

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON HOUSING AND BUILDINGS
JOINTLY WITH
COMMITTEE ON FINANCE

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October 13, 2020
Start: 1:09 p.m.
Recess: 3:33 p.m.

HELD AT: Remote Hearing

B E F O R E: Robert Cornegy
CHAIRPERSON

Daniel Dromm
CHAIRPERSON

COUNCIL MEMBERS:
Margaret S. Chin
Carlina Rivera
Helen Rosenthal
Bill Perkins
Mark Gjonaj
Fernando Cabrera
Ritchie J. Torres
Farah N. Louis
Keith Powers
Diana Ayala
Vanessa L. Gibson
Francisco Moya
Barry Grodenchik
Rory I. Lancman

Jimmy Van Bramer
Adrienne E. Adams
Karen Koslowitz
Laurie A. Cumbo
Alicka Ampry-Samuel
Steven Matteo

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

Joseph Fucito, Sheriff
City of New York

Annette Hill, Register
City of New York

Jill Mariana, Senior Investigative
Counsel
Manhattan District Attorney Office

Joseph Sant, Deputy General Counsel
Center for New York Neighborhoods

Beth Finkel, State Director
AARP

Jenny Eisenberg, Senior Staff Attorney in
the Foreclosure Prevention Project
Brooklyn Legal Services

Lucy Block, Research and Policy
Associate
ANHD

Rose Marie Cantanno, Associate Director
of Consumer Protection Unit
New York Legal Assistance Group

Alexa Sloan
Coalition for Community Advancement

Jennifer Levy, Attorney
Legal Aid Society

Erobos Abzu Lamastu, New York City
Resident

Paula Segal, Senior Staff Attorney
Take Root Justice

Avi Gross, New York City Resident

Richard Fleteau, New York City Resident

Randall Cobb, New York City Resident

Jessica Franco, New York City Resident

Hannah Anousheh, Staff Coordinator
East New York Community Land Trust

Debra Ack
East New York Community Land Trust

Andrea Grenville
East New York Community Land Trust

Albert Scott
East New York Community Land Trust

Sarah Hack, New York City Resident

1 COMMITTEE ON HOUSING AND BUILDINGS JOINTLY WITH
2 COMMITTEE ON FINANCE

6

3 SERGEANT-AT-ARMS: Good afternoon. At this
4 time, will Sergeants please start their recordings.

5 SERGEANT-AT-ARMS: The back up is on.

6 SERGEANT-AT-ARMS: Thank you.

7 SERGEANT-AT-ARMS: PC recording is running.

8 SERGEANT-AT-ARMS: Thank you. And at this
9 time, will Sergeant Bradley please start his opening
10 statement?

11 SERGEANT-AT-ARMS: Okay. Good afternoon
12 and welcome to today's New York City Council hearing
13 of the Committee on Housing and Buildings joint with
14 the Committee of Finance. At this time, will all
15 panelists please turn on their videos? To minimize
16 disruption, please place electronic devices on
17 vibrate or on silent mode. If you wish to submit a
18 testimony, you may do so at
19 testimony@Council.NYC.gov. Again, that is
20 testimony@Council.NYC.gov. Thank you for your
21 cooperation and we may begin.

22 CHAIRPERSON CORNEGY: Let's gavel in
23 here.

24 [gavel]

25 CHAIRPERSON CORNEGY: Good afternoon.
I'm Council member Robert Cornegy, Chair of the

1 COMMITTEE ON HOUSING AND BUILDINGS JOINTLY WITH
2 COMMITTEE ON FINANCE

7

3 Committee on Housing and buildings. I want to thank
4 Chair Dromm from the Committee on Finance and other
5 committee members for joining this hearing titled
6 Oversight, examining the city's deed theft and deed
7 fraud crisis. Deed theft and deed fraud are nearing
8 crisis level in neighborhoods like Bedford-
9 Stuyvesant and Crown Heights, both of which fall in
10 my district. Deed theft can take different forms. A
11 fake deed can be created, a homeowner's signature
12 forged, and a faked deed with the forged signature
13 can be recorded. The forger can then borrow against
14 the property, sell it, or even go so far as to evict
15 the rightful owner. In some cases where a property
16 has been left vacant by the owner, the property can
17 be transferred without the owner's knowledge.
18 Another type of deed theft occurs when a scammer
19 convinces a homeowner to sign their property over
20 over, for example, in the context of a foreclosure
21 rescue scam. A scammer will reach out to a homeowner
22 facing foreclosure, offering to rescue them in
23 exchange for their signature on documents. The
24 homeowner doesn't realize that, but by signing these
25 documents, they are signing away their own homes. An
October 2019 article in the New York Times

3 highlighted these deed theft and deed fraud crisis
4 and told stories of people who were victims of deed
5 theft and deed fraud. One woman, Bordis Baez [sp?],
6 was tricked into selling her family's home worth 1.2
7 million for 120,000. These purchasers were later
8 arrested intending to flip her home and resell it.
9 In another situation, a homeowner facing foreclosure
10 was convinced to sign an agreement he believed was a
11 preliminary sales agreement, but which, in fact, led
12 to the unwitting sale of his home. With the COVID-19
13 pandemic and the resulting mass unemployment, many
14 more homeowners will end up vulnerable to deed theft
15 and deed fraud. Today, the committees will hear from
16 the Department of finance and the Department of
17 Housing preservation and Development to learn about
18 the city's efforts to prevent deed theft and deed
19 fraud. We will also be hearing three resolutions
20 that I sponsor. The first resolution, 1427, calls
21 upon the New York State legislature to pass and lack
22 of undertow side legislation that reforms New York
23 State notary laws. Faulty notarization can be found
24 in nearly every complaint of deed theft and deed
25 fraud. Unwitting notaries have played a role in deed
theft by notarizing documents without the signatory

2 being present or by notarizing documents presented by
3 an imposter claiming to represent the homeowner. The
4 resolution would require background checks,
5 fingerprinting, and training courses for notaries.
6 The resolution would also require notaries to file
7 official bonds to pay for the damages, should they
8 commit any wrongdoings. Resolution 1429 calls upon
9 the New York State legislature to pass and the
10 governor designed legislation that would place more
11 stringent standards on Corporation names that mimic
12 or otherwise resemble government agencies. Deed
13 theft perpetrators will use names that sound like
14 they belong to a government agency, lulling
15 homeowners into a sense of trust and leading them to
16 sign documents that unwittingly cause them to
17 ultimately lose their homes. Finally, resolution
18 1430 will call upon the New York State legislator to
19 pass the governor designed a bill that would
20 designate all of Brooklyn as a cease-and-desist zone.
21 As a result of this designation, homeowners in
22 Brooklyn could place their names on a list that would
23 bar them from harassment by speculators. I would
24 like to thank my colleagues from the housing and
25 buildings and finance committees present today. I

1 COMMITTEE ON HOUSING AND BUILDINGS JOINTLY WITH
COMMITTEE ON FINANCE 10

2 see Francisco Moya, Alike Samuel, Margaret Chin,
3 Danny Dromm, of course. I mentioned before. Helen
4 Rosenthal, Adrian Adams. Am I missing anybody?
5 Farah Louis. I see somebody waving, but I can't see
6 who that is. My buddy Fernando Cabrera from the
7 Bronx. Am I missing anyone? That is all I can see
8 from my screen. I apologize if I missed someone.
9 Oh. I see Karen Koslowitz waving the vehemently in
10 the background. Hey, Karen. Rory Lancman is also
11 present. And, with fact, I would like to thank all
12 the advocates and New Yorkers who shared their
13 experiences with me and my colleagues as we worked to
14 develop these measures. Your insights have been and
15 will continue to be invaluable as we work to stop
16 deed theft and deed fraud. We will now hear from the
17 infamous or famous committee Chair-- depending on
18 who you ask. Chair of finance, my colleague and
19 friend, Danny Dromm.

20 CHAIRPERSON DROMM: I hope that that
21 infamous is because I'm causing trouble.

22 CHAIRPERSON CORNEGY: Absolutely, Danny.

23 CHAIRPERSON DROMM: All right. Thank
24 you. Thank you, Chair Cornegy. I am Daniel Dromm
25 and I am the Chair of the Finance Committee. We have

3 just been reminded of the human devastation that deed
4 theft and deed fraud is causing, especially in
5 central and eastern Brooklyn and in southern Queens.
6 Decades of rising property values, the foreclosure
7 crisis, and now the desperation caused by COVID-19 ,
8 together, are making homeowners they are especially
9 vulnerable. Back in February 2016, under then Chair
10 Jalissa Farraris Copeland, the Committee on Finance
11 convened an oversight hearing to better understand
12 the cities deed theft and deed fraud crisis with a
13 special emphasis on the efforts by the administration
14 to combat the problem. At that hearing, we learned
15 of the efforts by the city register to identify
16 document fraud and by the city sheriff to investigate
17 it and about the Department of Finance's notice of
18 recorded document program to inform homeowners
19 wherever there are filings against the property. We
20 also learned of the state legislative proposal
21 supported by the registrar and Sheriff that would
22 enhance their abilities to combat the underlying
23 problems and to help victims. Since then, the
24 Council has taken action, including codifying the
25 Notice Recorded Document Program and expanding it by
making it an opt out program, rather than one that

1 COMMITTEE ON HOUSING AND BUILDINGS JOINTLY WITH
2 COMMITTEE ON FINANCE

12

3 required registration by the homeowner. Today, we
4 are hearing legislation I have sponsored, Intro
5 number 1919 that will additionally require the
6 Department of Finance to include in its recorded
7 document notifications, information on actions the
8 interested party can take if such person suspects
9 that a fraudulent document recording has occurred,
10 and including information about who to contact for
11 assistance, to file for complaint, or to report an
12 alleged criminal violation. We also require the
13 Department of Finance to give quarterly reports about
14 the utilization of this program, as well as, on
15 referrals to the sheriff regarding suspected deed
16 fraud. From this deed fraud referral data, we have
17 plenty of evidence that deed fraud continues today
18 concerningly high levels. Accordingly, deed fraud
19 rightfully continues to attract much attention. In
20 December 2018, and investigator grand jury convened
21 by Manhattan district Attorney Cyrus Vance released a
22 report of its own that made recommendations for legal
23 reforms. In March 2019, the state legislature
24 convened its own joint hearing at Brooklyn Borough
25 Hall to examine the crisis facing homeowners in
Brooklyn and throughout New York City, including the

3 problem of deed theft. After a troubling report on
4 deed theft in Brooklyn, published by the New York
5 Times last October, Governor Andrew Cuomo directed
6 the state Department of financial Services on Tuesday
7 to look into the many instant sales of deed theft and
8 deed fraud affecting communities of color. Finally,
9 the Attorney General Leticia James has been focused
10 on combating deed fraud and deed theft. This
11 January, she launched the protect our homes
12 initiative to protect homeowners from the left upper
13 community education and outreach and enforcement and
14 by going door-to-door in Bedford Stuyvesant to inform
15 homeowners of various scams, along with dozens of
16 other elected officials. I look forward to learning
17 more from the administration to update us on their
18 efforts. To help us monitor how effective they have
19 been and to hear recommendations for further
20 improvements that can be made to protect the innocent
21 homeowner from deed fraud. Before turning the mic
22 back to Chair Cornegy, I would like to thank the
23 staff of the finance division for the preparation of
24 this hearing, especially in my senior counsel,
25 Rebecca Chiasson, assistant counsel Noah Brick, and

1 COMMITTEE ON HOUSING AND BUILDINGS JOINTLY WITH
COMMITTEE ON FINANCE

14

2 finance analyst Sarah Gasalum, and Luke Zangerly.

3 Thank you very much. Chair Cornegy.

4 CHAIRPERSON CORNEGY: Thank you very
5 much, Danny. Before we move forward with the
6 hearing, I have been enjoying door we have been
7 joined by Minority Leader Steve Matteo, Vanessa
8 Gibson, Keith Powers, and Carlina Rivera. I want to
9 apologize for anyone who I missed. It was just an
10 omission based on my screen size and nothing more. I
11 think that we are going to move forward and have
12 Genan take over this part of the hearing.

13 COMMITTEE COUNSEL: Before I speak,
14 Council member Adams would like to make an opening.

15 CHAIRPERSON CORNEGY: I'm sorry, Council
16 member Adams. Council member Adams, I think you are
17 muted.

18 COUNCIL MEMBER ADAMS: Okay. Thank you.
19 Thank you so much. Good afternoon. I want to thank
20 first Chairs Cornegy and Chair Dromm for allowing me
21 to deliver remarks regarding my bill. Intro 1913
22 which would require reporting on complaints received
23 and investigations regarding recorded document fraud.
24 Right now, and New Yorkers are suffering from the
25 financial impacts of COVID-19. They are struggling

3 with food insecurity, loss of income, and many are
4 afraid that they will lose what they have worked
5 their whole lives for, their homes. Homeownership is
6 part of the American dream, but in times of financial
7 uncertainty like many New Yorkers sales right now,
8 homeowners can become targets for deed fraud.

9 Seemingly well-intentioned people may approach
10 homeowners with contracts claiming to offer repair
11 grants or other much-needed services, but, often
12 times, homeowners do not realize that they have been
13 the target of the deed fraud scheme. With so much
14 outrage, it can be difficult to differentiate for the
15 real offers from the fraudulent ones. By the time
16 the homeowner realizes what is happened, it may be
17 too late as the home may have already been sold or
18 mortgaged, literally, right from underneath their
19 feet. Unfortunately, state law prevents us from
20 doing more rigorous checks before deed is recorded.

21 Until there is a shift in the state law, the city
22 Council must demand updates from the office of the
23 share of on their outcomes and strategies of their
24 investigations. I also must draw the correlation of
25 deed fraud with its evil fraternal twin, the
Giuliana-esque tax lien sale. I look forward to

1 COMMITTEE ON HOUSING AND BUILDINGS JOINTLY WITH
COMMITTEE ON FINANCE 16

2 today's hearing and I asked my colleagues to support
3 my bill, Intro 1913 and really to support all of our
4 legislation presented today to protect homeowners
5 across the city of New York. Thank you, Chairs.

6 CHAIRPERSON CORNEGY: Thank you so much,
7 Council member Adams. I just want to say that we
8 also-- in the room is also Mark Gjonaj is been here
9 from the beginning and Keith Powers, if I didn't
10 mention Keith.

11 CHAIRPERSON DROMM: And Council member
12 Perkins.

13 CHAIRPERSON CORNEGY: Thank you, Danny.
14 Genan?

15 COMMITTEE COUNSEL: Hello. Thank you.
16 I am Genan Zilkha, counsel to the committees housing
17 and buildings at the New York City Council. Before
18 we begin, I want to remind everyone that we will be
19 on mute until you are called on to testify, at which
20 point, you will be on muted by the host. I will be
21 calling on panelists to testify. Please listen for
22 your name to be called as I will periodically
23 announce who the next panelist will be. We will
24 first hear testimony from the administration and then
25 testimony from the New York County District

2 Attorney's Office followed by testimony from members
3 of the public. Today, Sheriff Joseph Fucito of the
4 New York City Department of Finance will be
5 testifying, city registrar Annette Hill, and the New
6 York City Department of Housing Preservation and
7 Development associate Commissioner of preservation
8 Kim Darga will be available for questions and
9 answers. I will now administer the oaths. Members
10 of the administration, please raise your right hands.
11 Do you affirm the tell the truth, the whole truth,
12 and nothing but the truth before this committee and
13 respond honestly to Council member questions?

14 UNIDENTIFIED: I affirm.

15 COMMITTEE COUNSEL: Is that everybody?

16 Thank you. You may begin when ready.

17 SHERIFF FUCITO: Good afternoon, Chair
18 Dromm, Chair Cornegy, and members of the finance and
19 housing and buildings committees. I am Sheriff Joe
20 Fucito and I am joined today by city register Annette
21 Hill. I hope all of you are staying healthy and safe
22 during this time in the city. My testimony today
23 will quickly review the history of the Sheriff's
24 office deed fraud investigations, describe our
25 current efforts in this area, and advised New Yorkers

3 on how to protect themselves from deed fraud. I will
4 also discuss our public outreach efforts, as well as
5 proposed legislation to update and strengthen deed
6 crime laws. So, now, for a little history. Since
7 2014, the Department of Finance and city registrar
8 and Sheriff's office have taken many proactive steps
9 to reduce deed fraud and investigate crimes related
10 to deed fraud. Our investigations in the past six
11 years have resulted in the arrests of 49 suspects
12 tied to fraudulent property transactions. The total
13 value of these properties was in excess of 48,926,000
14 dollars. In addition, the Sheriff's office provided
15 testimony and evidence to the New York County grand
16 jury report concerning deed fraud in New York City
17 issued in December 2018. The city register is
18 required by state law to perform the ministerial act
19 of recording a deed as long as it is in recordable
20 form meaning that it is certified by a public notary,
21 it has the sellers signature, and the buyers
22 signature, under certain circumstances, and it
23 includes all other required legal documents. There
24 is not much room for us to negotiate the law. We
25 have trained city register staff to better detect
documents that may be forged or fraudulent and put in

3 place a number of safeguards, including the
4 involvement of the Sheriff's office in the review
5 process. After an internal review of our recording
6 process, we discovered that quick claim deeds are the
7 type most often used by perpetrators of deed fraud.
8 The staff now pays particular attention to these
9 submissions and when there is a discrepancy
10 identified that appears to indicate possible fraud,
11 it is referred to the Sheriff's office for review.
12 Examples of other types of recordings that would
13 trigger an additional review are those with a sale
14 price far below market value, multiple transfers
15 between LLCs and a short period of time, and
16 transfers by people or entities suspected of
17 committing or known to have committed deed fraud in
18 the past. These safeguards have been in effect since
19 July 2014 when we increase our focus on deed fraud.
20 In addition, as part of the review process, city
21 register staff verified the notary information on the
22 New York State Attorney General's official website
23 and discrepancies are sent to the Sheriff for closer
24 review. We also automatically inform property owners
25 by mail when a deed is filed against their property.
The quicker someone catches fraudulent activity, the

3 quicker the problem can be addressed. To talk a
4 little bit about the present landscape and
5 challenges. As indicated in the New York County
6 Dist. Atty. grand jury report, deed fraud is an
7 onerous crime to investigate and more hurdles we
8 face, the longer it takes to successfully complete an
9 investigation. This year's bail reform has
10 accelerated the disclosure process and now requires
11 much more evidentiary documentation to be ready
12 before trial. This is not impossible to accomplish,
13 but it extends investigative time frames
14 considerably. In addition, this fear, that Sheriff's
15 office has been more involved in the enforcement of
16 many criminal and health processes resulting from
17 cash bail reform and last COVID-19 pandemic. It
18 should surprise no one that COVID-19 has presented
19 additional challenges to deed fraud investigations.
20 Grand jury is warned not in panel four months,
21 leaving information gathering by the grand jury
22 process stuck in neutral. Many law, real estate, and
23 title company offices were closed in response to the
24 pandemic. Interviews with potential witnesses and
25 suspects required significant acrobatics and virtual
interviews prevent numerous challenges to

3 investigate. However, please note that these hurdles
4 have only slowed, but not stopped our progress. As
5 an illustration of our work in spite of these
6 challenges, the Sheriff's office concluded a recent
7 deed fraud investigation prosecuted by the Manhattan
8 district attorney into an attorney who committed deed
9 fraud against the estate of a Tuskegee airmen. When
10 the defendant pleaded guilty to all 11 counts of the
11 indictment on January 13th, 2020, the judge promised
12 the defendant not to exceed six months split on all
13 class D and E felony use and probation on the class C
14 felony provided the defendant comply with certain
15 conditions. On October 7th of this year, the judge,
16 influenced in part by COVID-19, sentenced to the
17 defendant to five years of probation all 11 counts
18 and ordered the defendant to complete 200 hours of
19 community service by February 2021. To make
20 restitution of 25,000 dollars to the victim's estate,
21 sign a judgment for the remainder of the 67,122
22 dollars stolen from the estate, and judgments for the
23 full amount stolen from the New York State Department
24 of Labor in the amount of 10,220 dollars and, from
25 the defendant's sister, 31,577 dollars. The court
also signed a stipulated order avoiding the deed to

3 the property. The defendant provided an affidavit
4 withdrawing and/or not pursuing, notices of appeal,
5 and the two civil cases involving the property.

6 While this case was successfully prosecuted, we
7 should be mindful that, during the COVID-19 process,
8 and jail will not be a viable deterrent for

9 nonviolent crime. This is not to criticize the court
10 or its determination, but to highlight that we want
11 to reduce circumstances of people in jail during the
12 age of COVID-19. How New Yorkers can protect

13 themselves from deed fraud? The best use of my
14 public testimony is to educate people on how to

15 prevent deed fraud. Here are some important measures
16 the public can take to protect themselves. Review

17 your property records and you will leave for

18 activity. This information is available on our

19 website through the automated city register

20 information system commonly referred to as ACRIS

21 where you can view property records. The address is

22 www.NYC.gov/ACRIS. A C R I S. Register for notice

23 of recorded deed program. Once you register, you

24 will be notified text or email when there is any

25 activity on your property. It is free and you can

register online at www.nyc.gov/finance. Search deed

3 fraud and choose the first result. Protect your
4 property from deed fraud. Check with the Department
5 of finance safe use receiving property tax and water
6 bills or if any of your utility bills suddenly
7 increase. You can contact us by calling 311 or
8 creating an account at www.nyc.gov/dofaccount. If
9 you own a property in New York City that is not
10 occupied, we recommend that you check it often to
11 make sure it is not illegally occupied. If you are
12 going away for a long period of time, ask someone you
13 trust to check on your house regularly while you are
14 gone. Have them collect your mail so it does not
15 pile up, as this suggests to criminals that the house
16 is unoccupied. If you are going away for a long
17 period of time, be careful of people or organizations
18 that offer you cash to help you with home
19 modifications or foreclosure preventions. Never turn
20 over a year deed or transfer of ownership of your
21 home to a mortgage assistance company. Do not sign
22 any property related documents that you do not
23 understand. We encourage people to first consult
24 with a trusted attorney before signing papers. Do
25 not hire a lawyer referred to you by someone whom I
have a vested interest in the property, such as a

3 realtor. From our investigations, perpetrators of
4 deed fraud operate like a gang. They have their own
5 attorneys, mortgage bankers, notaries, title
6 companies, and real estate brokers. Use a title
7 company that you have vetted for real estate
8 transactions and make sure your title insurance has
9 deed fraud protection. If you suspect deed fraud,
10 act quickly. Do not be embarrassed or wait to get
11 help. The more time that passes, the more difficult
12 it may be to regain the legal title because of how
13 quickly the property can be transferred, perhaps
14 multiple times. File a complaint with the New York
15 City Sheriff's office. You can call us at 718-707-
16 2100. It's important that we open a criminal
17 investigation as soon as possible. You can also
18 email the Sheriff at taxcop@finance.NYC.gov. Hire an
19 attorney to help you regain legal title to your
20 property and check to see if your title insurance
21 company covers deed fraud. This could help cover the
22 cost associated with hiring an attorney. If you
23 cannot afford one, contact the New York State
24 Attorney General's office. The Attorney General's
25 office works with partners to provide free assistance
to homeowners throughout the state. Their website is

1 COMMITTEE ON HOUSING AND BUILDINGS JOINTLY WITH
COMMITTEE ON FINANCE 25

2 [www.AGSCAM-- help-- H E L P-- dot com.](http://www.AGSCAM--help--HELP--dot.com)

3 I'm going to talk a little bit about our public
4 outreach and education. The Department of Finance
5 outreach unit has been informing attendees about deed
6 fraud and how to prevent it since early 2016. Their
7 work has reached over 100,000 taxpayers at over 1500
8 events. During the outreach sessions, we give
9 presentations which include a section on deed fraud
10 and what people can do to protect their properties.
11 The outreach team has distributed tens of thousands
12 of our deed fraud guides which is available at

13 www.nyc.gov/finance. F I N A N C E. In 10

14 languages. The outreach unit attends deed fraud
15 educational forums hosted by elected officials and
16 community leaders. One example that we consider the
17 ideal model was a town hall promoted as Don't Lose
18 Your Home to Scammers hosted by Council member
19 Cornegy and the outreach team in the Sheriff's
20 office. This event was cosponsored by the Brooklyn
21 Bar Association, the center for New York City
22 neighborhoods, and Brooklyn neighborhood services.

23 The outreach also conducts train the trainer
24 sections, hundreds of them over the past few years
25 during which they educate elected officials and

3 community-based organizations on the topic. This is
4 an ongoing effort and we encourage members interested
5 to contact us to schedule a session. Now, I am going
6 to talk a little bit about proposed deed fraud
7 legislation. Department of finance, in consultation
8 with the New York County District Attorney's office
9 has prepared proposed state legislation to address
10 the problem of deed fraud. The bill is consistent
11 with and implements major recommendations of the New
12 York County District Attorney's office 2013 grand
13 jury report. One of the recommendations for the bill
14 is increasing the penalty for the forging of the
15 deed, mortgage, or a similar instrument by making
16 persons for any of the instruments guilty of the
17 crime of forgery in the first degree, a class C
18 felony with a maximum sentence of up to 15 years of
19 incarceration. The bill also dedicates the crime of
20 filing a false instrument in the first degree to the
21 filing of a false real property instrument or the
22 attempted filing of such instrument. It also makes
23 the crime of filing a false instrument in the first
24 degree a class D felony with a maximum sentence of up
25 to seven years' incarceration. The filing or
attempted filing of false instruments other than real

3 property instruments would be a class a felony with a
4 maximum sentence of four years of incarceration under
5 a revised filing of filing a false instrument in the
6 second degree. The current crime of filing a false
7 instrument in the second degree, a misdemeanor, would
8 become a crime of filing a false instrument in the
9 third degree. These increased penalties will act as
10 a greater deterrent to deed fraud without being
11 unduly harsh. The bill also creates a new group of
12 crimes involving notarization because the deed fraud
13 problem is inevitably enhanced by the lack or
14 downright deceitful actions of duly commissioned
15 Notary Public's and commissioners of deeds, as well
16 as the deceitful actions of other persons who falsely
17 purport to be duly commissioned Notary Public's and
18 commissioners of deeds. The first of these two
19 proposed crimes in their group notarization of a
20 false or real property instrument in the first-degree
21 and second-degree address false, fraudulent, or
22 improper notarizations of real property instruments.
23 A first-degree crime is a class E felony. A second
24 agreed crime is a misdemeanor. The next group of
25 proposed crime, impersonation of a Notary Public or
Commissioner of deeds on real property instrument

3 deals with persons who falsely purport to be a Notary
4 Public or Commissioner of deeds and notarizing a real
5 property instrument and is a class E felony. The
6 group's other two crimes are tampering with a
7 notarization or real property instrument or the
8 notarization Journal in the first-degree and second-
9 degree. These crimes will address situations in
10 which a person alters or destroys a notarized real
11 property instrument or a notarized Journal or similar
12 record that a Notary Public or Commissioner of deed
13 may be required to maintain. The first-degree crime
14 is a class E felony. The second agreed crime is a
15 misdemeanor. Finally, in addition to the above
16 amendments to the penal law, the bill also amends
17 the executive law to authorize the city in any county
18 outside New York City, too, by local law, imposes a
19 journal and/or similar report of record keeping
20 requirements of a notary public's and Commissioner of
21 deeds respected notarization of a real property
22 instrument. We hope this bill will become law so we
23 and our partners can better investigate and prosecute
24 deed fraud. I hope that our testimony today has
25 given you some useful overview of where we stand in

1 COMMITTEE ON HOUSING AND BUILDINGS JOINTLY WITH
COMMITTEE ON FINANCE 29

2 regards to deed fraud. Thank you for your time and I
3 will now take questions.

4 COMMITTEE COUNSEL: We will now open
5 for questions from Chair Cornegy and Chair Dromm.

6 CHAIRPERSON CORNEGY: Sheriff, thank you
7 so much. It's always-- I feel like it's always good
8 to see you, but when I see you, you know, we are
9 dealing with a very serious issue. So, don't take
10 that personal. But thank you for the work that your
11 office continues to do.

12 SERGEANT-AT-ARMS: Chairman, you are on
13 mute.

14 CHAIRPERSON CORNEGY: On deed theft and
15 deed fraud. I apologize. I would be remiss, though,
16 before I go into questioning, if I didn't point out
17 the great work that we have been able to accomplish
18 in partnership with the current attorney general and
19 the prior attorney general. When there was mortgage
20 foreclosure crisis and the restitution that the banks
21 were required to pay, a great deal of that money was
22 used to combat deed theft and deed fraud and
23 nonprofits around the city received that money and
24 now we don't have that as a resource when we need it
25 most. So, that is really unfortunate. And with a

2 budget deficit, it's very difficult to allocate the
3 appropriate resources to the nonprofits to help with
4 the mitigation of deed theft and deed fraud. So, we
5 find ourselves in a double crisis. I just wanted to
6 point that out. Some of the questions that I have
7 began with-- Hold on one second. So, as it relates
8 to victims of deed theft, what are the common
9 problems that owners who think they have been victims
10 of deed fraud face in trying to quiet title?

11 SHERIFF FUCITO: One of the biggest
12 problems that we see with the victims of deed fraud
13 is, although we can bring a criminal prosecution,
14 gaining their title back becomes another hurdle in
15 itself and that is significant. That is why we stay
16 very early in the process you should be represented
17 by an attorney with any type of property transfer
18 because we often times see people sign away their
19 property on their own. And under those conditions,
20 it's very hard to prove criminal intent. It can be
21 done in very extreme circumstances, but, as you know,
22 the vast majority of complaints we receive are this
23 type of fraud where they took advantage of the
24 person's lack of knowledge of real estate, they used
25 that to their advantage, and then they had a

2 financial gain over the victim. Then recovering the
3 property after such a transfer is very, very
4 difficult. So, I would say that the strongest thing
5 that any person could do is, when they are involved
6 in any type of transaction, have good counsel
7 available to them.

8 CHAIRPERSON CORNEGY: So, also I wanted
9 to-- from your perspective, is there a particular
10 demographic that is more vulnerable to deed theft and
11 deed fraud? And I don't mean that in ethnicities
12 solely. I mean it in socioeconomic status?. I mean
13 and also in age.

14 SHERIFF FUCITO: Absolutely. Absolutely.
15 We see, on a continual basis, the elderly are
16 particularly vulnerable to deed fraud. The immigrant
17 community, because of the language barrier that are
18 sometimes presented. Obviously, people who are
19 suffering from-- in an economic crisis are more
20 vulnerable to being asked to participate in things
21 that they think are going to relieve them of their
22 debt, but, in fact, relieves them of their property.
23 So, you have touched on each of the points and the
24 overwhelming number of cases that we deal with have
25 those factors involved. The Tuskegee airmen case

2 that we were dealing with case is a perfect example.
3 Elderly gentlemen and then, later on, it was not all
4 only the gentleman, but his estate. Those are the
5 factors that we see over and over again. The
6 elderly, the vulnerable, the immigrant community.
7 The people who are suffering an economic crisis.
8 Those are the targets of deed fraud.

9 CHAIRPERSON CORNEGY: Also, I see Annette
10 shaking her head. You can feel free to jump in at
11 any time if you want to expound on what the sheriff
12 has said and if you have anything, please feel free.

13 CHAIRPERSON DROMM: Chair Cornegy,
14 maybe just to ask the Sheriff if he has any
15 statistics on those demographics?

16 CHAIRPERSON CORNEGY: Oh, I'm sorry.
17 Danny-- Chair Dromm--

18 SHERIFF FUCITO: We don't keep official
19 statistics, but I review every deed fraud case and
20 that is the factor that I see in each one of these.
21 That we see the elderly, we see some-- When we look
22 at the interview notes, we see the same factors
23 involved. There are people, obviously, in very
24 expensive properties that are also subject to deed
25 fraud, but the average complaint that comes in has

2 those factors. The elderly, the émigré, the person
3 that was approached because they are an economic
4 crisis. Those are the overwhelming-- particularly
5 Brooklyn, as well. Brooklyn, it has the overwhelming
6 number of deed fraud cases and those are the factors
7 we see particularly in Brooklyn.

8 CHAIRPERSON DROMM: So, in Queens, is
9 that similar?

10 SHERIFF FUCITO: We see southern Queens,
11 as well, but, obviously, Brooklyn, as far as the
12 number of complaints that come in, Brooklyn is in the
13 lead.

14 CHAIRPERSON DROMM: Thank you.

15 CHAIRPERSON CORNEGY: The one thing,
16 Sheriff, I didn't-- I may have missed you mentioning
17 in terms of tools in a toolbox to be preventive, is
18 the use of the ACRIS system and the ability to check
19 any movement on your deed or any movement on those
20 kinds of things through checking the ACRIS system
21 regularly. In the past, we've all suggested you
22 included that people check the ACRIS system to see if
23 there is any movement as often as possible to secure
24 or to be preventive in any one laying claim to their
25 deed or changing their deed or anything like that.

3 SHERIFF FUCITO: Absolutely. You should
4 check on your own. Finance does have a process that
5 we will send notification if there is anything
6 recorded against your property. And that is a very
7 important component to our investigation. Some of
8 our investigations that we are getting in the
9 beginning of this year were triggered by those types
10 of notifications and that we also have the relief
11 factor. Some people get a notice, they don't know
12 what's going on and then they understand that they
13 took a second mortgage and that's what's being
14 recorded or something that did involve their property
15 that they were aware of, they've noticed that it's
16 affected their real property. So, in some cases, it
17 puts people IVs to know that, yes. This was
18 recorded. In other cases, it is an alert factor for
19 us to start an investigation.

20 CHAIRPERSON CORNEGY: So, I just want to
21 be clear on what you are saying. The system, as it
22 stands now, when there is any movement, there will be
23 an alert sent and--

24 SHERIFF FUCITO: Yes.
25

2 CHAIRPERSON CORNEGY: the homeowner will
3 be able to verify whether that is something that they
4 wanted or something that is fraudulent.

5 SHERIFF FUCITO: They receive a letter
6 that outlines that there was a recording against
7 their property. And if they are unaware of it or
8 they are uncertain, that they could contact the
9 Sheriff's office and it gives our phone number in our
10 email address for them to contact us.

11 CHAIRPERSON CORNEGY: Is there a specific
12 action that triggers that ignore any action on the
13 deed?

14 SHERIFF FUCITO: I believe it is any
15 recording against the property. So, if somebody
16 files something against your property-- it could
17 even be like a mechanics lien or something like that
18 where it is recorded. Any recording on your property
19 results in this triggering mechanism.

20 CHAIRPERSON CORNEGY: So, I'm just going
21 to ask one more question and then I will go to my
22 cochair and the rest of the members. But what tools
23 does the city have in place to respond after an
24 illegal real estate conveyance is already occurred?

2 I think you already mentioned how difficult it is to
3 reverse that. [inaudible 00:37:54]

4 SHERIFF FUCITO: Yes.

5 CHAIRPERSON CORNEGY: Like it's so easy--
6 it's almost easier to do something fraudulent than it
7 is to reverse it.

8 SHERIFF FUCITO: Absolutely correct. So,
9 the Sheriff's response-- the primary response of the
10 Sheriff is to investigate and see if we can develop a
11 criminal case to bring for prosecution. That is the
12 bulk of what we can do. There are some minor
13 efforts that we have taken in other directions. So,
14 when we have an investigation, if we have seen that
15 the parties were going to move for an eviction and we
16 have strong evidence that the eviction was unlawful
17 because the transfer was unlawful, we have made
18 appearances at housing court to see if the people
19 testifying would perjure themselves under oath and
20 arrest them for that. And what we discovered was,
21 when we appeared at housing court, the individuals
22 would withdraw their housing court eviction process.
23 So, we have taken small steps, but we-- it's hard to
24 kind of step into that realm because we can only do
25 this in a very limited circumstance with active

3 criminal investigations when we have strong evidence
4 that the property was stolen. After the fact, but if
5 you hire a civil attorney, a civil attorney can get a
6 court order converting the property back to you and
7 the court can order the sheriff to convey the
8 property back to you by deed, but it requires a court
9 order. The sheriff can't do it on his own. So, you
10 really don't have a lot of options and the city
11 doesn't have a lot of options. As you said, once the
12 property has been transferred and once those
13 mechanisms are in place, it is very hard to undo.

14 CHAIRPERSON CORNEGY: You know, I think
15 it is incredibly gutsy that people would steal your
16 property and then affixed to you on top of it.

17 SHERIFF FUCITO: Yes.

18 CHAIRPERSON CORNEGY: Do you know what
19 the percentage of that type of conveyance is in
20 relation to all of the other deed theft?

21 SHERIFF FUCITO: It is small compared to
22 the ones that we have investigated, but when we have
23 spotted it, we have stepped into it and we've gotten
24 involved with the eviction process when we have
25 strong evidence that this was going to happen. The
other thing that we noticed in these investigations

3 was that the perpetrators would have different sets
4 of attorneys. They would have one set of attorneys
5 in housing court, one set of attorneys for Supreme
6 Court, one set of attorneys everywhere else. So,
7 each attorney could deny knowledge of everything
8 else. They were only hired for this very limited
9 window. Remember, there are a lot of legitimate
10 attorneys there that could be hired and not realize
11 that they are acting on behalf of somebody who is
12 involved in deed fraud. So, we noticed that that was
13 a trend where they used different councils to perform
14 different types of functions.

14 CHAIRPERSON CORNEGY: So, my last
15 question for this round as I've gotten three texts
16 already about the question of is very particular
17 demographic that is perpetrating these crimes? We
18 asked the demographic of who is the victim. Is there
19 a particular demographic or can you narrow it down to
20 a particular segment of society that is largely
21 responsible for these conveyances?

22 SHERIFF FUCITO: I couldn't say. You of
23 all variety of individuals that are involved. The
24 perpetrators are much more diverse than the victims.

3 CHAIRPERSON CORNEGY: Okay. That's all I
4 have for this realm. We will have a second round and
5 I will lead off that second round. It I defer now to
6 my colleague and cochair, finance Chair Danny Dromm.

7 CHAIRPERSON DROMM: Thank you very much
8 Chair Cornegy. And, sheriff, it is good to see you
9 again. So, if I am hearing you correctly, correcting
10 deed fraud is kind of like a warning about marriage.
11 You know, it's a lot easier to get married than it is
12 to get divorced. So, just wanted to make that point.
13 We have been joined by Council member-- Go ahead,
14 sheriff. I thought you were going to say something.

15 SHERIFF FUCITO: I--

16 CHAIRPERSON DROMM: We've been joined
17 by--

18 SHERIFF FUCITO: I was. I was going to
19 say, instead of using the marriage analogy, use the
20 boat analogy. It's must harder to get rid of about
21 and acquire above.

22 CHAIRPERSON CORNEGY: I don't know which
23 one of those hurt more, but [inaudible 00:41:54].
24 You know, those are two terrible analogies.

25 CHAIRPERSON DROMM: We have been joined
by Council members Van Bramer and Miller.

3 CHAIRPERSON DROMM: And--

4 CHAIRPERSON CORNEGY: I'm sorry. And
5 also Barry Grodenchik has been with us from the
6 start. Hey, Barry.

7 CHAIRPERSON DROMM: Oh, okay. Good.
8 Sheriff, are you seeing any uptick in deed fraud
9 complaints or suspicious deed filings as a result of
10 the COVID-19 crisis?

11 SHERIFF FUCITO: Actually, we see a lower
12 amount compared to the other years. We have seen
13 lower amounts, but, from the review of the evidence--
14 and, again, these are the early phases. We see more
15 truer criminal activity. We often get complaints, as
16 I said earlier. We get many complaints where people
17 feel they have been defrauded. And I would
18 categorize that, for lack of a better word, there are
19 things that are sleazy, but legal and then there are
20 things that are truly criminal. We see a lot of
21 sleazy activity. A lot of it. This year, we use the
22 smaller volume complaints, but we are seeing what we
23 believe is more evidence of criminal activity, as you
24 indicated, because of the things that are happening
25 with COVID-19. I think people think we are not
watching. So, this is why it is so important for

2 grand juries in the court system to get back running
3 because it means that we can start moving our
4 investigations forward.

5 CHAIRPERSON DROMM: Okay. Thank you.

6 At past finance hearings, the Council is heard from
7 advocates that properties that are noticed for the
8 lien sale are often targeted by fraudsters posing as
9 distressed property consultants. While we recognize
10 the benefits of widely publicizing the lien sale
11 list, is there anything that the administration can
12 do to protect these homeowners?

13 SHERIFF FUCITO: This is a typical
14 question because, obviously, as you know, the lien
15 sale is part of a ministerial process. But any tool,
16 no matter how helpful it is can always be used for
17 evil. A hammer is a great tool except when you hit
18 somebody in the head with it. Then it's not a great
19 tool. The problem with the lien sale, the problem
20 with ACRIS-- all this information is there to be
21 helpful to people, but it can also be exploited and
22 that is one of the great difficulties that we are
23 facing. Good tools being used for bad reasons. It
24 is very hard to find an answer to it because
25 information is important. And I think a fund that

2 has anything to say, we'll let her jump in. I don't
3 know if she does.

4 ANNETTE HILL: You said exactly what I
5 was thinking. Thanks, Joe.

6 CHAIRPERSON DROMM: It's good to see
7 you, too, Ms. Hill. And maybe you could even help us
8 with the next question. Based on our understanding,
9 because of state law restrictions, the city register
10 has very little discretion about whether to record a
11 document related to the property even if there is a
12 suspicion of fraud. Can you walk us through the
13 process of how a deed is recorded with the city
14 register? What are some of the most common
15 indicators during the registration process the fraud
16 may be occurring and what do you do if you suspect
17 that there is fraud?

18 ANNETTE HILL: Sure. Good afternoon.
19 Well, like you said, I have very little room for
20 rejecting a deed, however, the staff is trained to
21 look for certain things. Like I said, we do-- the
22 sheriff reported we check the notary information. If
23 we find there is something an accurate with the
24 notary information, that is something that triggers
25 us to send it to the sheriff for additional review.

3 We also look to see-- we have flags in the ACRIS
4 system that alerts the staff of certain types of
5 inconsistencies. If the property is below market
6 value and is being transferred and it is below the
7 market value, that is the trigger. We also look to
8 see if there is a property that has LLC and it has
9 been transferred a few times. That is something that
10 triggers that something is going on. We also will
11 look to see if there is a quitclaim deed. That
12 usually triggers that something is going on. So, any
13 kind of inconsistency we find, we will bring in the
14 sheriff to take a second review and will not record
15 it at this point. Working with the sheriff has
16 helped us to not put something on record that could
17 actually have someone lose their property. So, it is
18 been a very good relationship and taking the sheriff
19 and the part of the review process.

20 CHAIRPERSON DROMM: Can you just walk
21 me through the process of how--

22 ANNETTE HILL: Sure.

23 CHAIRPERSON DROMM: it's recorded?

24 ANNETTE HILL: Yes. Okay. So, we
25 could get a recording over the counter in person.
They could also mail it. We also get recordings

2 electronically. 80 percent -- almost 80 percent of
3 the documents we get comes in through the electronic
4 means. So, very few people are now walking in. When
5 it comes in initially, there is a quick review just
6 to make sure it has the initial requirements such as
7 tax forms and has all the requirements. A cover
8 page. And then it goes through to the examiner. The
9 examiner's exam Annette to make sure it meets the
10 legal requirements as they have made their payment,
11 if there is a buyer and a seller, it's notarized, and
12 so forth. That is the general process. And if
13 everything meets the requirements, then it gets
14 accepted if there is a payment, for recording.

15 CHAIRPERSON DROMM: If someone suspects
16 fraud, what do they do? How do they go about that?

17 ANNETTE HILL: If someone suspects--
18 if we get someone calling in or they are asking when
19 they come into the office, the first thing we will
20 tell them things, number one, they should get an
21 attorney. And, number two, we send them to our
22 sheriff's department. We will pull all record of
23 their property and we will show them the last
24 recording that will give them that evidence. They
25 can also pull at themselves, but we will give them

3 all that information and directed them to the sheriff
4 so the sheriff can work with them to see if there is
5 any criminality involved.

6 CHAIRPERSON DROMM: And, sheriff, what
7 investigative tools do you have or what do you used
8 to investigate suspected cases of deed fraud?

9 SHERIFF FUCITO: Is everything that we
10 have. That's the easiest way to put it. Besides the
11 interview process, besides all of our programs and
12 information. We have used our license plate reader
13 technology. We use the video system that we have at
14 the Department of Finance. We use a lot of other
15 types of mechanisms, including GPS tracking warrants.
16 If we have actually gotten to the point where we want
17 to track someone, we have gotten permission from the
18 district attorney to obtain a warrant, and we track
19 individuals involved in deed fraud. So, we use any
20 tool that is available for any of our criminal
21 investigations are available for deed fraud.

22 CHAIRPERSON DROMM: Okay. Thanks.

23 ANNETTE HILL: I just wanted to add one
24 another thing that we do jail. If the sheriff has
25 opened the case with the district attorney and there
is evidence, we will put a stop on ACRIS to prevent

2 any additional recordings against the property. But
3 it has to come from the sheriff saying that he has a
4 very strong case. So, if it's just the-- that will
5 stop them from taking a mortgage out. If they come
6 to try to record something, they will have to contact
7 us and then they are referred to the sheriff. So,
8 that is another tool we use within finance to try to
9 stop further action against the homeowner.

10 CHAIRPERSON DROMM: Okay. Thanks. And
11 you had mentioned LLCs which have historically been
12 afforded privacy and secrecy about their owners and,
13 for this reason, have often been used to perpetrate
14 deed theft and fraud. In September 19, state law
15 changes forced new disclosure when an LLC is involved
16 in the deed transfer of one to four family homes.
17 Now, the name and address of all owners must be
18 attached to the real property transfer tax form or
19 the RPTT form. Do you review the RPTT tax returns as
20 part of your anti-fraud review and, if so, do you
21 believe this state law change has been beneficial for
22 your investigations?

23 SHERIFF FUCITO: For the sheriff side,
24 yes. Whenever we get a referral that there is
25 something related to deed fraud, we look at the

3 entire package. The reason that we look at the
4 entire package, as the district attorney grand jury
5 report indicated, deed fraud is onerous to
6 investigate. We may not be able to prove the theft,
7 but we can prove that they lied on certain documents.
8 So, the RPP tax return, any of the other documents
9 that are notarized. We may be able to charge someone
10 with forms of perjury or filing false instruments,
11 even if we can't necessarily prove a deed fraud
12 component. So, yes. That is an important part in
13 knowing who the principles behind the LLC are. It
14 takes a significant amount of time off the
15 investigation if we know who they are.

16 CHAIRPERSON DROMM: So, are there any
17 tax privacy issues that prevent you from looking at
18 RPTT returns during your investigations?

19 SHERIFF FUCITO: Not on that return.
20 There is no confidentiality on that. We can't look
21 at regular tax returns and use that information.

22 CHAIRPERSON DROMM: Okay. We've heard
23 that the comprehensive notary road for him could be
24 very helpful to help stop deed fraud. Some states
25 have moved faster than New York to update their
notary laws, including California, which has required

3 notary journals since 1973 and, more recently,
4 Virginia and North Carolina. Some states have felt
5 such urgency about these issues that they have
6 changed notary law by executive order, including
7 Massachusetts and Rhode Island. Have you had
8 conversations with state representatives about moving
9 some things forward in this regard?

10 SHERIFF FUCITO: Yes. We have been
11 advocating. We were advocating over the last several
12 years some changes in the notary laws, but when we
13 did the grand jury report with the DA, we felt that
14 we should join forces and push as a joint in unison
15 saying these are the changes that we should be
16 looking for as far as a notary, as far as making sure
17 there are more increased crimes for notaries that are
18 involved in this, keeping better records.
19 Particularly for real property transfers. And if
20 necessary -- I mean, part of the issue, to be
21 honest, is many parts of the state are not interested
22 in this legislation, however, we are trying to
23 convince people that, if the rest of the state isn't
24 interested, New York City is interested. It's a
25 major problem for New York City and these are things
that we would love to see in New York City to help

3 reduce deed fraud. Having the notary be more
4 responsible in the process.

5 CHAIRPERSON DROMM: So, would you blame
6 that lack of interest as the reason for it
7 languishing in New York state legislature?

8 SHERIFF FUCITO: I think that, upstate,
9 the issue of deed fraud is not as prevalent and there
10 are other issues involving how much intrusiveness the
11 government shall have been a person's life. So, I
12 think those issues tend to slow it down in the other
13 parts of the state where, as here in New York City,
14 we see this on a regular basis and we think it has a
15 lot of value to help reduce deed fraud.

16 CHAIRPERSON DROMM: And I'm just going
17 to ask a few more questions and then we will turn
18 into other Council members. But, in fiscal 21, the
19 adopted budget headcount for the office of the
20 sheriff was 268 positions with the actual headcount
21 of 236. Is it your office subject to the hiring
22 freeze?

23 SHERIFF FUCITO: While, at this point in
24 time, we have openings, but we have not been able to
25 hire. We have been trying to work with OMB to move
forward in the hiring process, but we have to be

3 realistic. The budget in the city right now is
4 difficult to predict and I am sure there are many
5 other city agencies like myself that have very
6 valuable programs, but we are kind of in a waiting
7 mode.

8 CHAIRPERSON DROMM: So, at this point,
9 do you think you are going ahead your headcount?
10 Your budgeted headcount this year?

11 SHERIFF FUCITO: No. No. No. We are
12 below headcount this year.

13 CHAIRPERSON DROMM: Okay. And how many
14 staff members are assigned to work on deed fraud?
15 And do you know other titles? What their titles are?

16 SHERIFF FUCITO: Yes. Yes. So, we have
17 to titles. We have-- Actually, three titles are
18 involved in deed fraud. The deputy sheriff title,
19 the criminal investigator title, and the auditor
20 title. Each one of them does a certain component
21 piece of it. We have, approximately seven
22 investigators and, I believe, six deputy sheriffs and
23 three auditors doing most of the deed fraud
24 investigation, but that doesn't mean that those are
25 the only people devoted to deed fraud. For example,
if there is going to be an execution of the search

3 warrant, we may bring in more deputy sheriffs to
4 conduct the search warrant. In the county office is
5 where people walk in to, let's say, the registrar's
6 office and they have a deed fraud, Annette's team
7 will actually bring them over to the Sheriff's
8 office. In the sheriffs in those counties, even
9 though they are not primarily assigned to deed fraud,
10 will take the basic investigation. So, it is a
11 hands-on approach. Most of the Sheriff's office
12 operates that way. I think I've explained above for.
13 We are a small agency and small-- unlike NYPD which
14 has a very specific people assigned for 20 years to
15 do the same task, we are generalists. Deputy
16 sheriffs every day could be investigating deed fraud,
17 they could be serving an order of protection, they
18 could be transporting a prisoner, making interest.
19 So, every day has a combination of different duties
20 that are assigned to them.

21 CHAIRPERSON DROMM: So, do you feel
22 that that is sufficient to handle all that number of
23 deed fraud cases that you are getting?

24 SHERIFF FUCITO: It's difficult because--
25 It is difficult to balance because every assignment
the sheriff has is important. Deed fraud is a very

2 important program. It is important to me personally,
3 but so is our order of protection project. So does
4 our apprehension of the people who are going through
5 emotional distress pursuant to the mental hygiene
6 law. Each of these are very, very important. I
7 can't say that one is more important than the other.
8 I am saying all of them are important and, with that
9 in mind, we tried to balance it out.

10 CHAIRPERSON DROMM: Thank you, Sheriff.

11 SHERIFF FUCITO: Oh. And by the way, we
12 also are-- because we believe in many other reforms
13 going on, we are also the agency now doing electronic
14 monitoring for the city. The pretrial electronic
15 monitoring for New York City. If you are arrested
16 and you went to jail, that is a new option that is
17 available.

18 CHAIRPERSON DROMM: Good. Thank you
19 very much, Sheriff. And thank you, Ms. Hill, as
20 well. I appreciate it.

21 ANNETTE HILL: You're welcome.

22 CHAIRPERSON DROMM: And we'll go back
23 to Chair Cornegy. I appreciate it very much. Thank
24 you. We've also been joined by Council member
25 Torres.

2 CHAIRPERSON CORNEGY: Thank you. Genan,
3 I don't know if you're keeping the stack on numbers
4 that would like to ask questions.

5 COMMITTEE COUNSEL: Yes. I will now
6 call on Council members to ask questions in the order
7 they have used the zoom raise hand function. Council
8 members, please keep your questions to three minutes,
9 including responses. There is a second round of
10 questioning where Council member questions will be
11 limited to two minutes. The Sergeant-at-arms will
12 keep a timer to let you know when your time is up.
13 First, we will be hearing from Council member Gjonaj
14 and then Council member Rosenthal.

15 SERGEANT-AT-ARMS: Starting time.

16 COUNCIL MEMBER GJONAJ: Thank you, Chairs
17 Cornegy and Dromm. Sheriff, thank you so much for
18 that explanation of what challenges you have. The
19 water all of the safety nets and measures that you
20 have in place seem to be after-the-fact. After the
21 legal instruments have been signed, after they have
22 been submitted, and after they have been recorded
23 that you could, perhaps, pick up on whether it be a
24 missing form or all of the proper fees. None of that
25 stops the transaction from occurring. In my question

2 to you and to Ms. Hill and his wouldn't it be easier
3 for any legal instrument requiring that deed transfer
4 or only an oral mortgage that is placed on the
5 property, require attorneys to sign off on that
6 transaction?

7 SHERIFF FUCITO: It's possible. I defer
8 to the city register because it sounds similar to
9 another type of filing system that is in place in
10 other jurisdictions. It's possible but, as you know,
11 the last case that we prosecuted, the person that we
12 prosecuted was the attorney involved in the transfer.
13 So, we do find that, in the deed fraud industry,
14 attorneys, notaries, real estate agents are all part
15 of it. So, having an attorney necessarily sign off
16 on it will not guarantee any preventative measure
17 that there will be deed fraud.

18 COUNCIL MEMBER GJONAJ: Thank you.

19 SHERIFF FUCITO: But all let Annette
20 speak to other types of filing protections that exist
21 in the country.

22 COUNCIL MEMBER GJONAJ: Before you answer,
23 Ms. Hill-- because you need to attorneys. An
24 attorney representing the buyer and the attorney
25 representing the seller. And, at that point, both

3 attorneys have a responsibility to make sure that
4 their respective clients, as well as the other
5 client, is of sound mind, is doing this of their own
6 well and in accordance and putting that burden of
7 responsibility on the attorneys to make sure that
8 they also get title insurance, which is another
9 component here. So, again, I'm just offering a
10 thought and I'm not understanding why this is so
11 complicated when I think we have options that are
12 going to be easy to prevent any fraud. It may be a
13 bit expensive, but attorney is in title insurance
14 would go a long way to preventing these frauds,
15 whether they be the attorney or unscrupulous
16 individuals. Sorry, Ms. Hill.

16 ANNETTE HILL: I have to agree with you
17 that, yes. Having an attorney does help it, but
18 often the people who come to this in a party of deed
19 fraud, sometimes it is the same attorney representing
20 both parties and that is because they haven't gotten
21 their own attorney. The other thing is state law for
22 recording requires the notary to validate who is in
23 front of them. Again, often times, we see the
24 notary. We have had many cases where we are referred
25 to the sheriff where the notary was part of the

2 fraud. So, yes, I do agree that, you know, having
3 something upfront would be better, but the nature of
4 the way the recordings are, the people who are there
5 to protect often our at times, involved in the fraud.

6 COUNCIL MEMBER GJONAJ: Right. So, going
7 after, whether it be the notary or the attorney and
8 holding them criminally responsible would go a long
9 way to prevent the fraud from occurring originally.

10 ANNETTE HILL: Yes.

11 COUNCIL MEMBER GJONAJ: Chairs, maybe we
12 should be looking at this from a different angle.
13 Holding those, like attorneys, that are licensed,
14 they are supposed to be acting in the best interest
15 of their client and the notaries responsible for any
16 action that is led to a fraud and, if they are
17 participating in the fraud, hold them accountable for
18 not doing their due diligence to confirm that the
19 transaction is legal, it is proper, that both buyer
20 and seller are represented and requiring no deed
21 transfer should ever occur without an attorney.

22 CHAIRPERSON CORNEGY: Thank you, Mark. I
23 would agree that-- I guess the caveat there is that,
24 without an attorney on both sides.

3 COUNCIL MEMBER GJONAJ: That would counter-
4 - that would create a checks and balance for an
5 attorney that has ill intentions. And I'm not aware
6 of-- Chair, you know, we have credit protections on
7 her credit cards. We don't have a mechanism in place
8 that protects and deed transfers or liens or
9 mortgages taken out against properties. Maybe this
10 is another avenue that we should be pursuing where we
11 allow these independent credit agencies not to allow
12 a transfer or a lien to be placed on a property until
13 they have confirmed it.

14 SHERIFF FUCITO: Well, legislative
15 changes only something the sheriff can recommend.
16 It's beyond our cannon to actually make any change.
17 The legislative body has to do this. As far as the
18 attorney is, it sounds very sounds to have two viable
19 attorney is present, but I'm sure there will be
20 people who object that they want to purchase a sale
21 property without an attorney being present or they
22 can't afford one. I know it is foolish to move
23 forward without proper representation, but the issue
24 is that forcing representation may not be viable.

25 COUNCIL MEMBER GJONAJ: The legal document,
you should be required to have an attorney that

1 COMMITTEE ON HOUSING AND BUILDINGS JOINTLY WITH
2 COMMITTEE ON FINANCE

58

3 represents you and, if you can afford one, then
4 perhaps the city should provide an attorney that
5 charges reasonable fees which would empower the
6 Sheriff's Department and the Department of finance.
7 Again, it's just a thought.

8 SHERIFF FUCITO: Something to examine.

9 No idea is a bad idea.

10 CHAIRPERSON CORNEGY: Actually, Mark,
11 that is something I would like to work on with you to
12 see if it is in our jurisdiction as a local
13 municipality to enforce something like that or that
14 is federal payer but I would love to work with you on
15 that, Mark.

16 COUNCIL MEMBER GJONAJ: Thank you, Chair.

17 COMMITTEE COUNSEL: Next, we will be
18 hearing questions from Council member Rosenthal
19 followed by Council member Miller.

20 COUNCIL MEMBER ROSENTHAL: Thanks so
21 much--

22 SERGEANT-AT-ARMS: Starting time.

23 COUNCIL MEMBER ROSENTHAL: Thanks so
24 much, Chairs. Thank you so much, sheriff, into your
25 office for the hard work that you do. I do want to
sort of follow up on what Council member Gjonaj was

3 talking about. You mentioned that you automatically
4 inform property owners by mail when a deed is filed
5 against the property. If someone were to open up
6 their mail, read that, and realize that, hey, I
7 didn't-- who the hell is, you know, filing against
8 my property, what would be their next steps and is
9 that enough to stop the sale from going through?

10 SHERIFF FUCITO: It is not enough to stop
11 the sale from going through because we would have to
12 investigate it. An example would be like if the bank
13 is foreclosing. Let's say it is a legitimate
14 mortgage that the bank is foreclosing and then they
15 file some type of notice with the register or, you
16 know, your landscaper file some type of lien against
17 you because you didn't pay a bill. Those things
18 could trigger a notice that could be sent to someone.
19 It is just a filing that Larry is been some type of
20 filing against your property. It's the only way to
21 alert you that something was filed with the
22 registrar.

23 COUNCIL MEMBER ROSENTHAL: Pray. This
24 says specifically when a deed is filed.

25 SHERIFF FUCITO: But, it is other types
of filings that will trigger something, as well.

1 COMMITTEE ON HOUSING AND BUILDINGS JOINTLY WITH
COMMITTEE ON FINANCE 60

2 COUNCIL MEMBER ROSENTHAL: Yeah. But I'm
3 talking about a deed.

4 SHERIFF FUCITO: Right. Once we get the
5 complaint, the person calls up, we get the complaint.
6 We have to start looking at it. His many complaints
7 we get-- we get complaints from individuals that say
8 they were the victim of deed fraud and it turns out
9 they were the person that perpetrated the deed fraud.
10 So, we do want to look at every complaint and
11 understand what is going on. Look at the history of
12 the property. It doesn't happen instantaneously.
13 And then, once we see that there is no connection
14 between the person that filed this and the person who
15 is claiming this, that starts building the case. And
16 then that leads us to interviews that can lead us to
17 that we feel so strongly about it, the quicker we
18 will move on it. If it is something that we have
19 somewhat of a cloudy piece of evidence, we need to
20 build more evidence and that is what takes a lot of
21 time. Building that evidence.

22 COUNCIL MEMBER ROSENTHAL: Got it. So,
23 the city itself bring the lawsuit. Like the person
24 who lost their deed doesn't even have to bring the

25

1 COMMITTEE ON HOUSING AND BUILDINGS JOINTLY WITH
COMMITTEE ON FINANCE 61

2 lawsuit because the city is going to file a lawsuit
3 about the fraud.

4 SHERIFF FUCITO: No. No. the city
5 doesn't bring any civil action against the party in
6 these matters. What the sheriff does is look for
7 criminal activity and look to see if the transfer of
8 the property, if any component of this transfer was
9 criminal activity and then--

10 COUNCIL MEMBER ROSENTHAL: Okay.

11 SHERIFF FUCITO: we start-- we look at
12 it and say, okay, this is a crime. That's a crime.
13 We add up the crimes. We try to get evidence. We
14 speak to the district attorney. The DA kind of
15 agrees, yeah, sheriff. I see what you are---

16 SERGEANT-AT-ARMS: Time expired.

17 SHERIFF FUCITO: and then we move
18 forward.

19 COUNCIL MEMBER ROSENTHAL: Oh, okay. So,
20 then the DAs-- Sorry, Chairs. If I could just
21 finish this real quick. Then it is the DA who
22 pursues the case. So, again, I'm sort of getting
23 that but not the homeowner-- I mean, the homeowner
24 would be a party, obviously-- the old homeowner--
25 no. Someone is really shaking their head no. I'm

2 just trying to look out for somebody who gets a piece
3 of paper in the mail that says a deed has been filed
4 against your property. You no longer own it. And
5 then somebody calls Department of Finance. What the
6 heck? And then you investigate and, let's say, month
7 later-- I'm making it up. Your finding is totally
8 criminal. Completely criminal activity. This is
9 fraudulent. So, then you give it to the DA to
10 prosecute but then-- Paul is trying to write
11 something. Going to try to pin her. But, anyway--
12 Way. No. Put it back. Put it back. I was just
13 looking at it. The owner must also file a civil
14 action. Okay. So, the owner also has to do it at
15 the same time that the DA may be prosecuting
16 criminally.

17 SHERIFF FUCITO: So, without getting too
18 expensive, there is a criminal approach and there is
19 a civil approach.

20 COUNCIL MEMBER ROSENTHAL: Yeah. You
21 mentioned that. That's okay. Got it. And just it
22 happened to a constituent of mine and, you know, it
23 is such a drawn out-- it was a three year horrible
24 process and one of those that we use clearly
25 fraudulent and that happened before the law went into

1 COMMITTEE ON HOUSING AND BUILDINGS JOINTLY WITH
COMMITTEE ON FINANCE 63

2 effect where now TOS sends out that letter. So, she
3 didn't even find out about it. But, anyway. Okay.
4 Thank you so much, Chairs. I appreciate your help.

5 CHAIRPERSON CORNEGY: Thanks, Helen.

6 COMMITTEE COUNSEL: Next, we will hear
7 questions from Council member Miller followed by
8 Council member Adams.

9 SERGEANT-AT-ARMS: Starting time.

10 CHAIRPERSON CORNEGY: Council member
11 Miller? You're on mute, brother. Can we go to
12 Adrienne and then go back to-- Genan?

13 COMMITTEE COUNSEL: Sure. Now we'll
14 hear questions from Council member Adams.

15 CHAIRPERSON CORNEGY: Well, come back,
16 Daneek, as soon as you connect.

17 SERGEANT-AT-ARMS: Starting time.

18 COUNCIL MEMBER ADAMS: Okay. Thank you.
19 I will be brief. Sheriff, thank you so much for your
20 testimony today. It is been such an education
21 hearing from you today, so thank you so much. My
22 question is very brief. It has to do with the
23 proposed deed fraud legislation that has been
24 proposed to the state which I found to be
25 fascinating. The line in your testimony is the

3 Department of Finance, in consultation with the New
4 York City County district attorney office has
5 prepared proposed state legislation to address the
6 problem of deed fraud. It hasn't actually been
7 proposed to the state? If so, who is been carrying
8 the legislation and what exactly is the status of the
9 bill?

10 SHERIFF FUCITO: We have to get bill
11 numbers and have been introduced, but this is one of
12 the primary bills that the Department of Finance is
13 looking to advocate for in the upcoming legislative
14 session. It is a very important issue to us. As
15 soon as we have that information, we will certainly
16 share it with the Council.

17 COUNCIL MEMBER ADAMS: Thank you so much,
18 sheriff. I found it to be very, very interesting.
19 So, thank you again for your testimony today.

20 SHERIFF FUCITO: Sure.

21 CHAIRPERSON CORNEGY: Just to piggyback
22 off of Council member Adams, how can we, as a
23 counsel, be supportive of that legislation on the
24 state level?

25 SHERIFF FUCITO: Your normal legislative
process would be what would be needed. You know,

3 dialogue with the state legislature to express that
4 deed fraud is a crime that-- it affects other
5 jurisdictions, but it primarily affects New York
6 City, like everything else, because of the volume of
7 people we have, but the nature of the number of
8 realty transactions. So, it is an important local
9 crime. It's important for us, it impacts our
10 citizens, and I think we have express to that to the
11 legislative body that how important it is for our
12 residents at the ground level. These are people's
13 homes, so this is something that we really kind of
14 have to impress upon them. We were hoping that the
15 weight, and the district attorney office supporting
16 the legislation would be very helpful. And I also
17 wanted to shout out to ADA Jill Mariani. She is on
18 this call. She is been instrumental in prosecuting
19 deed fraud cases in New York County. She is a
20 fantastic partner and I can't speak enough and praise
21 her enough for that type of work and dedication she
22 has brought to deed fraud. You really have an
23 advocate in the DAs office with Jill Mariani. And I
24 just wanted to bring that up.

25 CHAIRPERSON CORNEGY: And I agree. It
seems, though, that there may be some actual civil

1 COMMITTEE ON HOUSING AND BUILDINGS JOINTLY WITH
COMMITTEE ON FINANCE

66

2 rights issues here, too. Because between Bedford
3 Stuyvesant to enemies New York, Southeast Queens,
4 those are primary areas which have been that assault
5 on African-American and people of color
6 homeownership. So, you know, Daneek Miller-- well,
7 both the cochairs of the Black and Latino and Asian
8 caucus are on this call and they probably could speak
9 to us pursuing that, as well.

10 SHERIFF FUCITO: I would believe that
11 your legislative persuasion would be helpful with the
12 assembly and the Senate.

13 CHAIRPERSON CORNEGY: Council member
14 Miller, have you gotten your audio together?

15 COUNCIL MEMBER MILLER: I think I am wait--

16 CHAIRPERSON CORNEGY: Yes, sir.

17 COUNCIL MEMBER MILLER: waiting to be
18 unmuted. Am I unmuted?

19 COMMITTEE COUNSEL: You're unmuted,
20 Council member.

21 COUNCIL MEMBER MILLER: Okay. Thank you so
22 very much.

23 CHAIRPERSON CORNEGY: Just for the
24 record, it wasn't me muting me.

25

3 COUNCIL MEMBER MILLER: No. I have just
4 the [inaudible 01:12:57] of the phone and my desktop
5 working there together. So, that's me.

6 SERGEANT-AT-ARMS: Starting time.

7 COUNCIL MEMBER MILLER: Cochairs, thank you
8 for this important topic. Something, obviously,
9 we've been talking about probably for the last five
10 years. Sheriff, also something we been working on.
11 A couple of things. You indicated that this was
12 something that was not yet seen as being prevalent in
13 the South is Queens community. And based on not
14 necessarily this data, but some of the complaints and
15 what I've seen in my district, as well as Council
16 member Adams and Richards, the opposite. Anytime you
17 have homeownership typically has the Chair mentioned--
18 Cornegy-- seniors and folks of color, they seem to
19 be low hanging fruit in this area. Have you seen
20 kind of a mobile-- If you don't see it in Southeast
21 Queens and claims now, do you-- or over the past
22 five years, is there any indication that there is
23 kind of a concerted mobile network operating within
24 the five boroughs at any time that is engaged in this
25 type of activity?

SHERIFF FUCITO: Well--

3 COUNCIL MEMBER MILLER: Individuals.

4 SHERIFF FUCITO: I don't know if my
5 testimony was clear. I was indicating that Brooklyn
6 just seems to have the highest amount of fraud. It
7 doesn't mean that the other jurisdictions do not.
8 Queens County has a significant amount of deed fraud
9 [inaudible 01:14:30], as well. As far as networks,
10 yes. Will you say that deed fraud operates in
11 networks. We have observed networks. We have
12 networks under investigation where we have groups of
13 people that are involved in different component parts
14 of the deed fraud. You have realtors, you have
15 attorneys, you have notaries, and you have other
16 people that are looking at moving property. That
17 network of people are involved in much of the deed
18 fraud and it is a network. And it takes a long time
19 to gather the information in the evidence on the
20 network. But, yes. You are correct. They do
21 operate as a network and need to operate throughout
22 the city.

23 COUNCIL MEMBER MILLER: We talk about
24 fraudulent deed in terms of transfer of property.
25 What happens in the case where there has just been a
name added to the deed without the consent? Would

3 you say that that is the same process because someone
4 then notarized the fact that they witness to this
5 person agreeing to this person being added to the
6 property, as well?

7 SHERIFF FUCITO: I would have to look at
8 each case individually. The name being added to a
9 deed doesn't necessarily mean it was deed fraud.
10 There could be a lawful reason for that transferred
11 to occur. But we would have to look at a complaint
12 that a name appeared on the deed inspiring--

13 SERGEANT-AT-ARMS: Time expired.

14 SHERIFF FUCITO: type of interest, we
15 would investigate it.

16 COUNCIL MEMBER MILLER: Okay. So, what I
17 was referring to was someone without someone's
18 consent. And then, finally, Ms. Hill indicated that
19 there is the process by which people come in to make
20 a complaint and then that they are often referred to
21 the sheriff. Does this have to be very specifically
22 the owner of the property? The primary deed holder
23 or can it be a spouse, child, neighbor, or someone
24 who was concerned about these nefarious behaviors
25 that are going on, particularly the seniors that are

2 being preyed upon? Do the [inaudible 01:16:52] have
3 to make a complaint themselves?

4 ANNETTE HILL: Okay. Yeah. I'll
5 answer. Yes. It doesn't necessarily have to pay the
6 owner, but the owner will have to get involved--

7 COUNCIL MEMBER MILLER: Right.

8 ANNETTE HILL: eventually. But we do
9 have, especially for the elderly-- sometimes it is a
10 son, daughter, it could be a sibling, it could be a
11 spouse that could come in. So, we will-- it's
12 public information what's about recording. So, we
13 will give the information and pull the information up
14 with someone comes in, but we well tell them that the
15 owner of the property needs to be involved if the
16 case has to go forward with the sheriff.

17 COUNCIL MEMBER MILLER: Okay. Thank you so
18 much. Thank you, cochairs for this important
19 hearing.

20 CHAIRPERSON CORNEGY: Thank you, Daneek.

21 COMMITTEE COUNSEL: We will now hear
22 testimony from Jill Mariani, senior investigative
23 counsel on the Rackets Bureau at the New York
24 [inaudible 01:17:47] of the district attorney's
25 office. Thank you. You may begin when ready.

2 JILL MARIANI: Am I unmuted? Can you
3 hear me?

4 CHAIRPERSON CORNEGY: Yes.

5 JILL MARIANI: Okay. Thank you, Chairs
6 Dromm and Cornegy Jr and members of the committee on
7 finance and housing and buildings. Thank you for
8 this opportunity to speak on behalf of the Manhattan
9 District Attorney Office. My name is Jill Mariani
10 and I serve as senior investigative counsel in the
11 Rackets Bureau. I also added a member of the New
12 York State Attorney Generals task force. There are
13 few greater threats than being displayed from one's
14 home and, shockingly, this can happen through
15 property deed theft or deed fraud as we know it with
16 the stroke of a pen or click of a mouse. Deed from
17 on is not only harrowing from the victim, but it also
18 affects the integrity of our real estate ownership
19 system and real estate taxes that are a substantial
20 source of the New York City revenues, as you are
21 aware. Notary publics are the gate keeper. They
22 have [inaudible 01:18:58] and thwarting the activity
23 is far better than later prosecuting the activity.
24 Now, this crime happens when fraudsters discover
25 prized parcels by either scouring of the two areas

3 for recently disease donors or canvassing
4 neighborhoods for unoccupied or dilapidated
5 residences or merely looking at public deed property
6 owned by older people. Now, the fraudsters then get
7 control of the property through a variety of criminal
8 means, including forging the owner's signature on the
9 deed or tricking the owner to sign the property over
10 or masquerading as a legal distributor transferring
11 the property to one of many different types of
12 entities like a limited liability company, a series
13 of shell companies, or a totally fictitious person.
14 The fraudsters are then able to use the property as
15 collateral for mortgages and loans make renovations,
16 extract cash for personal benefit. And they may even
17 sell the property to a bonafide purchaser. The
18 notary public is the gatekeeper poised to avert this
19 most dastardly fraud and that's where many of my
20 comments focus on the resolution of 1427. Every
21 document associated with a real estate transaction
22 requires a notarization. This required the notary
23 public to positively identify the signer of the
24 document by obtaining proper identification from that
25 person. Now, virtually, every fraudulent transfer
involves a faulty notarization. Either by a willing

3 or unwitting Notary Public. Now, brazen perpetrators
4 even affix a fake notary public signature themselves
5 by stealing and using a valid notary public stamp.
6 Or they may lift valid notary commission information
7 from public documents and photoshop them onto new
8 documents. Or using the information about a public
9 notary that is contained in the public filings and
10 get phony public real-- I'm sorry. Notary public
11 real stamps from [inaudible 01:21:10]. And those
12 vendors are not required to verify the commission of
13 the notary public. As you've heard in your County
14 Grand Jury [inaudible 01:21:22] of Manhattan District
15 Attorney Cyrus R. Vance Junior responded to a wave of
16 deed fraud by issuing a first of its kind Grand Jury
17 report in December of 2018 setting forth simple
18 recommendations to combat this problem. One of the
19 recommendations focused on deed fraud-- I'm sorry.
20 Focused on a notary public relationship in the deed
21 fraud. Among some of the things that are recommended
22 which are in Resolution 1427 include requiring all
23 notary public applicants to be fingerprinted as part
24 of a background check and to file an official bond
25 which would establish that the applicant's true
identity and [inaudible 01:22:05] applicant ever been

3 convicted of any [inaudible 01:22:09]. It will also
4 provide victims some measure of recovery for damages
5 in cases of misconduct. The specific recommendations
6 also included an increase in the level of education
7 required to pay, and maintain their notary public
8 appointment and, importantly, to institute new
9 procedures that the Notary Public should follow an
10 exercise to the official act, including keeping a
11 chronological and contemporaneous Journal of all no
12 tutorial acts, have you have heard the Sheriff talk
13 about. Now, to attack this problem, as you've heard
14 the sheriff mentioned, the Manhattan district
15 attorney's office has joined with-- the Sheriff's
16 office as drafted bill language to amend penal law
17 article 170 and 175 involving false property
18 instruments and drafted language that suggests adding
19 a notarial offenses article to the penal law. And
20 that would address, with one of the Council members
21 mentioned about holding notary publics accountable,
22 specifically, for impersonating or doing their role
23 in this crime. That would do a lot to prevent what
24 is happening. Since 2018, the Manhattan District
25 Attorney has had a dedicated attorney focusing on
issues of real estate, housing, and deed scams. And

2 that person can be notified through the district
3 attorney's financial fraud hotline at 212-335-9000.

4 In closing, I would like to say that the Notary
5 Public stands in a pivotal position to thwart real
6 estate conveyance fraud and to assist in bringing
7 scammers to justice. With Notary Public day being
8 celebrated on November 7 in the United States, it is
9 appropriate time to call for legislative review. I
10 Notary Public must be viewed as the gatekeeper.

11 Thank you for this opportunity.

12 COMMITTEE COUNSEL: We will now take
13 questions from Chair Cornegy and Chair Dromm.

14 CHAIRPERSON DROMM: I believe that the
15 Sheriff and Ms. Hill will be leaving us at this
16 point, if I am not mistaken, so I do want to thank
17 them for their coming in for providing us with
18 answers and giving their testimony. So, thank you
19 very much. I think we're going to go to the public
20 now. Unless Chair Cornegy has something--

21 CHAIRPERSON CORNEGY: No. No. Thank
22 you, Cochair. Yes.

23 CHAIRPERSON DROMM: Yes. Okay.

24 COMMITTEE COUNSEL: Before that, we
25 would like to open up questions to Council members in

3 the order that they have used the zoom raise and
4 function.

5 CHAIRPERSON DROMM: Oh, I'm sorry.
6 Okay.

7 COMMITTEE COUNSEL: And there are no
8 questions, so we will move on to the public
9 testimony. Okay. We will now turn the testimony
10 from members of the public. I would like to remind
11 everyone that, unlike an hour in person Counsel
12 hearings, we will be calling individuals one by one
13 to testify. Once your name is called, a member of
14 our staff will unmute you and the Sergeant-at-arms
15 will set the timer and announce that you may begin.
16 Testimony will be limited to two minutes. I would
17 now like to call Joseph Sant at the Center for New
18 York City Neighborhoods who will be followed by Beth
19 Finkel of AARP and Jenny Eisenberg of Brooklyn Legal
20 Services. Mr. Sant, you may begin.

21 SERGEANT-AT-ARMS: Starting time.

22 JOSEPH SANT: Thank you. I'm grateful for
23 the opportunity to provide testimony this afternoon.
24 My name is Joseph Sant. I am the Deputy General
25 Counsel at the Center for New York City
Neighborhoods. The center promotes and protects

2 affordable homeownership in New York so that middle
3 and working-class communities are able to live in
4 strong, thriving communities. We were established in
5 2008 and we have assisted over 74,000 homeowners.
6 Our funders include the New York City Council, the
7 New York City Department of Housing Preservation and
8 Development, the New York State office of the
9 Attorney General, and other public and private
10 funders. I want to talk about the connection between
11 the left scams and foreclosures. So, the rise of
12 deed theft in New York City is filled by rapidly
13 increasing home values and also by the fact that tens
14 of thousands of New Yorkers are struggling to avoid
15 foreclosure and the negative effects of our ongoing
16 foreclosure crisis are still felt citywide, but I
17 have seen, particularly, in communities of color
18 which were disproportionately targeted and harmed by
19 predatory lending. Nationally, half of the
20 collective wealth of black families was lost during
21 the great recession because of how much home-equity
22 contributed to their total net worth and because
23 predatory loans targeted these communities and,
24 likewise, the Latino community lost an astounding 67
25 percent of its total wealth during the housing

3 collapse. So, I mentioned that because today, the
4 COVID-19 pandemic is pushing another wave of
5 homeowners into the financial danger. We have 10
6 percent of New York borrowers who are not current on
7 their mortgages. That is an increase of over 120
8 percent compared to this time last year. So, New
9 York now has one of the highest mortgage delinquency
10 rates in the nation, according the data available
11 from black night. The homeowners in trouble right
12 now do have protections, thanks to the federal Cares
13 Act and state banking law, 9X, which allow them to
14 forbear their mortgage payments. But those mortgage
15 forbearance periods will--

16 SERGEANT-AT-ARMS: Time expired.

17 JOSEPH SANT: expire soon and, when those
18 forbearances expire, we anticipate an increase in
19 mortgage distress and foreclosure activity and, with
20 that, a significant increase in the thieves and
21 mortgage rescue scammers. So, I just wanted to make
22 sure that I highlighted that point that, as we see
23 many more homeowners going into distress, we should
24 see this becoming an even more acute problem. In
25 thank you for the opportunity to provide testimony
this afternoon. Thank you.

1 COMMITTEE ON HOUSING AND BUILDINGS JOINTLY WITH
2 COMMITTEE ON FINANCE

79

3 CHAIRPERSON CORNEGY: Thank you.

4 COMMITTEE COUNSEL: We will now hear
5 from Beth Finkel from AARP followed by Jenny
6 Eisenberg from Building Legal Services and Lucy
7 [inaudible 01:28:15]

8 BETH FINKEL: Thank you very much.

9 SERGEANT-AT-ARMS: Starting time.

10 BETH FINKEL: I'm Beth Finkel. I'm the
11 state director for AARP and we want to say Chair
12 Cornegy and members of the Committee on Housing and
13 Buildings. AARP has over three quarters of a million
14 members in New York City aged 50+ and, as we have
15 heard before, older people have been targeted, so
16 that is why we are here and speaking about that as
17 and our supporters of this work. And also as this
18 overwhelmingly impacts New Yorkers of color and a lot
19 of work recently and disrupting the disparity that
20 many of you know about and this is really about the
21 heart of that work--

22 CHAIRPERSON CORNEGY: Beth, can you hold
23 on one second? I hear a ringing in the background.
24 Does everyone else hear that, as well? If everyone
25 can mute themselves if they are not speaking or if

2 the host-- Genan, if you can mute everyone? I don't
3 know if that's your ringing in the background, Beth.

4 BETH FINKEL: I do get the [inaudible
5 01:29:16]. I apologize for that. I don't know how
6 to turn it off. I'm sorry.

7 CHAIRPERSON CORNEGY: Okay. Can we
8 restore her time? I'm so sorry, Sergeant-at-arms.

9 BETH FINKEL: Thank you, sir.

10 SERGEANT-AT-ARMS: Starting time.

11 BETH FINKEL: So, we know that these are
12 preying on people in Brooklyn and in South Queens and
13 these are gentrifying areas and we are very concerned
14 about that. The news headlines have these stories
15 and I know many of you talked about the victims. We
16 have also talked about many number of victims in East
17 Flatbush and Bed Stuy and we are very, very concerned
18 about the 3000 deed theft and claims that have been
19 recorded in the city since 2014. I think we have all
20 identified that this is a crisis. Earlier this year,
21 we were very happily joined by [inaudible 01:30:08]
22 to launch the Homeowners Protection Program which we
23 will continue to be a part of because we know how
24 important that is. We also know that the only way to
25 really help these folks is to make sure that they get

1 COMMITTEE ON HOUSING AND BUILDINGS JOINTLY WITH
COMMITTEE ON FINANCE 81

2 access to [inaudible 1:30:25] the legal services in
3 order to secure the address. We also are working
4 with the New York State Attorney General's office and
5 the Department of Financial Services division of
6 housing [inaudible 01:30:40] agencies. What I really
7 want to just stress is that AARP is very pleased to
8 support the Chairs resolution of 1429 and 1430 which
9 respectively call on the state to enact legislation
10 of adopting more stringent standards around
11 corporations names that mimic those of government
12 agencies and [inaudible 01:31:11] 6775 designating
13 the [inaudible 01:31:15] cease and desist zone, as
14 the sheriff spoke about earlier, providing homeowners
15 with the needs to effectively express their wish not
16 to be solicited by [inaudible 01:31:26]. There is so
17 much work to be done here. I have shortened my
18 testimony for the two minutes.

19 SERGEANT-AT-ARMS: Time expired.

20 BETH FINKEL: AARP is very much committed
21 to this work and always feel free to call on us
22 because we really want to be supported. This is
23 such, such important, essential work. So, thank you
24 for [inaudible 01:31:46].

25

2 CHAIRPERSON CORNEGY: Great. Thank you,
3 Beth, for your partnership.

4 COMMITTEE COUNSEL: Next, we will hear
5 from Jenny Eisenberg of Brooklyn Legal Services
6 followed by Lucy Bloch of ANHD and Rose Marie
7 Cantanno of NYLAG.

8 SERGEANT-AT-ARMS: Starting time.

9 JENNY EISENBERG: Good afternoon. Can you
10 all hear me okay? My name is Jenny Eisenberg. I am
11 a senior staff attorney in the Foreclosure Prevention
12 Project at Brooklyn Legal Services which is actually
13 a program of Legal Services NYC and my testimony
14 today is on the half of Legal Services NYC which is
15 the nation's largest provider of free legal services
16 to poor people. Since 2009, our foreclosure
17 prevention projects have actually represented
18 thousands of families across Brooklyn, Queens, the
19 Bronx, in Staten Island who are at risk of losing
20 their homes to foreclosure and real estate frauds and
21 scams. We have substantial experience litigating and
22 investigating these kinds of cases. I, myself, have
23 quite a few on my docket active right now and we have
24 a pretty unique insight to lend to the committee and
25 the Council as a whole. So, I did not realize that

3 we would only have two minutes today and I just want
4 to say briefly what our responses to the proposed
5 legislation. I understand that there are three
6 proposed resolutions, to proposed revisions to the
7 city administrative code. The short answer to these
8 proposals is, yes. They are great. They would all
9 likely add incrementally to-- and the goal of
10 reducing deed theft. The longer answer here,
11 unfortunately, is that deed theft is complex and it
12 is persistent and there are broader measures that the
13 Council could actually take to address the problem.
14 I think many of the speakers of already acknowledged
15 the fact that the people who are most vulnerable to
16 title scams on their property are people who've
17 already been victimized by redlining, predatory
18 lending, foreclosure, and outdated fraud. Increased
19 funding for access to the legal services would go a
20 tremendous way--

21 SERGEANT-AT-ARMS: Time expired.

22 JENNY EISENBERG: towards improving
23 people's ability to address these issues because,
24 ultimately, as many Council members have indicated,
25 notifications are great, but then what? Who do you
call? And that is why adequate funding for our

3 network of not just legal services providers, but on
4 the ground community, you know, grassroots housing
5 counselors is really, incredibly important. I also,
6 if I could just take a very, very brief moment to
7 address something that Council member Adams
8 acknowledged at the beginning of this session and
9 that is the abolition of residential properties
10 inclusion in the annual tax lien sale because, when
11 that lien sale list gets published, we are throwing
12 those property owners to the wolves. And their
13 property addresses are out there for all to see. It
14 is something that we have consistently advocated
15 around and there is absolutely no reason why these
16 properties need to continually be included on the
17 lien sale list. Finally, and again-- I understand
18 my time is out, but because we are having so many
19 conversations right now about criminal enforcement, I
20 will say that I came before this committee almost 5
21 years ago and I testified about litigation that I and
22 my colleagues were handling involving one of the many
23 scam outfits that are operating against our clients
24 and that is Homeowners Assistance Services of New
25 York. I understand that Council member Cornegy was
very interested in this case. I know that these

3 cases have been referenced in the proposed
4 legislation and I will say this. Everyone says it
5 would be great to have a lawyer in these situations.
6 I'm not a lawyer and I'm still handling this case
7 almost 5 years later and the FBI got involved in
8 people went to jail. There was a trial. People
9 testified in the southern district. There are
10 numerous resources that were devoted to that one case
11 making it highly unusual and, you know what? We are
12 still fighting to get title back for these clients.
13 So, when we talk about, yeah, it would be great to
14 have a lawyer. It would be great to have resources,
15 I'm here to tell you that those resources are human
16 beings and we need money and we need more staff and
17 we need more time and we need for local law
18 enforcement to be more interested in investigating
19 and prosecuting these cases. We hear time and time
20 again and we now, I know, that these cases take a lot
21 of time and they take a lot of energy and that is
22 true. But if there too hard for local law
23 enforcement to investigate and prosecute and work up
24 the way that, you know, street crimes get
25 investigated and prosecuted and worked up, then we
should prioritize that and devote resources and

3 training and hiring and move in that direction
4 because all also note, as we are having a national
5 conversation about over policing and reallocating
6 criminal justice resources, let's note that these
7 same communities who have been consistently
8 victimized over and over and over again are also the
9 same communities that are getting aggressively
10 policed for street crime and, yet, I have had clients
11 say that they reached out to local law enforcement
12 and were met with not the most receptive audience.
13 And not out of hostility, but because these are
14 resource heavy prosecutions. We understand that, but
15 maybe it is time to shift priority. I really
16 appreciate everyone listening and I'm happy to take
17 more questions. My prior testimony was significantly
18 more detailed than this and I will supply that to the
19 committee for reference, as well.

20 CHAIRPERSON CORNEGY: Thank you, Jenny.

21 COMMITTEE COUNSEL: Okay. Next, we
22 will be hearing from Lucy Block from ANHD, Rose Marie
23 Cantanno from NYLAG and then followed by Jennifer
24 [inaudible 01:38:15].

25 SERGEANT-AT-ARMS: Starting time.

3 LUCY BLOCK: Okay. Good afternoon. Thank
4 you, Chairs Cornegy and Dromm in the Committees on
5 Housing and Buildings, the Committee on Finance. My
6 name is Lucy Block. I am a research and policy
7 associate at ANHD, the Association for Neighborhood
8 and Housing Development. We're an umbrella
9 organization of more than 80 members citywide to
10 build community power for housing, economic, and
11 racial justice. Many of our members work in
12 communities where low income, black, immigrant, and
13 other homeowners of color, as well as their tenants,
14 are at risk of losing their homes. Thank you to both
15 committees for having this hearing on the very
16 important issue of deed theft and deed fraud and the
17 interrelated issues of speculation, harassment, and
18 displacement of small homeowners in New York City. I
19 would like to thank the previous speakers for
20 bringing in all of these interrelated issues. I'm
21 talking about how this really needs to be understood
22 and addressed holistically. So, ANHD fully supports
23 resolutions 1429 and 1430. We partially support
24 resolution 1427 and we support introductions 1913 and
25 1919 with proposed modifications. I'm going to be
talking a little bit about our research on

3 foreclosures and then my more detailed testimony
4 comments on those individual pieces of legislation
5 are in my written testimony that I have provided.

6 So, the problems that are referred to in the proposed
7 resolutions of aggressive and predatory solicitation
8 to pressure senior zone homeowners to relinquish
9 their homes, many times duplicitously and as well as
10 outright fraud to illegally steal deeds. These
11 issues have been occurring for many years. Our
12 members, Cypress Hills Corporate Development
13 Corporation and the Center for New York City
14 Neighborhoods know this because they have been
15 working on these issues for many years to pass
16 legislation to stop this from happening. Now, more
17 than ever, we are seeing that this is a really
18 critical moment to enact today is increased
19 protections. So, to understand this, I did some
20 research on foreclosure filings in 2020 and examined
21 how many foreclosure filings were happening during
22 the worst months of the pandemic and what is been
23 happening over time. I included some charts and
24 tables in my--

25 SERGEANT-AT-ARMS: Time expired.

2 LUCY BLOCK: testimony. So, I wanted to
3 mention that the number of foreclosure filings was
4 below 100 in April and May and below 200 in June and
5 July, but it surpassed 400 in August. The number of
6 filings jumped from 192 to 360 in small homes that
7 are one to three units during those months. So, the
8 number of foreclosure filings are dramatically on the
9 rise in recent months which makes this really, really
10 urgent. We are also seeing scheduled foreclosure
11 auctions beginning to take up again and, as I said,
12 there is more detailed information and data in my
13 testimony and I am happy to answer questions.

14 CHAIRPERSON CORNEGY: Thank you.

15 COMMITTEE COUNSEL: Thank you. Next,
16 the we will be hearing from Rose Marie Cantanno from
17 NYLAG followed by Jennifer [inaudible 01:41:09] from
18 Legal Aid and Alexis Sloan from the Coalition of
19 Community Advancement.

20 SERGEANT-AT-ARMS: Starting time.

21 ROSE MARIE CANTANNO: My name is Rose
22 Marie Cantanno and I'm the associate director of the
23 Consumer Protection Unit at the New York Legal
24 Assistance Group where I have had the privilege for
25 the last 10 years unfortunately, as we have heard

2 many times on this call, deed theft is a persistent
3 problem in New York City. And, unfortunately, the
4 COVID-19 crisis is only exasperating that situation.
5 Homeowners who are desperate to keep their homes or
6 to sell them to provide financial stability for the
7 family are becoming the perfect target for
8 unscrupulous real estate investors, attorneys, and
9 notaries. It is often said that, in crisis, either
10 the best come out in people, but unfortunately, it
11 often brings out the worst. The opportunity to
12 exploit those in dire straits is growing
13 exponentially. The justifiable fear of the virus is
14 being twisted by these charlatans for profit. For
15 example, realtors are using the fear of individuals
16 and telling them that living in cities is too
17 dangerous. That they need to move out to the
18 suburbs. At the same time, they offered to handle
19 everything for the client, including finding a buyer
20 who doesn't need to come into the house, playing on
21 the fear of having strangers traipsing through their
22 homes during the pandemic. The realtor directs the
23 property to their own investor at a highly discounted
24 price, such robbing people of the equity they have
25 spent their whole lives accumulating. The house is

2 not advertised in the multiple listing service, nor
3 is the community, as a whole, able to see it,
4 therefore, there is no competitive bidding process.

5 In many cases, the difference in price can be
6 hundreds of thousands of dollars. On another level,
7 because so many small homeowners are struggling with
8 having tenants that are not paying their rent, these
9 people are coming to their homes and saying, I can
10 get them evicted for you. I can take care of this,
11 but I can only do this if I am the legal owner and
12 they have the is homeowners sign their deed over,
13 promising them that, as soon as they get the tenant
14 out, they are going to sign the house back over.

15 Unfortunately, what happens is a few months later, it
16 is the homeowners who find themselves in housing
17 court being evicted. For these and all the other
18 things that have been going on, we appreciate
19 everything that the Council is doing to help protect
20 homeowners in New York City. Thank you.

21 COMMITTEE COUNSEL: Thank you. Next,
22 we will be hearing from Jennifer Leavy from Legal Aid
23 Society, Alexis Sloan from the Coalition for
24 Community Advancement, and [inaudible 01:43:31] from
25 the [inaudible 01:43:32] Society.

1 COMMITTEE ON HOUSING AND BUILDINGS JOINTLY WITH
2 COMMITTEE ON FINANCE

92

3 SERGEANT-AT-ARMS: Starting time.

4 COMMITTEE COUNSEL: Jennifer? We can't
5 hear you. Do you want us to come back to you? You
6 can change your mic input. So-- Okay. We'll come
7 back to you after the next. Next, will be hearing
8 from Alexa Sloan.

9 SERGEANT-AT-ARMS: Starting time.

10 ALEXA SLOAN: Hi. Good afternoon. My name
11 is Alexa Sloan. I am an organizer with the Coalition
12 for Community Advancement, progress for East to New
13 York and Cypress Hills. We are movement of local
14 tenants, homeowners, houses of worship, small
15 businesses, and community organizations in Cypress
16 Hills in East New York who organize for real
17 affordable housing, protections for tenants and
18 homeowners, and new and good jobs for the East. My
19 comments today are in the effects of the nonregulated
20 real estate industry on small homeownership and
21 affordable rents in East New York and Cypress Hills.
22 I am here with other East New York coalition members
23 to ask city Council for greater protections and for
24 to see the resolution 1430 past. As many here now,
25 East New York is a predominantly black and Latino, a
vibrant multiracial class community and, because of a

3 banking and real estate landscape that has and
4 continues to be hostile and exclusionary to the black
5 and Latino people, small homeowners have had to fight
6 and to pool resources to buy their homes. People
7 have worked very hard to save and overcome many
8 elements to become homeowners. And with-- excuse
9 me. And because of a banking and real estate
10 landscape that has and continues to be hostile and
11 exclusionary the black and Latino people, small
12 homeowners have identified a pool resources to buy
13 their homes. Homeowners in East New York have formed
14 block associations and engaged in grassroots
15 community mobilization. The Coalition for Community
16 Advancement formed in reaction to the East New York
17 2016 re-zone and, in the last four years, the
18 coalition is fought the unregulated real estate
19 industry. In our conversations with homeowners, we
20 hear stories weekly of activities emerging on the
21 criminal. Testimonies of harassment, deed theft, and
22 predation on the elderly and other vulnerable
23 homeowners. We know--

24 SERGEANT-AT-ARMS: Time expired.

25 ALEXA SLOAN: We know of countless people
who have been contacted on a weekly and daily basis,

3 emailed, called, door knocked by aggressive investors
4 looking to purchase their homes and we know that
5 people under duress and provided with misinformation
6 are selling their homes for wildly undervalued
7 prices. Since the 2000 E. New York rezone past, we
8 have been seeking not have traumatic protections,
9 such as the cease and desist rezone for all of East
10 New York. Petitioning for this zone has been a very
11 long process, very laborious, and very opaque. Since
12 2016-- so, in the last four years-- the coalition
13 has collected documentation of intense and repeated
14 speculation by collecting flyers in the mail and logs
15 for homeowners to record the calls and texts and
16 visits that homeowners receive from developers, real
17 estate, and investors. But it wasn't until last year
18 with the support of State Sen. Julia [inaudible
19 1:47:17] did we learn that there was an official
20 survey that homeowners could use. Last summer, we
21 collected 500 surveys. We sent today's surveys to
22 the New York Department of State in 2000-- September
23 2019. We had to wait seven months until March of
24 this year for a public hearing. At this public
25 hearing, over 40 East New York homeowners testified
to the terrible stories of deed theft, harassment,

3 and repeated predatory speculative activity that have
4 left many residents feeling forced out of their own
5 homes. After March, we waited until July for the New
6 York Department of State to post a proposed zone
7 which was a small area that the community and asked
8 for. There was a public comment period that lasted
9 60 days, during which, over 500 residents submitted
10 public comments of support for a zone for all of East
11 New York. And now we have to wait. But it shouldn't
12 have been this difficult nor taken this long for
13 homeowners to seek protections. The cease and desist
14 his own is not a radical measure. If people want to
15 sell their homes, they can still sell their homes.
16 As cease and desist zone for all of Brooklyn as
17 needed and is urgent. City Council, Committee and
18 Housing and Committee on Finance, black and Latino,
19 and working-class homeowners needed more protections
20 from predatory equity and from unregulated real
21 estate industry. New Yorkers need a cease and desist
22 zone. The small homes anti-speculation act and the
23 abolishment of the tax lien sale yesterday. We need
24 city Council to act now. Thank you.

25
CHAIRPERSON CORNEGY: Thank you.

2 COMMITTEE COUNSEL: Thank you. Next,
3 we will be hearing from Jenna from the Legal Aid
4 Society, [inaudible 01:48:50] .

5 JENNIFER LEVY: Good afternoon. Can you
6 hear me now?

7 COMMITTEE COUNSEL: Yes.

8 JENNIFER LEVY: Okay. Good. Sorry
9 about that. I am Jennifer Levy. I am an attorney at
10 the Legal Aid Society in Queens in the foreclosure
11 prevention department. The legal aid Society has
12 been at the forefront of advocating for the rights of
13 homeowners in the city, state, and local levels since
14 2000 through our foreclosure prevention in home
15 equity preservation projects. Since its inception,
16 we have assisted homeowners by challenging abusive
17 lending and real estate practices in state and
18 federal court, defending homeowners in foreclosure
19 actions and, since 2008, advocated for loss
20 mitigation act court mandated settlement conferences.
21 Through our advocacy for homeowners in fighting to
22 save their homes from foreclosure, we have seen
23 countless homeowners fall victim of various kinds of
24 scams and deed theft, seeking to profit from their
25 homes. The foreclosure crisis has had a devastating

3 impact on low income neighborhoods, communities of
4 color, the elderly. And it is these very same
5 communities that have become targets of deed theft
6 and related scams. Deed theft can take many
7 different forms. We've seen everything from outright
8 recording of fraud dealing deed transfers without the
9 knowledge of the homeowner to tricking homeowners
10 into transferring the deed to their home to a scammer
11 in the belief that they are applying for a loan
12 modification. A more recent form of deed theft
13 includes fraudulent short sales which, in particular,
14 has targeted seniors in foreclosure and those with
15 reverse mortgages. The fact that foreclosures,
16 mortgage, and property information are public and
17 easily accessible online, has made it easy for
18 scammers to identify and target homeowners in
19 financial distress. Homeowners of color, those who
20 do not speak English as their first language, and
21 especially our elderly homeowners are constantly and
22 aggressively approached by mail, phone, and in person
23 solicitations at their homes. Deed theft is not
24 always committed by a large entity, victimizing
25 hundreds of homeowners throughout New York City.
Smaller sized to scammers who use a uniquely named

2 LLC for each fraudulent deed transfer makes it even
3 more challenging to detect. They often use the
4 address of the target property is the name of the
5 LLC. We often---

6 SERGEANT-AT-ARMS: Time expired.

7 JENNIFER LEVY: see individuals hiding
8 behind LLCs with government or official sounding
9 names. A particularly targeted population are
10 seniors, especially those with the reverse mortgage
11 for which they have no personal liability or a tax
12 lien which is of public record showing that they may
13 be in financial distress. I'm just going to give one
14 case example real quick. A prime example is Ms. D,
15 an elderly homeowner with a reverse mortgage who fell
16 behind in paying her property taxes and therefore was
17 at risk of foreclosure. When she called her reverse
18 mortgage servicer, she was incorrectly told that she
19 would the entire loan balance on her reverse mortgage
20 and her only choice was to sell her home. As a
21 result, she fell victim to a real estate scammer who
22 knocked on her door and made her believe that she was
23 merely signing an agreement to list her house for
24 sale, however, instead, she was tricked into signing
25 a contract of sale to sell her house to an LLC for

1 COMMITTEE ON HOUSING AND BUILDINGS JOINTLY WITH
COMMITTEE ON FINANCE 99

2 just \$200,000 when her house was worth 500,000. To
3 make it worse, that brazen LLC then brought a lawsuit
4 for breach of contract to force the sale. We commend
5 the city Council on their efforts to address this
6 serious issue and we also would like to urge the city
7 Council to support an expansion of the cease-and-
8 desist zone beyond Brooklyn to areas such as Queens.
9 Thank you so much.

10 COMMITTEE COUNSEL: Thank you. Next,
11 will be hearing from Erobos Abzu Lamashtu, Paula
12 Segal from Take Root Justice and [inaudible
13 01:52:28].

14 SERGEANT-AT-ARMS: Starting time.

15 EROBOS ABZU LAMASHTU: Hello. All right.
16 Can you hear me?

17 COMMITTEE COUNSEL: Yes. We can.

18 EROBOS ABZU LAMASHTU: All right. I
19 signed up just to listen for information basically to
20 [inaudible 01:52:56] property. I'm currently in the
21 Fortune Society program. Thank goodness for that.
22 But I didn't sign up for testimony and [inaudible
23 01:53:04] in case I do become a property owner one
24 day. I'm learning about the protections and
25

2 different things. [inaudible 01:53:13] to testify,
3 but I find this very informative.

4 CHAIRPERSON CORNEGY: Thank you.

5 EROBOS ABZU LAMASHTU: Thank you.

6 COMMITTEE COUNSEL: Next, we'll be
7 hearing from Paula Segal from Take Root Justice then
8 followed by Avi Gross and then followed by Richard
9 Flateau.

10 SERGEANT-AT-ARMS: Starting time.

11 PAULA SEGAL: Thank you so much. Attorney
12 and Take Root Justice. It's an equitable
13 neighborhoods practice. Thank you so much for the
14 Council, first of all, and the members who are here
15 for helping us launch Take Root Justice and the
16 hardest fiscal year that we have had in a very long
17 time. The Councils support in spinning off from our
18 parent organization in the last year has been
19 invaluable. So, really, my gratitude to the members
20 here today. I am really pleased to be a part of this
21 hearing and it does feel like a follow-up to the
22 hearing we had five years ago. Thank you so much,
23 Sheriff, for the updates and the practices that have
24 been improved in those five years, but I really sad
25 to say that a lot of things have not changed. And I

3 am going to focus my testimony on what Counsel member
4 Adams rightfully pointed out as the shadow stepchild
5 of deed fraud which is the New York City tax lien
6 sale and I am going to urge the members here who have
7 the legislative power to just let the tax lien sale
8 die. Let it be a bad memory, a bad Rudy Giuliani
9 dream and let this be the last year that the city
10 publishes a list of homeowners and other property
11 owners in distress that paints a bull's-eye on those
12 vulnerable homeowners and gives property speculators
13 a roadmap to who they might be able to fall into
14 stealing their properties and whose properties they
15 might be able to take without may be ever interacting
16 with anybody. As I told you about five years ago, in
17 fact, in my practice, I have been encountering the
18 worst of the deed thieves in the Makani Brothers who
19 I think some folks here know. They discovered a
20 property in prospect [inaudible 01:55:29] in Brooklyn
21 on the tax lien sale list in 2003, reported to find
22 some heirs of the deceased, a Guyanese emigrant. We
23 have gotten in the District Attorney's Office and
24 involved. They declined the case. 2003 was much too
25 long ago. The case is still going. We had to find
that heirs, we had to help them find counsel. The

2 city has actually acquired the property and there is
3 \$2.3 million sitting in escrow with the court that
4 should rightly go to this immigrant family whose
5 property this is in that case is still being
6 litigated. In the meantime, we have a new park in
7 prospect. That's really great. I just want to thank
8 Council member Cornegy, particularly, for his
9 resolution, resolution 1429 addressing the names of
10 corporations our friends, the Makani's regularly use.
11 Housing and urban development LLC, HPD LLC, and
12 Queens LLC as their cover in these transactions
13 making it a very compelling trick for the folks that
14 they interact with. So, I have submitted written
15 testimony with a little bit more detail. Thank you
16 so much.

17 COMMITTEE COUNSEL: Thank you.

18 CHAIRPERSON CORNEGY: Thank you, Paula.

19 It's actually good to see you.

20 PAULA SEGAL : [inaudible 01:56:52]

21 Thank you.

22 COMMITTEE COUNSEL: next, we will be
23 hearing from Avi Gross followed by Richard Flateau
24 followed by Linda Ford.

25 SERGEANT-AT-ARMS: Starting time.

3 AVI GROSS: Thank you, Chairs Cornegy and
4 Dromm, for this opportunity. I am not going to read
5 off a written testimony, but I would like to share
6 with you through my personal grievance which has to
7 do with fraud and affordable housing. I've become
8 aware of thousands-- that's the number. Thousands
9 of affordable deeds which were fraudulently
10 transferred to privileged parties, for lack of a
11 better word, and I'm just going give one example
12 here. We have, on the left side, you can see the
13 city of New York. On the right side Majin Der
14 Bahanot [sp?]. He received the property that is
15 worth-- and affordable property with the market
16 value of about \$700,000 for the attractive price of
17 1040. And that is one of thousands of examples.
18 Now, Chair Cornegy, when I took this information to
19 the relevant authorities and, again, there are
20 thousands of affordable properties that were
21 transferred for ridiculous sums. The answer I got
22 really concerned me and the answer was, well, maybe
23 there was a lien on the property. Maybe that is why
24 it was sold for such an attractive price. And I hear
25 that from law enforcement, that sort of gave me the
impression of this is why it is happening because

3 there is no enforcement to begin with. So, if the
4 perpetrators know that the answer will be, oh, well,
5 we are not going to look into it. And affordable
6 property was given for 100th of a price, then isn't
7 that a great motivation for people to do this and
8 continue to do this?

8 SERGEANT-AT-ARMS: Time expired.

9 AVI GROSS: I'm just going to give here
10 another example. And as you can see here, on all
11 these deeds, these are all official signatures of
12 chorizo wood and Commissioner. So, my plea deal,
13 Chair Cornegy-- you know, been watching you for a
14 long time. I know you are a person of integrity and
15 I know you care about the public, but the problem
16 here is whoever has access to affordable properties
17 is able to transfer them fraudulently. Then I have
18 thousands of examples. For a fraction of the price.
19 And, unfortunately, these are people that have access
20 to ACRIS and nobody is watching over them. So, I
21 know you are a person of integrity. I know you
22 wouldn't stand for this. The question is how can we
23 get this to stop? Public property is meant for the
24 public, not for privileged parties so fraudulently
25 transferred to themselves for a fraction of the

2 price. And, finally, if you want examples of any of
3 the thousands of fraudulent deeds I have uncovered, I
4 would be more than happy to send them to you. Thank
5 you for your consideration.

6 CHAIRPERSON CORNEGY: Thank you, offer
7 you. If you could provide me a correspondence in the
8 chat, somebody from my office will reach out to you
9 in the next 24 hours. Thank you.

10 COMMITTEE COUNSEL: Next, we will be
11 hearing from Richard Flateau followed by Linda Ford
12 and Sarah H.

13 SERGEANT-AT-ARMS: Starting time.

14 RICHARD FLATEAU: I also would like to
15 thank Chairs Dromm and Cornegy, for holding this
16 hearing. I didn't get on in the beginning, so I'm
17 not sure, but I think I might be the only actual
18 victim of property fraud. So, I was a victim of a
19 fraud that the case is actually been tried in the
20 person convicted. They were involved with the ring
21 that stole six properties and I am beneficiary of the
22 ACRIS notification. The way that I was able to get
23 to this quickly and early on was the day after the
24 person signed a fraudulent document, I got notified
25 by ACRIS and I proceeded to make whatever noise I

2 could and I notified the sheriff's office and the DA.

3 So, I would like to publicly thank Council member

4 Cornegy for standing with me at a press conference in

5 2016 which helped to smoke out the perpetrator and

6 bring them to justice. Since the time is so short,

7 I'm just going to focus on a few policy

8 recommendations, policy and legislative

9 recommendations. Just kind of reverse engineering

10 what happened to me. So, first of all, I would like

11 to say that I'm fully in support of resolution 1427,

12 as well as Intro 1913 and 1919. I just have for

13 policy recommendations. First one is that this

14 should be a mandated notification of recorded

15 property documents. I know right now people have to

16 sign up. Second, there should be an enhanced

17 security of notary information. What happened in my

18 case is that notary was actually a fake. Somebody

19 had stolen a notary stamp. So, it has to be more

20 security about that.

21 SERGEANT-AT-ARMS: Time expired.

22 RICHARD FLATEAU: all just go over the

23 last two and I will submit written testimony. There

24 should be increased penalty for fraud involving

25 notaries. And then, enhanced security and integrity

3 of the recording process. So, I well flush those
4 things out in written testimony which I will submit
5 to the committees. Thank you.

6 CHAIRPERSON CORNEGY: Richard, I want to
7 thank you for your testimony and, since you are here
8 in Crown Heights area, you know, if it can happen to
9 you, you know, those seniors and people on and
10 ciliary streets and people who have issues around
11 immigration, we got really, really concerned because
12 if people would be so bold and brazen to attack
13 yourself and your family-- and I'm assuming they
14 didn't know your family history, but--

15 RICHARD FLATEAU: No.

16 CHAIRPERSON CORNEGY: said to us very
17 quickly that there were people out here who were
18 doing it to people who weren't willing to come
19 forward. Your willingness to come forward and not be
20 embarrassed-- I've met with people on several
21 occasions who felt embarrassed by some type of fraud
22 over them falling victim and were unwilling to expose
23 their own trauma because of embarrassment or because
24 of this kind of things, so I want to thank you for
25 stepping forward and being an example. You helped us
bring more people out into the forefront about the

3 issues that they were facing because you were willing
4 to put a face on it and a name to it. So, again,
5 thank you. There were many more cases after yours we
6 were able to help litigate because you were able to
7 stand publicly in a press conference and talk about
8 that. So, I know that couldn't have been easy to do
9 and thank you again for doing it.

10 RICHARD FLATEAU: Thank you. Just so
11 people know, I'm a real estate broker. I'm also
12 currently the Chair of Community Board three and I am
13 the former president of a real estate board and
14 someone actually defrauded me. So, thank you very
15 much, Council member Cornegy and Council member Dromm
16 and all the other Council members who are trying to
17 tighten the regulations around property fraud.

18 COMMITTEE COUNSEL: Point you will have
19 Sarah H followed by Randall Cobb and Jessica Franco.

20 SERGEANT-AT-ARMS: Starting time.

21 CHAIRPERSON CORNEGY: Thank you.

22 COMMITTEE COUNSEL: Sarah? Are you
23 there? Okay. We can come back to you. Next up, we
24 have Randall Cobb, Jessica Franco, and Hannah
25 Anousheh.

SERGEANT-AT-ARMS: Starting time.

3 RANDALL COBB: Hello. Can everyone
4 hear me?

5 COMMITTEE COUNSEL: We can hear you.

6 RANDALL COBB: Okay. Great. Good
7 afternoon to everyone my name is Randall Cobb. I
8 live in the Bedford Stuyvesant area of Brooklyn.
9 I've been a victim of the stand and more so, in other
10 words, equity theft. I have been going through this
11 battle for going on seven years. I have been
12 harassed, tricked, and just pretty much, lied to all
13 seeking help from saving my home. It has been a very
14 hard and difficult situation where, you know, it is
15 good hearing that these laws are out there, but, in
16 my case, which I have a very clear case of the left,
17 that I'm not getting any help whatsoever. I also
18 contacted the DA, the AG office, and I am still
19 waiting on them to respond due to my situation. And,
20 to no avail. No one has reached out to me and in
21 helping me. I need help and I am sure I'm not just
22 speaking only for myself, but for others who have
23 been in this matter. It is just been like a ring
24 around and, yes, these laws are there, but they are
25 not being enforced because why I haven't been helped?
You know, everything is very clear and vivid of what

3 I went through, but there is no help and I am just
4 pleading for help.

5 SERGEANT-AT-ARMS: Time expired.

6 COMMITTEE COUNSEL: Next, we will be
7 hearing from Jessica Franco, followed by Hannah
8 Anousheh from East New York Community Land Trust and
9 Debra Ack from East New York Community Land Trust.

10 SERGEANT-AT-ARMS: Starting time.

11 JESSICA FRANCO: My name is Jessica
12 Franco. My husband and I are first generation first-
13 time homeowners. We purchased our home from an
14 investor added above market value rent of 600,000.
15 The same home. Just recently purchased six months
16 before for 190,000. We have received-- since then,
17 we have received countless letters, flyers, personal
18 visits for offers for our home. Within a five mile
19 radius of our home, we have seen a rotation of 2 to 3
20 homes being for sale within every block. Home
21 flipping is causing property value and property taxes
22 to increase linking Cypress Hills, is New York, and
23 brought going completely unaffordable to working
24 families. I have witnessed how my neighbors,
25 especially her seniors, have been heavily harassed.
Everything from being followed to a laundry mat, the

3 supermarket, to the post office, all with the goal of
4 purchasing their home and flipping it. We need to
5 criminalize deed fraud. We need to stop home
6 flipping that is causing displacement of working
7 families, and we need to pass a cease and desist zone
8 for all of Brooklyn. We need to be intentional about
9 protecting and preserving communities and ending
10 displacements. Thank you.

11 COMMITTEE COUNSEL: Thank you. Next,
12 will be hearing from Hannah Anousheh from East New
13 York Community Plan Trust, Debra Ack from East New
14 York Community Land Trust, and Andrea Granville from
15 East New York Community Plan Trust.

16 SERGEANT-AT-ARMS: Starting time.

17 HANNAH ANOUSHEH: Good afternoon, Council
18 members. Thank you for the opportunity to speak
19 today. My name is Hannah Anousheh and I am the staff
20 coordinator for the East New York Community Land
21 Trust Initiative, and organization of the is New York
22 and Brownsville residents who are dedicated to
23 fighting displacement and taking community ownership
24 of land. Like several people who spoke before me,
25 want to point out. Speculators use the list of lien
sale and legible properties to target people who are

2 struggling financially or elderly and have fixed
3 incomes. They prey on people in the lien sale listed
4 and many homeowners are convinced to sell their
5 homes, you know, often for significantly less than
6 the home's value. The East New York Community Plan
7 Trust and our partners across New York City recognize
8 the lien sale law as a racist and unjust law
9 characteristic of its creator, Rudy Giuliani. The
10 lien sale law expires at the end of this year. The
11 last time it was renewed was in 2016. The city
12 Council has a responsibility to let this law sunset
13 and to work with communities that are most impacted
14 to create a more just and equitable system for debt
15 collection. You know, to put it simply, renewing the
16 lien sale law with small reforms is shortsighted and
17 not acceptable. When we talk about adjust recovery,
18 about transforming unjust systems in the wake of a
19 crisis to build a more equitable economy, this is
20 what we mean. Thank you for your time.

21 COMMITTEE COUNSEL: Thank you. Next,
22 we will be hearing from Debra Ack from the East New
23 York Community Land Trust followed by Andrea
24 Granville from East New York Community Plan Trust and
25

3 Albert Scott also from the East New York Community
4 Plan Trust.

5 SERGEANT-AT-ARMS: Starting time.

6 DEBRA ACK: Good afternoon, all. My name
7 is Debra ack and I am a member of the East New York
8 Community Plan captures Initiative. I also sit on
9 the committee for the education and outreach for that
10 land trust. I am here just to share a part of my
11 experience with homeowners. No. I'm not a
12 homeowner, am a renter, but it affects everyone when
13 the staff's take place. It affects the renters, too,
14 because the renters, unfortunately, we are unaware of
15 what is going on. But recently, I have had the
16 opportunity to call about 30 people who were on this
17 New York City tax lien sale register. I think that
18 this register needs to be abolished along with the
19 tax lien sale. With calling the is 30 residents,
20 they are very fearful because they do not know, first
21 of all, who I am. I have had people accuse me of
22 being a scammer, yell and scream at me. Oh, you are
23 trying to buy my home from me. These people are just
24 unaware of exactly what is out there for them that
25 they have been, obviously, reached by other people
who have been trying to buy their home from them or

3 threaten them in any kind of way. I mean, I have
4 spoken to at least 30 people are more and they just
5 are not aware of any resources that is out there for
6 them, so they have taken these notices that you guys
7 say that you may all out to people and seniors really
8 don't understand what these notices are. So, is
9 notices on a pot up on the shelf. I think that the
10 city Council really--

11 SERGEANT-AT-ARMS: Time expired.

12 DEBRA ACK: need to come up with a better
13 idea of how to go about reaching these tenants and
14 having them truly understand exactly what is going
15 on. I stand firmly with the community land trust in
16 all of our partners to abolish the New York City tax
17 lien sale so this way this list will no longer exist
18 in our homeowners will feel safe. Thank you.

19 COMMITTEE COUNSEL: Thank you. Next,
20 we have Andrea Granville from East New York Community
21 Land Trust followed by Albert Scott from is New York
22 Community Land Trust and followed by Linda Ford.

23 SERGEANT-AT-ARMS: Starting time.

24 ANDREA GRANVILLE: Good afternoon,
25 everyone. My name is Andrea Granville. I hope you
and your family are well and I am just going to

3 reiterate what everyone else is saying. We need to
4 abolish the tax lien sale. Not, you know, extended,
5 postpone it, because we know that the black and brown
6 communities are the ones that are impacted by it the
7 most. That whole process for the lien sale is
8 outdated, it's archaic, and it just needs to be
9 abolished completely. We have people losing their
10 homes sometimes just for hundreds of dollars and
11 it's, you know, disgrace and it is predatory. And I
12 think the best thing for the Council members, anyone
13 who has impact, to make this, you know, tax lien sale
14 go away, that is what should be done. It should be
15 abolished because it is preying on those who have no
16 voice to speak for themselves and that is why we are
17 all here today speaking for them. So, I ask you,
18 please abolish the tax lien sale. Thank you.

19 COMMITTEE COUNSEL: Thank you. Next,
20 we have Albert Scott from East New York Community
21 Land Trust followed by Linda Ford followed by Sarah
22 H.

23 SERGEANT-AT-ARMS: Starting time.

24 ALBERT SCOTT: Good afternoon,
25 everyone. My name is Albert Scott and I'm with the
East New York Community Plan Trust initiative. And

3 just like my peers mentioned earlier, I'm asking New
4 York City Council and definitely this committee to
5 champion and abolish the New York City tax lien sale.
6 Apparently, the sale has been weaponized, first for
7 the Wall Street firms to take away land and
8 properties within black and brown communities and
9 then now it has been further weaponized where crooks
10 utilize this as leads to target communities of color.
11 By abolishing this tax lien sale, it would be the
12 first initial step in addressing this prevalent issue
13 of teen fraud in which it targets communities such as
14 Brownsville and is New York. And I just definitely
15 want to remind this dynamic body, the New York City
16 Council, that this was a former mayor Rudolph
17 Giuliani law that perpetuated this and he was
18 definitely not a friend to communities such as
19 Brownsville and East New York. Keep the generational
20 wealth in which communities and individuals have
21 worked so hard for and maintaining their properties
22 and remained in communities such as Brownsville and
23 East New York where everyone had left. Abolish the
24 New York City tax lien sale. We need your help to
25 remain in New York City. Thank you.

3 COMMITTEE COUNSEL: Thank you. Next,
4 we will be hearing from Linda Ford followed by Sarah
5 H.

6 SERGEANT-AT-ARMS: Starting time.

7 COMMITTEE COUNSEL: Linda Ford? Next,
8 will be hearing from Sarah H.

9 SERGEANT-AT-ARMS: Starting time.

10 SARAH HACK: Hello. My name is Sara Lee
11 hack. I am a victim of deed fraud, home theft. I
12 completely understand to say-- I just want to say
13 first of all, thank you for having me here to other
14 committees. I would just like to say that I agree
15 with Mr. Cobb and I have been in this situation for
16 maybe two, going on three years now. I have reached
17 out for help. I've been with numerous numbers of
18 attorneys that refused to take my case because they
19 were all involved with the same circle of the
20 situation that is going on. I was notified by the
21 Department of Finance saying that someone was trying
22 to put a deed on my home. I contacted them,
23 explained everything, and so far, as Mr. Cobb said, I
24 reached out to the Attorney General, several council
25 members and still no help. The only person that I
have received any type of help from was Mr. Cornegy's

3 office. And I appreciate that, Mr. Cornegy. But, as
4 they said, there is not enough that's going on to
5 enforce or to push the issue that is going on right
6 now because people are still suffering and they don't
7 know how to respond to what is going on. I have all
8 of my documents. I have my title, my deed and they
9 are claiming that my house was sold under an auction
10 lien when I didn't owe anything and now they've taken
11 out at least two or three mortgages on my home. They
12 took over my water bill and I'm still living on the
13 property. They even send me eviction notices which
14 one lawyer had said to me that it was fake and she
15 took herself off the case which she was a civil suit
16 lawyer and she said she couldn't help me because she
17 was too deep involved with what's going on. So, how
18 can we get help if the majority of these lawyers and
19 legal aid--

20 SERGEANT-AT-ARMS: Time expired.

21 SARAH HACK: who is supposed to be helping
22 us get through this? How are we supposed to get help
23 as a victim? Thank you for your help and thank you
24 for your time.

25 COMMITTEE COUNSEL: Thank you. Last,
will be hearing from Linda Ford.

3 SERGEANT-AT-ARMS: Starting time.

4 COMMITTEE COUNSEL: Hi, Linda. You
5 have to let us unmute you or else we won't be able to
6 hear your testimony. Okay. I'm sorry. We won't be
7 able to hear you. Okay. Well, thank you. This
8 concludes the public testimony for today's hearing.
9 If we have inadvertently forgotten the call on
10 somebody to testify, that person can raise their hand
11 using the zoom function and we will try to hear from
12 you. Okay. We will now turn the hearing over the
13 Chair Cornegy to close the hearing.

14 CHAIRPERSON CORNEGY: Thank you, Genan.
15 Thank you, everyone who is testified today and,
16 although this hearing is coming to an end, the work
17 necessary to the security and to protect our
18 homeowners in this city is not ending. This is the
19 beginning of a continued collaboration between policy
20 legislation, advocacy, to make sure that we can
21 protect those very vulnerable homeowners who are
22 standing right in front of deed that in deed fraud.
23 I want to say that in communities like mine, this is
24 a three legged stool between deed theft and deed
25 fraud, the use of the lien sale listed in the use of
the third-party transfer list conspiring when it is

2 unchecked to displace homeowners. For tenants and
3 there are tenants' rights and protections. We have
4 to have the same staunch advocacy and policy and
5 legislation around homeownership. In black
6 communities, homeownership has conspired to help us
7 build wealth in the transfer wealth, to pay for our
8 children's education's, to pay for the ability to
9 start businesses, and equity is incredibly important.
10 In sum, we don't want to look past that. So, I want
11 to thank my partners in city and state government for
12 their work in this. I want to especially say thank
13 you to the cochairs of the Black Latino And Asian
14 caucus. We have taken this up as a mantle. A
15 special thank you to Cory Johnson who is our speaker
16 at a very special thank you to our finance chair
17 Danny Dromm for cochairing this hearing and for the
18 emphasis put on for communities of color around the
19 city and state of New York. Thank you. And, with
20 that, I would like to--

21 COMMITTEE COUNSEL: Chair Cornegy.

22 Chair Dromm would like to make just a short--

23 CHAIRPERSON CORNEGY: I'm passing it to
24 Danny. That was my--- my only [inaudible 02:24:13]
25 reference for today, too, by the way.

2 CHAIRPERSON DROMM: Thank you. They
3 only thing I wanted to say is thank you to you, Chair
4 Cornegy. This was an excellent hearing. Very
5 informative and particularly emotional the year the
6 stories of those who have been directly affected by
7 deed fraud. So, thank you and I look forward to
8 continuing to work on the legislation into passing it
9 as soon as possible and the city Council. Thank you
10 very much, Chair Cornegy.

11 CHAIRPERSON CORNEGY: Thank you. And,
12 with that, the--

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C E R T I F I C A T E

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



Date October 21, 2020