

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON HOUSING AND BUILDINGS

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January 29, 2019
Start: 10:23 a.m.
Recess: 11:26 a.m.

HELD AT: Council Chambers - City Hall

B E F O R E: ROBERT E. CORNEGY, JR.
Chairperson

COUNCIL MEMBERS: Fernando Cabrera
Margaret S. Chin
Rafael L. Espinal, Jr.
Mark Gjonaj
Barry S. Grodenchik
Bill Perkins
Carlina Rivera
Helen K. Rosenthal
Ritchie J. Torres
Jumaane D. Williams

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

Joshua Sidis, Senior Advisor, Mayor's Office
Operations

Sarah Mallory, Chief of Staff for Government
Affairs, Department of Housing, Preservation and
Development

Patrick A. Wehle, Assistant Commissioner of
External Affairs, NYC Department of Buildings

Pilar De Jesus, Advocate, Community Development
Project, Urban Justice Center

Leo Goldberg, Policy and Research Manager
Center for New York City Neighborhoods

Scott Andrew Hutchins, Member of Picture the
Homeless

Paula Segal, Senior Staff Attorney, Community
Development Project

John Krinsky, Professor of Political Science at
City College, CUNY Grad Center and Board Member of
NYC Community Land Initiative

2 [sound check] [pause] [gavel]

3 CHAIRPERSON CORNEGY: Good morning

4 everyone. I'm Council Member Robert Cornegy, Chair
5 of the Committee on Housing and Buildings, and we're
6 here today to consider six pieces of legislation
7 related to vacant properties and buildings, and the
8 under-utilization of those prop-these properties and
9 buildings throughout the city. At the two previous
10 hearing on vacant properties in '14 and '16, we
11 discussed several subjects related to vacant
12 properties including where these properties are
13 located, how these properties can be tracked, and
14 what can be done with them. As a result of the most
15 recent hearing we enacted Local Laws 29 and 30 of
16 2018. Local Law 29 requires the city to conduct a
17 citywide census of vacant properties while Local Law
18 30 requires the Department of Housing Preservation
19 and Development to report on vacant lots within its
20 jurisdiction. These laws can help us better
21 understand the scope of vacant properties. Still,
22 more can be done. Vacant properties are troublesome
23 for our communities. They bring down property
24 values, and they attract crime or create public
25 health hazards. They are properties that can be used

2 to serve our communities either as housing for low-
3 income families, as community gardens or as
4 playgrounds. Intro No. 835, of which I'm the sponsor
5 would require the city to catalog and report bi-
6 annually on the number and location of vacant or
7 abandoned properties in each Council District. This
8 would give the Council a greater understanding of the
9 number of vacant properties so that we can better
10 comprehend the scope of these—of this problem.

11 Similarly, Intro 226 sponsored by Council Member Rose
12 will create a vacant property registry that will
13 required real property owners to annually register
14 properties that have been vacant for more than one
15 year. Intros No. 1128, 1124 and 1125 sponsored by
16 Council Member Holden attempt to protect the public
17 from hazards caused by vacant properties or
18 properties at risk of becoming vacant. Intro 1228
19 would ensure the safety of those near stalled
20 construction sites by requiring that chain link
21 fences replace wooden fences once construction has
22 been stalled for two years. Intro No. 1124 will
23 require the Commissioner of the Department of
24 Buildings to seal, secure and close certain vacant
25 properties. Intro 1125 requires the Department of

2 HPD to report to the Council on properties subject to
3 foreclosure proceedings in each Council Member's
4 district. These properties pose a risk of becoming
5 vacant. Intro No. 7 sponsored by Council Member
6 Barron would permit the city to better understand the
7 scope of the existing affordable housing crisis by
8 requiring HPD to report annually on a number of
9 dwellings citywide. This information is critical for
10 understanding the scope of the existing housing stock
11 within the city. I'd like to thank my fellow
12 committee members present today, Council Members both
13 Chin and Grodenchik, and acknowledge—oh, there are no
14 other council Members. I'd just like to remind
15 people if you'd like to testify today, please fill
16 out a card with the sergeant. We'll be sticking to a
17 2-minute clock for all public testimony, and now
18 we'll admit the oath—administer the oath of the
19 Administration —of the Administration before their
20 testimony.

21 LEGAL COUNSEL: Right hands up. Do you
22 affirm to tell the truth, the whole truth and nothing
23 but the truth in your testimony before this
24 committee, and respond honestly to Council Member
25 questions?

2 Yes.

3 I do.

4 LEGAL COUNSEL: Okay,

5 CHAIRPERSON CORNEGY: I'm actually
6 waiting for the day when somebody will say no.

7 [laughter] Not today, though.

8 Not today. Alright?

9 CHAIRPERSON CORNEGY: Please begin
10 testimony.

11 JOSHUA SIDIS: Good morning Chairman
12 Cornegy and members of the Committee on Housing and
13 Buildings. My name is Joshua Sidis and I am a Senior
14 Advisor at the Mayor's Office Operations. At
15 Operations we are dedicated to making New York City
16 government as effective and efficient as possible
17 through project and performance management, data
18 analysis and research. We are also the lead agency
19 on the implementation of Local Law 29 of 2018, which
20 I will speak about in my testimony. I am joined
21 today by Sarah Mallory, Chief of Staff for Government
22 Affairs at the Department of Housing, Preservation
23 and Development, and Patrick A. Wehle, Assistant
24 Commissioner of External Affairs at the Department of
25 Buildings Thank you for the opportunity to testify

1 today. Local Law 29 of 2018 requires the city to
2 within three years, create a census of the number of
3 vacant—of vacant buildings and vacant lots located in
4 residential areas, with new analysis on such areas
5 required every years thereafter. As there is no
6 single source of this data in New York City
7 particularly for privately owned properties,
8 operations and the Mayor's Office on Data Analytics
9 are in the process of developing a model that
10 integrates various data sources as indicators and
11 predicts the likelihood that a property may be
12 vacant. The relative weights of these indicators
13 will be determined and refined based on a rigorous
14 sampling methodology and visual inspections. This
15 census is the result of—of the Housing Not
16 Warehousing Act, and has the goal of identifying
17 opportunities for housing and development. On
18 January 8, 2018, Local Law 29 was signed into law.
19 That same month on January 26, Operations and MODA
20 convened a working group of relevant agencies—
21 relevant city agencies to evaluate the data
22 landscape, discuss methodology, and agree on common
23 working definitions. All agencies have provided data
24 extracts and MOUs were brokered for any data sets
25

1 that may have contained potentially identifying
2 information. Currently, Operations is in Year 1 of
3 the 3-year project to create the vacant properties
4 list and census. Later this year we plan to continue
5 to engage the City Council and advocates to review
6 the sampling methodology and develop a comprehensive
7 visual inspection survey that improves the predictive
8 accuracy of the model. Additionally today,
9 Operations would like to take the opportunity to
10 speak about Intro 835, which relates closely to the
11 implementation of Local Law 29 of 2018. We agree
12 with the spirit of this bill and believe that the
13 type of information being sought the type of
14 information Local Law 29 already requires. We are,
15 however, concerned that the structure of Intro—the
16 structure of Intro 835 as currently written would
17 created conflict with the city's obligation under
18 Local Law 29. Recognizing the absence of
19 comprehensive data on the number of vacant properties
20 and lots in our city, and the need to create in the
21 new methodology for conducting a rigorous review, the
22 Council laid out a staged approach to designing and
23 implementing the Vacant Property Census. Local Law
24 29 requires Operations to conduct the first census
25

2 within three years of enactment by spring of 2021.
3 The law calls for the census to then be re-completed
4 every five years thereafter. Intros 835 is bi-Intro
5 835 is bi-annual reporting frequency would fall out
6 of sync with the Council's existing implementation
7 timeline. We are concerned that these inconsistent
8 reporting cycles would impeded our ability to
9 effectively fulfill our existing mandate under Local
10 Law 29. The Vacant Property Census as mandated by
11 Local Law 29 also has a specific geographic focus.
12 The law focuses on those areas zoned for residential
13 usage and excludes any coastal flood zones. Intro
14 835 by contrast appears to include all areas within
15 the boundaries of NYC's five boroughs regardless of
16 zoning and coastal flood areas. We would welcome
17 further conversations with the Council about the
18 goals of 835-intro 835 and believe we can reach a
19 solution. Thank you again for the opportunity to
20 testify today. We look forward to continuing the
21 conversation and answering any questions you may
22 have.

23 CHAIRPERSON CORNEGY: I'd just like to
24 say we've been joined by Council Member Barron.

2 SARAH MALLORY: Good morning Chair
3 Cornegy and members of the Committee on Housing and
4 Buildings. My name is Sarah Mallory and I'm the
5 Chief of Staff for Government Affairs at the New York
6 City Department of Housing Preservation and
7 Development. Thank you for the invitation to testify
8 on the unprecedented step HPD is taking to utilize
9 vacant sites for affordable housing development and
10 Introduction 7, 226 and 1125. We firmly believe that
11 all New Yorkers should have access to safe quality
12 affordable housing, and that all of the city's
13 neighborhoods should be thriving inclusive places of
14 opportunity. This is why this Administration has
15 invested significant resources in creating and
16 preserving affordable housing as part of a broader
17 strategy that includes robust measures to prevent
18 displacement, protect tenants from harassment and
19 revitalize neighborhoods that have faced decades of
20 disinvestment. Our work around vacant lots plays a
21 key role in this holistic approach by developing
22 affordable housing where appropriate, and working
23 with our government partners to ensure safe
24 conditions exist until those properties can be
25 refurbished. HPD also recognizes the importance of

2 financially responsible homeownership for the
3 stability of families and neighborhoods. We
4 appreciate Chairman Cornegy's advocacy of affordable
5 homeownership, and agree that it is a critical tool
6 to help low and moderate income New Yorkers secure
7 housing stability and grow equity that can be passed
8 along to future generations. That is why we are
9 proud to say that since the beginning of Housing New
10 York on January 1, 2014, we have financed nearly
11 23,000 affordable homeownership opportunities across
12 the five boroughs. Our Revised Housing Plan
13 announced new homeownership programs including Open
14 Door, a program to finance the construction of co-ops
15 and condos for households earning between
16 approximately \$69,000 to \$112,000, which is 80% to
17 130% AMI for a family of three, and Home Fix a
18 modernized program that will provide home repair
19 loans and other financial assistance and counseling
20 for low to middle income homeowners. Over the years,
21 HPD has developed a comprehensive suite of programs
22 to support homeowners, create more homeownership
23 opportunities, and intervene to address properties
24 that are physically and financially distressed. The
25 Zombie Homes Initiative has allowed increased direct

1 outreach to families in foreclosure and the
2 development of targeted plans to secure abandoned
3 homes. Through the innovative Community Restoration
4 Fund Program, HPD has purchased 62 distressed Federal
5 Housing Administration and Federal National Mortgage
6 Association notes for one to four-family homes
7 containing a total of 95 residential units in the
8 Bronx, Brooklyn, Queens and on Staten Island. With
9 Council Member Rafael Espinal and the Center for New
10 York City Neighborhoods, we have launched a new
11 Homeowner Help staff in East New York and continue to
12 support CNYCN in providing financial counseling and
13 support for lower income homeowners across the five
14 boroughs. We are providing down payment assistance
15 to first time low-income homeowners from the South
16 Shore of Staten Island to Borough Park, Brooklyn and
17 Flushing, Queens. We are collaborating with NYCHA to
18 rehab and create affordable homeownership in homes
19 that have been foreclosed by HUD and managed by NYCHA
20 through the NYCHA Small Homes Program. We are
21 expanding affordability and rehabilitating larger
22 Mitchell-Lama co-ops like Strikers Bay and Clayton
23 Apartments. We worked with DEP to offer regulated
24 affordable properties a water rebate of \$250 per
25

1 unit. We are seeing more interest by existing
2 cooperatives in our Preservation Financing Programs
3 including Green Housing Preservation Program, which
4 provides low or no interest small-for small and mid-
5 size building owners to make environment friendly
6 upgrades to their homes. We are creating new low to
7 moderate income cooperatives through the Affordable
8 Neighborhood Cooperative Program. We are preserving
9 permanent affordability for the community by
10 establishing parameters for the sale, resale and
11 inheritance of restricted housing and inclusionary
12 housing. We are always interested in joining Council
13 Members to sponsor homeownership events with our
14 mobile van in your district. We have already done
15 events specific to homeownership with Chair Cornegy,
16 Council Member Espinal and others. Further, HPD has
17 left no stone unturned in our effort to pursue the
18 development of affordable housing on both public and
19 privately owned sites. Of the roughly 900 vacant
20 lots under HPD's jurisdiction more than 60% of them
21 have been designated for development or have active
22 requests for proposals and requests for
23 qualifications underway. We have accelerated our RFP
24 pipeline to release RFPs at a faster clip than ever
25

before, which has been essential in in creating 112% increase in Lots Program for Future Affordable Housing Development. This and additional information on HPD owned vacant lots through November 1, 2018 can be found on our website and our Local Law 30 Report, HPD's vacant tax lots and vacant buildings. Early in this administration HPD launched the New Infill Homeownership Opportunities Program, and Neighborhood Construction Program, RFQ, which assembles scattered lots spread across neighborhoods into single development clusters as a way to increase the feasibility of these small and traditionally difficult to develop lots. We are proud to also recently announce our partnership with the American Institute of Architects New York to launch Big Ideas for Small Lots NYC, a design competition for housing on small city-owned vacant lots. Through the competition, we are looking to promote excellence in Urban Infill Design, explore innovative design and construction approaches that inform affordable small home development and unlock difficult to develop lots. This design contest will launch next month, and we are encouraged that already more than 800 architects and others have expressed interest through

2 our website at NYC.gov/small lots. With all this in
3 mind, I will now turn to the bills on today's agenda.
4 HPD is committed to transparency and reports
5 extensive data threat on open data. We, therefore,
6 support Intro 7 and Intro 1125 with slight amendments
7 to better align with HPD's internal processes, and
8 ensure the privacy of individuals is protected, and
9 although we support the intent of Intro 226, we do
10 not believe that we would be effectual at achieving
11 these goals. Self-reporting by owners who might have
12 already abandoned their property poses data quality
13 concerns and is also incredibly difficult to enforce.
14 Instead, we believe Local Law 29 more appropriately
15 utilizes our resources, and will result in
16 unprecedented data collected by the city on vacant
17 lots. Thank you for your time, and I'm happy to
18 answer any questions you might have.

19 ASSISTANT COMMISSIONER WEHLE: Good
20 morning Chair Cornegy and members of the Housing and
21 Buildings Committee of the Council. I'm Patrick
22 Wehle, Assistant Commissioner for External Affairs of
23 the New York City Department of Buildings. I'm
24 please to be here to offer testimony on two of the
25 bills before the committee today. Introductory No.

2 1124 would require the department to commence
3 proceedings to seal, secure and close the vacant
4 property with \$25,000 or more in unpaid fines, civil
5 penalties or judgments is owed to the city with
6 respect to such property. The department already has
7 the authority to order a building to be sealed,
8 secured and closed when—where such a building is
9 unsafe. Indeed, the department regularly exercises
10 its authority to commence proceedings seeking to
11 seal, secure and close a vacant building. Mandating
12 vacant buildings be sealed, secured and closed solely
13 based on the criteria proposed in this bill namely
14 based on debt owed to the city will move the
15 department's discretion to take into consideration
16 other significant factors including whether the
17 building is unsafe. The department questions the
18 rationale to have debt to the city be the sole
19 criteria for sealing a vacant building particularly
20 given that doing so may prolong vacancy for tenants
21 in certain instances. It should also be noted that
22 it is difficult for the department to ascertain
23 whether a building is vacant. Local Law 29 of 2018,
24 which has been discussed previously requires the city
25 to conduct a census of vacant properties by 2021.

2 The Mayor's Office and at least a dozen agencies
3 including the Buildings Department are working hard
4 to estimate the number of vacant properties in the
5 city. This analysis has yet to be completed. Thus,
6 it is unclear how many buildings would be subject to
7 this requirement. For the aforementioned reasons,
8 the department is not supportive of this bill, and
9 welcomes the opportunity to discuss it further with
10 the Council and its sponsor. Introduction No. 1128
11 would require that chain link fences be installed at
12 construction sites that have been stalled for two
13 years or longer. A construction fence is required by
14 the New York City Building Code to enclose the
15 construction site of a new building areas of
16 demolition, open excavation or extensive alteration.
17 Construction fences are required to be built solid
18 for their entire length out of wood or other suitable
19 materials. However, the department may approve chain
20 link fences in certain instances including for sites
21 where work has been interrupted or abandoned and
22 discontinued. The department supports requiring
23 chain link fences at stalled sites with the
24 understanding that the onus should be on the property
25 owner to install a chain link fence if work is

2 stalled. Given that they are in the best position to
3 determine where there has—where the work has stopped
4 for a period of two years. The department looks
5 forward to discussing this bill with the Council to
6 further determine how best to address stalled sites
7 and the enclosure of such sites. Thank you for your
8 attention and the opportunity to testify, and I
9 welcome any questions you may have.

10 CHAIRPERSON CORNEGY: Thank you so much
11 for your testimony. We're going to begin with
12 Council Member questions. I will open the floor up
13 to my colleagues prior to asking my questions, and
14 I'll try to keep my questions focused on 835, but I
15 would like to say that while I share a great deal of
16 the desire that HPD has on affordable homeownership,
17 and have shared I think a really good working
18 relationship around that, TPT notwithstanding,
19 there's a lot more I feel like we can do. I had a
20 meeting with some of my state colleagues and—and
21 understood that even Section 8 in other parts of the
22 state is being used to supplement mortgage and
23 homeownership. So, those types of things obviously
24 the cost in the city makes it prohibitive to begin to
25 use that, but there's so many unique opportunities

2 and strategies for communities across the city to be
3 able to benefit even in this crisis that we find
4 ourselves in. So, I want to stretch to the limit our
5 ability to do this work. So, thank you.

6 SARAH MALLORY: Thank you, Council
7 Member. Happy to look at those options with you.

8 CHAIRPERSON CORNEGY: So we are going to
9 begin with Council Member Barron.

10 COUNCIL MEMBER BARRON: I want to thank
11 the Chair for the hearing and also for allowing me to
12 get my question in. It's a very short intro. Thank
13 you to the panel for coming, and it's Intro No. 7,
14 and very briefly it just says that we would—the
15 Council would have a report submitted to it bi-
16 annually about the number of units that exist in
17 Class A, Class B and multiple dwellings. We know how
18 many units are in housing developments, but we don't
19 have any report that indicates to us how many units
20 there are in Class A and Class B across the city.
21 So, in the testimony given by HPD I believe you said
22 you support that with amendments. So, what
23 amendments would you want to see to that very direct
24 reporting?

2 SARAH MALLORY: Yes. For example, we
3 currently report on--

4 COUNCIL MEMBER BARRON: [interposing] I'm
5 sorry. Could you speak a little louder.

6 SARAH MALLORY: Sure. So, for example,
7 we currently report on an annual basis. We would
8 want to more align that with our current processes.

9 COUNCIL MEMBER BARRON: What would that
10 include?

11 SARAH MALLORY: Reporting annually.

12 COUNCIL MEMBER BARRON: Just reporting it
13 annually?

14 SARAH MALLORY: Yeah, we want to take a
15 look at the units to make sure that we're getting at
16 what you would like as well.

17 COUNCIL MEMBER BARRON: Okay, so you'd
18 have no other objections to the bill? What other
19 agencies would you require to have relationships
20 within that to make this bill fruitful and productive
21 and effective.

22 SARAH MALLORY: Sure. So, we work with
23 all agencies who have information on unit counts and
24 also building information. We also have a very
25 comprehensive data set within our own agency as well.

2 COUNCIL MEMBER BARRON: And do you
3 estimate that it would be any for other additional
4 finances related to this building implemented?

5 SARAH MALLORY: We're still doing at cost
6 estimates at this time, but we can get back to you
7 with more information.

8 COUNCIL MEMBER BARRON: Okay, thank you.
9 Thank you very much. Do other members of the panel
10 want to comment on the bill, Intro 7?

11 ASSISTANT COMMISSIONER WEHLE: I have
12 noting to add. Thank you.

13 SARAH MALLORY: Thank you.

14 COUNCIL MEMBER BARRON: Okay, thank you,
15 Mr. Chair. I appreciate it.

16 CHAIRPERSON CORNEGY: My pleasure. Barry
17 Grodenchik.

18 COUNCIL MEMBER GRODENCHIK: Thank you,
19 Mr. Chairman. Just very quickly, the census that
20 you're undertaking based on the new Local Law, have
21 you seen any results, any patterns, any—is there any
22 insight you can give us? Was it no?

23 ASSISTANT COMMISSIONER WEHLE: No, not
24 yet. No. We're in year 1 of this 3-year study. The
25 last time HPD was before us on this matter, they

2 really couldn't tell us anything. I was kind of
3 shocked. I was shocked into silence, which my
4 colleagues will tell you doesn't happen very often,
5 but it's just so important that we know what's going
6 on, you know, and I think a lot of that data can be
7 driven from community boards. It's the people in the
8 community always seem to know. They're always a few
9 steps ahead of everybody else. I often tell people
10 did you know? And I'm like, I didn't know that.
11 That's why you have to call me and tell me because I
12 don't drive every block in my district every single
13 day. I could walk them I guess, but I would—I would
14 weigh a lot less, but—so that's important, and—and
15 how we get the information I think is important. I
16 think it should also be not chopped down, but I think
17 it should be driven from the community because I'm in
18 a district where we have lots and lots of civic
19 associations very active, and they know what's going
20 on before I do, and I get calls about this kind of
21 thing all the time. So, I would appreciate your
22 reaching out to the community boards throughout the
23 city to make sure that we're getting all the
24 information that we can possibly get because they're
25 usually—when it comes to this kind of stuff, they are

2 the first responders generally. Thank you, Mr.
3 Chairman.

4 CHAIRPERSON CORNEGY: Thank you. Council
5 Member Chin.

6 COUNCIL MEMBER CHIN: I have a question
7 relating to Intro 226. From your testimony is it
8 that the law that we passed last year and the city is
9 just starting to do—to conduct the census. So, when
10 the city goes out and inspects property that remains
11 vacant for a long time, what signs do you look for or
12 how do you start to identify that—that property is
13 vacant? Does somebody call 311 or how—how do you
14 begin the—the process of—of going out to start
15 inspecting and counting those vacant properties?

16 JOSHUA SIDIS: Is that in relation to the
17 census?

18 COUNCIL MEMBER CHIN: Yes.

19 JOSHUA SIDIS: Yeah. So—so right now,
20 where we are, we're starting with—we—we polled a
21 handful of relevant agencies together to gather the
22 data they have. We're putting that—we are building a
23 model, and then what we are going to do is take
24 through a rigorous process pull out a sample, and
25 then do visual inspections to see if our model aligns

2 with what we're seeing. And then we will come back.
3 We will have conversations with the agencies. We
4 will have conversations with the Council. We'll have
5 conversations with advocates, and then to-to share
6 what we've seen, and then we will alter our model,
7 and then we will go back out and visually inspect.
8 And so that's--that's sort of the process right. So,
9 right now, we're just pulling the data together.

10 COUNCIL MEMBER CHIN: When you talk about
11 agency, does the agency include the community board?

12 JOSHUA SIDIS: That--that would--it does
13 not when I refer to agencies, but it can--we can
14 certainly work with community boards.

15 COUNCIL MEMBER CHIN: Well, yes,
16 definitely. I mean as my colleague Council Member
17 Grodenchik said, I mean a lot of times the community
18 boards are the ones that really knows what's going on
19 on--

20 JOSHUA SIDIS: [interposing] Yep.

21 COUNCIL MEMBER CHIN: --within the
22 district. The other thing with Intro 226 is that Ms.
23 Mahaoney, I mean in your testimony you said that in
24 my, you know, contradict or whatever, I mean if the
25 law require the owner to register the vacant

2 property, wouldn't that help as another important
3 source of information so that like you're working
4 with agencies. This way it would mandate that the-
5 the owners have to register their vacant property.
6 That might be an additional resource in terms of
7 helping to identify where these properties are and
8 would help your-your census count.

9 SARAH MALLORY: Yeah, thank you Council
10 Member. I think that the predictive model that ops
11 is using for Local Law 29, is really innovative and
12 new, and is going to provide a lot more information
13 than the city has had previously to give us more
14 information on policies going forward. We think that
15 more appropriately utilizes our resources versus
16 Intro 226, which we think will have a lot of
17 enforcement issues.

18 COUNCIL MEMBER CHIN: Well, I really
19 wanted to ask you to reconsider that and really look
20 forward to more discussion because I think right now
21 it's like I know you were doing a modern(sic) or
22 whatever but like talk to the people who are on the
23 ground, community board, advocacy organizations,
24 Council members. Like we can really help with that
25 to really-because we want to know where these

2 properties are, and a lot of them are causing
3 problems in the community where you have a lot of
4 garbage and grass and—and also some site could be
5 used to develop into affordable housing, and why the
6 owners are holding onto them because they figured
7 they can get a windfall or sell it at a very high
8 price, and meanwhile they're not taking care of it.
9 So, I think pulling together everyone to help that I
10 think that's really the intention of the bill is to
11 also make the owners accountable. So, that's why we
12 want to make sure that they're involved in this
13 process also.

14 SARAH MALLORY: Correct, and I think, you
15 know, with Local Law 29 and the datasets that we
16 already have including those from for example our
17 Zombie Initiatives or Local Law 4, which requires
18 foreclosure data to be reported to us that we have
19 really comprehensive data set, and we look forward to
20 coming out with more information on that.

21 COUNCIL MEMBER CHIN: Well, we look
22 forward to seeing those. Thank you, Chair.

23 SARAH MALLORY: Thank you.

24 CHAIRPERSON CORNEGY: Thank you, Council
25 Member. So, I'm going to go to my questions trying

2 to focus them around 835, which I believe to be a
3 bill that would give the Council Members the tools
4 necessary so that they could be leaders in their
5 districts as it relates to vacant properties both
6 commercial and residential, community gardens.

7 Because as mentioned by my colleagues, we are like
8 literally almost first responders as it relates to
9 anything happening at those sites, and usually we're
10 the last to know that these sites, you know, even-
11 even exist. I probably would not admitted-admitted
12 that I don't drive every district-every street in my
13 district like Barry did, but literally-

14 COUNCIL MEMBER GRODENCHIK: [off mic] You
15 said it was no problem. [laughter]

16 CHAIRPERSON CORNEGY: But I mean so there
17 is information that gets reported to us from
18 Community Boards, from very active civic
19 associations, but we need to make sure that we're
20 getting the bulk of the information. So, I'll just
21 begin with my questions. Are there particular
22 neighborhoods or areas in the city where there's a
23 concentration of vacant properties?

24 ASSISTANT COMMISSIONER WEHLE: So, right
25 now, we are too early to say in our-in our process

2 where those are. I mean I would defer to my
3 colleagues if they know through any of the datasets
4 that they have, but that's just not where we are in
5 the process. We're—we're close to getting out there
6 and—and seeing, but we're not there yet.

7 CHAIRPERSON CORNEGY: So, anecdotally, I
8 would say in highly gentrifying areas like mine. So,
9 that's anecdotal but—

10 SARAH MALLORY: [interposing] And HPD has
11 experienced working with folks, and has seen that
12 it's in the neighborhoods that were hit hardest by
13 the foreclosure crisis.

14 CHAIRPERSON CORNEGY: And what agencies
15 collect information and keep records regarding city-
16 owned vacant properties?

17 JOSHUA SIDIS: So for city owned, it's
18 DCAS that I'm aware of collects that information.

19 SARAH MALLORY: And HPD also within our
20 own jurisdiction, and reports on those properties and
21 their planned use through the Local Law 30 Report,
22 which is found on our website.

23 CHAIRPERSON CORNEGY: So, just on DCAS,
24 the former Commissioner for DCAS and I had a long
25 conversation when I first came into the Council

2 asking for an assessment of DCAS' properties and kind
3 of demanding that those—especially the commercial
4 properties when I was the chair of Small Business
5 should be below market rate where the city owned and
6 we owned these properties and we were making them
7 available at market rate, which I think contributed
8 to—I thought we had a greater responsibility in that
9 area. So, I just wanted to state that. So, we've
10 had our understanding, and I still haven't quite
11 gotten a full assessment. We have a new commissioner
12 and things have changed, but I haven't gotten the
13 assessment of DCAS owned properties in my district is
14 all I asked for at the time. So, on the record I'd
15 like to get that. On average how long is a city-
16 owned vacant property kept vacant?

17 ASSISTANT COMMISSIONER WEHLE: So that's
18 a good question. I don't know the answer to that. I
19 would refer you to DCAS or I can also follow up with
20 them and try to work.

21 CHAIRPERSON CORNEGY: Okay. So, in your
22 estimation, if you can, why are these properties
23 vacant? Why—why would a DCAS property be vacant?

24

25

2 ASSISTANT COMMISSIONER WEHLE: That's a
3 good question. I would also refer you to--to DCAS for
4 that.

5 CHAIRPERSON CORNEGY: Okay. So, we
6 understand that the city may be listing tax lots with
7 community gardens, and similar community spaces as
8 vacant. In the city's view, what is the literal
9 description of a vacant lot?

10 ASSISTANT COMMISSIONER WEHLE: It's a
11 fantastic question. So, every agency defines vacant
12 for their operational concerns so there's not one
13 legal definition of vacant for the city. So, this is
14 where we polled the agencies together and we wanted
15 to--to come together and--and create a starting place
16 for the definition of vacant, which will get refined
17 over time. So at this moment there is not one, but
18 we are working on it.

19 CHAIRPERSON CORNEGY: So, just for the
20 listening audience, this is how bills ultimately get
21 created--

22 JOSHUA SIDIS: [interposing] Yes.

23 CHAIRPERSON CORNEGY: --because you hear
24 that, and then you say oh, we should--we should demand
25 that there be one uniform--

2 JOSHUA SIDIS: Right.

3 CHAIRPERSON CORNEGY: --and then someone
4 creates a bill. I'm not going to do that. I would
5 hope that the agencies would know that themselves,
6 and come up with a uniform--the administration should--
7 -

8 JOSHUA SIDIS: Absolutely.

9 CHAIRPERSON CORNEGY: --do that, and not
10 make somebody like me or one of my colleagues come up
11 with a bill to demand that.

12 JOSHUA SIDIS: So, I think we--we are
13 working on that through Local Law 29. That is a part
14 of our process under Local Law 29.

15 CHAIRPERSON CORNEGY: Okay, thank you.
16 Has the city conducted an analysis to determine why
17 certain properties are vacant and what factors
18 contribute to the length of time such properties are
19 kept vacant? I realize that that's another way of
20 asking you a question that that I already asked
21 before, but hopefully--

22 SARAH MALLORY: So, I think part of the
23 process of Local Law 29 will be taking in that
24 information and utilizing it for public policy
25 reasons. Currently we have at HPD different datasets

2 and factors we're going to meet with community
3 members or do surveys. For example, if for our
4 Zombie Homes Initiative have reporting done to us as
5 an agency in order to take that information in, and
6 look at the wide range of reasons that can impact or
7 create a vacancy status, and that depends on a wide
8 range of things especially the a Fiza Building or a
9 type of building. So, we're always looking at that
10 with those datasets in mind.

11 CHAIRPERSON CORNEGY: So, so for me in
12 particular as the Chair and someone who has 2-1/2
13 years left on this term and who's struggling with
14 Local 29--Local 29 to get my needs met as a local
15 Council member, which is why we have, you know,
16 parsed out some of these bills for expediency if
17 nothing else so--

18 SARAH MALLORY: Absolutely, and Council
19 Member the one thing that I do want to say is the
20 Zombie Initiative that we have worked on is from a
21 state Zombie law for foreclosure prevention and--and
22 data collection, and you all Council Members, it's
23 confidential so we can't report that information out.
24 But Council Members can contact DSS in order to--
25 Department of Financial Service of the State to get

2 that information for their council districts, and
3 we're happy to provide that email so you can request
4 that information from the state.

5 CHAIRPERSON CORNEGY: So, I-while I don't
6 mind doing that, we just feel like we have a
7 responsibility here in the city to work directly with
8 our administration to get those numbers, which is
9 partly why my bill was created, but how many city-
10 owned vacant lots and vacant buildings are there?

11 ASSISTANT COMMISSIONER WEHLE: So, again,
12 I would refer you to-to DCAS.

13 CHAIRPERSON CORNEGY: Okay, so I am going
14 to on the record say that my next question to DCAS
15 will be how-can they break down the information for
16 us by borough, which I already know the answer to,
17 which is why my bill is in place. So, we've been
18 joined by Council Member Rivera. Do you have any
19 questions? So, we'll go back to Council Member Chin
20 who I believe has another question.

21 COUNCIL MEMBER CHIN: I think since today
22 we're hearing bills about, you know, vacant lots and
23 city-owned lots, if the administration had
24 representatives here, DCAS should have been here to
25 answer those questions because they're the ones that

2 runs all the city-owned property so they—they should
3 have been here. Relating to Intro 1128 with this—all
4 these stalled construction site, does the Department
5 of Buildings have a count of how many construction
6 sites are stalled, and also breakdown by community
7 board district or Council District?

8 ASSISTANT COMMISSIONER WEHLE: Good
9 morning. To-to a certain extent we do. Following
10 the 2008 Recession, Local Law 70 of 2009 was enacted,
11 which established the Stalled Sites Program.
12 Following the recession there were a number of
13 construction sites throughout the city that are
14 halted in large measure due to lack of the ability to
15 secure financing. So, the Stalled Sites Program was
16 enacted ensuring that those sites that are stalled
17 are maintained safe while at the same time ensuring
18 that once financing was secured, the means was
19 created to have work start on those sites again as
20 quickly as possible. At that point in time, there
21 was something north of 400 sites that were included
22 in that Stalled Sites Program. The law provided that
23 that program sunset in 2013. So, in 2013, that
24 program no longer existed in large measure because
25 there was no longer a Recession and the economy came

2 back. There wasn't a need to have this Stalled Sites
3 Program any longer. However, of those site that were
4 initially part of the program, the department has
5 continued to keep track of those sites, and to date
6 of those north of 400 sites that were a part of that
7 program, there are now 45 sites left within that
8 program, and I could provide you the breakdown
9 throughout the boroughs if you'd like. There are 14
10 in Manhattan, 6 in the Bronx, 1 in Brooklyn, 3 in
11 Queens and 21 in Staten Island, but that would be the
12 extent of the department's tracking of stalled sites
13 throughout the city.

14 COUNCIL MEMBER CHIN: But are there new
15 sites, new stalled sites that the department is
16 tracking?

17 ASSISTANT COMMISSIONER WEHLE: Presumably
18 there are, but the department as a matter of practice
19 does not keep track of those sites.

20 COUNCIL MEMBER CHIN: Why not?

21 ASSISTANT COMMISSIONER WEHLE: What would
22 happen is if someone calls 311 to file a complaint
23 about a stalled site let's say, the department sees
24 vacancy I guess you can say through the lens of
25 safety entirely through safety. So, we would show up

2 to perform an inspection to determine whether or not
3 the building is structurally sound, if it's properly
4 sealed, and if any of those conditions exist, we
5 would issue what's called the Unsafe Buildings
6 Violation to require the owner to take steps to make
7 that building safe or to seal the building. So, we
8 do have—we can provide you with the number of unsafe
9 building violations that we've issued based on
10 complaints that we received, and last year the
11 department issued 245 unsafe building violations.
12 That doesn't necessarily mean, however, that the
13 building was vacant. It could be it's structurally
14 unsound. It could also be that if it wasn't properly
15 sealed chances are those buildings are vacant that
16 way.

17 COUNCIL MEMBER CHIN: But—so in your
18 interagency discussion, would that information to
19 into you database or whatever as vacant property?

20 ASSISTANT COMMISSIONER WEHLE: Correct.
21 As part of our data sharing relationship that we're
22 building this is just only as I understand it a small
23 piece of a larger subset of information that's being
24 shared across a dozen or so agencies with the Mayor's
25 Office to create their model.

2 COUNCIL MEMBER CHIN: And also with HPD,
3 now if there are stalled sites, does HPD take a look
4 at some of these to see if there's opportunity for
5 HPD to step in and see if—the possibility of
6 developing affordable housing or—?

7 SARAH MALLORY: Absolutely. So, we do
8 look at opportunities for affordable housing whenever
9 possible, and as they are brought to our attention.
10 There are instances where we've found out and reached
11 out to owners to see if they're interested in sharing
12 or getting a—selling their property or working with
13 HPD in order to develop on that site.

14 COUNCIL MEMBER CHIN: But in your
15 interagency sharing information, I'm saying that not
16 that an owner comes forward to you, but in your
17 meeting if you see that there are stalled sites that
18 are vacant, does HPD proactively go out and talk to
19 the owner or do research to see if that might be a
20 potential opportunity for developing affordable
21 housing?

22 SARAH MALLORY: Yes. So that information
23 doesn't just come from owners, but comes from our
24 partner agencies, community boards and council
25 members as well.

2 COUNCIL MEMBER CHIN: Okay, I—I just hope
3 that that discussions are happening because that
4 would be a great opportunity to—to look at there
5 ought to be more affordable housing.

6 SARAH MALLORY: Yes.

7 COUNCIL MEMBER CHIN: Thank you, thank
8 you, Chair.

9 CHAIRPERSON CORNEGY: Yeah, I'm curious.
10 Is—are the location of vacant lots and/or properties
11 generated primarily by 311 complaints?

12 SARAH MALLORY: So, it depends. I
13 wouldn't say necessarily primarily. I think there
14 are lots of different places in which they are
15 incoming to different agencies.

16 JOSHUA SIDIS: Yeah, I think there are
17 only a couple of ways that—that we are getting
18 through on data, but it's—it's primarily through I
19 believe DSNY. So, they—they come up as service
20 requests, and so they are—it's primarily DSNY for
21 cleanliness and DOB for safety.

22 CHAIRPERSON CORNEGY: So, just walk me
23 through it as a novice. Someone calls 311 to
24 complain of excessive garbage or rodents or something

2 to that nature. DSNY then disseminates that
3 information to who?

4 JOSHUA SIDIS: 311 sends it over to DSNY
5 and DSNY goes out and inspects, right.

6 CHAIRPERSON CORNEGY: And then who does
7 DSNY tell the results of their inspection?

8 JOSHUA SIDIS: That's a good question.
9 They may have an internal system. I'm not sure, but
10 then we are collecting that data from prior--

11 CHAIRPERSON CORNEGY: From--from where?

12 JOSHUA SIDIS: From what they--they must
13 have an internal database. Do we know? They have an
14 internal database where they--the inspectors go out,
15 they put the findings in and then we are adding that
16 to our--to our database, to our data set.

17 CHAIRPERSON CORNEGY: So, I--I--I don't--I
18 hate the adage beating a dead horse, but I don't want
19 want--I don't understand. So once DSNY reports--they
20 put it in their--

21 JOSHUA SIDIS: Uh-hm.

22 CHAIRPERSON CORNEGY: --database then you
23 go into the database, or there's something--who
24 forwards from--and who forwards DSNY's finding? Like
25 how do--how do you guys--

2 JOSHUA SIDIS: So we have—

3 CHAIRPERSON CORNEGY: --know that
4 there's—that that is a—so I'm assuming that someone
5 makes a call, they go out and realize that the
6 property is vacant. That's why there's an excessive
7 sanitation issue, and then what happens?

8 ASSISTANT COMMISSIONER WEHLE: Yeah, so
9 it's not—it's not exactly what the—it's not like a
10 live feed. We're collecting data from them like raw
11 data from them, but not on like a streaming basis.
12 It's not coming in. This is again just—I don't know—
13 Sorry. One second. It's alright. Somebody can tell
14 you a little bit more in detail about that than I.

15 CHAIRPERSON CORNEGY: Thank you.

16 DAN STEINBERG: Hi. I'm Dan Steinberg
17 from Operations. We're building the model now. so
18 that the idea is that it's going to be one of the
19 inputs and—and we want to create a feed that says in,
20 you know, in real time as the—as technology allows
21 for, but right now—but yes. So, through 311 data,
22 the—the two big indicators are lock remains from
23 Sanitation and building safety issues that DOB
24 addresses, and those are two key data inputs that
25 will feed the model. Be assigned the process—be

2 assigned sort of the weight that suggests whether or
3 not that the--

4 CHAIRPERSON CORNEGY: [interposing] I'm
5 sorry. I'm sorry--

6 DAN STEINBERG: Yes.

7 CHAIRPERSON CORNEGY: --I'm being told I
8 have to actually affirm your--

9 DAN STEINBERG: Oh, okay.

10 LEGAL COUNSEL: Hold your right hand up.

11 Do you affirm to tell the truth, the whole truth, and
12 nothing but the truth in your testimony before this
13 committee, and to respond honestly to Council Member
14 questions?

15 DAN STEINBERG: I do.

16 LEGAL COUNSEL: Great.

17 DAN STEINBERG: Now, I can say it--

18 CHAIRPERSON CORNEGY: And that goes for--
19 no that goes for [laughter] for everything you said
20 prior?

21 DAN STEINBERG: Yes.

22 CHAIRPERSON CORNEGY: So--

23 DAN STEINBERG: So, yes, sorry.

24 CHAIRPERSON CORNEGY: --the-the system is
25 being designed to accept that information--

2 DAN STEINBERG: Right.

3 CHAIRPERSON CORNEGY: --when it comes--
4 that dataset when it comes in.

5 DAN STEINBERG: Exactly. There will be
6 more than 10 datasets all feeding this one system,
7 and then the system is going to generate essentially
8 a confidence score as to the status of that lot based
9 on--on these inputs and some of the inputs are more
10 valuable than others in terms of the--as, you know,
11 serving as an indicator.

12 CHAIRPERSON CORNEGY: So, is there an ETA
13 on the buildout of--of the site?

14 DAN STEINBERG: Of, the--the model that
15 we're building?

16 CHAIRPERSON CORNEGY: Yes.

17 DAN STEINBERG: I mean we're--right now
18 we're sort of doing it very deliberately with the
19 time that we have. The idea in--in terms of our
20 schedule, the idea is to have a full kind of buildout
21 of the model so we can dispatch the--the inspectors.

22 CHAIRPERSON CORNEGY: And--and this--this
23 particular--what we're talking about right now is a
24 function of Local 29? I mean what--what--

2 DAN STEINBERG: [interposing] Well, this--
3 this is the way that we're operationalizing Local Law
4 29. This is the way that we're--

5 CHAIRPERSON CORNEGY: [interposing] So, I
6 don't remember whether or not we had had an end time
7 that we were expecting as a-as a Council or
8 especially as a the Housing and Buildings Committee.
9 I'm hoping-I'm going to have to rely on you under
10 testimony to-to kind of give me what the framework
11 would be because like I said, I got-I got 2-1/2 years
12 left if I'm lucky--

13 DAN STEINBERG: [interposing] Right.

14 CHAIRPERSON CORNEGY: --and--and I-I would
15 really expect for this system to be built out, and
16 need to be benefitting from it in my district before--
17 before the next Council Member comes on.

18 DAN STEINBERG: I think we would like to
19 do it also. I-I just can't-I can't--yes.

20 CHAIRPERSON CORNEGY: I would-I would--
21 wow, I would like that, too--

22 DAN STEINBERG: Right.

23 CHAIRPERSON CORNEGY: --but I'm hoping
24 that we could get a more definitive answer if not

2 today, I really would like as the—as the Chair to
3 get--

4 DAN STEINBERG: [interposing] We have
5 every intention of—we have—the Local Law 29 gives us
6 three years. That's the first phase to have the--

7 CHAIRPERSON CORNEGY: [interposing]
8 Where—where are we within the three years?

9 DAN STEINBERG: Year 1.

10 CHAIRPERSON CORNEGY: So, we have two
11 years left?

12 DAN STEINBERG: We do, but we are—we are—
13 I can say affirmatively, we are not going to run
14 over. We're working, you know, deliberately to—to
15 move along as fast as we can. So, you know, we'll
16 communicate with you along the way. I—I just want to
17 add one thing to the question you asked before. The—
18 the very purpose of why we want to engage both the
19 Council and the advocates are to refine these—these
20 visual markers that—that we intend to use, and—and
21 the advocates have a ton of experience going out
22 there and—and assessing properties because they've
23 been the ones leading this effort up 'til now, and so
24 we really want to sort of learn from their

2 experience, and-but also talk to you because you do
3 know your districts.

4 CHAIRPERSON CORNEGY: So, from an
5 operation standpoint, my colleagues mentioned the use
6 of civic organizations, the use of community boards
7 and obviously the use of Council Members' offices.

8 DAN STEINBERG: Yes.

9 CHAIRPERSON CORNEGY: Is that something
10 that you're counting on as-as--

11 DAN STEINBERG: [interposing] Absolutely.
12 This is-it's only one part of the-the data modeling
13 is only one part of our process. Right, once we
14 finish with the data, modeling and the next like, you
15 know, the first round of data modeling should come up
16 soon, and I mentioned this in my testimony. The next
17 thing that we're going to do is have conversations
18 with after we send out the inspectors to visually
19 inspect the sample of the sites is to then engage
20 Council Members, Community Boards, and-and advocates.
21 That's-it's in the testimony. That's part of our
22 plan.

23 JOSHUA SIDIS: We put a real premium on
24 local knowledge with this initiative.

2 DAN STEINBERG: Yes, this whole
3 initiative is sort of about the—the, you know, the
4 historic inability to have real command over this
5 sort of set of properties, and so we really do want
6 to partner in earnest.

7 CHAIRPERSON CORNEGY: Thank you. So,
8 we've been joined by Council Member Torres and also
9 Council Member Gjonaj. [background comments/pause]
10 If there's—if there's no more questions, we are going
11 to thank you very much for your testimony and look
12 forward to a very robust follow-up with all of you.
13 You can expect to get a call from our office trying
14 to follow up.

15 DAN STEINBERG: Thank you.

16 CHAIRPERSON CORNEGY: Thank you.

17 SARAH MALLORY: Thank you. [pause]

18 CHAIRPERSON CORNEGY: Pilar. I'm sorry.

19 We're going to call the next panel, which is Pilar De
20 Jesus, Leo Goldberg, Paula Siegel, [background
21 comments] Scott—I'm sorry. I can't see the last
22 name and John Krinsky (sp?) [background
23 comments/pause] We ask to put 2 minutes on the clock
24 for public testimony. [background comments/pause]
25 Once you're settled, you can begin your testimony as

2 soon as you're ready. And just you can start
3 wherever you like.

4 PILAR DE JESUS: Alright, good morning.
5 My name is Pilar De Jesus. I am an advocate with the
6 Community Development Project at the Urban Justice
7 Center, but I'm also the President of East Harlem
8 Preservation. I was hoping that HPD would stay. So,
9 I also--

10 CHAIRPERSON CORNEGY: [interposing]
11 There--there are members for HPD here.

12 PILAR DE JESUS: Great. I live in East
13 Harlem, which is one of the areas that have been
14 rezoned and been through a lot of gentrification.
15 I've lived there for 38 years of my life, and I'm
16 really interested--I was really interested in hearing
17 how HPD said that they don't--they're not aware of
18 where these buildings--these vacant properties are.
19 I've been living in my community for 38 years, as I
20 mentioned, and the same Ross Portfolio I believe it
21 is, that it's been vacant for 40 years. We have--I
22 could take you on a tour, and I really want--I'm
23 really serious about that. I'm willing to provide--
24 give you guys the tour of all the vacant properties
25 in my district which is Ayala's district, and I'm not

2 sure what here—where she stands with this, but I'm
3 assuming she supports this because we have tons and
4 tons of vacant property, and it's really sad because
5 as we all know, we have this serious housing crisis
6 going on. Tenants are being displaced. We've got
7 what? 65,000 homeless people. These are properties
8 that could be used to house people, and it would be
9 low-income housing. It would be—it's rent regulated
10 buildings most of them. They're—they're vacant and I
11 don't understand why they've been vacant for so long.
12 They're just sitting there. These are the same
13 landlords that claim they're broke, you know. So,
14 HPD I think that I would encourage that you work
15 with organizations like mine, other community board—
16 community based organizations. Yeah, work with the
17 community boards, but your community based
18 organizations are going to have that information
19 because they are on the ground. They know. They're
20 talking to the tenants. They're there. We're there,
21 and so yeah, I support the 226 and 835 because [bell]
22 yeah, it's real serious problem with these landlords.

23 CHAIRPERSON CORNEGY: So, Ms. De Jesus, I
24 want to thank you. What was the name of your
25 organization again?

2 PILAR DE JESUS: East Harlem
3 Preservation.

4 CHAIRPERSON CORNEGY: So, if you heard,
5 the last questions I asked was did they commit to
6 having the voices of-of local non-profits, Community
7 Boards and their Council Members and they said yes on
8 the record.

9 PILAR DE JESUS: Yeah, let's go.

10 CHAIRPERSON CORNEGY: [interposing] We're
11 going to told them to that.

12 PILAR DE JESUS: I'm will give you my
13 information now.

14 CHAIRPERSON CORNEGY: Okay.

15 PILAR DE JESUS: I'm willing to do it
16 this weekend.

17 CHAIRPERSON CORNEGY: Thank you.

18 PILAR DE JESUS: Or today.

19 CHAIRPERSON CORNEGY: Thank you.

20 [background comments/laughter/pause]

21 LEO GOLDBERG: Hello. Good morning.

22 CHAIRPERSON CORNEGY: Good afternoon.

23 LEO GOLDBERG: My name is Leo Goldberg.

24 I'm Policy and Research Manager at the Center for New
25 York City Neighborhoods. Thank you, Chair Cornegy

2 and members of the Committee for holding this
3 hearing. I have submitted more extensive testimony.
4 We support these bills and want to take the
5 opportunity to point to the fact that these are
6 focused on enforcement and data reporting and that
7 there is also a real need for funding and capacity
8 building to act on interventions that are illuminated
9 by this data. So, I'll point to a few examples of
10 that. One is that foreclosure prevention is one of
11 the most effective ways to make sure that vacant and
12 abandoned properties don't exist in the first place.
13 Many of these properties especially in lower rise
14 neighborhoods that are the product of foreclosure
15 process, they could be zombie properties or bank
16 owned or otherwise, and the city's foreclosure
17 prevention services through housing counseling and
18 pro bono legal services are primarily funded through
19 Attorney General settlement funds, which are expiring
20 in March. So, there's a state coalition called
21 Communities First. I'm asking that funding is put
22 into the state budget to continue these legal
23 services for foreclosure prevention. Without them
24 we'll lose a huge amount of our capacity to help the
25 homeowners and prevent these vacant and abandoned

2 properties. So, we're hoping that the City Council
3 will support our ask to the State Legislature to get
4 that funding in the State Budget.

5 CHAIRPERSON CORNEGY: What was—what was
6 the number?

7 LEO GOLDBERG: The \$20 million is what
8 it's been funded at for the last several years. So,
9 that's what the Community First Campaign is looking
10 to get into the budget.

11 CHAIRPERSON CORNEGY: Thank you.

12 LEO GOLDBERG: Another thing that we'd
13 like to point to here is that there are ways to bring
14 these vacant and abandoned programs into public or
15 community ownership so that they can be used for
16 affordable housing and we—HPD spoke to some of the
17 mechanisms they have in place [bell] and we support
18 community land trusts and code enforcement and
19 acquisition programs and other ways to make sure that
20 these lots can provide permanent affordable homes for
21 people. Thank you.

22 CHAIRPERSON CORNEGY: Thank you. Before
23 the next testimony, I'd like to allow my colleague
24 Council Member Holden to read—to say a few words
25 about his bills.

2 COUNCIL MEMBER HOLDEN: Yes. I'm sorry.
3 I was at another hearing. So, I'm--on Intro 1124, the
4 padlock bill, you know, it's local law to amend the
5 Administrative Code of the city of New York in
6 relation to orders to secure and seal and close. The
7 bill requires the Department of Buildings'
8 Commissioner to commence proceedings to seal, secure
9 and close the property where \$25,000 or more of
10 unpaid fines--fines is owed to the city with respect
11 to the property. The property must also be vacant.
12 It would address potential squatting, illicit drug
13 activity, rodent and vermin concerns, and--and often
14 many derelict zombie homes, which we call them, are
15 attached especially in my--many in my areas in my
16 district they're attached row houses. We had one
17 that had--the person was put in--into a facility and a
18 window was left open, a bathroom window, and pigeons,
19 vermin and everything got in there for years, and we
20 finally were able to seal it, but it was an ordeal.
21 1125 is a bill that requires HPD to report
22 foreclosure data to each Council Member because this
23 is very important that sometime we--obviously, we have
24 foreclosures, and we don't realize that we can step
25 in. The Council Member could do something about

2 that. So, I suggest, you know, alternative purposes
3 for the—the facility, the home. Also, we can keep an
4 eye on this—this property. And so, these—these are
5 on—in my districts all over the city. So, that is
6 certainly I think a bill that's worth considering,
7 and—and last the Construction Fences Act, which I
8 have in my district sort of stalled sites,
9 construction sites that are left for decades. With
10 construction fence—fences like the—they call them the
11 green fences, that are covered with graffiti. So,
12 this bill after it's over—if the stalled sites is
13 left for two years, then the wooden fence would have
14 to be replaced with a chain link fence, which is a
15 little better looking obviously and you could—some of
16 the concerns we've seen from some of the construction
17 companies: Well, somebody can climb the
18 construction—I mean a chain link fence. However,
19 there are chain link fences with smaller openings
20 where you couldn't put your foot in get over. So,
21 and it would eliminate some of the graffiti obviously
22 that we have on the wooden fences, but again, I have
23 multiple sites, and I think all around the city we
24 have them that are just stalled for decades. You
25 know, so what happens is somebody—builders will put

2 the foundation in to grandfather any zoning changes
3 in the area, and then leave it for again many, many
4 years. So, this after two years we'd have at least a
5 better looking site, and facility, and plus many of
6 the fences that we see like I mentioned are covered
7 with graffiti and in poor condition. I think in any
8 kind of wind storm they fall down. So, this would
9 make a-it's a safety concern for everyone. Thank-
10 thank you, Chair.

11 CHAIRPERSON CORNEGY: Thank you, Council
12 Member. You can continue with your testimony.

13 SCOTT ANDREW HUTCHINS: My name is Scott
14 Andrew Hutchins and I have been a member of Picture
15 the Homeless for the past six years. May 25, 2019
16 will be the seventh anniversary or my entry into
17 shelter system. I was quoted in an October 31, 2014
18 article by Yari Osorio in Liberation News titled:
19 *Most Expensive Homes in New York City Empty*. Saying:

20 "If you want to have a piers-a-terre-ok,
21 that's your business, but it shouldn't be done off
22 the backs of others. There should be a tax on these
23 homes. My position has not changed. Basic civics
24 says that your rights stop when another's begins.
25 When your demand for expensive housing pushes record

1 numbers of people into homelessness, your right to
2 private property is secondary. Any right to make
3 money from real estate is secondary to making sure
4 that housing is available at every income level. I
5 also stated in the article that what should be done
6 with the money taken in those taxes, the my should be
7 given to community land trust. In the meantime, the
8 city can work on finding real homes for individuals.
9 Stable housing. That's what we need. Intro 226 is a
10 major step in eliminating the Tale of Two Cities that
11 de Blasio pointed out that so far has done little or
12 nothing to alleviate after five years in office.
13 Even were it not for the fees and fines serving the
14 purposes of taxation that I previously detailed the
15 registry of vacant properties or the mixed use of the
16 City. It create a ready pool of information about
17 vacant properties. Information has been sorely
18 needed for a long time, and researched piecemeal by
19 organizations such a Picture the Homeless in it's
20 2012 foot count of vacant property reported in
21 Banking on Vacancy. Yari Osorio's article also
22 quotes from a an article in the Real Deal, which
23 states that the Census Bureau's 2012 American
24 Community Survey reveals 285,496 apartments or 57% in
25

2 a 3-block-block stretch of Midtown from East 56th
3 Street to East 59th Street between Fifth Avenue and
4 Park Avenue are vacant at least 10 months a year.
5 The number drops to low but still staggeringly high
6 30% when that range is expanded to 44th through 70th
7 Streets. Homelessness is up to about 63,700 people
8 as of November, and as my individual [bell] case
9 demonstrates, it is primarily up to the hiring and
10 payroll whims of those as to whether one can afford
11 housing. There needs to be a price--price for
12 pricing people out, and that price should be high
13 enough to be a deterrent. We do not really have a
14 crisis of homeless in New York City, we have a crisis
15 of greed. The housing is available and the fact that
16 so many are kept out is a public health crisis.
17 Opponents are probably terrified that such a registry
18 will lead to the use of eminent domain to house the
19 homeless, and someone for whom higher education does
20 get me job interviews, I would welcome such a
21 development, and hope the City Council sees the
22 justice that that entails. Thank you.

23 CHAIRPERSON CORNEGY: Thank you.

24 PAULA SEGAL: Thank you so much for the
25 opportunity to testify today. I'm Paula Segal. I'm

2 here today as Senior Staff Attorney at the Community
3 Development Project. We are a non-profit legal
4 service organization that works with the grassroots
5 and community based groups in New York City to
6 dismantle racial, economic and social oppression. My
7 practice particularly works directly with impacted
8 communities to respond to city planning processes and
9 lack-lack of processes that have left communities
10 behind as so much of the city has improved from the
11 bad old days of the 1970s, which most of us don't
12 remember, yet, we have to hear about in policy
13 discussions all the time. So, we heard about the
14 Administration-Administration's efforts to create a
15 data model to derive a census of vacant properties.
16 We also heard from them that they didn't have a
17 definition, that they were working with a vacancy to
18 drive their data model. It's interesting. I commend
19 them. They have a serious challenge before them. As
20 some of you know on the committee, I've spent about
21 five years working with the city's data about vacant
22 properties, and it's confusing. The data is bad.
23 Their project is hard. Good luck to them, and I'm
24 glad that they have three years to do it, but doing
25 that modeling is not nearly enough. That model it

2 relies on reporting from Sanitation garages. It
3 relies on connecting a system of agencies that don't
4 talk to each other and what it's missing is a key set
5 of actors that influence what happens with properties
6 in our neighborhoods particularly neighborhoods that
7 experience redlining and disinvestment and those are
8 the places that are now being gentrified and where
9 vacant properties are concentrated. That's the
10 owners. We have done nothing so far to actually
11 target the owners. Intro 226 will put responsibility
12 [bell] where it needs to be. So, I commend the
13 Council, and please let us know we can help you get
14 this bill passed.

15 CHAIRPERSON CORNEGY: Thank you, Paula,
16 and thank you for your continued efforts on the
17 ground.

18 PROFESSOR JOHN KRINSKY: Good morning,
19 Committee Chair Cornegy, and members of the Housing
20 and Buildings Committee. My name is John Krinsky and
21 I'm a Professor of Political Science at City College
22 in the CUNY Grad Center. I'm also a co-founder and
23 Board Member of the New York City Community Land
24 Initiative, a coalition of more than two dozens
25 housing and social justice organizations that

advocates for the use of Community trusts to preserve and create deeply affordable housing and stabilize neighborhoods, and on behalf of which I offer my testimony this morning. Since its founding 2012, the New York City Community Land Initiative has worked along—alongside its co-founder and partner Picture the Homeless to promote responsible property ownership in New York City and specifically to address the problem of warehousing and speculation in the midst of the most acute homelessness crisis the city has have faced. In December 2017, the City Council passed the Housing Not Warehousing Act, which among other things requires the city to keep account an inventory of vacant property both publicly and privately owned. The act which divides and advocated for by Picture the Homeless for 10 years based on its path breaking work documenting vacancies and warehousing in it's 2012 Report: Banking on Vacancy, which Scott mentioned, and also earlier pilot studies going back to 2006. There are, therefore, groups in the room with on-the-ground experience counting vacancies. Statistical models may be of use, but as a professor, I can say that any good research should build on what's already been

2 done. The Warehousing Accountability Act or Intro
3 226 puts teeth in the Housing Not Warehousing Act by
4 requiring property owners who have kept their
5 property vacant for more a year to register the
6 property with the city, and to pay significant fines
7 if they do not. This would ease the burden on the
8 city of conducting a sense of some vacancies. This
9 has been mentioned by Council Member Chin. So, I-I
10 just want to close by saying that nicely you said
11 this is a fair and reasonable addition [bell] to the
12 important work that the Council has already been
13 doing to secure responsible ownership in the city.

14 CHAIRPERSON CORNEGY: I personally want
15 to thank you all for your testimony, and the hard
16 work that you do on the ground on behalf of citizens
17 and in particular people who are finding it difficult
18 to remain domiciled in a city that's changing so
19 quickly. So thank you again.

20 PROFESSOR JOHN KRINSKY: Thank you.

21 [pause]

22 CHAIRPERSON CORNEGY: The Housing and
23 Buildings hearing today is adjourned. [gavel]

24

25

C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date February 18, 2019