CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE JOINTLY WITH COMMITTEE ON AGING

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December 9, 2015 Start: 1:09 p.m. Recess: 3:19 p.m.

HELD AT: Committee Room - City Hall

B E F O R E: JULISSA FERRERAS-COPELAND

Chairperson

MARGARET S. CHIN

Chairperson

COUNCIL MEMBERS: Ydanis A. Rodriguez

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

Samara Karasyk, Assistant Commissioner External Affairs New York City Department of Finance

Pierre Dejean, Assistant Commissioner Property Exemptions New York City Department of Finance

Bibi Parmar, Director Senior Citizen Rent Increase Exemption, SCRIE and Disability Rent Increase Exemption, DRIE

Caryn Resnick, Deputy Commissioner External Affairs New York City Department for the Aging, DFTA

Edith Prentiss, Vice President Disabled in Action, DIA Board Member, IDNYC

Rebecca Haase, Program Director Financial Advocacy Program Community Services Society

Rena Resnick, Public Affairs Manager Metropolitan Council on Jewish Poverty

Delsenia Glover, Tenant and Neighbors, New York State Tenant and Neighbors Information Service and New York State Tenants and Neighbors Coalition Campaign Manager for the Alliance for Tenant Power

Donna Darby
JASA Legal Services

Matthew Chachere, Attorney Northern Manhattan Improvement Corporation Appearing for: Cardozo Bet Tzedek Legal Services and Legal Services for the Elderly of Queens 2 [sound check, pause]

[gavel]

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CHAIRPERSON FERRERAS-COPELAND: Good afternoon and welcome to today's hearing. Council Member Julissa Ferreras-Copeland, and I chair the Committee on Finance. We are joined today by the Committee on Aging chaired by my colleague Council Member and Chair Margaret Chin. Today, we are holding a hearing on the Senior Citizens Rent Increase Exemption, and Disability Rent Increase Exemption programs commonly referred to as SCRIE and DRIE, and collectively called the New York City Rent Freeze Program. This will be an oversight hearing to provide an opportunity for the Department of Finance to provide the Council with an update on efforts to conduct outreach and increased enrollment for rent free program. In addition, we will be considering Intro 798-A sponsored by Council Member Cornegy, which the -- which would require notice about potential rents, preferential rents to be included on certain Rent Freeze Programs' documents provided to tenants. I'm doing this without my glasses so bear with me. Before we begin, I would like to thank the staff of the Finance and Legislative Division for the work

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2	they did preparing for this hearing, specifically my
3	Chief Counsel Tanisha Edwards; Assistant Counsel
4	Rebecca Chasen; Unit Head Dohini Sompura; Finance
5	Analyst Brittany Morrissey; and committee count
6	Committee Counsel Eric Bernstein. I'd like to first
7	provide a brief overview of the comprehensive report
8	that DOF issued last December detailing the number of
9	estimated eligible SCRIE and DRIE households across
10	the city, and outlining DOF's new targeted outreach
11	program to reach as much of the unenrolled population
12	as possible. The findings of the report highlighted
13	the necessity of the new outreach initiative set
14	forth by DOF, by DOF's estimate. At the time, only
15	39% of the estimated eligible SCRIE and DRIE
16	population was already enrolled in the Rent Freeze
17	Program. This means that there were potentially more
18	than 94,000 seniors and people with disabilities
19	eligible for the benefit who were not yet receiving
20	them. In the report and in testimony presented to
21	the Council at a hearing last December, DOF outlined
22	in the new outreach strategies aimed at increasing
23	the number of enrollees. These efforts included
24	focusing outreach in the city's ten neighborhoods

with the highest levels of under-enrollment creating

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new printed materials that would be available in six 2 3 languages partnering with other mayoral agencies and private organizations, and working with ethnic media 4 5 to reach specific populations in the language that they speak. At today's hearing being held one year 6 after DOF rolled out these new outreach strategies, 7 we will hear from DOF to provide the Council with an 8 update on where we are now in terms of enrollment. We look forward to hearing testimony about which 10 11 types of outreach have been particularly successful, 12 and what are the planned next steps to further 13 increase enrollment. I'd also like to take a moment to again thank DOF for putting out the report last 14 15 year. It was something that Council had been asking-16 -asking for some time, and the result provided a 17 thorough eye opening analysis of what is being--what 18 has been happening throughout the city as a result of 19 legislation passed by the Finance Committee earlier 20 this year. DOF will now issue a similar report every 21 three years so we can continue to monitor our 2.2 progress and fine tune our outreach strategies as the 2.3 data evolves. Today, we will also consider proposed Intro 79--798-A sponsored by Finance Committee member 24

Council Member Cornegy. This bill would require DOF

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to provide certain notification to SCRIE and DRIE tenants about the preferential rents. In the context of rent regulated apartments and preferential rent in any amount charged by the landlord that is less than the maximum legal rent that would lawfully be charged for the unit. When tenants paying a preferential rent apply for SCRIE or DRIE, DOF will not freeze their rent at the preferential rent amount they are paying each month except in two limited circumstances even if that rent amount is more than one-third of the monthly household income, the threshold to be eligible for benefits. Instead, DOF freezes the rent at the higher maximum legal rent. In many cases, this causes confusion for the tenants who may previously have paid attention only to the preferential rent amount since that is the amount they are actually paying. It is--also causes additional stress for these already vulnerable populations who may be unable to afford to pay the higher rent amount even if it is frozen through the Rent Freeze Program. This bill would provide tenants with an exception--explanation. Sorry. This bill would provide tenants with an explanation of the various rent amounts as well as information about how

2	to contact the state agency that administers the rent
3	regulations to obtain more information about the rent
4	history of their apartments or to file a complaint.
5	Lastly, the bill would require DOF to start tracking
6	its database. The incidents of applicants paying
7	preferential rents and both the preferential and
8	maximum legal rent amounts. Once the agency has the
9	techthe technological capacity to do so. Thank you
10	to DOF and the Administration for working
11	collaboratively with us on this bill. I understand
12	that this legislation was drafted after many
13	discussions between DOF and Council staff, and we
14	appreciate your support on this issue. I will now
15	turn the mic over to my Co-Chair Council Member Chin,
16	and then we will hear from the sponsor of proposed
17	Intro 798-A, Council Member Cornegy. [siren]
18	CHAIRPERSON CHIN: Thank you, Chair
19	Ferreras-Copeland. Good afternoon. I am Council
20	Member Margaret Chin, Chair of New York City
21	Council's Aging Committee. Throughout the five
22	boroughs many seniors and people with disabilities
23	with limited income find it difficult to afford the
24	high cost of living in New York City particularly

when it comes to housing. They struggle to balance

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2	the strong desire to remain in their homes with the
3	need to afford food, medicine and other daily
4	necessities. For those who qualify, therefore, the
5	City's Rent-Freeze Program also known as SCRIE and
6	DRIE is a critical resource for thousands of older
7	New Yorkers, New Yorkers with disabilities and their
8	families. These programs enable participants to
9	freeze their rent at affordable levels, and help
10	alleviate the financial burden placed upon them.
11	Last year, by increasing the income threshold for
12	both programs, many more individuals and families
13	were eligible to benefit and remain in affordable
14	housing. However, despite the critical needs for our
15	most vulnerable residents to access the program,
16	SCRIE and DRIE have long been under-enrolled at
17	unacceptable levels. Last year the Department of
18	Finance released a report, which found that 57% of
19	eligible SCRIE households and 73% of eligible DRIE
20	households were not yet enrolled in the Rent Freeze
21	Program. A New York study underutilization of SCRIE
22	in the 55 designated neighborhood of the five
23	boroughs, and found that in 40 of them, more than
24	half of eligible SCRIE tenants were un-enrolled. To
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address this critical under-enrollment, DOF announced

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several outreach strategies including participant--2 3 partnering with DFTA and community groups to 4 distribute SCRIE and DRIE information, distributing SCRIE materials in multiple languages, and publishing advertisements and notices in ethnic medias to ensure 6 7 that all communities are engaged. Today, I look forward to hearing from DOF and DFTA on the 8 effectiveness on these initiatives, and receive an update on how many new individuals have been 10 11 enrolled. I also hope to hear how the Administration 12 plans to enroll those who have not yet done so. 13 have also co-sponsored a bill with Council Member 14 Ferreras-Copeland that I believe would be an 15 important tool in increasing enrollment in SCRIE and DRIE. Intro 621 introduced in January of this year 16 17 would require owners of multiple dwellings containing 18 rent regulated dwelling units to provide tenants and 19 prospective tenants of those units a notice about 20 SCRIE and DRIE along with a lease or lease renewal 21 form. I am proud to have the support of 13 of my 2.2 colleagues on this legislation. Additionally, today 2.3 we will be considering Intro 798-A, sponsored by Council Member Cornegy, which will provide greater 24

information to SCRIE and DRIE applicants and

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beneficiaries about how their benefits ere
calculated. I am proud to co-sponsor this important
bill along with Council Member Cornegy and many of my
colleagues. I want to thank Chairwoman FerrerasCopeland and the members of the Finance Committee for
holding this important hearing with us today as well
as to acknowledge Council Member Koslowitz, Vallone
and Treyger of the Aging Committee who have joined us
this afternoon. I would also like to thank the Aging
Committee staff Eric Bernstein, Committee Counsel
Brittany Morrissey, and Dohini Sompura from the
Finance Division as well as the Finance Committee
staff Tanisha Edwards and Rebecca Chasen. Before we
begin, I guess we'll turn it over to Council Member
Cornegy.

COUNCIL MEMBER CORNEGY: Good afternoon.

Thank you Madam Chairs. I'm Council Member Robert

Cornegy, Jr., and I'm extremely excited to be here

this--this afternoon. I chair the Committee on Small

Business, but as a Council--as Council Members we

can't confine our focus to the areas where we are

assigned to lead. We have to be concerned about all

of the issues that affect our constituents and the

city as a whole, and on a personal note, I would like

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to say before I became a council member, I was the Policy Analyst on Aging. So this is something that's near and dear to my heart. So just as Council Member Ferreras has concerned herself with access to gifted and talented and Council Member Chin has been a vocal advocate for small businesses, I appreciate their allowing me to raise this issues, which deeply concerns senior citizens and disabled New Yorkers including those in my district. Concerns about the affordability of housing and rising displacement are unfortunately a huge fear for many New Yorkers. These issues cause enormous stress for senior citizens, and for many the Rent Freeze Programs are the answer. I'm grateful that these programs have been improved by raising the income gap--cap and that the Department of Finance has stepped up its outreach efforts to ensure that eligible renters are aware of this--of this safety net. The problem that we've discovered by speaking with community groups working to help seniors sign up is that the rent freeze safety net currently has a big hole in it, and the problem is preferential rents. According to a recent report by New York City's Independent Budget Office, tenants in nearly one-quarter of the city's rent

from the--from the record.

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2 regulated apartments pay preferential rents.

Basically, that means the landlord tells the tenant I could charge you X amount, but instead I'm going to give you a break and charge you something less. Now, we don't know if that X amount is actually legal or not. No one in government is checking, and the tenant isn't likely to look a gift horse in the mouth. And just for the record, with the climate around horses, I'd like to strike that last analogy

CHAIRPERSON FERRERAS-COPELAND: [off mic] Stricken.

to notice that their lease includes two different amounts. That may be the case until they apply for SCRIE or DRIE. When seniors and disabled New Yorkers who play--who pay preferential rent apply for their Rent Freeze Programs, they don't get what they're hoping for. They don't get the security that the rent they're paying now will be their rent going forward. SCRIE and DRIE don't preserve affordability for preferential rent tenants, and right now we don't even acknowledge or explain the precarious positions this leaves them in. This is confusing and it needs

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to change. Of course, we need our partners in the state to take action on these issues. I want to see substantial reform on preferential rents, and at a minimum to see the Department of Finance authorized to freeze seniors at the preferential rent, and I hope these items will be included in the City Council's State Legislative Agenda. But I also want to be sure that our city is doing everything we can to support vulnerable New Yorkers in remaining in their apartments, and communities where they've lived and raised families, and where they are important parts of their respective communities. That's what this bill is all about today. That's what this bill is all about, and today we'll hear more about the intersection of the Rent Freeze Programs and the preferential rents from the Department of Finance and from advocates who encountered this problem in their work with seniors across the city. I hope our witnesses from the Administration will stay to hear the testimony, which really speaks to the need for this local change and change in State law on preferential rent. Finally, I want to acknowledge all the hard work that has gone into getting us to this moment. I'd like to thank my Legislative

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Director who by this time tomorrow will be a married woman, Dynishal Gross. [background comments] Yeah, and she finds herself here working with me 24 hours before her wedding. What a commitment. I love you Dynishal. Counsel and Assistant Counsel to the Finance Committee Tanisha Edwards and Rebecca Chasen for doing the lion's share of work internally, and also thank Commissioner Jacques Jiha, Alex Com-Comrada--Camara, Samara Karasyk, and the other staff with the Department of Finance who have engaged with us about this issue over the past months. And with that, I'll hand this back over to the Chairs and thank you again.

CHAIRPERSON FERRERAS-COPELAND: Thank
you, Council Member Cornegy, and congratulations.
You're--you're great. I don't think any of us would
be here the day before our wedding. [laughs] I
know. Go home. [background comments] Okay, so
we're going to have a great and expeditious hearing
so that she can get back to her bridal duties. We've
been joined, and I'm sorry if I'm repeating this, but
just so that we can get it on the record by Council
Member Koslowitz, Matteo, Johnson, Vallone and
Treyger. We will now call up the Department of

- 2 Finance to testify, and the Department of Aging.
- 3 [pause] We've been joined by Council Member Arroyo
- 4 and Miller. [pause] [background noise and comments]
- 5 LEGAL COUNSEL: Do you affirm that your
- 6 testimony will be truthful to the best of your
- 7 knowledge, information and belief?
- 8 ASSISTANT COMMISSIONER KARASYK: I do. 1
- 9 apologize in advance to Dynishal that this is not a
- 10 | short testimony.
- 11 CHAIRPERSON FERRERAS-COPELAND: All
- 12 | right, wait. I'm sorry, Samara. Everybody else or
- 13 | just one person? All right, okay, great. Excellent.
- 14 \parallel I just wanted to make sure we all affirm. Great.
- 15 You may begin.
- 16 ASSISTANT COMMISSIONER KARASYK: Good
- 17 | afternoon, Chairs Ferreras-Copeland and Chin and
- 18 | members of the Committee on Finance and Aging. I'm
- 19 | Samara Karasyk, Assistant Commissioner for External
- 20 | Affairs at the New York City Department of Finance.
- 21 | I am joined by Pierre Dejean, Assistant Commissioner
- 22 for Property Exemptions; Bibi Parmar, Director of the
- 23 | Senior Citizen Rent Increase Exemption, SCRIE, and
- 24 Disability Rent Increase Exemption, DRIE,
- 25 | collectively known as the Rent Freeze Program; and

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Caryn Resnick, Deputy Commissioner for External Affairs at the New York City Department for the Aging, DFTA. Thank you for the opportunity to testify today on the many changes we have made to the Rent Freeze Program this past year, and to discuss our enhanced public outreach program to increase enrollment. In December 2014 for the first time we came out with a report about who is eligible for SCRIE and DRIE. We used extensive data analysis to determine how many people qualify and where they reside by neighborhood. At that time, 61,219 households were enrolled in SCRIE and DRIE. We found that approximately 94,000 additional households might be eligible for the program. We used the data in the report to determine where to focus our outreach as we amped up our efforts to enroll every eligible tenant in the program. We began an intensive proactive outreach program to engage tenants who may be eligible for SCRIE and began to try new outreach methods to see how to best engage this population. We began these efforts by rebranding the program to make it easier for potential participants to understand what it is about . We renamed it the New York City Rent Freeze Program. Then we launched a

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targeted marketing campaign with a pilot in Brighton Beach, Brooklyn last summer. Through close collaboration with DFTA, the Mayor's Community Affairs Unit, CAU, elected officials, community groups and senior centers, we embarked on a campaign to enroll every eligible household in the Rent Freeze Program in this neighborhood. For example, our report showed that one of the top ten neighborhoods with under-enrollment is Coney Island, Brooklyn. start the campaign, CAU took our analysis from the report one step further by mapping out where the most eligible households were located in detail within Coney Island. I have a map I'm going to show you I'm waiting to see if it showed up yet. enabled us to focus our efforts even more. CAU's mapping showed us that the majority of under-enrolled units are located in the Brighton Beach section of the area, and where these units are clustered. So, instead of casting a live net over all of Coney Island, we used our resources more efficiently by reaching out to senior centers, religious organizations, and community groups near the targeted units. The Brighton Beach Business Improvement District, Brighton Beach Neighborhood Association,

2	Shorefront YMCA, the Brooklyn Public Library and
3	others advised us on the best times and places to
4	reach seniors. The Neighborhood Association,
5	Shorefront YShorefront Jewish Community Center and
6	JASA Senior Center at Luna Park all serve as our main
7	referral locations so that we had a place to send
8	people when they needed in-person local assistance.
9	At least twice a week over a three-month period, we
10	handed out packets with information about the program
11	and applications in English and Russian. We
12	distributed these materials at the Brighton Beach
13	Boardwalk and elsewhere throughout the neighborhood
14	including transit hubs and local businesses near our
15	targeted households. The information we handed out
16	directed people to enrollment events withwith our
17	community partners or to community centers where a
18	knowledgeable person could help them enroll in the
19	program. We also put up posters throughout the
20	neighborhood and enlisted the support of dozens of
21	area businesses, who allowed us to post information
22	about the Rent Freeze Program in their windows. Over
23	the summer, we handed out approximately 1,500
24	information packets, and applications and held 40
25	events with 4,088 attendees in Brighton Beach.

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[coughing] Another aspect of our new outreach approach was to barcode applications that we gave out at informational and enrollment events so that we could capture the success of various types of events. We have found that it takes at least a few months for people to get these applications to us so we do not yet have much data on the effectiveness of specific events. However, we have analyzed the zip codes of the applications we have received since June and 687 of the 13,300 applications we have received in the last 12 months were from the zip codes in the Brighton Beach, Coney Island, Gravesend and Sheepshead Bay neighborhoods. This accounts for 5% of all applications received compared to a 0.5% average increase in applications citywide. believe this shows that our pilot outreach campaign has had real impact. We are hoping to see this trend continue as we receive mar--more barcoded applications from these neighborhoods.

In addition, we tried out various

marketing approaches to advertise the programs and

events in Brighton Beach. We did two targeted

mailings to drive people to events and publicize the

program. We also made robo calls. We worked with

2	local and ethnic media to advertise the program and
3	our events. We placed ads in the Bensonhurst Beam
4	and Sheepshead Bites. In addition, Commissioner Jiha
5	was interviewed by Gregory Davidson whose popular
6	Davidson RadioRussian radio program is followed by
7	many Russian speaking households in the Brighton
8	Beach area. We had rent freeze ads in bus stations
9	throughout the city for the month of July. We worked
. 0	with NYC media to target locations in the top ten
.1	under-enrolled neighborhoods with these ads. We are
.2	using our experiences in Brighton Beach to inform how
.3	we are approaching outreach in the other nine
. 4	neighborhoods of the top ten under-enrolled areas for
.5	the Rent Freeze Program. These neighborhoods are
. 6	Stuyvesant Town; Turtle Bay, Kingsbridge Heights
.7	Moshulu; Riverdale, Kingsbridge; Frogs Neck, Co-Op
.8	City; Upper West Side; Kew Gardens, Woodhaven; Upper
9	East Side; Flushing, Whitestone; and Highbridge,
20	South Concourse. We just completed a day of action
21	in the Highbridge Grand Concourse section of the
22	Bronx. On November 17th about 50 volunteers staffed
23	from CAU and DOF staff handed out approximately 5,000
24	information packets about the Rent Freeze Program at
25	targeted bus stops and in buildings with under-

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enrolled units. The information distributed publicized and enrollment event on November 23rd, cosponsored with Bronx Works at one of their community centers in the neighborhood. The packets in English and Spanish were made up of general program information applications. Earlier in November, we met with a number of community groups and Council Member Vanessa Gibson to discuss how best to approach outreach in the area. Casa New Settlement, Bronx Works, Senators Serrano and Rivera, as well as Council Member Gibson have been very helpful and supportive of our efforts.

Next, we will focus on the other eight districts on our top ten neighborhoods where we believe there is under-enrollment in SCRIE. It is important to note that we are continuing to promote the Rent Freeze Program elsewhere throughout the city at the same time we are focusing our efforts on particular neighborhoods in the hope of educating and informing children or caretakers of potential SCRIE recipients. Last summer, Con Edison (sic) included an ad for the Rent Freeze Program in their June/July newsletter, which goes to all households that receive their services. We are also partnering with the

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Community Service Society, and AARP. AARP sent 10,000 post cards to seniors in target neighborhoods to promote the program and events we have been hosting with CSS this month. In addition, the Mayor's Office of Public Engagement includes rent freeze outreach in their campaign to educate everyone in rent regulated units about the zero increase on rent for this year. They're working closely with DFTA and DOF to ensure that they can refer seniors to centers if they need further assistance. We have provided public engagement with SCRIE applications in numerous languages and trained their team about the program. We work with the Mayor's Office of Immigrant Affairs, DFTA, the Mayor's Office of Veterans Affairs, the Mayor's Office for People with Disabilities and IDNYC to partner on events that attract seniors and people with disabilities. also work closely with elected officials to plan participate in enrollment and informational events. Overall, so far this year we have held 130 events for the Rent Freeze Program with 12,288 attendees. as of November 30th, DFTA has participated in approximately 200 outreach events in 2015, which reached more than 15,300 attendees. DFTA also

participated in a Citywide Integrated Benefits Pilot
Program at 14 senior centers this year in
collaboration with Single Stop the New York City
Human Resources Administration, Live On New York and
other partners. Through this program, enrollment
counselors at the 14 senior center sites provided
eligibility screening and facilitated enrollment and
recertification for a range of benefits including
SCRIE. As part of outreach for the Integrated
Benefits Program, DFTA conducted 31 presentations
focusing on SCRIE and other benefits for seniors,
which were attended by nearly 1,300 individuals.
DFTA also distributed about 450 flyers to senior
pedestrians, and sent 48,000 mailers to the
communities surrounding the 14 senior center
integrated benefit sites in English, Spanish and
Chinese, which promoted the Rent Freeze Program among
other benefits. DFTA and DOF participate on monthly
conference calls to coordinate efforts around the
Rent Freeze Program.

Since December 2014, we have received 13,300 initial applications, and of the applications that have already had determinations, 67% qualified and have been enrolled. That is an additional 6,093

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that have been enrolled, which accounts for about 6.5% of the 94,000 eligible, but not enrolled households in our report. In addition to increasing awareness of the new--of the Rent Freeze Program, we have made numerous operational and structural changes within the agency to make sure that we keep people in the program. The Rent Freeze Program is under new leadership. Director Parmar and Assistant Commission Dejean have led their team in a top-to-bottom review of all the operational processes for the program. We will be making many changes in the coming months. Two of our new tenants at the Department of Finance are transparency and excellent customer service. This translates into us being flexible and helpful when people are having trouble navigating our processes to get them the assistance they need. do not want to lose people who are already enrolled in the program, and we want to make sure that new applicants can successfully apply if they qualify. We are bidding--beginning to change how SCRIE/DRIE applications are processed and are providing multiple channels for review of SCRIE/DRIE determinations of approval or denial. We seek to make the initial application process simpler for people to understand

as well so that we get completed applications up	
front instead of receiving partially completed	
applications that are in pending status for months	
because we have not received the necessary income of	r
residency documentation. It is important to us that	t
people who qualify for the Rent Freeze Program get	us
what we need up front so that we can quickly grant	
them the benefit. Currently, 42% of SCRIE applicant	ts
and 76% of DRIE applicants submit incomplete	
applications. We believe part of the reason is that	t
the income requirements set out in the law are not a	at
all simple. We are working on an income worksheet	
that people can complete before submitting their	
application. The worksheet would inform them upfrom	nt
as to whether their income qualifies them for the	
program or not. Another improvement underway is the	at
we are working toward a more automated application	
process. We are examining how the process can be	
streamlined and how we can better allocate staff	
across processing areas for all types of exemptions	
to address high volume periods in particular areas.	
For example, employees specializing in renewal	
applications would learn how to process initial	
applications so all staff could do processing of bo	th

2	types of applications. We are also working with DFTA
3	and other city agencies in a renewed effort to see if
4	it might be possible to get access to some data
5	streams that would preclude the need for us to ask
6	for certain types of documentation from applicants
7	such as Social Security information. On the back
8	end, we have created many new channels for review
9	when tenants receive determination from the
10	department with which they believe is incorrect. We
11	work with City Council to draft and pass legislation
12	to establish and ombudsperson for SCRIE and DRIE.
13	The ombudspersons began in their new roles last
14	August, and have already reviewed 200 cases. They
15	participate in all our policy discussions about the
16	program and inform the changes that we are making.
17	We also have our newly established Office of the
18	Taxpayer Advocate led by Diana Layden, who is
19	extremely passionate about making sure that all
20	taxpayers and tenants in the Rent Freeze Program are
21	given an independent review of their cases if they
22	did not get the help that they needed though the DOF
23	channels. Like the ombudspersons, the Office of the
24	Taxpayer Advocate works diligently to help people
25	identify systemic issues and proposes policy and

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legislative solutions as needed. The Rent Freeze Program is made stronger through the feedback of these offices. It is also critical that we receive input from the advocates and community organizations that represent participants, potential enrollees and landlords. For a number of years now we have held semi-annual meetings with legal advocates for seniors and people with disabilities. These meetings have been very meaningful to us in terms of understanding where our processes need improvement. However, we seek more frequent feedback from advocates, and want to make sure we are capturing input from social services organizations that assist applicants and participants as well. Yesterday, we held our first meeting with a group of advocates that does just that. We looking forward to interacting with both of these groups of advocates more frequently and continuing the open and honest dialogue that has begun. Along with the Mayor's Office for People with Disabilities, and the Mayor's Office of Veteran's Affairs, we will be meeting with advocates for people with disabilities next week. Furthermore, we are engaging with landlords for tenants enrolled in the program more closely. We want to help them navigate

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the program and resolve their issues as they arise as Another channel for feedback on the Rent Freeze Program will Commissioner Jiha's new taskforce on the Rent Freeze Program. He will be hosting quarterly meetings with a group of advocates that represent tenants and landlords to ensure that we have a meaningful dialogue about the program, can work together on changes, and are able to address any issues that arise. One example of an issue we're addressing is related to complaints we have received that our renewal process is not working as well as it should. We will be making an extraordinary effort to keep people in the program, and we will be relying on you to help us catch people before they lose this critical benefit. We are going to email each council member directly every month with a list of constituents in your districts who need to renew their rent fre3eze benefits. We will also be sending these lists to our advocacy and community partners. We are looking forward to all that we will learn trough input from advocates, elected officials and working together to solve problems. But sometimes we are limited in the policy changes we can make because much of what we do here at DOF is regulated by New

2	York State law. Therefore, we've advocated for a
3	number of legislative proposals to improve the Rent
4	Freeze Program, which are crucial in enabling us to
5	have more leniency in its administration, and to keep
6	qualified tenants enrolled. This year we worked with
7	the New York State Legislature on two bills that we
8	believe will improve the program for applicants and
9	participants. These bills both passed and are
10	awaiting the Governor's signature. We are hopeful
11	they will become law by the end of the year. The
12	first Bill A7914 and S5721 will allow SCRIE and DRIE
13	beneficiaries enrolled prior to July 2015 to remain
14	in the program if they do not meet the one-third
15	income to rent requirement upon renewal as long as
16	they meet all other requirements. This is because
17	until recently, we did not check the one-third income
18	to rent requirement at renewal as we did when people
19	initially applied for the program. Because some
20	participants have been enrolled in the program for
21	years, we were concerned that they risk losing the
22	benefit or having to pay a lot more in rent upon
23	renewal once we began checking for the one-third
24	income to rent requirement. This legislation
25	protects them from that risk. New applicants will

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not face any spikes in their rent because we will be checking the requirement each time they renew. second Bill A7247A, S5826A establishes the ability for a qualifying tenant to take over a benefit when the head of household dies or permanently leaves the household. We refer to this as a benefit takeover. Before this legislation was introduced the law did not have any section to deal with benefit takeovers. The bill establishes a benefit takeover process including at least a six-month time period for a qualified tenant to apply for the program. working on another bill that we hope will pass the New York State Legislature this coming year, A8228 S6214 has already been introduced in both houses. This bill would allow a participant back into the program at their old frozen rent if they lose the benefit for one lease term because of an increase in their income. In addition to seeking New York State legislation, another effort to keep participants from losing their benefit we have promulgated rules to allow SCRIE and DRIE beneficiaries more than six months to renew their benefit or initiate a benefit takeover if there are extenuating circumstances such as the heads of household being hospitalized.

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will give someone with extenuating circumstances an additional 18 months from their lease expiration to renew at their old frozen rent. We are also establishing a new process for participants who miss their renewal period because they have a disability covered under the Americans with Disabilities Act. If they miss their renewal because of a reason covered by the ADA, we will review their case at any point after the benefit expired, and we'll reinstate the benefit at the old frozen rent if they can provide us the documentation we need. We originally proposed these rules through a public process in August. We made changes to them based on feedback we received from advocates both through the formal rulemaking process and in more informal conversations that we had. We published the final rules on Monday and they will go into effect in January. We are confident that these new rules will help SCRIE and DRIE participants keep their benefits. Before closing, I would like to comment on Introduction 798. We work closely with Council Member Cornegy's office to address concerns he raised about the confusion many tenants have about the difference between preferential and legal rent. Our collaboration is

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reflected in this bill. Many participants do not realize they have a preferential rent until they are enrolled in the Rent Freeze Program. This is because the program only allows for us to freeze the rent at the preferential amount if it is for the lifetime of the tenancy. In many cases, the tenant receives preferential rent only for the term of the lease. The bill seeks to clarify preferential versus legal rent, and under what circumstances DOF will freeze rent at the preferential amount. We support his legislation. However, we are still working with the Law Department and City Council to finalize the language. Thank you again for the opportunity to testify today. We would be happy to answer any questions you may have at this time.

CHAIRPERSON FERRERAS-COPELAND: Thank you for coming to testify. I just need to say that we are live Tweeting. I want to thank Jasmine Chavez from the Speaker's Office in doing our social media. So for those that couldn't make it to this hearing we are also listening through social media. You can tag myself, Council Member Chin or Council Member Cornegy or any other council member that you see here, like Council Member Gibson, Vallone and Treyger. You can

1	COMMITTEE ON AGING 34
2	ask them, and they can ask your questions to the
3	agency. So hopefully, we can make this all work.
4	ASSISTANT COMMISSIONER KARASYK: Can I
5	just show you this map now that I have it?
6	CHAIRPERSON FERRERAS-COPELAND: You can
7	show us the map, yes.
8	ASSISTANT COMMISSIONER KARASYK: I'm
9	going toI'm going to pass this around.
10	CHAIRPERSON FERRERAS-COPELAND: But,
11	before you do that, so you have to tag us. I'm
12	learning also, and you has to hash tag #nyccseniors
13	or hash tag #nyccdrie.
14	ASSISTANT COMMISSIONER KARASYK: Hash tag
15	#rentfreezenyc.
16	CHAIRPERSON FERRERAS-COPELAND: All right
17	and hash tag #rentfreezenyc and we're all in it
18	together. Okay, great.
19	COUNCIL MEMBER CORNEGY: [off mic] And
20	that's because we are all in it together. (sic)
21	CHAIRPERSON FERRERAS-COPELAND: We're all
22	in it together. That's a good hash tag.
23	COUNCIL MEMBER CORNEGY: It is.
24	CHAIRPERSON FERRERAS-COPELAND: Yes.

[laughs]

ASSISTANT COMMISSIONER KARASYK: So I'm
just going to pass this around, but what I brought is
a map to show you how some of the targeted areas.
This is the Coney Island map, and there's athere's
a key here that shows you. This is actually one of
the older ones. We added more and more information
to this, but one of the things I wanted to point out
here to you in particular is as we develop these for
the other neighborhoods, we definitely would love
your help in figuring out the community groups that
we should hit that are near the targeted units that
we have that are highlighted here with the bubbles

CHAIRPERSON FERRERAS-COPELAND:

15 [interposing] So I'm sure that--

ASSISTANT COMMISSIONER KARASYK: -- religious organizations, et cetera.

CHAIRPERSON FERRERAS-COPELAND: I'm sure

Council Member Treyger has questions, but let's start

with the map on that end. Sergeant-at-Arms, can you

get Council Member Treyger the map, and then we'll

work.

ASSISTANT COMMISSIONER KARASYK: [off mic] Put it this way.

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CHAIRPERSON FERRERAS-COPELAND: So I am going to keep--I'm actually going to save some of my questions to the second round because I want my cochair and the sponsor of the bill to have an opportunity and other members who are interested. So I'm going to talk--ask you directly on your testimony and I know you mentioned the one-third to income rent requirement, but you didn't mention how many people were affected. Have you removed anyone because of the one intro--the one-third rent ratio?

ASSISTANT COMMISSIONER KARASYK: No, because this legis—of this legislation we will not be removing people from the one-third.

CHAIRPERSON FERRERAS-COPELAND:

[interposing] Okay, so you will--

ASSISTANT COMMISSIONER KARASYK: So what will happen is for future—future participants that are enrolled past July, 2015 when they hit their renewal period, we will be looking to see if they meet the one—third rent to income ratio because that will be incremelted—incremental because it will be at every renewal period. We don't expect that that will have a big impact on them.

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CHAIRPERSON FERRERAS-COPELAND: And how many New Yorkers are we thinking this will affect?

ASSISTANT COMMISSIONER KARASYK: We don't

know because it's going to be sort of rolling depending on--

CHAIRPERSON FERRERAS-COPELAND:

[interposing] But right now how many are we--how
many--how many are affected presently?

ASSISTANT COMMISSIONER KARASYK: None because anyone enrolled in the program prior to July 2015 will not have this trigger at renewal. That's what the legislation accomplished.

CHAIRPERSON FERRERAS-COPELAND: I know that and I'm just saying this was—this legislation was in response to an issue that DOF was trying to mitigate, right because of the one-third?

ASSISTANT COMMISSIONER KARASYK: Right, but none of them are going to lose their benefit or have a change in benefit.

CHAIRPERSON FERRERAS-COPELAND: I know, but when you said 'them' I'm just trying to ask--

ASSISTANT COMMISSIONER KARASYK:

[interposing] Oh, what was the population--

1	COMMITTEE ON AGING 38
2	CHAIRPERSON FERRERAS-COPELAND:
3	[interposing] Yes.
4	ASSISTANT COMMISSIONER KARASYK:that
5	could have been affected?
6	CHAIRPERSON FERRERAS-COPELAND: Yes, yes.
7	ASSISTANT COMMISSIONER KARASYK: I don't
8	remember that number.
9	BIBI PARMA: [off mic] There were about-
10	-
11	CHAIRPERSON FERRERAS-COPELAND: Can you
12	just speak into the mic and say your name for the
13	record?
14	BIBI PARMAR: [off mic] My name is Bibi
15	Parmar. I'm the Director of SCRIE and DRIE programs.
16	ASSISTANT COMMISSIONER KARASYK: Yes.
17	BIBI PARMAR: So
18	CHAIRPERSON FERRERAS-COPELAND:
19	[interposing] Is your microphone on? Is her
20	microphone on?
21	BIBI PARMAR: Hello.
22	CHAIRPERSON FERRERAS-COPELAND: Is the
23	red light on.
24	BIBI PARMAR: Yes.

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here we go.

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BIBI PARMAR: Can you hear me?

CHAIRPERSON FERRERAS-COPELAND:

CHAIRPERSON FERRERAS-COPELAND:

BIBI PARMAR: So when we initially look at our active SCRIE and DRIE populations, we found about 5,000 people would see some sort of increase. They wouldn't be removed from the program, but--

CHAIRPERSON FERRERAS-COPELAND:

[interposing] Right.

BIBI PARMAR: -- they would see some sort of increase because we would be bumping them up to their one-third. And about 500 people who would be removed from the program. So these participants are the ones that are grandfathered in. So they wouldn't be affected at all as per this bill.

CHAIRPERSON FERRERAS-COPELAND: So, thank I think that's it. You know, those you very much. are a lot of people that will be affected. I just want to talk about the 200 cases. Do you intend to have an MMR indicator for us to be able to follow this through your ombudsperson, their work? Can we expect to see this in the outline?

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BIBI PARMAR: Oh, we--we haven't spoken about that thus far.

CHAIRPERSON FERRERAS-COPELAND: Okay. Well, I'm requesting that there be included in--

BIBI PARMAR: [interposing] Okay.

CHAIRPERSON FERRERAS-COPELAND: --the MMR an indicator just so that we can follow the--the work that you're doing on this in particular. And I have one more question before I--I give it over to the co-chair. In the report that DOF put out last December reported that there was 61,319 SCRIE and DRIE beneficiaries enrolled in the program but there was an estimated 94,047 eligible beneficiaries who were not enrolled in the program. After a year of DOF's outreach I know that you spoke about the outreach plan, and the outreach campaign, can you provide us with the current number year to date on the SCRIE?

BIBI PARMAR: So the current number of participants is approximately 60--62,000. However, there have been 6,000 new people enrolled since we came out wit the report last December.

CHAIRPERSON FERRERAS-COPELAND: And in Fiscal 20--

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BIBI PARMAR: [interposing] New households I should say.

CHAIRPERSON FERRERAS-COPELAND: New households, yeah. In Fiscal 2015 MMR, DOF reported that the initial applications for SCRIE increased by 90% between Fiscal 2015 and 20--between Fiscal 2014 and 15 rising fro 8,272 to 15,713. DOF attributed the increase to its outreach efforts, and the increase in the income threshold to 50,000. How many initial applications is DOF on track to receive for 2016? [door slams]

BIBI PARMAR: In--Okay, let's see. That was a good one, huh?

CHAIRPERSON FERRERAS-COPELAND: That was a good one, yeah. Thank you for my staff's work.

(sic)

BIBI PARMAR: Excuse me. So in Fiscal Year 15 so far--16 so far we have 3,634 applications for SCRIE and we have 1,148 for DRIE.

CHAIRPERSON FERRERAS-COPELAND: So would you say we have a dip or, you know, what do we--

BIBI PARMAR: So, yes, we're looking-Yes, it would be down. At the last year at the same
time it kind of coincided with the income increase.

COMMITTEE ON FINANCE JOINTLY WITH COMMITTEE ON AGING

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2 So we saw a large influx of applications in--in 3 response to the income increase.

CHAIRPERSON FERRERAS-COPELAND: So, is—
do you consider this more on our—because it seems
like it would be, and excuse me if I'm not reading
this correctly, but it's about 5,000 applications for
both. Is that correct?

BIBI PARMAR: That's correct.

CHAIRPERSON FERRERAS-COPELAND: That's about.

BIBI PARMAR: Well, we don't know if it's revoke. We--we think--we're not sure. Some--some is due to death.

CHAIRPERSON FERRERAS-COPELAND: Right.

ASSISTANT COMMISSIONER KARASYK: Right.

BIBI PARMAR: Some is due to people moving and then some are revoked.

CHAIRPERSON FERRERAS-COPELAND: So then that would technically be a little bit lower than that what you got from FY15. Well, no, I guess it--

What we're talking about is initial applications. So these are new--new program participants.

CHAIRPERSON FERRERAS-COPELAND: Right.

25 Okay. Great. Well, I have additional questions but

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2 I will ask them in a second round, and now we'll hear 3 from Co-Chair Chin.

CHAIRPERSON CHIN: Thank you. In your testimony you talked about you started to increase your use of ethnic media. So can you talk about what are some of the publications that you have been working with or some of the radio or TV stations?

ASSISTANT COMMISSIONER KARASYK: So we've been doing this neighborhood by neighborhood as we've been hitting the neighborhood. We did get into the Chinese press. I can't remember the -- the name of the newspaper. We had a few articles about us after we did some events with the Lin Sing Association in Chinatown, and there were--there--that was covered on both Chinese TV and also in the press. I can follow up with your office and tell you exactly which those were because I cannot remember the name of them right We also were on the radio program, Davidson Radio that I mentioned the Russian radio station, and I think those are the main ethnic ones to date. Generally, what we do when we--with our new sort of approach is we go meet with community to say who should we be talking to? So Davidson Radio came out of the Brighton Bed BID connecting us with them.

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And, you know, our commissioner is always happy to go and get interviewed by ethnic media. So we have engaged with the Chinese press a few times. We've gotten a few things with them, but between that and the Russian radio, that's the bulk of it recently.

CHAIRPERSON CHIN: I think with the--I mean our experience with the ethnic media is that a lot of them it's not just neighborhood focus. For example, if you do the Chinese media it's citywide because everyone in different neighborhoods reads the same newspaper. The same thing with the Korean-American community publication. I'm sure with the Russian community. It's not just by the beach, but you're really reaching a larger target. probably helpful to do some regular, you know, outreach to remind people about the Rent Freeze Program. And I think media in some ways they're so I mean we send them information so supportive. they'll publish it, and write stories about it. so I think that's something that you really need to utilize much more because they're willing to help us. And I think the City Council and our Speaker. know, we have personnel that specifically help the City Council to help with the ethnic media. So I

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think the Administration size will really utilize
that resource much more than what you're doing. I

mean it's good that when you're focusing on a

neighborhood, and you're doing some outreach then, of
course, they'll cover it. But even on a regular

basis, you know, put out some stories about people
who have successfully applied and that you have or
the numbers that you have increased to this month.

To really just get it out there on a regular basis.

Because it's in the language that they understand,
and then they will be able to take advantage of it.

Also, like in terms of—have you engaged with the
Mayor's Office of People with Disability? How has
that been working in terms of to increase the—yes,
enrolling in the DRIE program?

been. So we're setting up these regular quarterly meetings with the Mayor's Office of People with Disabilities and Veterans Affairs. That's starting this week, but we're regularly in touch with their office. We help them with cases because, you know, they—they get a lot of cases referred to them and then they will speak with my office to resolve any issues that come through. So that happens all the

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time. So we help with applications and pending documents. One of the challenges that we do have with DRIE, though, is that unlike the SCRIE where we sort of know the general neighborhoods that we need to hit, with DRIE it's citywide. So we are still working on hot do that. We always do DRIE outreach with SCRIE outreach, but we--we are trying to engage with advocates that can work more closely with this population to make sure we're getting the word out effectively.

CHAIRPERSON CHIN: Have you done any of the outreach with the--I mean you talked about working with the Mayor's Office of Immigrant Affair. I mean the whole IDNYC Program, so are you also, you know, kind of matching up the outreach with them?

Because there--

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ASSISTANT COMMISSIONER KARASYK:

20 [interposing] Yeah, we do

CHAIRPERSON CHIN: --have been some successful--

ASSISTANT COMMISSIONER KARASYK: Yeah, we invite them to our events. They invite us to their events. We do partner together.

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CHAIRPERSON CHIN: So are you also at all the enrollment sites, the information about the DRIE and SCRIE program?

ASSISTANT COMMISSIONER KARASYK: You know, we talked to them to about that, and I know some of them do. I'm not sure if all the enrollment sites have our information. I mean some of them are finance sites. The finance sites for sure do. The libraries do because we have worked with the libraries, but I'd have to look to see if every single one does.

CHAIRPERSON CHIN: Yeah, or every time that they go out, they should be helping you give out this Rent Freeze Program information--

ASSISTANT COMMISSIONER KARASYK: [interposing] yeah.

CHAIRPERSON CHIN: --because they do go out to many different neighborhoods all the time, and I mean it's--it's part of the administration. So it would--it would be interesting for them to really help you maximize the outreach effort. I'm going to come back with other questions. Let's defer to other colleagues. Thank you.

1	COMMITTEE ON FINANCE JOINTLY WITH COMMITTEE ON AGING 48
2	CHAIRPERSON FERRERAS-COPELAND: Thank,
3	Co-Chair Council Member Cornegy, and we've been
4	joined by Council Member Deutsch and Levine.
5	COUNCIL MEMBER CORNEGY: So I just have a
6	couple of questions on 1798-A. I understand that the
7	Department of Finance does not currently capture any
8	information in your database that acknowledges that
9	applicants from the Rent Freeze Programs are paying
10	less than the registered rent. Is that true?
11	ASSISTANT COMMISSIONER KARASYK: Yes.
12	COUNCIL MEMBER CORNEGY: So do you have
13	any sense of how many SCRIE and DRIE applicants pay
14	preferential rent?
15	ASSISTANT COMMISSIONER KARASYK: No, we
16	don't. Not at this time.
17	COUNCIL MEMBER CORNEGY: So, I guess we
18	have no way or knowing whether or notor do you have
19	any way of knowing whether or not the numbers are
20	increasing, decreasing?

21 ASSISTANT COMMISSIONER KARASYK:

Anecdotally--22

> COUNCIL MEMBER CORNEGY: [interposing] yeah.

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ASSISTANT COMMISSIONER KARASYK: --you know, we see maybe one in ten applications may have some sort of preferential rent, but that's anecdotal. Once we put in some sort of a flag or a check within our database, it's not really going to give us any immediate numbers. It would be gradual once people renew, and then as--as their information gets added to the system, that's when we'll have more clear data. But it's--it's going to take some time.

that in your--in your testimony--well, in your testimony it talked about the fact that you're still working consistently with the Legal Department at the City Council on the language of the bill. Is there any particular portion of the language that is not amenable? I'm sorry. That was--I'm sorry. That was for you.

ASSISTANT COMMISSIONER KARASYK: I'm sorry. I misunderstood. (sic)

COUNCIL MEMBER CORNEGY: I'm--I'm saying that--I'm saying that in--in your testimony you--you say that you are currently working with the Legal Department at the City Council on the language. Is

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there any portion of the language in the bill that's not amenable?

ASSISTANT COMMISSIONER KARASYK: Oh, well, you know, I don't think that it's like anything specific. They just generally need to go through and compare with all the statutes and that's the process that they're going through right now. They know that from where we're sitting that conceptually we think this is a good bill. So it's just a matter of working through that.

COUNCIL MEMBER CORNEGY: Thank you. I have a few more questions, but I'll let it--I'll come back on the second round and let some of my colleagues.

CHAIRPERSON FERRERAS-COPELAND: [off mic]

Council Member Treyger and [off mic]

COUNCIL MEMBER TREYGER: Thank you to both chairs for holding this very I think important and substantive hearing, and I appreciate the Department of Finance's outreach to our very diverse ethnic communities. It's very much appreciated. I also encourage you to reach out to me. I am the first Russian-speaking member of the Council. I could help with the Russian outreach as well. But

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just a quick question about people--people who are eligible because this is--this is a challenge that my district office also faces with regards to. If you are receiving Section 8, are you eligible for SCRIE or DRIE?

ASSISTANT COMMISSIONER KARASYK: No.

issue because I see the numbers are saying--I was watching--I was looking at the map and there are many individuals who are--who are receiving Section 8 who are encouraged to apply for SCRIE and DRIE and get frustrated and say well, you can't have both. So are you running into that when you do the outreach events across the city?

ASSISTANT COMMISSIONER KARASYK: We do-we do see that for sure. That is one of--that is one
of the reasons why people do not qualify?

COUNCIL MEMBER TREYGER: So that's why sometimes these numbers, you know, you're focusing—when you say the people who are eligible does your data include people who are receiving Section 8?

This is just everybody is eligible because—I'd be curious to know what is the actual number of people

COMMITTEE ON FINANCE JOINTLY WITH COMMITTEE ON AGING

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who are receiving Section 8 who could receive SCRIE and DRIE but really can't have both.

ASSISTANT COMMISSIONER KARASYK: I know that when CAU has been looking through our data to create the map that we passed around, they do put that filter in, the Section 8 filter in. So that we're not trying to hit places or—or mail to places that has Section 8 to the—to the best of our knowledge.

COUNCIL MEMBER TREYGER: So is there a number that you have that when you say that people who are eligible is there a number where you can get-you have it filtered down to people who are not receiving Section 8, what that number is then?

ASSISTANT COMMISSIONER KARASYK: Let me make sure that I'm right about this, but I mean correct me if I'm wrong, but I'm pretty sure in our report we did filter out for Section 8. So that 94,000 number did not include Section 8.

COUNCIL MEMBER TREYGER: Because my office has engaged in a number, and I appreciate. I--I--I've heard about your efforts and I appreciate it and again feel free to use my office as a resource as well. We've engaged in these outreach efforts, but

Chairs that we come across many times and many people
say well, II have Section 8. I can't have both.
So, wewe-we keep running into that. The other
thing I just want to flag is that I'm curious to know
of the people who are not signed up, how many of them
were once signed up and had a problem renewing?
Because that is a major problem that we see also in
my office. There are people that are seniors who
haveit's a renewal form, right? And sometimes
there are complications and issues with getting those
forms filled out. So is this data saying that people
who have never signed up or people that signed up,
and lost it and for whatever reason did notdid not
reapply. The people who never signed up is there a
way to break that down?

ASSISTANT COMMISSIONER KARASYK: The report itself was looking at sort of that snapshot in time. So it would not have taken into account if any of these households maybe had it before because that—that wasn't how we looked at the data. We just looked at like who's currently enrolled, and who we think might be enrolled, and we don't have units—specific data to compare that to.

COMMITTEE ON FINANCE JOINTLY WITH COMMITTEE ON AGING

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2 COUNCIL MEMBER TREYGER: Because I've 3 seen cases where sometimes landlords do not give the 4 people the information they need to verify certain things on the forms. And so they could have their 5 part filled out, but am I correct in saying the 6

7 landlord has to fill out their part of giving certain

information? Is that correct? 8

> ASSISTANT COMMISSIONER KARASYK: Right, we need them to fill out the Renewal Application and send us the documentation.

COUNCIL MEMBER TREYGER: And do you have any types of -- any type of data of how much noncompliance we get from that end? Because if the senior does their part--if the person with disability or the senior does their part they're still at the mercy of the landlord. Is there any data on how many times we've--that they're not complying with or filling out their part?

ASSISTANT COMMISSIONER KARASYK: Well, we--we do have a form for them to submit to us if they are not able to get a lease from their landlord so that they can continue with their renewal process if they're--if they're in a rent regulated building.

25 And we think that helps with a lot of cases, but I

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don't think we have--we don't know the reasons why people don't complete their renewal applications that they start.

COUNCIL MEMBER TREYGER: I--I'm just telling you that the reasons I'm hearing is that there are complications in--in renewing the forms because it's hard to get some times landlords to complete their part. Sometimes senior citizens their issues change. They-they might become immobile. They might face more challenges with greater age. That's why I think Chair Chin and Chair Vallone have been very vocal in pushing for caseworkers, more social workers to--to help them assist with these cases because our office has become the de factor social workers to help them. We have to do aggressive outreach to them. So I just think that, you know, I--I appreciate the efforts, but I think that there's still a lot more work to do. And I also want to just congratulate I think and commend my colleague Council Member Cornegy I think on a great bill that I think he was inspired to introduce when he was working here in the Council as a Policy Analyst, and now he has--will he pursue this and

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congratulations on your bill. Than you, Chair, for
your time.

CHAIRPERSON FERRERAS-COPELAND: Thank
you, Council Member. We will now hear from Council
Member Vallone followed by Council Member Deutsch.

COUNCIL MEMBER VALLONE: Good afternoon. Thank you for the presentation. Thank you, Madam Co-Chairs. Just quickly. I thank you for coming to the district. That is a huge instrument with getting information out, and I think our district who represents one of those where you are landlocked and they can't get a lot of the information. So when you do that outreach and come on out, I think that's a huge help. Even though they have more work to do to get to those areas in Whitestone and Flushing, but that's a great start. Do you happen to have--I know you said it's a snapshot in time now, but any data or maybe forthcoming on after the outreach how you've maybe seen a spike or an increase or if it stayed the same in the numbers in the districts that have enrolled applications? Are those applying for SCRIE and DRIE?

ASSISTANT COMMISSIONER KARASYK: Yeah, I mean that's something we're trying really hard to

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capture. So we're par-coding all the applications
that we're giving out in those areas, but one of the
numbers I gave in the testimony is we did look at the
zip codes of applications we received in sort of the
Brighton Beach overall area. And weof the total
applications we've received about 5% were from those
areas, which is much higher than we've seen in a lot
of the other neighborhoods in the city. So we think
that that's a good indication

COUNCIL MEMBER VALLONE: [interposing]
That's a great indication.

ASSISTANT COMMISSIONER KARASYK: --that at least some of what we're doing is working.

COUNCIL MEMBER VALLONE: Is there a next step phase on--on what we could do together to--to get that to 10% and 1Is there a next step phase on--on what we could do together to--to get that to 10% and 15%?

ASSISTANT COMMISSIONER KARASYK: Yeah, well, you're one of our--you're one of our coming districts. So we should talk about how do get started.

COUNCIL MEMBER VALLONE: Okay. That's important. I think the seniors, the mobility and the

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access I think is a--is a huge point on all committee hearings of getting that information. So this is--falls into that. Do you see, and I just throw out there like the next evolution maybe or the expansion of what you would envision SCRIE or DRIE to maybe become beyond what it is today?

ASSISTANT COMMISSIONER KARASYK: I think right now we're just trying to do the best with what we've given and we're solving for problems that we're seeing that make it hard for people to stay in the program. Like that's, you know, something that our commissioner is very passionate about is we don't want people to be dropping out of the program. they're enrolled, if they qualify for the program so what do we do with our renewal process? How do we do better outreach around that? How can we improve our applications sort of across the board? And I think once we have those processes a little bit further along, we might then be able to come back to other ideas. But as you can see from the legislation we're thinking about for this year, it's really to solve for problems that we're already seeing.

COUNCIL MEMBER VALLONE: And I think the-one of the last topics we faced in my district is

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the language barrier, which I'm sure was mentioned by a lot. Have we taken any steps to start to beyond just plugging in a translator to actually bringing in whether it's Korean, Chinese, Italian, Greek, whatever the language may be, additional staff that actually can work with the application in their language?

ASSISTANT COMMISSIONER KARASYK: You mean if they fill out the application in that language itself?

the translation process is actually having a New York City employee that speaks the language that can help theme through. It's very different than actually connecting to a translator. So we are hoping that maybe the additional staff thing with additional language requirements. That would be a big help.

ASSISTANT COMMISSIONER KARASYK: Yeah, I mean that's something I always look for in my outreach staff, and I know we have some processing staff that also speak other languages. I mean the other thing that we're really focused on is trying to work with advocacy groups and social services organizations that have people that speak these

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languages that can literally walk people through applications. We were just meeting with an organization before we came here to see like what language abilities they have because it's not only people that speak other languages, it's like we need more and more people to help us sit down with people and go through the applications and make sure that they get the application right, and they get everything in it they need to get in. And we need help from community partners to do that because there is only so much that we can do on our own.

COUNCIL MEMBER VALLONE: Yeah, what we could do is probably each of the council members could get for you or before you come at our office, the civil leaders, the community board heads, those who are making the difference in each one of our districts. And—and then you can do a—a training for them there, and then they can take the forms back to their meetings, and you can have your advocates on a monthly basis out there. And I think that that would be a great topic for each one of our civics and community boards to tackle. And we can kind of bring them in before—before their, you know, 2016

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2 schedule. That might be something we could do to 3 help.

ASSISTANT COMMISSIONER KARASYK: Sounds good.

COUNCIL MEMBER VALLONE: Okay. Thank you very much, Chairs.

CHAIRPERSON FERRERAS-COPELAND: Thank you and just as a follow up did you complete your Train the Trainer video that you guys had mentioned?

ASSISTANT COMMISSIONER KARASYK: Yes, we did. We have our Trainer's Train the Trainer video for SCRIE and a Train the Trainer video for DRIE on our current application. Of course, we're going to be changing applications so we'll need to redo those, but they're up on the website.

CHAIRPERSON FERRERAS-COPELAND: You won't be going there then. We are now--

ASSISTANT COMMISSIONER KARASYK: Well, they're great. You should --you should look at them. CHAIRPERSON FERRERAS-COPELAND: Oh, okay,

so it's--

ASSISTANT COMMISSIONER KARASYK: [interposing] It's not like me. It's--it's much better than that.

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2 CHAIRPERSON FERRERAS-COPELAND: [laughs]

Okay. Council Member Deutsch followed by Council
Member Levine.

5 COUNCIL MEMBER DEUTSCH: Thank you,

6 Chair. I just want to say thank you very much. Your

7 | office has been really wonderful, and we get updates.

8 We get notifications of the--the residents who are

9 still--who haven't signed up. Potential people that

10 | haven't signed up, and my office right away we divide

11 | the list. We make phone calls. So it's really

12 | important this collaboration because no such one--no

13 one agency is able to do everything, and the

14 | collaboration I think is extremely important. And

15 keeping us updated of the people that may have--that

16 you might not be able to contact. So--and it gives

17 | excitement also in the office because we all sit

18 down. We all make the phone calls and it's very

19 exciting when you reach someone who either forgot to

20 | apply, or who has to reapply, and it's--it's really a

21 | collaborative--a collaborative effort between us.

22 | And I do represent the largest I believe Russian

district in the City of New York, although I speak

24 | more Spanish than Russian. But, Gregory Davidson is

25 \parallel a good media outfit, and thank you for that. And

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Elana (sp?) from the Brighton Beach BID. She's a very knowledgeable person. So you're on the button when it comes to reaching out to communities. So I want to thank you for that, and thank you,

Commissioner, for all that you do. Thank you so

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much.

CHAIRPERSON CHIN: Council Member Levine.

COUNCIL MEMBER LEVINE: Thank you, Madam There's a quirk in the SCRIE and DRIE, which Chair. is that if you have already become severely rent burdened before you hit 65 there's no way to roll your rent back to an acceptable level, which for purposes of SCRIE and DRIE is assigned as 30%, which is generally how housing experts define a line between affordable housing and excessive rent burden. So it's--it's a line that unfortunately more than half of New York City residents are on the wrong side of. Over half are paying more than a third of their income to rent. So this is not an isolated problem. Do you have an ability to estimate just what portion of people when they do enter into SCRIE or DRIE are already paying more than 30% of their income towards rent?

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ASSISTANT COMMISSIONER KARASYK: Yes, wewe do have sense of that. I think we--we took a
look at that recently and it's--it's quite an
overwhelming percentage is--is paying more than 30%
of their income.

COUNCIL MEMBER LEVINE: So by an overwhelming percentage, you mean over 50%?

BIBI PARMAR: That's correct, but that's also based on the--the income that's reported to us. There's, you know, some very low incomes that, you know, we--we don't really continue to ask for--for income information so we--we take income at face value. So it's as complete as the--the income information that we have on file for them.

COUNCIL MEMBER LEVINE: I'm sorry. I didn't catch that. Where's the hold on income information? What--what don't you ask for?

BIBI PARMAR: For an applicant. If the state said their income is \$12,000 year, we wouldn't keep asking for more additional information.

COUNCIL MEMBER LEVINE: But there is not a yearly request to re-substantiate income in other words?

BIBI PARMAR: There is--

COMMITTEE ON FINANCE JOINTLY WITH COMMITTEE ON AGING 1 2 COUNCIL MEMBER LEVINE: [interposing] 3 Right. 4 BIBI PARMAR: --but some--some tenants say that they are living off of their savings or--or 5 things like that. So, we can't really quantify how 6 7 much they actually earn. 8 COUNCIL MEMBER LEVINE: Right, but I 9 think in the vast majority of cases almost by definition these are folks whose income--10 11 BIBI PARMAR: interposing] Absolutely. 12 COUNCIL MEMBER LEVINE: --is stagnant, 13 maybe even going down. It's unlikely that they're 14 going to enter into a very high paying job at this 15 stage. 16 BIBI PARMAR: Correct. COUNCIL MEMBER LEVINE: Which means we do 17 18 19

have a serious problem on our hands. I understand that there--there be an act of state law to correct this. Do you have a sense then of how much it would cost with the budget impact that such a correction would be?

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ASSISTANT COMMISSIONER KARASYK: mean I would guess it would be substantial based on the data that Bibi just referred to where we know

COMMITTEE ON FINANCE JOINTLY WITH COMMITTEE ON AGING 1 that there's a large percentage of people that are 2 3 above that one-third, but, you know, we'd have to put 4 our heads together, and figure out what that number would actually be. 5 COUNCIL MEMBER LEVINE: Right and remind 6 7 me does--do the state and the city share the cost or 8 is this entirely borne by the state? BIBI PARMAR: Well, the -- it's the city. I mean, the -- I think you're thinking about when they 10 11 increased the--12 COUNCIL MEMBER LEVINE: [interposing] 13 Right. 14

BIBI PARMAR: --income when--in 2014 the state said that they would pay some of that, but generally it's the city.

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COUNCIL MEMBER LEVINE: Understood. Does the Department of Finance have a position on whether you'd like to see this loophole closed?

BIBI PARMAR: I don't for you today. I can get back to you.

COUNCIL MEMBER LEVINE: Okay. Great. Thank you very much.

CHAIRPERSON CHIN: Yeah, I'd like to follow up that--Council Member Levine's questions

1 because I think advocates out there are talking about 2 3 rollback because of the higher percentage of 4 applications [coughing] whether they're on SCRIE or DRIE are paying more than one-third of their income. 5 So I think it would be helpful if the Department of 6 7 Finance can provide some of the data to us so that we 8 can make an informed choice to how we begin to address this serious issue so that the most vulnerable in our community can get some more relief. 10 11 It's good that, you know, they don't have to pay the 12 rent increase, but if we can roll back, you know, 13 some of that and to make sure that they're, you know, paying less than what they're paying now-- If people 14 15 are paying more than 50% of their income, that is just not right. So I think that we--we would like 16 17 you to really get us the data of the people that 18 apply who are in that situation paying more than one-19 third of their income, and how much would that cost 20 the city? A lot of times if we want to keep people 21 in their affordable home, it's going to save the city 2.2 money in the long run. Because we cannot build 2.3 housing fast--affordable housing fast enough. So we

want to be able to make sure that they are able to

remain in their homes. So I--I--I would like to

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request, you know, that data from the Department of Finance. Another question I have is regarding Council Member Cornegy's bill. Now, in the bill it requires the Department of Finance to include in the SCRIE and DRIE notice the fact that residents have the right to call DHCR for the rent history or if they suspect--suspect that they have been overcharged by the landlord. And it will include a general phone number, phone line or a -- or a general email that they can contact. I mean that's in the bill now. from my experience for a lot of residents especially seniors, you just give them the general contact information number. It's just not enough. So--and also it might take a long time for the agency to get back to the resident. Now, can we put some more information in there not just a contact email, a phone number? But also put some language in there so that the residents can get step-by-step instructions on how they can get their rent history or what they can do if they think they've been overcharged or even more educational information? So is that just a number for them to call?

ASSISTANT COMMISSIONER KARASYK: So I mean I think that one thing that we're grappling with

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in terms of that is like it's understandable what you're saying. It's just that we're--we're not DHCR and we want to make sure that through the message of the letter, which is -- that we're sending is this what we're freezing your rent at. You know, here are the circumstances. You should come to us if you have a concern about that. We don't want that to get lost in a huge conversation about DHCR that we can't answer because we're not DHCR. So we felt the best strategy for the Department of Finance communicating with them is to give general contact information for DHCR, and make sure that they also understand the message that we're trying to send with the notice. We--we have seen and I'm sure you guys have seen this, too. The more information that we put in a notice, the less people are able to take away from it. So, that's why we have that general information I mean we could talk about sort of maybe there's other ways for us to communicate with people about the steps we take with DHCR. I know 311 has information as well. But there may be other ways that we could share, the messaging that you feel that we need to get out there to people. Maybe it's something that we could add when we're doing some of

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our outreach events. Maybe there's a flyer that we could come up with for example that we could help distribute to people and things like that are sort of, you know, what I'm thinking of just--just in terms of what we want to make sure we get out with

7 the notice. And also making sure of that. (sic)

CHAIRPERSON CHIN: And, well, I think also--I mean it also might be good for you to also look at working with the-the state agency to see what, you know, concise information they can give you that could be helpful to the resident who's calling for information, or if there is specific people that they should be in touch with. So we want to make sure that that will get the information they need. The other part of your testimony you were talking about I mean in the past we in the City Council we've gotten constituents who have not renewed, you know. So we--we get on the phone--we try to call all of them and find out what happened. Now, going forward you were saying in your testimony that you are going to give us a list of people who have to--who's up for renewal. Are we getting this information before the deadline, before the renewal deadline for that?

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2	ASSISTANT COMMISSIONER KARASYK: The
3	samethe same list that we send now to the central
4	staff
5	CHAIRPERSON CHIN: [interposing] Uh-huh.
6	ASSISTANT COMMISSIONER KARASYK:we
7	just think that maybe it would be helpful for us to
8	send it to the Council Members' offices directly.
9	That's sort of what we're mentioning, and it's the
10	same information that I think you're referring to
11	now, which is three months after they re-send, three
12	monthsthey still have three months to renew, and
13	they haven't renewed yet. So we wantwe want help
14	reaching out to them. Something that we haven't bee
15	doing, but we want to send it to some of our partner
16	and advocacy to see if they could help us reach out
17	to people.
18	CHAIRPERSON CHIN: Oh, okay. So it's
19	notthis isthey have already missed the deadline?
20	ASSISTANT COMMISSIONER KARASYK: No, no,

CHAIRPERSON CHIN: Oh, they still have three months?

21 | no. They still have three months.

ASSISTANT COMMISSIONER KARASYK: Because from the time their lease expires they have six

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months to renew legally. So if they haven't, we want them to renew before their lease expires, but if they don't they still have six months to get back into the program.

CHAIRPERSON CHIN: Now, right now when 6 7 you send them the renewal form, do you send anything 8 in other languages besides English?

ASSISTANT COMMISSIONER KARASYK: We have some sentences in other languages that say--I can't remember exactly what it says. I think it's something about this is an important notice about your benefits.

CHAIRPERSON CHIN: That's in the letter itself.

ASSISTANT COMMISSIONER KARASYK: have--we have like an insert that we put in with the notice to tell people like this is an important I can't remember exactly what the language notice. states, but that's we have right now.

CHAIRPERSON CHIN: What about putting that important information on the envelope in different languages so that people know that when they get that letter that it is an important letter that they need to take care of it. And I think we

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2 have done that when we were doing census because 3 people when they get the--the census questionnaire,

4 | they don't throw it away.

5 ASSISTANT COMMISSIONER KARASYK: It's 6 just sort of like important information?

CHAIRPERSON CHIN: Something about the Rent Freeze Program like tell them exactly what it is. You know this is the Rent Freeze Program. It's important and then have that in the--the multiple language that--that's required. So when people at least when they get the mailing, they know it's important, and they know it's a program.

ASSISTANT COMMISSIONER KARASYK: Okay, we can look into that.

CHAIRPERSON CHIN: Yeah, I mean that's at least--that's prevented people from throwing it away and then inside you also have the information. I assume you also have information where they can go for help--

ASSISTANT COMMISSIONER KARASYK:
[interposing] Yeah.

CHAIRPERSON CHIN: --to get the application filled out.

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ASSISTANT COMMISSIONER KARASYK: Not--we don't have information where to have the application filled out. It just--it gives people 311. It gives them our website. So that's--that's really sort of what--what is in with the renewal application.

CHAIRPERSON CHIN: But then it might be helpful to also have something in there where you have the partnering agencies that you're working with in the different communities that can provide the assistance or letting people know that they can call—even call 311 for assistance or call this agency for assistance. So people know that they can go and get help. It's a difficult application especially to renew one, but people just, you know, especially when you're targeting seniors and—they need help. So at least that could bring it back into the senior center—

ASSISTANT COMMISSIONER KARASYK: Right.

CHAIRPERSON CHIN: --or a neighbor or whatever to--to get help. One final question is that for Commissioner Resnick So are all the senior centers helping out with the outreach, and do you have any data in terms of numbers of seniors that

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actually apply in the center with these new outreach programs?

COMMISSIONER RESNICK: So this last fiscal year we do outreaches in the community with our outreach team and then all of our senior centers and our NORC programs have case assistance folks in the centers, and so we do help not only with SCRIE all benefits and entitlements and sometimes reading male and other important documents. I do not have an exact number as to how many SCRIE applications. I just have the total number of units of case assistance throughout all of our senior centers, which is in the hundreds of thousands.

CHAIRPERSON CHIN: Can you--is it possible for you to ask the--the centers and also all the contractors you were relying on to help to see, you know, how successful they are in terms of getting more applicants for the SCRIE or DRIE program.

COMMISSIONER RESNICK: I think it would be onerous to ask them to track every single individual application that they do separately for all of the different entitlement programs. We can take it back and talk about it.

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CHAIRPERSON CHIN: Yeah, ask them if they could help us just, you know, even just to give us an idea in terms of how helpful it is so that we can get into it. (sic)

have learned through this Integrated Benefits Program we did a very targeted outreach that was both on SNAP and SCRIE and the low-income subsidy programs in 14 centers throughout the city. And what we've learned is that our case managers and case assistant workers in our centers are doing a very good job because by and large the folks who are coming to our centers are actually enrolled in programs. So I think really the focus needs to be on people who are not in our centers or NORCS or our case management programs.

CHAIRPERSON CHIN: Well, I think part of it is that we also have to sort of find out what why people are not applying. And then I mean I have a lot of seniors in my district. They cannot apply even though they could use the assistance. They're not in the real rent regulated apartment.

COMMISSIONER RESNICK: Yeah.

CHAIRPERSON CHIN: And then like in Battery Park City in--in Gateway Plaza I have a lot

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of senior population there, but their building is under special agreement to follow rent regulation, but they're not rent stabilized. And then we have other people who have--I mean other buildings that have an excellent Mitchell Lama Program, and they are on a voucher--you know, a voucher program or some landlord assistance program that follows the increase of the Rent Guidelines Board--

COMMISSIONER RESNICK: [interposing]
Right, but not the--

CHAIRPERSON CHIN: --but they're not rent regulated. So we're looking to--for state legislation right now to sort of expand programs so that we can include a broader population, and then we also have seniors who are doubling up with other families and other households. And they don't have an individual lease and they can't take advantage of the program. But we need to work on expanding the program because as much as a lot of people have not applied there are still many, many more out there that could use the assistance. So that's something that I--I hope the Mayor--you know, the Mayor and--and the Administration could also help us advocate

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for some more expansion of these programs at the state level. Thank you.

CHAIRPERSON FERRERAS-COPELAND: right? Okay. So I have two questions and then Council Member Cornegy, and then we're going to go to our panels. As we all know, beneficiaries who fail to renew their benefits are given a six-months grace period in which to renew at the same frozen rent amount. Recently, the New York Times wrote an article about the struggles of seniors who for one reason or another are not able to renew within the grace period. In those cases, if they do re-enroll, DOF has not been going back and freezing their rents at the previous levels. In some cases this caused senior rents to have jumped by hundreds of dollars. At a May 1st, 2014 hearing before this committee, DOF testified that it did not have the statutory authority to go back and reinstate benefits at the same level once they had expired. However, in the New York Times article DOF is quoted as saying that it would reinstate tenants who missed the renewal deadline at the lower prior rent amount if they were still otherwise qualified for the benefit. Excuse Can you please clarify DOF's position on this

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2 issue and explain what the agency intends to do in 3 these cases as we go forward.

ASSISTANT COMMISSIONER KARASYK: Sure. So I was referring to that in my testimony with the new rules that we promulgated. The May, 2014 article versus the one that came out just a few weeks ago. can comment on the one that came out a few weeks ago. I don't--I don't remember the actual circumstances of the case from the May 2014, although I think that they were able to come back into the program with their old frozen rent eventually. So, most of the cases that we've seen and the reason that we've drafted these rules is because we were seeing that people were dropping out of the program. And then when we looked at the cases, we saw that they were qualified, and generally they fall under ADA or this other extraordinary circumstances clause that we have in the rules as to why they couldn't renew. And we have been able to put them back at the old frozen rent. I know under the prior administration that we were not doing that, but we have these new rules and this new approach to doing things. And we're hoping that it will help a lot more people so that they don't lose the benefit.

1 2 CHAIRPERSON FERRERAS-COPELAND: And just 3 for clarity, moving forward anyone that may fall into 4 this category, they can expect that the rent will be frozen at whatever--how many--ASSISTANT COMMISSIONER KARASYK: 6 7 [interposing] At the old frozen rent--8 CHAIRPERSON FERRERAS-COPELAND: 9 [interposing] Right. ASSISTANT COMMISSIONER KARASYK: --as 10 11 long as they meet what's set out in the rules--12 CHAIRPERSON FERRERAS-COPELAND: 13 [interposing] Right. 14 ASSISTANT COMMISSIONER KARASYK: --and 15 it's a pretty broad definition on purpose. 16 CHAIRPERSON FERRERAS-COPELAND: That's 17 excellent. I'm glad that your agency is moving in that direction. (sic) 18 19 ASSISTANT COMMISSIONER KARASYK: 20 [interposing] And you know also just to mention again 21 like the ombudsperson at our taxpayer office like

they really do look at cases. So you don't want to 2.2 2.3 see these things happen like we're featured in the articles, right? We want them to get to us before 24 they have to go to the press. So if they felt--for 25

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whatever reason, we don't catch them in the

processing stage, we want our ombudspersons to help

them, our taxpayer advocate to help them to navigate,

you know, what sometimes is a system that didn't

catch them the first time around so that we can get

them the second time around.

CHAIRPERSON FERRERAS-COPELAND: That's great. Can you--can you walk us through the process of what happens when someone who pays a preferential rent applies for SCRIE or DRIE? If an applicant decides not to enroll in the program because they can't afford to pay more than the preferential rent, how does that work, and can they simply withdraw their application and walk away?

ASSISTANT COMMISSIONER KARASYK: So currently the preferential rent they're stipulated by a rider, and the rider will say for the-the term of the tenancy what the preferential amount is--when they get enrolled into SCRIE and on the approval orders they see that we froze them at the higher amount. They are still allowed to pay because they do have this active agreement with the landlord to pay the lower amount. So they should continue to pay

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their preferential rent because that is an agreement between them and the landlord.

CHAIRPERSON FERRERAS-COPELAND: Do you-do you tell them that? Like at what point do--in
this process do you let them know that they can
continue to pay the preferential rent?

ASSISTANT COMMISSIONER KARASYK: I think that that's what we wanted to--to address in the noticing. So we're going to add some additional language in some of our applications as well as some messaging in the notices.

CHAIRPERSON FERRERAS-COPELAND: Right because that could be very confusing. People would think well if I apply for this program I'm actually raising my rent. I don't know.

ASSISTANT COMMISSIONER KARASYK: Correct.

CHAIRPERSON FERRERAS-COPELAND: And I know that, you know, it's--it's what the bill seeks to address, but your language has to also reflect that.

ASSISTANT COMMISSIONER KARASYK: Correct.

CHAIRPERSON FERRERAS-COPELAND: And your communication. So, I'm going to have Council Member

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Cornegy ask his questions. We've been joined by
Council Member Rodriguez, Cumbo, Van Bramer and Rose.

COUNCIL MEMBER CORNEGY: So I just would like to before I ask my next round of questions note that my--my focus on preferential rent is because in my district and districts across the city, it--it affects a huge number of rent regulated tenants. And according to the last IBO Report I think it was 25% of rent related -- rent regulated tenants, and by definition they built a huge and unpredictable increases seemingly at the will of these respective landlords. So, that -- my focus kind of stemmed from those things that were happening. As it relates to preferential rents and DRIE and SCRIE, how does--how does the Department of Finance instruct its outreach staff to explain this situation to applicants? know we've talked about it. I don't know if I heard a specific answer to that, and people who inquire about the program whether they be residents, their family or advocates, how does the Department of Finance develop--Has the Department of Finance developed any guidance that explains how preferential rents affect SCRIE and DRIE benefits? So is there any consolidated place that you could come to get

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just that information? Obviously, we've talked about it several ways that it's confusing, but if somebody is inquiring about DRIE and SCRIE, if there are family members who are asking, I don't know if it's been like in one kind of place where you could get this as information.

ASSISTANT COMMISSIONER KARASYK: So it's in our guide that we have, the Comprehensive Guide, which--which talks about what we're going to freeze your rent at. I think that we -- we say what happens if it's preferential versus legal rent. You know, it's--it's funny that you mention the outreach. we started our -- our pilot in Brightton Beach, and we're talking to community members, we had a lot of people come to us and say I can't apply for SCRIE because I have preferential rent. We're like yes you can apply for SCRIE even though you have preferential rent, and it--some landlords it turned out from what we heard anecdotally, we're telling people that could not apply for SCRIE if they had preferential rent. Which to us is kind of funny because if you had preferential rent and you apply for the program, your landlord gets the benefit. So they make -- they make extra money because you're in SCRIE or DRIE and you

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have preferential rent. And we are trying to engage landlords more to work with -- through some of these issues with them. So we always encourage people with preferential rent to apply. I mean one of the reasons that we think it can be helpful to them is that eventually if the landlord does decide to increase their rent to the legal rent, the legal rent will still be frozen at whatever it was when they originally entered into the program. So it can provide some level of protection for them going forward. Where it doesn't help them is we've also heard stories from people where they apply to the They have preferential rent and the landlords use SCRIE as an excuse to bring them up to the legal rent. So again, that's anecdotal that we've heard, and there's not much we can do about that, but education people. But for sure all of my outreach staff who are here regularly talk to people out in the field about preferential rent. When we'll freeze it at preferential rent, what that means, and why we still think from where we're sitting it's worth them applying to the program.

COUNCIL MEMBER CORNEGY: Thank you and my first group of questions was around databases and

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data collection. I'd just like to revisit that in my next question for a second. I have a strong hope that the state law on preferential rents will change long before the deadlines set out in the bill to begin tracking both the preferential and the registered rent in the Department of Finance database. But if that doesn't happen, of course, I'd like to see this change happen as soon as possible. I believe if we--we'd had this data, we would have discovered and grappled with the problem sooner. So can you please explain what the limitation is on updating the database that tracked this information even sooner?

ASSISTANT COMMISSIONER KARASYK: So, current--currently we unrolled the--the database December 2014. That was our go live date, and it's--we're--we're hitting our one-year mark with the database. And what that database set out to do is integrate both SCRIE and DRIE, which existed in two separate processing systems. So we've been going through data migration issues with that. So right now we're in the phase where we're kind of working out the kinks, and as soon as those parts are built we also have a phase 2, which is adding more

1	COMMITTEE ON FINANCE JOINTLY WITH COMMITTEE ON AGING 87
2	functionality for us. So, to add more data elements
3	that's an additional build. So it'sit's just we
4	have to have it built.
5	COUNCIL MEMBER CORNEGY: So is itis it
6	a capacity issue?
7	ASSISTANT COMMISSIONER KARASYK: What do
8	you mean by capacity?
9	COUNCIL MEMBER CORNEGY: In terms ofin
10	terms of build. You said build.
11	ASSISTANT COMMISSIONER KARASYK: Right.
12	So itit so we were finishing kind of the bug fixes-
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14	COUNCIL MEMBER CORNEGY: [interposing]
15	Uh-huh.
16	ASSISTANT COMMISSIONER KARASYK:and
17	then after the bug fixes then we can add additional
18	functionalities.
19	COUNCIL MEMBER CORNEGY: So, itthe
20	system does allow for that
21	ASSISTANT COMMISSIONER KARASYK:
22	[interposing] Yes, yes.

COUNCIL MEMBER CORNEGY: --that type of

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growth and development?

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ASSISTANT COMMISSIONER KARASYK: We've consulted with our FIT Unit and they--they feel that it--it's definitely doable.

council Member Cornegy: Okay. So as I said in my opening remarks the Department of Finance made itself available on multiple occasions to discuss this bill with myself and my office, and I very much appreciate the time an thought you put into this, and I look forward to continuing to work together.

ASSISTANT COMMISSIONER KARASYK: Okay.

CHAIRPERSON FERRERAS-COPELAND: Thank you, Council Member. We will now hear from Council Member Rose.

COUNCIL MEMBER ROSE: [pause] Thank you,

Chairs. You know, I'm Staten Island so, of course, I

have Staten Island sort of base question. Is that

surprising? But as a whole, Staten Island accounts

for less than 1% of those enrolled in SCRIE and DRIE.

Can you tell me why that is or what--why it is?

ASSISTANT COMMISSIONER KARASYK: I mean I think a lot of that has to do with the regulated requirement for people that are SCRIE and DRIE. You see a lot of one to three-family homeowners in Staten

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Island, and those are units that can't qualify for SCRIE or DRIE. So I think that that's the main reason why. I mean we do events in Staten Island. We regularly go to all the borough president's meetings. We go to some community board meetings. We participate in events that sort of run the spectrum, although we find that—that more often it's with homeowners or renters in one to three—family homes just because that tends to be more the makeup of Staten Island.

that's the perception, but we do have a lot of--of rental housing. So--and I understand that making efficient use of limited resources is important and that this has led you sort of to target outreach efforts to neighborhoods with the largest number of un-enrolled eligible households according to DOF's report. Staten Island has one of the highest proportions of non-enrollment, you know, among the boroughs. Have--how are you partnering with local stakeholders and advocacy organizations in low density areas to ensure that the necessary outreach is being done where DOF does not have the--where DOF does not have the capacity or resources to do it.

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And to that end, there are buildings on Staten Island that have been identified as currently not rent stabilized, but they should be. Most of these buildings have sizeable numbers of tenants that would qualify for these programs easily were their buildings properly registered. And are you aware of thee efforts, or are you a part of any outreach efforts. Because I know legal services is involved in--in looking into that. So--

ASSISTANT COMMISSIONER KARASYK: I'm When you say that the buildings are not rent sorry. stabilized, but should be, are they actually regulated by DHCR?

COUNCIL MEMBER ROSE: They--yes, and they're not reported as--as rent stabilized, and so the--the tenants are not aware that they could be eligible for these benefits.

ASSISTANT COMMISSIONER KARASYK: mean, you know, we--we'll be very happy to sort of talk to you after--after this or, you know, follow up with your office to see if you know some of the tenant associations associated with those buildings so that we could talk to them and see how we could get information to the tenants. We've found that

services?

we've had some success with that, you know,
particular a tenant association. So like in the
Bronx we've been working with Casa New Settlement who
works with a lot of tenant associations in the
neighborhoods that we're trying to hit. And the
tenants to them is like a trusted body, which is very
helpful to us in getting our message across. I know
it's surprising but the Department of Finance does
not tend to be as trusted as some of the community
partners. And then in terms of, you know, other ways
that we can work withwith Staten Island, I mean,
you know, I knowI know that we work with your
office and the other electeds in Staten Island
specifically on cases that come through when people
are asking about these benefits. But if there's any
events that we could partner on or other ways that
you think that would be helpful to get the word out,
we'd be very happy to talk to you about that.
COUNCIL MEMBER ROSE: And you haven't
hadengaged in any efforts to work with legal

ASSISTANT COMMISSIONER KARASYK: Well, we work with a lot of legal providers, and we work with

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other community groups and advocacy groups that do touch the citywide.

COUNCIL MEMBER ROSE: I'm talking specifically about Staten Island on this particular issue because they are beginning to address this particular issue.

ASSISTANT COMMISSIONER KARASYK: I--I don't think that we have.

anything that can be done to streamline the process of outreach to the current enrollees with expired leases? You know, my--my staff spends a lot of time tracking down the current enrollees to determine their status, which, you know, really sort of precludes them from doing significant additional outreach to those tenants that are eligible. Is there any mechanism in place to sort of streamline?

ASSISTANT COMMISSIONER KARASYK: So one of the things that I mentioned earlier in my testimony is we will be emailing lists to every Council district that will tell you who in your district has a lease that expired and has not renewed their benefit three months after their lease expired, which still gives them three months to renew the

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benefit. So, right now we send it through central

Council staff, but we're going to send it directly to

the--to the email--to the Council district offices as

well. So something that we'll need to make sure is

that we have whatever the email address is that are

the best for each of the district office, and we'll

need to follow up with you guys about that. We'll

COUNCIL MEMBER ROSE: Thank you.

call the district offices to figure that out.

CHAIRPERSON FERRERAS-COPELAND: Thank
you, Council Member Rose. We have additional
questions that we're going to forward to--to your
agency. If you can get back to us with a response,
we'd really appreciate it. Thank you so much for
coming--

ASSISTANT COMMISSIONER KARASYK: [interposing] Thank you.

COUNCIL MEMBER ROSE: --to testify and for partnering with us. I think we've seen a very clear difference in a--what a difference a year makes. So we really appreciate it. Thank you and Council--Chair Chin will call up the next panel. Okay.

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2	CHAIRPERSON CHIN: Edith Prentiss;
3	Rebecca Haase from Community Service Society; Rena
4	Resnick; and Sue Lehman. [background nose]
5	EDITH PRENTISS: My name is Edith
6	Prentiss. I am the Vice President of DIA, a member
7	of the Board of DNYC, and I am extremely frustrated
8	at this point. This is a hearing about rent freeze.
9	This is not a hearing abouta joint hearing solely
10	of seniors and finance. It is a hearing on rent
11	freeze. What is rent freeze? Rent freeze, SCRIE and
12	DRIE. So obviously, if you have a hearing on rent
13	freeze why aren't we discussing DRIE (sic) as equally
14	as SCRIE. One of the important issues to acknowledge
15	is the difference in the populations. Number one,
16	when we talk about that rollback, I was deemed
17	disabled in 2000 at which point my rent was \$600. My
18	Social Security was about \$1,000. Since then, my
19	rent is now \$1,100 and my Social Security is about
20	\$15,000. Now, let's talk about the ratio there.
21	That ratio is ridiculous. I worked for 1517 years
22	as a contractor worker for DFTA. I did lots of SCRIE
23	applications over the years. SCRIE applications used

to be really simple. There are basically five pieces

of information you need: Age, income, rent, et

This is

1 2 cetera. Not Section 8, one third of the income. 3 When you get to DRIE, you now have to break out of 4 all the income sources, which is a little silly. How it wasn't just -- I mean the -- the explanation is enough 6 to make anyone's eyes rattle. If you were to sit 7 down and figure out where your income went and that 8 information, you would never apply for DRIE. Also, 9 when we talk about all the places you can go for help, we look at senior centers. We don't have a 10 11 network of programs. How many of your offices are 12 accessible? How many of the libraries are 13 accessible? You're now talking about the DRIE population really having none of -- no access to this, 14 15 and to be perfectly honest, the independent centers 16 of which there are five, they aren't specialized in 17 this. When I started at DFTA agency I had a solid 18 week of training for all of this stuff. No one does It's really very--I--I actually did 19 that otherwise. contact Andy's--And Cohen's office and was told they 20 21 would extend. I also have been going back and forth 2.2 with Victor's office with MOPED. I really feel it's 2.3 wrong somehow not to have the disability program be

it the committee or MOPED not here. [bell]

completely wrong. If there's a conflict, maybe it

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gets---maybe it needs to be rescheduled. But I--I'm really totally outraged that we heard repeatedly senior centers list this, that, all of these are the outreach you're doing for seniors, and I never heard one word about the outreach that's being done for DRIE, and that's the problem. There is no database. Where does that database come from? That database is your senior center registrations. We don't have senior centers. We don't have services. We're not a database. There is no effective way for the outreach to be done. We need to look at it totally differently. We also have to look at the fact that every time someone holds a resource fair, it's a senior resource fair. Senator Sanders just sent out an email. It's a senior resource fair. All of you to see. Bottom line is we don't get a whole lot of resources. I mean we don't get the EPIC. Maybe if we got EPIC we could afford to pay our rent without being in a donor hall. But the bottom line is it's a totally different population with many different problems, and we also never accept or--and DOF's report does not address the fact that we were not eligible for SCRIE. And then when we--we became eligible for SCRIE, we got shafted in the amount of

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2 income. Only did we get--after there was a general

3 uproar--after they increased the SCRIE Act--the SCRIE

4 to 50,000 did we get raised. It's been a program of

5 institutional discrimination since day one and that

6 rollback would certainly and adequate compensation.

7 Thank you.

CHAIRPERSON FERRERAS-COPELAND: Thank you Edith. You may begin.

I'm just going to highlight certain Hi. areas in my testimony to stay with the three minutes. Good afternoon, Chairperson Chin, Chairperson Ferreras-Copeland and members of the New York City Committee on Aging and the Committee on Finance. My name is Rebecca Haase and I'm the Program Director of the Community Services Society's Financial Advocacy Thank you for the opportunity to provide Program. testimony on the City's efforts to conduct outreach and increase enrollment in the Rent Freeze Program. CSS is 170-year-old organization that works to promote policies and create programs that advance the economic security of low income and moderate New Yorkers. Through its Financial Advocacy Program we train older adult volunteers to provide public benefit counseling and financial coaching. This year

2	we receive a grant from the New York Community Trust
3	to conduct outreach specifically on SCRIE and DRIE.
4	The rentour Rent Freeze Outreach Program has a
5	unique approach as its primary goal is application
6	assistance. We strive to educate potential
7	applicants about eligibilitythe eligibility
8	criteria and the documents needed to apply. This
9	structure enables us to fully assist the applicant
10	with the application process. Our project works
11	closely with and in support of the Department of
12	Finance and HPD, and we've conducted several outreach
13	events with the Department of Finance. We want to
14	thank them for their outreach efforts. They've
15	created a useful website and an excellent guide, and
16	we use their materials daily in our work with
17	clients. In the report conducted by the Department
18	of Finance, theytherethere's 94,000 potential
19	applicants not enrolled in SCRIE. Based on our
20	outreach experience we feel that it's very difficult
21	to reach this population. There'sand there's many
22	challenges that need to be overcome. One of the main
23	challenges has to do with issues related to housing
24	concerns and issues with the landlords, and that also
25	includes people that are not in the correct type of

nousing, no longer rent stabilized. Potential
applicants are often worried about how applying for
SCRIE and DRIE will affect their relationship with
the landlord. They often don't have the prior lease
or the current lease signed by the landlord. Another
challenge is getting the message out on a larger
scale to those who may be unfamiliar with the
program. We feel this could be accomplished through
working with other government agencies and
institutions and through larger scale marketing
campaigns. If seniors hear the message from trusted
institutions or through New York sponsored media
campaign, we feel that they'll feel entitled to the
program and less fearful about applying. Recommend
our recommendations include working closely with non-
profits that are doing outreach on the Rent Freeze
Program to find out what works best and to develop
best practices, and to invest city resources in
programs like our Rent Freeze Outreach Program and
similar programs, which are solely dedicated to
finding and assisting potential eligible seniors. We
also look at requiring New York City employers to
share information [bell] on the New York City Rent
Freeze Program with their retirees as that's a great

to working with you in the future.

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way to reach potential people who are—who are going to take early retirement. So that's when they're first eligible, and also working with the Social Security Administration when people apply for retirement or Social Security Disability Insurance they could be—also be given this information.

There—that—again, CCS supports the City Council in your efforts to pass legislation, and we look forward

 $\label{eq:chairperson} \mbox{CHAIRPERSON FERRERAS-COPELAND: Thank}$ you.

RENA RESNICK: Thank you Chairs FerrerasCopeland and Chin and the committees for inviting us
to speak today. My name is Rena Resnick and I am the
Public Affairs Manager of the Metropolitan Council on
Jewish Poverty. We applaud the City Council for its
efforts to increase transparency and accessibility
for the Rent Freeze Program, and support Council
Member Cornegy's bill. For more than four decades,
Met Council has supported and championed families,
seniors and adults living in poverty and near
poverty. Met Council provides immediate assist—
assistance to New Yorkers in crisis and creates
pathways to self-sufficiency through many programs.

Our grassroots Jewish Community Council Network
including Shorefront (sic) JCC, which was mentioned
earlier today, provides support for families and
their neighborhoods right where they live. We
leverage government contracts with privately raised
funds to increase the impact of our services. Since
Met Council's inception, time for seniors has been
our entire mission. Many of our clients worked their
entire lives, and when they become too frail to work
their lack of a deep and wide enough safety net makes
it difficult for them to remain safely in the homes
that they love. To address these needs, Met Council
created its first geriatric servicesservices
manager to create all of our services offered to
seniors to ensure that they are the most effective,
efficient and compassionate. In addition, the three-
-nationally with three and five eligible seniors not
enrolled in SNAP, Met Council was awarded a private
grant from the National Council on Aging to hire a
caseworker to conduct outreach and screen older
adults for SNAP benefits. To ensure that this
vulnerable population is served with dignity and is
educated on all services they are entitled to, we
work diligently on our outreach efforts in order to

2	connect with seniors, and help inform and enroll them
3	into available benefits we've utilized a few simple
4	but critical tools including tailoring to the
5	neighborhood where live. Creating initial pre-
6	screeningpre-screening questions in clients in need
7	of languages; home visits for frail or homebound
8	seniors; utilizing volunteers; and creating
9	comprehensive follow-up plans. Last summer when the
10	City Council and the Administration increased the
11	income qualifications for SCRIE, Met Council together
12	with the Department of Finance helped for SCRIE
13	enrollment plans in order to assist clients with
14	enrollment into the program and avoid future rent
15	increases. In coordination with the city's
16	Department of Finance, our housing state stack and
17	volunteers we're able to house 70 seniors into the
18	program by bringing the application to them, and by
19	creating a document checklist in both English and in
20	Russian. his summer we received many clients from
21	many calls from clients who found re-enrolling
22	challenging. We refer clients to the Department of
23	Finance for assistance. When issues of re-enrollment
24	arise with other benefits such as SNAP or Medicare
25	our staff is both funded and trained to assist

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clients. We believe that if there was a--if there were funding available for service providers to facilitate outreach and enrollment for the Rent Freeze Program similar to the system available under HRA to increase access to SNAP, additional seniors will participate and remain in the Rent Freeze Program. [bell] In conclusion, Met Council cannot continue providing critical services without the vital partnership of City Council. Thank you so much.

SUE LEHMAN: Thank you. I was--I was out of the country from 1973 to 2007. I had never heard of preferential or market rates. I certainly was not informed when I signed my lease, and yes mea culpa, I did not read it. I was turned down after apply for SCRIE, and then got involved with the housing committee of our neighborhood association. It's ironic that each time we do a SCRIE/DRIE outreach we are faced with blank looks and stares and shrugs. When we ask if they are preferential renters they have no idea what we're talking about. especially true with immigrants who do not speak English and old people who could most benefit from It still is not clear to me how you get a

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preferential rate. I didn't ask for it. The landlord gave it to me. Therefore, I should not be penalized because the preferential rate is \$1,200 less than the market rate of that apartment. All seniors should be getting SCRIE if they qualify. I don't see—the Catch 22 is really that we don't know how the preferential and the market rate really works. And it's very difficult to explain it to older people. In closing, without SCRIE, I will be leaving my apartment after this next lease as I can no longer afford the rent. Thank you.

CHAIRPERSON CHIN: Questions?

COUNCIL MEMBER CORNEGY: So I don't--I don't actually have a question, but I do want to say to Sue, I want to--I want to thank you for allowing me to use your story as really the basis for this legislation. I think what you've experienced ticks every single box of why this is important, and so for me just thank you for allowing me for you not to be shamed into telling me your story, and being the face of this legislation. As really--I really want to thank you.

SUE LEHMAN: And I thank you. [laughs] We all do.

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CHAIRPERSON CHIN: So Sue, right now you are getting the SCRIE benefits?

SUE LEHMAN: I am paying a preferential rate of \$1,125. The market rate for my apartment, so they say, is \$2,393. In order for me to qualify for SCRIE I must start to pay \$2,393 at my next lease. No, before my next lease. My next lease is up for renewal next month. It will probably go up another \$60 or \$80, but I don't qualify unless I pay that higher rate. Now I never asked for that rent. I never asked for the rent to be \$1,100. They gave it I thought it was a great bargain. Nobody to me. explained to me that I had a preferential rate, and it wasn't explained until our housing committee started working in the neighborhood in the area to get people to sign up for SCRIE. If--if they gave it to me at \$1,100, it means that I could never have afforded it for the market rate. So why should I be penalized Let him be penalized.

CHAIRPERSON CHIN: But in the--when the Department of Finance was testifying, it sounded like the landlord would be getting the increase on the regular rent. They're actually getting more benefits.

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SUE LEHMAN: Who?

CHAIRPERSON CHIN: The landlord. I mean the earlier-the earlier testimony, right. What we heard from the Commissioner that was testifying for the Department of Finance.

SUE LEHMAN: Not true. I don't understand the question.

COUNCIL MEMBER CORNEGY: So, so that's why I'm glad that the Department of Finance decided to--to stay so that they could actually heard this. Often times that's not the case. The Administration leaves. It's difficult for them to respond, though, in this exchange, but it's my understanding that you can--you can stay in your apartment and pay the preferential rent through SCRIE.

SUE LEHMAN: Yeah, yeah.

COUNCIL MEMBER CORNEGY: I'm sorry.

I can't get it. I've been SUE LEHMAN: turned down for SCRIE. I have been turned down for SCRIE.

2.2 REBECCA HAASE: It's market rate? Market 23 rate?

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2	COUNCIL MEMBER CORNEGY: Right, soso
3	okay, I'm sorry. So they can't freeze her at the
	preferential rate.
5	SUE LEHMAN: If I went up to thethe
6	market rate, I would be allowed to have SCRIE and

market rate, I would be allowed to have SCRIE and DRIE. They would approve SCRIE for me.

COUNCIL MEMBER CORNEGY: So I have at

COUNCIL MEMBER CORNEGY: So I have at least six very notable people in this room shaking their heads no. So we are going to absolutely--no, no, no, no. So Sue, you're in the right place today.

SUE LEHMAN: Yeah.

COUNCIL MEMBER CORNEGY: We are going to get an answer for you before you leave here.

SUE LEHMAN: [interposing] I was turned down--

COUNCIL MEMBER CORNEGY: Because there seems like a serious discrepancy.

SUE LEHMAN: --by SCRIE and the answer was you will get SCRIE. You qualify for the SCRIE if you pay your market rate.

council Member cornegy: The bosses are saying no. So we're going to--we're going to get to the bottom of this. So you don't--you don't leave.

COMMITTEE ON AGING 1 2 CHAIRPERSON CHIN: [interposing] Yeah, 3 but I mean--4 COUNCIL MEMBER CORNEGY: Until we get to the bottom--5 6 CHAIRPERSON CHIN: --we can connect you 7 directly with--8 COUNCIL MEMBER CORNEGY: --until we get 9 to the bottom of it. CHAIRPERSON CHIN: -- the Assistant 10 Commissioner--11 COUNCIL MEMBER CORNEGY: If somebody can 12 13 grab her please as she leaves the premises. 14 CHAIRPERSON CHIN: -- from Department of 15 Finance--16 COUNCIL MEMBER CORNEGY: Thank you. 17 CHAIRPERSON CHIN: -- and we're going to 18 straighten that out. Sue, see, aren't you glad you 19 came today. [laughter] Okay, so we want to thank 20 this panel, and then we're going to call up the next 21 panel. Thank you. 2.2

COUNCIL MEMBER CORNEGY: And--and as the next panel is coming up, I--I just want to take an opportunity to again thank the Department of Finance for staying. I think this is -- this is part of the

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2 reason that we asked that. We don't always--we're
3 not always granted that liberty--

ASSISTANT COMMISSIONER KARASYK:

5 [interposing] Yes.

COUNCIL MEMBER CORNEGY: --but this is an opportunity to make something wrong right.

CHAIRPERSON CHIN: Thank you. Molly

Perkowski (SP?) for JASA; Donna Doltrie--oh, Darby

from JASA Legal Services; Gasalia Grover and Matthew-Matthew Checker.

MATTHEW CHACHERE: [off mic] Chachere.

CHAIRPERSON CHIN: Oh, Chachere. Sorry.

[background comments] Well, thank you for being
here. You want to start? Please identify yourself

16 for the record.

DELSENIA GLOVER: Good afternoon. Thank
you to the Committee on Finance and the Committee on
Aging for the opportunity to testify today. My name
is Delsenia Glover. I am with an organization called
Tenant and Neighbors, New York State Tenant and
Neighbors Information Service and New York State
Tenants and Neighbors Coalition. I am also the
Campaign Manager for the Alliance for Tenant Power,
which is a coalition of organizations that are

2	concerned with housing and tenants rights and
3	advocacy for tenants. In the buildings where we
4	organize the story is the same. Low to moderate
5	income tenants in New York City are regularly
6	experiencing the pressures of displacement. Rents
7	are climbing and tenants are concerned that they will
8	not be able to afford to stay in their homes and
9	their communities. For preferential rent tenants
10	this is a particularly fearsome situation. For one,
11	many tenants do not know what it really means to be a
12	preferential rent tenant as evidenced by the last
13	panel. Until the landlord decides to raise the rent
14	to the so-called legal regulated rent, where in some
15	cases previous increases have been in accordance with
16	the Rent Guidelines Board. Last week, I sat in a
17	room with preferential rent tenants whose landlord is
18	this year increasing all rents far above the RGB
19	increases, many to the legal regulated rent, which
20	may be hundreds of dollars above the preferential
21	rent. And some of theseand some of these tenants
22	are 62 years old. In some cases retired on fixed
23	incomes, and when we look at rent histories it is
24	clear that some of these so-called legal regulated
25	rents must be illegal because the jumps between

leases are too high to be plausible. This year in
particular is significant because the rent laws were
renewed this past June and nothing moved on
preferential rent legislation with the exception of a
minor fix that has nothing to do with those currently
living in those apartments. Preferential rent units
have risen to the level of more than 27% of the
city's rent regulated housing, hundreds of thousands
of units. If we do not pay careful attention to
first how landlords increase legal regulated rents
and if they are legal and second make landlords
explain in specific language what preferential rent
means for new tenants, landlords will have free reign
to perpetuate this practice of bait and switch, and
all the tenants will continue to find themselves in
an untenable situation. For the first half of this
year, Tenants and Neighbors are now allies in the
tenant movement lobbying to change laws in Albany to
repeal vacancy deregulations and close loopholes that
created the affordable housing crisis. Our platform
included a bill that would have made the preferential
rent the legal rent for the life of the tenancy and
increases would have been an average of the Rent
Guideline Board increases. [bell] It did not pass

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the Sate Senate, unfortunately. So on behalf of
Tenants and Neighbors, I am here to stand in support
of 798-A to require the Department of Finance to be
sure that tenants are properly informed of what a
preferential lease means, that the leases are legally
worded, and that the department begin tracking data
on preferential rents immediately. Thank you very
much for this opportunity

CHAIRPERSON CHIN: Thank you.

DONNA DARBY: Good afternoon. I'd like to thank the New York City Council's Aging and Finance Committees for hosting today's hearing.

Thank you, Chairperson Chin and also to--Council Member Cornegy for this legislation. JASA welcomes the opportunity to comment on Intro 798-A regarding the Senior Citizen Rent Increase Exemption and Disability Rent Increase Exemption. JASA is a non-profit agency serving the needs of older adults in the Greater New York area with programming that promotes independence, safety, wellness, community participation and an enhanced quality of life for New York City's older adults. The program reach over 43,000 clients and include home care, case management services, senior centers, NORC supportive services,

2	home delivered meals, caregiver support, continuing
3	education licenses, mental health, housing advocacy,
4	legal services, adult protective services, and
5	guardianship services. The SCRIE and DRIE programs
6	are created by New York State enabling legislation
7	and adopted in New York City to ameliorate the
8	effects of ever-increasing rents, and thereby to
9	prevent the eviction of elderly and disabled tenants
10	from their homes and communities. For eligible
11	tenants, living in rent controlled rent stabilized
12	Mitchell Lama and certain other regulatedrent
13	regulated apartments, SCRIE and DRIE program freezes
14	the tenant's rent payments, and provides landlords
15	with dollar for dollar tax abatement to cover
16	specific legal rent increases. We've discussed the
17	eligibility already. JASA supports Intro 798-A,
18	which would provide tenants with much needed clarity
19	on their benefit. The Administrative Code would be
20	amended to include information on their rent status
21	whether they have preferential rent or registered
22	rent, and how the benefit is calculated. The
23	information would also be readily available to the
24	Department of Finance in case there are complaints of
25	rent overcharge or other issues, which arise. The

2	current system is often confusing for tenants who
3	have preferred rent, but apply to SCRIE and find out
4	it was based on the registered rent for the
5	apartment, and the result leaves tenants paying a
6	higher rate, and financially vulnerable. JASA would
7	like the Council to consider further amendments to
8	the rent income eligibility by expanding the list of
9	types of income that are excluded from the definition
10	of income. Adding to the list of allowable
11	deductions, specifically by allowing a deduction for
12	health related expenses, and allow program
13	participants whose benefits are terminated due to
14	due to receipt of extra countable income that puts
15	them over the income limit in a given year to have
16	their prior frozen share of the rent reinstated in
17	the future upon reapplication if the income drops
18	below the income cap. So I was happy to hear that
19	earlier. Currently, the only specific exclusions
20	from the statutory definition of income are gifts,
21	inheritance, Nazi victim (sic) operations and to a
22	limited extent certain cost of living increases in
23	retirement benefits. The only deductions that are
24	permitted are payment of taxes and child support.
25	Thoro are no deductions for health related expenses

Thank

you.

such as Medicare B premium or other health insurance 2 3 premiums or out-of-pocket medical expenses. There is 4 no asset or resource limit for the SCRIE program, but interest earned on assets such savings [bell] or 5 brokerage accounts can constitute income. 6 7 stands, the current income definitions cause 8 irreparable harm to certain seniors some of whom may have been in the program for many years. Finally, there are many eligible tenants who are 10 11 unaware of the SCRIE and DRIE programs, and clearly 12 there's a need for vigorous public awareness campaign 13 and much greater outreach. Often seniors apply for the program later than when they were first eligible, 14 15 and as a result the rent is frozen at a higher rate. Perhaps the City should require landlords to include 16 17 a notice about SCRIE and DRIE, and I was happy to 18 hear Council Member Chin mix 621, which we obviously 19 will be supportive of. And we would like to thank 20 you again for the opportunity to testify today, and 21 we'd be happy to be of further assistance. 2.2 JASA, Luna Park was part of the pilot. We have over 2.3 24 senior centers. We're happy to be--and NORCs. We have a bunch of NORCs. I'm happy to be helpful. 24

2 CHAIRPERSON CHIN: Thank you. [pause.

3 MATTHEW CHACHERE: Hi. I'm Matthew 4 Chachere from the Northern Manhattan Improvement 5 Corporation. I'm giving testimony on behalf of my organization, Cardozo Bet Tzedek Legal Services and 6 Legal Services for the Elderly of Queens. Our three 7 8 agencies are counsel in a class action against the Department of Finance called Pfeffer, which is a challenge to DOS policies under the Americans with 10 11 Disabilities Act. I've submitted some very lengthy 12 testimony. I'm not going to repeat it in any detail 13 here. Let me just tell you where that case came about. Our agencies are deluged with cases that come 14 15 to us where people were in Housing Court. They're elderly, they're disabled. They're being evicted. 16 17 The reason they're being evicted is because they're 18 behind in their rent. The reason they're behind in 19 their rent is that year--sometimes years after their 20 SCRIE or DRIE benefits disappeared they suddenly find 21 this out because the landlord never adjusted their 2.2 books and continued to credit them as getting the tax 2.3 benefits. And then, all of a sudden they find out that guess what, you owe \$10,000, \$20,000. And so, 24

we counsel them, and try to get their cases reopened,

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and the Department of Finance's policy has been say, sorry. It's too late. You can reapply now for benefits. In many of these instances the rents aren't--they'll freeze the rents at the--where the rents are now. Sometimes the rents have gone up so much they're actually more than the total income of our clients. So then what do we do? We try these appeals. They say it's too late. You had six So then we have to bring an Article 78 case months. in the Supreme Court and get a stay against the Housing Court and litigate it out with the City. uses our resources, which are sometimes funded by the City. The City sends in their lawyers to fight it vigorously. I was just in the Supreme Court last month and the city's lawyers were arguing, Sorry, but there's a limited amount of SCRIE money. So that's why we have to do this. And, you know, in the end the City ultimately would be pushed into settling most of these cases, not all of them. And they would not reinstate them retroactively. They'd say go off to--to HRA. Get a one-shot deal. You know, this is--this is the epitome of individual decisions that are rational, but collectively totally irrational. It's a complete waste of resources of everybody's time to

2	be having such an intricate system to deal with
3	really what shouldn't be that complicated a problem.
4	So that's why we ended up bringing the <i>Pfeffer</i> case
5	this year, and it was only after we brought that case
6	that the department began to formulate new rules, and
7	I think that's been a very important step. And
8	there's been changes from the initial rules to the
9	final rules that were published this week. But we
10	think there's more that has to be done. We think the
11	rules are a start, but we still don't think they're
12	[bell] in compliance with the Americans with
13	Disabilities Act. I'm just going to list four major-
14	-major areas. They'rethey're outlined in our
15	remarks. First of all, I think thethe
16	documentation requirements for the medical conditions
17	are much too high. They don't accord withwith the
18	Americans with Disabilities Act, which calls for
19	reasonable documentation. Secondly, it doesn't seem
20	to provide enough flexibility to allow people other
21	than doctors or medical providers to provide the
22	information about the need to make an accommodation.
23	Sometimes people don't even have doctors, or if they
24	do, it takesI end up having to spend months trying
25	to browbeat some overworked doctor to write a letter

for me or an affidavit so I can go to the Department
of Finance. So it should be just a family member eve
or social worker can refer this information that this
person has a disability. Thirdly, I think there
needs to be noticeadequate notices inin thein
the denial letters that if you have a disability you
have a right to apply for an extension of time.
We're concerned that the original bill said they
would only be doing this under extraordinary medical
circumstances, which is again way too stringent for
the ADA requirements. That language, which is no
longer in the rules, but it's still in the preface to
the rules. So we're concerned how this is going to
play out, and we think it's important that the
Department of Finance go back and review all the
cases thatwhere people have come off their SCRIE
benefits to see whether, in fact, theirthose folks
might have, in fact, had a viable disability reason
for not gettinggetting back into the program. I
mean we are still litigating thesea number of these
cases and the City has not backed down onon many of
them. So I think there's been a major change inin-
-in the way the Department of Finance is reacting to

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these. We've in--we appreciate it, but I think more needs to be done . Thank you.

CHAIRPERSON CHIN: Any questions.

COUNCIL MEMBER CORNEGY: No, I--I don't have any questions, but I just wanted to for the record say that I was going to submit testimony on behalf of the Crown Heights Tenant's Union who actually is involved in an action on preferential rents right now as we speak, or they would have been here. So they've submitted testimony for the record.

Wanted to thank all of you for coming in to testify, and definitely we will review your testimony, and thank you for being here today. We're going to work with the Department of Finance, and see how we can, you know, make some changes and also get some more legislation passed that can help more people qualify for the program, and—— So, thank you for being here today.

MATTHEW CHACHERE: Council--Council
Member--

23 CHAIRPERSON CHIN: [interposing] Yes.

MATTHEW CHACHERE: --can I just point out one other thing that's--that's slightly off what my

testimony was, but it occurred to me while we were
discussing the issue with DHCR. There's athere's a
different issue that I've run into a lot, at least in
the community that I work. We have a lot of tenants
with rent reduction orders that are issued by DHCR.
There seems to be no mechanism whatsoever where
where the Department of Finance isis interfacing
with DHCR to see, in fact, if those rents are legal.
And in many instances, they're not. You know,
there's an order from DHCR that says there are
conditions in this apartment. You cannot pay more
than this for rent, andand thereyou know, but
therethese landlords continue to collect the tax
credit for an amount of rent that they're legally not
allowed to collect by DHCR. It would save the City
some money. It would improve getting the conditions
fixed in these folks' apartments. So, I commend
that.

DELSENIA GLOVER: I just wanted to--

21 MATTHEW CHACHERE: [off mic]

DELSENIA GLOVER: --I just wanted to say

23 that there was so much--there was so much

24 misinformation in the tenant--the last tenant who sat

2 here and spot

here and spoke about what her situation is, and it's-it's utterly frightening, but it's not uncommon.

COUNCIL MEMBER CORNEGY: And--and it's really sad because we--we've worked with her, and she's still somewhat confused. So I can imagine somebody who hasn't had the opportunity to--to get any information at all how--how confusing it is in that sense.

DELSENIA GLOVER: Well, one--one-one note of clarity, and that is that market rate tenants are not eligible for SCRIE, and she and apparently it seems that her landlord told her that if her rent is at the market level, then she would be eligible--eligible for SCRIE, which is absolutely false so--

CHAIRPERSON CHIN: Thank you all. The hearing is adjourned. Thank you. [gavel]

COUNCIL MEMBER CORNEGY: Thank you.

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 29, 2015