CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON HOUSING AND BUILDING, JOINT WITH CAPITAL BUDGET

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HELD AT: Committee Room - City Hall

B E F O R E: Robert E. Cornegy, Jr.

Co-Chairperson

Vanessa L. Gibson Co-Chairperson

COUNCIL MEMBERS: Margaret S. Chin

Barry Grodenchik Carline Rivera Helen Rosenthal Mark Gjonaj Bill Perkins Keith Powers Steven Matteo

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

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[sound check] Today is March 22, 2019.

3 Today's hearing is on Housing and Buildings, joint

4 with Capital Budget, being record by Sharice Torres.

5 [pause]

CHAIRPERSON CORNEGY: Good morning and thank you all for coming to today's hearing on the fiscal year 2020 preliminary budget for the Department of Buildings and the Department of Housing Preservation and Development. I'm Council Member Robert Cornegy and I'm the chair of the council's Committee on Housing and Buildings, and I'd like to

acknowledge that I'm joined by Council Member

14 Grodenchik and Council Member Chin. We're here to

conduct an oversight hearing on the fiscal year 2020

16 preliminary budget, the preliminary capital plan for

17 | fiscal years 2019 to 2023 and the fiscal 2019

18 preliminary Mayor's Management Report. We'll first

19 hear from DOB, where we will examine all components

20 of DOB's 194 million dollar expense budge and 327

21 million dollar revenue budget, along with details and

22 progress related to construction site safety and

23 training compliance and enforcement efforts related

24 to recently enacted legislation. Local Law 196 of

2017 mandated new construction site safety training

UNIDENTIFIED: I do.

UNIDENTIFIED: I do.

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CHAIRPERSON CORNEGY: Thank you. You may begin with your testimony. Good morning, by the way, I'm sorry.

UNIDENTIFIED: Good morning, Chair Cornegy

UNIDENTIFIED: Good morning.

and members of the Housing and Buildings Committee. I am Thomas Fariello, acting commissioner of the New York City Department of Buildings. I am joined by Sharon Neil, Deputy Commissioner of Finance and Administration, and Patrick Wehle, Assistant Commissioner of External Affairs, and other members of my senior staff. The fiscal year 2020 preliminary budget allocates approximately 194 million in expense funds for the department. Of this funding, approximately 158 million is for personal srevices services, funding for 193 budget employees, and 36 million is for other than personal service. The department is a revenue-generating agency and as such is expected to generate approximately 327 million in fiscal year 2020, which does not include the more than 70 million in penalities penalties the city is expected to collect as a result of OATH/ECB violations issued by the department. The fiscal year 2020 preliminary budget adds approximately 2.5

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million in new funding, which allows the department to hire an additional 35 positions to represent the department at OATH. THIS funding accommodates a change in OATH's hearing schedule, whereby the department cases will be heard four days per week in the busiest boroughs instead of the current one day per week. This change will reduce wait times for respondents and ensure that the department is able to appear on all cases. I would now like to highlight the department's work over the past year. The department continues to make tremendous progress in improvement service to its customers and protecting the public by rigorously enforcing the laws and regulations that govern the more than one million buildings and 45,000 active construction sites under its jurisdiction, all while facing a scale of construction unparalleledelled in the city's history. In fiscal year 2018 the department isusedissued approximately 173,000 initial and renewal construction permits combined, a nearly 5% increase from fiscal year 2017. Of these permits, 111,000 were initial construction permits and the remaining 62,000 were renewal permits. Despite the slight uptick in construction activity, our plan

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review times remain well below target. On average, we are completing our initial plan review for new buildings and major alterations in less than six And for minor renovations in less than two days. days. For plans filed electronically, on average we are completing our initial plan review for new buildings and major alterations in four days, and for minor renovations in less than a day. These plan review times can be attributed to the hiring of additional plan examiners and the development of plan examination guidelines for a wide variety of projects, which help ensure that plan review is efficient and consistent. Department inspectors conducted approximately 188,000 development inspections in fiscal year 18. Depsite Despite the uptick in construction activity, the wait time between the development inspection request and an inspection continues to decrease across the board. The wait time for general construction inspection was under three days, for an electrical inspection under four days, and for a plumbing inspection. Wait times for development inspections have decreased nearly 40% from just two years ago. Progress on development inspection service levels can be attributed to the

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2 hiring of additional inspectors and efficiencies gained from the implementation of DOB NOW 3 inspections, which allows for nearly all types of 4 5 development inspections to be scheduled online. 6 Concerning development, the department continues its 7 efforts to maintain the city's building construction standards. We are in the midst of committee work to 8 revise the construction codes, which were last 9 updated in 2014. The amendments to the plumbing 10 code, traditionally the first of the codes to be 11 12 completed, have been transmitted to the City Council with the hopes of being introduced for public hearing 13 soon, with the balance of the amendments to the 14 15 construction codes being estimated for submission to 16 the City Council by the end of 2019. amendments will bring the city's construction codes 17 18 up to date with the 2015 International Code Council Family of Codes, the national model code for 19 20 construction. The department is also in the process of revising the city's energy conservation code, last 21 2.2 updated in 2016. To bring the city sustainability 23 requirements in line with Local Law 32-2018, which required more stringent energy efficient standards 24 25 for certain buildings and the **NYSERDANYSE RDA** Stretch

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Energy Code. These amendments are estimated to bring 14% energy saving stomach projects complying with such standards. We anticipate these revisions being submitted to the City Council for adoption this fall. We have also kicked off for the first time in seven years revisions to the city's electrical code. all, the department is managing 23 stakeholder committees with almost 795 members from across the spectrum of those impacted by construction, including architects, engineers, developers, labor representatives, manufacturing association, and our In 2018 alone committee membranes agency partners. met for more than 24,000 hours, over 205 meetings, which is a significant committee of time and expertise to ensure our codes are representative of the city. The department is also managing an effort to develop a code for waterfront structures to address the types of existing and future waterfront structures types in the cities. The project is kicked off in code development and operational research activities will launch next month. project will continue over multiple years with the city's consultant providing recommendations on the development, adoption, and implementation of a

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waterfront code and agency operations for the city. The department also continues to make progress in responding to complaints from the public expeditiously. We received nearly 17,000 Priority A complaints in fiscal year 2018. A complaints capture violating conditions that if occurring present an immediate threat to the public and includes unsafe demolition, building instability, and improper It should also be noted that the department is now treating complaints that allege that work is being conducted without a permit in an occupied building as an A complaint. While our target to respond to these complaints is 24 hours, we responded in 10 hours of receipt and even faster for the most serious cases, down 50% from nearly 20 hours just two years ago. We also received 78,500 Priority B complaints in fiscal year 2018. B complaints capture violating conditions that if occurring, while serious, do not present an immediate threat to the public. These includes complaints of excessive construction debris, cracked retaining walls, and tampering with posted notices. While our target to respond to these complaints is 40 days, we respond

within 13 days. That is down 70% from the nearly 43

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2 days just two years ago. As a result of responding to such complaints and our proactive enforcement 3 concerning safety and tenant protection, the 4 department issued more than 84,000 OATH/ECB 5 6 violations, a nearly 75% increase from just four 7 years ago. The department also continues to issue its monthly enforcement bulletins, which are publicly 8 available on our website and which detail the 9 department's actions to sanction and deter bad actors 10 in the construction industry through the enforcement 11 12 of safety laws and codes of conduct for construction professionals. Last year enforcement actions 13 resulted in the city's collection of nearly 75 14 million dollars in penalities penalties as a result of 15 16 OATH/ECB violations issued by the department. 17 Additionally, the department continues to take action 18 to spend and/or revoke the licenses, registrations, or filing privileges of professionals who work 19 20 unsafely and put their lives and the lives of others at risk. In 2018 the department took disciplinary 21 2.2 action against 100 licensees, including revoking or 23 suspending the licenses of 10 individuals or corporations and 22 design professionals either 24

surrendered filing privileges or had them revoked.

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Notable disciplinary actions are highlighted in the monthly enforcement bulletin. Construction safety continues to be a focus of the department. department has hired additional enforcement inspectors, increased penalities penalties for safety violations, required safety professionals on more construction sites, and strengthened education and outreach programs, while working with industry professionals to raise awareness about best safety practices. While the number of industries increased slightly in 2018, the number in fatalities has remained the same for the past four years. Such increases in accidents could be contributed to the uptick in construction activity and required safety professionals on more construction sites reporting accidents that have previously gone unreported. bottom line is that construction is dangerous and workers and their supervisors need to be trained to ensure that construction work can proceed in a safe The department is hard at work implementing Local Law 196-2017 and would like to thank the City Council and particularly this committee for its partnership on the important issue of construction safety. When fully phased in, Local Law 196 will

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2 require that workers at many job sites receive 40 hours of safety training and that supervisors of such 3 job sites receive 62 hours of safety training. Since 4 the enactment of Local Law 196 the department has been hosting numerous information sessions for all 6 7 facets of the construction industry and has also been providing regular updates concerning the law's 8 implementation through a number of different channels 9 reaching many thousands of stakeholders. 10 Leading up to the second and third major implementation 11 12 milestones, June 1, 2019, and September 1, 2020, respectively, the department continues to perform 13 outreach to stakeholders and is monitoring capacity 14 15 to ensure that all workers and supervisors are able 16 to receive the training they need to continue working safely on construction sites. Additionally, to hold 17 18 construction professionals accountable for prioritizing safety on their construction sites, the 19 20 department launched a new construction safety compliance unit in September 2018. The CSE unit, 21 2.2 which when fully staffed will have 50 dedicated 23 inspectors, is tasked with performing proactive periodic safety inspections on all active 24

construction sites, including ensuring that workers

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and supervisors have the training required by Local Law 196. To date, the CSE unit has performed over 6000 inspections, which resulted in the issuance of 3000 violations and 1000 stop-work orders. department is also hard at work protecting tenants living in buildings under construction. Last year the department implemented over a dozen laws aimed at combating the issue of construction as harassment. As previously mentioned, the department is prioritizing its inspection of work without permit complaints related to construction work in an occupied building. It is required more detailed tenant protection plans. It is performing proactive inspections to ensure that tenant protection plans are being complied with and is ordering more professionally certified applications for work in occupied buildings. The department also launched the Office of the Tenant Advocate over the summer, which serves as a resource to help tenants understand the laws that govern construction and to investigate complaints of construction as harassment. department looks forward to working with the City Council on measures to further increase protections for tenants, particularly to shift the burden of

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creating and submitting a tenant protection plan to the department from owners to contractors, and making construction sites for which such plans are required subject to periodic special inspections. Given that contractors are performing the work, they are in a far better position than owners to determine the means and methods for protecting the tenants from construction. This reform will greatly improve the quality of and compliance with tenant protection plans. The multi-year replacement of the department's core information system is also progressing as we continue to shift additional filing types off the mainframe system that the department has relied on for over 30 years to a new browserbased system called DOB NOW. Upon completion customers will be able to perform virtually all interactions with the department online and the system will also result in increased transparency, both externally and internally. The department recognizes the significant impact that construction can have on the public. As such, the department has made enormous strides in improving the public's access to its data. The public now has more access to the department's data than ever before. For

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2 example, Building on My Block, which is a searchable online database that is organized by committee board 3 for easy reference, allows users to search by 4 property, address, or community board to find major 5 6 projects near them. Over the last year the 7 department also released a real-time Construction on 8 Your Block map, which allows users to identify the status of all major construction projects and an 9 10 elevator report which shows the history, current status, and vital statistics of more than 84,000 11 12 elevators. Additionally, earlier this money we released an Interactive Building Profiles map, which 13 shows the location of each of the more than 128,000 14 15 buildings in the city that have had interactions with 16 the department in the last year. The Interactive Building Profiles map includes information on 17 18 construction permits issued, complaints generated, inspections— conducted conductioned, violations 19 20 issued, and construction-related accidents to which the department responded. We thank the council for 21 2.2 the continued support and look forward to continuing 23 our work together to improve the department for the benefits of all New Yorkers, and we welcome any 24 25 questions you may have.

2 CHAIRPERSON CORNEGY: Thank you for your 3 testimony. I'm going to begin, oh, first I want to 4 just recognize that we've been joined by Council Members Rosenthal and Rivera. I will begin by 6 addressing a few questions on construction site 7 safety and training compliance. So DOB added resources to the fiscal 2019 preliminary plan 8 totaling 13.2 million for the hiring of 145 positions 9 related to construction site safety enforcement and 10 compliance, with the new construction safety training 11 12 law pursuant to Local Law 196 of 2017. How many inspections have been conducted and how many 13 14 instances of noncompliance has DOB found?

THOMAS FARIELLO: So, Chair, specific to Local Law 196 the CSE inspectors have found 71 job sites where 210 workers did not have the required training, and 724 violations and 67 stop-work orders were issued on these sites.

CHAIRPERSON CORNEGY: How many course providers have been approved and how many applied since the effective date of Local Law 196?

THOMAS FARIELLO: Currently we have 53 course providers offering training.

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CHAIRPERSON CORNEGY: How many total course providers are currently offering this site safety training?

PATRICK WEHLE: Good morning, Mr. Chair.

There are a total of 53, as the acting commissioner said, DOB-approved course providers providing training, but there is also another universe of folks who are providing training as well, as you know.

Within the site safety training there's also training required for OSHA 10 and OSHA 30. So there's in addition to the DOB-approved course providers, there's a much larger universe of OSHA providers, who are providing OSHA training as well.

CHAIRPERSON CORNEGY: Do we know that, I mean, do we know the number in that universe? Those are nonprofits, I'm assuming.

PATRICK WEHLE: It runs the gamut. It does include nonprofits. They are OSHA providers, so we don't regulate them. It is a significant size, but we don't we don't have the exact number.

CHAIRPERSON CORNEGY: OK. Does DOB believe that the number of course providers is sufficient to meet the second compliance date, which is June 2019.

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THOMAS FARIELLO: Well, I think, you know, we are, we're concerned. I think everyone is concerned that everyone, we want everyone to meet the deadline, and so in our speaking with the course providers, you know, they feel that they have enough capacity to deliver these courses. However, like right now the courses are not being filled, right? So if every day the courses were being, you know, attended by 100% then they will have capacity. But most people seem to be procrastinating, waiting for the June deadline and so this is a concern that we have that, you know, there are not going to be enough courses because everyone is pushing it to the end, right, so we're trying to get outreach and we welcome any effort that the council may have to help to get it out that we want people to go these courses and take them right away and not wait until the end, because there may not be enough out there and you may be shut out.

CHAIRPERSON CORNEGY: So I'd like to talk to you offline about maybe some recommendations that you have and that we can share about getting that number up before the deadline, because that's a concern that we share as well here at the council.

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THOMAS FARIELLO: Absolutely.

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CHAIRPERSON CORNEGY: So how many workers need to be trained by such a compilance date?

THOMAS FARIELLO: So the best data that we have available comes to us from the New York State Department of Labor and the State Department of Labor tells us there's about 150,000 workers who work in building construction in New York City. However, that's an imperfect number for our purposes because that number largely under counts transient workers, such as day laborers, and the other thing we need to consider is also that, as you may know, Local Law 196 does not require this training for all building construction workers, only for those jobs that require licensed safety professionals. So in certain respects this number over counts as well.

CHAIRPERSON CORNEGY: The last question that I would like to ask on site safety before I allow my colleagues to ask questions is DOB recently announced it has established a construction safety compliance unit. How many staff are dedicated to this unit and what is the annual cost to run that unit?

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THOMAS FARIELLO: OK, so the construction 2 3 safety compliance unit is budgeted at 4.1 million. We have funding for 59 positions, so 50 of those 4 5 positions are inspectorial, three technical, and six clerical staff, so that's the 59 total. 6 7 CHAIRPERSON CORNEGY: Is that sufficient? 8

THOMAS FARIELLO: Yes, we feel that's sufficient.

CHAIRPERSON CORNEGY: What's the annual cost?

THOMAS FARIELLO: It's budgeted at 4.1 million.

CHAIRPERSON CORNEGY: OK, thank you. I'm going to allow my colleagues to field a few questions, starting with Council Member Rosenthal.

COUNCIL MEMBER ROSENTHAL: Thank you so much, Chair, and Commissioner, nice to meet you. I look forward to meeting you and sitting down and talking. So I'm going to be asking about the Office of the Tenant Advocate and really appreciate the work that you guys have done implementing this office. Right now it's in the budget for two people to work there, is that right?

THOMAS FARIELLO: That's correct.

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COUNCIL MEMBER ROSENTHAL: And there's one person there now. Have you hired a second person<del>ons</del>?

THOMAS FARIELLO: Yeah, we have selected a candidate and they're going through the hiring process right now.

> COUNCIL MEMBER ROSENTHAL: OK.

THOMAS FARIELLO: We expect that to happen in a couple weeks.

COUNCIL MEMBER ROSENTHAL: OK. One of the, could I ask the you look into the Mayor's Office of Special Enforcement, which is an office that does very similar work as the Office of Tenant Advocate, but they are laser focused on buildings that are switchover to illegal hotels, and what they do is go to a building or an apartment and notice if there are transient people there, you know, using it as a hotel, and when we, the de Blasio administration started there was something like 12 people in that office. Now they are up to, I think, hang on, they're up to 51 employees and their enforcement has reflects, the work they do reflects that growth in employees and they're now inspecting many more buildings, following up on complaints, and they have

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now set up a data system so they can proactively look at buildings, given the pattern of where these buildings are and the nature of the illegal activity, and they have able to close and keep safe all the people in the buildings who are not renting out their apartments like hotels. Currently when we envision the Office of the Tenant Advocate we thought of it in a very similar way, that this could be an office that would have a data analytic team, it could have perhaps building inspectors that specifically worked in the Office of the Tenant Advocate that could follow up on complaints, identify patterns, and do a lot more work. Would you consider asking for more staff for this office? I've noticed that the director has come to see it as a place that could really be used to enforce the new tenant harassment laws, etc.

THOMAS FARIELLO: I think I'd like to hear your vision a little bit more, and I think we could sit down and I could hear what you're thinking, and I can also see how we can maybe incorporate it into our everyday business. Because we have an analytics team already. I really would not want to duplicate services that we're doing in the department now, you know, to be, OK, here's this group, here's

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somehingsomething. I already have a group that does analytics, where, you know, this is how we're using the Office of the Tenant Advocate now is that they don't have dedicated inspectors to the unit. But we have inspectors that they go out and do these inspections, and so the same with plan reviews and all that, we share the resources that we have already. So, you know, even though it sounds there's only two people that are in this unit it's really, you know, the whole agency that supports them, right? And so, you know, the Mayor's Office of Special Enforcement is this separate entity that other agencies [inaudible]. Like, we have inspectors and they do that, and so they're sharing from these other agencies and they're separated from them. So I'd to sit down with you and...

COUNCIL MEMBER ROSENTHAL: Great.

THOMAS FARIELLO: ...you know, hear what you're thinking.

COUNCIL MEMBER ROSENTHAL: Great, and follow up with you. Thank you so much.

CHAIRPERSON CORNEGY: I'm sorry. Council

Member Rivera?

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COUNCIL MEMBER RIVERA: Thank you, Chair Cornegy. Thank you so much for your testimony and for being here, and to everyone who is taking time out to be at this hearing. According to some of the data that we have, the number of building permits has steadily increased in recent years, but in 2018 DOB issued permits decreased a bit. Would you agree with that data?

THOMAS FARIELLO: If that what's the data says, then, sure.

COUNCIL MEMBER RIVERA: All right, you trust our, well, we have very talented staff and analysts, so I would trust our data, too.

THOMAS FARIELLO: I would say, though, that the number of permits is not always indicative of the amount of work that is going on. So, for instance, in 2005-6 we had a building boom in the city and then, you know, 2014 and we're still kind of in the middle of it now, there was a different building boom, and a similar number of permits, you know, I think earlier ones were, there were more permits being issued then than there were now. the size of the buildings that are being built in this building boom are much larger, something like

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30% larger, and so the number of permits doesn't always indicate how much work is actually out there.

PATRICK WEHLE: And good morning, Council Member, too. Directly to your point, if measured by fiscal year there has been a slight decrease in permit issuance, but if you look at it on a calendar year basis there has been a slight increase in permit issuance.

COUNCIL MEMBER RIVERA: OK, interesting.

So I agree, I think that the buildings are getting taller. They certainly do take a while in terms of from start to finish, and my office and a lot of my colleagues, we get complaints about early morning hours and late night hours, and something that is called after-hours variances. And so I wondered if you had any data on how many have been issued, what's the general revenue that the city receives from after-hour variances, and what is your office doing to address a situation that many people feel is a bit out of control?

THOMAS FARIELLO: I'm just looking for these numbers, so, these are here. OK, so in 2018 we issued 18,886. In comparison, 2017 was 18,306. So 500 increase from the year before. We've renewed

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after-hour variances. [inaudible]

48,000, so the initial after-hour variance and then they ask for a week later, a week later, a week later. Those are the renewals. So we count all those. And so and that was an uptick. So 45,974 in 2017, 48,738 in 2018. So it was a 3000 increase in

COUNCIL MEMBER RIVERA: Do you know where the majority of those permits are issued? I realize that Manhattan is constantly under construction, but, you know, I'm just curious as to whether there are trends and if you do identify trends is there some sort of mechanisms in place to grant relief to the people that live there?

THOMAS FARIELLO: So, yes, so Manhattan are the ones that ask for it the most, varying reasons, you know, midtown in the office areas, they want to have it when it's quieter, you know, it's safer. You know, it's actually safer to be doing this work. They also do a lot of office renovations that are interior only and they want to do that over the weekend when people are working, you know, are home for the weekend. They get it done and then they come back Monday and it's all done, and there's less disturbance. So the vast majority of these are

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2 interior. We do hear the concerns from the 3 communities about the noise that happens, the

4 deliveries in, you know, the mornings and the nights.

5 So, I think it's kind of like a balance. There's

6 people get, you know, there, it's annoying to have

7 these constructions projects going on in the morning

8 and night and all that, but it's also, if they

9 | weren't allowed to do them these hours it would

10 | extend the project much longer. So the community

11 | would be, you know, impacted for a longer period of

12 | time, over much, much longer versus they condense it

13 and make the noise before. It's a balance. We

14 certainly understand the committee's concern and we

15 | try to do our best.

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patrick wehle: And Council Member, we'd be happy to provide data specific to your district or any other members of the committee or council as well. But I do want to add that one trend that we've seen that's somewhat interesting is that over the past several years the number of initial after-hour variances that we've been issuing has actually decreased over time. However, the renewals have increased over time at a rate greater than the

initials. So that's telling us that throughout the

happening throughout the city.

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city fewer locations are actually receiving afterhour variances. But for those locations that are
getting them they're getting more renewals for a
longer period of time. And as the acting
commissioner mentioned, that speaks to the sort of
scale and complexity of the construction that's

I would love the data for my district, and I'm sure my colleagues would love that data as well. If we can sit down and talk about the relief that I mentioned because I do feel like it, they are prolonged and I understand the kind of ripping off the Band-Aid here. But sometimes people in Manhattan just it's hard to get a good night's sleep. So I would love to talk to you about how we can figure out a way to look at neighborhoods that are just continuously under construction, and so I thank you for your answers and I look forward to working with you.

CHAIRPERSON CORNEGY: Thank you, Council Member. Council Member Grodenchik.

COUNCIL MEMBER GRODENCHIK: Thank you,

Mr. Chair. Good morning, Commissioner. It's good to

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see you. I wanted to ask you about page 5. You talked about the Construction Safety Compliance Unit, and I'm happy to see that. Can you, do you have authority just to walk onto any worksite in the city, or do you need, you know, it's interesting because if I want somebody to check a basement apartment, you know, out they can't get in. But can you walk into

any active worksite that has a permit issued?

THOMAS FARIELLO: Yes, the code allows us that once the department issues a permit we should be gained access. If we are not given access then we immediately issue a stop-work order on the project.

tell the committee when you expect to have all the inspectors dedicated to that task? Are you waiting for a new class of inspectors or? I would think these inspectors would not be, you know, literally brand new. You would want people with some experience, at least in my thought. But I don't, maybe you could tell me otherwise.

SHARON NEIL: So the unit currently has
50 inspector positions funded and there are currently
37 active. We've reassigned some staff to perform
these duties and we are constantly recruiting for

end of the fiscal year.

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inspector staff. It's extremely competitive to hire inspectors, but we've been making some pretty good progress on filling our ranks, but we're hoping that we will be able to add more folks between now and the

reasonable to expect on any given day like today
there are people out looking at job sites, doing a
form of preventive maintenance, because we obviously
are all concerned about the number of construction
deaths that just seem to be a very stubborn issue for
this city.

THOMAS FARIELLO: Yes, that's correct.

COUNCIL MEMBER GRODENCHIK: OK, thank you very much. I yield the balance of my time, Mr.

Chair.

CHAIRPERSON CORNEGY: Before we have

Council Member Chin with questions, we've been joined

by Council Member Gjonaj. Council Member Chin. I'm

sorry, and Council Member Perkins.

COUNCIL MEMBER CHIN: Thank you, Chair.

In 2017 the council passed a package of 12 laws to increase DOB's oversight over tenant harassment and dangerous construction. Two years later, Stand for

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Tenant Safety Coalition issued a report card on the implementation of these laws. My legislation, Local Law 149, mandates greater city oversight over self-certified applications for construction and prohibits self-certification in buildings owned by landlords with a history of harassment. What data can you provide to show that this law is being fully implemented? How many audits of professionally certified applications have been conducted since the implementation date of the Local Law and also does DOB feel that they have enough inspectors to make the needed number of visits and complaint tracking to fully meet what is mandated through the Stand for Tenant Safety package of laws?

PATRICK WEHLE: Good morning, Council So we are aware of the report card that the Member. Stand for Tenant Safety Coalition released a short while ago, and we do strongly disagree with the grades that were assigned by the coalition. department is meeting or exceeding goals set forth in these laws and we regularly give the coalition updates on our progress. Specific to each of the laws within that package, just at a sort of high level, and we go into it in more detail if you like,

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2 | the package includes 12 local laws. Two of those

3 | local laws directly affect the Department of Finance.

4 So I'll leave it to them to speak to their

5 implementation. For the remaining 10 laws, nine of

6 those 10 laws are fully implemented, including Local

7 | Law 149 that you sponsored. The coalition has asked

8 us for data on the auditing that we're doing, and in

9 conversations with the coalition we're happy to

10 provide them with that data and we're working towards

11 providing that. But, to be clear, the law does not

12 require the department to provide that data. And

13 | that's why it has not been provided. But we're happy

14 | to do so. So we do think it's unfair to sort of

15 criticize the department for not implementing

16 something that the law does not require us to

17 | implement, but to put a point on this we're happy the

18 provide the coalition and the council with data on

19 | the work that we're doing to audit these [inaudible]

20 filings.

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21 COUNCIL MEMBER CHIN: I think even though

22 | you said it's not required, don't you think that

23 | you're, I mean, the Department of Buildings, you're

doing the work, you should provide the data.

Especially to the council.

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PATRICK WEHLE: Understood, and we're happy to provide that data, but the law did not require any type of reporting. So that's why we didn't provide it. But we're happy to do so.

COUNCIL MEMBER CHIN: Yeah, because from the commissioner's testimony it's really great to see that change are happening, because I remember, you know, in my office the amount of complaints we were getting from tenants about construction that's going on in their building, where the landlord is telling the Department of Building that the building is vacant. Meanwhile, there are people living in there and they're breathing in all this dust and all these debris, and Department of Building, you know, we work together and you are responding, and which is great, and you are responsible for a lot of things. We just want to make sure that you have the resources to hire the inspector to be able to do the job, to protect the tenants, and also to monitor all the construction and all the codes and everything that you're responsible for, and that's why, you know, we want to work with you to make sure that you have the resources and that's why it's unaccepted, unacceptable for the administration to, you know,

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give you a [inaudible] that you have to find savings

when you should be using that resource to have enough

staff to make sure your jobs gets done.

think, you know, we had a lot of laws that were passed that amended our code and we're doing our best to implement them all, and sometimes it's not, you know, as easy to do and, you know, we're doing, we look at the law, we say OK, this is what we're required to do and we do it, right? And then we move on to the next one. And so we're not trying to shirk our duties. We're not trying to hide the data, and we will put the data, you know, we'll send you the data and there's no issue with that. But I think our first goal is to, here's what the law says, we're trying to implement it and we're trying to get going, right? Because there's a number of laws, as I said, you know, that we're trying to implement.

COUNCIL MEMBER CHIN: No, we appreciate that, and we look forward to continue working with you. Thank you, Chair.

CHAIRPERSON CORNEGY: Thank you, Council Member. Council Member Gjonaj. So we're going to allow, unconventionally, another question by Council

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Member Rosenthal and then we'll go to Council Member

Gjonaj, and then I have a few questions.

COUNCIL MEMBER ROSENTHAL: All right, I'll be the, I'll give you the three minutes to get it together. Commissioner, I just want to follow up on Council Member Rivera's questions about after-hour variances and, um, I echo her sentiment that I'd be very interested in seeing that data on variances for my community, either by community district or by my council district, um, and I think what's frustrating to my staff, frankly, to our office, is that we do sit down with the community and with the, um, developers and their construction team and we do ask those exact questions to the community. Do you m-ind if this project drags out longer but, you know, there's no after-hour work, or do you want it to be shorter, um, but you're going to endure this afterhour work? And the community is often, you know, it's very thoughtful and they'll say OK to, you know, just not weekends, but nighttime is fine, we'll work out a compromise in our office, and our problem is that the developer then goes back on their word and just gets permits for after-hour work variances, you know, for every day of the week and all the weekends.

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Is there some way to work together on, um, not, the

DOB not issuing automatic after-hour work variances

if some sort of deal has been worked out?

THOMAS FARIELLO: Um, I think we're open to listening to the community, um, but the basis for these after-hour variances, you know, is about safety, right? That's it's safer to do this work on these off hours. So certainly if I am lifting some giant HVAC equipment to the roof and it's a lot quieter on the streets where they're going to be safer. You know, there's less people there and we're not controlling, you know, 12 o'clock traffic and again I'll use midtown as an example, you know, that Sunday morning is probably the better, safer time to do it, that's what the basis of all of these are about, you know, but...

COUNCIL MEMBER ROSENTHAL: No, no, no, a hundred percent, sorry to cut you off, it's only because I'm on the clock. Um, I mean, and that's what the conversation is about, so for example pouring concrete, you know, these trucks can only go over the George Washington Bridge at a certain time and, you know, they have to do this work at a certain time, and that's the dialogue, and we totally

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understand that and defer to that type of, um, you
know, challenge for the construction firm. But with
that taken into account, that's how we make those
deals so that they're fair to both sides. And then,

6 but yet...

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as a department of courses is about striking that right balance, and as part of that process we routinely have conversations with elected officials' offices, including your own, and with contractors and developers in trying to do so, and as part of that process we certainly listen to the concerns that are raised by the community and it's not an infrequent occurrence, where as the result of those productive conversations we make adjustments to those after-hour variances, either changes in scope of work, reduction in hours, changing days, whatever the case might be. But, you know, we see it as part of our process to have those dialogues to ensure that we're doing everything we can to strike that right balance.

COUNCIL MEMBER ROSENTHAL: Great. Look forward to continuing the conversation. Thank you.

CHAIRPERSON CORNEGY: So I just had a couple of questions that I didn't get to related to

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construction safety. So according to the Preliminary
Mayor's Management Report during the fiscal 2019
reporting period DOB reported 270 constructionrelated injuries and 265 construction-related
accidents. You mentioned that in your testimony.

Both categories increased over the same period in
fiscal year 2018. Can you explain these increases

despite the new construction safety law, which is concerning, obviously, 196 of 2017?

THOMAS FARIELLO: Um, sure, you know, first of all I'd like to thank the council and this committee in particular for passing this law because, I mean, it is all about safety and that's what our department, you know, we want people occupying the building to be safe. And we, you know, we heard loud and clear from the workers that, you know, if they had more training they would, you know, they would be safer and there would be less injuries and less fatalities on sites. And so, and that's what this bill is aimed and doing. And I think, though, as I said earlier, these projects that we're seeing now are much larger than previous-size projects, and with those larger projects come site safety managers which are required by law to give us reporting on every

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little injury that happens on their site. So we are seeing more notifications than we had ever seen before, and I think that's a credit to the site safety managers doing their job. And so I think we're getting better reporting and we just have more sites that have this reporting on them, right? I mean, the fatalities, you know, honestly we want zero fatalities, but they've been 12 for the last four years. Nothing is good about that, but they have been steady, where the injuries have gone up, and we believe that that's about the reporting, that has a big factor into it.

Member, certainly as it relates to Local Law 196 I just want to note that we are in a relative infancy in implementing this law. To date, all that's required on the site safety jobs is an OSHA 10, and even prior to Local Law 196 many of these jobs requested an OSHA 10. So as it relates to Local Law 196 and its impact on safety we're not quite there yet. But to echo the acting commissioner's comments, certainly some of the signs that we are seeing is encouraging. Clearly the number is zero, zero fatalities, zero injuries, that's what we want to

larger impact on safety.

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focus on it. But according to the US Department of Labor workplace deaths rose 55% in New York City in 2017. But our fatalities remain the same. addition to that, NYCHA just released their annual report that credited the department for the work that it's doing in that the pace of injuries and accidents throughout New York City, the pace of which is slowing relative to the rest of the state, and the crediting the work that the department is doing in terms of penalities penalties, in terms of greater supervision, in terms of the rollout of Local Law 196, um, and seeing that that happen. So while we think, while slow, we're moving in the right direction, and as Local Law 196 continues to be implemented that's where we would expect to see a

unusual question but, um, so you don't feel as though it's necessary to implement a plan in particular to decrease the numbers, you just feel like the increase in construction and some other mitigating circumstances are the contributing factors to any increase that you see, um, not any, ah, slow implementation of the law, because my next question

would have been while there is an increase is what,

3 what are we going to do to decrease it. But you feel

4 like it's, it's not, ah, the increase doesn't warrant

a strategy or plan to decrease based on, um, infancy

6 in the implementation of Local Law as well as, ah,

7 like the commissioner mentioned, more construction

happening, so almost like a law of averages kind of

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THOMAS FARIELLO: I think that's, you know, what's attributable to it, and that's how I answered it. I think the plan is to implement Local Law 196. I think it's a great plan. And our CSE unit is going to be out there making sure that these workers are trained, right? And then the, you know, once they're trained and we know that they're trained, now they have to implement it. So when we're out on these sites and we're seeing that, yes, you've been trained and you have this card and that's great, but you're still not doing what you were trained. Now, you know, the site is going to be shut down. These sites are going to get penalities penalties for it, right? And that's going, you know, it's going to hurt the whole site and because the people aren't doing their job, right? And

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so that is the plan. But, you know, I tried to
answer your question. You asked what was
attributable and I think right now, as Patrick
mentioned, you know, we're in the beginning of it for
Local Law 196, but I think we also have these big

jobs and we have a lot of people to report, more

8 than we ever did before.

PATRICK WEHLE: And furthermore there's, you know, 12 fatalities over the past four years, 700 injuries last year. That's clearly unacceptable and we need to get that to zero. And we do have plans in place to try to do that. I think chief among them is this further implementation of this Local Law 196. But as you heard, we've also just released this new construction safety compliance unit, which for the first time is all about proactive enforcement on construction sites. Checking to make sure that workers have their proper training, and also checking to make sure that those sites are properly safeguarded to ensure that workers and the public don't get hurt. So there are a number of things that we're implementing to try and drive down those numbers.

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Wasn't trying to get you. What I'm trying to get at is that we shouldn't be alarmed as a council and as a committee if the numbers increase because reporting is such. With implementation of Local Law 196 there will be a greater emphasis on reporting, right? So this is, I'm trying to prevent us coming back and going oh, my God, the numbers are off the charts. When in reality, ah, based on your testimony they could increase just based on, just based on the implementation of the Local Law and reporting.

THOMAS FARIELLO: That's correct, and maybe a little bit of context would help. So, you know, looking at, um, there were about 750 injuries last year, in calender year 2018. There are 45,000 active construction sites at any one point in time. So this means, at most, as much as 1.5% of construction sites citywide reported any injuries in 2018, and most of those injuries were relatively minor in nature.

CHAIRPERSON CORNEGY: But ultimately, you know, so we're going to be, um, ah, for lack of a better term, part of the success of the program will yield, potentially, greater numbers of reporting, and

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I'm only saying that because I need my colleagues and myself to hear that so that I'm not alarmed, ah, when the numbers, like, the intended outcome, or the expected outcome will be an increase in reporting based on the Local Law.

PATRICK WEHLE: To your point, you know, an increase in construction activity plus an increase of the department require more safety professionals on site who are reporting accidents will likely yield an increase in other reporting of accidents, yes.

CHAIRPERSON CORNEGY: So we'll have to do that in a different when that ultimately happens?

THOMAS FARIELLO: Right, but I think if we do have that increase it doesn't mean that Local Law 196 is failing in any way. I just, it's just a reflection of the activity that's happening.

CHAIRPERSON CORNEGY: I just wanted to have that on the record, because it could, those numbers viewed without context could mean a failure depending on how you're viewing the numbers.

THOMAS FARIELLO: Agreed. They need to be looked at in context of the work that's happening and the supervision that's on sites, yes.

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2 CHAIRPERSON CORNEGY: Thank you. Council 3 Member Gjonaj?

COUNCIL MEMBER GJONAJ: Thank you, Chair. Good morning. I want to talk briefly, I'm sure you touched on the PEG cuts, 12 million dollars, roughly 6% of your operating budget. Have you been in negotiations with this administration on where those cuts are going to take place?

SHARON NEIL: Yeah, so, um, our budget for, our financial plans savings target for next, for the plan for the next fiscal year is 12 million dollars. We're currently in negotiation with the Mayor's Office of Budget to, um, come up with some different options. It's still in negotiation. We're trying to, ah, obviously address those, which would have a minimal impact on our operations.

COUNCIL MEMBER GJONAJ: So what areas would be you seeking cuts in since you're negotiating now?

SHARON NEIL: Um, obviously we would try to get credit for our revenue, additional revenue to offset any financial plan savings so that we would not necessarily have to take them against expense budget cuts, but if, um,...

2 COUNCIL MEMBER GJONAJ: So more

3 | violations?

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SHARON NEIL: Well, there is an uptick overall in terms of, um, additional penalities penalties and fines which we would obviously lobby to get credit for, as well as any other, um, revenues that are available for us to get credit for. But if not we would have to look and prioritize expense budget savings.

COUNCIL MEMBER GJONAJ: Like, so I guess the plan is collect more so we can spend more. Got it. [laughter] Seventy-six positions are being added as a head count. That's a 30% increase, which I'm excited for and hope we can start targeting some of the major issues, including the illegal apartments and I'm going to just state something that was brought to my attention. Please stop referring to them as illegal apartments, but let's called them undocumented apartments, um, I thought that was hysterical, but the point was being made these illegal apartments have existed because of the lack of enforcement. Um, they plague our neighborhoods, they risk the residents of the illegal apartments because they are a serious threat. Many of them are

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death traps and we need to be more proactive as to how we're going to legalize apartments that can comply with the law that are not death traps and then go after those that could not be legalized because they don't offer a second means of egress or the, or they're in a boiler room where the health and safety of those residents come first. I hope that moving forward we can focus on truly addressing this issue, and I know it's a very difficult issue and there's no appetite for it, because on one hand we don't want to force people out of these apartments and create a bigger strain on the limited apartments that we have available in New York City. Chairman, I ask for a little, thank you. There's been a spike in 311initiated complaints about storefront signage violations. The number skyrocketed from 20 or so calls per month to about 400 calls per month in December, we suspect that mostly driven by predatory sign vendors seeking to weaponize the 311 system. How much did the city collect in fines related to the 311-driven escalation on the city's mom and pop shops in FY19? Additionally, the council passed Local Law 28, a law that would put 1) a moratorium on the city enforcing the signage law, 2) convene a task force to

1 ד∧דאוחד ע הווחר ביי סווחר דיי סווחר דיי 2 study the issuance surrounding the law and enforcement, and 3) establish a refund program for 3 businesses that have received recent fines related to 4 5 the law. I'm going to highlight on number three. 6 Specific to the DOB, the law requires that the 7 department work to publicize the temporary program to make sure businesses are aware of their rights to 8 have a refund. Furthermore, the law only gives a 9 business owner 180 days after the law was enacted to 10 apply to receive their refund. The law went into 11 12 effect February 2. That's about 45 days ago. What steps have the department taken to fulfill its 13 commitment to educate the owners of this program and 14 process their refund, or is this going to be another 15 16 dog and pony show where those businesses that paid hefty fines from \$5000 to as high as \$20,000 are not 17 18 going to be aware of their rights to get a refund, and I'll just read, "The Commissioner of the 19 20 Buildings shall no later than 30 days after the legislation takes effect provides to the council 21 2.2 a report containing the following information for 23 each applicable violation issued after June 1, 2006,

and before the effective date of the legislation, 1)

the location of each applicable violation, 2) a

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description of the provisions of the administrative code, zoning resolution, agency rules, or accommodation thereof associated with the applicable violation and the associated fine, and 3) the status of each applicable violation." Thus far we have not received anything. We are behind on the 30-day requirement. Forty-five days ago this law took

effect and the clock is ticking. Thank you.

PATRICK WEHLE: Good morning, Council Member. Ah, so just to start with, broadly speaking, as you might know the department's enforcement of signage violations is [inaudible] when we receive a complaint we're obligated to go out and perform an inspection. That being said, as you well know, the recently acted law establishes a two-year moratorium on the issuance of signage violations that is now in place, and the department is working very closely with the Department of Small Business Services to ensure that businesses are aware of the applicable regulations and that they can bring their signs into compliance within this two-year period. Specifically, as it relates to the implementation of the law, as you noted, the law went into effect last month and that two-year moratorium is now in place on

directly to you as well.

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enforcement. The department did send a list of
violations issued since 2006 to the council, as the
law requires. We'll make sure we send a copy of that

COUNCIL MEMBER GJONAJ: I'm the Small Business chair, worked really hard on this bill with my colleagues...

PATRICK WEHLE: Understood.

COUNCIL MEMBER GJONAJ: Espinal in particular...

PATRICK WEHLE: I don't know offhand who specifically we sent it to, but it was certainly sent to the council. We'll make sure you get a copy of that right away as well. The department is in the process now of working on outreach materials. We issued a service notice. We have been having conversations with a number of elected officials and community boards, BIDs, other organizations, um, about the implementation of this law. We've attended a number of outreach sessions in a variety of communities. We would love the opportunity to engage you further in your specific district, holding forums, and sharing information as well. And the remainder of the law does go in effect in the summer

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and we are in the process now of coordinating with

SBS and the finance department on the implementation.

COUNCIL MEMBER GJONAJ: Do you think you're going to be able to meet the deadline? We have 45, we have how many days left now? One-hundred and eight minus 45, so you're looking at roughly 135 days.

PATRICK WEHLE: Correct, and the opportunity to resolve these issues starts, the clock starts on that process in the summer. So again we're now in the process of doing our outreach and ramping up our outreach, sharing information, and yes, you know, those who have been affected by these violations will have the opportunity a) to not receive penalitespenalties, and b) make sure that they have the opportunity to correct those conditions.

about my questions on the illegal apartments? What are we going to do to legalize the apartments? What initiative are we going to take, um, to 1) protect those that occupy these apartments and secondly protect the single-largest investment for New Yorkers, which is their home, and they're certainly

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insurance claims, um, and other issue.

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THOMAS FARIELLO: Sure. I mean, the illegal conversion is a problem. I mean, our biggest problem is getting access into the apartment to determine that it's unsafe or safe, right? And so, um, we have a dedicated team that does this and they go out and if they see any evidence of an illegal apartment there then we go and use, um, you know, we go to our law department and we get, um, access warrants to go into the space, and I think we've had 287 of them last year, something like that.

COUNCIL MEMBER GJONAJ: Two hundred and?

THOMAS FARIELLO: Eight-seven. I can get you the exact number.

COUNCIL MEMBER GJONAJ: Warrants?

THOMAS FARIELLO: Yeah.

COUNCIL MEMBER GJONAJ: How many complaints did you have that you couldn't get access after three visits?

THOMAS FARIELLO: Ah, I can get that number.

COUNCIL MEMBER GJONAJ: I would imagine that's somewhere in the thousands.

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THOMAS FARIELLO: Yeah, I think it's

around, I think we get around 3000 complaints in this

area, so.

COUNCIL MEMBER GJONAJ: So 3000 complaints on average a year. What percentage, or do you have that information available as to how many you actually get into visibly make an inspection?

PATRICK WEHLE: So I don't have the specific numbers in front of me, we can get them for you. But as a general matter, for the complaints that we receive it's something in the neighborhood of 50% of the time we're able to obtain access and as the acting commissioner mentioned one of our biggest, that's our biggest challenge, getting access, because oftentimes the work is not permanent, so we can't like require ourselves to get in. When we cannot get access, assuming there is indicia of there being illegal conversion, the department works hard to prepare a package of materials, working with the law department to seek an access warrant. Last year we sought, we sought and received 287 access warrants. Year to year that number has been increasing, so we're pleased with the work that we're doing and the success that we're having in obtaining these access

half, roughly.

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warrants, and I think once we have that warrant it does increase our ability to get access by about

COUNCIL MEMBER GJONAJ: Chair, perhaps we can, um, work together on this with the department on coming up with a proactive approach. We just did a pilot program in Brooklyn where we're going to legalize apartments, um, these illegal apartments. We came up with a format that will legalize them. But a number that I was not very pleased with, it was way too expensive. I really do believe that we can be more proactive, and when I say proactive in a sense of taking this challenge on by giving homeowners the opportunity to legalize them, by offering very small incentives, such as we won't give them violations for work without a permit and then give them a credit of some sort to the expenses that they would have to undergo to legalize their apartments. There's a two-pronged approach. can't turning a blind eye to this widespread problem that jeopardizes residents of these dwellings, and I've been in some of these apartments. They are truly death traps.

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2 CHAIRPERSON CORNEGY: I would love to 3 work with you as well as DOB on that.

COUNCIL MEMBER GJONAJ: Thank you.

CHAIRPERSON CORNEGY: We have some questions that we'll be submitting in writing to you going forward. I thank you for your testimony. It's been very helpful.

PATRICK WEHLE: Thank you very much.
THOMAS FARIELLO: Thank you.

CHAIRPERSON CORNEGY: Thank you. We're going to take a very short recess to allow HPD to take the stand, as well as Council Member Vanessa Gibson to arrive. Thank you. [pause] [gavel]

CHAIRPERSON GIBSON: Good morning, ladies and gentleman. Welcome to City Hall. I am New York City Council Member Vanessa Gibson and I am proud to serve as the chair of the Subcommittee on the Capital Budget. I also am proud to represent District 16 in the Borough of the Bronx, and I want to thank all of you for being here. I want to thank my fellow cochair, our Chair of the Committee on Housing and Buildings, Chair Council Member Robert Cornegy, and thank him for co-chairing today's very important hearing this morning. This joint hearing is truly

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appropriate and important because HPD is such a capital-intensive agency. It's fiscal 2020 preliminary capital budget includes 6.1 billion dollars in fiscal 2019 to 2023, which represents approximately 12% of the city's total 52.8 billion dollars capital budget. There is much to celebrate and recognize about HPD's capital commitment planning and its performance, most especially its 95% capital commitment rate for fiscal 2018, which the council hopes will be maintained through the end of fiscal 2019 and into the next four-year capital commitment plan. Moreover, its capital commitment plan for 2019 through 2023 helpfully divides 565 across 138 descriptive budget lines with many groupings, which the council truly appreciates, and we have called on this administration to recognize the importance of descriptive budget lines. Unfortunately, while I am complimenting HPD, here is my criticism. I am less pleased by HPD's preliminary 10-year capital strategy for fiscal 2020 through 2029. Because it is frontloaded for fiscal 2020 through 2024 the annual average is 1.1 billion dollars, while the average funding for the last five years of this capital plan drops to less than 850 million dollars per year.

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2 HPD planning to slow down our capital investments once it satisifies atisfies its Housing New York 3 4 Plan, which is the plan to build and preserve 300,000 units of affordable housing by 2026, and the plan 5 6 goes to 2029. I think we can all agree that this 7 would be inappropriate given the tremendous unmet need for real affordable housing in this city. 8 while I commend HPD for exceeding its Housing New 9 10 York production targets for units that are affordable to extremely low income and very low income 11 12 households, recent data that we have from the American Community Survey demonstrates that these 13 14 targets are not aligned with the percentage of New 15 York City renters that are severely rent-burdened, 16 defined as households that pay at least 50% of their income in rent. HPV really must consider shifting 17 18 its spending on affordable housing to where the need is the greatest in this city. So I'll close with a 19 20 final remark about the preservation and antiabandoment initiatives that are intended 21 2.2 to address our city's at-risk housing stock. 23 decrease by 4.5 million dollars from 8.4 million in fiscal 2019's adopted budget to 3.8 million in the 24 25 fiscal 2020 preliminary budget, largely due to

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decreases in contractual services in the OTPS budget that are not baselined. The failure to budget the funds that are necessary to identify at-risk existing affordable housing will only result in the loss of affordable housing, and so I want to be very clear that this City Council is extremely committed to building affordable housing, particularly for families that are living far below the federal poverty line at a time when we know we cannot count on the federal government, we're not sure what will happen in the adopted budget that the state will bring us in about two weeks. It's more important than ever for the City of New York to take the lead, to lead by example. There are far too many families that go to be in a homeless shelter in every single night in many of our districts, and I'm not even just speaking to my own district, the families and the children, the working New Yorkers that have jobs that still go home to a shelter. It is unacceptable and we cannot be complacent in the work we do, and so we while recognize that progress has been made let us continue to be ambitious and set even higher targets so that we can lessen the burden on our shelter system and keep families in their homes, and I say

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that because our district in the Bronx has faced an enormous amount of families living at or below the federal poverty level, and I often am confronted with making extremely difficult decisions, affordable housing versus supportive housing versus housing for veterans and formerly homeless families and domestic violence survivors and youth aging out of foster care and unfortunately it's just not enough housing. Thousands of applications for 100 units of housing, for 200 units of housing, so again while I see things being done it's not enough and we have to do more. And so it is my hope that in this conversation in this space and in this budget season we are able to make a real dent in driving down shelter numbers and making sure that we really create a city that is affordable to those who need it the very most. And with that I look forward to this morning and this afternoon's hearing with HPD and our acting consumer, and now I turn this hearing over to our chair of housing and buildings, Council Member Robert Cornegy.

CHAIRPERSON CORNEGY: Thank you,

Chairwoman. Before I begin, I would like to

acknowledge the presence of PS-149 in the balcony

from Jackson Heights, Queens [applause], whose

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2 teacher, Ms. Eileen Hernandez, is supervising them today. Welcome. I would like to begin by thanking 3 4 my co-chair for the second half of this hearing, Council Member Vanessa Gibson, chair of the 5 6 subcommittee on the capital budget. We'll next hear 7 from HPD, where we will examine all components of HPD's 947 million dollar expense budget and 6 billion 8 dollar capital budget, along with details and 9 progress related to the administration's housing 10 plan, Housing New York. Over the life of the housing 11 12 plan the city has financed the creation of preservation of about 122,000 affordable housing 13 14 units across New York City. Which has exceeded 15 projected targets and production goals. But, as the 16 city addresses the complex challenges of producing and preserving quality affordable housing it does so 17 18 at a point in time when the population of homeless New Yorkers continues to rise and a persistent 19 20 shortage of affordable housing exists within the city's housing market. Further complicating matters 21 2.2 is the current federal administration, who has 23 continuously proposed significant funding cuts to vital housing programs. President Trump's fiscal 24 2020 budget request would reduce funding for the 25

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Department of Housing and Urban Development, or HUD, by 16%, which would significantly impact vital housing programs citywide and at HPD, including the Community Development Block Grant, CDBG program, the Home Investment Partnership program, and would reduce funding to sustain the Section 8 program. committee, this committee, hopes to gain a clearer sense of how HPD would absorb any potential cuts and how federal actions would impact operations and service levels. After HPD we will gladly hear from members of the public. I would like to remind everyone who would like to testimony today to please fill out a witness slip with the Sergeant at Arms so we can put you on the queue. I would now turn over to having our HPD affirmed. I would ask you to raise your right hand. I'm sorry, before I do that I would recognize the colleagues that I have present who are holdovers from the last hearing, oh, except for Keith Powers, who has joined us. Can you please raise your right hands? Do you affirm to tell the truth, the whole truth, and nothing but the truth in your testimony before this committee and to respond honestly to council member questions? I just ask

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2 that before you begin your testimony you identify
3 yourself for the record.

CHAIRPERSON CORNEGY: I'm sorry,

Commissioner, I have to stop you for a second. In my
household and in my community we don't acknowledge
stepchildren, so we won't acknowledge acting
commissioners.

ERIC ENDERLIN: I appreciate that.

CHAIRPERSON CORNEGY: You are the commissioner.

and thank you. So Eric Enderlin, Commissioner, HPD, on leave from the Housing Development Corporation as well. Good afternoon Chair Cornegy and Chair Gibson and members of the New York City Council Committee on Housing and Buildings and Subcommittee on Capital Budget. My name, again, is Eric Enderlin. I am the commissioner of the New York City Department of Housing Preservation and Development. I'm joined by our executive deputy commissioner, Eva Trimble, and members of HPD's senior leadership team to my right.

As many of you know, last week was former HPD

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Commissioner Maria Torres-Springer's last day and her, after her many dedicated years of service in the city government. I worked very closely with Maria over the past few years to advance many key policy initiatives and innovative new programs and can say without hesitation that not only the agency but the city is better off for her extraordinary leadership. As the search process for her successor is still underway, the mayor asked me to step in temporarily as acting commissioner/commissioner until a permanent replacement is named. I'm honored to take the baton and ensure the continuity of our ongoing work during this transition. I had the great fortune of leading the development team at HPD for many years and I'm familiar with the broad sweep of the agency's mission. I'm confident that this exceptional team will not skip a beat in our efforts to delivery safe, quality affordable housing that New Yorkers need and that New Yorkers deserve. As you know, affordable housing is one of the biggest concerns that New Yorkers face and one of the top priorities of the de Blasio administration. HPD is the driving force behind a coordinated interagency effort to develop and preserve affordable housing at record pace, to

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protect tenants and enforce their right to life in safe quality housing and to engage in communityfocused neighborhood planning. Today I'll testimony on HPD's fiscal year 2020 preliminary budget plan and the way this proposed funding will allow us to achieve the agency's primary goals. As you know, HPD's important work requires significant investment from the city and federal governments. HPD's fiscal year 2020 preliminary budget is approximately 947 million dollars. However, this includes about 165 million dollars in Pass Through funding from NYCHA, so aside from this Pass Through funding HPD's true expense budget is around 782 million dollars for fiscal year 2020. Of this 782 million total, approximately 130 million comes from city funds and about 648 million comes from federal funds. means 83% of HPD's expense budget is federally This huge proportion of federal versus city funded. funding in the agency's budget is important because when we seek to save city tax dollars, as we are constantly trying to do, the amount we can save is limited because so many of our programs are restricted by federal requirements. City funding, especially city tax levy funding, is critical for

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strengthening areas not otherwise eligible for federal grant funding. We are thankful for the important role that city resources play in our expense budget and my testimony will highlight several areas where this new city funding will help us further strengthen our programs and services. This budget includes new staff and resources to support Housing New York 2.0, a road map to achieve the administration's expanded goal of producing 300,000 affordable homes by 2026. Building on the foundation we created early on, coupled with new tools and new funding, Housing New York 2.0 introduced a suite of proposals to help thousands more families and seniors afford their rent, buy a first home, and stay in the neighborhoods they helped to build. Over the past years we've made great strides in advancing a number of key initiatives, while also breaking an all-time record for affordable housing production in New York City. I'm pleased to say that last calendar year HPD financed more than 34,000 affordable homes, setting a new record for affordable housing production and putting a serious dent into our overall goal with the financing of nearly 122,000 affordable apartments since the start

# 70 COMMITTEE ON HOUSING 1 ד∧דאוחד ע זהדתנ א סוור בייח 2 of the administration, and while roughly 85% of all the homes financed serve low-income New Yorkers, of 3 those homes a full 45% serve families earning less 4 5 than \$46,950. We also are building homeless housing 6 at... 7 UNIDENTIFIED: Mayor de Blasio, we have 8

53,000 New Yorkers living in shelters. Shame on you. We want 30,000 units of housing for homeless New Yorkers. Of the 30,000 we need 24,000 built from the ground up [inaudible]

CHAIRPERSON CORNEGY: We ask that you maintain order in the chambers please.

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UNIDENTIFIED: [crowd chanting house the homeless repetitively].

CHAIRPERSON CORNEGY: Please settle down.

UNIDENTIFIED: [continued chanting]

CHAIRPERSON CORNEGY: We think it's

important for everyone's voice to be heard.

UNIDENTIFIED: [continued chanting]

CHAIRPERSON CORNEGY: We don't want to have people removed from the chamber. We'd like for you to exercise some quiet and allow for the testimonies to take place. There's a time for public testimony and we'll allow the same opportunity for

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2 you to speak. We ask that you allow that same
3 opportunity for HPD.

SERGEANT AT ARMS: Have a seat please, have a seat.

CHAIRPERSON CORNEGY: Thank you. Please continue.

ERIC ENDERLIN: Thank you, Chair. also are building homeless housing at a faster pace than ever before, with nearly 10,000 units since the beginning of this plan in 2014. In 2017 we overhauled our program term sheets to require homeless set-asides in virtually all of our projects and created a new city rental associate program to advance the mayor's commitment to create 15,000 supportive housing apartments over 15 years. Since 2014 we have financed over 4700 supportive housing units, which include units funded under 15/15, the 15/15 program, and prior administration plans. Through Housing New York 2.0 we are pushinging the envelope to do even more. Here are just a few examples of key initiatives under way. As part of Seniors First, a three-prong strategy to help serve 30,000 seniors over the 12-year plan, HPD introduced Aging in Place, a new preservation program tool to

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assess and finance in-unit and building wide modifications to assist seniors and people with disabilities in maintaining independent, safe, and comfortable lives. We introduced the new Partners in Preservation program that harnesses community-based organizations to develop and coordinate antidisplacement strategies with local stakeholders and tenants in three pilot areas in the Bronx and upper Manhattan. We launched our new Neighborhood Pillars program to help finance each stage of the acquisition and rehabilitation of rent-stabilized and unregulated buildings to protect current tenants and to preserve affordability in neighborhoods across the city. We rolled out two new home ownership programs, Open Door, to create new affordable home ownership opportunities, and Home Fix, which provides funding, technical assistance and counseling to hard-working families struggling to make needed repairs and otherwise maintain their homes. And we partnered with the American Institute of Architects New York to launch Big Ideas for Small Lots New York City, a design competition to promote innovative design and construction approaches to build housing on small, difficult-to-develop city-owned vacant lots. At the

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2 very heart of our mission, which is to promote the quality and affordability of the city's housing stock 3 4 is protecting tenants. Every day hundreds of HPD 5 inspectors are in apartments across the city 6 enforcing the housing maintenance code and issuing 7 violations when landlords are not in compliance. also proactively combats tenant harassment by 8 partnering with the attorney general and state Tenant 9 Protection Unit and the Tenant Harassment Prevention 10 Task Force, which investigates potential harassment 11 12 and brings enforcement actions, including civil and criminal charges against landlords who harrassharass 13 14 tenants. Our housing litigation division also brings 15 cases in housing court against homeowners who do not 16 comply with outstanding violations and, when necessary, seeks findings of contempt and jail 17 against recalcitrant landlords. Under this 18 administration, we are always looking to be as 19 proactive and comprehensive as possible in our work 20 to protect tenants, last year working with the City 21 2.2 Council to expand the certification of noharrassment programs citywide and launch a 23 new speculation watch list to identify buildings 24 25 where potentially predatory investment may put

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tenants at risk. We are also launching the Tenant Anti-Harassment Unit, another tool in the toolbox, which will be dedicated to pursuing potential cases of maintenance harassment and connecting tenants to legal services resources. To build on these efforts, earlier this year Mayor de Blasio announced the Mayor's Office to Protect Tenants, which will serve as a point of entry for advocates and tenants and ensure aggressive action against bad landlords. And as part of the city's Lead-Free New York City plan, HPD will further strengthen our enforcement standards and efforts to proactively audit buildings in targeted areas, expand our outreach to owners, and make it easier for them to comply with the law. This budget has funding for new staff to implement the expanded mandates of Local Law 1, which will increase the number of househouldshouseholds to which the requirements apply, lower the definition of leadbased paint, and increase our cimpliance compliance and enforcement activities to eliinateeliminate childhood lead exposure in New York City. I want to thank the council for their leadership on this initiative and so many of our efforts to protect New York City's residents, especially the most

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vulnerable, our children. As I've outlined, this important work reflects the urgency of the needs on the ground and a vision for the kind of city we want to be, but it can't be done alone. We do this work in the face of very real threats from the federal government, so your advocacy to secure a fully funded housing and urban development budget is critical. So far we have been successful in fighting the president's harsh and regressive proposals, last year even securing for the first time in decades increased funding for the public and affordable housing our communities desparately desperately need. outcome would not have been possible without the fierce and steadfast advocacy of the New York City Council and the congressional delegation, and so many partners here and across the country, but the fight is far from over. I want to thank the council for their partnership and I hope we can continue to find ways to partner on critical legislative priorities and needed reforms on affordable and supportive housing projects, on advocacy for stronger rent stabilization laws, on a whole host of issues vital for the good of New Yorkers and for the future of our Thank you again for the opportunity to discuss

HPD's budget and our priorities in the coming year.

This concludes my testimony, and I am happy to answer any questions you may have.

CHAIRPERSON CORNEGY: Thank you for that testimony. I want to acknowledge that we have been joined by Minority Leader Steve Matteo and I just want to do a little bit of housekeeping. outburst that we witnessed didn't result in people being moved from the chamber because we think that, being removed, we think that your voice is incredibly important. There is a process for that, which is actually testifying and testimony for public will take place. I don't want people's voices not to be heard and by slowing down the process it could result in someone not being able to testimony. So I ask that although I understand that you're incredibly passionate and have come today to express yourselves and this, the democratic process allows for that, ah, we ask in the chambers that you reserve that for your testimony and that you've signed up to actually give testimony that can be on the record. So I thank you for your cooperation and in that manner we're going to move forward with questions at this time.

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2 begin with my co-chair, Council Member Vanessa Gibson.

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CHAIRPERSON VANESSA GIBSON: Sure, thank Thank you, Chair Cornegy, and thank you, you. Commissioner, to you and the HPD team for being here. I'm going to start off with some softball questions. I chair the committee, the Subcommittee on Capital, so a lot of our work has really been focused on looking at the administration's 10-year capital strategy. It's the largest it's ever been, um, and within each agency we have seen a series of patterns, where, as I mentioned in my testimony, most of the funds are front-loaded in the first five years of a 10-year plan and there's a flattening out in years six through 10, um, some agencies even actually get down to zero, and so what one would assume, as I mentioned in my opening, is that once the city reaches Housing NY's 300,000 goal then there is no need to further build and preserve more housing. So what I wanted to ask specifically, because the preliminary 10-year capital strategy is 9.9 billion dollars for HPD, which supports the capital program goals from 2020 through 2029, but although the Housing NY plan aims to build and preserve 300,000

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units that's by 2026. So what I wanted to ask is can
you explain the strategy around the programming of
these funds after the completion of Housing NY? So
is there a plan beyond 2026 to get us through the

6 | full 10-year capital strategy?

ERIC ENDERLIN: So I think you've identified it clear and the answer, you know, we have, we have structured this plan and we extended the plan beyond the term of the current administration on the understanding that, you know, while we describe it as originally a 200,000 unit plan and then a 300,000 unit plan, um, we don't have a lot of control over those later years. That said, one way we've started looking at increasingly is not just this 200 or 300, now 300,000 units, but as 25,000 units a year, and what is, what is a rate of housing production that we think the city may need in a combination of both new construction and preservation. That said, we don't anticipate that to drop off as steeply, but we can't envision exactly what that's going to be. We have much better visibility in the closer years, where we understand where our pipeline is. We imagine and we expect that any future administration might see the need in the

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be.

same way that we see it and would continue and

perhaps expand that funding in later years. But what

we recognize is that we're funding the plan that we

have discussed, but, again, I think there is

increasingly conversation about what that production

level is on a year-by-year basis, not just in an

overall plan description and what those needs might

CHAIRPERSON VANESSA GIBSON: OK. Is the administration on target now to achieve the goal of 300,000 units of housing, new construction, and preservation?

fact, we're a little bit ahead if you look at the overall numbers. As is typical in plans, oftentimes the preservation, which is a component which is a little bit easier to achieve, accelerates in advance of the new construction. If you look, though, at last year, and I think this last year is a really impressive year, there was over 10,2000 units of new construction that was produced in that year. At that pace, you know, we are actually on tract with the new construction component as well. We always knew when we began the plan in 2014 that some of the new

had hoped they would.

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construction production that would come out of a, potentially, a new 421-A program, new inclusionary zoning and mandatory inclusionary zoning programs, some of the zoning for quality and affordability work that we did early on would mean that it would take a little bit longer and some, quite frankly, some of the rezonings that have been under way, would take a little bit longer to ramp upon the new construction, but we think that we're really beginning to see those new construction numbers coming in the way that we

CHAIRPERSON VANESSA GIBSON: OK, so the data that the City Council has on Housing NY from January 1, 2014, until December 31 of 2018, we see the creation and preservation of 121,199 affordable housing units across the city, 38,793 are newly constructed, and the preservation numbers are 83,125. So what we've identified, again, through figures through last December preservation target is 60% and we have met 68% of preservation units, but new construction, our target is 40% and we're at 32.

ERIC ENDERLIN: Correct.

CHAIRPERSON VANESSA GIBSON: So would you agree that in terms of numbers now we are exceeding

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targets on preservation, but we're not meeting the
numbers to date on new construction?

ERIC ENDERLIN: That is accurate, and it is for the reasons that I described prior.

Of the measures that we are looking to do to accelerate that, because we're still preserving more units of housing as we go along, but are we going to see these numbers change and at what point can we see the administration exceeding the targets of new construction?

ERIC ENDERLIN: I think what you would, we could argue is that last year you began to see that on the new construction side and, as I mentioned earlier, at the beginning of the plan, you know, we put out this 40/60 split, um, knowing that it would take a while to ramp up on the new construction, but that we feel that we now have traction in a number of those efforts, including the mandatory inclusionary housing program and 421-A that are starting to produce more units, and we've also, you know, we also, there were some policy shifts that we believe pushed as well. We actually started dedicating some resources, um, from preservation a little bit to new

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construction to steer that a little bit more and drive those numbers up and we've been fairly successfully in doing that, while at the same time producing, as you know, record numbers of preservation as well. Um, I could get into that, but it's, you know, it gets a little wonky on the finance

side, but we have been working hard to do that.

CHAIRPERSON VANESSA GIBSON: OK. I want to ask a question on something I mentioned in my opening and that's the Housing NY units that are, have been financed the rent-burdened households by different income bands. Income bands going from extremely low income, very low income, low income, moderate income, and middle income...

ERIC ENDERLIN: Yeah.

CHAIRPERSON VANESSA GIBSON: And the figures that we have, again, as of December 31, 2018, is that we have exceeded the financing of low-income housing and very low income housing, but extremely low income, I am seeing 16% financed versus a need of 55%, um, and so could you explain what the administration is doing to address the housing for extremely low income, and in your testimony you alluded to some of the revisions of the HPD term

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sheets, which provides more of a mechanism by which this should be a minimum, and that's 10%. You have some council members that don't even get to 10%. You have council members that exceed that and go to 30%. There is legislation we have here where we're looking for 30% to actually be the floor and not the ceiling, and so could you help me understand what the administration is doing to finance housing for those

families at extremely low income households?

identified all of that correctly. It is, we have done a lot, we have worked very, very hard. If you look at where the plan would be in terms of those income bands that are served, those income levels and households that are served, we have actually overproduced on the plan, um, in extremely low and very low and on the low side. That said, your point is absolutely right. It is an imperfect system and imperfect world. There are, we do as much as we can as fast as we can and we target it where the need is the greatest, but we also have, as you know, a set of limitations around what we can do in terms of where we can allocate all those resources and what those resources actually in the aggregate area. So we have

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worked very hard and, as you know, a couple years ago we added money to the plan specifically, and I noted in your question that you kind of crossed the two worlds of extreme concern, the extremely low and very low income folks and households at those levels and also this homelessness component, and we specifically added money, 1.9 billion dollars, a couple years ago so that we could actually do both, that we could actually accelerate the rate at which we're producing homeless housing without cannabilizing cannibalizing or usurping the rate at which produce housing for households in the extremely low income and very low income categories, and we thought that was important to do because there are very real concerns in both of those categories of housing production and we have tried to do that as quickly and as much as we can, which is why we cited earlier the rate at which we are producing both low-income housing and homeless housing we are pushing and we're, in the last iteration of Housing NY 2.0 we are pushing even harder in that direction to produce more and more units.

CHAIRPERSON VANESSA GIBSON: OK. Well, I understand your position but I guess my concern and

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the larger concern for many New Yorkers is that it's just simply not enough. Um, I understand we're making an effort, but would you agree that because these numbers there's such a gap in the amount of housing we're building for extremely low income New Yorkers that we really have to be aggressive and do a lot more, and this is coupled with the enormous amount of applications that every development project receives. It's getting higher and higher. I've spoken to some developers and amazingly 50,000 applications for several hundred units of housing, um, wouldn't you agree that we're on the brinks of

 ${\tt ERIC}$   ${\tt ENDERLIN:}$   ${\tt We}$  absolutely agree.

CHAIRPERSON VANESSA GIBSON: Or we're probably already here now, right?

really a crisis and an an emergency?

affordable housing crisis. And absolutely, and that, you know, let me say this as well. We also believe that producing as much housing as quickly as possible matters, that increasing the supply and not just on the new construction <a href="mailto:sitebut\_sitebut">sitebut</a> on the preservation side, and that ties into all of the work

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2 that we do across the agency in terms of enforcement 3 services

UNIDENTIFIED: Stop it! Stop it, please! Stop it please!

UNIDENTIFIED: Is he OK?

UNIDENTIFIED: I don't care. Stop it!

CHAIRPERSON CORNEGY: Commissioner,

please continue.

can hear, there is, there is a huge need and a crisis level in terms of affordable housing in the city. We agree with that, and extreme concern over homelessness as well. But, again, increasing supply, making sure that we keep people in their homes, making sure that, ah, the maintenance code is enforced, making sure that people aren't harassed out of their apartments, making sure that people have access to legal counsel so that they can remain in their apartments, we're working across every front in order to increase the supply of affordable housing and to keep people in the homes that they have and that they can afford.

CHAIRPERSON VANESSA GIBSON: OK. I just have one more question before I turn it back to my

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question.

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chair and other colleagues. You know, obviously this is a very, very important issue and we're all very passionate so there's a lot to discuss. I wanted to ask about supportive housing, because in your testimony you talked about the creation of 15,000 units of supportive housing over 15 years and since 2014 we financed 4700 supportive housing units to So I guess my question is 15 years is far too date. long. We don't have 15 years to wait. I am a huge supporter of supportive housing because I recognize many New Yorkers need supportive housing and without it they are still in shelters and, you know, other places like psychiatric locations and things of that nature for those that may have addictions or other needs, serious, serious priority. Do you see this supportive housing plan being accelerated coupled with the NYNY1 agreement, NYNY2, or New York NY 3? And can we expect any more support on supportive housing from Albany? That should have been my first

ERIC ENDERLIN: Um, we hope to. We work, we work very closely with the state. One of the areas in which we work most closely with the state is around supportive housing and supportive housing

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production. So I think the answer to your question is we are pushing as hard as we can. We hope that this is accelerated in the adopted budget, um, and you're right, we have produced this 4700 units at this point. 1515 isn't perfect. It's outside, it's outside the plan. We work as hard as we can to accelerate and do as much as possible, and as you know that also has involved not just the production of affordable housing but making sure there is a tenant-based rental assistance to go along with that, so that we can actually put people into affordable housing and keep people into affordable, supportive housing. We absolutely believe that we have a very good working relationship with the state that is moving in a good direction and we hope to produce as much housing as we can.

CHAIRPERSON VANESSA GIBSON: OK, thank you. I'll turn it back over to Chair Cornegy.

CHAIRPERSON CORNEGY: I am going to come back with my questions. I'd like my colleagues who have, who are on the queue, to be able to ask their questions and then I'll go. So we have first Council Member Grodenchik, who again is a holdover from very, very early this morning.

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COUNCIL MEMBER GRODENCHIK: I don't know if I like that term. Ah, thank you, Mr. Chairman. Ah, Commissioner, as we said, we don't have any stepchildren around here. But I want to echo the comments of my two chairs here, of Chair Gibson about the capital budget. When we were here with Direct Hartzog from OMB the capital budget looked kind of normal for four or five years, and then if it was a patient on an operating table it'd be dead, because it just flatlines and it goes out to the out years and I've been in government a long time. I'll reveal my age, I'm 59, I have never seen a capital budget that looked like that, and I, you know, it bothers me greatly to think, and I understand the mayor won't be here after several more years and many of my colleagues will be term limit as well, but we have an obligation to the 8.65 million people in the city, especially those who desparately desperately need housing, and I'm an alum of NYCHA, so I understand it better than most people what it means to be able to have affordable housing, but I just cannot understand how this happens and why it happens, and I don't know if you can shed any light on it, um, but it's very, very frustrating to see this kind of thing go on.

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put that out there on the record.

know that you're going to be building affordable
housing and maybe you won't be the commissioner, but
somebody else. The city's going to be doing this for
the foreseeable future, and I just don't know if you
have any thoughts, whether you can, I just wanted to

ERIC ENDERLIN: No, I appreciate that, and obviously I can't comment really on OMB's position, ah, overall.

COUNCIL MEMBER GRODENCHIK: Neither could Dave, frankly, but that's OK.

is, I'll go back to what I said earlier, but I'll say it a little bit differently, HPD is in slightly better position than maybe some of the other agencies. We have very strong funding that's 9.9 billion going out over the next 10 years, and as I mentioned earlier we agree with the idea that at the end of any particular housing plan that is described as a certain number of total units, we don't imagine a world in which that need falls away and therefore that production falls away and therefore that production falls away and therefore that should fall away. So in that sense we are aligned with the question that you're

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asking and that's, you know, we imagine in a world

where other future administration in New York would

4 see that similarly, on the housing side at least.

COUNCIL MEMBER GRODENCHIK: OK. I thank you for that answer. I thank you, Mr. Chairman.

CHAIRPERSON CORNEGY: Thank you, Council Member. Council Member Chin?

COUNCIL MEMBER CHIN: Thank you, Chair. Thank you, Commissioner. Um, you know, there are currently nearly 64,000 New Yorkers sleeping in shelters every night, including 23,000 children and thousands more out on the streets. So given the reality of the record of homelessness, why is HPD only setting aside 5% of its Housing NY 2.0 plan for homeless New Yorkers? And second, would HPD agree to build through new construction 24,000 units of permanent housing for homeless New Yorkers? And how many apartments have HPD financed that are specifically set aside for homeless individuals and family under Housing NY and lastly how many homeless households have actually moved out into HPD set aside unit under Housing NY to date?

ERIC ENDERLIN: Thank you for the opportunity to talk about this, because it is so

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central and critical an issue. We have worked very hard to house the homeless and to work with other agencies to do that as well, and we see a key role for that in this housing plan. I had mentioned earlier that in the 2.0 version of the plan we have increased homeless set-asides to include essentially all of our programs. What I didn't mention is that earlier on in 2014 when we came up with the original plan, and I was part of that as deputy commissioner at HPD at the time in development, we made the first moves in requiring a homeless set-aside in some of our term sheets. This is an expansion of that. I can tell you about the last couple years is that we have produced almost 10,000 units of homeless housing in the set-aside that you described, um, whether it's notional or whether it's actually described as a set amount in the term sheet, and that this 10,000 units that we produced so far, if you look at that and go forward at that rate we're very much on track to produce 24, 25 thousand units of homeless, dedicated homeless housing through the existing term sheet programs that we are advancing as is. That's not to say, it's never enough, because the numbers that you cite are absolutely horrifying in ways to all of us

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and to the people who are experiencing that. are dedicated to doing that. What we, what we have said, though, and I think it's important, is that it is difficult and maybe it's not intuitive, but we think it could be actually counterproductive to legislate on a term sheet a set-aside that we are already very successful in negotiating and that we can be more successful in negotiating on a case-bycase basis and that the irony could be that we might move ahead in something that feels promising, looks promising, we all hope is promising, and we end up producing not only less homeless housing, but less housing overall potentially in that process, and so we just, we have concerns about the idea of legislating that at that particular level, but we have no concerns about the idea of trying to advance as much homeless housing and producing as much homeless housing as we possibly can.

COUNCIL MEMBER CHIN: Did you answer my question about how many homeless households actually move into HPD set-asides? So you talked about 10,000?

ERIC ENDERLIN: Well, 10,000 produced. I think the answer to your questions that you're

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looking for in terms of referrals is, I think it's 2800, 2300 or 2800, that have actually been referred over. Twenty-three hundred, I've been corrected.

COUNCIL MEMBER CHIN: Oh.

ERIC ENDERLIN: And Molly Park, who is the deputy commissioner for development...

MOLLY PARK: High.

 $\mbox{ \begin{tabular}{ll} ERIC ENDERLIN: & ... might have more to add \\ \end{tabular} }$ 

MOLLY PARK: Molly Park, deputy commissioner for development. We've moved 2300 households, as the commissioner stated, into the family homeless set-asides, and about 8600 into supportive housing since the start of Housing NY.

COUNCIL MEMBER CHIN: So, Chair, just give me a few, a minute. How do we kind of keep pace and really accelerate that? Because I know one of the development, um, in my district for senior housing, 30% is set aside for homeless seniors. So on that project we're able to have a much higher number, um, for homeless seniors, I mean 30% and not 5%.

ERIC ENDERLIN: Absolutely understood.

And it, and that's what we're getting at, and this is, in fact, Molly may add to this after I comment,

but what you're describing is exactly what we just talkedetalked about, which is in individual program by program we are increasing the set-asides. So in supportive housing, for example, that set-aside could go as high as 60% in some projects. In senior housing it could go as high as 30% in some projects. In our extremely low and low affordable, um, projects it could go, there are options that go from 10% to 30%. So we are getting to an average that is high on a negotiated basis that is a little more nuanced and tailored to fit both projects and term sheets and programs, so that we can get to the kinds of numbers that we need and that we're talking about. But I'll turn it over to the deputy commissioner.

MOLLY PARK: Thank you. It is very critical in all of our projects that we are creating buildings that can operate as strong, successful community assets going forward for 30-plus years into the future. One of the things that is specific about our senior buildings is that all of those have project-based rental subsidies so there is an ongoing operating stream that's there that is going to keep those buildings functioning over the very long term, even when we're serving households who can only

that really reflect that need.

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afford to pay very low tenant share in rent. So that allows us to increase that homeless set-aside to 30%. In some of the buildings where we don't have that federal rent subsidy we have to be a little bit more nuanced, as the commissioner mentioned. I do also want to say that we work very closely with the council members. We really appreciate your support in working through individual land use approvals and making sure that we are getting homeless set-asides

that really working with the other agency, because we're spending so much money, we're wasting a lot of money, with housing, you know, homeless individual, in hotels in my district. And when you add that up every month you're talking about five, six thousand dollars, I mean, for that amount of money you could put somebody in a permanent home [applause]...

SERGEANT AT ARMS: Quiet please!

COUNCIL MEMBER CHIN: So I think that,
so, I mean, HPD, I thank you for really working so
hard and being creative, and I hope that you will
continue to work with your other sister agency and
really kind of work at this problem together, because

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on one hand, you know, the homeless population is growing, we're spending a lot of taxpayers' dollar, and meanwhile how can we be creative and use some of that resource to build permanent housing for people.

ERIC ENDERLIN: I absolutely agree with

you and let me say this, and forgive me if I go big picture and maybe a little philosophical on this, but I'm inclined to do that sometimes. You have seen in this administration from the beginning of the plan a movement back in the direction of thoughtfulness about public equity, neighborhood equity, social equity, the value of not-for-profits as a way of holding our highest values, and I think you see something very similar, and I think this is important as we talk about homelessness. I think going back, you know, for a long time I think some of the theory was that some of these problems are temporary and that we can kind of policy our way out of them or that we can finance our way out of them programmatically, but what's important, and I think what's important is to think, and I think we're moving back in this direction, that there need to be matched with that sometimes a series of real estate and either new construction or conversion of the

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cluster sites, for example, as a way of producing additional homeless housing, and I think it gets exactly to the point that you raised, which is one of you can do it through this kind of series of cash flow, or you can do it by actually taking control of the situation and investing with our not-for-profits in a more permanent solution that in the long run is actually a lot more fair, a lot more equitable, a lot more financially efficient and economically efficient, and really serves people in a way. And I think, we need to be moving, and I think we are moving back in that direction where we're doing all of it and we're thinking about it in that way.

COUNCIL MEMBER CHIN: Thank you, Commissioner. Thank you, Chair.

CHAIRPERSON CORNEGY: So very shortly we'll be hearing questions from both Council Members Torres, Gjonaj, and Rosenthal. I want to break up this a little bit to talk about the fact that while we have a very aggressive plan and the mayor has an aggressive plan for affordable housing, a lot of it is tied to a very fickle federal government and so my question is that I have will center around federal investment in these programs. So about \$648 million

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or 68% of HPD's expense budget is supported by federal funds. This funding helps HPD carry out programmatic activities, which include development, code enforcement and repairs, and housing placements through its Section 8 program. Because future funding levels are, remain highly uncertain the committee continues to be concerned about potential budget cuts for essential housing programs, especially in light of Trump's budget request for 2020, which will reduce federal funding for vital housing programs by 16%. What's the estimated impact of Trump's budget request on the Section 8 program in

want to turn to our deputy commissioner for budget,
Eva Trimble, in a second. But I absolutely agree.

It is a critical moment. We experienced this threat
last year and we were effective in combating it,
largely because the federal budget operated on
continuing resolutions. We feel that we are going to
fight this as hard as we can again in terms of these
cuts. It's not just Section 8, but it's CDBG, it's
home, it's public housing cuts, all of which affect
the city in tremendous ways. We have heard recently

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2 rumor and concern that we might go back to a

3 sequestration model that would actually, rather than

4 having a continuing resolution, we could really

5 experience these across-the-board cuts, and you've

6 properly identified that the most critical, the most

7 | immediate impact would be on Section 8, and the lives

of people, and with that let me just turn to Eva, who

9 does have a lot more to say about that.

EVA TRIMBLE: Thank you. Eva Trimble, executive deputy commissioner at HPD. Right now HPD estimates that if the president's budget proposal would go through, which we don't expect it would, but if it would, HPD alone would lose about 2200 vouchers within New York City, but overall the bigger impact would be about 8000 vouchers total when you include NYCHA and HCR, which also operate rental subsidy programs within the city. So it's a very real threat. We were very successful working with New York City Council, our congressional delegation, and really the national partners for affordable housing across the country to fight the president's budget the last two years. We actually saw an increase in funding last year. So we are working with everyone again to push back these awful proposals.

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CHAIRPERSON CORNEGY: So, I don't want to be an alarmist, but the city is responsible for administering these programs based on federal funding and it is alarming that on the table again this year are the potential for cuts. You mentioned the CDBG program and under, ah, Trump's budget request funding for the CDBG program would completely be eliminated. How would this impact HPD programs and HPD's budget overall?

ERIC ENDERLIN: It would be a tremendous You know, we do, ah, over 700,000 impact. enforcement inspections every year and issue 500,000 violations. AnnMarie Santiago, our deputy commissioner for emergency neighborhood services, enforcement neighborhood services, to my right, I don't if wants to comment more, that would be profoundly impacted. That would all be lost. Similarly, the home funding, which is also described as cut to zero, which is used to produce a significant portion of our senior housing, would be devastated as well. So those are cuts that we cannot take and we cannot stand. The Section 8 would be much more immediate. The other cuts that I described would be around, particularly the home, would be

1	COMMITTEE ON HOUSING 10				
2	around production programs, the CDBG would be				
3	immediately impacting largely our enforcement				
4	programs, um, and the Section 8, as you properly				
5	identified, would be day one an emergency.				
6	UNIDENTIFIED: [inaudible]				
7	ERIC ENDERLIN: OK, I think, unless you				
8	have more on that.				
9	CHAIRPERSON CORNEGY: No, you don't want?				
10	You want to jump in here?				
11	EVA TRIMBLE: I think the commissioner				
12	summed it up, um, you know, all of our programs, our				
13	lead program is 100% CDBG funded. All of our code				
14	enforcement programs, our housing litigation, our				
15	emergency repairs, 100% CDBG funded. So it would be				
16	devastating for our programs.				
17	CHAIRPERSON CORNEGY: So for us here at				
18	the council who just put together a very robust lead				
19	package that would be devastating?				
20	EVA TRIMBLE: Absolutely.				
21	CHAIRPERSON CORNEGY: Council Member				
22	Torres.				
23	COUNCIL MEMBER TORRES: How are you,				

Commissioner? Congratulations on your new role.

ERIC ENDERLIN: Thank you very much.

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2 COUNCIL MEMBER TORRES: Obviously, I have 3 enormous respect for you.

ERIC ENDERLIN: Thank you.

the word equity in your exchange with Council Member
Chin, and as you know, whenever there is a debate
about affordable housing the core question is
affordable for whom. What are the range of AMIs that
fall within the definition of affordable, and is it
the same for, there's MIH, there's 421-A, and then
there's Housing NY in general. What's the range of
AMIs that fall within the meaning of affordable?

ERIC ENDERLIN: So we describe affordable housing within this plan that is different from the prior plan, as serving households up to 165% of area median income. But, as we described, the vast majority of everything we do is extremely low, which is up to 30 AMI, very low up to 50% of area median income, and low, which is up to 80% of area median income, and it's an important distinction to make that we do not finance, you know, on our own, anything above 130% of area median income, that the only way you even get to the upper tier is if those units are going cross subsidizing the other units,

raised, and I appreciate that.

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and that's a profound shift from where we had been

previously, that we've driven those affordabilities

down and we're actually getting more on the public

side. It runs to the point that I made, and that you

COUNCIL MEMBER TORRES: Do the numbers you're counting, does that include units that go as high as 165% of AMI?

ERIC ENDERLIN: That's, yes, that would be counted in the plan, but there are very few of those.

COUNCIL MEMBER TORRES: And what does that translate, what is 165 AMI in terms of monthly rent?

ERIC ENDERLIN: I think I brought my card. So, so 130, just to give you, 130 goes to, for a one-bedroom is \$2400. So you'd go up from there. We don't even have this card going up to 165. I could get that for you. [background voices]

COUNCIL MEMBER TORRES: So, because I want to, I want to know if we are creating an affordable housing plan that is advancing equity or that's continuing inequality in New York City., you

units. Oh, for homeless families?

COUNCIL MEMBER TORRES: For homeless

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families.

ERIC ENDERLIN: Do you have that number,

Bert? We've close to 10,000 over the course of the

plan for last year.

CHAIRPERSON CORNEGY: I'm sorry,

Commissioner, could you repeat the number again
please?

ERIC ENDERLIN: We're 10,000 total, last year it was 2578, two thousand five hundred and seventy eight units for homeless households in the plan.

COUNCIL MEMBER TORRES: So we created 1800 for 130% AMI units and about 2500 for homeless?

ERIC ENDERLIN: But did not finance those, correct, yes, they were in the plan, but in many ways those units that you're talking about that were created in the plan actually cross subsidized and supported...

COUNCIL MEMBER TORRES: But if I heard you, maybe, if I heard you correctly I thought you finance up to 130% of AMI?

ERIC ENDERLIN: Up to 130. So the 165...

COUNCIL MEMBER TORRES: But you do

24 | finance 130?

ERIC ENDERLIN: We can finance up to 130.

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COUNCIL MEMBER TORRES: And you've

created, if I heard correctly, what, 1800 units at

5 ERIC ENDERLIN: Above 130 that are not 6 subsidized.

7 COUNCIL MEMBER TORRES: What about at 8 130?

ERIC ENDERLIN: Ah, from 80 to 120 are 1100, and those are actually would be receiving subsidy from the higher income units. They would be cross subsidized.

COUNCIL MEMBER TORRES: I just worry that we're creating...

ERIC ENDERLIN: I hear you.

COUNCIL MEMBER TORRES: ...that skew towards higher incomes than we are creating units [applause] for the lowest, and it actually is not, this is actually not meant to be demagogic and I know these are hard problems to solve, but whether it's creating jobs or creating housing I just worry that we're pretending to address a problem that we're actually ignoring, and that's we're not connecting lowest income New Yorkers [applause] to quality jobs and affordable housing.

Torres, hold one second. We are moving very closely to the ability for public testimony to take place.

The more we do that the less likely that we'll hear everyone's voices. That's the best way I could describe it to you. So I know you're passionate, but we are almost at the point where we will be changing the panels and allowing the public to speak. When you have these interruptions, as minor as they are, they actually elongate the process from me hearing from you exactly. So please, if you can.

COUNCIL MEMBER TORRES: I'm going to end here. Do we know, just one quick, when it come to closing the gap between supply and demand, when it comes to, for deeply affordable housing for the lowest-income New Yorkers, how many, how many Section 8 vouchers in an ideal world to close the gap between supply and demand for the lowest-income New Yorkers?

ERIC ENDERLIN: That's a, I don't think we can answer that immediately, but it's a good question. No, it's a big question. So let me...

COUNCIL MEMBER TORRES: Because the units you're creating, if we were able to combine it with a

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2 Section 8 voucher you could make it deeply affordable 3 to the poorest New Yorkers.

ERIC ENDERLIN: Oh, that's your question,

I thought you were asking about overall demand in
this...

COUNCIL MEMBER TORRES: I am actually asking about overall demand and...

ERIC ENDERLIN: OK.

COUNCIL MEMBER TORRES: But I'm curious to know how many Section 8 vouchers would we need to house every homeless family and every low-income, rent-burdened low-income New Yorker.

 $\label{eq:error} \mbox{ERIC ENDERLIN: We'd have to look to} \\ \mbox{answer that question.}$ 

COUNCIL MEMBER TORRES: OK.

the confines of a, of the world of limited resources, we have done last year 60% of the units that we produce are for extremely low and very low income households. So that's from zero to 30% and from 30% to 50%, and many of them, in addition to having program subsidy to produce those units also have rental assistance, as you describe, that helps make that affordable to that, ah, that occupant. The

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other thing I would just add, and I don't want to, I

don't want, I just want to add that we try as hard as

we can to do what we do in a data-drive policy way.

In other words, and I don't mean that to sound too

technical. What I'm saying is we look on some of

those units, is there unmet need across different

categories and are people, believe it or not in New

York, rent burdened at different tiers and many are.

COUNCIL MEMBER TORRES: Respectfully, this is such a crucial point and I want to, you're right. New Yorkers are rent burdened across the board, but I can tell you there's a difference between someone who earns, there's a difference between me being rent-burdened at \$150,000 a year versus someone who is earning \$15,000 and is rent-burdened.

ERIC ENDERLIN: Absolutely. [applause]

COUNCIL MEMBER TORRES: And that, that's

a crucial, like, so it's not enough that you're rentburdened, are you rent-burdened at the lowest levels,

where your very survival is at stake.

ERIC ENDERLIN: Yes.

COUNCIL MEMBER TORRES: That's, that's

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ERIC ENDERLIN: Yes, where that burden is intensively regressive, yes.

COUNCIL MEMBER TORRES: OK. I know my time is expired. But thank you for the back-andforth.

CHAIRPERSON CORNEGY: I'm sorry, what I didn't do was explain to you that you don't have to be, ah, you don't have to not show emotion, we just ask that you do it silently so in your approval and/or disapproval you can do this, and that won't stop anything. So I don't want to, this was not, I'm not trying to censor you, just if you could. Council Member Gjonaj?

COUNCIL MEMBER GJONAJ: Thank you, The saying is Rome has nothing on us because we live in some very challenging and difficult times. Much has been said about federal cuts and how much we rely on those federal dollars. No one even considers the fact that we could have a recession in this city and the impact that that will have on your five-year and your 10-year plans, let alone any potential cuts that we're having or facing from the federal end of it, this is coming, and I don't see any forecasting, I don't see anything that is going to, um, help us

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2 meet our objectives of creating affordable housing.

3 With a recession on the horizon.

ERIC ENDERLIN: Just respond broadly to that?

COUNCIL MEMBER GJONAJ: Yeah, please.

ERIC ENDERLIN: Because I'm happy to. don't disagree with you. I mean, I don't want to put myself forward as an economist today, but if you look, and we very carefully follow a number of indicators and markets in the work that we do, including how our tax credits are pricing, including what interest rates we're getting on projects, and if you look even today a very critical marker has happened in which interest rates did something very unusual that do herald the potential for a recession. So I think if you went to a lot of experts today they would agree with you on that. So we are always concerned about that. We're always looking forward at the future, and I sometimes make the point that, and I made this to the chair on a phone call the other date that, um, you know, we are called Housing Preservation and Development because those two things, preservation and development, while we always do them together they are economically counter-

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cyclical at times, that there are times when the market is strong and you can move ahead with a lot of new construction and preservation, but heavy on the new construction, and then if you get a recession you can get a retrenchment, and we did this, and we saw this in 2008 and 2009, and you kind of pivot to preservation because it's smart to do and you get a lot of development done and you preserve and protect a lot of households with low income. So we fundamentally agree with you and we're always looking out for a rainy day. We're always looking for ways that we can pivot, and that's one reason when we say that we don't want to be over-circumscribed in the way we do programs and terms, um, we like to have the

that. I also want to touch on quite a few issue from new construction, um, and we understand the need of new construction, but we also have to understand the need for investing in the infrastructure to support new construction, and that starts from schools that are overcrowded to our healthcare systems that aren't providing enough beds, ah, for those that need healthcare attention, from policing, roadways, we

flexibility to be responsive.

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have to look at this from a holistic point and just not wing it for the sake of winging it. And there's real impact that comes out of new construction that upends communities. We talk much about supportive housing, ah, the Fair Share plan that was produced in 2016 showed that of all the boroughs, the Borough of the Bronx had more supportive housing units than any other borough per capita, 41% more than Brooklyn, 32% more than Manhattan, 99% more than Staten Island, and 100% more than Queens. Inundating the Borough of the Bronx to bear the brunt share of this responsibility is not fair. We have overburdened the poorest borough, the sickest borough, the highest rate of unemployed borough, with affordable supportive housing that is not intended for Bronx sites, and we're up to the challenge. This is all boroughs meeting their fair share. But when you allow the Borough of the Bronx to get innundated inundated, without giving us the additional resources that are needed to meet the needs of these families and individuals it puts another huge hurdle and a burden on a borough that's trying to create a stronger foundation for itself and for future generations. want to talk about a bit of triage on a battlefield.

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Typically we try to stop the bleeding first before we attend to the needs. We are not stopping the bleeding when it comes to the need for affordable housing and the homeless rate. We're not protecting the most vulnerable. I've spoken on this a number of times. Before we can even address the needs of the homeless let's stop the increase, and that's preserving the homes that these vulnerable families And the TRIE bill would do that. The Tenant Rent Increase Exemption Program, which works similar to the SCRIE and the DRIE program, families earning under \$50,000 a year would not be burdened by a future rent increase. The message would be we know it's difficult. We're not going to let rent be the determining factor what forces you out of your home and we're not going to get, we're not going to allow it to get worse for you. Keeping more people in their homes, more stability, so we can address the real issue, and that is making sure that everyone has a roof over their head. Where are we on the vacant lots that Scott [inaudible] report showed citywide, when we talk about locations that we can develop, how much progress have we made there? And not enough is said about middle-class housing. In today's times

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when you have a union-paid job and are fortunate to have two head of household they're priced out. is nothing for them. The numbers I believe that you refer to here of the 121,000 units, not much has been allocated to middle income. Forget about seniors and veterans. Which are making decisions on and giving up the communities that they helped build. veterans fight for this nation, come home, and have to make decisions on moving because they don't have housing options. Our seniors, the ones that have built our neighborhoods, and made them into the great communities and create a quality of life for families to enjoy, are forced to move out of the neighborhoods they very built. And I know that there are so many questions, I'm grateful to the chairs for giving me the flexibility of going over, but please answer as many of those questions as possible.

UNIDENTIFIED: [shouts out - inaudible]
UNIDENTIFIED: Shhh.

ERIC ENDERLIN: You did have a lot of questions in there, or things that could be turned into questions. The, um, we just answered a question for Council Member Torres about the distribution of units and my answer included part of a response that

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I would give to you as well, is that we do look for where there is rent burden, where there is unmet need. We try to be thoughtful about it, while recognizing that the deepest burden is among folks with lowest income in terms of how they experience that burden and how regressive that burden is, absolutely understood. The other comment I would make to you is that the elected officials in the Bronx have been very successful and very thoughtful and very persistent about working with HPD around mixing incomes in those projects. There's a lot of times what community boards come to us and say and what the electeds come to us to say is that we need projects that both meet the needs of deeply affordable units and households and also run a range so that we kind of have a balanced housing stock... COUNCIL MEMBER GJONAJ: But there's a big difference between affordable housing and supportive housing.

ERIC ENDERLIN: Yes.

COUNCIL MEMBER GJONAJ: And those numbers are clear, and that doesn't even take into consideration the scatter sites...

ERIC ENDERLIN: Yes.

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COUNCIL MEMBER GJONAJ: And we have no idea where they're located and how many there are in particularly the Borough of the Bronx compared to the rest of the city.

ERIC ENDERLIN: Yeah...

CHAIRPERSON CORNEGY: Before you address that..

ERIC ENDERLIN: Yes, sir.

CHAIRPERSON CORNEGY: I just want to ask my colleagues it is incredibly important that we get a chance to hear from, ah, people who have waited all morning. I'm going to ask that Commissioner, yourself and/or your staff, be present to hear the testimony, because sometimes putting a face to what we hear as members and hearing directly from them, um, will guide your thought and your process through policy from an administrative standpoint. So I'm asking two things. I'm asking that my colleagues, to the extent that you can, stay within the confines of what we've asked you to do, ah, in an attempt to be able to hear from, um, ah, the advocates who are here and the people who are actually negatively impacted by the policies that we put forward, and I ask that the, that HPD, to the extent that you can stay and

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2 that you can have your, um, your staff listen to 3 these stories directly, I would appreciate it.

ERIC ENDERLIN: We certainly can, thank So back to the questions, on the supportive housing comment and question we agree. We always challenge the idea we're of, that supportive housing is in some way a burden. We work for a balanced housing response and we challenge the idea that supportive housing in some way is a burden. Oftentimes it's the most attractive, well-managed property that might exist. But that said, when you talk about the distribution, because there is, there is, as I described, when the electeds and when community board speak to us a lot of times in the Bronx they do talk about rebalancing it and the history of what that distribution has been, and I can point out that of the units that we've financed through supportive housing programs just, we have, 43% of those are located in Manhattan, um, and... COUNCIL MEMBER GJONAJ: My numbers are

out that there is, there is a balancing that has gone on and a rebalancing that has gone on, and it's

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important to be thoughtful about that, and that affordable housing can work in two directions - one which is making something more affordable, deeply affordable in places where it doesn't exist. other is to invest and reinvest in places where there has been disinvestment and sometimes that calls for going a little bit in the mixed income direction that you talk about. On your description of TRIE, it's interesting and we're thoughtful about it, and I, would be happy to talk more and more about it. The caution that I would just offer about it, because it's, it's attractive at one level, but the challenge is that, and when you think about who might support it or who might not support it, the challenge is that if you go in the direction of creating what is essentially a rental voucher or tenant rental payment for those units and you figure out what that universe looks like, it has the potential to very quickly, in a changing world, swamp your entire budget. So, for example, people have said HUD at the federal level, which runs the Section 8 program, has increasingly become what some people describe as the Department of Section 8 in that 70-some percent of its budget in times has now become dedicated to Section 8.

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just advise, and it goes back to the comment I made earlier around building and controlling and working with not-for-profits and actually having a hard physical asset to really go in that direction to make sure we don't cut that off on the budget side in order to pursue a tenant rental assistance that could quickly balloon to numbers that would be hard to

that, and may I just apologize, Chairs, but we're talking about two different animals here, right?

We're talking about stopping the bleeding so more families don't become homeless and become a further burden where we're paying crazy prices to accommodate them in shelters and in hotels. Keeping them in their home is spending money wisely.

ERIC ENDERLIN: And I would...

COUNCIL MEMBER GJONAJ: That's the idea.

ERIC ENDERLIN: We're happy to work with you on that and to figure out...

COUNCIL MEMBER GJONAJ: But I propose that the number is 300 million dollars, over a period of five years. We're talking billions. And that was numbers that I received from HPD.

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ERIC ENDERLIN: We're happy to, you know, I, I'll say we're happy to work with you and look at it further.

COUNCIL MEMBER GJONAJ: And I just want to point this out. This budget that we're referring to is 93 billion dollars. It's calling for a 1.9 billion dollar increase in real estate taxes, over a 1.5 billion from last year. So let me paint the picture. City charges landlord. Landlord passes on to tenant. Tenant pays landlord. Landlord pays The culprit is New York City, because they're city. the ones that are raising the rents on these vulnerable tenants. And have vilified the landlord in the process. No one even wants to acknowledge this, that these are pass-alongs onto tenants and we're creating the unaffordable aspect of it.

ERIC ENDERLIN: Yeah. As I said, we'd be, I'd be happy to look at that further. will say and in that, in the direction that you're talking about, we also feel, this is one of the reasons why we feel that strong rent regulation is a critical factor. But let me, if you don't mind, I'd like to look at your proposal more deeply in terms of the actual budget numbers and see what that is.

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homeless New Yorkers?

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2 CHAIRPERSON CORNEGY: Thank you so much.

CHAIRPERSON VANESSA GIBSON: Thank you.

I'm going to be quick because we do want to hear from the residences and the advocates who are here. Um, I wanted to ask a very pointed question. In the Housing NY plan 5% of the total number is set aside for housing for homeless New Yorkers. Is this administration at all going to consider raising that threshold to recognize the real need to house

 $\mbox{ \begin{tabular}{ll} ERIC ENDERLIN: & We will and we have and \\ \mbox{ \ensuremath{we} do.} \\ \ensuremath{\ensuremath{\ensuremath{w}}} \end{array} }$ 

CHAIRPERSON VANESSA GIBSON: No, no, beyond 5%.

beyond five. When you look at the set-asides they blend across, I think we're probably at 8% right now, and we're moving in the direction that is moving towards 10, and some of the numbers that we've heard already that would put us on track for units, I think we're pacing at about 24,000 units in the plan at that rate.

CHAIRPERSON VANESSA GIBSON: Do you have a timeframe on when we could expect to get to 30,000?

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2 ERIC ENDERLIN: Thirty, I don't know, 3 Molly, you might.

CHAIRPERSON VANESSA GIBSON: You say we're at 24?

ERIC ENDERLIN: We're on pace for 24. CHAIRPERSON VANESSA GIBSON: We're on pace for 24,000 by when?

ERIC ENDERLIN: By the end of the plan, at the current blend that we have coming in. Molly, you, Molly Park might have more to say about that.

CHAIRPERSON VANESSA GIBSON: OK.

MOLLY PARK: Ah, I would echo what the Commissioner has said. We are producing about 24, a hundred units, 2500 units a year, which would bring us to 24 to 25,000 by the end of the plan. It is 8% overall and it's over 10% of the rental units that we're doing.

CHAIRPERSON VANESSA GIBSON: OK, well, just forgive me for being honest, but, ah, it's not enough. It's not enough. We're on pace of achieving 24,000 by the plan. I mean, that plan is still a few years out. We are not building enough housing for homeless New Yorkers. And I think when you hear the compassion from advocates and constituents it's

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because we hear this every single day in our districts. Every single day. There is not a day that goes by when I don't travel in my community. Ιf I'm at church, the supermarket, I'm going to an event, I am always talking to someone, Commissioner, that needs housing. They're in shelters. They're mothers. They're fathers. They have children. not enough. This administration really needs to recognize the true need. If we can talk and speak with confidence of all the other great numbers we've achieved with preservation, with housing for low income, why are we not achieving that same priority for extremely low income families at homeless New Yorkers? We can't emphasize this enough. We, if we are to have a real successful plan we have to recognize where the greatest challenge is and try to meet it. We've talked about it extensively and we're going to continue to talk about it because the numbers that we're hearing are not sufficient. That's the bottom line. It's not sufficient. And so I hope that through the course of this budget process as we enter the phase of an executive budget we can really see more numbers coming down the pipeline.

Everything is always in the pipeline, but we need

forceful with you because our

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construction now. In the pipeline doesn't mean we're
ready to break ground. In the pipeline means that
we're still in the financing stage, so we still have
another process to go through, so I just want to make
sure that you and the team are really understanding
what we go through as council members and why we are

demand more of us we're demanding more of you. We're demanding more of this administration, more of this mayor to focus on housing homeless New Yorkers.

UNIDENTIFIED: Amen, amen.

CHAIRPERSON VANESSA GIBSON: We have to.

This is the reason why so many people are here today.

Many of them may be in shelters themselves and if you stay, if you stay for the testimony, I assure you, you will hear those stories. So another topic I want to talk about, because I have a lot of cluster housing and this administration has been committed to drawing down on cluster housing, I understand that we are in active conversation to acquire 17 different buildings that we're going to take ownership of at 174 million dollars. So I want to ask where are we with that conversation? Is this reflected in the

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capital plan, and what more should we expect on
drawing down on cluster e runits and turning those
units and buildings into affordable housing for

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ERIC ENDERLIN: I will start and then my colleague will add to that. Your comment is correct. That is underway and that goes to the comment that I made earlier and actually goes back to the comment that you just made around homelessness, that we are working on every approach, that we are not just looking at the pipeline, which you correctly indicate is years out and doesn't serve people always immediately today and we're working on approaches, for example, this cluster conversion with DSS that would have a much more immediate impact and would offer the city greater control of that kind of resource and that kind of asset to address this critical problem in real time and so with that I'll again turn to Molly Park, deputy commissioner of redevelopment.

MOLLY PARK: Yeah, ah, we expect to close on this transaction within the next couple of weeks, um, it's never over till it's over, but we are working very, very hard to do it. Just to clarify,

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we're financing the acquisition. The buildings will actually be owned by nonprofit organizations. will be permanent housing for right, right away, for more than 1200 homeless individuals. Those buildings will remain having, ah, significant homeless setaside on them going forward so that as families choose to move on that it is a renewed resource for homeless placements going forward. We are making more than 50% of the units permanently affordable, so in addition to the long-term affordability that we'll be getting going forward it's going to be a permanently affordable asset for the community. It's been a very challenging transaction, um, but I'm excited about it and I think it's an important, um, step towards our investment in extremely low and very low income households and housing for the homeless. It is something that right at the moment is not reflected in our budget, but we're working very closely with OMB and obviously given that we are closing the transaction in a couple of weeks we will be spending the money and then sorting it out after the fact.

CHAIRPERSON VANESSA GIBSON: So the 174 million is that just to acquieracquire the building

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or does that include renovations and modifications
that will need to be made to these units as well as
the overall buildings?

MOLLY PARK: That is the acquisition price and then there will be renovations that follow that.

CHAIRPERSON VANESSA GIBSON: So landlords are going to be making money, 174 million dollars.

So there will be another cost after we acquire the buildings and we work with not-for-profits. How are we going to finance the reconvations that need to be done to these apartments?

MOLLY PARK: That will flow through the HPD budget along with the acquisition of the buildings. It is, it is a large number of units, right? It is seven hundred, and this phase of the cluster's transaction is 729 units. Four hundred and sixty eight of them are homeless set-aside units and then with the, the remainder being existing rent-stabilized tenants. So it is a large price tag, but that's a reflection of the fact that is a large number of units. It translates out to, for the acquisition price to \$238,000 a unit, which is frankly comparable to what it costs to acquire rent-

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stabilized housing in the Bronx and Brooklyn, which
is where the buildings are located.

Wanted to ask about the Mayor's Office of Tenant

Protection and what that office is doing and the

staffing, um, the coordination and how does this

overlap with the Tenant Harassment Prevention Task

Force, which HPD is a part of. Um, I'm familiar with

many task forces HPD is a part of with the state, the

AG's office, HCR. So I'm trying to understand, um,

that we're not being duplicative but we're providing

real services for tenants that need real assistance

that are harassed every day by landlords and

exploited by landlords in their apartments.

I'll turn it over to AnnMarie Santiago, our deputy commissioner for enforcement and neighborhood services. We had some of the same concerns. We want to make sure that they aren't duplicative and that they don't overlap. We believe that the mayor's office will play a critical role in coordinating the activities of various departments, also provides an intake for advocacy and advocacy efforts, and these, and the tenant antiharassment unit itself will

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AnnMarie, would you like to add?

actually do more of the work on the ground in neighborhoods with buildings and with tenants to combat that kind of harassment. There is also significant coordination, I would add, with state entities, including the attorney general, um, that are designed to do this work as well, both in some cases for them statewide, but certainly here in New York. With that, New York City, with that I'll,

ANNMARIE SANTIAGO: Sure. So as you know, Council Member, there are many different types of harassment. There's construction as harassment, there is the type of harassment that would fall under HPD's purview, which is owners who fail to provide services, essential services, or who stop providing basic services, janitorial services, and then there are the types of harassment of false eviction notices and rental lease issues, so it spans the gamut and I think the idea is that the mayor's office to protect tenants will really kind of be an umbrella to make sure that appropriate remedy is being provide in the specific cases. HPD's tenant

antiharrasmentantiharassment unit will be, as the

commissioner said, boots on the ground, inspectors,

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types of maintenance issues as harassment.

attorneys, looking specifically at the types of

harassment issues that would fall into HPD's bucket

to ensure that we can be as aggressive as we can to

assist tenants navigate when they're having those

CHAIRPERSON VANESSA GIBSON: OK. The

Certificate of No Harassment pilot that we started

working with DOB, um, how is that going? Two of my

community boards are a part of that and what I'm

interested in understanding is what have you seen so

far as you've started this work and are we finding

patterns and consistencies with owners who habitually

are harassing tenants and we have documented records

of such, are we going to use the tools that we are

given to make sure that these are the owners, um,

that we hold accountable as we do the Certificate of

No Harassment work?

then I think the deputy commissioner will add. Um, it's early on that. It's a thousand buildings, 26,000 units. We have had a number of requests at this point for that Certificate of No Harassment. I think we've had 19 applications, um, at this point. No one has actually been denied for, on that

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ahead.

application and I think two people have achieved the certificate, two buildings have achieved the certificate. Again, it is early on that so we don't What we have seen already the reason that this exists is because we had seen patterns to begin with. So, for example, um, the idea that there could be a lot of churn or turnover in buildings, the idea that there could have been, you know, speculation going on in those neighborhoods, the idea that those buildings could be distressed. So the reason that the program exists is because we saw patterns that could indicate a problem to begin with. In terms of this actual program, the Certificate of No Harassment, I don't think it's been long enough to actually see results that we could be confident in saying are clearly a result of that, but, AnnMarie, you had a question, go

ANNMARIE SANTIAGO: I would agree with the Commissioner. We're working very well with the Department of Buildings. I know that some permits and applications have been stopped at the door at the Department of Buildings and, as the Commissioner said, we only have received about almost 20 applications at this point and we are working through

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them as there is an investigative period once we receive the application. So only a very few applications have made it to the point of a determination at this point. But we will continue to keep the council updated as results.

CHAIRPERSON VANESSA GIBSON: OK. OK, we appreciate that. Because of time I only have time for one more question before I turn it back to Chair Cornegy, but I wanted to ask about three-quarter housing. Ah, a few years ago in 2015 we announced the formation of an interagency task force whose job was to review three-quarter housing with the goal of transitioning many individuals into permanent housing. It's been four years. Do we have an update on how many have been relocated, ah, and some of the other issues that we have encountered with threequarter housing, specifically since many of the three-quarter housing is concentrated in certain parts of New York City, particularly the Bronx.

amount of progress, I think 671 clients have been moved out and 376 have moved into permanent housing with DSS and HRA. That is a significant portion of the existing stock and so that is moving in a

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direction that we feel is very positive and helpful and a good thing overall for the city and for the residents of those properties.

Well, CHAIRPERSON VANESSA GIBSON: OK. we definitely would love to keep being briefed and updated on that. And as I turn it back over to the chair, I definitely want to commend the agency. appreciate the work and a lot of the efforts with PEG, savings, and many other things that the agency is being tasked to do. The majority of your funding is federal, um, I appreciate the work that has been done to date, um, but I have to go on record on behalf of my district in the Bronx in just saying that's it really not enough. There are still far too many homeless New Yorkers that are not being placed in permanent housing and we have to do more in that regard, and I also think we have to go more in supportive housing, and as I represent a district that has taken its fair share of shelters and supportive housing and every other type of housing when a lot of the other communities can't even match what my district has done, I think it's more than reasonable that I can say on behalf of my district that I need more housing in the Bronx alone for

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homeless families that are living in my shelters today. I see them. Their children are in my schools. And it's not acceptable for me. And so as a member who has had its fair share I take homeless families from my community and other communities too. DHS will tell you that. And so I think it's fair to say to say when we are asking for more it's because we know the numbers, we see the people, and I want everyone to understand the faces of homelessness. They look like my community. They come from my community. And I want people to really understand that these are New Yorkers that are our family and friends and they truly are all asking for the same opportunity that everyone else is being afforded in this city and so I look forward to working with you in your capacity and HPD because we really have to do more in this city. Thank you so much, and I'll turn it back to the chair. [applause]

ERIC ENDERLIN: Thank you.

CHAIRPERSON CORNEGY: Thank you. Thank you, Chair Gibson. We have unfortunately a hard stop for this room at 2 o'clock and, um, in light of that and as of Chair of Housing and Buildings I have the latitude to defer the remainder of my questions to be

questions...

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submitted in writing, um, so that I can hear directly from public testimony. So I am going to exercise my ability to submit my questions in writing and have a reasonable expectation that you will get back to me in a timely fashion with answers to all of those

ERIC ENDERLIN: Yes.

CHAIRPERSON CORNEGY: ...as it relates to budget for fiscal 2020.

ERIC ENDERLIN: Absolutely.

CHAIRPERSON CORNEGY:

that. I'm going to limit myself to three minutes.

First, of course, I attach myself to my colleagues'
points about the need for more housing. There is a
building we've been working with HRA to try to turn
into permanent housing, affordable housing in my
district, and so I'd like to follow up with you on
that. Um, but I specifically want to talk about
survivors of domestic violence. The Legal Aid
Society brought a lawsuit against the city because a
woman in an abusive relationship was not able to
shift a Section 8 voucher to her name. What is HPD's
practice when a DV survivor attempts to bifurcate a

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lease agreement that includes a rental voucher administered by HPD, and this of course, and this is one of the most serious problems with survivors of domestic violence. This is one of the, ah, mallets that's held over their head and that is whose name is on the lease. My second question because I've really been, you can do a quick answer or send it, send the response, can HPD provide a progress report on its capital commitments for permanent housing for DV survivors? It's really just the single biggest problem.

that. The first example that you listed, which I learned about recently, is obviously a significant concern and not a unique situation, but a new situation that I think I'm aware of. I do believe that's been worked through, but I want to ask our deputy commissioner, who has experience with the Section 8, um, to talk about that a little bit more.

SHARON NEIL: Sure. Obviously I can't comment on the specific case since we are in litigation with the Legal Aid Society. But I will say that HPD has taken implementation of the [inaudible] rule that came in 2016 very seriously.

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We have implemented new protocols and practices across the agency, not just for Section 8, but it involves all housing programs federally funded. So we have a very, a very strong track record of help DV survivors and we are continuing to do that and we are continuing to work with Legal Aid [inaudible].

ERIC ENDERLIN: And on the question of capital commitment, we certainly would work with your office. I don't know if you have that, the number of available immediately...

 $\label{eq:council_member_rosenthal} \mbox{No, we'd have} \\ \mbox{to follow them.}$ 

ERIC ENDERLIN: We'll follow up with that.

COUNCIL MEMBER ROSENTHAL: OK. And I just want to note that Deputy Commissioner Santiago has been incredibly helpful in our district and I really appreciate her efforts. But, and I would like to just follow up with you on the, on what you're doing, if there's a new policy with domestic violence riders, it's the largest issue, as chair of the Committee on Women.

ERIC ENDERLIN: Thank you, Council

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COUNCIL MEMBER ROSENTHAL: Thank you.

CHAIRPERSON CORNEGY: Thank you. I just want to say, Commissioner, very rarely do we have an opportunity to have a, ah, acting interim or new commissioner that is so well versed. I think that's a testament to the fact that this is at least your second visit to HPD.

> ERIC ENDERLIN: Yes.

CHAIRPERSON CORNEGY: I appreciate the idea that you came in ready to hit the ground running in a very crucial and critical time. So I appreciate your knowledge and depth and breadth of understanding of HPD, and seamless transition and not missing a beat. That's very important to, ah, not only this council and this committee, but to the residents of the City of New York. Thank you.

ERIC ENDERLIN: Thank you very much.

CHAIRPERSON CORNEGY: So we are going to call, um, the first panel of public testimony. start with Leroy Alexander, Victoria Wolf, Harold Alexis, Benjamin Dulchin, and Ramone Leclerck. will be a 2-minute clock placed on testimony. I also, while these transitions is taking place would like to acknowledge the presence of Wagner College

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2 | who is here, Staten Island is in the building.

3 [applause] So once you've gathered and organized

4 yourself you can begin your testimony. I ask that

5 before your testimony begin you identify yourself by

6 | full name for the record. And you can begin at any

7 place that you would like to. I ask that on a panel

like we have that we allow chivalry to prevail.

VICTORIA WOLF: Good afternoon. My name is Victoria Wolf and I am a senior living in Eldred Lane Shelter. I am in the shelter system because of a repetitive failure of retina of my one seeing eye, with varying degrees of blindness over the last 25 years. My eyesight forced me into early retirement six months short of a full work history for Social Security and I was denied Social Security disability. For this reason, my Social Security monthly payment, after Medicare, is \$42 per month. Due to my physical impairments, including spinal and knee injuries, it is critical that I reside in housing with an elevator, preferably smoke-free. I have enrolled in the CITYFEPS program and have had my shopping letter. Unfortunately, at only \$1246 per month, I know I will never find an apartment in New York City that will meet my needs within the voucher's maximum pay.

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now I am stuck in the shelter with no viable route out. The House our Future NY campaign is asking for 30,000 units of housing set aside from the mayor's affordable housing plan for homeless New Yorkers, with 24,000 being new construction. This is simply not too much to ask. Housing provides a sense of security, safety, and succor to thrive. When I learned that over a third of the shelter population was children I was appalled. If I feel these needs so acutely I met from a lack of housing, imagine how much more intensely it is felt by children who are emotionally vulnerable. One does not life a life in a shelter. One is always in a survival mode. A sense of safety is nonexistent. You cannot think correctly, you cannot feel at ease because of atmosphere overwhelmingly thick with anger, fear, anxiety, and emotional instability. As a senior, I have taken consideration my ETR, or estimated time remaining. I need to know my housing is set and secure for the remainder of my life. If I use the voucher of \$1246, an amount way short of fair market value, out of desparation desperation, which is likely, I will be forced to take an apartment or a room that does not meet my physical needs. I fear a

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critical, excuse me, I fear a cyclical return into the shelter, but of right now the voucher is my only option. I have goals and desires, things I want to accomplish with my remaining time on this planet, and without hope why strive to go forward. House our Future NY would create an urgently needed housing stock for people in the shelter system and is a practical solution for all of us with nowhere to turn. As of January 7, 2019, I have entered into my third year of DHS shelter. There is a reason the average length of stay in a city shelter is increasing. There is nowhere suitable for people in the lowest income bracket or on fixed income to go. A home is not just a physical space. It also provides roots, identity, security, a sense of belonging, and a place of emotional well-being. hope that you all, as our elected officials, can acknowledge that every New Yorker at the least deserves a home. And thank you.

CHAIRPERSON CORNEGY: Thank you for your testimony, Ms. Wolf.

LEROY ALEXANDER: Good afternoon

everyone. My name is Leroy Alexander and I'm a

membership leader with Neighborhoods Together. I'm

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2 here today to urge the City Council to support House our Future NY and help homeless New Yorkers move into 3 4 permanent housing. I first became homeless in 2001 5 and experienced three different episodes of homelessness, totalling almost two years, and over 6 7 the course of that time I lived in two drop-in centers and four different shelters. But for the 8 last six years I've been living in a unit through a 9 10 supportive housing provider. While it isn't perfect, while it isn't perfect I always have a place to call 11 12 home and I live with dignity. This homeless crisis is insidious. And an analogy, an analogy can be made 13 14 to the AIDS epidemic. That was a deadly disease that 15 for too long our government withheld the resources 16 necessary to effect a cure. To those who haven't experienced homelessness firsthand, it is necessary, 17 18 it is nearly impossible, rather, to fully comprehend the nature of this reality which affects more than 19 20 63,000 New Yorkers. However, through House our Future NY we can begin to make real strides to 21 2.2 alleviate this suffering. The mayor's affordable 23 housing plan does not meet the most crucial need for housing. His plan creates 60,000 units for people 24 making between \$70,000 and \$140,000 a year. At that 25

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rate, even if 10% of those units that we're asking to be set aside for those who are currently homeless, is to me gradualism at best. But it's a step in the right direction. I'm here to be a voice for those people who are homeless and do not have the ability to represent themselves. I can sit here and speak to you today because my basic human needs are met. important to understand that homelessness has no face, no stereotype, and is native to no particular segment of the population. Homelessness is but one misstep away for far too many people, even some of you in this room today. Our elected and appointed officials need to be responsible for and accountable to those grass-roots rank and file New Yorkers, the ones that were here before gentrification made living in places like Bed-Sty, Bushwick, Harlem, and the South Bronx chic for upper middle class people. If America is what she says she is and if New York wants to be the biggest fair city in America, we have the obligation to meet the needs of those who work hard but don't have a pot of gold at the end of their rainbow or two cars in their garage, or even a chicken in their pot. Thank you for allowing me to

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2 speak. Thank you for listening. Once again, I'm
3 Leroy Alexander.

testimony, Mr. Alexander. I ask that to the extent if you can surmise some of your testimony, it only allows for me to hear the over 25 people who signed up. I don't want to cut anyone short and your voices are all incredibly important. To the extent that you can do that, or maybe you feel like some of your testimony is repetitive, um, I would appreciate and so would everyone else if you could do that. That's not anyone in particular. That's a blanket statement.

UNIDENTIFIED: I will take that as a challenge. Um, so thank you, Chair Cornegy, Chair Gibson, Council Members Gjonaj, Perkins, and Chin.

My name is Benjamin Dulchin. I'm the executive director of the Association for Neighborhood and Housing Development. We're a member association of about 101 neighborhood-based affordable housing and [inaudible] development organizations in all five boroughs. So rather than read my testimony, of which you have copies, I'll just quickly summarize a couple of the key points. Um, you know, we all know the

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2 threats that New York City is facing with potential cuts to the federal budget. In this environment it 3 is more important than ever that New York City 4 Council set the right example and promote policies, 5 6 and with the FY20 budget support those programs that 7 help to support the most vulnerable New Yorkers. One of the programs which has been very effective over 8 the years has been the Community Housing Preservation 9 Initiative, formerly known as the Housing 10 Preservation Initiative and the Community Consultant 11 12 Contract. Last year, over the last number of years, the New York City Council has funded three points, 13 14 ah, \$3,651,000 to districts around the city, 15 specifically from neighborhood-based groups doing the 16 most effective anti-displacement, anti-eviction neighborhood preservation work. That program works. 17 18 Recent analysis by NHD shows that there is no question that our best, ah, our best efforts are put 19 20 in the preservation of existing affordable units, especially in the private market, rather than through 21 2.2 new construction plans. It costs about \$100,000 for 23 every unit in direct city subsidy. For every new construction unit it's about \$40,000 in direct city 24 25 subsidy, that is taxpayer subsidy. For every

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preservation unit, and taking in account the total cost of construction, including tax credits, ah, and tax abatements, each unit is four times that. So the Community Housing Preservation Initiative, ah, every year the groups that you fund through this work directly, Council, in your neighborhoods, about 15,000 tenants who are threatened with displacement, educate about 28,000 residents who are facing displacement crisis, and directly work with 2000 residents facing immediate eviction. The program It's one of the most effective ways for us to works. address the displacement crisis and the housing crisis. Finally, I just want to thank the City Council for its support for ANHD last year for the creation of the, um, a new version of the Displacement Alert Project. We're currently in the process and expect that in early April to be rolling out a New York City Council district-specific version of the Displacement Alert Project with new research tools in your hands and your staffs' hands and with your constitutents constituents. So we look forward

CHAIRPERSON VANESSA GIBSON: Thank you for your testimony, Mr. Dulchin. And I want to thank

Thank you.

to sharing that with you in April.

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you for your continued work on the ground, ah, in

this issue. Ah, some of the information that we get

is incredibly valuable from you and your

5 organization, so thank you.

RAMON LECLERC: Good afternoon, esteemed members of the City Council. My name is Ramon Leclerc. I'm representing the Alternatives for Homeless LGBTQ as well as myself. I don't have a prepared statement, but I'm going to shoot from the heart here. I've been homeless for 11 years, paying taxes, working multiple jobs, and I cannot seem to earn enough money to get out of the shelter system. I went through the Borough of Manhattan Community College. I pretty much completed my associate's degree in English. I'm sorry, my two-year degree, but, um, then I transferred to Hunter while still in the shelter system and that became a real detriment to me and my learning experience because I have very mild cerebral palsy and therefore it takes me a little longer to get requirements done because of learning disabilities, of course, also. And I ended up failing out, being academically discharged from Hunter because of an inadequate housing situation. Um, it's really difficult to deal with. The reason I

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became homeless was because I aged out of foster care at the age of 21. I was in foster care from 12 to 21. So it's just been a really long ride and I'm glad to be now to be able to give back to the community by having the position I have at New Alternatives. But I really just would like some stability for myself so I could continue my advocacy work. I don't know how many of us know, but there are affordable units that are requiring \$100,000 incomes or better. That's absurd. I make about \$12,000 to \$15,000 a year. How am I supposed to be able to afford that? And the reason I was applauding and stuff was because I like what Council Member Chin and, I forgot your name, said about, you know, the affordability of housing in New York City.

just want to say thank you so much for giving another perspective of the ancillary impact of unstable housing on education. When we think about it, we sometimes don't include that necessary impact and how that instability can ultimately cost someone, that level of consistency is obviously necessary for studying, so just thank you for that extra

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2 perspective on its impact, unstable housing on

3 education. Thank you.

HAROLD ALEXIS: Good afternoon, everyone. My name is Harold Alexis and I am here with Neighbors Together and the House our Future NY campaign. want to thank you for this opportunity to testimony. I was born in the East Village of Manhattan. raised in live in the Bronx for over 50 years before I became homeless. For the past five, going on six, I have been transferred to five different shelters and passed between 22 case managers and housing specialists. The length of shelter stay has increased by 62% for individuals like me under the de Blasio administration. My time in the shelter far exceeds the average and is not for lacking of trying. I have been able to maintain work while in the shelter and I have been conducting my own housing searches vigilantly with my CITYFEPS voucher. my physical restraints, I walk with a cane and cannot viably live in a walk-up apartment. CITYFEPS only pays \$1246 a month. In a city that is experiencing skyrocketing cost of living and rent increases my chances of finding somewhere to accept my program are slim and getting worse every day. The House Our

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Future campaign would directly benefit someone like me, 24,000 units of newly constructed housing, of 30,000 units of housing aside for people living in shelter, would be a much-needed infusion of extremely low income housing. The affordable housing plan, as it is currently stands aside 20% for the individuals making \$70,000 to \$120,000 a year and only 5% for people who are homeless. The mayor will push back and make the claim that this affordable housing plan is for everyone. We understand this claim and believe it is smart to make New York livable for every income range. But here is the key point we are trying to make. There are 63,000 New Yorkers, many of us, like myself, who have lived in New York our whole lives and many of us, like myself, work and who do not have a place to live. Other individuals, initiatives the mayor has offered have failed. Our vouchers are not enough to afford an apartment in 2019. Not one of my 22 case managers have successfully helped me leave the shelter. The income at my job will never be enough for me to live in New York on my own. Action speaks louder than words. And a mayor who campaigned on ending the tale of two cities has shown with his policies that if you are

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thank you for this opportunity.

low income and want to live in New York your best bet is for housing to leave. There's more to it but I know we have other speakers that want to speak, but I

CHAIRPERSON CORNEGY: Thank you for being gracious to the rest of your folks who are here to testify. Thank you all for your testimony. We are going to call the next panel, which is Felix Guzman, Julia Martinez, Cynthia Green, Wanston Williams, Andrew Lewis, Isabel Adon, and Bernadette Delvin-Steel, Steed, I'm sorry. You can begin whenever you like. I just ask that you identify yourself for the record upon your testimony. Thank you.

UNIDENTIFIED: Well, thank you very much to everyone that has stayed. No thanks to HPD, who flew out of the room like they pants were on fire.

Um, I want to just start by saying that, um, I'm here representing 1600 Nelson Avenue, which is a HDFC and I am going to skip through the, ah, part of the testimony that I know a lot of us have heard and I have written testimony which I like to give to the council. But the one thing that I want to do is make some recommendations around third-party transfer, which I'm not going to get into, um, if you want to

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2 look it up, if you want to talk to the people at HPD you can do so, but I want to bring awareness to the 3 4 kind of, um, policies that this administration 5 continues to assert and the pilfering of resources and how developers get \$90,000 per unit they bound to 6 7 get from my building and why isn't that money given to us so we can take of what we need to take care. 8 It is a shame. It is really irresponsible. It is 9 10 oppression by any other name and most of all, most of all, it is the kind of thing that it's not supportive 11 12 of having people continuing to have the American dream meaning that we own a home, we gonna go from 13 owners to renter and that is not fair. I want to 14 15 quote here something that somebody said, that they 16 wanted to meet the affordable housing quotoquota, but 17 that quota cannot be met by displacing those of us 18 who have lived in our building for over 50 years and when no one wanted to be in the Bronx we were still 19 20 there. We were still there when there were drug addicts, when there were crimes, when there was 21 2.2 everything going on, but now the Bronx is, you know, 23 enticing, it's affordable, let's go to the Bronx, and let me tell you, hell no, we won't go, and we would 24 25 give whatever it takes for us to have our voices

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2 heard. And I want to submit this testimony in writing.

CHAIRPERSON CORNEGY: So I just want to you to know that, um, we don't believe that having pathways to home ownership and affordable housing are mutually exclusive. We believe in a city like New Yorkny we can do both. And we're fighting, um, I'm aware of your HDFC situation, um, and it's one of those that's on the table that we're discussing as we go back over HPD's, um, third-party transfer program. So you should know that the investigation and work in and around that has not been completed yet, um, but we don't believe that we have to focus on one without the other. So we believe that there is a space in this city for deep affordability and affordable housing while pathways to home ownership also is a priority for this administration, ah, this current council, and this committee.

UNIDENTIFIED: And I want to thank you for taking you and Ms. Gibson for being at the forefront of this, um, this fight, when everyone was silence.

Thank you.

CHAIRPERSON CORNEGY: Thank you.

1 NIN DITTINTNOS TOTNITV MITHU CANTINAT DITHOUT

FELIX GUZMAN: Hello, hello? Hi, my name is Felix Guzman. I'm just going give a little personal testimony. Ah, HPD, DOB, DHS, HRA, DSS.

5 These are a few of the...

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CHAIRPERSON CORNEGY: Wait, I'm sorry,
Mr. Guzman. I do want to acknowledge the fact that
HPD officials are still here, so they didn't, they
all didn't run out with their pants on fire. There
are some actually members of HPD who are here
receiving the testimony and I'm certain will take
back your sentiments to HPD.

FELIX GUZMAN: Can I have the two minutes?

CHAIRPERSON VANESSA GIBSON: Yeah, you can start all over again, sorry.

FELIX GUZMAN: OK, thank you. Thank you.

HPD, DOB, DHS, HRA, DSS, these are a few of the acronyms charged with preserving housing and addressing homelessness through trickle-down relationships with landlords and developers who build their portfolios at the expense of struggling taxpayers who are moments away from being homeless and the homeless. I live at 1196 Eastern Parkway in Crown Heights. This is a building whose residential

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complaints were supposed to be regulated by HPD, DOB, and DHS, DSS, HRA. I mentioned DSS, DHS, HRA earlier because they facilitated the change of my building I lived in into a cluster site, housing homeless families and then single adults. The problems of the homelessness were brought to me. The horror stories heard about what happens in cluster site programs are true. While this was all happening I was under psychiatric care, which billed Medicaid nonethically, worked as a purchasing accounts payable rep, as a housing specialist, mental health advocate, and struggled to provide a way to maintain a family. The relationship I was in was abusive. exploited for housing and for a child. That's right. I'm a disabled male DV survivor. No one helps men. But that's another fight. Thankfully I am in therapy, non-medicated, and managing that amazingly. The companies which ran the cluster site program in my building I believe were Campbell and Ocasio network. Campbell, the same agency that runs Home Base. Who do you complain to? As a result of contracts provided to such vendors who provided no security or aftercare I lost job after job, which impacted my relationships with immediate family to

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the point where I actually became homeless. becoming homeless I approached HRA for help, which they expressed I should enter the shelter to find an apartment for myself and my immediate family, which included my special-needs child. I would complain when DOB and HPD workers came by, to no available. Nothing changed, and then I became homeless. My testimony is true and unique. I am back in the apartment I called home before the cluster site and homelessness. I teach at Riker's, facilitate recovery groups, and use my voice now to speak for others. I fell through the cracks but I made a way out. I would not be alive today if I refused to stop fighting for my sanity, my sobriety, my life. Policies in place did not work for me, my mom, or my son. The fact that I became homeless as a result of my being, my building being condemned as a cluster site with no end in site and told to enter a shelter system as a single male to navigate securing a place is insane, insane. The brutality of homeless broke my family up and almost killed me. Thank you.

CHAIRPERSON CORNEGY: Thank you for your testimony, and I heard the unique situation that you're in, and it's not lost on me, and thank you for

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continuing to advocate even in your time of stress
and what you're dealing with. Thank you.

JULIA DURANTE MARTINEZ: Good afternoon, Committee Chair Cornegy and members of the committee. My name is Julia Durante Martinez and I'm the community land trust coordinator at New Economy Project. Along with Picture the Homeless and other advocates, New Economy Project cofounded and coconvenes the New York City Community Land Initiative, which is a coalition of more than two dozen housing and social justice organizations advocating for community land trusts to preserve and create deeply permanently affordable housing and stabilized neighborhoods, and as an outgrowth of this work New Economy Project and 14 partner organizations are proposing a new citywide CLT initiative with fiscal year 2020 discretionary funding support that would incubate and expand community land trusts in all five boroughs of New York City. CLTs are a proven mechanism to preserve vital affordable housing stock, prevent extraction of public subsidies, and combat displacement. A CLT is a nonprofit that owns and stewards land in the community's interest and leases use of the land for affordable housing development

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1 2 and other community needs. CLTs typically issue 99year renewable ground leases that establish resale 3 and rental restrictions, and these restrictions 4 5 protect public investments and CLTs from being lost to the market over time, which is a key advantage 6 7 that CLTs have over conventional 8 affordability affordability terms. The long-standing Cooper Square CLTs, for example, on the Lower East 9 Side, has developed and preserved 400 units of 10 housing for households earning roughly 30% of area 11 12 median income, and will continue to do so in perpetuity. Another thing to mention is that CLTs 13 also engage community members in meaningful decision-14 15 making over neighborhood development. The boards of 16 directors are typically composed of equal part CLTs leaseholders, community members, and public 17 18 stakeholders. Both the Cooper Square CLTs and the East Harlem [inaudible] CLT as well as emerging CLTs 19 20 citywide have grown out of sustained community-led planning and organizing and continue to have strong 21 2.2 relationships with their community boards and other 23 local partners. The CLT model has sparked a citywide movement that has achieved tremendous gains in recent 24

years and more than a dozen community-based

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organizations from the northwest Bronx to Brownsville
are working to develop local leadership, deepen
community partershipspartnerships, organize tenants

5 and home owners, and identify properties suitable for

6 their CLTs. The proposed citywide CLT initiative

7 | will allow these groups to build upon this exciting

8 progress at a critical moment of opportunity, and the

9 initiative will support essential CLT community

10 | education and organizing, board and member training,

11 and other startup costs, build capacity through

12 | legal, financial, and technical assistance, and

13 promote coordination among CLTs so they reach a

14 sustainable scale. So we ask the committee to

15 | include the CLT initiative in its budget

16 recommendations for 2020. Thank you again for the

17 | opportunity to testimony.

CHAIRPERSON CORNEGY: Thank you for your testimony.

BERNADETTE DEVLIN-STEED: Good afternoon

ladies and gentleman of the council, Mr. Chairman.

Thank you for the opportunity to testify today. My

name is Bernadette Devlin-Steed. I'm a member of 465

West 157th Street Tenant Association. I am here, my

building is in the TIL program. And I'm here to

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2 discuss one circumstance that, although it's one circumstance, it's indicative of many of the problems 3 4 that are addressed within the TIL program. On June 25 of 2018 I was informed that the gas was shut off 5 6 in my building indefinitely. This is because Con 7 Edison found threeleaksthree leaks in the basement of our building and shut the building off. It was later 8 determined, after a meeting with the board and HPD 9 that they would not be continuing, the gas would be 10 permanently shut off. It was determined that we were 11 12 going to get electric stoves. This required, ah, the entire building's electricity having to be rehauled. 13 We were still, we still had fuses and we needed 14 15 circuit breaker boxes. We needed dedicated lines put 16 in. We needed things to happen that were, um, that could facilitate us having the electric stoves and 17 18 the ability to use them correctly. In the interim, we were given hot plates. Some families were given 19 20 two hot plates. Some families were given one, based on the size of the families. These hot plates were 21 2.2 sub par. I have currently a one-burner-working hot 23 plate. It's been difficult to cook and it's been eight months. The electricity work done in the 24 25 apartment was, there were three different, um, bids

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that were put in with HPD for the electrical work to be done. They determined that they were not going to go with any of those bids and went with yet another company. Everything was done on the cheap, on the cheap, on the cheap. And HPD's defense is we don't have the budget, we don't have the budget, we don't have the budget. Ah, the electrical contractors violated health codes in they did not test for lead, they did not test for asbestos as they knocked down our walls to put in new wiring for these, ah, for these stoves. They went around work orders. were stop work orders on the building from many years back, but they were never cleared because interdepartment, intercity agencies can't fine one another, so the Department of Buildings went around, or HPD went around the stop work orders and got permits for this electrical contractor. They, um, they didn't contain the, ah, dust and debris in our department. They were shut down for a while from the health department. Several residents had to call 311. There was dust and debris everywhere. I have respiratory problems. There are people in our building who have children. They couldn't bring

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2 their children into the building to live because of 3 the dust and debris.

CHAIRPERSON CORNEGY: I'm sorry, Ms. Steed, do you know who your council member is?

BERNADETTE DEVLIN-STEED: Mark Levine.

CHAIRPERSON CORNEGY: Have you had a chance to engage him on these issues?

BERNADETTE DEVLIN-STEED: I have spoken with people in his office, but we have not directly spoken with him, and I have been working with Pa'Lante Harlem and they're very useful to us.

asking is because your testimony is very specific and it requires resolution as there are health risks, and as opposed to you just giving a testimony I'd like to through your council member actually address those issues and try to resolve them. So I ask you, ah, not to continue your testimony but to see if we can't have a conversation and myself, between myself, my office, and Mark, get you the resolution that you need.

BERNADETTE DEVLIN-STEED: Yes, um, thank you, Mr. Chairman. Again, I'm here today to ask you to move forward with the TIL funding because I

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2 believe that if the building could have been

3 rehabilitated, if the tenants relocated and the

4 | building rehabilitated and us moved back in as

5 promised over a dozen years ago these problems

6 wouldn't exist today. The building is in a horrible

7 state of disrepair and my question is what happens

8 | next, and to the HPD, and I know I'm over time and

9 thank you for the consideration, um, my question to

10 the HPD officials who are here is that earlier that

11 | HPD testified that they're here to protect tenants

12 from abuse and exploitation and harassment. What

13 | happens when they're the perpetrators of that abuse,

14 | harassment, and exploitation?

15 CHAIRPERSON CORNEGY: That's a fair

16 question and I'll certainly follow up with HPD. They

17 | can't respond now but we'll follow up, especially

18 | with your case, because I think that there's some

19 resolution that we could get to between myself and my

20 resources and the resources of a very active in Mark

21 Levine.

22 BERNADETTE DEVLIN-STEED: Thank you, Mr.

23 Chairman.

CHAIRPERSON CORNEGY: Thank you.

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ד∧דתותו ∨ זייוואד ראד 2 UNIDENTIFIED: Good afternoon, everyone, also to everyone sitting on the panel. You know, I'm 3 Jewish but it's my Shabbat, I lose names and 4 5 everything. So I'm going to say thank you to you 6 all. You know, I just celebrated my Purim and today 7 Shabbat is on the weekend, but I don't want to be part of the problems, I'm a part of solution. I was 8 born in the Bronx. I was raised in Germany. I lived 9 there for 20 years. I came home in '94. When I got 10 to Crown Heights it was a hot mess, when the 11 12 [inaudible] killed a 7-year-old. I've worked in Brooklyn South, the 67th Precint I worked 13 14 with 71, I worked in Bushwick, Bed-Sty, everywhere. 15 I'm a 65-year-old. I've worked very much involved in 16 my community and at 65 I'm tired, because I'm seeing there's a bunch of people that are not being held 17 accountable. Back in the day when I was a part of 18 the board for 320 Sterling Street we insisted that 19 20 the landlord live in that squalor. I am the one that, I live in the Lower East Side and I take food 21 2.2 for the homebounds that are on HPD on 125th. 23 know, I'm 65. I walk most of the times with a

shopping cart with food to help the needy. I'm a

part of the Coalition for the Homeless for the past

about. Thank you.

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20 years. Finally, as I moved to the Lower East Side, Baruch HaShem, I finally made it to the meetings on Tuesday. As I've said, I am not part of a problem, I'm part of a solution, and I have to dissociate with people who are lining their pockets every single day. There are people out there that have nothing and we have to do more. Anyone can talk. I'm proactive. Action, that's what it's all

CHAIRPERSON CORNEGY: Thank you so much for your testimony. We're going to call the next panel. I believe, if I'm not mistaken, we do have to clear the room very shortly, so I'm going to call Rosa Rodriguez, Donna Gray, Luisa Rodriguez, Lucy Woody, Queen Mother, in parentheses, Demaris Rodriguez. I'm also going to call Greg Waltman. So again I will advise you that the time has grown incredibly short and we have several more people who would like to testimony. So in the event that you can condense your testimony in an effort to allow other people to testimony that would be greatly appreciated. You can begin. I ask that you state your name for the record upon your testimony. Thank

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you for testifying. I just need you to hit the red,
the button.

DONNA GRAY: OK. My name is Donna Gray. I'm a senior citizen and I represent the 138 West 137th Street Tenant Association. My building is a TIL building. Nineteen years ago HPD, under contract, promised the residents of 138 low-income and ownership of each resident's apartment in three years, if the residents were able to manage the building. During these 19 years the building has been managed by the TA for little to no money, with the situation of constantly losing tenants since HPD would not allow the TA to rent. At this time HPD is trying to break its promise by taking not only this building but all the TIL buildings in contract and adding these residents to the 60,000 homeless population already in the city. Presently, 138 has 14 vacant apartments that can easily accommodate homeless families. However, instead of sending homeless families to this building, HPD prefers to pay a private landlord \$3000 of taxpayers' money each month to house one family. This TA has \$20,000 in the bank with the monthly rent intake of only \$1400. We have no management fee, no porter, and no

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1 ד∧דאושו ע זעשדמגט טשדואו ע זשואד∧ד extermination services. We presently have a 2 secession position person, Miguel Santiago. 3 4 person has lived in the building for over 20 years with his transvestite cousin, who passed in '16 after 5 suffering a HIV death. After his family member died 6 7 leaving arrears, HPD told him to apply for secession and that he was responsible for those arrears. 8 Without argument, this man agreed not only to pay the 9 10 arrears, but also pay three months' rent. Nevertheless, after remitting three months' rent HPD 11 12 ordered not only for this TA to return the funds, but that he was not going to be granted secession. 13 14 has justified placing 138 on corrective action by 15 holding up our financial reports for trivia matters, 16 denying us an election, and forcing us to take this 17 residence to court to evict. This situation is not 18 one that we created. HPD is responsible for it all. And yet as of this hearing HPD Director Ross is 19 20 threatening us with the loss of our building if we do not seek an attorney to evict this man from the only 21 2.2 home he has known for decades. Not for any wrong 23 this man did, only for the incompetence of HPD.

proudly gay man has not, nowhere to go. This is his

Since HPD created this situation it's up to

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HPD to rectify it by removing from corrective action this 138 and right the arrears off of Mr. Santiago.

HPD is under contract to keep its promise, not only to this TA but all the associations under TIL. Stop fabricating situations that would cause two buildings to be removed unjustly from the program. It and no one else under contract can singlehandly negate an agreement. And yet that is exactly what HPD is trying to do to all the TIL contracts. The majority of the members of TIL, like myself, are senior citizens on a fixed income. We cannot afford ANCP program and we cannot afford to be homeless. Please, let us have the program we were so faithful to all these decades before none of us are alive. Thank

 $\label{eq:CHAIRPERSON CORNEGY: Thank you for your testimony. \\$ 

DONNA GRAY: Thank you. Sorry.

DEMARIS RODRIGUEZ: Good afternoon, Mr.

Chairman and the rest of the committee. My name is

Demaris Rodriguez. I reside at 615 West 150th

Street, apartment 55. [inaudible] the past ten

months ago, um, I didn't know what I was gonna do. I

thought I was gonna be kicked out. The reason why?

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passed away from other causes, but it's very weird

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that everybody has passed away from cancer. this bad mold. I still study my medicine, regardless of the way I look. My whole body is replaced with chrome and titanium from my shoulders all the way down to my feet. And I help out the building. hurts me the most is that TIL has played games with us since 1997. We've been waiting and waiting, ten plus years. We have have relocated families that are still outside with 10 years and the building are coming down. Right now I have leaks coming on from the roof as well as the whole floor. rodents. We have, it doesn't matter if the terminator comes, but the building is so old. is HPD waiting for, for the building to crumb on top of us? We need help. I beg you, HPD, to please help us fund so we could rehab this building. Or we are all gonna die there and we are all going to be coming out in, you know, death bags little by little. like every month, no lie, you could go and check. have 23 apartments empty of the people dead as a 62-

CHAIRPERSON CORNEGY: I want to thank you for your testimony. Thank you.

unit building. It's ridiculous.

DEMARIS RODRIGUEZ: Thank you.

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2 LUISA RODRIGUEZ: Good afternoon, 3 everyone. My name is Luisa Rodriguez. I am also a tenant of 615 West 115th Street. I have been 4 relocated since 2008. In 2008 the then-director of 5 TIL, Victor Hernandez, came to our building and he 6 7 said that HPD had the funds, the budget, to do our building, to rehab our building. So consistent with 8 that they started moving people out so that they 9 10 could got, do a, got rehabilitation. Of course we thought that it was just very temporary that we are 11 12 moving out. I was one of the first ones to move. Fifteen families were moved out in 2008. Out of 13 those 15, three died outside of their homes and two 14 15 more were, are almost on the brink. So what I mean 16 by that is that were, are, almost on the brink. 17 what I mean by that is that as Demaris said our 18 building is losing tenants day by day, we could say. There are many, ah, there are many of us are seniors. 19 20 The fact that HPD does not allow us to rent is doing [inaudible] day by day the funds that the TA, that 21 2.2 the tenants' association has to face the repairs and 23 all that in a building that is getting older and older, like me. I didn't have pain here and now I 24 25 have. Our building is the same. It is getting old.

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Many more repairs are needed. So we, HPD from the TIL building they passed us to the ANCP, Affordable Neighborhood Cooperative Program. The ANCP program is another little beautiful name for TPT, third-party transfer. And in those two the buildings end up in the hands of private landlords. They are passed through a, for profit or nonprofit organization that then looks for a developer and the developer gets a big chunk when they sell those apartments. As she said, we have 24 families living there, 13 out for ten years already, and 23 vacancies. Very, very attractive building for unscrupulous builders, let's say. So we look for an attorney because we are not willing to go with what HPD is trying to push down our throats, which is ANCP. They want us to pay for the rehabilitation all of the building. And that was not the right, that was not what we signed for in 1996 when we became members of that program.

CHAIRPERSON VANESSA GIBSON: Who is helping you?

22 LUISA RODRIGUEZ: Excuse me?

CHAIRPERSON CORNEGY: Who is helping your

building? Is Palante Harlem is working with you?

LUISA RODRIGUEZ: Yes.

2 UNIDENTIFIED: That's it.

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3 LUISA RODRIGUEZ: Yes, Palante Harlem.

absolutely follow up with them. I don't mean to rush you, but we have one more panel after you and I really want to hear from them, and we were supposed to end at 2:00, and I [inaudible] next.

CHAIRPERSON CORNEGY: So I would

DUISA RODRIGUEZ: OK, I just want to say one more thing, and it is that that lawyer that we, um, that we hired, he asked for full information to HPD. Since October. They're supposed to answer that in days. It's the end of March almost now. And he has not received an answer. He sent another full request. So we really need answers. And we need somebody to help us to get answers. And we need somebody to help us get money to save the TIL buildings. That's what we need. The homeless people could come to live to our buildings. I don't see how they spend billions of dollars with the homeless people and the problem doesn't get better.

CHAIRPERSON CORNEGY: I've just been given word from your council member, Bill Perkins, that he will follow up.

LUISA RODRIGUEZ: I hope so. Thank you.

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2 UNIDENTIFIED: Thank you.

ROSA RODRIGUEZ: Good afternoon, panel, and good afternoon, everybody. My name is Rosa Rodriquez and I live at 79 Post Avenue. My tenants' association is [inaudible] tenants' association and we have been in the program since 2004. We have worked very hard, our tenants. Our building is very So right now we still have like four, five apartment vacancies, three other we have relocated from another building. So they [inaudible] building are renovated. And like Luisa said, this empty apartment could be passed on to these homeless people, who are out there sleeping in the street. believe they should do something about it. But the problem with this, our building, we in TIL program, the problem is that they want us to move on to the ANCP program with a mortgage. We paying renovation. We had to pay for everything. I don't think we can have our development do the was-ork for us because I have proof here that our tenants, we all together have worked very hard to keep our building in mostly good shape. The only situation with the building is the financial report, we [inaudible] having problem asking for paper back and forth. They always change

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the financial reviewer. The building condition, the boiler is the worst. I have some pictures also I can show you because HPD is supposed to be taking care of the boiler. We are the one who are who taking care of the boiler. We have to pay for them for the maintaining of the boiler. And right now the boiler is broken, it's breaking every week. That's when we got an inspector from HPD. Now they decided, they decided, to give us a new boiler. I'm not sure, because I don't have 'thv any right. So we've been having the problem with the boiler since like 2012 and I can show you a picture about it. The roof, there's a problem, like we were during the hearing last year they promised to do the boilers and the roof. They haven't done anything with the boiler or with the roof. So we have been doing the repairs and we've been paying a lot of money for it, and our tenants up to date with the rent and I believe us tenants can manage the building very well because we've been managing it since 2004, and we have proof that we can save and repair our apartments very well. So that means we are capable of building, not somebody else that doesn't live there, they haven't [inaudible] and they're our kid been living there.

help. Thank you.

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They were born there. We have grandchildren living there. So why other people want to come here and run our building when we are capable of running our building? We have been to the training, which haven't been much help, and we have learned how to manage it very well. I can help anybody else who wants to learn how to manage their building. I'm willing to

CHAIRPERSON CORNEGY: Thank you. I will follow up with your council member, who I believe is Ydanis Rodriguez.

ROSA RODRIGUEZ: Yes. Thank you.

GREG WALTMAN: Thank you. Greg Waltman from G1 Quantum. It's a clean energy company. We specialize in a variety of other technical applications. It was inspiring to hear the heartfelt testimony from everyone today and HPD, and I'm familiarizing myself with these issues, and I just wanted to take a second, I want to be brief, to step back and look at Hudson Yards and see, and ask ourselves how much or how many Section 8 housing is available there? [applause] Is it, or since it seems like Columbus Circle is moving to Hudson Yards, how about Section 8 housing there? Does that make sense?

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So stepping back, I just wanted to point out to the resource allocation how things are being budgeted, briefly. But from a clean energy perspective there are solutions. Ouantum Tracks is one of our proprietary innovations, a variation of speed breaker technology where you have tremendous kinetic energy potential for our railways and creating the firstever self-sustainable city in the world. And this is a solution that hasn't been very, you know, due to the value protectism around these issues and reallocating resources to Section 8, this could help supplement this federal funding to get, because it's not, it's not just throwing money at the issue, it's going through the red tape, having process and having people there to walk through people that you need to help to go through the procedural applications and technical kind of background, and the way that we shape the city, whether it be clean energy or other types of innovation is important in addressing these issues as we move forward. So I appreciate your time. Thank you.

CHAIRPERSON CORNEGY: Thank you, and we understand that, ah, innovation is going to be absolutely necessary in having a sustainable future

your respective districts.

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for affordable housing, so I appreciate your testimony as well. Thank you all for your testimony and I have noted the various council members that I should follow up with on your behalf on the ground in

UNIDENTIFIED: Our council member is Mark Levine?

CHAIRPERSON CORNEGY: Mark Levine, yes.

UNIDENTIFIED: [inaudible]

CHAIRPERSON CORNEGY: Thank you. We are going to call the final panel, Jackie Del Valle, Charisma White, James Harvey, Joy Clark, Barry Weinberg, and Aida Tejado. I'm sorry, we have one panel after this as well. I apologize. Again, I would ask that you take the liberty to in the instance that you can, although you are very passionate about this topic, if you could condense your testimony to the degree that you can it would be helpful. I have one panel after you and I really would like hear their voices as well. Thank you. You can begin when you're ready, and if you would just identify yourself for the record upon your testimony I would appreciate it. Thank you.

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CHARISMA WHITE: Hello, my name is Charisma White. I'm an HPD voucher holder for over 10 years now. I've had some bad experiences, but I tried to work through it. I'm a housing advocate that has been homeless for four years now and it has been uncomfortable looking for housing. When I have a medical disability and cannot work, I'm on the very bottom of the low-income bracket. Even when trying to get affordable apartment through the City Housing Connects website I am below income requirements. There are almost 73,000 homeless people in New York City altogether. We are asking for 30,000 with 24 newly constructed out of 300,000 units the mayor, the mayor's Affordable Housing Plan. It seems that New York has forgotten about our own poor and disabled people who need the most help. Permanent affordable housing for homeless is what is needed, not luxury buildings, not high-end, unavailable, unobtainable housing, and not promises of being housing while years in a disorganized and selfish shelter system that has no concern for people at all. Permanent affordable housing is what homeless people need to be a part of a community and thrive and be a productive person in society.

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CHAIRPERSON CORNEGY: Thank you for that testimony.

AIDA TEJADA: Good afternoon. My name is Aida Tejada from 551 West 157th Street Association. Our renovation was completed in 2005 and the Certificate of Incorporation was completed in 2014. Now we are in 2019, we have 14 year waiting to become owner share with this building. We have been taking all the classes, we've been doing all whatever you asking us to do, and we are still waiting for their promise to come over. We, a lot of our tenant already are dying, four there already died, a lot of them are getting old, and we are still waiting. This is, we're thinking this is a comparision comparison of HPD or what is going on? It has been 15 year of [inaudible] effort with the tenant of 551 West 157th Street. We are asking, no, we are begging you to please help us to make this dream come true, become a New York citizen with a secure home and our secure home come true. Thank you.

CHAIRPERSON CORNEGY: Thank you for that testimony.

BARRY WEINBERG: Hello. My name is Barry Weinberg. Thank you to Chair Cornegy and Chairwoman

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Gibson and the rest of the council for holding this hearing. I am a member of Community Board 9, which is West Harlem, where I sit on the housing, zoning, and land use committee. While my testimony today is my own, I will be speaking on items formerly submitted to OMB by the community board through our budget prioritization process. I do want to also acknowledge remarks earlier made. Community Board 9 does not believe that supportive housing is a burden. It welcomes additional supportive housing, especially compared to new luxury housing, and that is in our budget request, particularly for homeless LGBTQ youth. But I want to talk specifically about TIL, the Tenant Interim Lease Program, and ANCP, the Affordable Neighborhood Cooperative Program. Our number two capital budget priority is the full funding of TIL repairs and rehabilitations and conversion to co-ops, HDFC's fund TIL. HPD, under a move that began in the Bloomberg administration, has abandoned this and is instead pushing these buildings through the ANCP program when they are transferred to a third-party developer that takes on an enormous amount of debt, pays contractors who do substandard work, for work at all, and then leaves the new HDFC

1 2 holding the bag, responsible for the debt used to do these faulty and shoddy constructions. 3 938 St. 4 Nicholas Avenue was one of the first buildings to go 5 through this process and is already in foreclosure. 6 It is a perfect example of why this fails. 7 contractor, Dellwood, allegedly performed no repairs with the 6 million dollars they wered paid, and HPD 8 signed off on the building finishing conversion 9 because it realized that if it did not sign off HPD 10 would be responsible for the loan. This is the end 11 12 of what happens when you take these TIL buildings and you instead put them through ANCP. You set them up 13 for foreclosure because they have unsustainable debt 14 15 burdens. Three blocks from where I live, 640 16 Riverside and 644 Riverside, are going through the same process and have already racked up tens of 17 18 millions of dollars in debt from faulty and shoddy repairs using the same contractors, and I believe 19 20 they have the same sponsors, and are well on their way to foreclosure and they're not even cooperatives 21 2.2 yet. This is insane. To me, as someone who has to 23 deal with these problems on our community board on the housing committee, these TIL buildings are city-24 owned buildings. Mr. Chairperson, you said that the 25

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city believes that affordable housing and affordable home ownership are not mutually exclusive. Then the City Council must make sure that the rehab of TIL buildings is fully funded by the city, because these buildings are owned by the city, the tenants are allowed to purchase their units, and allow or arrange for other low-income New Yorkers to purchase or rent the other apartments that have become vacant over Why in a city full of shelter population are there city-owned units sitting vacant? Why is HPD allowed to pay slum lords 174 million dollar to purchase cluster site housing when it has not even repaired or maintained the buildings it already owns in the TIL program? This needs to be a priority of the council to have oversight of this program and to see these buildings through fully rehabbed without the debt attached so that the low-income tenants who purchase their units will just very quickly be foreclosed on and lose their ownership. Thank you. CHAIRPERSON CORNEGY: You have my word that I will make it a priority to look into this.

JOY CLARK: Hi. I'll keep it brief.

UNIDENTIFIED: Thank you.

25  $\parallel$  name is Joy Clark. I am a tenant at the 347 Prospect

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Place TIL building. We are presently being forced into the ANCP program. I have a breakdown of the budget that they just gave to us Wednesday, showing us what the rehab costs would be, telling us we would have to take out, we would have a 6 million dollar loan that we would have to pay back to HPD to a private lender. Part of this 6 million dollar is \$500,000 alone that goes to the developer. his fee, \$500,000 on top of us having to rent his apartments while we are relocated. So not only is he getting \$500,000 fee, we have to rent his apartments at, what, \$1500, \$1600 a month, so for two years, so that's \$1500 a month times 13 tenants times 24 months, on top of the \$500,000 that he is already getting. Now we don't want to sign this. someone said earlier, what do you do when HPD are the people who are abusing you? How do they oversee themselves? We need an independent entity to oversee They're trying to sell this building to the developer next week. Please stop it. From this point on do not allow HPD to sell any buildings to private developers. Starting today, we need someone to step in. HPD is not going to oversee themselves. I was here two years ago when Jumanne Williams had a

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hearing on the TIL program along. Two years later

I'm still getting a bill for 6 million dollars.

CHAIRPERSON CORNEGY: Can I please have a copy of it?

CHARISMA WHITE: You can have it. You can have it, absolutely, yes. Um, everything that everyone said regarding the conditions of this buildings is absolutely correct. Yes, they are falling around us, yes we live with mold. Yes, you know, people are getting sick. Kids are being born with autism and its all because of these living conditions. HPD does not care. They want to keep you living like this so you can get up and get out and they can make money all with the developers. Thank you. Please help us.

CHAIRPERSON CORNEGY: Thank you for your testimony.

JAMES HARVEY: Yeah, good afternoon, my name is James Harvey. At the present time I'm in the shelter system and it's no matter how I got there, but it's all about making a difference. What I see is that I'm tired of being used as a commodity for shelter organizations and people that has the power to make a difference to capitalize instead of helping

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the homeless. What is see right now is like I'm a native of Harlem. I was born in the Polo Grounds since 1967, I've been there for thirty-some years. What I see now, the development was happening to New York City and all across the board of the nation is that people worried about building things for people to come and look at our city and it's all great, so you get rid of the problem by putting them in shelters and building more. That's not the answer. The answer is a person like me is looking for the Now I'm going through this at the age of 54. future. What happens when I become to be a senior citizen. Will the same thing happen that you're going to force me to get out of my apartment because I'm too old to maintain or you'll find an excuse to move me out and probably put me into a New York City, um, what you say, a senior citizen building or nursing home home so you can gain, you have more prosperity as far as making more gains, as far as, um, money-wise. [inaudible]. Now I used to sleep on the subways and the whole nine and I have a lot of pride, but I don't like to see myself being stagnated worrying about where I'm gonna lay my head. You got organizations that will put you in a safety house which they call,

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2 but you're being treated in downgraded behind closed doors and being called the N word, and like that 3 4 happened to me like a month ago and I had to keep my 5 composure of holding myself. I also used to be a 6 Guardian Angel. I used to protect certain people 7 that was coming home from work. What about the hands done changed for me to get the same services that I 8 provided back in the '80s when the crack academic was 9 10 at its highest peak? Or you want to keep us where we gonna be stuck in the same situation but you got 11

congressmens and everybody else that could make a

difference, but choose not to because you got

somebody in your pocket.

CHAIRPERSON CORNEGY: Thank you for your testimony. We are going to move to the last panel.

Oh, I'm sorry, I'm sorry.

JACKIE DEL VALLE: No problem. Good afternoon. My name is Jackie Del ValleDevalier and I'm the Stabilizing NYC coordinator at the Community Development Project of the Urban JusticJustice

Center. I'm testifying today on behalf of Stabilizing NYC, a citywide coalition working together to fight the depletion of affordable housing in New York City at the hands of predatory equity

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landlords. At the frontlines of the battle against displacement and gentrification- @we build tenant-led associations and coalitions. We have won countless repairs in housing court and challenged dozens and dozens of MCIs. We have launched a citywide tenant union where tenants from across the city come together to look at the systemic issues causing the loss of affordable housing. Our work is intersectional, as we know that communities of color are the most targeted and most affected by all the players in the real estate speculation game. We hold lenders, management companies, investors, and owners accountable. We work with legislators to strengthen tenant protections. Over the past year, Stabilizing NYC worked with Council Member Ritchie Torres and HPD to pass and implement Intro 1210, which requires HPD to create a speculation watch list to help target organizing and outreach efforts by tracking speculative purchases. Since Stabilizing NYC's inception in 2013 we have grown and deepened our work in order to reach additional neighborhoods and council districts. You are all well aware of the impact that predatory equity has on affordable housing in your districts and throughout the city,

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2 and we are grateful for the council's tireless support and advocacy. Our coalition seeks not only 3 4 to serve tenants, but to mobilize them and build up leaders who preserve affordable housing for 5 6 generations to come. We humbly ask you to consider 7 our request for an increase in the initiative to 3 million dollars for FY20 and we look forward to 8 continuing to work with you to defend and preserve 9 10 one of our city's greatest assess. Real quick, the members of our coalition are from Queens, Asian 11 12 Americans for Quality, Catholic Migration Services, 13 China CDC [inaudible] Move. Manhattan-based members 14 are CAF, Cooper Square Committee, Goals, Hudson 15 Conservation, Housing Conservation Coordinators. We 16 have Fifth Avenue Community, Neighbors Helping Neighbors, Flatbush Tenant Coalition, Input Brooklyn, 17 18 St. Nick's in Brooklyn. Bronx has Casa, Mothers on 19 the Move, and Barry Mitchell Center in Northwest 20 Bronx, Community Clergy Coalition, and [inaudible] 21 Kelly Improvement Association, as well as Community 2.2 Development Project and You Have. Thank you. 23 CHAIRPERSON CORNEGY: Thank you so much 24 for your testimony. We're going to move to the last 25 panel, but in the interim I would like to welcome and

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1 2 acknowledge the presence of one of my favorite former 3 colleagues, ah, former Council Member Jimmy Vaca, now Professor Jimmy Vaca, and his class of public 4 administration from Queens College is in the 5 building. Jimmy Vee. Ah, Caroline Nagy, Shane 6 7 Correia, Sam Chiera, Nicole Johnson, and Tawaki Towaki Komatsu-Camacho, I'm sorry. I'm sorry, I believe I 8 had Leroy Alexander testimony on a former panel, but 9 I have his card again. Yep, I thought so, OK, thank 10 you. You can begin when you're ready. I ask that 11 12 you identify yourself for the record upon your testimony. Thank you. 13 14 SHANE CORREIA: Good afternoon, council 15 members. Thank you for hearing our testimony. My 16 name is Shane Correia. I'm the assistant director of 17 the Strategic Partnerships at the Center for Court 18 Innovation. I would also like to state that as someone who was formerly homeless, ah, hearing the 19 20 testimony of the people today is incredibly powerful, 21 ah, and it's because of that reason that I would like 2.2 to highlight some of the work that the Center for

Yorkers, including through three of its programs,

Court Innovation does in serving over 75,000 New

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25 which are the Red Hook Community Justice Center, the

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2 Harlem Community Justice Center, and the Legal Hand 3 Services that operate throughout New York City. Within our community justice centers have 4 specfic housing parts that also include 5 6 housing resource centers. They are unique in that 7 the judges are, they become familiar with issues of the community and housing resource centers support 8 the residents to navigate what is traditionally a 9 complex legal situation. In fact, in our courts, 10 whereas the traditional housing court has only 2% of 11 12 tenant-initated initiated cases, our resource centers and courts have over 18%. This permits individuals 13 14 to use the court system to access justice in a way 15 that they normally would not be able to access 16 otherwise. It's because of this and the direct 17 support that we provide to residents within these 18 communities that we would like to ask for support of two applications under the Community Housing 19 20 Preservation Strategies Initiative that will allow us 21 to reach out directly to members within the community 2.2 who can't necessarily leave their homes to access the 23 resources that we have to offer in the courthouse, 24 specifically seniors, the disabled, and individuals 25 who don't necessarily speak English as their primary

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language. We'd like to send staff to be able to go
into the community and meet with them at their homes
so that they can become aware of how they can resolve
the issues that may be threatening their housing
situation. Thank you for hearing our testimony.

CHAIRPERSON CORNEGY: Thank you.

Sam Chiera from Brooklyn Legal Services Corporation

communities in north Brooklyn. I would like to
applaud all of the tenant association members who

unit. I represent tenant associations in the

A. I'm a staff attorney in the group representation

have come out. Thank you for advocating, it's

amazing. I am here today on behalf of the Stand for Tenant Safety Coalition. STS is a citywide group of

tenant advocates who seek to strengthen and create

protections for tenants during times of construction,

specifically against construction harassment. As the

City Council is aware in 2017 the council passed a

number of bills into law aimed at preventing

construction as harassment. These laws protect

tenants by increasing fines and other penalties for

 $\underline{\text{landlords who perform work without a permit or who}}$ 

fail to comply with buildings issued stop work

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2 orders. It creates a watch list of bad acting contractors who fail to comply with buildings, issue 3 4 state stop workers, sorry, fail to comply, to take tenant protections into access, require specific 5 6 protections be included where tenant protection plans 7 are needed, revises the definition of distressed buildings subject to third-party transfer program, 8 ah, and creates an Office of the Tenant 9 10 Adoveate Advocate to act as a point person for tenants suffering during dangerous construction. I'm here 11 12 today to advoate advocate for increased funding for 13 these laws. These laws, while passed in 2017, 14 struggle to be enacted, in part because they have not 15 been appropriately funded, specifically ask that that 16 the real-time enforcement unit be granted an 17 appropriate budget so that it can continue to respond 18 in real time to dangerous construction complaints and that the Office of the Tenant Advocate be fully 19 20 staffed. And then, real quickly because I, Council 21 Member Gibson asked a little bit about the pilot 2.2 program for the Certificate of No Harassment and how 23 that's actually working on the ground. As an 24 attorney who regularly litigates harassment claims in 25 housing court on behalf of the tenant associations,

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as I said, it's working very well. Specifically, it is allowing, or it's forcing landlords and the courts to take harassment very seriously and we've seen a lot of boots-on-the ground results from that. I'm not sure that you're going to be able to see that, like a metric for that, because a lot of the results in settlements that are favorable to the tenants and a lot of it results in protections that, ah, that we come to, um, that you won't see because it won't necessarily translate into a Certificate of No Harassment, right? But it is working very, very well, so thank you for that. And thank you for allowing me to testify, thank you.

CHAIRPERSON CORNEGY: Thank you for your testimony.

is Caroline Nagy and I'm the deputy director for policy and research at the Center for New York City Neighborhoods. Thank you, Chair Cornegy, Council Member Gibson, everyone else here, and the staff who worked to prepare today's hearing. We promote and protect, we work to promote and protect affordable home ownership in New York so that middle and working class families are able to live in strong, thriving

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2 communities. Lower and moderate income homeowners 3 are a very important of New York City's affordable 4 housing stock. There are more than, you know, they receive a very disporportinately disproportionately 5 small amount of the city budget for the amount of, 6 7 you know, stable housing that they provide, both for the families who are able to live there, have housing 8 stability and build well, as well as for their 9 tenants, since tenants are not rent-regulated and are 10 always displaced when homeowners and their families 11 12 are displaced. More than 181,000 New York City 13 homeowner families spend more than 50% of their 14 income on their mortgage and related houses, housing 15 costs, which gives you a size of, you know, the 16 population that's under a lot of stress, um, and 17 we've seen, you know, the results over the last ten 18 years, the number of black homeowner households has decreased by over 9% in Queens, that's about 50,000 19 20 homeowners. In Brooklyn the number of Latino 21 homeowners has decreased by 18% over the same time 2.2 period, even though the Latino population has grown 23 over that time. This is a sign of increasing income inequality and, um, you know, causing like lack of 24 25 opportunities for people to be able to buy and become

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2 homeowners. So we're here today, you know, foreclosures obviously remain a threat. Reverse 3 4 mortgage foreclosures are on the rise. We've seen a big rise in deed theft scams, um, as well as issues 5 with homeowners being deliquent delinquent on property 6 7 taxes, as you know. I have a lot of statistics, um, 8 you know, things here which I will not read to you since I'm running out of time, but we're here to 9 advocate for homeowner services in the city budget. 10 As I said, you know, there's, you know, our, well, 11 12 you can read all of it in the testimony and also, um, for similar support for the new home fix, Home Repair 13 14 program, since that's going to require a lot of 15 outreach and education and advocacy, um, on the part 16 of nonprofits that serve homeowners. Thank you very 17 much. 18 CHAIRPERSON CORNEGY: Thank you for your 19 testimony. 20 NICOLE "NICKY" JOHNSON: Good afternoon,

NICOLE "NICKY" JOHNSON: Good afternoon,

Chairman Cornegy, council members, and everyone here

at the sound of my voice. My name is Nicole "Nicky"

Johnson. I put on the paper Partnerships for the

Homeless, but I'm also involved with Vocal New York

and a number of other organizations. Today I

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2 represent families and everyone here because, um, is, this applies to all of us. Um, my situation is that 3 4 I'm a former MOS, which is a Member of Service. I 5 also used to work for the Department of Education. 6 People describe homelessness as a person on the 7 street, as a person on the trains. But in all 8 reality reality you go from a shelter into an apartment and what happens to you after that? The aftercare 9 does not take place. I live in a private house. I 10 don't live in New York City housing, and the things 11 12 that I'm enduring is harassment by my landlord. I have a 13 year old daughter that I cannot leave at 13 14 home alone at all because my landlord has tried to 15 come into my apartment a number of times. I have 16 caught him listening at my bedroom door, because 17 there's two ways into my apartment. He has harassed 18 my kids by knocking on the door, knowing that I'm not there. He has written me letters saying that every 19 20 closed eye is not asleep and he highlights the Es. 21 I've saved these documents. But I'm not here to bash 2.2 anyone, because no matter who sits in office we all 23 need to be educated, we all need to take 24 accountability, but we just can't do it alone. It's 25 not enough. I want people to hear my story. My

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2 story is that I'm a mother of four children. I have one child with a learning disability. I have another 3 4 child that was not born bipolar, but because of early childhood trauma of having her taken from me because 5 6 I lost my apartment in my New York City Housing 7 Authority, which I grew up, she is now homeless and because she is of a certain age they are telling me 8 that I can no longer help her. Right now I'm behind 9 in my rent and I keep going for assistance. I only 10 receive one income. I have one daughter that I am 11 12 proud to say she will be graduating next year from 13 Spellman College. I have one that is on her way out 14 of middle school, but she is enduring bullying. I 15 have another one that hopefully he will be graduating 16 by next year, but no later than 2020, because of the 17 problems that I had to endure with his older sister. 18 I need people to understand. You can go to court and you can continue to march. You can continue to 19 20 rally. But to see me is to see that I am person who 21 still tries to look at the positivity in life. When 2.2 I lost my job there was no one there to help me. The 23 union didn't step up because the thing is getting to the root of the problem. I grew up, like I said, in 24 25 New York City Housing Authority. I graduated at the

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2 top of my class. Out of 609 I ranked number 11. And the only reason I believe I wasn't number one is 3 4 because I lost my mother during the process. But God 5 is good. He is real. I need help because where we live at I can no longer endure having somebody ring 6 7 my doorbell and appearing to be intoxicated, saying all type of derogatory things to me, having gone to 8 court and go and tell my lawyer that my landlord is 9 harassing me. My lawyer is telling me the main thing 10 is to secure the apartment. I do not want to go back 11 12 into a shelter. When I was in a shelter we was 13 exposed to bedbugs and having to watch mothers go 14 outside past curfew, put their babies in trucks to go 15 off with these drivers and Lord knows do whatever to 16 get what they can. I didn't do those things and I 17 don't want to endure it. I've had workers take my 18 belongings. I file complaints. But where does that leave me? I went into the shelter of January 2005. I 19 20 came out in August of 2005. I want people to know 21 that when you go into a shelter it's not easy for 2.2 anybody to get out. My worker told me every day I'm 23 gonna work with you, Ms. Johnson, to help you find an 24 apartment. Not once did she do that. So I took one, 25 I only had one child with me in the shelter. I took

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my son and I got up every morning at 5 o'clock in the morning and left the shelter to go where I needed to go. I got out, like I said, in August of 2005. I moved into an apartment in 142 Grove Street. I lived there for one year, two months, and two days. The fire department said I should have never lived there not even for a second with my kids. I'm sorry. How much does a person have to endure? Like I stated before, I have one child that's not in my house, she is homeless. She has mental health issues. She's been raped, she's been a prostitute, she's been exposed to drugs. I am obligated to tell my story. I have gone as far as to Albany speaking on mental health issues and when you are homeless you are battling more than just trying to secure a roof over your head. People suffer from physical, emotional, mental, social, and spiritual abuse, and I still stand. I am still here. I lost my mom because of wrongful death at a hospital failing to test her, to test the blood that they gave her. I was a child when I lost her, a child with a baby. And I'm asking everyone that is here today if you can hear me, hear me and help me. Don't allow me to walk out without giving me the assistance that I need. Like I said, I

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2 have one income and they're telling me that that is more than enough for you and your kids to live on. 3 But I take my income, where does that leave me? It's 4 5 not just housing that I have to pay for. I have to 6 pay for light and gas and food. We have people that 7 go into shelters. When you are in on Riker's Island supplies and demands, you know, they only give you so 8 much and there are certain things that you can't pay 9 for through SNAP. I wasn't asking to really 10 testimony today. I don't have the papers in front of 11 12 you because this is not easy for me, but like I said 13 I'm obligated to represent families and everyone who 14 has gone through and still going through. I don't 15 look forward to going home every day and do not. 16 The. the thing that keeps me going is my children 17 because they're at the top of their class and I 18 battle for the three that I do have and the one that's on the streets I ask that people really get 19 20 get a understanding. Don't turn a blind eye. Don't 21 act like we don't know what's going on. I will not 2.2 hold, like I said, anybody in office accountable to 23 the point where I'm blaming you for my situation. 24 But if you have the power, which is money, to help 25 then do that. I understand sometimes it's like

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putting your job on the line. I've gone in courts and I've watched people sell their own mother's soul. A lawyer said to me, Ms. Johnson, had I met you first I would have represented you. But that didn't matter because my child, like I said-, the only thing that she didn't do was die at the age of 14 when they found her on the streets with a blood alcohol level of 0.22, having been raped and still to this day they have not given me any information as to what happened with her case. My son almost lost his life two weeks ago coming from school downtown Brooklyn, all because of somebody else's own actions. They were stopped by NYPD. And I hate to say that one of our own fellow officers was very belligerent and called these children all type of derogatory names and said I better not see you're down here again. But these are children coming from school and what they stopped them for they had nothing to do with it. CHAIRPERSON CORNEGY: Ms. Johnson, what I

CHAIRPERSON CORNEGY: Ms. Johnson, what I
heard you say was not let you leave here without

offering you some assistance. Somebody will see you
before you leave this chamber today to see if they
can be of assistance.

1	COMMITTEE ON HOUSING 205
2	NICOLE "NICKY" JOHNSON: Thank you for
3	allowing me to speak.
4	CHAIRPERSON CORNEGY: Thank you for your
5	testimony.
6	TOWAKI KOMATSU: Hi, my name is Towaki
7	Komatsu. Hello, Mr. Cornegy. I'm a US Navy military
8	veteran. I don't really have too much prepared
9	testimony. I gave you written testimony earlier.
10	Um, there was a budget hearing just like this one a
11	year ago with Ritchie Torres. The video that I'm
12	about to play for your benefit, as well as the
13	audience in this room, was essentially that Mr.
14	Torres had made a commitment to me during that
15	hearing that he would have HPD look at deficiencies
16	in the housing where I reside in the Bronx as one of
17	your constituents, Mrs., ah, Ms. Gibson. So let me
18	play this video recording for your benefit.
19	CHAIRPERSON CORNEGY: Mr. Komatsu,
20	unfortunately I don't know if we have the capacity to
21	allow you play a video at this time.
22	TOWAKI KOMATSU: Oh, I know it, I have it
23	right here.
2.4	CUAIDDEDCON CODNECV. Ild like to hear

your testimony, but we don't, we can't watch a video.

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You are, fortunately are the last person to testimony

and we have people in the rotunda waiting for the

4 hearing. You can't play the video.

TOWAKI KOMATSU: [inaudible] [crosstalk]

CHAIRPERSON CORNEGY: You can testify,

7 you can't play the video.

TOWAKI KOMATSU: No, he's the person who was helping me until...

UNIDENTIFIED: [inaudible]

TOWAKI KOMATSU: Fair enough. Um, so my

testimony today is for Federal Judge Lorna Schofield.

Um, Judge Schofield, I have a, Judge Schofield, I

have a First Amendment right to play this video

recording that I intended to play for the benefit of
this audience. Unfortunately, Mr. Cornegy violated

Fourth Amendment rights today during this hearing.

So I am going to specifically ask you to void today's
hearing in accordance with New York State's Open

Meetings law, section 107. Um, there was a public
hearing in the blue room on Monday with the mayor. I
was in the process of exercising my First Amendment
rights lawfully. I was illegally kicked out of that
meeting. A member of the mayor's security detail put
his hand on my left arm, kicked me out of that

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2 meeting. He was not ordered to do so. Then I 3 thereafter came to today's hearing prepared and I'm being told, but, sorry, but despite that fact that 4 5 the audience doesn't have the ability to, I guess, 6 watch what I stated to Mr. Torres on, I think it was 7 March 28 or 26th of last year, where he basically said he would have HPD look into the problems, take 8 9 appropriate corrective action. They haven't been remedied. In fact, um, I actually have to go to 10 housing court against a slum lord next week. They 11 12 filed a frivolous lawsuit against me after I took 15 13 punches to my left temple that I previously apprised 14 you about, and HRA is essentially stating, HRA has a 15 contract with Urban Pathways for this particular 16 building. HRA is saying in these legal papers that I 17 got in a New York State Supreme Court lawsuit that I 18 filed against HRA that HRA is not responsible for security in terms of Urban Pathways if it doesn't do 19 20 its job. So if this is a budget hearing, if HRA is 21 doing business with a company called Entity Data that 2.2 I was going to talk about with the mayor on Monday 23 and Entity is facing a class-action lawsuit by the 24 NAACP. For obvious reasons, Ms. Gibson, Mr. Cornegy, 25 Mr. Perkins. You should support what the NAACP does.

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2 So if the NAACP is filing a lawsuit on behalf of 3 black people against a company that still is 4 subjecting me to wage theft, that everyone in the audience has to fund as a result of it being a 5 6 government, uh, yeah. The question is where is the 7 oversight of, um, this building at 802 Fairmont Place in the Bronx for military veterans? There is a 8 disabled person in apartment 1-D. He's not getting 9 10 repairs. I got 15 punches to my left temple. I got a concussion. That concussion, that assault was, um, 11 12 it was foreseeable. There was an attempted earlier 13 assault and when I talked to Mr. Banks, Steven Banks, 14 commissioner of HRA, he told me in a conversation I 15 recorded on audio HRA is not responsible for crime. 16 So the question is who is responsible for providing 17 oversight of Urban Pathways, the landlord? Can you 18 answer that question? CHAIRPERSON CORNEGY: So I don't have the 19 20 answer to that question, but first of all I want to 21 thank you for your service in the military. I think

TOWAKI KOMATSU: But you really don't, if you're not letting me have [crosstalk]

I've told you that before...

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2 CHAIRPERSON CORNEGY: I don't have, I
3 don't have the answer to that question.

TOWAKI KOMATSU: If you're not letting me play a video during my testimony you're not honoring my service.

appreciate every time you come and testify, number
one.

TOWAKI KOMATSU: You don't.

CHAIRPERSON CORNEGY: Number two, it

disturbs you that you have to continue to come back

over and over again and we haven't been able to as a

body resolve the issues...

TOWAKI KOMATSU: You have told me to

follow up with your staff. I have, and there's been

no recourse. There's been no remedy.

chairperson cornegy: I will follow up to
see what's happening. I have no idea at this
particular...

TOWAKI KOMATSU: And the last, just one

final point. HRA is having a public hearing on March

28 where I have a First Amendment right to go to his

offices at 150 Greenwich to look at those contracts

before I testify. They are illegally preventing me

COMMITTEE ON HOUSING 210
from walking through the doors to see those contracts
with my own two eyes. Can you do something about
before that March 28 hearing?
CHAIRPERSON CORNEGY: I can talk to,
after this hearing, to see what I could possibly do,
but I can't make a commitment
TOWAKI KOMATSU: [crosstalk]
CHAIRPERSON CORNEGY: I'm not going to,
I'm not going to make that kind of commitment because
I don't know the circumstances, and that would.
TOWAKI KOMATSU: Again, Judge Schofield,
thank you for your time. You'll see this video soon.
CHAIRPERSON CORNEGY: Thank you all for
coming out and testifying on this very important
issue. This hearing is adjourned. [[gavel]]

#### ${\tt C} \ {\tt E} \ {\tt R} \ {\tt T} \ {\tt I} \ {\tt F} \ {\tt I} \ {\tt C} \ {\tt A} \ {\tt T} \ {\tt E}$

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 May 12±, 2019