRANK RITCHIE: Thank you. My name's  
5 Frank Ritchie. I'm the Director of Government  
6 Affairs to the Rent Stabilization Association. With  
7 me is Mitch Posilkin, our General Council at RSA  
8 and I'll let Ryan introduce himself when I turn the  
9 mic over to him. I think he has slightly different  
10 testimony. The rent stabilization association  
11 represents over 25 thousand owners who collectively  
12 have a million units of housing in their portfolio.  
13 Many of those buildings are buildings that have  
14 some rent regulated tenants, co-ops, condos, some  
15 are totally decontrolled. But it's a, it's a broad  
16 mix and I don't have the numbers on how it's broken  
17 out because it's a constantly changing dynamic in  
18 New York City. We're here today to testify in  
19 opposition to Intro 48 A and to Intro 35. And  
20 specifically it's not that we object to the concept  
21 of having tenants better informed. It's been our  
22 experience that when everyone's better informed of  
23 what their rights are and what's, what the  
24 expectations are on both sides of the equation it  
25 means less problems for everybody. Our specific

1  
2 problems with the tenants bill of rights are that  
3 it doesn't talk about enumerating any tenant  
4 responsibilities in the... there such as you have an  
5 obligation to pay your rent on time each month. But  
6 more importantly we just think it's  
7 counterproductive and that it's going to lead to  
8 more confusion on the part of tenants. And if you  
9 think about it and you go to sign a lease and I, I  
10 know the borough president was talking specifically  
11 about people in your office. You have a lease and  
12 typically that lease could be eight to ten pages  
13 long and as the borough president pointed out she  
14 thinks people read every single paragraph of that.  
15 I, I would disagree with that strongly because I  
16 don't think they do. But on top, and the reason  
17 that I don't think they do is because the state  
18 DHCR in its wisdom years ago said you know what  
19 people aren't reading these leases so we need to  
20 put a writer on there. So they came up with a six  
21 page writer to go on top of the ten pages you're  
22 already getting that is supposedly in plain English  
23 listing all the tenant rights. Now if you have  
24 another writer on top of that I think having two  
25 writers and a lease will be nothing but confusing



1  
2 for tenants. So the concept that, that Commissioner  
3 Mustaciuolo mentioned before about having something  
4 simple and boiler plate maybe on their website,  
5 maybe a posting, seems to make a lot more sense to  
6 us than having just another confusing writer on, on  
7 the back of a, a, a lease. And the same thing goes  
8 for Intro 35 which would, requiring the owner to  
9 post a sign in the building informing tenants  
10 whether they are subject to rent control or rent  
11 stabilization. Right now in many buildings there is  
12 physically not enough room to post every sign that  
13 you're legally supposed to post. There's at least  
14 12 signs that legally you have to post. A lot of  
15 them are taken down by tenants or vandalized by  
16 visitors to the building. It's a constant job to  
17 try and keep them up. You could have as many as 18  
18 postings there. But the reality is people rarely if  
19 ever read them. They, they, they get used to them,  
20 they walk by them, they don't see them. So we just  
21 don't see the usefulness of that. Having a, we have  
22 no objection to a system where if HCR wanted to  
23 share the information as to what buildings have  
24 rent regulated units in it with HPD and that people  
25 could access that that's fine... we don't have an, we

1 think that's a much smarter way to go. So with that  
2 I'll turn the mic over to Ryan.

3  
4 RYAN BAXTER: Good afternoon Council  
5 Members. My name is Ryan Baxter. I'm a senior  
6 policy analyst for the Real Estate Board of New  
7 York. I will be reading our testimony in support of  
8 today's agenda items. The Real Estate Board of New  
9 York representing over 15 thousand owners,  
10 developers, managers, and brokers of real property  
11 in New York City thanks you for the opportunity to  
12 testify regarding the proposed changes to the  
13 administrative code and rent regulation  
14 resolutions. We also appreciate that the New York  
15 City Council has been proactive in seeking our  
16 comments and in collaborating with boding owners.  
17 We have been actively engaged in discussions with  
18 our membership to help ensure the proposed  
19 regulations of efficiently and effectively meet the  
20 goals these bills try to accomplish. While we  
21 support the intent of the proposals we have a few  
22 concerns. In regards to Intro number 33. We greatly  
23 appreciate the city council's push to simplify the  
24 energy efficiency regulations facing residential  
25 buildings by consolidating energy efficiency

1 reporting. In regards to Intro number 35. We  
2 understand the public benefit of disclosing the  
3 location and identification of rent regulated  
4 units. However, we believe that the city and the  
5 state have the capabilities of providing a public  
6 registry of these units which may provide more  
7 utility to those seeking this information on this  
8 proposal. Given the large number of postings  
9 already required we do not support additional  
10 signage that does not pertain to life safety as  
11 they will only reduce the attention given to  
12 existing signs. In regards to Intro number 48. We  
13 believe HPD is best suited to create a universal  
14 tenant bill of rights. Such an alternative would  
15 avoid unnecessary legal and administrative costs  
16 associated with landlords and agents endeavoring to  
17 create their own while complying with the proposed  
18 law. Currently all residential buildings are  
19 already required to post a multitude of notices  
20 including fire safety plans, fire alarm  
21 transmission methods, water inspection notices,  
22 notice, notice of smoking, carbon monoxide  
23 detective installation, emergency contact  
24 information among others. Any additional signage is  
25

1 not likely to bring additional attention to new  
2 issues but rather would further crowd any existing  
3 signs. In regards to Intro number 163. Currently  
4 all listed items proposed to be included in lease  
5 writers must already be distributed to new tenants.  
6 Failure to distribute and maintain requisite  
7 records have individual penalties and prescribed  
8 remedies. We believe allowing HPD to determine new  
9 content for these lease writers without legislative  
10 action may lead to leases being invalidated as  
11 property managers and tenants may not stay up to  
12 date with required documentation. An invalid lease  
13 would reduce the protections the leases are  
14 intended to provide to both tenants and landlords.  
15 Finally in regards to resolution 191 we support  
16 this resolution. However we would want the state  
17 and the city to exempt apartments deregulated in  
18 accordance with state regulations for receiving J-  
19 51 benefits prior to the Roberts V. Tishman [sp?]  
20 inspired decision. With modifications to address  
21 the aforementioned concerns REBNY supports all of  
22 the items included on today's agenda. Thank you for  
23 the opportunity to comment. We look forward to  
24 continuing our conversation with the city council  
25

1  
2 to continue improving housing throughout the city  
3 for all New Yorkers. Thank you.

4 CHAIRPERSON MENDEZ: Just checking to  
5 see if anybody has any questions. I think your  
6 testimony is clear. Just give me one second I was  
7 just taking some notes to see if I have any  
8 questions. For anyone on the panel can you  
9 currently tell me the writers and how many pages  
10 are each of those writers?

11 FRANK RITCHIE: I can't... are you  
12 referring to...

13 CHAIRPERSON MENDEZ: How many pages are  
14 in each writer?

15 FRANK RITCHIE: Well the, the writer  
16 right now that DHCR mandates that every owner puts  
17 on is six pages. We have extras here for you if  
18 you'd like them.

19 CHAIRPERSON MENDEZ: We'll take one for  
20 the record.

21 FRANK RITCHIE: Then I'm not... There,  
22 there's the window guard lease writer, there's the  
23 bed bug lease writer, there is...

24 CHAIRPERSON MENDEZ: And that is  
25 typically how many pages?

1  
2 FRANK RITCHIE: I believe it's, I, I  
3 believe that... Well the bed bug writer is one page I  
4 know that. The lead paint is actually on a new  
5 lease. You actually have to give a EPA approved  
6 lead pamphlet along with the, the writer for, for  
7 lead based paint. Then the window guard writer I  
8 believe is only one page. But those are actually  
9 prescribed by city law. So there's no flexibility  
10 in terms of, of an owner being able to, to modify  
11 that to make it more readable or to even change the  
12 size. In fact over time we've wanted to just change  
13 the size of the margins to make it more readable  
14 and that's been a three month fight with DOH team,  
15 to change the margins which they won't let you do.  
16 And there's J-51, 421A writer...

17 CHAIRPERSON MENDEZ: And the typical  
18 leases are how many pages?

19 FRANK RITCHIE: They could be anywhere  
20 from 10 to 14 pages depending on which, there,  
21 there's different leases that people use..

22 CHAIRPERSON MENDEZ: Mm-hmm.

23 FRANK RITCHIE: RSA produces our lease,  
24 our own lease for owners to use... [crosstalk]

2 CHAIRPERSON MENDEZ: And that's a eight  
3 and a half by 14 or is that eight and a half by...

4 FRANK RITCHIE: eight and a half by 14.

5 MITCHELL: Probably 11.

6 CHAIRPERSON MENDEZ: eight and a half by  
7 11.

8 MITCHELL: But there's our lease.  
9 There's the real estate... I'm sorry, there's at a  
10 minimum RSA produces a lease, the real estate board  
11 produces a lease, Blumberg [sp?] form produces...

12 CHAIRPERSON MENDEZ: Excuse can you  
13 identify yourself...

14 MITCHELL: I'm sorry.

15 CHAIRPERSON MENDEZ: ...for the record?

16 MITCHELL: Mitchell, Mitchell Posilkin  
17 from RSA. So as I indicated RSA, the Real Estate  
18 Board, Blumberg forms... So at a minimum those are  
19 probably the three major leases, lease forms that  
20 are used in the city in addition you know there is  
21 no prescribed lease. So you, you can be rest, you  
22 can rest assure that there are countless owners and  
23 property managers throughout the city that have  
24 developed their own leases over time which are then  
25 used in conjunction with a six page stabilization

1 lease writer. And in addition to that as Mr.  
2 Ritchie indicated... the other required writers  
3 relating to lead paint and J-51 and 421 A and  
4 window guards and bed bugs and everything else. The  
5 other thing you should just be aware of if I may is  
6 that at least on the back of the RSA lease, and I  
7 don't know if this is true for the, for the other  
8 standard leases... for the back of our, the lease  
9 writer there is an exhaustive list of agencies and  
10 contact information including DHCR, the attorney  
11 general, consumer frauds at the AG, real estate  
12 financing bureau at the AG, HPD, not only code  
13 enforcement but also the central complaint bureau,  
14 the Department of Finance including the SCRIE and  
15 DRIE exemption programs, the mayor's office for  
16 People with Disabilities as well as the New York  
17 City Rent Guidelines Board. So all of these sources  
18 of information are already set forth on at least  
19 the RSA writer. And I am assuming that the other,  
20 the other mass writers include that information as  
21 well.  
22

23 CHAIRPERSON MENDEZ: Okay for, for  
24 purposes of documenting this for the record it is  
25 the appendix which is page six of the RSA lease.



2 MITCHELL: Lease writer.

3 CHAIRPERSON MENDEZ: Lease writer. Excuse  
4 me. Okay. So here's just an informational question.  
5 Do you know what leases they're using in Gale  
6 Brewer's district that everybody reads each  
7 section? You don't know? Okay.. [crosstalk]

8 FRANK RITCHIE: I, I have no idea but I,  
9 I assume she has a very highly educated population..  
10 [crosstalk] that's why they're reading.. [crosstalk]

11 CHAIRPERSON MENDEZ: They have to go..

12 FRANK RITCHIE: ...every paragraph.

13 CHAIRPERSON MENDEZ: ...and take a test  
14 before they can move into a district.

15 [laughter]

16 CHAIRPERSON MENDEZ: So, okay well I  
17 would like to thank you all unless you have  
18 something else to, to say. I'd like to thank this  
19 panel for their testimony. Okay, so again the next  
20 panel again up is Anita Wu, Nahita Yuden, Camilla  
21 Signee, and Cane Goldstein. And while we're waiting  
22 for all of them to make their way up to the front  
23 I'd like to take this moment to thank the interns  
24 from the New York State Tenant Protection Unit and  
25 their coordinator Jeanie Boyle. Whenever you're

1  
2 ready whoever wants to start can grab the  
3 microphone. Camilla you're like used to this from  
4 both sides of the table. In the interest of  
5 disclosure she used to be the council for this  
6 committee once upon a time.

7 CAMILLA: That's right. And I will also  
8 try to be very brief. I will try. So thank you  
9 Councilwoman Mendez and the committee for allowing  
10 us to testify today. I wanted to say very quickly  
11 that both Borough President Brewer and Councilwoman  
12 Mendez are my sheros [phonetic]. And since I don't  
13 work for you anymore I can say what I want. So  
14 just, I work for NYLAG, I do housing law. We're a  
15 free legal services provider. The details of that  
16 information is in my written testimony. I just  
17 wanted to say that as a free legal services  
18 provider we see the impact of, you know the lack of  
19 understanding of housing law on New York City  
20 tenants on a daily basis. I think as this body's  
21 well aware the majority of landlords have access to  
22 legal representation whereas the majority of  
23 tenants don't. More of the majority of landlords  
24 who are in the business of renting apartments often  
25 know the law. They know what they have to provide

1 in these leases, you know they're clearly familiar  
2 with it whereas tenants usually are not. [coughs]  
3 Excuse me. So you know as such generally we  
4 absolutely believe that the more information we can  
5 disseminate about tenants right the better for  
6 everybody. Thank you. Sorry shaking... I'll be okay.  
7 [coughs] And I, I think providing information will  
8 help...  
9

10 CHAIRPERSON MENDEZ: Do, do you want to  
11 take a moment and we can move on to someone else  
12 while you...

13 CAMILLA: I'll try to be quick.

14 CHAIRPERSON MENDEZ: Okay.

15 CAMILLA: I think, so I think any  
16 information will help to, you know hopefully  
17 preserve our dwindling housing stock. And I think  
18 it's very important to, to educate tenants. And I,  
19 I think it's a great idea. So I, I will focus, my  
20 testimony focuses primarily on Intro 48-A and the  
21 resolutions. I just want to quickly say that I've  
22 never been part of any meetings that discussed 48-A  
23 before it was introduced so I apologize if these  
24 things have already been discussed or, or otherwise  
25 considered. But I, I think it would be very

1  
2 important to have this information available to  
3 tenants either in the lease or posted. And I, I  
4 think it should include more information. I think  
5 it should reference the anti-tenant harassment law.  
6 I think it should be very clear that tenants,  
7 landlords are not supposed to retaliate against  
8 tenants for asserting their rights. And just to  
9 correct something that RSA said I believe that  
10 tenants have to pay their rent but they don't,  
11 actually don't have the obligation to pay their  
12 rent if there are outstanding repairs, at least not  
13 in every case. And so there are, you know, there's  
14 actually a lot of threats made on tenant about  
15 their rent about possibly being evicted. And  
16 tenants are usually very afraid of asserting their  
17 rights and they, they also, nobody wants to live in  
18 a situation where they, there's constant trouble  
19 and strife and... So you know people don't know how  
20 to insert what, what they're entitled to. Very  
21 quickly Councilwoman you mentioned the importance  
22 of language access. I think any notice that's  
23 particularly posted should be required to be in at  
24 least Spanish and ideally in additional languages  
25 depending on the district, depending on the

1 building. It's not effective if people can't  
2 understand them. I think they should be big enough.  
3 Potentially it should be included in the law that  
4 they be at least 12 point font in the same way, or  
5 bigger in the same way as the J-51 writers are  
6 required to be. Ideally there would also definitely  
7 be reference as to SCRIE and DRIE, and if not there  
8 then readily available in every website. Recently  
9 there've been other council hearings where folks  
10 have mentioned the need for further information  
11 about these programs and, and further outreach. I  
12 also believe that the penalties were not complying  
13 or fairly low and possibly ineffective. And I think  
14 it, I do think it's important to note that there's  
15 a big difference between big landlords who have big  
16 rent stabilized buildings or more than six units  
17 and landlords who have three to five units or, or  
18 thereabouts. I think you, depending on if it's a  
19 landlord with a lot of small buildings or just you  
20 know what we call a mom and pop type landlord. I  
21 think there's a very big difference between what  
22 these landlords are able to do and, and also how  
23 they treat their tenants. So I think that should be  
24 considered ideally. We... so the only thing I want to  
25

1  
2 add is... I, I think it, I do also... but... resolution,  
3 I think it is really important to have as much  
4 information available as possible. I think it would  
5 be great to have information available as to any  
6 bad actors, as to illegally deregulated apartments  
7 as well as one place where everybody can go and  
8 figure out which building is stabilized or was  
9 recently stabilized instead of having to look at  
10 various places and then trying to figure out... We  
11 actually come across a lot of cases where  
12 apartments are, are allegedly not stabilized and  
13 we're able to in court prove that they should have  
14 been stabilized. This happened not so much when  
15 buildings were constructed prior to 74 but when  
16 landlords get benefits under 421-A or J-51. And I  
17 just wanted to point that out very quickly. Thank  
18 you very much. Thanks for the opportunity to  
19 testify.

20 NAHITA: Good afternoon. My name's  
21 Nahita Yuden and I'm a community organizer at CHIA  
22 CDC, a member of the new citywide coalition  
23 Stabilizing NYC that has come together to fight the  
24 depletion of affordable housing in New York City at  
25 the hands of predatory equity landlords. Thank you

1 for the opportunity test, to testify this  
2 afternoon. Stabilizing NYC is made up of 12  
3 community organizations, a legal services provider,  
4 and a housing advocacy organization. And the reason  
5 we've come together... over the past seven years New  
6 York City's affordable housing market has been  
7 severely destabilized by private, predatory equity  
8 companies that purchase large numbers of rent  
9 stabilized buildings at inflated prices and then  
10 push out the rent stabilized tenants so that they  
11 can charge market rates using a wide range of  
12 harassing techniques from frivolous lawsuits to  
13 failing to provide heat or conduct necessary  
14 repairs. As a result the city has lost thousands of  
15 units of affordable housing over the last few years  
16 at the hands of mega corporations. I'm just going  
17 to go quickly through this but there's more in the  
18 written testimony. In response to these, to these  
19 examples organizers and lawyers have begun working  
20 with tenants in all five boroughs fighting back  
21 against these landlords' aggressive and illegal  
22 tactics. CHIA has organized three rent stabilized  
23 buildings and worked with more than 160 tenants to  
24 help hundreds of residents maintain affordable  
25

1 housing in Queens. You know the strategies that we  
2 use include organizing tenants in predatory equity  
3 buildings and educating them about their rights  
4 bringing lawsuits against like negligent and  
5 abusive landlords to compel them to make repairs,  
6 restore essential services and cease harassment and  
7 intervening in foreclosure proceedings to urge the  
8 court to solve foreclosed buildings to responsible  
9 owners who respect tenants' rights. We've had some  
10 success with these methods but for every tenant  
11 that we are able to help dozens more are losing  
12 their affordable housing at the hands of predatory  
13 equity. And the result is that thousands of rent  
14 regulated tenants are forced out of their homes  
15 each year. The bills which are being discussed here  
16 today will significantly protect countless tenants  
17 from the various forms of harassment used by these  
18 predatory equity companies. By ensuring that  
19 tenants have access to information about their  
20 rights the city council will provide tenants with  
21 the ability to challenge the dubious claims and  
22 tactics used by predatory equity management  
23 companies in order to push them out. By challenging  
24 these claims and advocating for their rights to  
25



1 live in these units tenants in various  
2 neighborhoods of New York City will lend tremendous  
3 support to the broader struggle to preserve  
4 affordable housing with the assistance of city  
5 council. Whether it is providing for a list of  
6 tenant rights in the buildings that they live,  
7 providing guidance about the information that is  
8 required upon the signing of a lease, providing  
9 notice of the dates, times, and locations of all  
10 public meetings of the rent guidelines board, or  
11 demanding that the New York state homes and  
12 community renewal provide information about the  
13 return of illegal, illegally deregulated rental  
14 units to the rent regulatory system such  
15 information is crucial to the low income and  
16 immigrant communities that the community  
17 organizations of Stabilizing NYC serve in various  
18 neighborhoods across the city. In fact it is due to  
19 the barrios and lack of access to such information  
20 that tenants find themselves vulnerable to  
21 harassment and at risk of losing their housing. The  
22 passage of these bills will significantly help  
23 tenants defend themselves from dangerous predatory  
24 equity landlords and will help tenant organizers,  
25

1  
2 advocates, and lawyers challenge the legitimacy of  
3 the claims made and tactics used by the private  
4 investment corporations that are currently robbing  
5 our city of its precious affordable housing. We  
6 need to ensure that these predatory equity  
7 corporations do not continue to deplete the  
8 affordable housing stock in our city and impair the  
9 long term affordability of the city for those  
10 residents who help build and sustain it. Once again  
11 thank you for the opportunity to testify.

12 KATIE: Hi, good afternoon. Thank you  
13 very much for holding this hearing today. My name  
14 is Katie Goldstein. I apologize for my bad  
15 handwriting but I'm the Executive Director of  
16 Tenants and Neighbors. And Tenants and Neighbors is  
17 a citywide tenants rights organization. Our goal is  
18 to strengthen tenants' rights and preserve  
19 affordable housing. And we organize citywide in  
20 regulated and subsidized housing. We have a  
21 membership of over 3,000 tenant members, the  
22 majority of which are rent regulated tenants. And  
23 you know from our experience the story in many  
24 buildings that we organized no matter what  
25 neighborhood or type of housing really is that the

1 story is the same. Low and moderate income tenants  
2 are feeling the pressure of displacement. And our,  
3 and rents are going up. And so neighborhoods are  
4 really rapidly changing because of the lack of  
5 tenant education. So, and one of the major reason  
6 of the violation of tenants' rights and that can  
7 lead to the loss of affordable housing is the lack  
8 of tenant education. New York City's tenants  
9 struggle to find accurate and appropriate  
10 information for their particular housing situation.  
11 And this is particularly true we've seen for the  
12 city's rent regulated tenants. Many tenants come to  
13 our office with questions such as what does it mean  
14 to be a rent regulated tenant, should I sign this  
15 lease, is the information on this lease accurate,  
16 my rent was raised this amount is this actually  
17 legal. And so we commend the New York City council  
18 for proposing these resolutions and introductions  
19 that will help provide this much needed information  
20 to New York City's tenants. And we're really  
21 looking forward to working with you all closely to  
22 make sure that tenants are educated and informed  
23 and then can take action on their rights. Thank you  
24 very much for the opportunity to testify today.  
25

2 ANITA: My name is Anita Wu. I am a  
3 housing advocate from Legal Services New York City.  
4 I'm also a member of UAW local 23-20 which also  
5 endorses intros 35 and 48 A. Legal services NYC  
6 welcomes the opportunity to give testimony today.  
7 We commend the city council for its continuing  
8 support of tenants facing displacement and  
9 harassment. Legal services NYC is one of the  
10 largest law firms for low income people in New York  
11 City. The proposed intros 35 and 48-A will provide  
12 valuable information to the thousands of tenants  
13 who are unaware of their legal rights. Our offices  
14 regularly receive calls from tenants who believe  
15 that they must move simply because they've receive  
16 a letter or an oral request from their landlord.  
17 Although tenants who lack access to legal counsel  
18 or informed community organizers will always be at  
19 a severe disadvantage with respect to the  
20 landlords. Voters requirements of this kind set  
21 forth in the proposed bills provide helpful  
22 information to tenants about their basic rights.  
23 Intro 48-A informs tenants of three of the most  
24 important and universal rights under the law; the  
25 right to judicial process before eviction,

1  
2 directive services and repairs under the warranty  
3 of habitability, and the right to organize. Intro  
4 35 informs tenants of the possibility that their  
5 apartment may be regulated under the rent  
6 stabilization or rent control laws. In addition  
7 Intro 48-A helpfully directs HPD to maintain a list  
8 of free legal services providers. Legal Services  
9 NYC offers the following suggestions to improve the  
10 effectiveness of this legislation. To require  
11 posting of the notices in multiple languages in  
12 harmony with the purposes of, of underlying  
13 executive order number 120. The online list of  
14 legal services providers should also be  
15 multilingual. As a Chinese speaking advocate  
16 working closely with the Chinatown population our  
17 Chinatown tenants would not be able to read the  
18 postings if they are only written in English. To  
19 review the proposed notice language to ensure that  
20 it's phrased in the plainest and most easily  
21 understandable terms to, to combine... notices  
22 covered by two proposed bills and to state more  
23 clearly that the landlord is required to keep the  
24 tenants' apartments in good repair and that tenants  
25 can obtain repairs by calling 311 or by going to

1 housing court. We thank the city council for  
2 address, for addressing this important issue and we  
3 look forward to working with the committee in  
4 providing effective protections to vulnerable low  
5 income tenants. Thank you.

7 CHAIRPERSON MENDEZ: Thank you. So... I've  
8 always informed everyone that I was a former  
9 organizer and a former legal services attorney and  
10 I always found that a lot of my clients or when I  
11 would go to a building that many of the residents  
12 were unaware of their rights and or unaware if  
13 their apartment was rent regulated. Is this  
14 something that you're still encountering, whoever  
15 wants to answer.

16 KATIE: Yes, I would say that's  
17 definitely true and I would say what makes it... this  
18 problem has been exacerbated with so many folks  
19 moving to the city that aren't actually from New  
20 York City and so maybe do not know the city's rent  
21 regulation system. So we find that many new  
22 residents to the city are moving into rent  
23 regulated buildings in which they don't know if  
24 it's a rent regulated apartment and they actually  
25 have on their lease that it says this is not a rent

1  
2 stabilized apartment. So this is something that is  
3 definitely what we're seeing in buildings  
4 throughout the city.

5 CHAIRPERSON MENDEZ: Anyone else?

6 CAMILLA: Yeah we... We absolutely see it.  
7 We see it I think in the scenario that you describe  
8 where people move into a building that may have  
9 been regulated previously and they don't know if it  
10 should be still be regulated. But we also just see  
11 tenants in regulated apartments who you know don't  
12 understand what that means or, or that they're  
13 regulated and you know we usually have to ask  
14 question, like you know is it stabilized, you know  
15 do you get to renew every year, that, that kind of  
16 stuff in order to figure out what rights folks  
17 might have. So people don't, they don't understand  
18 and they need to be better informed for sure.

19 CHAIRPERSON MENDEZ: And they don't  
20 understand because our rent regulation system is  
21 different and intricate or could it, is it a  
22 language problem... What, what do you think are the  
23 reasons or all of the above?

24 CAMILLA: All of the above.  
25

2 CHAIRPERSON MENDEZ: Thank you. Let me,  
3 let me ask the attorneys here or well anyone who's  
4 been working with tenants. Have you called DHCR to  
5 find out... excuse me now it's called HCR? Whatever  
6 it is. Same name, different game, different game,  
7 same name... I don't know... Enough said right, on  
8 that... Have you ever called and have you been able  
9 to get information about whether an apartment is  
10 rent stabilized or rent regulated and how easy is  
11 it to do it now days.

12 CAMILLA: Well if an apartment is  
13 properly registered it's fairly easy. We usually  
14 send our tenants to go and get a rent history as an  
15 initial step. That's very easy. You go there, you  
16 know you show your address and they'll print it  
17 right then, there, and there on the spot. It's also  
18 fairly easy to foil those records, I, I think you  
19 tenant's permission. And I think you can do it by  
20 email to and, and so in that respect HCR, DHCR is  
21 very responsive. I think it's much more difficult  
22 to try to figure out if, either if something has  
23 been in properly deregulated or if, if, if it  
24 should have been stabilized in the first place, if  
25 you know if somebody doesn't have a stabilized



1  
2 lease then we have to do more investigation. And  
3 that can be anything from checking tax records to  
4 checking you know DHCR records to see, seeing if  
5 you know if, if a rent has also been increased a  
6 lot. Now there's a lot of law regarding how far  
7 back it can go and, and, I think usually if you  
8 have an overcharge it's only four years in  
9 stabilized apartments, less if it's a rent  
10 controlled apartment unless you can show some sort  
11 of fraud and then we would have to investigate  
12 that. So there, it's fairly labor intensive to try  
13 to figure out if an apartment that is alleged not  
14 to be stabilized should be stabilized but, but we  
15 do that work.

16 CHAIRPERSON MENDEZ: Okay. Do you think,  
17 and this is for anyone on the panel... do you think  
18 that HCR should make public the, the addresses of  
19 rent regulated units and, and what may be the pros  
20 and cons to doing that?

21 CAMILLA: I don't want to take the... I'm  
22 happy to start...

23 CHAIRPERSON MENDEZ: Mm-hmm.

24 CAMILLA: I, you know, I think you know...  
25 addresses I feel might be a little bit trickier

1 because it feels like you're disclosing something  
2 personal for, from a tenant who lives there. I  
3 certainly think it's very, maybe very important to  
4 maybe have buildings at, like the building  
5 addresses, maybe not individual addresses,  
6 something to that effect showing. You know I,  
7 ideally we would have a master list in the city and  
8 we would all know which apartments are regulated or  
9 which apartments you know should be regulated. That  
10 would be great. I think it's also very important  
11 if, you know if something is illegal I think it's  
12 important to disclose that as well I think. Bad  
13 acts should be made public and so that they don't  
14 go unnoticed but the details of that I think would  
15 probably have to be explored.

17 CHAIRPERSON MENDEZ: And how do you feel  
18 about HPD's proposals to get the list of the  
19 buildings and put it on their website?

20 CAMILLA: Yeah if it works for them I  
21 think it's great. I, I think streamlining, making  
22 it easy for landlord, for tenants you know... what,  
23 whatever makes sense with respect to making it easy  
24 for everybody I think is great.

2 KATIE: Right and any kind of  
3 streamlining that can happen between the two  
4 agencies we would very much support.

5 CHAIRPERSON MENDEZ: Thank you. If any  
6 of you can tell me what is the current levels of  
7 participation of rent regulated tenants at the Rent  
8 Guidelines Board and do you think if, do you think  
9 it's a low turnout, do you think posting this and  
10 requiring these postings would change that?

11 KATIE: I think, I think it would  
12 significantly. I mean I think that, at the, at the  
13 moment there's been good turnout in the past few  
14 hearings that have happened but there are, I mean  
15 2.5 million rent stabilized tenants in the city.  
16 And so at the hearings there, the Bronx one had 350  
17 tenants which is very, really amazing. And then at  
18 the Manhattan one I think it was pretty packed with  
19 about I think 250 tenants that were there. But in  
20 terms of having tenants know that this is the board  
21 that determines what, how the rents are, how the  
22 rents are increased will be very important.

23 CHAIRPERSON MENDEZ: And so, so you  
24 believe providing this notice and providing it by  
25 mail would, would increase participation?

2 CAMILLA: Yes.

3 NAHITA: Yeah, to add to that we've been  
4 doing a lot of outreach for these hearings. And  
5 just generally across the board people are just  
6 been sharing that they have not, they have no idea  
7 about this. And that they, they would have  
8 appreciated to have heard about it from, you know  
9 to have known about it. Because we are literally  
10 just knocking on their doors and letting them know...  
11 Some of them even know about the landlord push back  
12 but they don't know about the hearings and so...

13 CHAIRPERSON MENDEZ: Okay unless my  
14 colleagues have any questions... Okay, I'd like to  
15 thank this panel for their testimony.

16 UNKNOWN: Thank you very much.

17 CHAIRPERSON MENDEZ: The last panel  
18 because no one else has signed up is Maryanne  
19 Rothman from the Council of New York Cooperatives  
20 and Condominiums, and Bob Fredrick from Glen Oaks  
21 Village Co-Op. You, you can take it afterward and  
22 make copies for us after if that's their only  
23 copies. Okay, okay, okay. Okay whoever's ready you  
24 can get started and please remember to identify  
25 yourself for the record. Yes.

2 MARYANNE: I think it's on.

3 CHAIRPERSON MENDEZ: Yes it is.

4 MARYANNE: My name's Maryanne Rothman  
5 and I thank you for this opportunity to testify. I  
6 represent the council of New York Cooperatives and  
7 Condominiums which is a membership organization  
8 protecting the interests of co-ops and condos and  
9 I'm going to limit my remarks here today to just  
10 ways in which I think co-ops and condos are  
11 affecting by the four intros in question. We seek  
12 consistently to have the home ownership status of  
13 our members recognized in legislation, in  
14 regulations, and in practices. And for that reason  
15 we respectfully request minor modifications in the  
16 four pieces of legislation under consideration.  
17 Intro 33 allows cooperatives that consist of  
18 multiple buildings with different tax block numbers  
19 to consolidate the energy audit report required by  
20 Local Law 87 of 2009. This is a terrific initiative  
21 and if I may be so bold as to try to answer one of  
22 the questions that you put earlier Council Member  
23 Mendez. If a building, if a co-op now has three  
24 different block, property tax block numbers and Bob  
25 is going to tell you about hundreds probably of

1  
2 block number... they may have to in one year do an  
3 extensive energy audit on building one, and begin  
4 implementing the recommendations. The very next  
5 year they may have to spend the same five to 30  
6 thousand dollars on the energy audit for the next  
7 one and implement the changes etcetera. By  
8 consolidating them they're going to have fantastic  
9 economies of scale. And it, which will give them  
10 the money to implement more of the measure, the  
11 energy saving measures. So it's a win win  
12 situation. My critique on this piece of legislation  
13 is that it seems to, and I think that others have  
14 mentioned it too, it's not only cooperatives that  
15 have multiple buildings with multiple property tax  
16 blocks. Condominiums need to be, simply need to be  
17 added and we're enthusiastic in our support of that  
18 piece of legislation. The other three pieces of  
19 legislation each call for additional notices and  
20 postings. As has been mentioned by others here  
21 today the volume of notices already required in New  
22 York City buildings makes us question the  
23 effectiveness of adding still more. I was only half  
24 joking when I suggested that maybe we need  
25 wallpaper with all of the notices and just filling..

1  
2 the license number. However if these bills are  
3 passed we also have modifications to request for  
4 co-ops and condos. Intro 35 requires the posting of  
5 a sign in the building announcing the dwelling  
6 units are subject to rent regulation. Lots and lots  
7 of co-ops do indeed have rent regulated units  
8 because people didn't opt to buy at the time of  
9 conversion. But it's a solid static situation.  
10 Those people get to live on for the rest of their  
11 lives in those units. Sometimes their children  
12 inherit that right. But after that it's over so I  
13 don't think there's any necessary... I can see no  
14 reason for a sign in co-ops and condos that would  
15 have to tell of, of rent regulated units. Intro 163  
16 has been talked about at length about lease  
17 writers. Notice that in cooperatives we have what's  
18 called a proprietary lease. I don't think that we  
19 were, that co-ops were targeted by Intro 163 but I  
20 would like to see specific language clarifying and  
21 exempting that the proprietary leases for co-ops  
22 don't need such writers. And finally Intro number  
23 48 also needs wording to specifically exempt  
24 cooperative shareholders and condominium unit  
25 owners from its provisions. And we would

1  
2 respectfully request that if the legislation is  
3 passed and in, we would, I believe that our members  
4 would prefer, or at least would prefer to have the  
5 option of distributing the tenant bill of rights to  
6 the rent regulated units rather than being obliged  
7 to post it. And that concludes my remarks and you  
8 have my thanks.

9 BOB: Thank you very much for having  
10 this hearing. My name is Bob Fredrick. I'm the  
11 president of Glen Oaks Village. We are a  
12 residential housing co-op in Eastern Queens. I'm  
13 also the founder of the president's co-op and condo  
14 council, a think tank of nearly 100 co-op board  
15 presidents throughout the city representing more  
16 than 100 thousand people. Glen Oaks Village, it's a  
17 larger horizontal apartment co-op in New York.  
18 Horizontal, when I say horizontal co-op I'm talking  
19 about a garden apartment. We have 134 two story  
20 buildings and 3,000 families. Our co-op is located  
21 in New York's best performing school district where  
22 apartments can be rented or purchased for under  
23 2,000 dollars, 200 thousand dollars. It is the  
24 essence of affordable housing in New York City.  
25 Affordable monthly maintenance is the greatest gift



1 we can give our families and seniors allowing them  
2 the dignity to live comfortably and affordably in a  
3 wonderful community. But this affordability is  
4 under attack by the city council's unfunded  
5 mandates that create serious challenges to our  
6 budgets. Local Law 87 which passed a few years ago  
7 is one such mandate. It requires co-ops like ours...  
8 and by the way there are many other horizontal co-  
9 ops in New York other than Glen Oaks, many hundreds  
10 hundreds of them. It requires co-ops like ours to  
11 conduct expensive energy audits even though most of  
12 the energy that is consumed in our co-op is  
13 consumed by individual families and beyond the  
14 control of the co-op itself. Local Law 87 has  
15 created a cottage industry of expensive energy  
16 audit companies that provide marginally, marginally  
17 useful information for co-ops at a tremendous cost.  
18 Elected co-op boards are in the best position to  
19 maximize the use of their limited funds. An  
20 unfunded mandate such as this seriously impairs  
21 their ability to do what is best for their  
22 community and their residents. Under the law we are  
23 required to prepare an energy audit for each  
24 property tax block. The due date of the audit is  
25

1 based on the last digit of the property block  
2 number. If the property block number ends in six  
3 the energy audit is due in 2016. If the property  
4 block number ends in nine the energy audit is due  
5 in 2019. In the case of a multi-million dollar  
6 Manhattan High-rise that sits on a single block and  
7 lot the building conducts a single energy audit in  
8 one year and will pay significantly less for its  
9 mandated energy audit than a horizontal co-op like  
10 Glen Oaks that sits on 20 separate block and lots  
11 and is required to conduct multiple energy audits  
12 over a period of many years. The inefficiencies are  
13 enormous and the cost burdens are substantial. In  
14 order to fix this inequity and reduce energy audit  
15 costs we need the ability to combine our multiple  
16 tax blocks into a single energy audit in order to  
17 take a, advantage of the efficiencies of such an  
18 audit. In fact the cost for us to do all blocks at  
19 one time will be approximately 75 thousand to 100  
20 thousand dollars. To do them separately over a 10  
21 year period would cost us a quarter of a million  
22 dollars. My community cannot afford the increased  
23 maintenance that will result from a decade of  
24 energy audits. Intro 33 that I asked Councilman  
25

1 Weprin to introduce would simply allow horizontal  
2 co-ops that sit on multiple tax blocks to  
3 consolidate all of their mandatory energy audits  
4 into a single audit. Passage of this bill will  
5 prevent burdensome costs from being placed on co-  
6 ops. I urge the council to pass this bill  
7 expeditiously. And I also ask the council to  
8 consider exempting residential housing co-ops from  
9 the mandates of Local Law 87 entirely. Yes,  
10 continue to enforce Local Law 87 on commercial and  
11 rental properties and then use that data to  
12 determine if it makes sense to extend compliance to  
13 residential co-ops at a later date. This will give  
14 us the time to plan and prepare for the other costs  
15 that are mandated in Local Law 87. Thank you so  
16 much.

18 CHAIRPERSON MENDEZ: Thank you. We've  
19 been joined by Council Member Helen, Helen  
20 Rosenthal from Manhattan. And we've been joined by  
21 the chair of the committee, Jumaane Williams. Chair  
22 do you want to take your seat at the table here?  
23 Okay. I think he has a budget negotiation brain  
24 mush probably.

25 [laughter]

2 CHAIRPERSON MENDEZ: Mr. Fredrick can  
3 you tell me this unfunded mandate particularly in  
4 Glen Oaks how much has it cost you since the  
5 implementation of this legislation?

6 BOB: It's cost us so far probably about  
7 50 or 60 thousand dollars. But once Local Law...

8 CHAIRPERSON MENDEZ: In one year, two  
9 years...

10 BOB: Since the, since this law passed,  
11 it passed about two years ago...

12 CHAIRPERSON MENDEZ: Two years ago...

13 BOB: But...

14 [off mic comments]

15 BOB: Yeah. So, so the mandates of this  
16 law are only becoming evident now... [crosstalk] I  
17 know this law very well. I suspect that the cost of  
18 this law will be hundreds and hundreds of thousands  
19 of dollars. And just so you understand just like  
20 the city of New York we have limited budgets.  
21 Board, boards are elected by the residents who live  
22 in the community forcing us to spend these limited  
23 resources in ways where the money could be spent  
24 elsewhere perhaps building ramps for our seniors or  
25 whatever is really the way to do it. All I'm saying

1 is that a co-op corporation does not affect the  
2 usage of electricity and energy consumption...  
3 individual families do that. But yet it's the co-op  
4 corporation that is being forced to deal with these  
5 mandates that are incredibly expensive. All I'm  
6 saying after you pass Intro 33 is take a look at  
7 87, say you know what we're going to exempt co-ops  
8 from this mandate. We'll, we'll force it on the,  
9 the, the, the profit making rental property  
10 buildings and commercial buildings and let's see if  
11 the data that we get from them really helps the  
12 situation. And then later on we can implement it.  
13 Because right now the cost of 87 is going to be  
14 astronomical in most of the co-ops.

16 CHAIRPERSON MENDEZ: Let me ask you  
17 another question. In not necessarily Glen Oaks but  
18 in a co-op where maybe let's say 50 percent or  
19 close to 50 percent are rent regulated units would  
20 it be of any help to do these audits in those types  
21 of co-ops.

22 BOB: No actually Glen Oaks is a perfect  
23 example. About 25 percent of our units are rent  
24 regulated. And we actually have a wonderful  
25 relationship with our rent regulated tenants. What

1  
2 we try to do is spend the limited money we have on  
3 making our community affordable for those that live  
4 there. It's a wonderful community forcing us to go  
5 through and, and if you read Local Law 87 it's kind  
6 of scary, but when you go through it forcing us to  
7 spend money where money could really be spent  
8 elsewhere and, and, and get a greater bang for its  
9 buck is really the way to go. All I'm saying is  
10 take a step back, look at 87, say you know what we  
11 can enforce it everywhere else, allow the  
12 residential co-op some breathing room and let's see  
13 if Local Law 87 is having the effect that we want  
14 it to have in the rental and commercial properties.  
15 If it is you can always put it back on the  
16 residential co-ops. But right now I mean we are  
17 under such severe budgetary constraints right now  
18 it's really a problem. And Intro 33 would really  
19 help us greatly in this one area with these energy  
20 audits which again are so expensive and really  
21 provide marginally useful information at all. And  
22 can I just at least make one other, one other point  
23 to both the Chairman and to Councilwoman Mendez. I  
24 have found that whenever the council works on a  
25 housing bill and they're thinking about co-ops

1 they're always thinking about vertical high rise  
2 buildings. Most of the legislation... they just never  
3 thought that there are thousands of co-ops like  
4 ours that are spread out. So all I'm, in the future  
5 when you start thinking about bills that affect co-  
6 ops understand that they are not just high rise  
7 buildings. There are a lot of co-ops in Brooklyn  
8 and in Queens that are garden apartments that are  
9 spread out. And it's really important that you take  
10 them into consideration because a lot of these  
11 bills don't do that and it becomes very costly for  
12 us to implement.

14 CHAIRPERSON MENDEZ: Okay yes New York  
15 City is very diverse and so we should consider that  
16 when we're talking about...

17 BOB: Thank you.

18 CHAIRPERSON MENDEZ: ...our buildings. It  
19 was something I experienced during Sandy when the  
20 FEMA inspectors came they said well you don't have  
21 a problem because they saw our buildings in tact  
22 but didn't realize the amount of destruction that  
23 was inside the buildings and the cold and all that.  
24 So we should certainly keep that...

25 BOB: And, and also I, I...

2 CHAIRPERSON MENDEZ: ...in mind.

3 BOB: ...would tell you know we always  
4 talk about affordable housing... you really lose  
5 sight. You know co-ops are not just a mega-million  
6 dollar co-ops in Manhattan. A lot of the co-ops and  
7 I would say the vast majority of co-ops like ours  
8 are in Queens where, where rent is relatively  
9 affordable, where you can purchase a beautiful  
10 apartment for really under 200 thousand dollars and  
11 really live comfortable. That is the essence in the  
12 city of affordable housing. So we just ask that  
13 council, to help us keep that housing affordable  
14 for our residents.

15 CHAIRPERSON MENDEZ: There is also a lot  
16 of limited equity cooperatives, many of them that  
17 was started under a sweat equity program..

18 BOB: That's right.

19 CHAIRPERSON MENDEZ: ...in my district of  
20 which I am the beneficiary of one of those units.

21 BOB: That's right.

22 CHAIRPERSON MENDEZ: So yes we must keep  
23 that all in mind. I would like to ask you if, if  
24 you could provide to us one of these energy audits  
25 redacting any personal information of the unit or



1  
2 the person just so that we can get a sense of what  
3 these energy audit reports look like?

4 BOB: Okay. We haven't done our energy  
5 audit yet because we're, we're really waiting for  
6 this legislation. But I probably can speak to my  
7 other fellow board presidents...

8 CHAIRPERSON MENDEZ: If... yes if, if  
9 anyone...

10 BOB: ...that...

11 CHAIRPERSON MENDEZ: ...that we can...

12 BOB: Yes.

13 CHAIRPERSON MENDEZ: ...take a look at it  
14 here at the city council.

15 BOB: Yeah.

16 [off mic comments]

17 BOB: By the way Jen is the president of  
18 another 800 family co-ops... [crosstalk]

19 CHAIRPERSON MENDEZ: Can the council try  
20 to get us a copy of one? You need to grab the, the  
21 microphone.

22 JEN: I'll, I'll be happy to, to,  
23 literally we'll probably have to borrow someone and  
24 redact... but I'll be happy to send one to you in the  
25 next few days.

2 CHAIRPERSON MENDEZ: Thank you.

3 JEN: I... I don't disagree with a word of  
4 what Bob has said but it, I need to clarify that  
5 it's not the position of my organization, council  
6 of New York Cooperatives and Condominiums. And then  
7 I have to say if any of these things are, are done  
8 please do it for condominiums also. But the, the  
9 history of Local Law 87 and absolutely it doesn't,  
10 it, it, it isn't appropriate in its addressing of  
11 what did you call them horizontal structures. But  
12 for those of us who sat through endless hearings  
13 and so on Local Law 87 is already a watered down  
14 version of what the city was initially planning. So  
15 there could be some challenges in looking into  
16 this.

17 CHAIRPERSON MENDEZ: Thank you and want  
18 acknowledge the fact that in your testimony you  
19 make a distinction between proprietary leases and  
20 rental leases and that is something we will make  
21 sure that the committee goes back and looks at...

22 JEN: Thanks.

23 CHAIRPERSON MENDEZ: ...in terms of the  
24 different bills that were in discussion today. Do  
25 any of my colleagues have questions for this panel?

1  
2 Okay. So also for the record we have testimony from  
3 the New York State Association of Realtors. They've  
4 submitted a memorandum in opposition. And this  
5 would conclude today's hearing. I want to thank  
6 this panel for their testimony and I want to thank  
7 the public. This hearing is coming to an end. Thank  
8 you.

9 [off mic comments]

10 CHAIRPERSON MENDEZ: Oh. The items, all  
11 six items are laid over and the hearing is  
12 adjourned. Thank you.

13 [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 July 3, 2014