CITY COUNCIL CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL, DISABILITY, ALCOHOLISM SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE COMMITTEE ON FINANCE

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January 12, 2017 Start: 1:15 p.m. Recess: 2:27 p.m.

HELD AT: Council Chambers - City Hall

B E F O R E: MARGARET S. CHIN

Chairperson

ANDREW COHEN Chairperson

JULISSA FERRERAS-COPELAND

Chairperson

COUNCIL MEMBERS: Karen Koslowitz

Deborah L. Rose Chaim M. Deutsch Mark Treyger Paul A. Vallone

Rafael Salamanca, Jr.

Elizabeth S. Crowley

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Laurie A. Cumbo
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I. Daneek Miller
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A P P E A R A N C E S (CONTINUED)

Michael Hyman, First Deputy Commissioner New York City Department of Finance

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

Julie Walpert, Assistant Commissioner Housing Supervision Department of Housing Preservation and Development

Nino Castonzo Guiliani Nanroni AARP Volunteer

Bobbie Sackman, Director of Public Policy Live On New York

Sasha Kesler Self-Help Community Services

Elizabeth Strojan Enterprise Community Partners

Monica Bartley, Community Outreach Organizer Center for Independence Disable New York

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3 comments]

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CHAIRPERSON CHIN: Good afternoon. is January 12, 2017. My name is Margaret Chin, and I'm the Chair of the Committee on Aging. I have the privilege of co-chairing this committee meeting with Council Member Julissa Ferreras-Copeland, Chair of the Committee on Finance and Council Member Andrew Cohen, Chair of the Committee on Mental Health, Developmental Disability, Alcoholism, Substance Abuse, and Disability Services. I would to thank the committee members and staff from all three committees for coming together to hold this hearing today. Today's hearing will provide the committee with an opportunity to hear Intro 1309, which I introduced along with Council Member Cohen request of the Mayor. The purpose of Intro 1309 is to codify existing extensions to the Senior Citizen Rent Increase Exemption and Disability Rent Increase Exemption to eligible individuals who earn between \$29,000 and \$50,000 per year. These programs are also commonly known as SCRIE and DRIE or as the New York City Rent Freeze Programs, and they ensure that some of the city's most at-risk residents are able to afford to

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE COMMITTEE ON FINANCE remain in their homes. The benefits offered by the SCRIE and DRIE programs can provide life changing financial support for a vulnerable population that often dedicate a large percentage of their income to medical bills. SCRIE AND DRIE are essential city programs that can offset the escalating cost of rent and growing income inequality across the city. Both programs provide quality-qualified applicants with an exemption from future rent increases and ensure landlords receive property tax credits for abatements to make up the difference. The 2014 State Budget originally authorized the city to increase the SCRIE and DRIE income limits from \$29,000 to \$50,000, and in response, the City quickly passed two corresponding Local Laws. Local Law 19 and 39 of 2014. Each of these laws incorporated the income eligibility increase to \$50,000 into the corresponding program in the Administrative Code. Notably, the State Authorization for this program was limited to just two years. After the initial twoyear period, the State recognized the success of the program, and in the 2016 Budget authorized the city to extend the income eligibility increase through 2020 ensuring that eligible seniors and disabled

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COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE COMMITTEE ON FINANCE persons continue to receive these rent subsidies through at least that time. Intro 1309 in many ways update Local Law 19 and 39, and grants access to these benefits through at least 2020. However, oneone change rom the 2014 and 2016 State Authorization was the limitation on the state's financial responsibility for this program. In the 2016 budget, the State decided to cap this reimbursement to the city at a paltry \$1.2 million for the entire five years of the program. The rent freeze program cost around \$6 million in its first year alone, and it's estimated to cost as much as \$28.6 million in 2020. There was no mention of limitations on the state funding in the original 2014 authorization. Now, city taxpayers are expected to bear the burden of financing this program. We heard earlier this week that the Police Department spends over \$1.2 million every three days providing security for our new President-Elect, and he is just one senior. Surely, the state can find the resources to protect the thousands of other seniors and disabled persons who rely upon SCRIE AND DRIE programs for their livelihood. The committee looks forward to hearing testimony for the Department of Finance and the

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COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE COMMITTEE ON FINANCE 8

Department of Housing Preservation and Development today, and to better understand how these changes will impact the city's bottom line while ensuring continued access to these programs for seniors and the disabled. With that said, I would like to turn the floor over to our Finance Committee Chair,

8 Council Member Ferreras-Copeland to give her remarks.

9 Thank you.

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CHAIRPERSON FERRERAS-COPELAND: Thank you Chair and thank you for reminding us that there are no special seniors even if you're the elected president. In addition to what the Chair has stated, following the adoption of Local Law 1339 by the Council that year, increasing the income limits for both programs to \$50,000. Eligibility for the program expanded to thousands of additional households. According to the Department of Finance with these changes the potentially eligible population of SCRIE household increased by 9%, which is about 10,317 additional households and DRIE households by 10% bringing it to a potential of 3,086 additional households. However, authorizing state legislation extended these new limits for a period of only two years. Intro 1309 introduced by my co-chair

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 1 COMMITTEE ON FINANCE Council Member Chin and Cohen would extend the 2 3 current eligibility income as was mentioned until June 2020. Without the enactment of this 4 5 legislation, thousands of households headed by seniors and people with disability may be at risk of 6 7 once again finding themselves significantly rent burdened. I strongly support this legislation and 8 urge my colleagues to do so as well. Additionally, I 9 look forward to hearing from the department about the 10 11 progress that has been in enrolling qualifying 12 households into the program particularly in those 13 neighborhoods identified as having significantly under enrollment. Approximately 121,729 households 14 15 in the city are eligible for SCRIE and 3,637 household are eligible for DRIE. However, while 16 17 enrollment increase from 2015 to 2016, significant 18 percentages of eligible households remain unenrolled in both programs. 59,524 individual participated in 19 SCRIE in 2016 representing less than half of the 20 21 eligible population. 13,762 individuals are 22 currently enrolled in DRIE and also representing less 23 than half of the eligible population. Administration estimates that 77,000 potentially 24 25 eligible individuals are yet to be enrolled in the

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE COMMITTEE ON FINANCE 10 program. It is critical that the city utilize the tools and assist those to conduct comprehensive and effective outreach to all these households who may benefit from the rent freeze program. No eligible household should fall through the cracks. Again, I wanted to also publicly acknowledge the Department of Finance for hosting public opportunities, and I know that we partnered in Battery Park City to help increase, but I got to say we probably need to do more of that to continue to engage and increase these Thank you again to my co-chairs for numbers. sponsoring this legislation and to the Department of Finance for working with us on this issue. And before we hear from the Administration, I'm sure we will pass it over to our Co-Chair Council Member Cohen. CHAIRPERSON COHEN: Thank you, Chair, but I'm going to briefly repeat everything was said. Good afternoon. My name is [laughs] my name is Andrew Cohen, and I am the Chair of the Council's Committee on Mental Health, Development Disabilities, Alcoholism, Drug Abuse and Disability Services. please to be holding this joint hearing with Council Member Chin, Chair of the Aging Committee and Council

Member Ferreras-Copeland, Chair of the Finance

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COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE COMMITTEE ON FINANCE 11 Committee. We are here today to discuss Intro 1309, a Local Law to amend Local Law 19 of 2014 to increase the maximum income level to qualify for the exemption for rent increases quaranteed to certain seniors, and to amend Local Law 39 of 2014 to increase the maximum income level to quality for exemptions for rent increases granted to certain persons with disabilities in relation to extending provisions thereof. The New York City Rent Freeze Program includes Senior Citizen Rent Exemption, SCRIE and the Disability Rent Increase Exemption DRIE program, and are essential to ensure that both seniors and individuals with disabilities are able to stay in their homes. The risk of becoming homeless is real for the elderly and the disabled living on a fixed income and facing rising housing costs. Programs such as a SCRIE and DRIE currently help individuals stay in their homes, and must continue to make-and must continue-we must continue these programs, and to make the programs reliable and accessible to New Yorkers. That is why I'm co-sponsor-co-prime sponsor of Intro 1309, and look forward to its prompt passage. I look forward to hearing from the

administration on how they are continuing outreach to

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COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 1 COMMITTEE ON FINANCE 12 2 these-to these communities to ensure individuals are aware of these programs and are able to enroll if 3 they qualify. I'm interested to know what the 4 5 program is costing the city and how it is funded. are appreciated that the state authorized this to 6 7 expand and extend the income and-income eligibility and that is exactly what we're going to do with 8 legislation. I just want to acknowledge the members 9 of the Mental Health Committee like Council Member 10 11 Vallone, Council Member Rose. I think Council Member 12 Grodenchik is here. Do I have everybody? And 13 lastly, I just want to thank my committee staff 14 Nicole Labean (sp?), Michael Benjamin is probably 15 some place, and Janette Merrill, our Finance Analyst 16 as well as Wate Diebold, my Legislative 17 Counsel. Thank you, Madam Chair. 18 CHAIRPERSON CHIN: I just wanted to recognize other Council Members that are here. 19 Council Member Deutsch also from the Aging Committee, 20 Council Member Koslowitz, and Council Member Vallone, 21 2.2 the Chair of our Subcommittee and then we also have

Council Member Matteo, Council Member Van Bramer,

24 Council Member Rosenthal and Council Member Daneek

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 1 COMMITTEE ON FINANCE 13 2 Miller. We're calling up the first panel. Counsel will swear you in. 3 LEGAL COUNSEL: Good afternoon. Please 4 5 raise your right hand. Do you swear or affirm to tell the truth, the whole truth and nothing but the 6 7 truth in your testimony today? DEPUTY COMMISSIONER HYMAN: Yes. 8 9 LEGAL COUNSEL: Thank you. CHAIRPERSON CHIN: We've also been joined 10 11 by Council Member Cornegy. You may begin. 12 you. 13 DEPUTY COMMISSIONER HYMAN: Alright. 14 Alright, thank you. Good afternoon, Chairwoman Chin, 15 Chairman Cohen, Chairwoman Ferreras-Copeland and 16 members of the Committee on Again, Mental Health, 17 Developmental Disability, Alcoholism, Substance Abuse 18 and Disability Service and the Committee on Finance. I am Michael Hyman, First Deputy Commissioner of the 19 New York City Department of Finance. I am joined by 20 21 Samara Karasyk, Assistant Commissioner for External 22 Affairs and Julie Walpert, Assistant Commissioner for 23 Housing Supervision for the Department of Housing Preservation and Development. Thank you for the 24 opportunity to testify on Intro 1309, legislation 25

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 1 COMMITTEE ON FINANCE 14 2 authorizing the City to extend to 2020 the increase 3 to the amount of income a household can receive from \$29,000 to \$50,000 and still be eligible for the 4 5 Senior Citizen Rent Increase, SCRIE and Disability Rent Increase Exemption, DRIE combined to all the 6 7 rent freeze programs. We support its enactment and are committed to making sure that every eligible New 8 Yorker knows about the program and receives this 9 important benefit. From July 1st, 2014 to the 10 11 present, 15,779 new seniors enrolled in SCRIE. 12 During that same time-same period, HPD enrolled 1,821 13 new participants in SCRIE. Thus, in total 17,600 new households enrolled. City outreach efforts as well 14 15 as the new income ceiling contributed to the 16 enrollment increases. Currently, there are approximately 60,400 seniors in the Rent Freeze 17 18 Program, and 11,416 people with disabilities enrolled in the program. I have a chart below that if you 19 have in your testimony. This is a breakdown of the 20 total enrollment for those who met the new income 21 22 ceiling. So, just to go over it, the total current 23 access participants in SCRIE is 53,688. The portion that has income between \$29,000 and \$50,000 is 7,553. 24

With DRIE the total current enrollees is 11,146 with

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE COMMITTEE ON FINANCE 15 600 in the subset with income between \$29,000 and \$50,000, and for HPD enrollees, the current level is 6,721 with 481 incomes between \$29,000 and \$50,000. For the past year DOF has amplified its outreach through partnerships with elected officials, community boards, and community-based organizations to raise awareness about these programs so that more people may enroll. We have taken a strategic approach to outreach focused on the neighborhoods where we have the highest levels of under-enrollment. We feel that this method of outreach will yield a continued increase in the role of numbers for these vital programs. We have also made a number of improvements to the application process including a complete renovation of our New York City Rent Freeze Walk-in Center and totally redesigned applications. We wholeheartedly support the enactment of Intro 1309 to ensure the income levels set forth in Local Law 19 of 2014 are extended to June-June 30th, 2020. projects a savings to eligible recipients for the Rent Freeze FY17 of \$14 million, and for FY18 of \$17 million. We are harnessing every effort that we have to increase enrolment and retain current program

participants. We know there is more work to do and

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COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE COMMITTEE ON FINANCE 16 are pleased to be partnering with so many advocates and seniors and people with disabilities to make sure that all qualified households take advantage of this vital program. Thank for the opportunity to testify

6 today. We are happy to answer any questions the

7 | committee may have.

been joined by Council Member Treyger and Council
Member Crowley. [pause] Okay. Well thank you for
your testimony. I—I know that all of us would agree
that the program is needed, and it's successful but
because we're all legislating more seniors and people
with disabilities to be able to benefit from this
program. So, how many people do you expect to enroll
in the Rent Freeze Program this coming year? If you
could provide both the SCRIE and DRIE. Is there a
target that you want to hit?

MICHAEL HYMAN: I'm going to ask Samara

Karasyk who deals with the Outreach programs to give

you some information.

ASSISTANT COMMISSIONER KARASYK: So, we are working on that internally right now to have a—a number that we can publicly share. Thus far we just say as many eligible households as we can. We deal

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 1 COMMITTEE ON FINANCE 17 with data that we have available to us in the 2014 2 report in terms of who is eligible and not enrolled 3 in the program. So we do know we're going to be 4 5 targeting neighborhoods where the high-there's the highest amount of eligible and under-enrolled, and 6 7 we're going to continue doing what we've been doing basically since last spring, which many of you have 8 9 participated in. We go out to your area. We ae taking a proactive approach. So when we come to your 10 11 neighborhood we reach out to your office and say hey, 12 do you guys want to do an event with us? We believe 13 that there is X number of people that qualify usually in the thousands. We want to get them enrolled, and 14 15 then we do outreach to get them to an event. We make sure they bring all their documentation with them to 16 17 the event so that we can sign them up there and then. 18 We have a new group in our process unit as well that does mobile processing. S o in addition to our 19 regular outreach team they're also there signing 20 21 people up right then, and then when people don't have 2.2 all the documentation they need, which we find is one 23 of the pinch points of getting people involved. have to submit income documentation, and other sorts 24

of documentation. They may not have it. So we will

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 18 COMMITTEE ON FINANCE follow up with them. We also work really closely with partner organizations when we do those events so they can help us follow up with the Department of Finance. Most people don't view us as being someone that's really committed to enrolling people in social services programs. So even though we are, we do find that partnering with elected officials and housing advocates a number of whom are here today have been great, and they really can help us build those relationships with people so they understand we're there for good. We really want you guys to get enrolled. We promise this is a good program, and we're going to help you do it. And outreach staff will follow up afterwards, too, if people show up and they don't get documentation and what do need? Do we need to come and pick up an application. In Battery Park City (sic) for example, as the Chair was talking about, we do a number of events because we went once, and it seemed like there was a really a lot of demand to come back. So we had a bunch of events there, and we're going to continue with that approach throughout the year. Our focus is getting applications for qualified individuals. So that's really what we're

doing when we go to events. Informational events are

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COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE COMMITTEE ON FINANCE 19 useful, and we'll continue to do those for all of our programs, but for the Rent Freeze Program in particular we're really very much aiming at getting

applications for qualified households. We want to keep those numbers going up.

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CHAIRPERSON CHIN: I know that one of the programs that Council Members partners with the Department of Finance is that when applicants fail to re-apply, renew their applications we often get alert.(sic) And I know that because my office, my staff call out and we usually do end up helping quite a number of them get back in applying. So what—what does the city do in terms of really proactively remind people that it's time to renew and—and that they need to do the paperwork so that when you're sure that they could benefit from that?

ASSISTANT COMMISSIONER KARASYK: So we send them a number of notices. We send them their first notice 90 days before the benefit is set to expire saying hey we need you to renew your benefits. And then we send them at least two other notices to make sure that they get that. I think we do a fourth notice as well. We work with people like elected officials if we aren't hearing back from people to

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 1 20 COMMITTEE ON FINANCE 2 say they haven't gotten back to us. We really want 3 them to renew. Do you have good contact information for these people? Can you help us reach them? We 4 5 are partnering with the Mayor's Office as well to go out into the community to try and reach those people 6 7 directly, and that's something that we're going to be amping up over the course of this coming year because 8 we really want to make sure that everyone that's 9 already enrolled, doesn't drop out as long as they 10 11 continue to qualify. So that's a priority for us. 12 CHAIRPERSON CHIN: Yeah, I think one of 13 the things that I wanted to emphasize is that to really let the senior know, you know, if they did not 14 15 renew in time, the landlord is still going to get the 16 benefit because we have landlords who tell the tenants, well, your-your benefits stopped and so you 17 have to pay. But we have to remind the seniors that 18 once they, you know, send their application in that's 19 it. The landlord will get the back pay. 20 ASSISTANT COMMISSIONER KARASYK: 21 22

CHAIRPERSON CHIN: They will—they will always, you know, get their money.

ASSISTANT COMMISSIONER KARASYK: Yes.

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on-on the, you know, the resources they propose to

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 1 COMMITTEE ON FINANCE 22 2 provide. So we hope to really encourage the 3 administration to work with us to advocate that that's not fair. That they need to put in their fair 4 5 share. I'm going to pass it onto Council Member-Chair Cohen, but we are also joined by Council Member 6 7 Salamanca and Council Member Johnson. CHAIRPERSON COHEN: Thank you, Chair. I 8 9 just want to follow up first on-on Council Member Chin's question about the cost. Is that is that your 10 11 testimony that the total to the program and the total 12 cost to the city? I'd like to have the-the total 13 program's funding? DEPUTY COMMISSIONER HYMAN: Well, this-14 15 this is the total cost to the city, combining both 16 the senior citizens unfortunately and disabled persons unfortunately. They're looking at the 17 18 converse. It's the savings to the-to the recipient 19 and—and the city saves— CHAIRPERSON COHEN: Is—is there a state 20 contribution also for that? 21 2.2 DEPUTY COMMISSIONER HYMAN: Well, the 2.3 State contribution as-as was mentioned for the twoyear period FY15 and 16 was \$1.2 million. That's 24

right. You could say the city was reimbursed \$1.2

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE COMMITTEE ON FINANCE 23 million. Well this—that would be \$600,000 a year.

This annual period would cost us \$158 and I think the average state reimbursement was \$600,000, which is

CHAIRPERSON COHEN: Is there a State contribution for—for the cost of the program under

supposed for the portion of recipients with incomes

between \$29 and \$50,000.

DEPUTY COMMISSIONER HYMAN: No, that was part of the initial authorization to raise the income ceiling. The state agreed to a partial reimbursement, and then the budgeted amount was \$1.2 million. Under \$29,000 the city funded the total contribution.

understand the chart connected to your testimony that for SCRIE you testified that there were 53,688 people enrolled in the SCRIE program, and you're saying of those, only 7,553 had incomes under—so that's connected—so essentially most people would not be eligible for the program, but for the increase in the income eligibility.

\$29,000?

1	COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE COMMITTEE ON FINANCE
2	ASSISTANT COMMISSIONER KARASYK: Well,
3	to—to clarify, so the 7,553 is the portion that earns
4	more than \$29,000.
5	CHAIRPERSON COHEN: Who owns more?
6	DEPUTY COMMISSIONER HYMAN: Yes.
7	CHAIRPERSON COHEN: Because I-because I
8	don't-because I don't know how it works.
9	DEPUTY COMMISSIONER HYMAN: Okay, we
10	should—we should have clearer on the chart. Less than
11	they are helping us. (sic)
12	CHAIRPERSON COHEN: Okay, and so that's
13	the same—the same with DRIE?
14	ASSISTANT COMMISSIONER KARASYK: It's an-
15	it's an even smaller percentage od DRIE.
16	CHAIRPERSON COHEN: Okay. Again, thank
17	you for your testimony.
18	CHAIRPERSON CHIN: Council Member
19	Cornegy, do you have questions.
20	CHAIRPERSON FERRERAS-COPELAND: [off mic]
21	For me.
22	CHAIRPERSON CHIN: Oh, Council Member
23	Cornegy I got to pass it back to the Chair. I-I
24	forgot about her.

1	MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE
	COMMITTEE ON FINANCE 25
2	CHAIRPERSON FERRERAS-COPELAND: Thank
3	you, Council Member. You go right after me, but I'll
4	be quick. So, when did the city file for the
5	reimbursement for the increased cost in SCRIE?
6	DEPUTY COMMISSIONER HYMAN: The-the
7	reimbursement-the \$1.2 million has been funded to the
8	city. We-that-I think that occurred about a month
9	ago that we set in expect
10	CHAIRPERSON FERRERAS-COPELAND:
11	[interposing] So it's been totally funded? We've
12	received the pay.
13	DEPUTY COMMISSIONER HYMAN: [interposing]
14	The \$1.2 million we have received the appropriation.
15	CHAIRPERSON FERRERAS-COPELAND: Okay, and
16	if we were—I guess the appropriation did you request
17	additional to the \$1.2 when you were negotiating?
18	You know, I know the State told you it's \$1.2 but at
19	any point have you engaged with the state to say you
20	know what, we might need more if our number is right?
21	DEPUTY COMMISSIONER HYMAN: I think this
22	was the amount that the State had budgeted. So it
23	was
24	CHAIRPERSON FERRERAS-COPELAND:

[interposing] Right.

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 1 COMMITTEE ON FINANCE 26 2 DEPUTY COMMISSIONER HYMAN: --statutorily dictated the amount. We did provide to the State, 3 you know, the reimbursement being the expense to the 4 5 city, and then funded what was statutorily with that. CHAIRPERSON FERRERAS-COPELAND: So I 6 7 quess moving-looking forward to let's say from now to 2020, and analyzing the fiscal impact, if we were to 8 enroll, and be every successful because this what we 9 are trying to do, and potentially we could be capped 10 11 at the \$1.2 million. What would be the additional 12 cost to our city if we don't get more? 13 ASSISTANT COMMISSIONER KARASYK: Well, there—there is no appropriation put into the extender 14 15 for your extenders. So I think that that 16 conversation would be hey this is the cost. Do you guys want to fund it? 17 18 CHAIRPERSON FERRERAS-COPELAND: Well, 19 hopefully we won't ask like that. [laughter] 20 ASSISTANT COMMISSIONER KARASYK: I mean, you know, we're-we're always happy-we're always happy 21 22 for the people who have funds for these special 23 programs like this. CHAIRPERSON FERRERAS-COPELAND: 24

[interposing] Right, we're-we're ready to fight.

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 1 COMMITTEE ON FINANCE 27 2 We're ready to fight. So I just guess in-in your vision in the best case scenario we have every 3 eligible enrollee enrolled, what would that cost you? 4 What is that number? 5 ASSISTANT COMMISSIONER KARASYK: 6 So 7 we've-we've project just based on the growth that we've seen so far at the higher range. So this is 8 only the growth due to the higher income that we 9 think it would be about \$14 million in Fiscal 17, and 10 11 \$17.5 million in 2018. These are estimates. 12 CHAIRPERSON FERRERAS-COPELAND: Youi said \$14 million in--? 13 ASSISTANT COMMISSIONER KARASYK: 2017, 14 15 Fiscal 17, and \$17.5 in--16 CHAIRPERSON FERRERAS-COPELAND: 17 [interposing] \$17.5. Okay, I mean, we're-we're 18 establishing our state priorities now so this is why this hearing was so important so that we get accurate 19 numbers because while we are very happy to partner 20 with the State and they are doing a \$1.2 million 21 22 reimbursement, it's clearly not enough especially as 23 we start to ramp up. I don't know. Considering that this will be a successful outreach and we are going 24 25 to get all our seniors enrolled, this is now-can be

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE COMMITTEE ON FINANCE 28 very costly. But not an investment that, you know, as was mentioned we're spending this on Trump in like a week. So, the reality is that, you know, we—we want to set our priorities, but we prepared for what the fiscal impact will be. So thank you very much.

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CHAIRPERSON CHIN: Council Member Cornegy.

COUNCIL MEMBER CORNEGY: Thank you, Madam and Sir Chairs. Good afternoon. Last year, I put forward a bill out of this committee that was signed by the Mayor and I just kind of wanted to know where it was. The bill will require the Department of Finance to include a legal notice regarding legal and preferential rents on certain documents related to the New York City Rent Freeze Program. Specifically, the notice must include the rent amount on which the benefit calculation was based, and an explanation of why that amount was used in the calculation. legal regulated rent and explanation that the tenant may continue to pay a preferential rent even once enrolled in the program, a statement that the tenant can obtain a rent registration history and file a complaint with the State Division of Housing and Community Renewal, and a telephone number and email

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE COMMITTEE ON FINANCE 29 address for that agency. In addition, by 2018, the legislation is supposed to require the Department of Finance to include both the preferential and legal regulated rents of applicants to the New York City Rent Free Program in its database, and include the preferential rent amount in the notice described above. I just wanted to know if any portion of that has been implemented to date, and if not, what is the time table for having that included in documents

obviously for the purposes of information as it

relates to preferential rent.

ASSISTANT COMMISSIONER KARASYK: So the first part of the legislation and that additional language we do have in our notice it's about preferential rent versus legal rent. What that is and how to contact HCR. That's in there now, and we are working on our database so that in 2018, we can capture both the preferential rent and the legal rent.

noticed at this point any barriers to the success of the legislation? Has—has the response been favorable as to the intent, you know, meeting the intent of the legislation in terms of information where people can

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE COMMITTEE ON FINANCE

2 know the difference between preferential rent and 3 legal rent and any—anything of the above?

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rent.

ASSISTANT COMMISSIONER KARASYK: I-Ihaven't seen anecdotally, but based on this personal experience of folks not understanding the legal rent versus preferential rent, I-I think it's useful to have it on there because , you know, when we were discussing the bill one was saying that it's clear. People-they just pay what they pay, right. So you're paying your rent. You're not thinking about whether it's a legal or preferential rent. With these preferential rents, you don't really know until you get a notice from us saying we're saying it's a legal, and then, you know, if you're the tenant you say well, I don't understand. That's-that's not what I pay. How does that make sense? So I think that clarification is useful. I don't know if it's going to have people asking. I don't think they're going to ask more questions. Right, I would think it would elicit fewer questions because we're telling them why there's a difference here. I'm looking forward to when we can capture the data in 2018 because it will show us how many people are actually on preferential

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE COMMITTEE ON FINANCE

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COUNCIL MEMBER CORNEGY: And also,

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the state to have a bigger role in—in the difference

between preferential rents, and so we have partners

obviously, you know that we are attempting to move

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6 in Albany and hopefully this session that's something

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that will go to the floor. But I should have—I was—

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I'm remiss not saying that I appreciate your hard

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work with us on getting that legislation turned

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around and that's in record time, and I look forward

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to any improvements to the legislation or anything we

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can do to make sure that we protect the safety and

sanctity of-of our seniors. Thank you.

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CHAIRPERSON CHIN: Thank you, Council

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Member. I wanted to thank this panel. We didn't have

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any more questions, and we look forward to continuing

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to do more outreach to make sure that everyone knows

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about this Rent Freeze Program, and they're able to

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sign up. So thank you, and we're going to call up

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the next panel. Nino Nadaloni (sp?) from AARP.

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Congratulations on your grandkids. [laughs]

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Elizabeth Strojan, Enterprise Community Partners;

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Bobbie Sackman, Live On New York; Sotter Carsal,

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Self-Help Community Services; and Monica Bartley from

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 1 COMMITTEE ON FINANCE 32 2 the Center for Independence of the Disabled. 3 [background comments, pause] Okay, you can begin. 4 NINO NANARONI: Okay. So I-I just wanted 5 to say I-I-I mentioned this, too, that my wife-my-we 6 just had our grandchild today. So I'm going to pick 7 up and see our granddaughter. So that's a happy thing. So good afternoon, Chairman Ferreras-8 Copeland, Chin, Cohen and members of the committee. 9 My name is Nino Nanaroni. On that list that you have 10 11 there it says Nino Castonzo, but it's actually my last name is Nanaroni, and it's Nino Castonzo 12 13 Giuliani Nanaroni. Nino is fine. I'm a volunteer with AARP. On behalf of our 800,000 members ages 50 14 15 and older in New York City I want to thank you for 16 the opportunity to talk about Intro 1309. AARP New 17 York has long held housing affordability as a top 18 priority, and we support the efforts of this bill to increase the maximum income level qualifying for rent 19 increases, and make other administrative changes to 20 the Senior Citizen Rent Increase Exemption. However, 21 2.2 AARP feels that there are other policy changes that 23 can be made to help further strengthen this law, and help other New Yorkers such as raising the awareness 24

of the program, and to cap rents under the Senior

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 1 COMMITTEE ON FINANCE 33 2 Citizen Rent Increase Exemption relative to participants' income. So there's three points I want 3 to make: One is your ability to pay the rent. Two, 4 the most serious impact on housing finances; and three unaware that help is exists. Okay so the first 6 7 thing. In 2015 an AARP New York Report titled High Anxiety: Generation X and Boomers struggle with 8 stress and saving security found that more than half 9 of the New York City boomers, 59% are concerned about 10 11 their ability to pay rent in the future. This report 12 is online. Right here. In 2016, a survey by AARP 13 New York and this-I'm sorry. I-I skipped here. City Boomers-okay, I read that. These numbers, this 59% 14 15 increase among African-Americans and Black 16 populations with 73% showing concern and the Hispanic 17 Latin-Latino community with 70% showing concern. A 18 2016 survey by AARP New York and the Sienna Research Institute Countdown New York: Vanishing Middle Class 19 sheds additional light on this issue. Housing was 20 21 cited by both lower class, those making less than \$40,000 and middle-class those making \$40,000 to 22 23 \$120,000 Boomers as expense that has the most serious impact on their household finances. More so than 24 25 food, utilizes, transportation, medical costs or

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 1 COMMITTEE ON FINANCE 34 2 health insurance. It is clear that housing 3 affordability is an issue, but perhaps even more 4 troubling was the number of older New Yorkers who are 5 unaware of the help that exists. According to a report from Live On New York, reducing rent burdens 6 7 for elderly New Yorkers only 43% of the eligible New Yorkers are enrolled in the Senior Citizen Rent 8 Increase Exemption. AARP recommends that the Council 9 empower the Department of Finance to run more robost-10 11 robust promotional and outreach programs to raise-to 12 raise the awareness of this vital program. 13 put this other terms, 60% of the people that are eligible are not in this program. Why is that so? 14 15 mean when you-when' you're asking the Finance 16 Committee here what kind of things-I mean they can 17 tell you well we want to increase the participants, 18 blah, blah, blah. But there should be some kind of cap that the Finance Committee or this committee puts 19 on and says okay, we want to increase this double. 20 Instead of 43%, we want 86%, right? And In order to 21 2.2 do that, quarterly we're going to hold your feet to 23 the fire to make sure that you increase the number of people that are eligible under the program that 24

exists. So that's-that's a-a basic thing. You have

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 35 COMMITTEE ON FINANCE this program, and it's a shame that only 43% know it. Why don't you partner with AARP, Live On and other groups that are here instead of having the Finance Committee. Maybe they don't know how to do some of this stuff that we can do. Anyway, I just want to bring that out because that pisses me off. It is important also because I come from one of the most diverse areas of Brooklyn, in the Flatbush Junction area near Brooklyn College. That's a multi--multiracial area, and—and there are seniors all—all colors, all shapes, all sizes that are suffering under-under this kind of affordability of housing. It is important to note that even for the members that are in-that are participants--so this is the second point-rent payments can still be a burden for program participants. The current eligibility requirements at State in order to receive rent freeze more than one-third of the household incomes must be spent on rent. However, the reality is that a larger proportion of participants are paying far above that. The same Live On New York Report found that more than half of the participants are spending 50% of their income on rent with nearly one in third-one-third

paying over 70%. I mean how are you going to pay for

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COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 1 COMMITTEE ON FINANCE 36 2 medical stuff? How are you going to pay for 3 transportation? How are you going to pay for food? 4 This is outrageous. AARP New York Recommends that 5 the policy is our for us to cap rents for participants enrolled in the-in the program at one-6 7 third of their income. This will help to make housing more affordable for older New Yorkers easing 8 9 what may be considered a major burden. So Chairman Ferreras-Copeland, Chin and Cohen and members of the 10 11 committees, we thank you for the opportunity to speak 12 to the importance of the Senior Citizen Rent Increase 13 Exemption for older New Yorkers, Intro 1309. Copeland-coupled with the increased outreach and rent 14 15 cap relative to income will provide relief to many 16 older Americans or New Yorkers. Thank you very much. 17 [background comments] 18 BOBBIE SACKMAN: Hi. My name is Bobbie Sackman, Director of Public Policy. [off mic] 19 20 CHAIRPERSON CHIN: The mic, Bobbie. BOBBIE SACKMAN: Oh, it probably closed. 21 22 I'm sorry. This better? Bobbie Sackman, Director of 23 Public Policy with Live On New York. The--the first thing I want to say is that the report that this 24 gentleman was referring to is actually Enterprise 25

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 1 COMMITTEE ON FINANCE 37 2 Community Partners with us on the panel really did 3 the lion's share of the-of the research. We-we did it all in collaboration. So I want to make sure you-4 you all know that. I'm not going to read word for work from my testimony. This sort of puts some other 6 7 remarks together. When it comes to SCRIE, I'm always struck with how proud the City Council is about any 8 way that you guys can strengthen the SCRIE program. 9 Today's hearing is—is a case in—in point. You 10 11 enacted legislation to increase it to \$50,000. 12 You're always trying to figure out ways to make it more accessible for seniors. SCRIE is actually a 13 brilliant program because it's a solution to the 14 15 affordable housing crisis that we live in, and yet even though it's been around for literally 30 or 40 16 17 years, it's, as we've heard, very underutilized. It's sort of that bright light of the solution. 18 willing to bet that the most common call you all get 19 at your offices are from seniors who are calling 20 about affordable housing or some housing related 21 2.2 issue. And if you can at least offer them SCRIE, 23 you'll probably feel good that day because there's usually very little else you can do for them. And-an 24

yet, obviously they find out often way too late

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 38 COMMITTEE ON FINANCE they're paying over 50% of their income in rent, which I'm sure frustrates all of you as it frustrates us. So if you could get them on SCRIE earlier, and there are other ways to move this great program forward, we're hoping that you will work with us to do that, and obviously this will not only help seniors stay in their apartments, but it-the proposal that I'm going to talk about will literally put more money in the pockets of seniors. There are very few ways of actually putting money in the pockets of people who don't have a lot of money or who are finically struggling and this can do that. And then they will probably spend that money locally. don't intend to run off to faraway places and spend their money. So one is-is capping everybody on SCRIE and the one-third level, which is what's considered the affordable rent level. That would entail a rollback that goes on where-where the-the huge Outreach and Awareness program as we talked about so that folks get on it early. I think many of them find out when they're in crisis, and that's when they call you or they call us, different organizations. Live On New York has a very robust Outreach and

Awareness program for SCRIE. We've gotten support

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COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE COMMITTEE ON FINANCE 39 from the City Council and for other benefits. So we do go around the city doing that as well. So that's one piece. That's a major piece. What do we mean by a public awareness campaign? So here's the dream. You guys did UPK The Mayor did UPK. UPK is a household in this city. Why isn't SCRIE? It's young and old. It's the point. Why isn't SCRIE, rent freeze whatever you want to call it, SCRIE is an awkward name. Why aren't there signs? We are beginning to see them on the subways and trains. I'm not saying there isn't progress. This isn't even criticism of the Department of Finance. We want them to have more resources to do more. So this is to push it all forward, but if you're 60 or you're 61, or holding in that age area, why don't you know about SCRIE so that you will be ready to sing up at the moment you can. So that's the goal, and that's the dream. We think it's attainable, and so how do we, you know, get out a marketing plan? Who puts together that UPK plan? Long, deep and sustainable. Why can't we do this for SCRIE, and then roll back the rents. There will be seniors that will have, you know, it could be \$100 more in their pocket. Also, the preferential rent challenge, and I'm sorry that

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COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 1 COMMITTEE ON FINANCE 40 2 Councilman Cornegy had to leave, because he's 3 definitely been a leader on this. If everybody is capped at one-third, there's no preferential rent 4 5 problem in there. You just addressed it because everyone on SCRIE will be at that level. So, please, 6 7 you know, we would love to talk about this further. It's beyond just obviously one hearing. But we 8 wanted to use this today as an opportunity to raise 9 this for your thinking and your consideration and, 10 11 you know, we would look forward to working with you 12 further on this, and we are calling this Off the 13 Fiscal Cliff Campaign. Because seniors are frozen. They're paying 50, 60, 70% of their income in rent. 14 15 We've got to get them off the fiscal cliff. Thank 16 you. 17 SASHA KESLER: Thank you, Bobbie. Hi, my 18 name is Sasha Kesler, and I work at Self-Help Community Services. My physical testimony had a 19 little encounter with a batch of tea this morning. 20 So it has been submitted for the record, but will go 21 2.2 in the binder later. I'm here to really reflect much 23 of what has been said so far by Live On and by AARP. Self-Help Community Services is a social service 24

provider primarily for seniors, and we serve 20,000

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 1 COMMITTEE ON FINANCE 41 2 seniors in the city through a combination of affordable housing, senior centers, NORCs, home 3 care. You name it for seniors, we are working to 4 serve them, and what we find is that many of the seniors that come to us while we are-work diligently 6 7 to make sure that they know about these programs, that we-they know about SCRIE, they often come too 8 late. As Bobbie mentioned in the report from Live On 9 and Enterprise, there are 60% of seniors in this city 10 11 who do not know about SCRIE or who are now eligible 12 but are not enrolled, and of those seniors who 13 ultimately are in enrolled, 50% are paying more than a third of their income, and 70% are paying more than 14 15 50% of their income. This is a level that is not 16 sustainable. This a level that—as has been mentioned 17 that eliminates the ability for seniors to pay for 18 what's really vital for them let alone things that can even bring them joy in the later years of their 19 life. We really see City Council as being a partner 20 in this, and we are so appreciative for all the work 21 22 that the City Council, this Administration and the 23 Department of Finance have done in trying to expand the SCRIE and DRIE program and expand awareness of 24

it, and we would like to urge to continue to do more

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 1 42 COMMITTEE ON FINANCE 2 in this process. As Bobbie said, we would like to make sure that every person in this city regardless 3 of if you are 20 years old and you have a parent 4 who's 60 or if you are 60 years old yourself, every person knows about this program, and knows that when 6 7 they turn 52 years old that they are eligible to apply for SCRIE and to make sure that they are able 8 to sustain the-the-after the age of 52 living in 9 their homes, living independently, living with 10 11 dignity so that they have all their needs met. 12 part of that in addition to an outreach campaign is 13 making sure that the rents are rolled back, paying 50%, 70% of your income for any person let alone when 14 15 you're often on a fixed income is not sustainable, 16 and it's not fair to any senior or any person with a 17 disability in this city. So we strongly, you know, 18 we thank you all for your support in making sure that this program is really growing, and that is being 19 seen as the, you know, potential benefit that it-that 20 it has for many people, and we look forward to 21 2.2 working with you in the future to make sure that 23 every person in the city who qualifies is able to apply for program, and that their rent is capped at a 24

level that is sustainable and that would allow them

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE COMMITTEE ON FINANCE 43 again to live independently and with dignity. So thank you so much, and we look forward to being in

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partnership.

ELIZABETH STROJAN: Good afternoon, and thank you all for the opportunity to testify. Here today. My name is Elizabeth Strojan. I'm with Enterprise Community Partners. Good to see you again Chair Ferreras. That's right. We're best friends now. So I work with Enterprise. Enterprise is a national affordable housing organization. It's been working to create and preserve affordable housing here and nationwide for more than 30 years and we know because of market pressures and costs of preservation and development. So we can't build our way out of the affordable housing crisis that we all see and feel every single day. So we're looking, as you guys are, opportunities to use every tool in our toolbox to keep people stably housed and affordably housed in quality housing in their communities. So we agree that SCRIE is an incredible tool, and we absolutely support the Intro discussed here today, and I think the advocacy community did a great job coordinating our testimonies because I'm here to continue to beat the drum for the need to continue to

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 1 COMMITTEE ON FINANCE 44 2 improve and expand the SCRIE and DRIE Program. 3 Enterprise undertook the research in this report. Because of things we were hearing on the ground from 4 our social service provider partners and our affordable housing provider partners like Self Help 6 7 who were saying hey we're-we're seeing seniors increasingly vulnerable in their housing. And so, we 8 were able to get Finance, the Department of Finance 9 data, and look to see the numbers that you've heard. 10 11 They were quoted several times, but one specific that I want to add in addition to the fact that a third of 12 13 people enrolled in SCRIE are paying more than 70% of their income in rent. Because the average income for 14 15 those households is under \$17,000 a year. So you can imagine that these households are under incredible 16 17 financial pressure, which leads to horrible outcomes 18 in terms of skipping meals, skipping doctor's appointments, not filling prescriptions. So we join 19 this group of advocates in calling for a more robust 20 outreach program. I think that the recent efforts of 21 22 the Department of Finance to really advertise the 23 Rent Freeze Campaign have been laudable. We've all seen the signs on the subways in English and Spanish. 24

I know I've seen signs in my neighborhood and in my

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE COMMITTEE ON FINANCE 45 building advertising outreach campaigns, and I think that's laudable, but I think we all agree that we can do more, and I think that we have to do this in partnership with each other. I also want to add that capping rent for enrollees in the SCRIE program will be incredibly useful, and we should work together, and look at what's the best population to target for that rollback. We know that we're entering on certain financial times with the new Federal Administration. We always have to balance priorities. So when you're looking at where we're spending our money keeping seniors stably housed in their communities has to be at the top of that priority list. So I do just want to add two points that haven't-I haven't heard yet for about-on-on this panel. The first is that we all know that rent stabilized apartments are an incredibly-incredibly valuable resource, and we know that when apartments turn over because of the vacancy bonus, those rents increase, and when you're rent increase in a rent stabilized unit to a certain point, that unit leaves the program. So we-we are also looking at SCRIE as a preservation tool for our rent stabilized housing stock, and I think that that's something we should

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keep in mind as we weigh the costs and benefits of the proposals we're laying out today. The second thing I want to add is the real potential for cost savings. So I don't want to, you know, immediately point to how much it would cost to house every single senior in emergency shelter, but we know that when these seniors are incredibly vulnerable, so again we have households making \$17,000 a year spending 70% of their income on rent. Where do you go if you're evicted? You're probably going to go to potentially emergency shelter, which is incredibly expensive. we have to look at the cost of providing SCRIE or DRIE benefits for very vulnerable populations versus cost for like that. So I think that's it. I'll wrap up. Thank you very much for the opportunity to talk here, and we look forward to working with advocates and partners with the Department of Finance, with HPD

MONICA BARTLEY: Thank you. Good afternoon, Madam Chair and members of the committee. My name is Monica Bartley, and I am the Community Outreach Organizer with the Center for Independence of the Disable New York. I would like to thank the Council for permitting me to testify on this matter.

and with the Council. Thank you.

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 1 COMMITTEE ON FINANCE 47 2 Disability Rent Increase Exemption, DRIE is a very 3 important law that helps people with disability who 4 able to-to freeze their rent if they live in a rent 5 regulated or rent stabilized apartment and meet the income requirements of \$50,000. DRIE exists for the 6 7 purpose of ensuring that low-income residents can remain in their apartments. It acknowledges that 8 people with disabilities are on fixed incomes, and it's a major tool in preventing homelessness for 10 11 them. According to Economic Release in 2014 to 15 there was an annual average of 29,752 individuals 12 13 with disabilities from ages 16 and above in New York City. Of those, 5,813 are employed. Although the 14 15 average medium income of households of people with 16 disabilities is \$41,300, there was a significant 17 number of the 5,813 who were making over \$50,000. 18 The rates of full employment of people with disabilities is increasing. With that comes the 19 likelihood of increased income. Although many people 20 with disabilities ae in public housing, shelters or 21 22 the streets, we cannot forget the working lower and 23 middle-class people with disabilities. Record rent increase throughout New York City have affected 24

everyone, but for those who are living fixed or lower

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE COMMITTEE ON FINANCE 48 incomes, the possibility of being driven (sic) out of their own homes is very real. For those with disabilities, the hard won stability that they worked so hard for can be easily lost when rent far surpasses their income. With at program such DRIEsuch as DRIE the lower income and middle-class people with disabilities will have the opportunity to remain in their homes at an affordable rate. Rent regulated apartments are key components that give the people with disabilities who are working an opportunity to be housed. DRIE is a major factor in maintaining housing for people with disabilities, and protect against homelessness caused by rapid and substantial rent increases. People with disabilities come for assistance with CIDNY for all types of services. Housing in New York City is a primary issue. CIDNY and other advocacies (sic) have relied on DRIE to help people with disabilities stay in their homes and maintain their independence. In order to keep this tool, and make housing affordable for many New Yorkers with disabilities, the City needs to have DRIE keep pace with the rising rents. We urge you to amend Local Law 39 of 2014 to allow for an increase

of the maximum income level for DRIE eligibility.

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2 Again, I wish to thank the City Council for its

3 support. CIDNY just asks that the City Council not

4 be short-sighted when it comes to DRIE. Thank you

5 very much.

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CHAIRPERSON CHIN: Thank you very much for your testimony. I have a couple of questions. In terms of the-the Rollback Program and it makes so much sense that we want to make sure that seniors and people with disabilities are only paying one-third of their income. Now is there a way that we can work together maybe with Department of Finance to really look at how large is this group of seniors and people with disability that are paying more than one-third, and if we start a rollback program, what would that look like, and how much, you know, would it cost? And also, in the meantime-the second question is in the meantime, are we looking at other rental subsidy programs out there that the city are offering to help the seniors to sort of make-meet-make ends meet while we take steps to work on a rollback program?

BOBBIE SACKMAN: The first question

actually I don't remember the data off hand, but

there is data in the Enterprise Report about how many

people are paying above one-third. Do you have any
comments?

SASHA KESLER: Yes. Sixty percent of seniors on SCRIE pay over 50% of their income. These are people who are enrolled in SCRIE and a third of individuals enrolled in SCRIE pay more than 70% of their income. So in terms of the number, just—you can calculate.

report—[on mic] Yeah, so in—in the report, which we can circulate after this hearing we actually have charts breaking down how much it would it cost under current enrollment levels to rollback rents for SCRIE participants back to 50% of the income limit and then back to a third of their income limits, and then we also project out that cost assuming 100% enrollment. So we—we have some of that data. So we can start to look at it. So I—I can circulate that number—those numbers to you after the hearing if that's helpful. It's in the report.

CHAIRPERSON CHIN: I think that would be helpful, and then I also wanted to ask, you know, the Department of Finance who have a representative here to really see how you can also be helpful with that

COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 1 COMMITTEE ON FINANCE 51 2 because I'm sure that you have data particularly when a senior apply. I mean also the DRIE program that 3 they put in what the rent is, and what their income 4 5 is. So the way to get that data and then maybe we can really look at how do we start incorporating a 6 7 rollback program to help the people who are paying more than one-third of their income. So I look 8 forward to working with all of you on that. 9 ELIZABETH STROJAN: Right, than you so 10 much for that question and you-the second part is-did 11 12 you have something to add on that? Oh, good. [pause] 13 BOBBIE SACKMAN: Oh, I'm sorry. In terms 14 of you talking about linking the rent subsidy 15 programs, I-I wasn't clear what we had. You mean 16 like Section 8 or-17 CHAIRPERSON CHIN: Well, I mean right now 18 I think HRA or perhaps programs that prevent, you know, help people to prevent homelessness. 19 BOBBIE SACKMAN: Right. 20 CHAIRPERSON CHIN: So are you looking at 21 22 what resources might be available. Because if some 23 body is paying 70% of their income for rent, we need to help them now. So are there rents or subsidy 24

programs? And if not, maybe we can also look at

creating some of these programs that can lead-immediately help these groups of seniors, and-and a

4 group of, you know, people who are on DRIE to see

5 that we can at least help them, and make sure that

6 they are able to stay in their homes.

ELIZABETH STROJAN: What the City does is just that it provides several kinds of rental subsidies some on an emergency basis. If someone were to start facing eviction and-and some certain people who are facing homelessness, but I think that's a good idea. We have to look at like the suite of tools. What I think is so special about SCRIE and DRIE is that they're targeting households that don't have other kinds of rent subsidies usually. So these are households then sometimessometimes it's subsidized affordable housing, but sometimes it's in our Naturally Occurring Affordable Housing stock, which is an important stock to reach with these kinds of tools, and these are folks that often don't have other kinds of programs. I agree that when there's a-a crisis and a population in crisis you should layer on however many tools you need to help stabilize people. But I think we should

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COMMITTEE ON AGING JOINTLY WITH THE COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITY, ALCOHOLISM, SUBSTANCE ABUSE AND DISABILITY SERVICES AND THE 1 COMMITTEE ON FINANCE 53 2 look more closely at how do we make SCRIE a more perfect program so that it works on its own. 3 4 BOBBIE SACKMAN: But just to piggyback, 5 it probably would be worthwhile if-if we could get data from HRA on the utilization of their rental 6 7 structured programs for people over the age of 60 and people with disabilities as well. Because we don't 8 know what the-the utilization rate is, and-and ifsometimes seniors have a hard time accessing existing 10 11 programs. Partially because they don't know about it. It could be daunting or if it's done a lot 12 13 online and then it's difficult for them or maybe even impossible for them. 14 15 ELIZABETH STROJAN: That would be a 16 really good data point to have that in the-17 BOBBIE SACKMAN: [interposing] yeah. ELIZABETH STROJAN: --set up for the--18 19 BOBBIE SACKMAN: [interposing] Yeah, the 20 HRA and the utilization rate. Maybe we could look 21 again. 2.2 ELIZABETH STROJAN: Like who-who's 23 entering home base that would eligible for DRIE and SCRIE I think would be really helpful for people. 24

CHAIRPERSON CHIN: We could work with the—the chair of the General Welfare Committee and try to access those data, those information, but definitely we will look forward to working with you on making the SCRIE program and the DRIE program much better that it really only, you know, has people only pay one—third of their income for rent. So we look forward to working with you on that, and thank you very much for coming down here. Anybody else have any questions? Okay, so our hearing is adjourned, and thank you to everyone for coming. [gavel]

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 January 17, 2017