

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE

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Chairperson

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[gavel]

CHAIRPERSON FERRERAS: Good afternoon

and welcome to today's hearing on the Committee on Finance. I am Council Member Julissa Ferreras and I chair this committee. We've been joined by Council Member Cornegy and Council Member Margaret Chin who is the chair of the Committee on Aging. The rest of the members will be joining us throughout this time. We have several hearings happening at the same time, some across the street at City Hall. Today the Committee on Finance will conduct an oversight hearing on the Department of Finance's outreach efforts to senior citizens regarding the senior citizen rent increase exemption program commonly known as SCRIE. The committee will also consider Intro 555 which would require the Department of Finance to designate a SCRIE ombuds person to coordinate and oversee the department's response to public inquiries about SCRIE, submit an annual report to the council detailing the number and nature of those inquiries, publish the ombuds person's contact information as well as dedicated SCRIE email addresses on the department's website and all written SCRIE materials and include the

1
2 SCRIE eligibility criteria on all written
3 communications to enroll tenants and applicants.
4 I'd like to begin with a brief overview of the
5 recent legislative change to the SCRIE program.
6 Prior to the seer and in order to be eligible for
7 SCRIE benefits a senior citizen has to have a
8 household income of less than 29 thousand dollars.
9 In March of 2014 the state passed a law authorizing
10 the city to increase the income threshold to 50
11 thousand per household. On May 14th, 2014 the city
12 council passed a local law authorizing this
13 increase. Unfortunately because of the language in
14 the state law the income threshold is set to revert
15 back to 29 thousand maximum on March 31st, 2016
16 unless the state asks to keep it at 50 thousand.
17 Since the Department of Finance took over the
18 administration of SCRIE program for the Department
19 of Aging in 2009 this committee has been asking DOF
20 to provide it with an estimate of the number of
21 households in the city that are eligible for SCRIE.
22 Most recently this past May at a joint hearing of
23 the Finance and Aging Committees the committees
24 stressed the importance of this data in light of
25 the potential of the income threshold increase to

1 capture a new population for, of eligible seniors.
2 Finally last week DOF issued a comprehensive report
3 detailing the number of estimated, estimated
4 eligible SCRIE households across the city. The
5 report also outlined DOF's targeted outreach
6 program and targeted outreach plan to reach as many
7 of the unenrolled seniors as possible. The findings
8 of the report highlight the necessity of DOF's new
9 outreach initiative. By the DOF estimate only 43
10 percent of eligible SCRIE population is already
11 enrolled in the program. This mean that there are
12 potentially more than 69 thousand seniors who are
13 eligible for the program but who are not taking
14 advantage of its benefits. This must be addressed
15 swiftly. Therefore with respect to the oversight
16 portion of the hearing the committee looks forward
17 to learning more details from DOF about its new
18 outreach initiatives as detailed in the report. I'd
19 like to also mention to my colleagues that DOF's
20 report breaks down the unenrolled SCRIE population
21 by neighborhood. Within the next few weeks I will
22 be holding a round table discussion with Council
23 Members discussing the top 10 neighborhoods with
24 the highest number of estimated unenrolled seniors
25

1
2 to strategize on steps we can take to sign people
3 up and get those numbers down. So those council
4 members should stay tuned for more details on that
5 meeting. For Intro 555 the committee looks forward
6 to hearing from DOF about how to current, how it
7 currently handles inquiries from the public and
8 ensures a positive customer service experience. DOF
9 receives inquiries from the public in three ways;
10 via email, at its walk in center, and from service
11 request generated by telephone calls placed in 3-1-
12 1. DOF does not have a dedicated telephone line
13 within DOF or staffed by a DOF employee to receive
14 inquiries. All callers are directed to call 3-1-1
15 and when 3-1-1 can't answer the question it's open,
16 it opens a service request and refers the call to
17 DOF to respond. The public make tens of thousands
18 of inquiries about SCRIE program each year. Between
19 July and November 2014 alone 3-1-1 received 35,559
20 phone calls asking questions or making complaints
21 about SCRIE. Of those 37, 3,754 calls were referred
22 to DOF for a response. The annual report that DOF
23 would have, would have to provide to the council
24 detailing the number and nature of public inquiries
25 received while, will be an important tool for DOF

1
2 to use to evaluate and improve its administration
3 of the SCRIE program. The report will assist the
4 ombuds person and the council in identifying any
5 trending issues or problems with the programs
6 administration and developing targeted
7 recommendations for its improvement. Before we
8 begin today's hearing I'd like to thank the staff
9 the Finance Division for all their hard work
10 preparing for this hearing specifically Chief
11 Counsel Tanisha Edwards, Assistant Counsel Rebecca
12 Chassen [sic], Principal Legislative Finance,
13 Financial Analyst Emra Eddive [sic], and
14 Legislative Financial Analyst Sara Gastolom [sic].
15 I also want to take a brief moment to acknowledge
16 the report. Thank you. I know that it was a
17 conversation of something that we ask DOF you
18 partnered with us in every recommendation that you
19 made is, it is evidence in this report. I, we
20 really appreciate the quality of information and
21 you really helped us have a better look and
22 hopefully we will continue to work together to
23 strengthen whatever it is that you know, whatever
24 it is that we can do from the council's
25 perspective. And I also want to thank you for, I

1
2 know you're going to have a finance hearing, a
3 meeting after this hearing to talk about your
4 outreach plan with the finance team so I appreciate
5 that from this perspective. Thank you to, also to
6 the administration for being here and after we
7 swear you in you may begin your testimony. Thank
8 you. And we've been joined by Council Member
9 Levine.

10 UNKNOWN FEMALE: Do you affirm that your
11 testimony will be truthful to the best of your
12 knowledge, information, and belief? Thank you.

13 JEFFREY SHEAR: Good afternoon
14 Chairwoman Ferreras and members of the Committee on
15 Finance. I am Jeffrey Shear Deputy Commissioner for
16 Treasury and Payment Operations for the Department
17 of Finance. I am joined by Samara Karasyk Assistant
18 Commissioner for External Affairs and Sarah Meyers
19 Assistant Commissioner of Tax and Parking Program
20 Operations. Thank you for the opportunity to
21 testify before you today regarding Introduction
22 number 555 and the administration of the New York
23 City Rent Freeze Program, also known as the Senior
24 Citizen's Rent Increase Exemption or SCRIE and the
25 Disability Rent Increase Exemption or DRIE. Before

1
2 we turn our attention to the bill we want to set
3 some context by focusing on the report that the
4 chair just referenced, that the Department of
5 Finance issued just last week. The report analyzes
6 the potential for increasing enrollment for both
7 the senior citizen and the disabled citizen
8 components of the program... [cross-talk]

9 CHAIRPERSON FERRERAS: I'm sorry, I hate
10 to interrupt you but we seem to have a different
11 copy of your testimony. I just want to make sure
12 that we have... Oh this is just your intro to the
13 presentation.

14 JEFFREY SHEAR: Yes.

15 CHAIRPERSON FERRERAS: Okay. Alright. We
16 were trying to follow along here. Okay, thank you.
17 [cross-talk]

18 JEFFREY SHEAR: ...can give it to... [cross-
19 talk]

20 CHAIRPERSON FERRERAS: You, you may
21 continue.

22 JEFFREY SHEAR: Yes.

23 CHAIRPERSON FERRERAS: Okay. Great thank
24 you.

1
2 JEFFREY SHEAR: So before we turn our
3 attention to the bill and the formal testimony...

4 [laughter]

5 JEFFREY SHEAR: We will set some context
6 by focusing on the report that the chair referenced
7 that DOF issued just last week. The report as the
8 chair indicated indicates the potential for
9 increasing enrollment for both the senior citizen
10 and the disabled citizen components of the program
11 and how we can use demographic information
12 regarding potential enrollees to improve our
13 outreach efforts. Why analyze potential enrollment
14 now? First as far as we could tell the city had not
15 made a recent effort to do so. Second, in May the
16 mayor's housing plan underscored the affordability
17 crisis in this city and the Rent Freeze Program is
18 critical to keeping housing affordable for some of
19 our most vulnerable citizens. Third, also in May
20 the city raised the income limit for participation
21 in these programs from 29 thousand dollars to 50
22 thousand dollars but we did not know by how much
23 this change would affect program enrollment.
24 Fourth, the Rent Freeze Program for seniors
25 enrollment for the past two years has increased

1 significantly after being flagged for several years
2 before that. And these increases appear related to
3 increase outreach efforts. We wanted to see the
4 potential for increasing enrollment with better
5 targeted outreach.
6

7 CHAIRPERSON FERRERAS: And fifth,
8 because we asked you to.

9 JEFFREY SHEAR: And fifth, because you
10 asked us to.

11 CHAIRPERSON FERRERAS: Okay.

12 JEFFREY SHEAR: Before going forward we
13 want to do a quick refresher on program
14 requirements. The senior citizen and disabled
15 citizen components of the programs share three
16 major requirements. Applicants must one live in a
17 rent regulated apartment, two have a total
18 household income of 50 thousand dollars or less,
19 and three spend more than one-third of their total
20 house, household income for rent. Senior citizen
21 applicants also must be 62 or older. Disabled
22 citizen applicants must be at least 18 years old
23 and receiving one of four types of federal
24 disability benefits. We also wanted to spend a
25 minute to explain how the analysis was done to

1
2 determine how many potential Rent Freeze Program
3 beneficiaries are, are not enrolled. The data were
4 not all in one place so staff had to investigate
5 different data sources and combine the ones that
6 would give us the best projections. This slide
7 lists the data sets that we ended up using and what
8 information we pulled from each one, the most
9 essential being the census bureau's housing vacancy
10 survey, the last one listed. We started our
11 analysis by better understanding the geographical
12 distribution of current enrollees. Here we show
13 enrollment thus far for fiscal year 2015 by borough
14 of residents. Manhattan has the largest number of
15 enrollees followed by Brooklyn, Queens, the Bronx,
16 and Staten Island. We then took the analysis a step
17 further by measuring the concentration of Rent
18 Freeze Program enrollment compared to rental units
19 in each census tract of the city. The map shows
20 higher density of Rent Freeze Program units in
21 Northern Manhattan, the Northwest Bronx, and
22 Southern Brooklyn. It also shows a high degree of
23 variance which is correlated to the presence of
24 rent regulated units in these census tracks. The
25 variance also points to the potential for

1 increasing enrollment in lower density areas. When
2 the data sets were combined we projected that more
3 than 155 thousand households throughout the city
4 could qualify for the Rent Freeze Program. Most of
5 these qualify under the senior citizen portion of
6 the program. One surprising result was that when we
7 looked at the total eligible population only a
8 small portion was attributable to the very large
9 increase in the income limit. Only nine percent
10 have incomes between 29 thousand and 50 thousand
11 dollars. Many households that fall into this higher
12 income group are able to avoid paying more than
13 one-third of their income on rent when they live in
14 rent-regulated apartments. When we compare the
15 total eligible population to enrollees thus far for
16 fiscal year 2015 we come up with a difference of
17 more than 94 thousand households. Reaching this
18 population of 94 thousand potential enrollees is
19 the challenge we have set for ourselves. I now turn
20 the presentation over to my colleague Assistant
21 Commissioner Samara Karasyk who'll review how we
22 have ramped up our outreach effort in recent years
23 and how we are using the demographic results of our
24

1
2 analysis to shape a more effective outreach
3 campaign.

4 SARA KARASYK: Okay so just some quick
5 stats on outreach and where we're going with this
6 based on what we have in the report. So one thing
7 that's clear when you look at this slide is just
8 how much more outreach we've done from one year to
9 the next and also how much more outreach is focused
10 on seniors in particular so you know 26 to 77 this
11 year is, you know we think that's an impressive
12 stat and this is just something that we want to
13 build on going forward. This was accomplished by
14 four outreach members, all of these events which is
15 unbelievable and we're planning on hiring two more.
16 So we're really excited about what we'll be able to
17 do. None the less the utilization rate that Deputy
18 Commissioner Shear just took you though really
19 shows you that we need to approach outreach in a
20 different way. What we're doing is good but we need
21 to build on that and we need to reach people
22 differently than we are. So one of the first things
23 we're doing is rebranding the program as the New
24 York City Rent Freeze Program. We did a bunch of
25 focus groups and this was something that everyone

1 loved and they said it made a lot more sense to
2 them. So even though this is sort of the new name
3 for the program we will continue to use SCRIE and
4 DRIE sort of along with this because that's already
5 branded, people are familiar with it so we're going
6 to try and bring the two of them together. And
7 you'll notice as... testimony we talk about it today
8 we will use this terms interchangeably because you
9 know we don't, we don't want to take it away from
10 people that already know of it but for new people
11 we think this is much clearer. And our materials
12 are all going to be translated into six languages.
13 Historically we've done four, we just started doing
14 six maybe six months ago or so. So we'll continue
15 to do that and monitor languages as we talk about
16 in the report. If we need to do more we will do
17 more and of course we're focusing first on those
18 top 10 neighborhoods that we talked about where we
19 see the highest rates of underutilization, the
20 greatest potential for enrollment. And part of
21 that's going to be relying on ethnic media more
22 than we have in the past. And of course we look
23 forward to working with city council you know to
24 see if there's some partners out there that you
25

1
2 guys recommend that we talk to. So you know we talk
3 about this a lot in the report, our partnership
4 with city council, other city agencies, other
5 elected officials, advocacy groups, and community
6 organizations that are focused on the populations
7 that we're trying to reach. We're going to need to
8 reach people where they are so in some cases
9 especially with older adults you know they may not
10 be out and about as much as they used to be so
11 we're going to be trying to get their adult
12 children and caretakers, make sure they know about
13 the programs. We'll be doing more training so we're
14 going to do a train the trainer video which we
15 mentioned in the report and also we will train in
16 person as we do now but you know we can't get
17 everybody with a team of four to six outreach folks
18 so we think the video will go a long way in helping
19 people as well or you know brushing up on their
20 skills if they need to go back and review it. We're
21 looking to do mailings that will time with phone
22 calls to about 140 thousand households that we're
23 still trying to sort of finish up with that data,
24 we'll be working with the mayor's office. And also
25 we're looking to do legislation this spring in

1 Albany to emphasize the SCRIE and DRIE information
2 and leases more visibly than it is now. So here's a
3 snapshot of some of our outreach materials. I have
4 some hard copies to leave with you guys today that
5 are, they're not like, you'll see, these are palm
6 cards so they're not like a regular flyer shape,
7 they're sort of shaped a little bit different.
8 They're note, fold the page totally but... what
9 you're going to see is this is our new one for
10 seniors and through our focus groups this was the
11 winner. Everybody really, this is what they
12 definitely like and you know some of this too is
13 feedback that we got from city council staff who
14 saw these as we were developing them. And the back
15 side of this flyer we have a Spanish version which
16 will be the default but depending on where we're
17 going and who we're reaching out to the backside
18 will be one of the other six languages so it'll be
19 dual language, all of them. And then we're also
20 coming out with our new guide so I'm sure you're
21 familiar with our comprehensive guide that we
22 already have. But this is newer, we're, you know
23 with our new brand. And also we think it's just
24 clearer, it's laid out more clearly, it's much
25

1
2 simpler. So we think that people are going to
3 really like this. And this will also be translated
4 into our six languages. All of this will be
5 available in early 2015. And then we can look at a
6 little bit of the demographics that we've cited in
7 the report. So what you can see here is more than
8 half of the potential SCRIE enrollees are born
9 outside of the United States. This is for the total
10 population of enrollees not, not focused on our top
11 ten neighborhoods but you can still see some of the
12 language needs although it's, you know the way that
13 it's broken down here it doesn't necessarily
14 indicate it but this corresponds with what we're
15 seeing and what we have in the report too which is
16 Spanish is the second language that people need the
17 most, that's what we've seen for requests as well
18 that come through us for language needs. And then
19 you have Russian, Chinese, and some other languages
20 in here. And here are the top 10 neighborhoods that
21 we talked about where we see the highest rates of
22 underutilization so I'm not going to go through
23 them because they're all there but you can see here
24 sort of how many potential enrollees we think are
25 there and we really look forward to partnering with

1
2 you guys on events in these areas. And then taking
3 that same top 10 we've split up here how many are
4 born outside of the United States. So the order is
5 different than the previous slide but the
6 neighborhoods are the same. And so with that we're
7 going to move to the formal testimony about Intro
8 555 and I'll turn it back to Deputy Commissioner
9 Shear. Thank you.

10 CHAIRPERSON FERRERAS: While you get set
11 up I just want to say we've been joined by Council
12 Member Johnson, Rodriguez, and Ignizio.

13 JEFFREY SHEAR: Thank you. The
14 Department of Finance under Commissioner Jacques
15 Jiha has made effective administration of the
16 Senior Citizen Rent Income Exemption or the Rent
17 Freeze program for seniors the top priority. Having
18 identified the number of potential enrollees both
19 city wide and on a neighborhood basis we are
20 conducting an outreach campaign with the city
21 council, the Department for the Aging, senior
22 groups, and other stakeholders to supplement our
23 existing engagement efforts. We recently finalized
24 marketing materials for our outreach campaign that
25 we develop with program stakeholders including city

1 council staff. We believe we can increase the
2 number of SCRIE beneficiaries beyond the increases
3 achieved over the past two years. Our targeted
4 outreach campaign is the latest initiative in our
5 ongoing effort to improve the administration of the
6 program since the department took it over in 2009.
7 Our accomplishments in recent years include
8 automating the application review process to reduce
9 the time to review SCRIE applications from 30 days
10 to approximately 11 days for renewals and 13 days
11 for initial applications. We also established a
12 seven person customer service group that works with
13 3-1-1, responds to letters and emails received
14 directly from the public, handles walk in
15 customers, and performs translation services. The
16 customer service group was designed to leverage the
17 investment the city has made in 3-1-1. As of this
18 past Friday December 12th, 3-1-1 representatives
19 have responded to 61,252 inquiries relating to the
20 Rent Freeze Program this calendar year. The top 3-
21 1-1 Rent Freeze Program inquiries are request for
22 application 16,200, status of an application
23 10,725, assistance for renewal applicants 8,174,
24 and assistance for participants 8,143. As a result
25

1 the vast majority of the 61,252 3-1-1 inquiries
2 received were handled by 3-1-1 representatives and
3 only 7,993 inquiries were referred to the
4 department's customer service group. The customer
5 service group responds to all 3-1-1 customer
6 service request within 48 hours. It also has its
7 own dedicated email which is SCRIE at finance dot
8 NYC dot gov. So far this year through November the
9 customer service group has answered 7,715 email
10 inquiries. The unit also staffs a three person walk
11 in center. As of the end of November we have had
12 15,821, 827 visitors to our walk in center which is
13 more than double the 6,772 visitors we received in
14 the six month period from July to December in 2013
15 when we started keeping track of visitors to the
16 center. Finally we have ensured that the customer
17 service group has extensive translation capability.
18 Not only do we have a Spanish speaking
19 representative in the walk in center but also the
20 entire customer service group can assist in another
21 200 languages through vendor services. As of
22 November 30th the unit had handled more than 1,020
23 requests for interpretation. 13 hundred and 20
24 through our Spanish speaking staff member and more
25

1
2 than 400 through our vendor. Supporting our
3 customer service group is an outreach unit of four
4 people within DOF's external affairs division. The
5 outreach unit staff conducts events informing
6 seniors about the Rent Freeze program and
7 personally works with seniors to enroll them in the
8 program. This year alone the outreach unit has held
9 77 SCRIE related events in 48 different council
10 districts with 30 council member sponsors in every
11 borough of the city. In addition we have held two
12 events that train council staff on the Rent Freeze
13 Programs to help them better assist constituents.
14 Both of these events had dozens of council staff in
15 attendance. Outreach events focused on seniors this
16 year have surpassed last year's engagement by 200
17 percent. The external affairs division is also
18 attentive to the needs of non-English speaking
19 customers. One of our team members is certified as
20 a translator and interpreter in Spanish. For all
21 languages they work with event organizers to
22 understand language needs, bring appropriately
23 translated materials, and recruit staff from the
24 external affairs division or the citywide language
25 bank if an interpreter cannot be found in-house. At

1
2 these events they also have access to our over the
3 phone interpretation service which provides access
4 to more than 200 additional languages. In addition
5 to outreach and customer service we have refined
6 our comprehensive guide to the Rent Freeze Program
7 based on feedback from the city council. This
8 booklet has everything tenants, landlords, and new
9 applicants need to know about the Rent Freeze
10 Program for seniors. Our new guide will be
11 available in early 2015 in English, Spanish,
12 Russian, Chinese, Bengali, Haitian Creole, and
13 Korean. We will distribute these booklets at all of
14 our outreach events and have them available on our
15 website. We also work closely with elected
16 officials' offices to ensure they have the
17 materials they need to help their constituents and
18 we'll be mailing you these guides as soon as they
19 are printed. Another tool that we provide to
20 council members is a monthly list of Rent Freeze
21 Program tenants in each council manic [sic]
22 district who are at risk of losing their benefits
23 because they have failed to renew. The department
24 is proud of these many accomplishments in improving
25 the Rent Freeze Program. Many of our achievements

1
2 are due to the work of Sarah Meyers who is leaving
3 the agency at the end of this year. We thank her
4 for her service. As you can see from the many
5 advances we have made in administering the Rent
6 Freeze program the department is continually
7 striving to be as effective and customer friendly
8 as possible. We therefore support the legislation
9 before the committee today in concept with some
10 exceptions to particular provisions. We support the
11 codification of an ombudsman in the bill to provide
12 additional assistance and oversight of the Rent
13 Freeze program for seniors. We currently have a
14 dedicated staff member who performs many of the
15 duties of the ombudsman outlined in the bill. Robin
16 Bermuda is our outreach coordinator for seniors,
17 works within our outreach unit, and handles
18 countless Rent Freeze Program inquiries. In her
19 role as coordinator Ms. Bermuda communicates
20 regularly with representatives from senior centers,
21 elected officials offices, and advocacy groups to
22 ensure they receive the assistance they need and
23 have the most up to date information regarding the
24 programs. She meets frequently with the SCRIE unit
25 directly to discuss issues that constituents and

1
2 their representatives bring to the attention of the
3 outreach unit. She also has flagged recurring
4 issues that come up in their handling of the many
5 inquiries she receives from many sources. For
6 example based on feedback she has received she
7 recommended changing the letters we send applicants
8 requesting additional documentation. This change
9 lets people know that they can disregard the letter
10 if they have already sent in the request of
11 information. Robin's role established two years ago
12 has enabled us to more effectively administer the
13 program and to increase the impact of our outreach.
14 She has conducted training events to help
15 organizations enroll eligible seniors in the Rent
16 Freeze program. Earlier this year in conjunction
17 with city council staff Ms. Bermuda's organized the
18 training sessions referenced earlier in my
19 testimony. We welcome the codification of our
20 existing practice of having a general emails
21 address for SCRIE inquiries as reflected in Section
22 1-B of the legislation. As mentioned earlier it is
23 SCRIE at finance dot NYC dot gov. We support
24 putting this email address on the website and on
25 all written materials. However more than 61

1
2 thousand phone inquiries are made each year
3 regarding SCRIE. It is not possible for an
4 ombudsman office to handle all of these calls. 3-1-
5 1 representatives ably respond to 87 percent of the
6 SCRIE inquiries that come in and refer the
7 remainder to our customer service group. This
8 system is working well. Large numbers of people are
9 receiving quick accurate information. This is why
10 we do not report the part of Section 1-B that calls
11 for making public a phone number other than 3-1-1
12 for the Rent Freeze program inquiries. An ombudsman
13 office would not be able to respond to the thin,
14 tens of thousands of calls we receive a year, many
15 of which are routine such as a request for an
16 application. We feel it is important to have
17 multiple channels for Rent Freeze Program inquiries
18 so that we can effectively match the source and
19 complexity of the inquiry with the appropriate DOF
20 staffer. Constituents seeking help may visit us in
21 the Rent Freeze Program walk in office any time
22 during the week, email us directly, call 3-1-1 or
23 attend one of our many outreach events. Our
24 external affairs outreach and intergovernmental
25 staff answers numerous Rent Freeze Program

1
2 inquiries from elected officials on behalf of their
3 constituents. We support the disclosure of an
4 ombudsman's name, title, and email address on
5 certain types of communications such as denial
6 notices but not on all SCRIE materials. The role of
7 an ombudsman should be to intervene when a denial
8 of benefit is challenged. Singling out one
9 individual for all types of communications is
10 inconsistent with the administration's commitment
11 to respond as quickly and efficiently as possible
12 to SCRIE inquiries. 3-1-1 is a single simple well
13 branded phone number that the public easily
14 recognizes. 3-1-1 representatives are effectively
15 responding to the vast majority of SCRIE inquiries
16 many of which are routine and should not require
17 the intervention of an ombudsman. And they are
18 effectively directing more complex inquiries to the
19 appropriate finance agency staff to handle. Also
20 assuming SCRIE inquiries continue to be received
21 and handled in large part by 3-1-1 the report
22 required by the bill should measure all inquiries
23 regarding SCRIE including those handled by 3-1-1
24 rather than simply the subset received by an
25 ombudsman. An ombudsman's office would be just one

1 of multiple channels through which SCRIE inquiries
2 are received. In addition we would prefer to
3 provide descriptive information regarding the
4 specific activities of the ombudsman rather than
5 numerical data. The department also is concerned
6 with the bill's requirement that all written
7 notifications the SCRIE applicants or beneficiaries
8 include the qualifications for the program. DOF
9 already lists the qualifications at the top of page
10 one in every application and renewal form. We are
11 open to the idea of including qualifications in
12 certain notices and correspondents that feel that
13 including all qualifications in every notice would
14 be confusing to applicants. For example a list of
15 all qualifications on the letter asking an
16 applicant to send a copy of her lease might make
17 the applicant think that there was a problem with
18 the documentation pertaining to her income or her
19 age as well as her lease documentation. However it
20 would add value to include a list of qualification
21 requirements on an approval letter for example to
22 remind a beneficiary that if his status changes
23 during the period of his lease he may no longer
24 receive the benefit. Lastly we have some technical
25

1
2 suggestions on bill language that we can share with
3 your council outside of this hearing. I would like
4 to end my testimony by emphasizing that the
5 Department of Finance under Commissioner Jacques
6 Jiha is committed to expanding the New York City
7 Rent Freeze Program to reach as many people as
8 possible. We look forward to our continued
9 partnership with the council as we increase our
10 outreach efforts and sign additional people up for
11 the program. We will be relying on elected
12 officials in addition to our many other partners to
13 help us reach our shared goal of enrolling every
14 qualified household into the New York City Rent
15 Freeze Program. At this time my colleagues and I
16 would be happy to answer all questions you may
17 have.

18 CHAIRPERSON FERRERAS: Thank you so much
19 for your testimony. I just also would like to
20 acknowledge all of Council Member's Chin's work.
21 We, we shepherded this legislation through a few
22 months ago to, to be able to see the report and the
23 difference and, and actually get information
24 pretty, with a pretty fast turnover is something
25 that we're really excited that we're able to have

1
2 this hearing today. So I know that you made
3 reference to the number of the, of the sheer volume
4 of the calls and why it would be challenging with
5 legislation 555 to be able to incorporate or assign
6 one person to be responsible for calls and that,
7 you mentioned the administration's efforts on 3-1-
8 1. However I'd like to better understand how you
9 ensure that those operators that are responding to
10 SCRIE calls at 3-1-1, how do we know that they're
11 trained, that they're giving the proper
12 information. I know that you get the subset
13 referred to you later but how do, how do we ensure..
14 because we want to make sure that everyone is
15 getting the same information, accurate information.
16 So what is the process that you have at DOF to
17 ensure that 301 is properly trained or that they're
18 giving information. Do you do any quality assurance
19 calls or, or how do you handle that.

20 JEFFREY SHEAR: Right. Go ahead.

21 SAMARA KARASYK: Okay so we have 3-1-1
22 liaison within external affairs that talks to 3-1-1
23 like multiple times a day every day. So one thing
24 that we do is if we get a complaint either through
25 a service request or sort of the SCRIE DRIE walk in

1
2 center somebody comes in and complains or at an
3 outreach event whatever it is we look into that. If
4 we can get a phone number 3-1-1 listens to those
5 calls for us. They report back to us about what's
6 going on. If there needs to be retraining we do
7 retraining. We also do train the 3-1-1 staff
8 ourselves so we just held a training last week to
9 go through some of our exemptions programs and
10 property taxes and we try and do that regularly
11 with them to like stay in touch with them and
12 sometimes at those trainings they come up with
13 really good questions to ask us as well. So that's
14 some of the ways that we're interacting with 3-1-1.
15 If we start getting inquiries of a certain kind or
16 people seem confused... also our liaison at 3-1-1
17 will reach out to us and we will update scripts
18 accordingly too.

19 CHAIRPERSON FERRERAS: So have you found
20 that through the process and you know I'm sure
21 you're aware of Local Law 47. Local Law 47 in 2005
22 is for 3-1-1 to issue monthly reports to the city
23 council, the public advocate community boards, and
24 the public on types of calls it receives and
25 categorizes the type of call for example,

1
2 assistance with the SCRIE renewal application,
3 SCRIE applications. Who at DOF looks at the Local
4 Law 47 reports to get a better understanding of the
5 types of inquiries and complaints that are made.

6 SAMARA KARASYK: Well we have access to
7 the database that they use, Siebel so you know for
8 example in prepping for the hearing today both,
9 both commissioner, commissioner Meyer's team and
10 mine has access to the data and we can sort of
11 slice and dice it however we want to. So you know I
12 have breakdowns of the kinds of inquiries we're
13 getting. Every month we do a snapshot on how long
14 it's taking us to respond to different kinds of
15 inquiries that come to us the service requests
16 themselves. So I, I don't actually look at the 3-1-
17 1 reports they generate for city council but we
18 look at that access ourselves, we look at the data.

19 CHAIRPERSON FERRERAS: Okay. I want to
20 quickly talk about denials and then I'm going to
21 give an opportunity to my colleagues. We've been
22 joined by Council Members Gibson, Cumbo, and
23 Miller. So at the May 1st, 2014 Finance Committee
24 hearing DOF testified that it would send letters to
25 all the people who had been denied SCRIE over the

1
2 past several years for income reasons because of
3 the income threshold. Does DOF track the number of
4 SCRIE applications that are denied and the reason
5 for denial? And in the last two fiscal years how
6 many applications were denied because of the
7 applicant's household income being too high? And if
8 you could just state your name for the record.

9 SARAH MEYERS: Sure Sarah Meyers. We do
10 have access to all the data of how many
11 applications have been denied. And they're denied
12 for... we have a list of status reasons why they're
13 denied and I don't have the data here exactly but
14 we can certainly run that for you and provide that
15 to you. We have denials for people who apply as
16 initial applicants and then also people who were
17 receiving the program and were, we have a slightly
18 different terminology, we call that revoked from
19 the program, someone who's already receiving it. So
20 we can run that data for you. And to your first
21 point we did do the mailing after we spoke. We
22 mailed to I think about 38 hundred homes of people
23 who had been previously denied their initial
24 application for being over 29 thousand.

1
2 CHAIRPERSON FERRERAS: And did you see
3 any increase in, in those, in those households
4 applying?

5 SARAH MEYER: Sure yeah... [cross-talk] we
6 have, I have the exact data back in my office we
7 can provide you... [cross-talk]

8 CHAIRPERSON FERRERAS: Can you share
9 with the committee please?

10 SARAH MEYER: Yeah absolutely.

11 CHAIRPERSON FERRERAS: Yeah so just so
12 that we know. I mean these are victories that we
13 have together and it's, it's a highlight.

14 SARAH MEYER: Sure. We have data, we can
15 show you how many people we've enrolled under the
16 new income limit. And we can tie, we can tell you
17 the number that tie back to our mailing and those
18 that came in you know separate from the mailing
19 that we've never touched before.

20 CHAIRPERSON FERRERAS: And well you know
21 those increases are impressive and good I know that
22 May 2014 DOF testified that there was 53,185
23 seniors enrolled in SCRIE but as of November 2014
24 the number is down to 52,171. At least those are
25 the numbers that we have. Can you explain why there

1
2 is... You know I would think we raise the bar
3 allowing more people to apply but our numbers are
4 decreasing so what's happening?

5 SARAH MEYER: It's just, it's actually,
6 it's not quite apples to apples and we can run
7 those numbers again. The numbers that we provided
8 in the report when you, in the PowerPoint and, is
9 also in the report where the active number of SCRIE
10 recipients on that day, not the cumulative number
11 of recipients who had received SCRIE within the
12 fiscal year...

13 CHAIRPERSON FERRERAS: Mm-hmm.

14 SARAH MEYER: ...or prior. So when we
15 report, and we can show you, when we report in our
16 tax expenditure report for example the total number
17 of unique tenants that receive SCRIE within a
18 fiscal year it will be cumulatively more than the
19 number that receive SCRIE on a given day.

20 CHAIRPERSON FERRERAS: So can you just
21 share those...

22 SARAH MEYERS: Yep.

23 CHAIRPERSON FERRERAS: ...numbers and, and
24 what the discrepancies are with this committee?

25 SARAH MEYERS: Sure.

1
2 CHAIRPERSON FERRERAS: And I'm going to
3 have two questions and I'm going to open it up to
4 Council Member Chin followed by Council Member
5 Cornegy. I wanted to just very briefly talk about
6 the languages. And I saw that Spanish is the second
7 largest group to communicate. It is my
8 understanding through your testimony that there is
9 one Spanish speaking person on your customer
10 service team. Is that correct? And if that's the
11 second largest why don't we have other people that
12 speak Spanish?

13 SAMARA KARASYK: That was actually..

14 CHAIRPERSON FERRERAS: And if you could
15 just tell me what other languages are spoken
16 amongst your team that, presently.

17 SAMARA KARASYK: There are in our
18 customer service team there are two Spanish
19 speakers, one who works in the walk-in center and
20 one who works in the group of three that responds
21 to service requests and emails. And the service
22 requests that are referred to DOF we actually, if
23 there is a tenant making an inquiry we call all the
24 tenants back. So one of those three people who's
25 making the calls is a Spanish speaker. There's no

1
2 other languages spoken other than English from the
3 others. However we employ language line when, when
4 needed. [cross-talk]

5 CHAIRPERSON FERRERAS: Well I think as
6 you're looking to perhaps, and that goes into my
7 next question, perhaps we need to have a new need
8 request for this next fiscal year. We're engaging,
9 you've done an amazing job at report identifying
10 languages that are needed. We not to have, we
11 should have staff that reflects those languages. I
12 think it's, it's challenging sometimes if you're at
13 a walk-in center then you have to call someone on a
14 phone to translate when we can address this by
15 having more diversity in the, when you hire. I
16 think you should definitely put in a request to OMB
17 to help expand your outreach unit and your customer
18 service unit to conclude more diverse employees
19 that can speak the language one on one as opposed
20 to having to use that language call line.

21 SAMARA KARASYK: Yeah. No, I mean I
22 think that that's, that's a fair point. One of the
23 stats that we gave in the testimony though that we
24 think is really strong is that the vast majority of
25 the Spanish inquiries are going through that

1
2 Spanish speaking staff member and there's only a
3 few hundred that we're needing to refer to our
4 interpretation service.

5 CHAIRPERSON FERRERAS: Right. If I were
6 that staff member I'd probably want more people to
7 be working with me is what I'm saying.

8 JEFFREY SHEAR: Well we'll take that
9 under advisement.

10 CHAIRPERSON FERRERAS: Yes.

11 JEFFREY SHEAR: Thank you.

12 CHAIRPERSON FERRERAS: I mean Ms.
13 Bermuda as I believe, is that correct or no?

14 SAMARA KARASYK: No the, the staff
15 member in the center is different. Although we do
16 have an outreach team member...

17 CHAIRPERSON FERRERAS: Right.

18 SAMARA KARASYK: ...who also speaks
19 Spanish. It's not Ms. Bermuda even though her last
20 name is Spanish.

21 CHAIRPERSON FERRERAS: Okay alright,
22 just trying to... [cross-talk] Rodriguez. Okay, close
23 enough. And we're going to have Council Member Chin
24 followed by Council Member Cornegy.

1
2 COUNCIL MEMBER CHIN: Thank you Madam
3 Chair. Thank you to the administration for your
4 testimony. It's really great to see a report. It
5 looked like there is a plan to get more people sign
6 up for this Rent Freeze. And as the mayor said this
7 is really a strong affordable housing program. So
8 I'm really glad to see the change and we were just
9 talking, what a difference in, in a year. So how
10 many staff do you have in your team because I see
11 seven people customer service and then you have two
12 in outreach? How many total is in, in your unit
13 for, for SCRIE?

14 SAMARA KARASYK: So the SCRIE, there's a
15 SCRIE DRIE unit in our exemptions division which
16 reports to Assistant Commissioner Meyers and then
17 there's the external affairs division which reports
18 to me and we have four outreach staff there. We
19 also have our director intergovernmental handles a
20 lot of these inquiries as well. And then the SCRIE
21 DRIE unit entirely is 38 staff with I think a few
22 supervisors. And of those seven are focused
23 entirely on customer service. They staff the walk-
24 in center and they also respond to inquiries.

25

1
2 COUNCIL MEMBER CHIN: Now when you were,
3 in your testimony you were talking about the, the
4 number of calls that's referred to you. So if
5 someone called 3-1-1 to ask about the status of
6 their application they'll be able to get results
7 just from the 3-1-1 call?

8 SAMARA KARASYK: That's right. 3-1-1 has
9 access to our database that will show them what's
10 going on with an application.

11 COUNCIL MEMBER CHIN: Oh that's great.
12 So that's why you... 3-1-1 can take care a lot of
13 these types of inquiry. So what is your
14 coordination with DFTA right now on this program.

15 SAMARA KARASYK: Well we meet with them
16 regularly and we speak with them regularly. They're
17 working on their own outreach plan for a, a number
18 of sort of their key senior programs including
19 SCRIE. So we are constantly in contact with them.
20 They've looked at all our new materials and given
21 us their feedback, you know the report all of that.
22 They're sort of you know with us lock step doing
23 all these things.

24 COUNCIL MEMBER CHIN: Yeah part of, when
25 you talked about the outreach I think this, this

1 whole logo is, is really great because it really
2 catch people when they talk about rent freeze. And
3 so the issue is how do we get that out there. Are
4 there any thinking about doing more public
5 advertising campaign so people can see it on the
6 subway, on the bus stop so to really get more
7 people family members and friends of seniors to
8 inquire.

10 SAMARA KARASYK: We're, you know we're
11 working with the mayor's office and we're still
12 trying to figure out what kind of budget we have
13 for a sort of traditional advertising but we also
14 think that the greatest impact is going to be seen
15 by working with some ethnic media for example and
16 by sort of targeting these neighborhoods where we
17 can. So we talk a lot about and... report about
18 houses of worship which we think are going to have
19 a big bandwidth especially in some of these
20 communities where people maybe have language access
21 issues or culturally they're a little bit
22 suspicious of things coming directly from
23 government. And you know of course obviously with
24 our partnerships with city council and other folks

1
2 we're interested in doing all of it but the focus
3 in the report is... [cross-talk]

4 COUNCIL MEMBER CHIN: Well in, in the
5 media thing I mean what, what are you going to be
6 doing with the ethnic media? I mean how do you
7 gonna [sic] utilize them in terms of you know...
8 [cross-talk]

9 SAMARA KARASYK: So...

10 COUNCIL MEMBER CHIN: ...free press
11 release...

12 SAMARA KARASYK: Right.

13 COUNCIL MEMBER CHIN: ...interviews.

14 SAMARA KARASYK: Interviews, you know we
15 also are interested in doing radio spots and TV
16 spots where we can be interviewed and talk about
17 the programs in the languages. You know our
18 commissioner can do Haitian Creole and French. Me
19 and some of the other staff can do Spanish. We have
20 a Chinese speaker, he does mandarin and some
21 Cantonese in my office who often helps us with
22 things. So you know we're doing sort of what we can
23 and you know we sort of welcome... You know I know
24 especially for example some of the Chinese
25 newspapers, my staff member that, that writes

1
2 Chinese was like they, if you give them a story
3 they'll print it for you like basically. So more
4 and more of that kind of stuff, reaching the
5 community, not just the print media but also radios
6 and, and TV.

7 COUNCIL MEMBER CHIN: I, I think that,
8 that will be great. I mean that is a great way and
9 a lot of time those, those meetings are free. I
10 mean you send them a story or a press release or
11 invite them to an outreach event. We did one and it
12 was covered in the paper. So I think that's great.
13 But also don't forget the local newspaper. Because
14 I look at your top 10 list when you talk about
15 Stuyvesant time you got to like hit the local
16 newspaper to also get the story out and get the
17 information out so that more people can apply. And
18 I think that, that will be very helpful.

19 JEFFREY SHEAR: That's a good point.

20 COUNCIL MEMBER CHIN: And I'm sure that
21 all the council member would really be more than
22 willing to help with the outreach efforts.

23 JEFFREY SHEAR: That's a good point
24 thank you.

1
2 COUNCIL MEMBER CHIN: Thank you Madam
3 Chair.

4 CHAIRPERSON FERRERAS: Thank you council
5 member. Council Member Cornegy followed by Council
6 Member Cumbo.

7 COUNCIL MEMBER CORNEGY: Thank you Madam
8 Chair. Good afternoon administration.

9 [cross-talk]

10 COUNCIL MEMBER CORNEGY: I'm very
11 pleased that the city is planning to step up its
12 SCRIE DRIE outreach because outreach has been
13 limited thus far. Some neighborhood groups have,
14 have been volunteering to help folks apply for
15 these program in my district and around the city
16 and it's from them that I've heard about tenants
17 who want protection from the SCRIE program but
18 cannot get it because they're paying a preferential
19 rent or are priced at as below what the landlord
20 claims the legal rent is. Can you tell me how DOF
21 deals with applications from tenants paying
22 preferential rents?

23 SAMARA KARASYK: Hi. The way,
24 preferential rent... so for everyone who is not aware
25 preferential rent is an amount that the tenant pays

1
2 which is below the DHCR, Department of Community
3 Housing Renewal regulated rent and this is an
4 agreement that a tenant and a landlord go into. And
5 there are some scenarios where we honor
6 preferential rent and there's some scenarios where
7 we don't honor preferential rent. And scenarios
8 where we honor preferential rent would be where the
9 tenant is receiving preferential rent for the
10 lifetime of the tenancy or they have a writer that
11 says that their reduced rent is going to be in
12 effect for the lifetime of the tenant and see. In
13 scenarios where that writer does not exist we have
14 no legal authority to freeze the rent anywhere
15 below the legal rent.

16 COUNCIL MEMBER CORNEGY: So if, if
17 preferential rent tenants cannot lock in their
18 rents at affordable level they're paying aren't
19 they, obviously they're extremely vulnerable
20 especially in communities like mine which are under
21 the crunch of gentrification. What does DOF know
22 about the number of New York City tenants paying
23 for preferential rents? For example how many are
24 there and what is the range of difference between
25

1
2 the rent that they're paying and the supposed legal
3 rents?

4 SAMARA KARASYK: We don't have that
5 data. We can certainly... DHCR would maybe have that
6 data. We can certainly reach out to our contacts
7 there and try and get some information.

8 COUNCIL MEMBER CORNEGY: I would
9 appreciate it I'm sure that the, the committee
10 would appreciate it. And just lastly how is a
11 tenant to know what their legal rent is if it's
12 different from what they're being charged? Where,
13 where do they find that information? I know that
14 you said DHCR for us... [cross-talk]

15 SAMARA KARASYK: Well both rents, both
16 rents are on their lease. So leases are required to
17 show both rents. It's very clear legal rent and
18 preferential rent are, are on one's lease, the
19 standard leases that are issued.

20 COUNCIL MEMBER CORNEGY: Well I know
21 that tenants in my district pay attention to the
22 rent that they're paying.

23 SAMARA KARASYK: Fair.

24 COUNCIL MEMBER CORNEGY: And probably
25 not the, the legal rent. So maybe we should do some

1
2 outreach to make sure that people are paying
3 attention, closer attention to that.

4 SAMARA KARASYK: Okay.

5 COUNCIL MEMBER CORNEGY: ...just concerned
6 you know this, this tough economic time they're
7 concerned with the bottom line which is what
8 they're required to pay.

9 SAMARA KARASYK: Okay.

10 COUNCIL MEMBER CORNEGY: So, so thank
11 you.

12 CHAIRPERSON FERRERAS: thank you Council
13 Member Cornegy, Council Member Cumbo. We've been
14 joined by Council Member Rosenthal.

15 COUNCIL MEMBER CUMBO: Wanted to ask in
16 terms of when you talk about the, the
17 qualifications for the SCRIE program that the lease
18 holder must be, it must be rent controlled, rent
19 stabilized or Mitchel-Lama or rent regulated hotel
20 unit. But in that because we're seeing so many of
21 these programs particularly Mitchel-Lama in my
22 district is constantly being challenged. If a
23 tenant were in a rent stabilized or rent controlled
24 or Mitchel-Lama even previously but they've been
25 transitioned out and if they were receiving SCRIE

1
2 would they still be eligible for SCRIE or what
3 happens to their benefits when the, the status of
4 the apartment changes or changed previously in the
5 past.

6 SAMARA KARASYK: Many, I mean it, it's
7 really case by case but I'll say with Mitchel-Lamas
8 often times they are transitioned out into the rent
9 stabilized so there would be no effect on the
10 benefit.

11 COUNCIL MEMBER CUMBO: Mm-hmm.

12 SAMARA KARASYK: If for, for whatever
13 type if the, if the building or the unit loses its
14 rent regulated status...

15 COUNCIL MEMBER CUMBO: Right.

16 SAMARA KARASYK: ...they would no longer
17 qualify for the benefit.

18 COUNCIL MEMBER CUMBO: Really. Now let
19 me ask you, you're a tenant, you're in a market
20 rate apartment let's just say you've always been in
21 a market rate apartment. When you reach retirement
22 age would there be something that you could qualify
23 for in this portfolio in any way, shape, form, or
24 fashion, or no?

1
2 SAMARA KARASYK: No it's only, if the
3 apartment itself is rent regulated.

4 JEFFREY SHEAR: For these programs.

5 COUNCIL MEMBER CUMBO: For these
6 particular..

7 SAMARA KARASYK: Correct.

8 COUNCIL MEMBER CUMBO: ..programs? Okay.
9 That's it. Thank you.

10 CHAIRPERSON FERRERAS: Thank you Council
11 Member Cumbo. I just wanted to follow-up. We focus
12 very much on the outreach of tenants and I know
13 that there's some talk of legislation on a state
14 level on what we can mandate³ potentially for
15 landlords. But is there anything that DOF does
16 currently to inform landlords because some of them
17 might want to know if this, and, and maybe want to
18 do it on their own and, and let their tenants know
19 of this opportunity. Is there any engagement with
20 current landlords about updating information on the
21 threshold increase or helping any tenants that they
22 have or getting the requirements to them ahead of
23 just informing the tenants? Does DOF do any of
24 that?

1
2 SAMARA KARASYK: I mean there's not any
3 direct outreach as of now. We certainly correspond
4 with all our existing landlords and of which there
5 are I think over 15 thousand landlords that we deal
6 with and we send them letters on a regular basis
7 regarding the, their tenants and eligibility
8 requirements... other specific outreach has been...

9 CHAIRPERSON FERRERAS: Well I think that
10 this is an opportunity that we should really look
11 into. Being able to educate our, our constituents
12 is one thing but we also have landlords that are
13 constituents that may, may or may not have all the
14 detail and update of the information and we should
15 be able to do better especially since they're, you
16 know they're in some way shape or form interacting
17 with your agency through property taxes and all
18 other types of opportunities that they touch base
19 with you that we should be communicating. So don't
20 be shocked if you see this in a legislative
21 request. But there, there should be... I'd like to
22 see how we can engage where we don't necessarily
23 have to legislate this but that we're looking at
24 opportunities to also remind landlords that this is
25 something that's available. And for those that are

1
2 great and good guys that they are able to use it as
3 a tool to get their rent roles payed accurately
4 and, and not have to engage in evictions and so on
5 and so forth.

6 JEFFREY SHEAR: We'll take a look at it.

7 CHAIRPERSON FERRERAS: Okay do we have
8 any... Okay well there's several other questions that
9 we have but I'm going to be forwarding it to your
10 committee. I mean to, I'm going to be forwarding it
11 to you so I would love if you are able to respond
12 to our questions expeditiously.

13 JEFFREY SHEAR: We look forward to
14 getting your questions and we again appreciate the
15 very constructive engagement that we've been having
16 with the council.

17 CHAIRPERSON FERRERAS: Great. And I know
18 the finance division will be seeing you tomorrow.
19 Okay. Thank you very much and we'll call up the
20 next panel. Elizabeth Brown from New York City's
21 Independent Budget Office, Andrea Cianfrani the
22 council for Senior Centers and Services, and Rena
23 Resnick Metropolitan Council on Jewish Poverty. I
24 know we have advocates and... at the table but
25 Council Member Chin and I were just commenting at

1
2 what a difference a year makes. We were just having
3 this hearing in May and all this came up in less
4 than a year so I'm, I'm sure it's, it's good but we
5 can get them to do more. So I hope that that's what
6 you're here to testify about. You may begin your
7 testimony in the order that you were called. Thank
8 you.

9 ELIZABETH BROWN: Good morning

10 Chairwoman Ferreras and member of the, members of
11 the city council finance committee. My name is
12 Elizabeth Brown and I am a supervising analyst for
13 housing, environment, and infrastructure at the New
14 York City Independent Budget Office. Thank you for
15 the invitation to testify today regarding the
16 city's outreach efforts regarding the Senior
17 Citizen Rent Increase Exemption Program or SCRIE.
18 As you know through SCRIE eligible low income
19 senior households are exempt from rent increases
20 and return landlord to see a property tax abatement
21 to compensate for the lost rental income. For many
22 years the SCRIE program has been plagued by low
23 participation rates among eligible seniors. More
24 than 10 years ago in testimony before the city
25 council IBO reported that it appeared only about a

1
2 third of seniors eligible for the program were
3 actually benefiting from it. Our estimate compared
4 data on senior's housing and income using the New
5 York City Housing Vacancy Survey, HVS, with the
6 city's tally of the number of seniors actually
7 enrolled in the program. Since that time the city
8 has made changes to the administration of the
9 program notably by shifting responsibility from the
10 Department of Aging to the Department of Finance.
11 In order to evaluate the current effectiveness of
12 the city's outreach for this program IBO has
13 essentially replicated our previous analysis using
14 the most recent addition of the housing vacancy
15 survey and the Department of Finance latest figures
16 on participation. It is also very similar to the
17 recent study published by the Department of Finance
18 which use the same approach to measure
19 participation and which has been discussed at
20 today's hearing. While the Department of Finance
21 detailed report provided data on both SCRIE and
22 DRIE the disability rent increase exemption program
23 our analysis is limited to SCRIE because the two
24 studies had the same, very similar methodology our
25 results are very similar. Going to skip over, we

1 know the eligibility requirements now. According to
2 our analysis there are approximately 121 thousand
3 households in this city eligible for SCRIE under
4 the current 50, 55 thousand dollar a year income
5 limit. The current number of households
6 participating in SCRIE is 52,171 according to the
7 Department of Finance thus IBO estimates that about
8 43 percent of households that are eligible for
9 SCRIE are currently participating in the program.
10 Given the nature of the housing vacancy survey data
11 it is difficult to make direct comparisons over
12 time. However our estimates suggested improvement
13 over the participation rates we found in fiscal
14 year 2002. IBO has also estimated the number of
15 households eligible for the Rent Freeze program
16 under the previous income limit of 29 thousand
17 dollars a year. According to our analysis slightly
18 over 106 thousand households were eligible for
19 SCRIE under the previous threshold therefore the
20 recent changes to the program have increase the
21 number of households eligible by about 14 percent.
22 Although HVS data suggests that fewer households
23 were eligible for SCRIE last year under the old
24 requirement than this year the Department of
25

1
2 Finance reported that more households were actually
3 receiving the benefit; 53,185 households in 2014
4 versus 52,171 households in 2015. Compared with
5 other recent years however SCRIE enrollment is up
6 from, up. From 2011 through 2013 an average of
7 48,662 seniors participated each year. Despite
8 gains over the past few years it is clear that only
9 a portion of the households that qualify for SCRIE
10 are receiving the benefit. With fewer than half of
11 eligible seniors actually benefitting there is a
12 challenging task ahead for the Finance Department
13 and the city council as they seek to boost
14 enrollment. Thank you again for invitation to
15 testify and I'd be happy to answer any questions.

16 CHAIRPERSON FERRERAS: Thank you very
17 much and before we go on to the next panelist I am
18 stepping out to a budget negotiating briefing but
19 Council Member Cornegy is going to keep the hearing
20 moving and wrap us up okay. Thank you very much for
21 coming today.

22 COUNCIL MEMBER CORNEGY: I just want to
23 point out that I've been asked to continue to chair
24 the meeting with zero power. I'm sorry you can
25

1
2 start but just please state your name again for the
3 record.

4 [laughter]

5 ANDREA CIANFRANI: Good afternoon. My
6 name is Andrea Cianfrani. I'm the Deputy Director
7 of Public Policy at the Council of Senior Centers
8 and Services. Thank...

9 COUNCIL MEMBER CORNEGY: Thank you.

10 ANDREA CIANFRANI: Thank you. Thank you
11 very much Council Member Cornegy and... Chin it's
12 very good to see you as always. Thank you very much
13 to the committee for the opportunity to testify
14 today and for bringing this very important issue to
15 the forefront. The Council of Senior Centers and
16 Services has over 100 member that provide community
17 based services such as Meals on Wheels, case
18 management, access to affordable housing that serve
19 over 300 thousand seniors annually throughout the
20 city. One of the cornerstones of CSCS is services
21 is providing access to affordable housing as we
22 believe that keeping New Yorkers in their homes and
23 allowing them to live how they've always lives as
24 New Yorkers as one of the most important things
25 that we can do to, to keep communities strong. CSCS

1
2 is uniquely positioned to help with the Rent Freeze
3 Program as our, so over 25 of our members are part
4 of our housing coalition and they provide over 20
5 thousand units of affordable housing across the
6 city. So we are very eager and very thankful to
7 have this opportunity to be in, involved with the
8 SCRIE outreach. We also wanted to thank the city
9 council. CSCS has been working with the city
10 council and receive funding over the past year to
11 do SCRIE outreach exactly what we're here talking
12 about today. And we are eager to continue that. The
13 numbers clearly show that while this program is
14 extraordinarily important for seniors who are
15 vulnerable living on a fixed income which tends to
16 decline over time it is still severely
17 underutilized and it that is something we are very
18 committed to helping to change. We do want to also
19 thank, we work very closely with city council and
20 the state to increase that income eligibility 50
21 thousand dollars and we appreciate all of your work
22 on that. Two things we wanted to raise and, and
23 showing our support for, for Intro 555 again
24 expanding the outreach is, is instrumental to
25 keeping seniors in their communities. Two other

1
2 issues we wanted to highlight today. The aggressive
3 marketing campaign to both and it's been mentioned
4 here several times to both the seniors but also to
5 families. We've been supportive of that and, and
6 would be very willing to, to work with you moving
7 forward on that. We've actually already
8 participated in several round tables with the
9 Department of Finance. You know we, we like to help
10 provide that we're, our members are serving the...
11 user. So we really were thankful for that
12 opportunity to work with the Department of Finance
13 and a focus group and we'd be eager to work with
14 you and them as well in the future. Another issue
15 that we've raised in the past and would like to, to
16 again raise is the idea of a SCRIE rollback. Many
17 of the seniors that get on SCRIE do so at the 40
18 percent of their income level. They'll find out
19 about it in, in a crisis. What we are looking to do
20 and we do not have numbers and we look to possibly
21 the Department of Finance or IBO to, to possibly
22 look at this is the idea of rolling back their
23 eligibility to the actual 30 percent where they
24 would have been eligible if they knew about the
25 program center. This would be very helpful to these

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2 seniors who are on that fiscal cliff and again
3 might have just found out about SCRIE because it's,
4 you know again an underutilized program and found
5 about it when they're in an emergency. So this idea
6 of a rollback could really put more income into
7 their pockets and keep them in their structured
8 communities looking forward. So again we are very
9 thankful for the opportunity to, to work with you
10 and to be here today and, and we look forward to
11 working with you in the future and making New York
12 a better place to age. Thank you.

13 COUNCIL MEMBER CORNEGY: Thank you. And
14 last panelist please just state your name obviously
15 for the record.

16 RENA RESNICK: Rena Resnick from
17 Metropolitan Council on Jewish Poverty. Thank you
18 council members for inviting us to speak today. We
19 applaud the city council for its action this summer
20 of expanding the senior citizen increase exemption
21 program by increasing the income qualification
22 threshold as well as the Department of Finance's
23 redoubled efforts to increase enrollment in the
24 program. For more than four decades Met Council has
25 supported and championed families, seniors, and

1 adults living in poverty and near poverty. Met
2 Council provides immediate assistance to New
3 Yorkers in crisis and creates pathways to self-
4 sufficiency through the following programs.
5 America's largest kosher food pantry system,
6 emergency social services, family violence
7 services, home repairs, home care services,
8 benefits enrollment and outreach, and affordable
9 housing. Our grassroots Jewish communal council
10 network provides support to families in their
11 neighborhoods right where they live. In the fight
12 against poverty we serve immigrants, seniors living
13 on fixed incomes, the un and under employed, and
14 all those in need. As an organization founded on
15 Jewish values we serve everyone with dignity and
16 empathy regardless of race, ethnicity, or religion.
17 Met Council is a leader in producing affordable
18 housing for special needs populations in New York
19 City by leveraging private and public money our
20 housing portfolio has grown to 17, to 1,777 units
21 under management in construction or development
22 process. We believe that a safe and affordable home
23 is a key element in helping someone in poverty
24 become self-sufficient. Since Met Council's
25

1
2 inception caring for seniors has been core to Met
3 Council's mission. Many of our clients work their
4 entire lives but when they become too frail to work
5 their lack of a deep and wide enough safety net
6 makes it difficult for them to remain safely in the
7 homes that they love. For the more than 21 percent
8 of seniors living in poverty in New York City
9 finding and remaining in an affordable and safe
10 home is a major challenge. Raising the income
11 threshold for SCRIE was an important step to help
12 seniors to age in place with dignity. We were
13 thrilled to learn of the change this summer and
14 wanted to ensure that all of our clients who are
15 newly eligible for the benefit enrolled in the
16 program. To quickly adjust this need this summer
17 Met Council held four SCRIE enroll-a-thons to
18 assist clients enroll into the program and avoid
19 future rent increases. As only... for thousands of
20 low income seniors we created these four SCRIE
21 enroll-a-thons to assist our residents, participate
22 in the program, and freeze their rent. We also open
23 the events up to the local community. To streamline
24 the process we collected our tenants' leases and
25 advertised what they needed to bring to the event

1 so they could seamlessly complete their
2 applications. Finally and importantly we were
3 joined by the terrific staff at the Department of
4 Finance including their outreach coordinator for
5 seniors to help train our volunteers, answer any
6 technical questions, and bring the application back
7 for processing upon completion of the event. By
8 working with the Department of Finance... train the
9 channel model we're able to utilize volunteers and
10 amplify our effect. These SCRIE enroll-a-thons were
11 held at our senior affordable housing buildings in
12 Manhattan and local community councils in Brooklyn.
13 In coordination with the city's Department of
14 Finance's Senior Outreach Department, our housing
15 site staff, and volunteers we're able to enroll 70
16 seniors into the program by bringing the
17 application to them and by creating a document
18 checklist in both English and in Russian. One
19 challenge that we encountered was that many seniors
20 who earned more than 29 thousand dollars but less
21 than 50 thousand dollars did not, still did not
22 qualify for SCRIE because their rent was less than
23 a third of their income. This was particularly
24 dominant in parts of Brooklyn where rent, in some
25

1
2 parts of Brooklyn that, where rent is less
3 expensive. To ensure that the new income threshold
4 of 50 thousand dollars helps the maximum number of
5 seniors we would recommend adjusting the rent
6 requirement. In conclusion Met Council cannot
7 continue providing, providing critical services to
8 thousands of needy New Yorkers each year without
9 the vital partnership of New York City council. We
10 deeply value your leadership and partnership and
11 look forward to working together to help the needy
12 throughout the New York area. Thank you.

13 COUNCIL MEMBER CORNEGY: Thank you.

14 Questions?

15 COUNCIL MEMBER CHIN: Just a brief
16 question. When you talk in your testimony about
17 adjusting the rent requirement do you have a
18 suggestion? Because right now it's one third of the
19 income which is more than 30 percent.

20 RENA RESNICK: Right so we've... [cross-
21 talk]

22 COUNCIL MEMBER CHIN: So are you... So are
23 you looking at like maybe pushing it back to
24 exactly 30 percent?

25

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2 RENA RESNICK: Lower. To be less than 30
3 percent.

4 COUNCIL MEMBER CHIN: Less than 30
5 percent.

6 RENA RESNICK: Yes. But I'll have to get
7 back to you.

8 COUNCIL MEMBER CHIN: Yeah I mean I
9 think there... because like in the other testimony we
10 were also talking about crawling back to 30 percent
11 of the income that they should be pay 30 percent of
12 their income rather than some senior even with
13 SCRIE are paying 40 percent or more. So we should,
14 we should you know have a look at that and see if
15 there are some recommendation that we can make to
16 adjust the program so that more senior can qualify.
17 Thank you.

18 COUNCIL MEMBER CORNEGY: I don't have
19 any questions but I do want to say I thank you so
20 much for your advocacy on the ground. I feel like
21 with the partnership with organizations that are
22 dealing directly with our seniors we can have a
23 healthy and robust rollout of outreach and really
24 begin to increase the numbers or especially
25

1
2 mitigate some of the problems that we're seeing on
3 the ground so thank you for your service.

4 RENA RESNICK: Thank you.

5 COUNCIL MEMBER CORNEGY: Oh this, on
6 behalf of the Chair of Finance this council hearing
7 is now adjourned.

8 [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 December 26, 2014