

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON HOUSING &
BUILDINGS

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March 24, 2026
Start: 11:47 AM
Recess: 6:01 PM

HELD AT: 250 Broadway-8th Fl.- Hearing Rm. 2

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Chairperson

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Memo Salazar
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SERGEANT AT ARMS: Quiet down. Good morning and welcome to today's New York City Council hearing from the Committee on Housing and Buildings. At this time, we'd like to remind everyone to please silence their electronic devices, and at no point is anyone to approach the dais. Additionally, no one is to approach the witness table unless invited to testify. If you have not signed up to testify and would like to, you can fill out a slip located on the table in the hallway outside with the Sergeant at Arms. Chair, we're ready to begin.

CHAIRPERSON SANCHEZ: [gavel] Thank you, Sergeants, and good morning. Welcome to the March 24th hearing of the Committee- the New York City Council Committee on Housing and Buildings. Today's hearing covers the Fiscal 2027 Preliminary Budget for two critical agencies, the Department of Buildings and the Department of Housing Preservation and Development. I am Council Member Pierina Sanchez, Chair of the Committee. On behalf of the Council, I welcome members of the public and the Mamdani administration who are joining us here today. Commissioner first, congratulations. Glad to be

working with you in this capacity, kind of again. So let me begin with my framing remarks starting with a simple but urgent truth: New York City as we all know is in a housing crisis and it's hitting low-income New Yorkers the hardest. In my district and across the City, housing is not abstract. Your conditions are: will the heat work? Will the ceiling cave in today? Will I be able to stay in my home? What we do about this crisis must remain multi-faceted. We must build more housing, hopefully faster. We must preserve what we have, and we must enforce the laws that we have passed. This Council took a major step forward last year through zoning reforms that will allow a little more housing in every neighborhood paired with \$5 billion in housing and infrastructure investment. So, one key question I will ask today is where are we on implementation? Turning to the Preliminary Budget, the Department of Buildings Fiscal 2027 budget is \$317.7 million, and HPD's proposed Fiscal 2027 budget is \$1.08 billion, including NYCHA. On the capital side, HPD's Fiscal 26 to 30 Capital Plan totals in \$12.16 billion plus \$2.27 billion in Section 8 conversion passed through funding for a total of \$14.65 billion. These are

significant investments and this committee is going to be focused on the outcomes. For HPD, preservation enforcement and systems in distress, I want to focus on the way that that agency- although they're not here right now- sits at the center of the crisis. The Preliminary Mayor's Management Report shows that housing violations are rising. Emergency repairs remain elevated with emergency interventions increasing, and distress in our housing stock is not shrinking. I'm glad to work with the administration as they sharpen tools to go after the worst actors as they did a few weeks ago, and now it's at 919 Prospect Avenue in the Bronx, and as they are constructively engaging in discussions around overhauling the city's power of municipal foreclosures for buildings in distress, my Intro 657. However, with respect to the general financial and operational health of buildings across the City, we know that rent collections are down, costs are up, and while we go after the worst of the worst actors, we want to talk about what supports HPD is providing to owners who do want to do the right thing but are financially strained. We want to talk about stabilizing the entire housing ecosystem. In terms

of asset management, HPD is also a steward of a great number of buildings, Mitchell-Lama properties, Article XI properties, other regulated affordable housing portfolios. So, we want to talk about how HPD is monitoring compliance under its regulatory agreements, and what is the plan for aging housing buildings that have received substantial public support, but are still in disrepair. And lastly, on the HPD front with respect to equity in homeownership, another concern that we cannot ignore is that New York City is becoming less diverse. Black New Yorkers are leaving the City in record numbers, and what is HPD doing to protect and expand homeownership in communities of color? How are we ensuring that our housing policies are not accelerating displacement? Turning to the Department of Buildings. Department of Buildings is responsible for the structural integrity of over 1 million buildings and tens of thousands of construction sites across the city. The Mayor's Preliminary Management Report shows that plan review timelines are increasing, means delays on the construction front. Enforcement activity remains high, but there is an outstanding unpaid fine total of \$310 million

1 uncollected by the City of New York just from the
2 Department of Buildings. At the same time, we are
3 hearing concerns from the field. Buildings that were
4 newly constructed, relatively newly constructed are
5 showing signs of failure, and workforce constraints
6 are affecting our construction pipelines. So I will
7 be asking where are we seeing the most acute labor
8 shortages, electricians, plumbers, general
9 contractors, and what is Buildings doing to address
10 these shortages. With respect to Local Law 97,
11 Department of Buildings is also implementing that
12 local law, one of the most ambitious climate laws in
13 the country. With the first compliance deadlines now
14 here, we ask for clarity on how many buildings are in
15 compliance, what enforcement is looking like, and how
16 the Department is supporting building owners and
17 meeting requirements. I'll close with the facts. We
18 know what the housing crisis looks like. We see it
19 in rising violations, struggling buildings and
20 families at the brink of displacement. The question
21 that we have is whether our agencies are equipped for
success, because at the end, this is about whether
New Yorkers can live in safe, stable and dignified
homes. I look forward to today's discussion with the

administration and the public. Following DOB's testimony this morning, we will hear from HPD at approximately 1:30 p.m. and public testimony thereafter. Before we begin, I'd like to thank the Finance staff, Financial Analyst Carla Naranjo, Assistant Director Daniel Krupp [sp?], Deputy Director Chima Obichere [sp?], and Percy Sutton, then follow Katherine McMahon's [sp?]- sorry, I'm saying that wrong, MacMahon [sp?]- for their work on this hearing as well as Legislative committee staff, Austine Malone, Billy Eck [sp?], Jose Conde [sp?], Dirk Spencer [sp?], Reece Hirota [sp?], Noah Slosberg [sp?], and Mohammad Shedeed [sp?].

Finally, I'd like to take this opportunity to thank my team, Chief of Staff Maria Villalobos [sp?], Deputy Chiefs Ben Ratner and Cantasi Anos [sp?], Gerard Fernandez, Dylan Campos [sp?], Maria Josen Naras [sp?], Brenda Meliz [sp?], and Stephanie [inaudible]. I would now like to acknowledge that we're joined by Council Member Feliz on Zoom, Council Member Joseph and Maloney here in her person, and Public Advocate Williams. And before we turn to administration's testimony, we're going to allow a few remarks from our Public Advocate.

PUBLIC ADVOCATE WILLIAMS: Thank you, Madam chair. Morning everyone. As mentioned, my name is Jumaane Williams, Public Advocate of the City of New York. I want to thank Chair SAnchez as well as the members of the Committee on Housing and Buildings for holding this hearing and allowing me the opportunity to give testimony as well. Congratulations to the new Commissioner as well. Like much of us- like much of the U.S., New York City faces a deeply concerning housing affordability crisis. Coming off the COVID-19 pandemic, we saw the sunseting of the eviction moratorium and the funding called for emergency mental assistance. The housing agencies facing high attrition rates with the Department of Housing Preservation and Development or HPD, seeing the peak of almost 300 job separation in 2022. Similarly, the Department of Buildings, or DOB, saw an attrition peak of 223 during the same year. With this in mind, I am concerned about some of the cuts in the proposed FY 27 Preliminary Budget. While DOB sees very little change, the decrease of \$18 million from the modified FY 26 budget. HPD's expense funding seeks a \$500 million increase from FY 26 budget as modified in the \$395 million budget

reduction. I'm sorry, million dollar, yeah,
[inaudible] reduction from the FY 26 budget is
adopted. While we understand that the City faces a
clear budget crisis, we must grapple with the reality
of what these cuts entail, especially as we grapple
with the uncertainty of federal funds. I look forward
to hearing from HPD where the reduction comes from
and how it will affect the work of the agency. In the
same breath as we consider the budget crisis left to
us by the previous administration, we have to look at
the CityFHEPS, the city fighting homelessness and
eviction prevention supplement. This rental
assistance program has been a critical tool in
keeping families housed and preventing evictions, but
over the past six years costs to the program has
risen five-fold since the initial \$25 million
investment of 2019. The Mayor's \$1.64 billion
investment in the program is a slight increase from
last year's \$1.25 million, and his advocates have
cited this number as it falls short of the expanded
eligibility cost passed by the City Council in 2023.
The under-budgeting of CityFHEPS program by nearly
\$800 million under the Adams administration is the
single largest contributor, the 2.2 budget shortfall

the city faces. But I believe we must expand CityFHEPS and move away from costly shelters. I also recognize that in the short-term we have a budget that in the short term we have a budget that the city is legally obligated to balance. So I look forward to work with the Mayor and the City Council, and Comptroller balance these very needs, also remembering that housing is probably the largest expense that most households face. Finally, I want to recognize our partners on the federal level, because without their advocacy, New York State and the City would largely be in a much worse fiscal state with the federal appropriations bill that recently passed, funding Section 8 vouchers. In vital times like this, it is critical that the city, state, and federal officials work toward and together to protect our communities and mitigate the harms being inflicted by the Trump administration, and the harm is not a byproduct. It is the intention. I'm also hoping we hear from DOB to make sure that we have the staffing needed for folks who are coming to DOB to do what they need either in their single family homes or building additional rental units. Thank you very much. Appreciate it.

CHAIRPERSON SANCHEZ: Thank you, Public Advocate. I'll now turn it over to our Counsel to administer the oath.

COMMITTEE COUNSEL: Thank you, Chair. Please raise your right hand. Do you affirm to tell the truth, the whole truth and nothing but the truth before the committee and to respond honestly to Council questions? Thank you. You may begin when you're ready.

COMMISSIONER TIGANI: There it goes. Technology, wow. Good morning Chair Sanchez, Public Advocate Williams, esteemed members of the Committee on Housing and Buildings. My name is Ahmed Tigani, and I have the great pleasure to serve as the Commissioner for the New York City Department of Buildings. I'm joined today by Yegal Shamash, our First Deputy Commissioner, Gina Ugarte, Deputy Commissioner for Finance, Guillermo Patino, our Deputy Commissioner for Policy and Legal Affairs, and other members of the Department's leadership team behind me. We are pleased to be here to discuss the fiscal year 2027 Preliminary Budget, as well as the Department's performance and priority initiatives.

This past Friday marked two months as Commissioner and it is a tremendous privilege to be back at the Department after serving New Yorkers for five years at the Department of Housing Preservation and Development in various roles, where we focused on delivering for New Yorkers by preserving and creating housing. While the DOB's scope is wide, that work in this new capacity is still a responsibility I take seriously. As part of the Housing and Planning portfolio under Deputy Mayor Bozorg, the Department supports the construction sector, prepares for emergencies, serves communities that depend on our development and enforcement work, and partners with industries that deliver schools, grocery stores, and hospitals, just to name a few, but this shift reinforces our central role in preserving and creating housing at a moment of urgent need, while still maintaining our commitment across all of these workstreams. In all of these areas, we will hold owners accountable for maintaining safe buildings and use every available tool when they fail to meet their legal obligations. At the same time, we are streamlining processes to remove bottlenecks that delay development, especially for affordable housing,

and are working closely with the Mayor's Office and partner agencies to advance the city's housing plan and key initiatives outlined by the Mayor. While we are excited to be at the table on all things housing, central to our mission is the safety of those who live, visit, or work in New York City. We will continue to monitor the existing building stock for compliance, to respond to complaints and emergencies, and to make sure that construction sites are employing safe work practices, and when possible, using our data to effectively and efficiently identify issues before they arise. As I will discuss later in my testimony, we are moving forward with taking a proactive approach to building safety, which will complement our complaint-based strategies. Safety needs to be at the center of everything we do to maintain our buildings, whether we are discussing housing or hospital facilities, and is key to making the process of growing this city's physical footprint viable to support the needs of New Yorkers across the five boroughs. While I may be at the helm of this great agency, none of what I discuss today would be possible without the talent and expertise of the 1,634 individuals that make up the Department. I am

blown away by the progress that this agency has made since I was last here, and I would like to specifically recognize a few of my colleagues who are leading the charge on transforming the agency and keeping us safe. Olga Suto, who has been with the agency for 13 years, is our Assistant Commissioner for Existing Buildings Compliance. In this role, Olga is key to keeping our buildings safe. Olga oversees a team dedicated to the structural integrity of the built environment, which includes overseeing the myriad maintenance requirements building owners must comply with, including those that relate to facades, parking structures, and retaining walls, responding to crisis, tackling the issue of longstanding sidewalk sheds, and moving the agency forward by utilizing predictive enforcement to keep buildings safe. Tarek Khalil, who has been with the agency for nine years, who is our Assistant Commissioner for Mechanical and Plumbing Inspections. Tarek's team is dedicated to building systems, including elevators, boilers, and mechanical systems, which are building systems that we rely on and the people we serve rely on every day. They have been key to the implementation of Local Law 152 of 2016, which

requires that a large portion of our building stock undergoes regular inspections of their gas piping systems, which has been a herculean effort. Tarek takes a thoughtful approach to the regulations that govern their work and constantly finds ways to find efficiencies and to modernize. On a more somber note, I would like to take a moment to recognize Chief Richard Bower, who passed away last week. Chief Bower served the Department with dedication for 18 years in various roles, where they put safety first as he rose through our ranks, including as part of the Excavation, Interior Demolition, and Construction Safety Engineering teams. Our condolences go out to their loved ones. These are just a few of the incredible people that keep this city safe and moving forward. At this time, I'd like to move on to discuss the budget that supports this important work. The fiscal year 2027 Preliminary Budget allocates approximately \$214 million in expense funds to the Department. Of this funding, approximately \$181 million, 85%, is for personnel services, which supports 1,864 budgeted positions, and \$33 million is for other than personnel services, which primarily supports contractual services, equipment, and

supplies. This funding is critical to supporting the Department's mandates and priorities. Of note, the Department has received 23 additional positions to support the implementation of local laws passed by the City Council last year, which gave the Department additional enforcement tools to get sidewalk sheds down faster and 13 additional positions to increase staffing associated with conducting background checks for the trades the Department licenses. These new positions will be funded by fees the Department is introducing or increasing by rule. As of today, the Department's budgeted headcount is 1,853 and our actual headcount as of January ending is 1,635. Our budgeted headcount includes additional staffing received in recent plans that includes positions to establish a proactive enforcement program, to enforce Local Law 152 of 2016, which requires that buildings undergo periodic gas piping inspections, and to support increased development activity, which includes positions related to the City of Yes for Housing Opportunity and basement legalization initiatives. While we have 218 actual vacancies, we have 55 candidates in the hiring pipeline, which includes among them 41 inspectors, and leaves us with

163 actual vacancies or a vacancy rate of around nine percent. We are actively recruiting to fill these vacancies, including the positions we received in the preliminary budget to support priority initiatives, such as reducing sidewalk sheds, and looking forward to keeping you updated on those efforts. In fiscal year 2025, the last full fiscal year, approximately 275,000 construction jobs were filed with the Department, and we issued approximately 169,000 initial and renewal construction permits combined, which is consistent with the activity we saw in the previous fiscal year. So far this fiscal year, we are seeing a slight increase in construction job filings and a slight decrease in permit issuance. As it relates to service levels, I will focus on the service levels concerning job filings submitted through DOB NOW, which represent about 95 percent of all our job filings as we continue to transition to the DOB NOW system. On average, for all job filings submitted through DOB NOW, it is taking the Department about five days to complete its review—its first review which is an increase over 3.5 days during the same time period last fiscal year. Of note here, during this time period, we received about

2,500 more resubmissions, including for more complex new building and demolition projects, which means the plans came back to us for review more than once, and in about 650 additional instances our customers opted to have us conduct a full plan examination over what can be considered shorter, professional certified approach for their job filings. Combined, these factors account for the uptick in our service levels for plan examination. The wait time between a construction inspection request and an actual inspection, which occurs after a construction project is completed by a contractor, has remained at four days for construction inspections, has remained at about nine days for an electrical inspection, which is down from nearly 13 days from full fiscal year 2025, and has increased by about two to six days—increased by about two to six days for a plumbing inspection. With respect to electrical inspections, it should be noted that there has been an increased demand for electrical inspections, which could be attributed to the electrification projects that we are seeing come online. At the end of last year, the City Council passed a law, sponsored by the Chair, Local Law 42 of 2026, which will allow for electrical

inspections to be self-certified, which is allowed for other trades. These changes will help improve service levels as it relates to electrical inspections as the demand for an inspection from the Department will decrease. Overall, there will be an increased demand for development inspections and a reduction in the use of overtime to support such inspections. The Department reduced its overtime spending by \$5.6 million since fiscal year 2024, which is 60 percent reduction. We will continue to identify ways to not only support, but also streamline development projects. We are investing in our most important resource, our people. We are working on establishing a plan examination training academy for the first time, with a comprehensive curriculum and ongoing training on changes to the vast regulatory landscape we are charged with enforcing, which will be similar to our existing inspector training academy. We are also looking to technology to help support these ideas. We continue to partner with the Partnership Fund for New York City on their Buildings Tech Lab, a public-private initiative to find, evaluate, and test innovative technology solutions that will support our work,

including to make plan reviews, permitting, and inspections more efficient. We will soon be starting a pilot program with five companies, which will come at no cost to the Department, and are in the process of identifying additional companies to work with in the near future. The Department is appreciative of the Partnership's support with this effort and look forward to working with the companies that have been selected to incorporate innovative technologies into our work, with the goal of working more efficiently. Finally, we are working closely with the Mayor's Office and our partner agencies on an interagency task force, Streamlining Procedures to Expedite Equitable Development, SPEED, to accelerate affordable housing production. The Mayor's Office will soon be releasing recommendations related to this effort. While the Department's enforcement has largely been driven by complaints in the past, we continue to conduct proactive inspections at larger construction sites and began conducting proactive inspections of existing buildings last fiscal year, work which was made possible by Local Law 79 of 2024, which was also sponsored by Chair Sanchez. It tasks the Department with establishing a proactive

enforcement program. While our efforts were focused on recruiting to fill the 60 positions we received to support this program, which does include inspectors, plan examiners, data analysts, and attorneys, we have now begun this work. Since we began conducting proactive inspections last March, we have conducted approximately 9,200 inspections that have resulted in the issuance of 7,000 summonses, which includes follow-up inspections following the issuance of Class One summons until that summons is corrected and inspections of potentially at-risk buildings, which are identified and assigned a risk score through our data analytics. Proactive inspections make up approximately 30 percent of the 190,000 enforcement inspections we conducted last fiscal year. From experience, we know that proactive inspections keep the public, including the construction workers on those sites, safe. As it relates to construction sites, between fiscal year 2024 and fiscal year 2025, we continued to see a reduction in construction-related injuries, with construction-related injuries dropping by 42 percent from 625 to 363. We urge the industry to continue working safely and to ensure that workers are

appropriately trained. We will soon be implementing a new local law, Local Law 10 of 2026, sponsored by Council Member Lee, that will add to the existing site safety training program, and require that workers receive training on mental health awareness, which will cover suicide prevention and substance awareness. We look forward to keeping you updated on this important work. As it relates to our complaint-driven enforcement, we receive about 100,000 311 complaints each year. The most serious complaints, which are those that relate to conditions that may present an immediate threat to the public are classified as priority A and are responded to within hours. However, our service levels for other complaints have increased, including for priority B complaints, which capture violating conditions that if occurring, while serious, do not present an immediate threat to the public. So far this fiscal year, we are responding to these complaints in 21 days, which is an increase over 15 days during the same time period last fiscal year. As with development inspections, this increase can be attributed to existing vacancies, which we are recruiting for, and to a reduction in overtime use.

Of note, elevator-related complaints have driven this increase as well given the reduced capacity of the elevator unit that responds to such complaints. To address this issue, we have launched a pilot program that allows for third-party inspections following elevator work in a building, which allows us to use our inspectorial resources to respond to complaints from the public. The inspections must be conducted and witnessed by qualified individuals that are licensed by this department. This program has been well received by the industry and we are closely monitoring it. As it relates to sustainability, the Department is responsible for implementing and enforcing a number of sustainable buildings laws. This includes Local Law 97 of 2019, which requires the city's largest buildings to increase energy efficiency and reduce greenhouse gas emissions over several compliance periods, culminating in achieving net zero emissions by 2050. Our sustainability team has worked diligently to implement this important law, including promulgating rules, conducting outreach with our agency partners, and issuing guidance to inform property owners and the industry about how to comply with the law. We have also hired

a dedicated team to focus on the implementation and enforcement concerning the law. Last year, we achieved a major milestone as building owners were required to submit compliance reports to the Department for the first time. We saw very high engagement rates for the first compliance cycle, but know that building owners have a lot of work to do to come into compliance with the 2030 emissions targets and are prepared to support them with that work. In addition, the Department enforces the Energy Code and existing laws that require certain buildings to report their energy and water use, post energy grades, upgrade lighting and install submetering, and perform energy audits and retro-commissioning. Concerning the Energy Code, we worked with the Council on Local Law 47 of 2026 late last year, which was also sponsored by the Chair, and which resulted in the 2025 Energy Code. We will begin enforcing the new Energy Code later this month. We are also taking steps to continue to improve quality of life for New Yorkers, which includes tenants, business owners, and other members of the public. As it relates to tenants, we are proud to be participating in the Renter Ripoff hearings the Mayor's Office is hosting

and look forward to working on new initiatives to support tenants that will come out of that effort. This builds on our work to protect tenants in occupied buildings under construction. We have multiple teams dedicated to tenant protection, including our Office of the Tenant Advocate, that intakes complaints and fields inquiries directly from members of the public, including addressing concerns related to required tenant protection plans, and our Real Time Enforcement Unit, which responds to complaints concerning unpermitted work in multiple dwellings expeditiously. Finally, we continue to participate in the Tenant Harassment Prevention Task Force, which includes conducting regular multi-agency inspections with our partner agencies in the interest of protecting and improving conditions for tenants. As it relates to business owners, we have a dedicated small business team that provides one-on-one guidance to businesses, including conducting plan reviews for job filings submitted in connection with those businesses. We encourage small businesses to contact our small business team to receive assistance before they begin a construction project or at any time during a project should they have any questions. We

also took steps during the last administration to improve the regulatory environment for small businesses, including extending cure periods for all Class 2 and Class 3 violations to 60 days and doing away with the \$6,000 work without a permit penalty that was imposed by the Department on Small Businesses. Finally, we are continuing to focus on reducing sidewalk sheds throughout the city, with a focus on sheds that are up at buildings where no active construction work is occurring. Since we began this effort in 2023, there has been about a 15 percent reduction in the number of sidewalk sheds citywide, which benefits the public, including businesses that are negatively impacted by sidewalk sheds. We recently implemented a 90-day permit duration for sidewalk shed down from a year, which will require that building owners renew their sidewalk sheds more regularly and report their progress to repair façade conditions to the Department during such renewals. Where a building owner does not make progress, we will use every enforcement tool at our disposal to prompt repair work, which includes the new enforcement tools we'll be implementing later this year and taking legal

action against the worst offenders. We have also made tremendous progress reviewing the Local Law 11 program, which requires certain buildings to undergo façade inspections periodically. We issued a report late last year, which includes recommendations made by our consultant, Thornton Tomasetti. Based on their recommendations and regulatory changes made by the City Council last year, we expect buildings to go longer without having their façades inspected, without sacrificing safety. Finally, we know there are sidewalk sheds that will continue to be needed in conjunction with new building construction, demolition projects, and façade maintenance. Late last year we released six new shed designs, which are more aesthetically pleasing, allow more light and air to the ground which will improve the look and feel of the public realm. We expect to make these new designs available for use by the public through rulemaking later this year. In closing, and my throat is definitely happy- at the start of a new administration, we are building the foundation for a renewed vision for our city. The Department of Buildings will continue to evolve through community input and internal innovation, but our core

1
2 commitments to customer service, accountability,
3 safety, ingenuity, and inclusive growth will remain
4 constant. These principles will guide and support
5 everything we do moving forward. We look forward to
6 working with the City Council and community leaders
7 to bring this vision to life. Thank you for the
8 opportunity to testify today and we welcome your
9 questions.

10
11 CHAIRPERSON SANCHEZ: Thank you so much,
12 Commissioner, and I just want to start by sharing, it
13 is- I share your enthusiasm about the progress that
14 the Department has made in the last several years
15 despite, you know, high obstacles, the number of
16 vacancies that were reduced in the beginning of the
17 Adams administration, kind of recovering from that.
18 It's really incredible to see the amount of work that
19 the agency has been doing.

20 COMMISSIONER TIGANI: Thank you, Chair.

21
22 CHAIRPERSON SANCHEZ: And you know, just
23 to note that the agency- this agency, the Department
24 of Buildings does much more- I'm sorry rest of the
25 city agencies- but you do much more for the city
26 than the city gives back. And so the more that we
27 can strengthen your budget, increase inspectorial

capacity and all the rest, you know, the better off that the city will be.

COMMISSIONER TIGANI: Thank you.

CHAIRPERSON SANCHEZ: So, that's certainly my position. So I want to acknowledge that we are joined by Council Member Epstein and Won and Salaam. And I will ask a first round of questions, and then we'll- the question order I have right now is Council Member Riley followed by Maloney, Epstein and then Joseph. So, to begin, the number of complaints that the Department receives and it takes the agency to complete inspections are rising as have been noted. The Department has long struggled with a persistently high vacancy rate which is now at 13.8 percent, nearly two times more than the citywide average of five percent. Putting this into context, the Department of Buildings lost a net total of 90 budgeted positions during the Adams administration. So, first, can you tell us about the steps the agency is taking to fill its vacancies and specifically where you are seeing the highest vacancies, plumbing inspectors, elevator inspectors? You mentioned a little bit about the elevator inspections, but can you tell us about the steps that are being taken to

relieve the delays being caused by a shortage of plumbing inspectors?

COMMISSIONER TIGANI: Thank you for the question, Chair. I'll start and then I'll invite members of the team to add. So, there are a number of different ways in which we are trying to make sure that we are staffed to meet the needs of New Yorkers. From an outreach and recruitment perspective, we have constantly been on the ground. We did 27 job fairs in 24, 25 job fairs in 25. We are regularly working with our partners in DCAS on a number of different outreach campaigns. We currently have one through social media that we're working on with their consultants and colleagues. We have 127 bus stops with our job hiring information out there, communicating to individuals. We're working actually with social media influencers who are specifically working to do job outreach and recruitment to get the word out about the work that we're doing, particularly inspector and plan examiner titles. We have ongoing relationships with technical colleges throughout the city, and we also have a number of recruitment pipeline projects with New York City Public Schools and with CUNY where we are bringing

1 people in as early as interns, externs, working with
2 different fellowship programs, college aides in order
3 to find people not only to meet the inspector staff
4 or the technical staff, but also our admin and
5 clerical staff as well. I will say that right now we
6 have at least 55 individuals who are candidates that
7 we're waiting on approvals for. So our vacancy rate
8 is around nine percent once those candidates get
9 approved. And the last thing is that, you know, the
10 Mayor has been very supportive of the work that we're
11 doing, and in the Preliminary Budget we saw 23 lines
12 provided to us to support not only the important
13 sidewalk shed work that we're doing, but also
14 licensure which is really a key part to getting
15 people out there doing work and helping to build the
16 city.

15 CHAIRPERSON SANCHEZ: Thank you. That's
16 very helpful. Please send us all of those
17 advertisements and the social media.

17 COMMISSIONER TIGANI: Absolutely.

18 CHAIRPERSON SANCHEZ: What influencers? I
19 want to be an influencer.

20 COMMISSIONER TIGANI: We'll come up with-
21 yeah.

CHAIRPERSON SANCHEZ: Okay, thank you.

So, the Fiscal 2026 November Plan included an additional \$350,000 in city funds to investigate the NYCHA building collapse in the Bronx this fall in Council Member Encarnacion's district. Can you provide an update on the status of this investigation? Has the Department made a determination as to the cause and who exactly was contracted in support of the review?

COMMISSIONER TIGANI: So, the vendor that was contracted was IAQ Consulting Engineering. They are still doing the work of investigating and preparing the report, and so we don't have information to share at this moment, but the funds are there and the work is ongoing.

CHAIRPERSON SANCHEZ: Thank you. And what is the timeline for determination?

COMMISSIONER TIGANI: The focus is wrapping up this work this year.

CHAIRPERSON SANCHEZ: So, this year, this year? End of 26?

COMMISSIONER TIGANI: That's my understanding, yes.

CHAIRPERSON SANCHEZ: Thank you, Commissioner. How much has DOB- I mean, I have a lot of questions about DOB now, but how much has been spent on IT so far in the transition? How much is in the budget for fiscal 27 across the four-year plan? And when will we get to 100 percent of, you know, projects and work being reflected on DOB versus the BIS [sic] system?

COMMISSIONER TIGANI: So, as of February- as of the end of February, the Department spent \$172.8 million. Fiscal year 26 is currently budgeted for \$8.5 million. Broken out that's \$2.7 million for expense and \$5.8 million in capital, and this includes capital funds and all commitments, and the out-years are baselined for a million dollars.

CHAIRPERSON SANCHEZ: What is the capital?

COMMISSIONER TIGANI: The capital work is typically associated- tech work that is long-lasting is capitally eligible. So, when you look at the scope, you can break down what would be capital versus expense.

CHAIRPERSON SANCHEZ: This is the kind of thing that makes me feel-

COMMISSIONER TIGANI: [interposing] But usually, like, vendor services-

CHAIRPERSON SANCHEZ: [interposing] like it's all monopoly money.

COMMISSIONER TIGANI: or consultant services would be expense.

CHAIRPERSON SANCHEZ: Copy. Thank you. Thank you, Commissioner. Earlier this year, the Department suspended a general contractor license of Mr. Yacov Eisenbach of Hexagon Industries after an uncontrolled wall collapse at one of his work sites just behind my district it happened to be and adjacent to an elementary school. We're extremely fortunate that no one was injured. Furthermore, this was the seventh time that Mr. Eisenbach had been cited for violating an active stop work order at a demo or construction site. So, can you describe how the Department conducts oversight of general contractors in New York City broadly and how the Department considers expanding the use of this enforcement tool over the next fiscal year? What resources would be needed?

COMMISSIONER TIGANI: So, I'll start and I'll invite our First Deputy Commissioner to add, as

1 he has worked on a lot of these programs and help
2 built it up to the place where we are. So, in that
3 particular case, that general contractor, since there
4 is not a general contractor license- there is a
5 safety registration that we can use in order to
6 control whether or not they're doing business with
7 the City of New York. We actually have information
8 on not only the site that he was working on that
9 we're talking about here, but on other sites across
10 the city. We did a sweep of those sites that gave us
11 more information, allowed us to act quickly on any
12 issues on those other construction sites, whether it
13 was a parietal stop work order and/or the issuance of
14 additional summonses, and that led us based on that
15 information to move quickly, and I think in our- in
16 the first time, moved to revoke and bring a case to
17 OATH of that safety registration. So, that is just
18 an example of both the benefit of the resources.
19 Again, we thank the City Council of proactive
20 enforcement and using data to be able to quickly
21 react, and this is information that we were able to
use in order to map out not only safety for your
neighborhood, but for other neighborhoods. Yegal, if
you'd like to add.

CHAIRPERSON SANCHEZ: And while First Deputy Shamash adds, I just want to thank you for the swift movement in that case. I think you were able to suspend that license within days of, you know, that collapse. So this is- you know, I just commend you, Commissioner, and commend the agency for really moving swiftly against bad actors.

COMMISSIONER TIGANI: Thank you so much.

FIRST DEPUTY COMMISSIONER SHAMASH: In terms of construction safety, we have multiple teams, but our Construction Safety Compliance Team is one that does proactive inspections. Last year, last calendar year 2025, they performed over 20,000 proactive construction safety inspections. Our Construction Safety Enforcement Team, that's the team that responds to incidents, accidents, and complaints, but also sweeps general contractors, subcontractors, performed over 21,000 construction safety enforcement inspections. That team is the team responsible for ensuring construction safety. That team works with a construction safety engineering team that will review the plans and audits the applications that are submitted post-incident, post-accident. Those two teams

1 together will refer to our attorneys, our licensing
2 disciplinary unit, plus our special inspection- I'm
3 sorry, special enforcement team. They discipline
4 professionals, [inaudible] disciplines the licensees,
5 and they work together hand-in-hand to ensure that
6 general contractors and professionals are performing
7 the necessary duties per the code.

CHAIRPERSON SANCHEZ: Thank you.

8 According to the Mayor's PMMR, the Department issued
9 2,683 total stop work orders in the first four months
10 of fiscal 26, a 20 percent increase from the same
11 period in fiscal 25. This is a very significant jump
12 and there is a related increase in the number of
13 violations that have also been issued. What are the
14 reasons for the increase in the number of stop work
15 orders? Does the Department believe that there has
16 been a citywide increase in dangerous construction
work?

17 COMMISSIONER TIGANI: So, the increase in
18 stop work orders can be a result of a number of
19 things, but what we're looking at is we're responding
20 additional complaints. We're doing more proactive
21 inspection. A stop work order can be something that
is a short time period where we're trying to make- or

1 we're working with the owner to make the correction
2 on-site, or it can extend for longer period of time.
3 You know, at this point, as I mentioned earlier,
4 construction injuries are down. We are seeing safer
5 sites and given we are several years into our site
6 safety training programs where construction workers
7 have at minimum 40 hours of safety training. We do
8 believe that overall that our sites are safer. We are
9 just taking more steps to make sure that as
10 conditions laid out in plans exist, that they also
11 reflect what's happening on construction sites.

12 CHAIRPERSON SANCHEZ: Thank you. I'm
13 going to turn it over to-

14 FIRST DEPUTY COMMISSIONER SHAMASH:
15 [interposing] Can I add one additional item, please?

16 CHAIRPERSON SANCHEZ: Oh, you want to
17 add? Yes.

18 FIRST DEPUTY COMMISSIONER SHAMASH: Thank
19 you. Our newly formed strategic enforcement division
20 under the Local Law that was passed with you last
21 year created a proactive enforcement team,
specifically our strategic enforcement team. That
team specifically is leading the charge with
inspections on work without a permit, but also

1 unlicensed work that is happening in the city, and
2 looking for those bad actors. They are one of the
3 leading reasons that we had an increase in stop work
4 orders, both full and partial in 2025. So, it's the
5 proactive enforcement team that is causing that trend
6 in increase in stop work orders and we think that's
7 for a very good reason, that we're catching these bad
8 actors before they cause issues for us.

9 CHAIRPERSON SANCHEZ: That makes me so
10 happy, like in a- you know, in the context of just
11 doing better as a city. It's- that's really cool.
12 Thank you, Deputy Commissioner. On that note,
13 actually, before I go to my colleagues for their
14 first round of questions, on Local Law 79 of 2024 and
15 the proactive inspections, can you share of the 60
16 staff- did you share already how many of those
17 position have been hired? And you did share the
18 number of inspections and the 9,000 inspections and
19 7,000 violations. But can you also share, you know,
20 just trends, what kind of, you know, illegal
21 activity, dangerous conditions you've been observing?

COMMISSIONER TIGANI: So, I'll ask Gina
to start, and then Yegal to talk more about the
trends.

DEPUTY COMMISSIONER UGARTE: Of the 60 budgeted positions received for proactive enforcement and predictive analytics, 49 positions are active and 11 are vacant.

CHAIRPERSON SANCHEZ: And what are the vacancies?

DEPUTY COMMISSIONER UGARTE: I don't have the vacancies broken down, but I can get you that information after this hearing.

CHAIRPERSON SANCHEZ: Perfect. Thank you.

FIRST DEPUTY COMMISSIONER SHAMASH: So, the three pillars of the proactive inspection program is focused on going outside and more actively being on construction sites on a regular basis, definitely when it's next to or adjacent to other sensitive buildings given the age of our building stock. We also have our Stay Vigilant program which is a reinspection program mandated by Local Law 79 that makes sure that property owners remain accountable for maintaining code and safety compliance. We also have what is called our heightened enforcement work stream. It's a targeted force that identifies and neutralizes bad actors, recidivist property owners,

1 contractors, licensed professionals using data
2 intelligence that we have internal that we're working
3 through from a centralized team and then working out
4 with the different units to think about next steps.

5 COMMISSIONER TIGANI: In terms of the
6 vacancies, as the Deputy Commissioner mentioned, we
7 have 11 vacancies. Five of those are in the Class
8 One Hazardous Reinspection program. Those are five
9 inspector positions. We have four in the heightened
10 enforcement bad actor position, bad actor division.
11 Again, those four are in inspectorial ranks, and then
12 lastly we have two vacancies in the request for
13 corrective action team and those are also inspector
14 positions. So we have filled all the investigative,
15 all the attorney positions, and all the analytics
16 positions, including all the supervisory positions in
17 all of those groups. And maybe not obvious, but this
18 team comprises all the different skillsets and
19 background of the agency. So there is an engineering
20 component. There is quality of life inspectors, and
21 then there is our strategic enforcement that includes
the front-facing inspectors that work with tenants
they base this. This is also an area where we've
actually benefited from working with outside

1 technologists to think about new software and
2 programs to be able to make those connections between
3 portfolios and owners so we see the bigger picture.

4 FIRST DEPUTY COMMISSIONER SHAMASH: We're
5 specifically proud of the increase in percentage of
6 proactive inspections. At the end of calendar year
7 2024, we were at around 27 percent and year-to-date
8 right now, we're approaching 35 percent. So, that's
9 a significant increase for us. As the Commissioner
10 mentioned, we're looking at technology to increase
11 that specifically. Through our new positions within
12 analytics, they have specifically created an
13 algorithm for us to provide a risk score on the- on
14 buildings, and that risk score is helping focus our
15 inspections on the riskiest buildings. We would love
16 to show you the maps that we've created based on
17 that-

18 CHAIRPERSON SANCHEZ: [interposing] About
19 to ask-

20 FIRST DEPUTY COMMISSIONER SHAMASH:
21 [interposing] and the algorithms. We would be more
 than happy to present that to you and share all that
 information. The analytics team has really created a
 machine learning tool where we input the information.

1 They respond and it's a cycle. We keep feeding that
2 information and the machine keeps learning. Hopefully
3 it doesn't outsmart us.

4 CHAIRPERSON SANCHEZ: Machine takeover.

5 I'm sorry, I just- like, we started at a point.

6 Start is, you know, generous. When I came in and we
7 had the collapse at 1915 Billingsly, we were at this
8 moment where we were like how could this happen? How
9 could we possibly not have caught that this person,
10 this owner was working with a risky contractor, and
11 now we have, you know, 75 families that are displaced
12 during the holidays and the cold out on the sidewalk
13 to 35 percent of inspections at DOB being proactive.
14 I think that is just incredible, an incredible change
15 of course, and I'm just- I'm very, very proud of you
16 all. So, thank you for that partnership. It means a
17 lot to New Yorkers. I want to turn it over- if it's
18 okay with Council Member Riley, I want to go to Chair
19 Lee.

20 CHAIRPERSON LEE: I will be very quick.

21 Hi, Commissioner.

CHAIRPERSON SANCHEZ: [interposing]

[inaudible] Thank you.

COMMISSIONER TIGANI: How are you?

CHAIRPERSON LEE: It's good to see you, and all these great things happened in the few months you've been here, right?

COMMISSIONER TIGANI: Yeah, I'm so productive. It's just-

CHAIRPERSON LEE: [interposing] I know, exactly. Super productive, yes. So, no, I really appreciate your efforts, and to piggyback off the Chair's point, it's interesting because I've been trying to ask a lot of the different agencies how we can better- you know, I know sometimes tech, AI, all that stuff can be- you know, people have different thoughts on it, but I think this is one of the perfect ways where we can utilize it to not just give us better data, but also help on the customer service side and to allow folks to be able to see more in real time where things are at. So, I really appreciate your efforts in that. And just out of curiosity- well, it's great to see going back to the vacancies that you talked about. It seems like since actually the report was given to us- because as of February 2026 we had 1,597 actual headcount, but now you're saying it's up to 1,635, right?

COMMISSIONER TIGANI: That's correct.

CHAIRPERSON LEE: Which is great. And so in terms of the buckets and categories, I know you mentioned it, but if you could go over really quickly. A lot of that has been positions filled with investigators and different engineers you said, or?

COMMISSIONER TIGANI: The main tracks I think we organized by inspectors, inspectorial staff, technical staff, administrative staff, and clerical. So, those are buckets that we maintain. Though, obviously, there's overlap in, you know, uniqueness in that. But I'll let Gina correct me if I-

DEPUTY COMMISSIONER UGARTE: Of the 1,635 active positions, 558 are inspectorial, 330 technical, 557 administrative, and 197 clerical.

CHAIRPERSON LEE: 197 clerical. What was the second one? I'm sorry, I missed it.

DEPUTY COMMISSIONER UGARTE: 330 technical.

CHAIRPERSON LEE: Perfect. Thank you. And just out of curiosity, in terms of the contract budget, I noticed that from FY 26 to 27 the number of contracts are relatively the same. I think there's

one contract difference, but then professional services and computer services dropped a lot. So, I was just wondering what that was due to?

COMMISSIONER TIGANI: [inaudible]

CHAIRPERSON LEE: Yeah.

COMMISSIONER TIGANI: Sorry, Chair.

CHAIRPERSON LEE: Oh, no, go ahead.

COMMISSIONER TIGANI: Those were one-time expenditures that we did not expect to need to review.

CHAIRPERSON LEE: Okay, alright. And then going really quickly to new needs. I know in FY 26 there was \$970 million and then in FY 27 it jumps to about \$4.6. So, I see in the PMMR there's new needs that you've listed out here, but if you could just walk us through generally what that jump is due to.

DEPUTY COMMISSIONER UGARTE: So, we received 23 positions totalling \$2 million for sidewalk sheds. These are tax levy funded positions added to our PS and OTPS budgets to supplement Local Law 48 and 51 of 2025. Revenue brought in by permit renewal fees and extension request fees offset the new need and headcount. We also received 13 positions for licensing backgrounds totalling

\$725,000. This supplements learning, investigations, ability to conduct licensing investigations, ability to conduct license qualification reviews of the character and fitness of 30 different construction trade license applications. This new need in headcount is also covered by revenue generated by the unit, and that's 13 positions, eight administrative positions, five clerical. And for the 23 positions received for sidewalk sheds, 12 administrative positions, 10 of those are for customer service, nine technical positions, and two inspectorial positions.

CHAIRPERSON LEE: Okay.

DEPUTY COMMISSIONER UGARTE: We also received a baseline increase of \$350,000 for pre-clearance overtime for DOB elevator inspectors to perform inspections outside normal work hours. The funding will be covered by revenue accrued from inspection fees. And we also received \$1.6 million in Modell space renovation. This funding is renovations for the Modell lease space located at our headquarters, 280 Broadway, to increase the capacity of our space by a 100 work stations.

CHAIRPERSON LEE: Okay, perfect. Thank you. And then actually talking on that point about

the revenue generation- the fees to be increased or the revenue, rather. I know the FY 27 Preliminary Plan also includes, as you mentioned, \$353.1 million of DOB miscellaneous revenue, \$1.9 million more than FY 26 adopted plan, and it seems like this is largely attributable to the increase of \$2.9 million in construction costs and \$1.1 million in licenses for trade professionals. So, does DOB anticipate permanent revenues to increase?

DEPUTY COMMISSIONER UGARTE: Yes, we do except the permanent revenues to increase because we're moving from an annual sidewalk shed permit renewal-

CHAIRPERSON LEE: [interposing] Right.

DEPUTY COMMISSIONER UGARTE: to a 90-day permit renewal.

CHAIRPERSON LEE: Okay.

DEPUTY COMMISSIONER UGARTE: We also expect fees from the extension requests and for progress reports, and on the licensing front for increase in fees to license applications as well as fees for renewal applications.

2 CHAIRPERSON LEE: Okay, perfect. And of
3 course, for the Chief Savings Officer, who was
4 identified as the Chief Savings Officer in your-

5 COMMISSIONER TIGANI: [interposing] Our
6 Deputy Commissioner for Finance was identified for-
7 their work overlaps. They work also- Gina's been
8 responsible for finding innovations, savings in
9 agency to-date and was the right choice.

10 CHAIRPERSON LEE: Okay, perfect. And it's
11 the same across as different agencies with 1.5
12 percent savings for 26 and 2.5 for 27?

13 DEPUTY COMMISSIONER UGARTE: That's
14 right.

15 CHAIRPERSON LEE: Okay, perfect. And
16 will services like code enforcement and inspections
17 that protect New Yorkers be held harmless from the
18 budget decreases, or?

19 COMMISSIONER TIGANI: We are working
20 through a plan right now, but I think we are on the
21 same page. We have an obligation to keep people
safe.

CHAIRPERSON LEE: Right.

COMMISSIONER TIGANI: And so finding a strategy that maintains that obligation is the direction we want to go.

CHAIRPERSON LEE: Right. And that's one thing we've been trying to emphasize is that yes, we're trying to find savings, but not in terms of sacrificing services for New Yorkers, and plus I know on the Council we've definitely added a lot more different legislative things that require more staffing, but hopefully these are all things that will work to improve daily lives for New Yorkers. So, thank you. Thank you, Chair, and thanks, Council Member Riley.

CHAIRPERSON SANCHEZ: Thank you, Chair. Chair Riley?

COUNCIL MEMBER RILEY: Thank you, Chair Sanchez, and good morning, Commissioner, and good morning to DOB team. Thank you so much for testifying here. As Chair of Land Use, I see the Department of Buildings as one of the most important agencies in the city's ability to actually turn policy into housing productions. We could pass rezonings, adopt plans, and talk about affordability, but if the building process remains too slow, too costly, or too

1 unpredictable, New Yorkers will continue feel the
2 housing crisis that we're currently in. So, I just
3 want to focus my questions today on how we could
4 build faster, smarter, and be more sustainable. So,
5 during your testimony, Commissioner, you spoke about
6 the agency not being focused on just enforcement but
7 also on productions. Could you just state three ways
8 you believe DOB can most directly help with the
9 city's increase on housing production and also reduce
the cost burden associated with development?

10 COMMISSIONER TIGANI: Absolutely, Council
11 Member. I agree with you on that position that DOB
12 holds. While there- we are the steward of the zone
13 resolution. So, as you pointed out, taking policy
14 and language and taking into action is something that
15 we care about deeply. To answer your question
16 directly I think first and foremost thinking about
17 how we're investing on the people who are reviewing
18 plans and doing the work of moving process is a key
19 way to moving projects faster. So, the movement to
20 taking continuing education that we currently have
21 and moving it into a formal plan examiner academy so
that we are updating and continuously building up
that staff. So, we're working through applications

faster. I think it's going to be very key.

Additionally, we're working on- and this is a public/private partnership- talking more about the standardization of the plans that come into our agency so that we are not spending time going back and forth over small matters, and we are actually looking at material in the same way in the same format which will reduce review times in our opinion. The technology that comes with that, DOB now has allowed us to create a faster back and forth between plan examiners and the industry, but it's also drastically increased the number of applications that people are allowed to submit and when they're allowed to submit. So those two factors, better training- better investment in training to the staff that we have coming in as plan examiners and then also creating a standardization of the work that we do, including reducing the number of unique objections, and coming up with more clarity there. The other part that I think is really important is that it's the formalization and the streamlining of our codes in [inaudible]. So, I cannot understate how important the code committees to creating more consistency and more updates to meet the construction industry where

they are, to create a code format that makes sense. And so we're grateful to the many people who volunteer their time for that. And I mentioned creating housing, but also preserving housing is a very big part of that.

COUNCIL MEMBER RILEY: Yes.

COMMISSIONER TIGANI: We can never-

COUNCIL MEMBER RILEY: [interposing] Well, Commissioner, let me just-

COMMISSIONER TIGANI: [interposing] Yeah, yeah. Okay, the last-

COUNCIL MEMBER RILEY: [interposing] ask some more questions. I only got five minutes.

COMMISSIONER TIGANI: Existing building code-

COUNCIL MEMBER RILEY: [interposing] Yes.

COMMISSIONER TIGANI: The existing building code that we passed, and then training and working with the outside world to implement will save time, save money, and create more consistency.

COUNCIL MEMBER RILEY: Thank you so much. And you spoke about something important about the planners on the [inaudible]. What are the biggest challenges DOB faces in hiring and retaining plan

1 examiners, inspectors, engineers, and technical
2 staff? Does it come with conversation, competition,
3 the private sector? We really want to highlight,
4 because these are very important jobs, and we want to
5 make sure we have the best people for the jobs, but
6 we've seen a lot of our people going into the private
7 sector?

8 COMMISSIONER TIGANI: Yeah. I mean, on
9 average, I think in both inspectors and examiners-
10 and our Deputy Commissioner for Administration will
11 correct me- we see a separation there or here for a
12 little over six years. Within that time there is-
13 there's a lot of competition. We compete with the
14 private sector on wages. Though I will say city
15 benefits and compensation packages are strong. There
16 is the opportunity to train and move up in their
17 career and have a diverse portfolio. So, what we're
18 trying to do is create ways to diversify the workload
19 of individuals inside the agency so they can get the
20 experience that they need, for plan examiners in
21 particular as they have to go seek their license. It
may not be something you can do within the four walls
of DOB, because the particular steps you have to take
to get it. So we are actually piloting something.

1 We're working on a pilot with other agencies to see
2 if we can help plan examiners who are looking for
3 their license to be able to stay with the DOB world,
4 but get that extra accreditation that they need. And
5 then separate from that, we're looking at ways to-
6 and we're interviewing our plan examiners to figure
7 out ways to keep them in city service longer, by
8 creating more positions and breaking up the flatness
9 of the organizations. So, very recently, assistant
10 chief positions were created, etcetera, to give
11 people upward mobility into the agency.

12 COUNCIL MEMBER RILEY: Alright. Chair, if
13 I could just ask another question real quick. I'm
14 going to ask these two questions and I'm going to be
15 quiet, okay? So, one concern we hear is that
16 sustainability compliance can impose real costs,
17 especially on affordable housing providers, co-ops
18 and older multi-family buildings. So how is DOB
19 thinking about implementation in a way that drives
20 compliance without worsening affordability pressures
21 for tenants and owners? So, that's one question.
And my next question focus on interagency
coordination. How often are delays attributed to DOB
that are really rooted in issues involving other

1 agencies and sequential approvals? Would a more
2 interagency approval model help move projects faster?

3 COMMISSIONER TIGANI: So, I think the
4 question about interagency coordination is something
5 that we're working on right now through the SPEED
6 taskforce, and I would say that the work that we're
7 doing to integrate systems with partner agencies, DEP
8 or HPD or other agencies, we actually have a couple
9 other initiatives we're working on now to cut through
10 that. But I can come to you with more specifics.

11 Just to say that this is something we recognize is a
12 place of work and we're working on it. The first
13 question I would say that right now we have seen
14 great- a very high compliance rate with phase one,
15 over 91 percent, 89 percent of Article 320 buildings,
16 94 percent of Article 321 buildings. The reality of
17 complying is very difficult. We have the New York
18 City Accelerator which is managed by the Mayor's
19 Office of Climate and Environmental Justice which
20 provides people with direct technical support, access
21 to financial lending resources, actual project
managing and case managing to get them through. Our
Deputy Commissioner of Sustainability can talk about
our work with the CUNY Sustainability Center to also

1 provide that work. We also citywide have tools at
2 HPD for those who need lending support to be able to
3 meet their retrofit of energy upgrade situation, and
4 then as a city we've been advocating for J51 as a
5 tool in this area. So, there is still hardships
6 faced by buildings who have to meet the 2030
7 requirement, and we're currently going through the
8 audits of the phase one reports to better understand
9 what they're facing, who needs to pay penalties, and
10 then that that point we'll have a better sense of
11 what the landscape looks like and what tools we need.

12 COUNCIL MEMBER RILEY: Thank you,
13 Commissioner. Thank you, Chair.

14 CHAIRPERSON SANCHEZ: Thank you so much,
15 Chair Riley. Council Member Maloney? Oh, I'm sorry,
16 I need to acknowledge that we've been joined by
17 Council Member Brewer and Zhuang and Deputy Speaker
18 Williams on Zoom.

19 COUNCIL MEMBER MALONEY: Great. Thank
20 you so much for being here. As a Manhattan Council
21 Member, I have to ask about scaffolding, and I'm
thrilled about the 15 percent reduction. And as you
noted, the Council passed a legislative package on
this last session. So, hopefully we'll see that trend

1 continue. Could you give more information on when
2 you expect DOB to fully operationalize those
3 enforcement mechanisms?

4 COMMISSIONER TIGANI: We expect the rules
5 to be out this summer, but we've already started
6 doing the work of- we've already had the 90-day shed
7 permit provision in place in DOB NOW. so, going from
8 a year to 90 days. We're already doing the education
9 with the industry, and we are hard at work on all the
10 work streams. So, an enforcement piece- we are
11 working through the recommendations on the design
12 piece, so making sure to [inaudible] shed designs are
13 available for the public as part of those rules. And
14 then last but not least, we're working on the
15 Thornton Tomasetti recommendations which will also
16 make it more flexible, but still maintain safety for
17 property owners moving from five to six years, and
18 then going from- for new buildings under 40 years
19 old, with a safe report already under its belt,
20 moving from one cycle to 12 years which will also
21 include visual inspections in between. And then last
but not least, the radius of sheds will now be
reduced to 40 feet which will increase mobility and
access to open space while still maintaining safety.

FIRST DEPUTY COMMISSIONER SHAMASH: Just wanted to add specifically our local-our longstanding shed program. We've reduced the number of years from five to three years. So, what we're considering a longtnading shed. So, we are now targeting that group of buildings, most of them in Manhattan that we're looking at. We're trying to wake up these owners that have not been maintaining their buildings, and inspecting those buildings on a regular basis, communicating with those owners that we are looking at them. We want to make sure that they're making progress towards those repairs, and if they're making progress, great. If they're not, we're coming after them.

COMMISSIONER TIGANI: This is the area where we're using criminal summonses, nuisance abatement. This is usually where legal work comes in, and we partner with [inaudible] litigation at the Law Department for it.

COUNCIL MEMBER MALONEY: And is there a mechanisms for Council Members and/or constituents to identify some of the problem sheds in our communities?

COMMISSIONER TIGANI: I mean, especially in Manhattan area, working through our intergovernmental team. Jamilla, our Deputy Director, or Vlad can reach out to your office after this and we'll make sure, but for any member-reaching out to any member of the senior staff or your intergovernmental representative, we can make sure we follow up on any complaints that come up.

COUNCIL MEMBER MALONEY: Thank you. So, it sounds like this summer most of the implementation will have started. So, my follow-up question is when will we have enough data on if the laws go far enough? When would be a good time for us to reassess that?

COMMISSIONER TIGANI: I think we can continue to give periodic updates. We could come back toward the end of the year and let you know what that looks like. It's a new set- it's a new more aggressive regime, and so there'll be still questions, but sharing the outcomes of what those first couple months are sounds like a good way to start the conversation.

COUNCIL MEMBER MALONEY: Great. Thank you. And the 23 employees that you're staffing, it's

great to hear that the revenue generated will likely cover those positions. How far along are you with filling those roles?

COMMISSIONER TIGANI: So, during the Preliminary Budget- so, we have to move forward with the process, but we already have inspector staff in our Facades Unit who is looking at this work. So we've taken the first step of the 90 days, and we're responding to complaints. This is a project and a program that's going to take several months to build out.

COUNCIL MEMBER MALONEY: Thank you very much.

COMMISSIONER TIGANI: No problem.

CHAIRPERSON SANCHEZ: Thank you, Council Member Maloney. Just a quick follow-up on that. Understanding where we are in the process, but does the Department have plans for how those inspectors will be distributed across the city?

FIRST DEPUTY COMMISSIONER SHAMASH: The new positions for sidewalk sheds are broken up into essentially three distinct groups. The first one is for our bureau staff to process the permits. As you can imagine we have around 7,600 active sidewalk shed

1 permits, growing from one permit per 12 months to
2 four permits per that 12 months, right, every 90
3 days. That's a drastic increase in volume. Those
4 folks will process those permits. The second group
5 will be going into our engineering services team
6 under Assistant Commissioner Jill Hruby. Her team
7 will focus on reviewing the reports that come in
8 every 90 day per the Local Law to ensure that those
9 owners are making progress towards those repairs, and
10 if those- if progress is not seen, then civil
11 penalties will start accruing. And lastly is the
12 inspectorial team. We are anticipating the
13 inspectorial team to join our construction and safety
14 compliance team under Assistant Commissioner Juan
15 Arias and focus specifically on inspecting sheds with
16 expired permits, sheds that are there with no working
17 going on, or even if they are telling us where, we'll
18 go out and confirm that that work is occurring. So,
19 it's three-fold.

20 CHAIRPERSON SANCHEZ: What was the name of
21 the first division?

FIRST DEPUTY COMMISSIONER SHAMASH:
Bureau Operations.

2 CHAIRPERSON SANCHEZ: Thank you so much.

3 Next up- I want to acknowledge we're joined by
4 Council Member Avilés, and next up is Council Member
5 Epstein.

6 COUNCIL MEMBER EPSTEIN: Thank you, and
7 thank you for your time. So, you've- you know, I
8 just want to follow up with Council Member Maloney on
9 the shed issue. So, sheds that have been up-
10 construction sites that have been stalled five, 10,
11 15 years, what is the expectations for kind of those
12 construction sites that are in the middle of- you
13 know, they're four stories up that are not being
14 done, what are we doing with those sheds that are
15 just sitting there with kind of a lot of debris?

16 COMMISSIONER TIGANI: So, I can start,
17 and then I'll ask the First Deputy to add or correct.
18 So, stalled sites, there's actually a buildings
19 bulletin that was put out several years ago that
20 codifies steps that stalled site- the owners of the
21 stalled sites who are still responsible for taking
action and making it safe, what they need to do.
Additionally, if a stalled site is there and anyone
sees issues, we respond. We issue complaints, and
we'll force corrective action. And then I- you know,

1 just speaking more anecdotally, stalled sites who
2 have lenders or they're individuals who are a part of
3 that process if we need to and we're not getting
4 responsiveness from the owner, often we'll work with
5 the Law Department and we'll reach out beyond to
6 other people, other parties connected to that site to
7 try to compel and get action done. And then, if the
8 sidewalk shed particularly that's connected to that
9 site, that could be part of the package of
10 enforcement or if it's just a stalled site itself,
11 then we're just focusing on stalled sites.

12 COUNCIL MEMBER EPSTEIN: So, I just want
13 to flag that. These sites, I mean, I've complained
14 about these sites for years, you know, the entire
15 time I've been in elected office. Those stalled sites
16 have not moved, and we see no change at all except
17 more garbage and debris. So, I think, from people in
18 our district, they want to see some movement. So
19 something physically happening would be really
20 beneficial. So, I understand that you're working
21 with the owner, [inaudible] working with the owner,
but we need to see some tangible results. So,
something you can do to help people in the
neighborhood. Hey, I know this is a stalled site,

and I'm aware this has been looking like this for 15 years, but DOB's on it. Something that communicates to the public would be really helpful.

COMMISSIONER TIGANI: I understand, Council Member. We'll follow up.

COUNCIL MEMBER EPSTEIN: Can we talk about harassment? I'm just- earlier this morning was at a building, 109 East Ninth Street. There's [inaudible] harassment, there's a finding of harassment. DOB issued permits for the property. They've taken bathrooms out of the floors where the SRO [sic] tenants are living. It's an ongoing problem. This has been a problem where we've seen across the city. You know, I speak for Council Member Brewer, she's got a lot of eyesores as well. What are you doing to protect those tenants, and is DOB the appropriate place, you know- [inaudible] to Council Member Riley. I know we want to build more housing, but also want to protect the people who are still here and especially some of the most vulnerable residents, our SRO tenants, to ensure that they are protected during these projects where we know there's a finding of harassment. Like, what are we doing here to protect those tenants?

COMMISSIONER TIGANI: I think for the particular- I can't speak to the particular address, because there's ongoing litigation involving the city that tried to protect those tenants, and in fact, I would suggest that one thing that's happening is that there's an owner that requested permits to do work that they are not allowed to do because they don't have all the paper that's required, and we would not allow work unless people meet the requirements they had to. That being said, we want to make sure that tenants who are in emergency and hazardous conditions, that there could be a path forward to do at least at minimal to make that work. So, I think there are conversations going on about that building, but writ large, if a- if we are faced with a SRO that has certain requirements in order to get work done, the owners have to produce and make sure that they show us they have the Certificate of No Harassment or meet any other zoning or code regulations about special protections that may adhere to that district before they can pull permits. And we look at the scope of work and make sure that the scope of work is within the boundaries of what they're allowed to do if they're doing things without CONH. Anything

1 that's permitted work, if they are doing permitted
2 work without permits, we go out. We issue a stop
3 work order, and we issue out the penalties and fines
4 which could be up to \$25,000.

5 COUNCIL MEMBER EPSTEIN: I mean, at least
6 for this property owner who's still engaging in
7 harassing behavior and we found the- where there's
8 been a finding of harassment there, I would love to
9 see other tools in our tool belt to protect those
10 tenants, right? They took bathrooms out of people's
11 floors. So people don't have bathrooms on their
12 floor anymore. And these are people who just live
13 in these apartments, maybe 40, 50 years, and they are
14 in- living in really terrible conditions, and I
15 think- I worry that I mean maybe- we need to figure
16 out what tools DOB used to help those tenants,
17 because they claim what's happening now is not being
18 successful.

19 COMMISSIONER TIGANI: I would say, you
20 know, even before but even highly heightened by the
21 rent rebuff [sic] hearings, myself, other senior
members of the team are sitting and talking with
members. There will be recommendations coming out in

that likely will overlap with the kind of tools that we may need, us, HPD, other agencies to do more.

COUNCIL MEMBER EPSTEIN: And thank you. I look forward to seeing those reports. Thank you. Thank you, Chair Sanchez. I appreciate it.

CHAIRPERSON SANCHEZ: Thank you, Council Member Epstein, and co-sign. I want to acknowledge that we're joined by Majority Leader Abreu. And the next Council Member is Council Member Joseph followed by Salaam, then Brewer.

COUNCIL MEMBER JOSEPH: Thank you, Chair. I want to continue on the same line of questioning. My office fields- we receive complaints about unpermitted demolition and construction projects that happen in my district, causing major disruptions and health and safety concerns for people in neighboring properties. It seems like becoming the standard practice that DOB summons are just the cost of doing business with these developers. What do you think is driving this behavior, and what kind of changes would need to be put in place to make it stop? Because we get constant phone calls about this. Sometimes we go out to the sites. I more than welcome your team to do a walk-through in my district to come and see

1 these problems ongoing, and also I know you also work
2 on elevators. Constantly have elevator on Leffort's
3 [sic] Avenue that's been out for two years. So, that
4 means my older adults cannot go to their doctor's
5 appointments. Their foods have to be brought to
6 them, and we talk about dilapidated, these are the
7 types of buildings that we're talking about, and we
8 don't feel as if there's any support. So, I welcome
9 your expertise. Good to see you, Commissioner.
10 Happy to see you in this role. Hopefully, we can
11 move things at a faster pace because these are
12 ongoing, the harassment of tenants. I have one
13 landlord who had one of his people dress as ICE
14 agents to go knock on doors. That's unacceptable.
15 That is unacceptable. So, I want to know what can we
16 do to support you as Council Members in making sure
17 that our communities feel safe, our most vulnerable
18 New Yorkers feel safe in their homes.

16 COMMISSIONER TIGANI: I appreciate those
17 questions and everything that you and other members
18 are trying to do. Work around tenant safety and
19 trying to push back about tenant harassment is
20 something that's very important to me. Working in
21 the Council one of my first bills was working with

1 Council Member Epstein as an advocate on the Office
2 of Tenant Advocate. So, I- this is something that's
3 very important to us. Just to- because I know the
4 interest of time- the Tenant Harassment taskforce,
5 the work that we're doing with the Mayor's Office to
6 Protect Tenants, things that we're doing now-

7 COUNCIL MEMBER JOSEPH: Does it have
8 teeth? We need some teeth now.

9 COMMISSIONER TIGANI: We are working on
10 building out more teeth. We're actually- I think the
11 rule is moving or will be out. We're working on
12 rules that even more clearly- just going on the
13 elevators first and then coming to the second
14 question. More quickly, more clearly shows the
15 owner's responsibility when there's an elevator
16 outage in their building. Additionally, what we've
17 tried to set up around the changes for elevator
18 inspections is hopefully a way to get more elevators
19 up and running, inspectors moving faster. Given that
20 outages obviously have an outsized impact on our
21 vulnerable New Yorkers, we are in conversations now
thinking about what more we can do on elevators other
than make clear on rules their responsibility for
reasonable accommodations, working to get inspections

COMMISSIONER TIGANI: So, the timeline varies. It depends on the age of cab, the part that is broken. We have- and we're also in a time period over the last couple of years where elevators were required to modernize. And by doing that, there are pros and cons. One, they're safer more up to the elevators, but the program for that will have an impact on the repairs. But we can get back to you on- as we continue conversations as part of the Housing Plan and this work that we're doing with the

Mayor's Office to Protect Tenants. Elevators especially in buildings where there's one elevator-

COUNCIL MEMBER JOSEPH: [interposing]

Correct.

COMMISSIONER TIGANI: is a priority for us and working out from that. And then on the first part, you know, the Office of the Tenant Advocate is a key part of that work, but there's a larger office of strategic operations under Assistant Commissioner Agostino who is working every day to respond to complaints. So we're working with HPD, working with the AG's office with our local DA's, and we're bringing cases. This is also part of the proactive enforcement that we talked about earlier. So, there are multiple ways in which we're trying to make safer for tenants.

COUNCIL MEMBER JOSEPH: What about my demolished- demolition question, demolitions that are happening, and by the time they call, you give them a summons, and tomorrow I'm getting the same phone calls?

COMMISSIONER TIGANI: So, for- this is another thing that's coming up in proactive work. We're trying to understand if there is- whether it's

done more broadly or if there's a small cohort of subcontractors, general contractors, individuals who are flouting our rules and taking on proactive portfolio cases.

FIRST DEPUTY COMMISSIONER SHAMASH: Just to answer your question in terms of number of single elevator buildings that have filed complaints. In 2025, calendar year 2025, we had 13,166 complaints for single elevator buildings. Currently we have 28 active elevator inspectors with four vacancies, although just last week we hired two more individuals. So, that vacancy number would come down to two in the elevator unit.

COUNCIL MEMBER JOSEPH: And that's 13,000 divided by 28 inspectors to do the- to go out and do the job?

COMMISSIONER TIGANI: Well, there's responsive- there's reactive enforcement, and then there's the- when you know that there's an issue, getting the elevator up and running and getting the inspection that allows it to run, that's where the third party inspection program went into place so that we can get elevators running faster.

1 COUNCIL MEMBER JOSEPH: And how many
2 people are in each of these units? Because I'm
3 trying to the math. I used to be a teacher, so
4 trying to do the math, because it's not making any
5 sense as to the time- the timeline that you want to
6 achieve, you're not going to get all of those done.
7 So there will be a building with a elevator out for
8 two years.

9 FIRST DEPUTY COMMISSIONER SHAMASH: Well,
10 the 13,000 complaints, most of those multiple
11 complaints on a building. So, if the building has a
12 single elevator, we will receive multiple, multiple
13 complaints from all the residents in that building.
14 The long-term outages typically have to do with
15 whether or not- put aside there are owners that are
16 not moving fast enough, and we need other tools,
17 legal and otherwise to move them. We do see outages
18 that are long-term because of the age of the cab, the
19 issue of the cab, the parts that have to be ordered,
20 and so that's not- these are the questions that we're
21 also asking about how do you mobilize a repair in a
faster way? What is the city role versus the private
sector role? And then you had mentioned the

walk-through, we'll absolutely follow up about the walk-through.

COUNCIL MEMBER JOSEPH: Okay, wonderful. Thank you so much, Chair.

CHAIRPERSON SANCHEZ: Thank you, Council Member Joseph. Now Council Member Salaam followed by Brewer.

COUNCIL MEMBER SALAAM: Thank you, Chair, and good afternoon. Borough-based staffing, the report that- hold on for one second. The report notes that additional borough-based staffing should be considered. Is there a plan to decentralize DOB operations to improve response times in outer boroughs, and would this require capital investment or reallocation of existing headcounts?

COMMISSIONER TIGANI: So, I think- I'm not sure we would agree to borough-based, decentralizing all the parts of borough-based support, but we do have pretty significant and substantial borough-based teams in each of our boroughs. I would really want to talk more about what the issue is that we're trying to tackle, whether it's quality of life or elevators or specialty that is seeing the high response time. For

some of work, particularly our forensic engineering for instance, having centralized teams that are working together and building off their expertise together is a more efficient and effective way versus maybe quality of life, but you know.

FIRST DEPUTY COMMISSIONER SHAMASH: Our borough enforcement team specifically under Assistant Commissioner Reynaldo Hylton has offices in all five boroughs, and they are the entity that respond to the majority of complaints for the Department of Buildings.

COUNCIL MEMBER SALAAM: Dealing with staff loss during the Adams administration, DOB loss a net 90 budgeted position during the Adams administration creating cascading delays. The Fiscal 2027 Plan adds only 42 positions. Does this restore adequate capacity, or will you continue to request additional staffing in future budgets?

COMMISSIONER TIGANI: So, I'll let Gina talk about any technical pieces, but we are already- I mean, we are working to identify and affirm what our initiatives and programs will be in the future. Right now, we're already seeing the support of the administration around two key initiatives which is on

our sidewalk shed work and then also on our support of the sector which is on licensure and making sure that we are getting employed and having being able to do work. So, we feel confident that the ongoing conversations with OMB will get us the resources we need.

DEPUTY COMMISSIONER UGARTE: In fiscal year 27, the Department received 36 new positions, but these are dedicated to specific initiatives, but I would like to note that since the November 26 plan, the Department has received 185 new budgeted positions. So, we have been- have received investments as of late. Just to name a few, the proactive enforcement and predictive analytics, Local Law 152 gas piping inspections, City of Yes, basement legalization, parking structure, and sidewalk shed monitoring and removal.

COUNCIL MEMBER SALAAM: Thank you. Dealing with plumbing inspector vacancy crisis- plumbing inspectors have a 21 percent vacancy rate, 16 out of 76 positions, the highest among all inspector categories. Given that Local Law 429 of 2025 now requires licensed Master Plumbers to conduct

gas piping inspections, how will you meet increased demands without existing vacancies?

DEPUTY COMMISSIONER UGARTE: We are currently having [inaudible] with OMB on the impact of 429. That's an ongoing conversation.

COUNCIL MEMBER SALAAM: Thank you. And I want to ask about the sidewalk sheds as well. The \$2 million baseline for 23 positions to implement sidewalk shed Local Laws assumes the positions are revenue-generated. What is the projected penalty revenue from these new positions, and how quickly will this offset the \$2 million salary investment?

DEPUTY COMMISSIONER UGARTE: The projected revenues in the permit renewals progress reports and extension requests are \$2.9 million, and those are the revenues that go to support the 23 positions. It's too early to speculate on the civil penalty revenue as it's not in place yet until at least the summer.

COMMISSIONER TIGANI: Again, our big hope is that the communication that goes out is really about compliance. This is affecting a wide range of folks including vulnerable individuals who own

properties. So, we want to make sure that we're really trying to force compliance more than anything.

COUNCIL MEMBER SALAAM: Last question.

DOB has \$627 million in unpaid penalties from 2017, rather, to 2022. DOB NOW enhancements 370,000 fiscal year 26 intended to auto-issue electronic penalties, but will this new programming actually improve collection rates? And what is your strategy for the \$627 million backlog?

COMMISSIONER TIGANI: Sorry, sir, we just- the number that you're- the \$620- oh, I'm sorry. So, is this related to the IBO report specifically? The numbers that we're speaking to from the IBO report?

COUNCIL MEMBER SALAAM: Yes.

COMMISSIONER TIGANI: Great. So, the IBO report, just a couple of quick pieces of it, was issued 2023. It covers a timeframe from 2017 to 2022. These charges are mostly assessed by HPD and DOF and not DOB. As it relates to unpaid OATH penalties, it includes summonses from other agencies. So, according to the most recent annual report from OATH which was issued by DOF late last year, the penalties that stem from DOB-issued summonses are around \$310

1 million, again, over an eight-year timespan. And so
2 that's over eight years, \$210 million that are due. I
3 will also note that DOB collects somewhere between
4 \$75 and 80 million a year. So, over that same time,
5 we actually have collected \$640. It doesn't mean that
6 in the budget crisis that we're in that we do not
7 find ways in order to try to collect money. For
8 instance, DOB has a number of tools around holding
9 back licenses if unpaid penalties are issued or
10 permits on specific buildings, if the unpaid
11 penalties are not there, we- so individuals'
12 livelihoods, their ability to make real estate
13 transactions or decisions on their property can be
14 held up, but we will- we're happy to talk with both
15 our partners in city government or with the Council
16 about other ways we can increase what we collect.

15 COUNCIL MEMBER SALAAM: Thank you, Chair.

16 CHAIRPERSON SANCHEZ: Thank you, Council
17 Member Salaam. Now, Council Member Brewer followed
18 by Zhuang, Abreu, and then Avilés.

19 COUNCIL MEMBER BREWER: Thank you very
20 much. You do rock, Commissioner. You both answer
21 every damn question and then you also answer every
email 24/7. That's impressive.

COMMISSIONER TIGANI: Thank you very much.

COUNCIL MEMBER BREWER: That is very impressive. Okay. So I have Local Law 97 question, that means the great Laura Popa. I have a question about after hours variances, which I hate, expediters. Those three to start with. So, the issue with Local Law 97. I know that your DOB and Laura Popa are working hard. I guess I want to know- because I do support it, but you know, it's challenging for some of the buildings. What is the- are we on track? What are the major barriers that the Department faces in terms of being on track? And then, you know, all the places or communities that are particularly challenged in terms of complying, maybe they're older buildings. And are there any other resources- obviously resources are tight- to help individual buildings comply if they can't?

COMMISSIONER TIGANI: I'll let Laura talk to that.

COMMITTEE COUNSEL: Excuse me.

LAURA POPA: Hi, Council Member.

COMMITTEE COUNSEL: First, please raise your right hand. Do you affirm to tell the truth,

the whole truth and nothing but the truth before this committee and respond honestly to Council Member questions?

LAURA POPA: Yes.

COMMITTEE COUNSEL: Thank you. You may continue.

LAURA POPA: So, our approach to 97 has been to support building owners through the process of filing their first reports, because it was a tremendous lift to get- basically, we're looking at 32,000 reports filed, and we needed to work with their service providers so they could understand how to file the reports. We had to build a platform and all of that. So, we have, as the Commissioner said, about a 90 percent filing rate for- a 92 percent, 90 to 92 percent filing rate for the reports. We don't know yet who's complying with emissions rates, because we're still doing the audits. So part of filing the reports was that people had 'til December 31st. So, now we're going through this massive amount of data. But we estimate that's also in the 90 percentile that people comply. So, we need to know this- this is just important so we decide like how to move forward with the buildings who aren't

1 complying, right? So, there are several compliance
2 pathways and we're trying to work with building
3 owners who need extra attention, and New York City
4 Accelerator is our main venue for that. And there's
5 a relaunch of the Accelerator this year with a new
6 provider, and they have new software called Momentum,
7 and building owners can more easily access their data
8 and go on and get scenarios about, you know, what
9 might be good for their building depending on the age
10 of the building and the type of the building,
11 etcetera. So, we're excited about that, because
12 Accelerator is very important for non-Class A
13 commercial office space buildings. Additionally,
14 we're working with OAs, NYCERTA [sic] and the
15 utilities in order to figure out how to get the
16 appropriate amount of funding to these building
17 owners. So, Accelerator will hook up a building
18 owner with funding that's available to them. And
19 we're always seeking additional funding from our
20 state partners and others in order to help building
21 owners comply with 97. So, we know that a more
building owners have to do something for 2030, and so
we're very focused on that now that we are, you know,

1 dealing with the first year and now the second year
2 of reporting.

3 COUNCIL MEMBER BREWER: Okay. Well, I
4 mean, well that was going much more. 2030 seems to
5 be the real challenge. And so I guess you'll let us
6 know where you're at the fines which I hope don't
7 amount to much because we want people to comply,
8 etcetera. Number two, will these- I hate these
9 things- after hours variances. I hate them. So how
10 do you determine and how could we not have every
11 single Saturday automatically? It's more like a
12 policy question. I don't know that there's much cost
13 involved, but when you're in a neighborhood and you
14 have five days of noise, and then you have a Saturday
15 also. So, how do you decide? To me, it should be if
16 the claim is coming or something extreme. You're
17 meeting in terms of blockage of the street.
18 Shouldn't be automatic. Is it automatic?

19 COMMISSIONER TIGANI: It's not automatic.
20 There are at least five different conditions in which
21 is evaluated for whether or not after hour variance
is issued. So, just for the benefit of everyone,
emergency work, public safety, city construction
projects under certain conditions, construction with

1 minimal noise, and there is an undue hardship of
2 variance [inaudible], and I think we have regularly
3 tried to work with communities around deciding
4 whether or not this could be issued or not.
5 Additionally, we- i've tried to be transparent
6 through the after-hour variance map and other
7 information we put out there. I think moving
8 forward, two things will have to happen. We're
9 thinking more about how to communicate why these go
10 out, because without- when people see this and
11 they'll understand why we've issued it, because
12 sometimes it's because of- it could disrupt maybe
13 issues at school or to keep a small street that could
14 be piled up with traffic from not being a safety
15 hazard. An after-hour variance may be worthwhile or
16 it's interior construction versus external. We need
17 to do more to communicate this out, and bring the
18 information on our website. But we do work on a case
19 by case basis. It's not automatic. We have made
20 changes or decide to slow down-

21 COUNCIL MEMBER BREWER: [interposing]

Okay. and I would just look to see if somebody- I
know some buildings that get it automatically, and I
had a fit and you stopped. But I'm just saying where

1 it is every single Saturday somebody's gaming
2 something would be my suggestion. Number three, I
3 hate expeditors. So, that's another thing I don't
4 like. Do they help you? I mean, I just paid \$12,000
5 to an expeditor just in my own building trying to-
6 because that's what the architect wanted.

7 COMMISSIONER TIGANI: Yes.

8 COUNCIL MEMBER BREWER: So, do they help
9 you? Is it better for you to have expeditors or not?
10 Or do they cost the city money, or is it- how does
11 that work?

12 COMMISSIONER TIGANI: I think ideally the
13 perfect state of what our work looks like, you don't
14 need to hire someone else to understand-

15 COUNCIL MEMBER BREWER: [interposing]
16 That's what I think.

17 COMMISSIONER TIGANI: So, that's what
18 we're trying to do with DOB-

19 COUNCIL MEMBER BREWER: [interposing]
20 Because I think it's hard, maybe not on the agency,
21 but it's hard on the developer and the homeowner,
because they spend a fortune on these people.

COMMISSIONER TIGANI: So, it's through
accommodation of making the technology more

1 accessible, giving more guidance and education. We're
2 also trying to work through and give people more
3 access to our staff. So, DOB afterhours where
4 individuals can interact directly with more flexible
5 time and get questions answered without having to go
6 through another third party. You know, there-
7 construction is complicated. There may be a role in
8 other ways for people to help folks project manage.

8 COUNCIL MEMBER BREWER: Okay.

9 COMMISSIONER TIGANI: But we would like
10 people not to have to hire or spend that money.

11 COUNCIL MEMBER BREWER: Madam Chair, I'd
12 love to have a hearing at some point on expeditors,
13 because I do think that they have a role, but not the
14 extreme role that they play. Alright. Thank you
15 very much.

15 CHAIRPERSON SANCHEZ: Thank you, Council
16 Member Brewer. Now Council Member Zhuang followed by
17 Abreu and Avilés.

18 COUNCIL MEMBER ZHUANG: Thank you so much,
19 Commissioner, and I'm very glad to see you here. I
20 know we have good experience working together when
21 you worked for HPD. I appreciate that. But I know
this is not a question for- you either not answer

1 before, but to the previous Commissioner we sent
2 multiple letters about some illegal activity in my
3 neighborhood. We never heard back. So, I'm not
4 saying it's your fault, but I want to hear the
5 answers. The first, they have the fraudulent ACP5
6 [sic] [inaudible] asbestos report filed by inspector-
7 prior criminal eviction [sic], 2501 86th Street. The
8 inspector actually never entered that building. They
9 have 24-hour camera there, but we didn't- but people
10 in the community never see that inspector come to
11 that building. How are we assured this asbestos
12 report make sure the community is safe? That's my
13 first question. The location is 2501 86th Street.

12 COMMISSIONER TIGANI: Again, I don't have
13 the building file information or the [inaudible] of
14 the information, but we can commit to following up
15 with you and your office on this address and any
16 questions you have related to it.

16 COUNCIL MEMBER ZHUANG: And also, DOB
17 have give all the waivers of mandatory safety and
18 demolition requesting that location also, 2501 86th
19 Street. There's- every single item- I have list I'm
20 going to give to you. It's waived. Asbestos report
21 waived, that's not acceptable in the community. This

1 is- there's a lot of children and senior living in
2 the community. It's not safe. And under the scope of
3 these waiver is highly regulated. There's a safety
4 concern in the community. And also, DOB, we need
5 demolition permit without DEP give storm construction
6 permit also in that location. We going to- I'm going
7 to ask my team bring the letter to you directly,
8 because if we send the emails, send letters, we
9 haven't hear anything back. Actually, my team is
10 there. Jennifer, can you bring the letter to
11 Commissioner? And also there's a lot of fees waived.
12 For us, in the community, we had 100 community
13 complaints closed without inspection in that
14 location, 2501 86th Street. We would like to hear
15 what's going on in that location, why this developer
16 get exempt from every single thing. And this is a
17 minority community and without all the privilege and
18 all the immigrants live there. And also, we
19 definitely- the community deserves the answer there.

20 COMMISSIONER TIGANI: Absolutely.

21 COUNCIL MEMBER ZHUANG: And then we just
give you the- delivered the personal- the letter
in-person. And also, I have another question about
some permit stop order issued on 55 Chursty [sic]

1 Street. It's a nonprofit location. The stop order
2 was issued in 2008. The owner and the developer
3 changed so many times and the developer ran out, and
4 also it's nonprofits there. They want to reach out
5 DOB to see what they should to do to lift the stop
6 order, and they did not hear anything back. We sent
7 letter in January. I know you're not there yet, but
8 we didn't hear anything back. It's also in the pile
of the letter.

9 COMMISSIONER TIGANI: Okay, great.

10 COUNCIL MEMBER ZHUANG: We like to hear
11 the direct response also.

12 COMMISSIONER TIGANI: On the first issue,
13 it's- in particular, the first question you raised,
14 that actually goes to DEP without us. Point being,
15 all the issues, whatever relates to us, whatever
16 relates to us and DEP or DEP exclusively, we will
17 circle up with them, get your answers on that. And
we'll look at the letter about the stop work order
and we will reach out to them as well.

18 COUNCIL MEMBER ZHUANG: We'd like to have
19 inspector come to that site, request to that site,
20 2501 86th Street.

21 COMMISSIONER TIGANI: 2501, yeah.

COUNCIL MEMBER ZHUANG: Because a lot of seniors, children live there. We get complaint almost every single day. It's a minority group, people that don't speak English. We can have an interpreter come with you guys to tell what's the issue there. And a lot of time for minority group-my community 78 percent immigrants. Most of them don't speak English at all. They don't know where to complain. The only place they know how to complain is my office is because they think I speak Chinese. I'm their Council Member no matter they live in Manhattan or live in Queens or Staten Island. Everyone come to my office. That's the reason we get complaints from all over the place. I have one more question. Thank you, Chair. My district has- is the least affordable district, have the least amount affordable units in whole city. Is any plan DOB [inaudible] work with us about addressing the issue?

COMMISSIONER TIGANI: Well, I think three ways. One, if there are affordable housing developers looking to build in your community and they need help from DOB to accelerate and move those projects forward either to just [inaudible] or figure out how to save costs, we'd love to talk to them

1 about that. We are obviously working under the
2 Deputy Mayor and the Mayor to think about how the
3 housing plan helps communities like yours build more
4 affordable housing. Additionally, existing buildings
5 that are either naturally occurring, rent regulated,
6 otherwise income restricted, preserving those units
7 or rehabbing units that are offline that could be
8 rented, that would be something that DOB could help
9 them with any permits that they need to renovate and
10 put that back on the rental market. And then
11 separate and apart, if there is just a planning
12 discussion about either the existing code or the
13 zoning resolution, we could talk- we can partner with
14 DCP and work with your office and think about what
15 else we can do. But primarily as a regulator, as the
16 team issuing out the permits, as the folks who are
17 helping people figure out the fastest way to get from
18 A to Z, putting housing online or rehabbing housing,
19 that's how we can partner to get affordable housing
20 up.

18 COUNCIL MEMBER ZHUANG: And also, in the
19 pile, the letters, one of the letter was sent on
20 March 18th. We actually have suggestion of the site
21 2501 86th Street. This is perfect location in a

high-demand community- needs more affordable housing in the area. Please look into that, and we'd like to hear back from you. Thank you so much.

CHAIRPERSON SANCHEZ: Thank you, Council Member Zhuang. Majority Leader Abreu?

COUNCIL MEMBER ABREU: Thank you. Thank you, Chair. Mr. Commissioner, I want to say you've also been very responsive yourself individually, but my team has also had some struggles with getting answers on certain questions. So, I just figured I'd ask for the record. If a constituent wants to verify that work at their building was completed properly and inspected by the appropriate personnel. What tools or resources does DOB make available to them?

COMMISSIONER TIGANI: So, I could say that on the- our online system is building information system or on DOB NOW, you can see the information related to the inspection. So you see a couple notes about the inspection, the badge number of the individual, and that's sort of record of what happened. It's an abbreviated 80-character description, but that's one way to ensure. And then sometimes people see- they have their complaint number, but they don't see anything there. That's

1 because we get multiple complaints about a particular
2 issue and they are sort of compacted into one
3 response from the one visit to respond to the
4 multiple complaints about that issue.

5 COUNCIL MEMBER ABREU: So, DOB inspection
6 records includes badge numbers and names, but it is
7 not always clear to a lay-

8 COMMISSIONER TIGANI: [interposing] Badge
9 numbers, last name.

10 COUNCIL MEMBER ABREU: And last names.
11 But it is not always clear to a lay person whether
12 those identifiers refer to a DOB inspector or to a
13 contractor or licensee. How is a constituent
14 supposed to distinguish between the two when
15 reviewing their permit history?

16 FIRST DEPUTY COMMISSIONER SHAMASH: Are
17 you referring to complaint inspections or inspections
18 following work that's occurring?

19 COUNCIL MEMBER ABREU: Inspections
20 following work that's occurring?

21 COMMISSIONER TIGANI: Like for a new
construction site?

COUNCIL MEMBER ABREU: I- my constituent-
I'm literally asking on behalf of a constituent, and

1 I believe it's for work being performed. Following
2 the inspection, it is not clear whether these
3 identifiers refer to a DOB inspector or to a
4 contractor or licenses, and I'm just trying to
5 figure- constituents trying to figure out how to
6 distinguish between the two.

7 COMMISSIONER TIGANI: if it's a 311
8 complaint, it would be a badge number of a DOB
9 inspector. If it's another kind of action, I think-
10 if your constituent could send a screenshot of what
11 they're looking at, then we can break that down and
12 identify it. [inaudible]

13 FIRST DEPUTY COMMISSIONER SHAMASH: It
14 also depends on the type of inspection that's being
15 done, whether it's plumbing, electrical, or
16 construction. Electrical, we used to do 100 percent
17 of those, but recently we just instituted self-certs
18 with electricians and licensees.

19 COUNCIL MEMBER ABREU: What if it's
20 involving gas work?

21 FIRST DEPUTY COMMISSIONER SHAMASH: Gas
work is 100 percent inspecting by plumbing
development team.

1 COUNCIL MEMBER ABREU: Yeah, the
2 constituents contacts DOB to ask- let's say a
3 constituent just really wants to get on the phone and
4 ask DOB whether a licensed inspector was present and
5 signed off on a specific inspection. Is that
6 information DOB will provide?

7 COMMISSIONER TIGANI: I mean, I- my sense
8 is that, and I can double-check this after. If you
9 call the borough enforcement unit for the borough,
10 then you'll be able to get information about the
11 inspection that happened. It should correspond to the
12 information that we put also available on the
13 website, and so those two things should match. So
14 you can either call the borough enforcement team-
15 sorry, the borough enforcement office. That
16 information is available on our website, or you can
17 look online once the notes are updated for that
18 complaint. I would just make sure that people know
19 that if it's not their specific complaint number,
20 that they should look at related complaints since
21 there may have been a bundle of that issue into one
inspection where it covers all of them.

 COUNCIL MEMBER ABREU: And then my last
set of questions on gas work specifically. For

1 inspections involving gas work, who's required to be
2 present and how can a constituent verify after the
3 fact that these individuals were actually there?

4 FIRST DEPUTY COMMISSIONER SHAMASH: The
5 licensee-

6 COUNCIL MEMBER ABREU: [interposing] How
7 about skeptical constituents that some of these
8 things are being done is what I'm getting at. nAnd I
9 do think to the extent that there's a mechanism for
10 them to have confidence that individuals who are
11 supposed to present and licensed you know, I want to
12 make sure that they have that information so that
13 they're not, you know, concerned or living in fear
14 that some serious work like gas work is being done by
15 unlicensed professionals for example.

16 COMMISSIONER TIGANI: First and foremost,
17 if there are specific addresses that you or your
18 constituents are worried about, please let us know.
19 We're happy to work with you on those. With regards
20 to gas inspections in terms of our plumbing
21 development team, the licensee is required to request
that inspection and be there during the inspection.
Our plumbing team, the inspection is reviewed by a

1 supervisor and by a quality assurance team as well
2 before any gas authorization is issued.

3 COUNCIL MEMBER ABREU: Alright. I'll have
4 Jalisa Quigley [sp?] from my team follow up with your
5 intergov team. I just want to reiterate again,
6 Commissioner, you are so accessible. Any time I text
7 you, you pick up. You're always responsive, and I
8 know that if I had reached out to you about this
9 issue, it would have resolved, too. It's just
10 something that came into my lap as I came to this
11 hearing. So, I want to thank you so much for your
12 work and your team's hard work.

13 COMMISSIONER TIGANI: Thank you, Council
14 Member. And since we're on the record, I just want
15 to say also if anyone has any reason to believe that
16 a plumber is unlicensed or doing work without a
17 license, please report that to us. We have a
18 strategic operation team that does investigations
19 into those plumbers.

20 COUNCIL MEMBER ABREU: Thank you,
21 Commissioner.

COMMISSIONER TIGANI: Thank you.

CHAIRPERSON SANCHEZ: Thank you, Majority Leader. Council Member Avilés and then I will ask my questions, and then we'll go to a second round.

COUNCIL MEMBER AVILÉS: Great. Thank you, Chair. Thank you to the whole team for being here and all the work that you do. I would like to follow up on a couple of property issues in our district, and your team has in fact been responsive. I think these are just kind of these kind of issues that take years and years and years. So, the first one is 142 to 156 33rd Street. This is a site that has been ostensibly under construction for well over eight years, has a shed, has received many violations. There is no work on this site. I live literally a block away from it, and I have never seen any work happening, and yet we continue- they continue to renew all the various permits for the site. I've never even seen a human on the site. It is constantly unsanitary. We have to have Sanitation there all the time. People are hanging out there. It's just terrible. I just would love to remove this shed finally. Their expiration for the shed is coming up, and I don't see any reason why we should

renew it, because there is no work happening at this site.

COMMISSIONER TIGANI: I- we'll have to look at this-

COUNCIL MEMBER AVILÉS: [interposing] So, we'll [inaudible] I know you don't have it with you, but I want to flag it. Similarly we have it on 8220 12th Avenue. This is a residential area, a home that has decidedly- somebody's decided they want to use it as a storage [inaudible] commercial manufacturing. Your team has been out to inspect the site, has observed illegal activity, has put forward a violation. I think somehow they think the violation means they should do more. So, what I'm receiving from residents is they see more activity than ever before. So I would love to understand how an owner is given. I know they give a warning letter for their violations, and then how low it takes for a pad-locking operation? This clear violation all day long, seven days a week in a residential neighborhood. Would love to know, like, what the next steps for that will be.

COMMISSIONER TIGANI: Understand. I mean, we can talk- Guillermo, if you want to talk to our normal pad-locking-

COUNCIL MEMBER AVILÉS: Yeah, maybe just like to describe the process.

DEPUTY COMMISSIONER GUILLERMO: I'm not familiar with the specific address, so-

COUNCIL MEMBER AVILÉS: [interposing] sure.

DEPUTY COMMISSIONER GUILLERMO: we can look into it and I'll get back to you right away.

COUNCIL MEMBER AVILÉS: No, no, just generically. I think it would help the residents to understand that, you know, it's a process.

DEPUTY COMMISSIONER GUILLERMO: Generally, if there's commercial use in a residential area, then a padlock is an option. So, we would have to go to court to seek closure in that scenario, but we'll definitely look into the specific issue and then update you right away.

COUNCIL MEMBER AVILÉS: And how long does that process generally take?

DEPUTY COMMISSIONER GUILLERMO: Varies. It depends on, you know, when we've issued the

violation, what violation we issued, and then if the operations continue which you're saying they are continuing.

COUNCIL MEMBER AVILÉS: Yeah, full-fledged.

DEPUTY COMMISSIONER GUILLERMO: I'll get back to you right away.

COUNCIL MEMBER AVILÉS: Okay. Thank you so much. And then in terms of- in terms of Local Law 97, I'm just curious if DOB has observed particular building types. So, boroughs that are disproportionately at risk of non-compliance and how the agency has been targeting to supporting these areas?

COMMISSIONER TIGANI: So, we're actually combing through the auditing and review process now. We had given owners more time at the end of last year since we heard very much from the community they needed that extra time. So, we are working on that data and we'll be releasing that as soon as we have it. But right now, overall, I'd just say that- and reiterating what the Deputy Commissioner said, we have seen tremendous compliance with phase one and also reiterating that phase two is going to be a

challenge for some, and we're just trying to figure out what the tools are to help them tackle that.

COUNCIL MEMBER AVILÉS: Great. And is it- thank you. Thank you for that. I think, you know, we are in full support of Local Law 97. I know how important it is, and we're going to continue to push through obviously we move through the tier to look at more complex, but I think , you know, for the record, I think it's important to note that we want to continue to move through the various phases. Do you anticipate needing any additional funding or resources to make sure that we can move through this next phase?

COMMISSIONER TIGANI: Right now, we are- we've been supported by out colleagues at OMB and other parts of government, but also not alone in this. We work very closely with the Mayor's Office for climate and Environmental Justice on this. So, I feel like we have the resources that we need. What we have to spend this year doing is finishing up these phase one reports, understand- starting the next round of reports. We're also doing some additional analysis and study to see how the changing environment impacts the way we help people comply

with the rules on the books, with the laws on the books.

COUNCIL MEMBER AVILÉS: Great. Thank you so much to your team. Thank you for your responsiveness, and look forward to working together. And Chair, just to second Council Member Brewer's request for an expeditor hearing. I would very much like to participate.

CHAIRPERSON SANCHEZ: Alright. Thank you. Thank you, Council Member. I'm going to move to another set of questions and then the final round with our Council colleagues. Uncollected fines-DOB's uncollected fines. In the latest Environmental Control Board report from November 2025, we see that between fiscal 18 and fiscal 25, DOB is owed more than \$300 million in fines and accrued interest. This accounts for one-third of all outstanding ECB judgement debt. First, is this number inclusive of all unpaid fines and charges owed to the Department? If not, can you provide an up-to-date number? Second, to the extent- I know DOB does not collect, but if you have any insights on why the city has had difficulty collecting these unpaid fines. Please share it. Third, given the multi-billion funding gap

we are facing, what steps could the City take to recoup these uncollected revenues?

COMMISSIONER TIGANI: So, of the \$310 million, I would say about two-thirds, 196, is default penalties and interest. And so default penalties which as another context said in piece. You know, DOB violations could be higher than some other agencies- upwards of \$25,000. That is- a default is usually when someone does not respond to the their OATH hearing. And that plus the interest it carries over time, is what accrues. I had mentioned this earlier, but the 310 is over, you know, an eight period. And so that is something while not insignificant during a budget environment, we do have several ways that we collect since over that same time period we are collecting somewhere between \$75 million and \$80 million a year, and over that same time, you know, quick math is about \$640 million that were collected. So with DOF, there are a couple of ways that we- you know, we- there are a couple of ways that we, you know- we- there are couple of ways that we do this. So, for the DOB perspective, again, we're holding licenses. We're holding permits. DOF is also acting upon its lien authority from the DOF

1 period in fiscal year 25. DOF converted 1,108
2 violations totalling \$1.9 million to property list,
3 they received \$4.5 million up from \$2.2 million in
4 fiscal year 24, from owners who were notified about
5 the lien conversions. There's also the option of
6 affirmative litigation which DOB works with the Law
7 Department. When we're dealing with property owners,
8 and this is a mix of addressing violating conditions
9 and collecting outstanding penalties. Beyond that, I
10 think we're always open to a conversation, and in
11 fact, we continue to have active ones internally
12 about what our lien authority is, what our collection
13 tools are given that A., we want to hold people
14 accountable- we're in a budget situation. I also
15 don't want to lose sight that still our first goal is
16 to get compliance. So we need these property owners
17 to make fixes, make safe, and if there's a penalty at
18 the other side of that, we collect as well.

16 CHAIRPERSON SANCHEZ: Thank you. And I'd
17 want to sort of invite you to invite us to be a
18 partner in that conversation, especially what is
19 lienable and what is not, so that we can, you know,
20 do any- take any steps that the Council can take to
21 increase that collection rate. A lot has been asked

1 about sidewalk sheds. So, my only follow-up to
2 Council Member Maloney's line of questions is
3 regarding the 50 percent decline in the number of
4 sheds. Would the- what does the Department attribute
5 that decline to? What policies exactly are working
6 the best?

7 COMMISSIONER TIGANI: So, I think there
8 is a mixture of the affirmative litigation which
9 individual cases but also are purposely making known
10 this work is also supposed to send a signal to the
11 community. We've also been actively having staff
12 make outreach, proactive outreach, to folks who-
13 especially those who have long-term sheds which are
14 now three years and older, asking them more
15 information about what's going on. Why the sheds are
16 up? Is it DOB permit or plan review issue? Is it
17 something on their financing side? Try to connect
18 them with other resources that may exist to move
19 their project forward. There are a number- I think
20 there are a number of things, especially the
21 additional external climate and communication and
negative perception of sheds that are moving folks
along. Additionally, having a long-term shed or
having outstanding violations or issues with your

1 building can complicate things like insurance or
2 getting a mortgage, or being able to make a financial
3 transaction on your property. So, you- in order to
4 make your property the place where you can do those
5 three things, you try and move through, correct the
6 condition, remove the violations, bring down the
7 shed.

8 CHAIRPERSON SANCHEZ: Thank you. Thank
9 you so much, Commissioner. Regarding- shame people,
10 shame, shame. That's what I took away from that.
11 Let's shame people into- no, I'm kidding. It's
12 really helpful to understand that litigation is
13 working and that the deep conversations are working.
14 SPEED and Lift taskforce, can you provide an update
15 to the extent possible on where these taskforces are
16 when we can- the public can anticipate reports coming
17 out, recommendations?

18 COMMISSIONER TIGANI: Yeah. So, I
19 believe that all or- all of- the housing plan and the
20 speed report is in the first- probably in the second
21 quarter of this year. The conversations have been
robust and ongoing, and they involve multiple units
within DOB in addition to the larger team that the
Deputy Mayor's have set up. So, between SPEED, the

1 SPEED taskforce, Lift, which is focused on activating
2 public land, the work around the rent rip-off
3 hearings and that taskforce, plus a series of other
4 working groups that the mayor and the DMs have set
5 around affordability and protecting New Yorkers,
6 there's a lot of active work focused not only the
7 Housing and Building space, but on the process,
8 fines, fees, and affordability questions.

9 CHAIRPERSON SANCHEZ: Alright. A lot
10 hopefully spring break reading coming our way. Local
11 Law 97- so, picking up where colleagues have left
12 off. Heartened to hear about a 90 to 92 percent
13 compliance rate. Is this- just making sure I
14 understand. Is this compliance with reporting
15 requirements or with actual emissions reduction
16 requirements per the first phase?

17 COMMISSIONER TIGANI: So, this is
18 reporting. We are working through the details of
19 those reports and doing our audits now, and you know,
20 for those who have met their obligation, that's
21 great. For those who haven't filed a report, they'll
get a notice of defect, and then they'll have an
opportunity to cure and file that report. For those
who have exceeded their emissions condition, they

1 will get a notice of defect to tell us what- that
2 tells them what the fine is, or their ability to
3 rectify that fine if it's within 10 percent through
4 an offset which is actually a program that helps
5 support funding improvements on the energy side for
6 affordable housing. So there's a connection there.
7 But Laura, I'm not sure if I-

8 LAURA POPA: Yeah, for the notice of
9 deficiency who didn't file- that's very good- who
10 didn't file getting notices of deficiency and we just
11 want them to file, but if they don't then there'll be
12 petitions sent to OATH. And we started issuing for
13 those who are over their emissions limits and those
14 will need to pay.

15 CHAIRPERSON SANCHEZ: Thank you. And any
16 trends that we're noticing about who hasn't filed?
17 Is there any indication-

18 COMMISSIONER TIGANI: [interposing] Not
19 yet.

20 CHAIRPERSON SANCHEZ: that there's- it's
21 about their typology or-

COMMISSIONER TIGANI: [interposing] I
think once we have the information, we'll know as a
whole. [inaudible] continue to hear you have, you

1 know, low-income co-ops who have questions about how
2 to reconcile. You have building owner- new buildings
3 which is old buildings, and you know, the questions
4 may be different for them, but overall, you know,
5 w'ere also working with an industry who is working on
6 financial modeling, lending services, alternative
7 materials, all trying to be responsive so they can
8 meet their obligation under this law.

9 CHAIRPERSON SANCHEZ: Thank you. Are we
10 confident in our progress toward the 2030 goals?

11 COMMISSIONER TIGANI: I think we-

12 CHAIRPERSON SANCHEZ: [interposing] It's
13 too early?

14 COMMISSIONER TIGANI: Yeah, I think it's
15 too early, but we've- we have done a lot of work to
16 give people the technical assistance to figure out
17 what they need to get there. Between the NYC
18 Accelerator Program, the work we're doing with CUNY
19 with their Sustainability Center. The- there's a
20 slew of financial tools that have been out there.
21 The renewal of J51 will, I think, give more
confidence and support to help a lot of people meet
those needs, and we through City of Yes for carbon
neutrality and subsequent code changes that we've

LAURA POPA: So, if the changes happen, we'll be looking at the effects on 97. We've projected out the emissions associated with electricity based on the states CLCPA goals. So,

we'll have to see if anything happens at that point,
but it's too early to say.

CHAIRPERSON SANCHEZ: But our projections
are based on the existing CLCPA-

LAURA POPA: [interposing] Yes.

CHAIRPERSON SANCHEZ: goals? Okay. Thank
you. City of Yes and City for All funding
implementation- can the Department of Buildings
provide an update on your commitments under City of
Yes? And specifically there was a line in the points
of agreement around City of Yes for housing that
required 200 additional staff lines across HPD
Department of Buildings and City Planning.

COMMISSIONER TIGANI: Sorry. I'm going to
bring up Deputy Commissioner for Technical Affairs,
Gus Sirakis.

DEPUTY COMMISSIONER SIRAKIS: Hi.

CHAIRPERSON SANCHEZ: Hello, Deputy
Commissioner. First, the oath.

COMMITTEE COUNSEL: Please put up your
right hand. Do you swear to tell the truth, the whole
truth and nothing but the truth before this committee
and to respond honestly to Council Member questions?

DEPUTY COMMISSIONER SIRAKIS: I do.

2 COMMITTEE COUNSEL: Thank you. You may
3 proceed.

4 DEPUTY COMMISSIONER SIRAKIS: I'm sorry,
5 can you please repeat the question for me. I missed
6 part of it.

7 CHAIRPERSON SANCHEZ: Show me the
8 positions. The City for All commitments required 200
9 additional staff lines at DOB, HPD, and DCP. So,
10 where are we in terms of that funding source for
11 position at the Department of Buildings?

12 DEPUTY COMMISSIONER UGARTE: So, DOB
13 received 83 positions for both City of Yes and
14 basement legalization. For City of Yes, we have 38
15 budgeted positions, 18 active and 20 vacant. For
16 basement legalization, 45 positions, 21 active, 24
17 vacant. And I just want to note that the positions
18 come in a phased approach. So we are not able to
19 hire maybe six to 10 positions until the later
20 out-years.

21 CHAIRPERSON SANCHEZ: Got it. Okay. Thank
you. Would love to just confirm if you could send
that as a follow-up in writing? We're just trying to
gather all of the City for All commitments, the
status of all the City for All commitments.

DEPUTY COMMISSIONER UGARTE: Absolutely.

CHAIRPERSON SANCHEZ: Great segue.

Basement legalization- last week, the Mayor announced that the applications for the Plus One ADU program would reopen. Can you share with us, remind us, what kind of support financial and otherwise this program provides? How many homeowners have taken advantage of the Plus One program to-date? And could you provide a breakdown by council district, community district, or any sort of geographic breakdown?

COMMISSIONER TIGANI: So, many of these questions are actually questions that I would defer our colleagues at HPD that's managing the program. I'll just say that the ADU for one- the ADU program is going to do a number of things. In this particular announcement like with the shed designs that we talked about earlier, we have created a template, a set of different diagrams and floor plans to help expedite the type of ADUs people can choose, feel confident about DOB's review and acceptance of this. It would still have to go through plan exam review, but we are trying to take the guess work and trying to make this feel more real and available to New Yorkers. The city has seen millions of dollars

1 and we're grateful for the state's support through
2 their ADU pilot program that's funded part of this.
3 The work on the website is to not only let people
4 know about the different technical assistance that
5 they can receive, the guidance around the templates
6 to be able to envision this more easy, but it also
7 reopens the wait list, which I think that time when
8 we closed it there was nearly 2,400 interested
9 parties. The program within the pilot areas laid out
10 by state law will continue under this refresh and we
11 look forward to helping out homeowners who can take
12 advantage of the City of Yes and the MDL changes that
13 have happened over the last couple of years.

14 CHAIRPERSON SANCHEZ: Thank you,
15 Commissioner. Do you just want to stay for the HPD?

16 COMMISSIONER TIGANI: I feel like I've
17 covered my part.

18 CHAIRPERSON SANCHEZ: Two more, I think,
19 quick questions from me, and then I know Council
20 Member Zhuang if she- did she have- did she leave
21 more questions? Okay, great. So, one, super
myopically- I have a set of constituents whose homes
are two-family homes. They're classified as
three-family homes, and they're getting these notices

1 from HPD- from Department of Buildings regarding the
2 inspection, the requirement to inspect gas piping
3 systems via- pursuant Local Law 152. How do they fix
4 their building designation from a three-family to a
5 two-family?

6 COMMISSIONER TIGANI: So, online there-
7 on the website there are some steps and forms that
8 you may need to fill. But Gus, I don't know if
9 there-

10 DEPUTY COMMISSIONER SIRAKIS: Yeah, I
11 think it's two parts. Oen would be looking at the
12 Department's website to confirm that what their
13 certificate of occupancy or anything says. If they
14 have that information, I believe they can file a
15 challenge with the Local Law unit that handles the
16 152 inspections and confirm that. Otherwise, if the
17 property is listed legally as a three-family on the
18 DOB's website, then they would need to file a change
19 of use to change the C of O to a two-family, and they
20 would need to hire an architect to file plans.

21 COMMISSIONER TIGANI: They can either
22 come to- they can reach out to their borough office,
23 come to- it's the first and third Tuesday of every
24 month is Building's Afterhours where they can come

1 speak with DOB staff about their issue. Or your
2 office can reach out through Phil or your DOB IGA
3 [sic] contact, and we can work with them.

4 CHAIRPERSON SANCHEZ: Excellent. Okay,
5 thank you. Asking for some friends. Okay. so,
6 regarding vacate orders, fires, communication between
7 agencies when there is a fire- one, can you share
8 what is- in the event of a fire, whether it's one
9 alarm, two alarm, a million alarms, a lot of alarms,
10 is DOB automatically or in every instance notified by
11 Fire when there is a fire, so triggering an
12 inspection, or is it case by case? Number one. And
13 then on the sort of after the fire situation, does
14 the Department prioritize inspection of vacant or of
15 vacated units- units with vacate orders to help
16 rehouse people or help people get back home faster?

17 COMMISSIONER TIGANI: So, I'll answer
18 your second part first. So, we are absolutely trying
19 to do more to get people into housing more quickly.
20 And typically we are working in combination with HPD,
21 because often when it comes to a residential property
we're seeing both- if there's a DOB vacate for a
structural integrity issue, there maybe housing
maintenance code issues as well where HPD has a

vacate. So, we're working together on that. And we actually- the new Local Law that was passed by the Council, Council Member Gutiérrez's bill, creates a brand new apparatus. We're working very closely with that team to set a new strategy for helping those who are vacated out of their units. Not only the city helping them directly with their case management, but also working with us to see what we're doing to get the vacate- working with the owner to get the vacate lifted. On the first one, you know, is- in terms of incidences and accidents and issues where we get called, there are thousands happen every year. DOB has a very specific role in this emergency response work. And it is often at the initial assessment done by the first responders on the site, the Fire Department Borough Marshals who have decades of experience with structural integrity issues that would fall under our perspective or the New York Office for Emergency Management that may call us because they see an issue that requires our attention. Then we will deploy inspectors, engineers, whatever is needed in order to follow up. Again, it's really important about the timing and phasing. We can only go into a site once the

condition is under control, and so that also attributes to when the call happens and when we deploy individuals.

FIRST DEPUTY COMMISSIONER SHAMASH: I'll just add that we have a flyer that we give out any time we do vacate tenants. It was worked on with HPD and Buildings directly. We have QR codes. We have information about what happens if you lose, right, if you're vacated and what assistance the city can offer and that's handed out every time we do issue a vacate specifically when residents are displaced.

CHAIRPERSON SANCHEZ: Thank you, Deputy Commissioner. I guess I'm still- I heard you say that DOB often conducts an initial assessment. So, does that mean that you do not always conduct an assessment?

COMMISSIONER TIGANI: No. so, the initial assessment is done by the first responders on the site.

CHAIRPERSON SANCHEZ: By Fire.

COMMISSIONER TIGANI: So, if we're talking about a fire, you have- you have engines and ladders are deployed. Borough Chiefs that have- FDNY Borough Chiefs that have, you know, usually a long

1 experienced history understanding the issues that
2 would require DOB's involvement, particularly around
3 safety issues questioning structural integrity or
4 egress, things of that sort. Then we are- then we
5 get an alert to be deployed to the site. Our
6 Emergency Operations team which continues to be
7 staffed seven days a week- we will then deploy- we'll
8 deploy DOB personnel there and then our DOB personnel
9 on site. We'll then determine do we need forensic
10 inspections, facade unit, who else- whoever else we
11 need we send.

12 CHAIRPERSON SANCHEZ: How often is FDNY
13 determining upon that initial assessment that DOB
14 should come on site after a one alarm or above? All
15 hands are above.

16 COMMISSIONER TIGANI: Don't know if we
17 have-

18 CHAIRPERSON SANCHEZ: [interposing] I did
19 not share that question with you advance, so-

20 COMMISSIONER TIGANI: [interposing] Yeah,
21 and we-

FIRST DEPUTY COMMISSIONER SHAMASH: I can
get the number of fire incidents that we have
responded to. Specifically, I have the list in terms

of the last calendar year that we've responded to.

It's- let us get you that pull list, a more comprehensive list. But specifically, with regards to what the commissioner said, FDNY will only call us if there is a structural stability concern.

CHAIRPERSON SANCHEZ: Got it. Alright. Thank you. Thank you so much for that response, and you all know what I am getting at, just making sure that buildings that need to have vacates issued whether it's by Buildings or by HPD, which we'll continue this discussion later, that those are issued in timely fashion, because it impacts the access that tenants have to emergency support services.

COMMISSIONER TIGANI: The only thing I'll point out is that American Red Cross, ARC, operates on a different schedule in this in parallel. So, if there's emergency services- emergency residential services that need to be provided, it's not part of the case. It could- it may not needed that's predicated on the vacate, that those services can be provided otherwise.

CHAIRPERSON SANCHEZ: Okay. That's very helpful. Alright, well with that, thank you so much,

Commissioner and team. We're going to take a short recess and get back together at 2:15 for HPD.

COMMISSIONER TIGANI: Thank you so much.
Have a great day.

[break]

CHAIRPERSON SANCHEZ: [gavel] Alright, good afternoon and welcome back to this afternoon's continuing hearing on Housing and Buildings and the Mayor's Preliminary proposed budget. I want to start by regrounding us, repeating a bit of what I said earlier today, just making sure to set the table from the Council's perspective. Our city is in a housing crisis. It is hitting low-income New Yorkers the hardest, and what we do must remain multifaceted, building more, preserving what we have, and enforcing the laws we already have on the books. Right now, we're seeing real strain in the system. The Mayor's Preliminary Mayor's Management Report shows that housing violations are rising, emergency repairs remain elevated with interventions increasing, and distress in our housing stock is not shrinking. I appreciate the administration's efforts to sharpen tools to go after the worst actors as we saw a week and a half ago at 919 Prospect Avenue, and your

engagement in discussions around overhauling the city's power of municipal foreclosure via Intro 657. At the same time there is a broader issue. Across the system collections are down, operating costs are up. While we go after the worst actors, we also need to understand how HPD is supporting owners who are trying to do the right thing, but are financially strained. Stabilizing the housing stock requires addressing both. HPD is also responsible for overseeing a significant portfolio of housing including city-supervised Mitchell-Lama buildings, Article XI properties, and other affordable housing with regulatory agreements. How are we monitoring compliance, and what is the plan for aging buildings that need substantial support. Another concern is displacement. Black New Yorkers are leaving the city in record numbers. Everyone feels the squeeze. What is HPD doing to protect and expand homeownership in communities of color? We are- and how are we ensuring that housing policy is not accelerating the displacement we see? With respect to our housing lottery, we need to move faster. There is more work to be done to cut red tape in the system: faster inspections, faster approvals, faster lease-ups,

removing redundant steps in the lease-up process so that families can move into permanent housing more quickly. We also continue to see individuals remain in HPD emergency housing after vacate orders for extended periods, nearly two years for single adults and over a year for a family. What steps is the agency taking to improve these metrics and reduce the census there. And with respect to vouchers, we see utilization rates down with our Section 8 vouchers and fewer vouchers are being issued by the agency. At the same time, related to the point above, households in HPD shelters and the families that HPD helps cannot currently access CityFHEPS vouchers, although hopefully that may change some day, but this tool is very important and I want to continue that conversation. Finally, there are broader system issues that intersect with HPD's work. Collected fines and charges also apply to HPD. Concerns about construction quality in newer buildings have surfaced in the media in recent weeks, and how our capital dollars are benign deployed is important. The final note that is our Council took a major step forward last year to rezoning reforms that allow a little more housing in every neighborhood paired with \$5

1 billion in housing infrastructure investments. And so
2 we would want to see an update on how we're doing in
3 spending those funds. And with that, I look forward
4 to today's discussion. I'll turn it over to our
5 counsel to administer the oath and hear your
6 testimony.

7 COMMITTEE COUNSEL: Please raise your
8 right hand. Do you affirm to tell the truth, the
9 whole truth and nothing but the truth and to answer
all Council Member questions honestly?

10 COMMISSIONER LEVY: I do.

11 UNIDENTIFIED: I do.

12 COMMITTEE COUNSEL: Thank you. You may
begin when ready.

13 COMMISSIONER LEVY: We just had a little
14 spill. Give us one second. We got it. Okay.

15 CHAIRPERSON SANCHEZ: Keeping it
interesting.

16 COMMISSIONER LEVY: Now we go. Chair
17 Sanchez, members of the Committee, thank you for
18 having me. It is a privilege to be here for the first
19 time as the new Commissioner of HPD. I have been
20 working in affordable housing for many years, but a
21 few weeks ago, I had the opportunity to hear

testimony directly from tenants at the Rental Ripoff hearings in the Bronx and in Queens. Several of the residents I met came from buildings where I had actually been a community organizer almost 20 years ago. It was striking that despite the passage of so much time, the same groups of landlords were being called out, and the tenants' stories were basically unchanged: refusals to make repairs, overcharges on rent, and disregard for tenant safety. It's been more than two decades, and yet there are a small group of landlords who continue to wreak havoc on a new generation of tenants. My takeaway was clear. We need to do better. We must be the ones to end this cycle, to ensure that future generations of tenants will not have the same stories to tell 20 years from now. This will not be my only priority while leading HPD, but it will serve as a daily reminder for how I plan to approach this work. When it is clear that our strategies are not working, we have to change course. We need to remind ourselves every day that there is urgency to our work. And we cannot let the shortcoming of our past limit our vision for what will be possible in the future. I have held this position for little more than 10 weeks. But in that

short time, I have marveled at what this agency accomplishes every day and the incredible potential that lies ahead. Already several key priorities have come into focus. First, we must build more housing - across every neighborhood, in every borough and we must do so at a faster pace. It will take a multi-pronged approach: bringing all parties to the table, labor, tenants, developers, and of course the Council, who must work together to build housing faster, more cost effectively and without compromising quality or safety. Second, we must preserve and stabilize the existing affordable housing stock. We will not build our way out of this crisis if we do not preserve and protect the affordable housing that already exists. We must tackle rising expenses and find additional ways to assist tenants in making sure that they can afford their rent. Third, we must fix what is within our reach. Whether that's how we contract and pay our non-profit partners, or how we handle marketing and lease-ups, we know that these problems are fixable and they are within our control. Where there are duplicative steps, we will eliminate them and where we have let government make things too complicated,

we will find ways to simplify. Finally, we must do more to protect our residents. HPD will use its entire array of enforcement tools to put willful bad actors out of business, once and for all. We will work with organized tenant groups to be our partners in code enforcement, and we will create avenues to connect well-intentioned landlords and homeowners to the resources they need to succeed. I believe that these goals are achievable, but we are sober about the current climate that we are in. Federal funding is under attack. Construction prices have skyrocketed, and operating expenses are strangling property owners. The Mamdani administration has inherited a difficult financial situation, and a staffing shortage due to the last administration's hiring freeze. That is the environment we are in – and it is a hard reality. HPD's total expense budget under the Fiscal Year 2027 Preliminary Plan is just over \$1.4 billion. Nearly three-quarters of that funding comes from the federal government through Section 8, CDBG, and HOME. Our federal funding is irreplaceable, and it must be maintained. On the capital side, our current budget for FY 2027 is just over \$2.9 billion, \$1.9 billion for our direct

pipeline, and a Ten-Year Plan totaling \$22.6 billion. Behind all that our work, there are 2,400 people, our staff, who show up every day to do this work with dedication and determination. That includes 345 staffers on our development teams, 324 code inspectors out in the field, and 421 public servants connecting New Yorkers to housing and rental assistance. HPD has 431 open positions, roughly a 15% vacancy rate. We are actively working to meet our vacancy target, at which point we will no longer be subject to the 2-1 hiring freeze, offering us a renewed path forward. And despite these very real challenges, the teams at HPD continue to deliver for New Yorkers every day. In calendar year 2025, HPD financed or supported the creation and preservation of almost 30,000 affordable homes, including more than 13,000 newly constructed units through our capital and tax incentive programs. This includes construction starts of 1,900 units of supportive housing, and more than 2,500 units that serve extremely low-income households. With respect to our as-of-right programs, 485X is now operational, and we have 188 projects in our pipeline. And under the Universal Affordability Preference we have already

closed on more than 1300 units. We continue to advance homeownership particularly in under-served communities. Through our Homeowner Help Desk we have connected New Yorkers to critical resources like our HomeFirst Down Payment Assistance program and our HomeFix rehabilitation program. We have reached nearly 9,000 people, provided assistance to 2,900 homeowners and stabilized 471 families. We are also carrying out Mayor Mamdani's directive to use our public land for public good. Since 2014, HPD has financed construction of 26,000 new homes on public land, the vast majority of which was 100 percent affordable. And through the Mayor's Executive Order Four, agencies across the city will identify public sites to support an additional 25,000 new homes over the next 10 years. We must continue to expand our development capacity and make sure that every neighborhood in every borough is building their fair share of affordable housing. In partnership with DCP we will be putting forward the Fair Housing Framework and our strategic equity analysis to assess housing needs across the city and name specific production targets in every community district. At the same time, we are mindful of the need to increase our

1 preservation efforts which will also require multiple
2 strategies. We know that responsible landlords are
3 struggling and we must address the challenges related
4 to rising expenses, particularly insurance, and the
5 need to improve rent collection. We know that most
6 often when a tenant does not pay their rent, it is
7 because they simply do not have the means. We must
8 do more to intervene early and connect residents with
9 resources to ensure the stability of our citizens and
10 also our housing stock. In 2025 we preserved over
11 16,000 affordable homes. Over the past 10 years we
12 have invested \$1.1 billion to preserve our
13 Mitchell-Lama housing, and we are currently working
14 with 15 Mitchell-Lama projects to provide financial
15 restructuring and/or major capital improvements. We
16 know there is more to do here, and we are actively
17 looking at ways to increase our preservation efforts
18 for our 92 Mitchell-Lama projects. Through the ANCP
19 program, there are 40 resident-controlled
20 cooperatives now under active construction, putting
21 the promise of homeownership finally within reach.
There are still 64 buildings totaling just over 1,100
units under City ownership, and we are working to
find ways to move these projects to closing more

quickly. We know they have waited long enough. Finally, we are actively working with our colleagues at HDC and the Mayor's Office to Protect Tenants to identify interventions to preserve our privately owned rent-stabilized stock, particularly those that are in physical and financial distress. Whether through intervening in bankruptcy and foreclosure proceedings, as we did in the Pinnacle, or by bringing aggressive legal action to stop harassment and disinvestment, as we did in the A&E portfolio, this administration will ensure that rent-stabilized tenants get the protections and the housing they deserve. We are also deeply committed to improving how New Yorkers get connected to the housing that we create. Through our rental assistance programs, HPD administers subsidies to more than 44,000 households every year. Last fiscal year, HPD connected over 10,000 households to affordable homes through our Housing Connect lottery system — and we moved more than 4,600 households out of shelter through our homeless set-aside program, a 15 percent increase over the prior year. But these improvements are not sufficient, and we plan to revamp both our housing lottery and our homeless placement systems.

Incremental fixes here will not go far enough. We are taking a hard look at every part of the process, and if necessary, we will migrate to a more efficient and nimble system. Finally, we are committed to redoubling our efforts to ensure that tenants are protected once inside their homes. In the last fiscal year, HPD's enforcement team issued over 870,000 code violations, initiated or joined more than 12,000 legal actions and resolved more than 22,000 code violations through comprehensive litigation. We spent \$25 million on emergency repairs impacting more than 177,000 units of housing; and we discharged 199 buildings from the Alternative Enforcement Program. With regard to tenant harassment, in fiscal year 2025 we completed 1,000 site visits at almost 600 buildings and initiated 25 court cases related to those inspections. Through our Partners in Preservation program, we support a network of grassroots community groups who have knocked on 21,000 doors in distressed properties across the city and organized new tenant associations in 86 buildings. And we are collaborating with Mayor's Office to Protect Tenants, with whom we share a vision for how organized residents can play a

critical role in improving our code enforcement system, but also serving as a primary partner to local government in holding landlords accountable. I would like to add that we know the overwhelming majority of property owners and managers in this city are working in good faith, and that they care about their tenants, and that they are important partners for our agency. But for that small group of landlords who have willfully ignored the law for decades, functioning in essence as professional slumlords, I would like to make sure that our message today is clear. Their time is up. In closing, I would like to reiterate my admiration for the incredible staff at HPD and the magnitude of work that they have accomplished during very difficult times. It will be my honor to work alongside them as we set out to achieve the affordable housing goals laid out by the new Mayor. Getting there will be hard, but our marching orders are clear. We have been tasked with realizing an affordability agenda for the City of New York. That mandate begins with the recognition that all New Yorkers are entitled to a decent, safe and affordable place to call home. I look forward to building a strong partnership with

the members of this Council and to working collaboratively to achieve our shared goals. I thank you for the opportunity to present here today and I am happy to answer your questions. Thank you.

CHAIRPERSON SANCHEZ: Thank you so much, Commissioner, and congratulations. Really look forward to working with you in this capacity. First hearing of many, I'm sure- of many I know.

COMMISSIONER LEVY: It's good luck

CHAIRPERSON SANCHEZ: It is great luck. Okay. no problem. So starting with a- well, and first, I just have to say it is completely refreshing to hear the priority of going after the worst acts. We know that that is not the majority of owners in the City of New York, but they are here and they are terrible, and I'm very glad to have that partnership across the hall, and that HPD in this form of leadership, this iteration of leadership. Okay, so my first question is looking at the HPD capital budget. Can HPD provide an update on its funding commitments under the City of Yes, City for All points of agreement? Specifically, capital funding, there was \$2 billion in capital over five years promised, including a billion dollars from New York

1 State. How much of the one billion dollars from New
2 York State has the city drawn down, and which- and
3 for which HPD programs and term sheets? And then you
4 mentioned some statistics about who we're serving
5 with the homeownership programs, but if you can give
6 us a breakdown in terms of how many families we've
7 been able, or households we've been able to help with
8 HomeFirst downpayment assistance, with HomeFix, with
9 legal services and outreach via the Home Owner Help
10 Desk, technical assistance for creating ADUs and the
Plus One program?

11 COMMISSIONER LEVY: Okay. So, maybe we
12 could start with the City of Yes, Council Member. Is
13 that okay? So, again, just to make sure I'm speaking
14 to two different pots of money. So there's the
15 money that was allocated by the state, and that money
16 is going to remain with HCR, right? So it is
17 allocated directly by them into projects, many of
18 which we are co-funding with them in New York City.
19 So, I think their total allocation breaks out to-
20 there's a number of categories, but it's for new
21 construction Mitchell-Lama preservation, and then I
think it's \$250 million that they're passing through
to NYCHA projects. And then there's other categories

1 which Gardea can sort of break down into smaller
2 numbers. Then separately there's the city money.
3 Thank you for providing to us, which you will see
4 reflected in both our expense and our capital budget
5 over the fiscal years 2025 through 2029. So, again,
6 multiple categories where those dollars are spread
7 out. It's \$875 million for our budget and then \$125
8 million that is being passed through to NYCHA.

9 DEPUTY COMMISSIONER CAPHART: Yeah, and
10 just- so, thank you for the question, Council Member.
11 So, for the city's portion of our capital for City of
12 Yes, it's \$825 million for HPD, and \$175 million for
13 NYCHA PACT and for- yeah.

14 CHAIRPERSON SANCHEZ: Copy. for the \$250
15 million in state funds, focusing in on the state
16 money- the state funds going to NYCHA, is that for
17 PACT/RAD conversions or is that for Section 9
18 support? Do you know?

19 DEPUTY COMMISSIONER CAPHART: So we have
20 to confirm that. We don't have the details on
21 exactly which part of NYCHA, but we can confirm that.

CHAIRPERSON SANCHEZ: And just-

COMMISSIONER LEVY: [interposing] But I
can say, Council Member, we do have active projects

now for the new construction portion that the state has committed through City of Yes, and if you'd like to hear, I could also introduce our new DC for Development who can name a couple of those projects, or we can come back to that.

CHAIRPERSON SANCHEZ: Yeah.

COMMISSIONER LEVY: Patrick, join us.

CHAIRPERSON SANCHEZ: It's a party up here. It's really fun.

COMMITTEE COUNSEL: Just raise your right hand. Do you affirm to tell the truth, the whole truth and nothing but the truth and to answer all Council Member questions honestly?

DEPUTY COMMISSIONER LOVE: Yes.

COMMITTEE COUNSEL: Thank you.

DEPUTY COMMISSIONER LOVE: So, the new construction pot of money that the Commissioner referenced before is being deployed at affordable housing projects across the city. HPD and HCR work on a jointly financed portfolio of projects to stretch our resources as far as possible. In particular, the city and the state focus on and finance supportive and senior projects together. That's really where we kind of carve the lane out and

1 carve our collaboration out, and really try to
2 stretch the state dollars as far as possible in
3 addition to the city dollars as far as possible. So,
4 of that \$500 million that will be deployed to those
5 types of projects, within the next week are going to
6 be closing a supportive housing project with spatial
7 equity, an M/WBE developer in addition to Housing
8 Plus, a supportive housing provider in Brooklyn, 193
9 units. So that gives you kind of the type of flavor
10 projects that we work on jointly with HDR and that
11 capital will be deployed across the city for the
12 specific kind of senior supportive independent, but
13 also senior supportive together as well.

14 CHAIRPERSON SANCHEZ: Thank you. Thank
15 you so much. I just like- I want to just like pause
16 because it's just so incredibly to go from this like
17 wonky numbers conversation to like there's going to
18 be 193 apartments for seniors, and that's- it's real
19 and it's really exciting to hear.

20 DEPUTY COMMISSIONER CAPHART: And Council
21 Member, just a quick correction in NYCHA figure. It's
\$225 million. So just wanted to clarify that.

CHAIRPERSON SANCHEZ: The state?

DEPUTY COMMISSIONER CAPHART: From the state, correct.

CHAIRPERSON SANCHEZ: Okay. And then you will let me- you will follow up-

DEPUTY COMMISSIONER CAPHART: [interposing] We can provide more details in the breakdown.

CHAIRPERSON SANCHEZ: the exact program. What about for the city capital, you said \$825 million over what time frame?

COMMISSIONER LEVY: 2025 through- fiscal year 2025 through 2029, and it's broken out amongst many categories including both capital and expense.

CHAIRPERSON SANCHEZ: Okay. And then- also, \$825 is both capital and expense?

DEPUTY COMMISSIONER CAPHART: No. So-

CHAIRPERSON SANCHEZ: [interposing] Sorry.

DEPUTY COMMISSIONER CAPHART: That's okay. That's alright. So, the \$825 is for capital and that's for FY 25 to FY 29 over various programs. We also on the expense side did get a little over \$30 million across similar time frame for 94 positions that we're working- 94 positions in the prior fiscal year last year, and we are working to fill those

positions. We have filled most of them, and we're still working to hire more people.

CHAIRPERSON SANCHEZ: I want to come back to the 94 positions.

DEPUTY COMMISSIONER CAPHART: Yeah.

CHAIRPERSON SANCHEZ: And what they are, code enforcement versus development, etcetera. But just on the \$175 million passing through to NYCHA, is for PACT in the city budget? Is it for PACT, or is for Section 9 support.

DEPUTY COMMISSIONER CAPHART: I know it's for PACT. That's- yeah.

CHAIRPERSON SANCHEZ: Just saying out loud that- does HPD have any- does HPD have oversight over the PACT funds?

COMMISSIONER LEVY: We do not have direct oversight over the PACT funds. We did, though, as you probably see in the Preliminary Budget get four new staff to be working at HPD who will be working more closely with NYCHA specifically on the PACT deals.

CHAIRPERSON SANCHEZ: Okay. Thank you. And just to highlight that as we were having the City for All discussions, the Council really wanted to see

1 an emphasis on Section 9 support, not PACT/RAD
2 conversions, and so I want to follow up. And I know
3 you're saying that you don't have oversight, but want
4 to follow up on that. In terms of the 94 positions-
5 so there were 200 positions that were supposed to be
6 spread from City for All between HPD, DOB, and
7 Planning. So you're telling me 94 positions are
8 within HPD, and so what is the breakdown of those
9 positions and where are we on hiring?

10 DEPUTY COMMISSIONER CAPHART: So, we can
11 also provide more detail to you later to follow up,
12 but we do have the breakdown of the list of positions
13 that make up the 94 positions.

14 CHAIRPERSON SANCHEZ: And one second. Can
15 you give us a breakdown in relation to the amount of
16 new construction and preservation that was done by
17 HPD in fiscal year 25- or calendar year 25 as you
18 described? Can you tell us how much of that was new
19 construction versus preservation? How much of it was
20 supportive housing and a breakdown by income band?

21 COMMISSIONER LEVY: I can. Gardea will
correct me if get these numbers wrong. On
preservation- so this is calendar year 2025- there
were six- just over 16,000 units preserved. There

CHAIRPERSON SANCHEZ: So out of the universe of 16,000 preserved, you're saying 2,500 were extremely low-income.

CHAIRPERSON SANCHEZ: Are we as a city in compliance with the homeless set aside law requiring 15 percent of units in new construction projects that receive city financial assistance, 40 units and above- are we compliant in the set aside for homeless households?

CHAIRPERSON SANCHEZ: And do all of these households receive voucher support?

COMMISSIONER LEVY: So, a big majority of them do get FHEPS, right? We are doing- through the homeless set aside, we are doing outside of the housing lottery system, placements directly through a process we have with DSS. So, most of those families come to us with a FHEPS voucher.

CHAIRPERSON SANCHEZ: Thank you.
Excluding PACT funding, the HPD five-year Capital Commitment Plan in fiscal 27 has \$12.6 billion which is up from \$10.55 billion in fiscal year 26 adopted capital budget. Can you explain the change in HPD's five-year Capital Commitment Plan? Where is the agency adding additional resources?

COMMISSIONER LEVY: So, I think I can take the first part, and then Gardea will have to take the second part. But for 2027, the increase is roughly \$16 million, and- sorry, is that not the question? Oh, sorry, it was capital. Okay. So, go ahead.

DEPUTY COMMISSIONER CAPHART: So, [inaudible] quick point of correction, Council Member, on the City of Yes funding for the NYCHA amount, the \$175 million. I have confirmation that

that is specifically for Section 9 with emphasis on vacant units. So, I just want to correct that for the record.

CHAIRPERSON SANCHEZ: I was very pregnant, but I was paying attention.

DEPUTY COMMISSIONER CAPHART: So, yeah, we used to the NYCHA funds usually being PACT, so I just wanted to make that correction.

CHAIRPERSON SANCHEZ: Thank you.

DEPUTY COMMISSIONER CAPHART: And then for the- for our Capital Plan, part of it is that as we mentioned, last year we added- we did add \$825 million in capital for City of Yes, so that increased our five-year capital with the last year, and then also there were some advance capital for the current fiscal year mostly in the new construction to advance projects and take advantage of some [inaudible] changes that we're trying to take advantage of before the end of the calendar year. So, those account for the increase in capital that you see in the first few years of the capital plan, and then it goes back to the normal range for the outer years.

CHAIRPERSON SANCHEZ: Thank you. How is HPD's Capital Commitment Plan changing due to passage

of Local Law 57 of 2026 which mandates that at least four percent of new construction be for homeownership opportunity programs?

COMMISSIONER LEVY: Yes. Council Member, so we are still trying to finalize what we think we need to make sure that we are in compliance with the four percent of new construction being for homeownership, which I just want to say I'm a big fan of homeownership and worked on that issue for many years. So, happy to be doing more of it. We don't yet have final numbers, and we will be working with OMB to sort of make sure we understand the full cost associated with that requirement, but we have every intention of meeting it.

CHAIRPERSON SANCHEZ: Thank you. I want to- well, everyone who's here was here before, so thank you for coming back. Welcome back. Okay. I'm going to just intersperse my questions in between so that I can get to my colleagues as well. So, we are going to hear from Council Member Joseph first followed by Zhuang and Brewer. Council Member Joseph, you're up. Well, in the meantime- are you good?

COUNCIL MEMBER JOSEPH: I'm ready.

CHAIRPERSON SANCHEZ: Oh, okay.

COUNCIL MEMBER JOSEPH: Thank you so much. Good afternoon, Commissioner. Thank you for being in this role right now. We look forward to working with you, but we got a lot to work on, right? For example, apartment repairs and tenant harassment complaints, especially from rent stabilized tenants, have become prevalent in my office. My office receives a ton of complaints on a daily basis from 311 calls which becomes an acute problem especially during winter time. What does HPD plan to improve the user's experience for tenants reporting complaints via 311?

COMMISSIONER LEVY: I-

COUNCIL MEMBER JOSEPH: [interposing] And the second one, since I don't have a lot of time. HPD violation, the AEP [sic] program in tenant-led HPD Action Housing court, we all have shown their limited effectiveness in reversing the overall trend of landlord neglect for rent stabilized properties. In my district, example 80 Clarkson Avenue, 75 Lennox Road was discharged from ADP. 80 Clarkson was discharged from ADP program last year after showing improvement. As of today, it still has 61 open Class

1 B, 36 open Class C violation, and my office still
2 receive frequent complaints from tenants. How does
3 HPD plan to make sure that buildings leaving the
4 programs like ADP are not nearly- not distressed, but
5 that they're actually becoming the safe, warm,
6 well-kept building all New Yorkers deserve.

7 COMMISSIONER LEVY: Thank you, Council
8 Member. So, I'll start with the harassment
9 questions. This is also something I've worked on
10 historically in my career. We will be working very
11 closely with the Mayor's Office to protect tenants
12 where this is a primary focus. I think one of the
13 strategies that we're hoping to employ which we
14 actually used in the Pinnacle buildings and then also
15 in some pilot programs in Brooklyn.

16 COUNCIL MEMBER JOSEPH: And I have some
17 Pinmale's in my district as well, 470 Ocean Avenue.

18 COMMISSIONER LEVY: Got it. So, the
19 thinking here obviously is that where there are
20 patterns of both harassment and distress across these
21 larger portfolios, we do want to work more directly
with tenant leadership to sort of schedule the times
for when we come out to the buildings and really do a
full sweep of those portfolios. I think that would

1 significant change. Some of the predatory behavior
2 that we see in that space. So, that's part one. And
3 then again, working with the Mayor's Office to
4 Protect Tenants, I think there will be more capacity
5 to make sure that tenants are organized and serving
6 as partners to code enrollment so that we are more
7 responsive in real-time. On the AEP question, I
8 would be happy to set up a conversation after this-

9 UNIDENTIFIED: Love that.

10 COMMISSIONER TIGANI: to go into what
11 exactly happened there. We obviously have statutory
12 requirements that guide us on the AEP program. But
13 if the building has been discharged which usually
14 means compliance and things are slipping again, we
15 would want to know that.

16 COUNCIL MEMBER JOSEPH: Yes, and this
17 wide range along with Pinnacle, there are quite a few
18 other buildings in my district that are also facing
19 bankruptcy. So I'm working with those and attending
20 tenant meeting. 55 East 21st- the owner filed for
21 bankruptcy, so working those and we're attending
tenant meetings, as well. 75 Lennox Road is also
facing- it is- If you watch their Instagram mortgage,
it is horrifying to see what's happening currency at

75 Lennox Road. And I do these walk throughs in real time. I go tenants' homes to go see. 80 Woodruff Avenue, when the Public Advocate and I we did the worst list, the worst landlord list, that's in my district. We actually did a walk through the basement, through the tenants' home, and what we're seeing dilapidated, and some- and folks can't move. It's like they're trapped. They can- they're not getting the repairs on time. No one is coming to help them, but again, they cannot move because they cannot afford anything else. When we talk about the affordability crisis, it is right here where these communities are trapped. So, to me, this is a trap and I look forward to working with you and see how we can support these tenants turning these buildings around. I would love to see more HDFCs, Chair Sanchez. That's something we should look into. People who are long-term tenants, they're not going anywhere. They might as well invest in that property and make it their own, and we know when people invest in their properties they tend to take care of it more, the rent is paid on time, and they feel a sense of ownership, right? So, I think those are along the lines where we should start looking. If we're

1 looking at affordability, keeping the Black community
2 in place where we lost 200,000, and I'm sure my
3 community lost 20,000 constituents in the last 10
4 years, and we want to make sure we're aging in place
5 and we're supporting communities where they are.

6 COMMISSIONER LEVY: Understood. Can I
7 just ask you quickly so I don't lose it? 75 Lennox,
8 do you know who owns that property?

9 COUNCIL MEMBER JOSEPH: No. We can get
10 back to you. My team can get back to you asap.

11 COMMISSIONER LEVY: so, I'll just quickly
12 say to your point about tenant ownership as a
13 preservation strategy, this is also something I
14 worked on a lot in all my old careers. You have for
15 many years as that of organizing. It is a very, I
16 think, appropriate strategy when a building is in
17 distress or in bankruptcy and therefore going through
18 foreclosure and can be transferred. One option
19 certainly that should be available to tenants is to
20 work with the nonprofit, but also to own it if that
21 is, you know, where they're inclined.

COUNCIL MEMBER JOSEPH: Right on time,
right Chair?

CHAIRPERSON SANCHEZ: You get extra points for that. Council Member Zhuang?

COUNCIL MEMBER ZHUANG: Thank you, Chair. Very good to see everyone here. I have a question. I'd like to know as- a lot of time we see in poor and the minority neighborhoods, many homeless shelter built in this area. I would like to know what's the metric you have used to pick the homeless shelter site?

COMMISSIONER LEVY: I'm sorry. Just to make sure I understand you, Council Member. Are you asking when we choose a site for a homeless shelter?

COUNCIL MEMBER ZHUANG: Yeah.

COMMISSIONER LEVY: So, generally, that's not how our development pipeline works, right? Projects are brought to us by developers, and we're typically building housing not shelters. So if a shelter is being built, it's not necessary, because HPD is choosing to build it there.

COUNCIL MEMBER ZHUANG: Okay, thank you. And I have another question. With affordable crisis in New York City, do you- what's the plan for senior housing? And from a lot of provider, the feedback says it's very hard to get CASA program moving.

COMMISSIONER LEVY: Yeah. So I will say, just to repeat, you know, we did do a fair amount of senior units last year through our new construction pipeline, over 1,300 units of senior housing, and we do have I think about 11 projects right now in our development pipeline that are for seniors that also have an award for project-based Section 8 which is critical to making a senior project get through closing. So, I do think we have on deck a lot more senior housing coming. It is challenging, and we do need to marry senior housing to Section 8, and we are resource constrained on Section 8 right now because of the federal government, and they're- you know, all of the things that they're doing. So, we are very committed to building more senior housing, and I think we've been doing a lot of it and we intend to do a lot more of it in the coming years.

COUNCIL MEMBER ZHUANG: What's the reason the CASA program move very slow?

COMMISSIONER LEVY: I'm sorry, are you saying the CASA program?

COUNCIL MEMBER ZHUANG: Yes.

COMMISSIONER LEVY: I'm not sure I'm familiar with the CASA program.

COUNCIL MEMBER ZHUANG: Not CASA, what's that- SARA [sic], SARA, sorry, SARA.

COMMISSIONER LEVY: Yeah, those are the statistics I was just providing to you. So, the 1,300 units that we produced last year were through the SARA program, and the 11 projects that I mentioned that are in our pipeline right now are also SARA, and that's about another 2,000 units.

COUNCIL MEMBER ZHUANG: So, any particular neighborhood you guys preferred? Because I don't see anything in southern Brooklyn.

COMMISSIONER LEVY: So, I do want to say again, we don't select the sites where developments happen. There are publicly owned sites that we do control and there we do competitive RFPs to select the developer, and sometimes they're appropriate for senior housing and sometimes for very low-income housing, and sometimes for, you know, a mix of things. But mostly we're responding to where developers come to us with their projects. So, if we're not getting enough senior housing in your district, we should have a conversation about how to get developers more activated.

COUNCIL MEMBER ZHUANG: A lot of developers said to me because they don't make money on senior housing-

COMMISSIONER LEVY: [interposing] That's not accurate.

COUNCIL MEMBER ZHUANG: It's not true? Okay.

COMMISSIONER LEVY: Same amount whether the building is senior- I mean, we have limits in our term sheets for how much the developers make and whether they're building supportive or senior, or you know, a mixed-income project, the compensation to the developers is roughly the same.

COUNCIL MEMBER ZHUANG: Okay. And then also they said that whether it's so slow or lower profits. If they build a homeless shelter, they can make more money.

COMMISSIONER LEVY: That does not strike me as accurate. I'm happy to have a conversation about this afterwards, or if there's a particular developer who you're having that conversation with, I would love to join you in that conversation.

EXECUTIVE ADVISOR HORNBACH: That's what I was just going to offer. We would love if there are

particular developers that are in contact with you, we'd love to set up a conversation and talk them through the program, the term sheets, what's available to them. And as Dina said, like, we'd love to identify opportunities in your district as we can.

COUNCIL MEMBER ZHUANG: I approached a couple developer about building senior housing, but as they always says, that's not going to make money.

COMMISSIONER LEVY: We'll get you to the right developers.

COUNCIL MEMBER ZHUANG: Okay, thank you. Thank you.

CHAIRPERSON SANCHEZ: Thank you so much, Council Member Zhuang. Council Member Brewer, and then I'll continue with my questions.

COUNCIL MEMBER BREWER: Alright. Thank you very much. Insurance- so there's a lot of discussion and everything going on about how to to lower it, because I assume that you agree it's a big, challenge in terms of affordable housing.

COMMISSIONER LEVY: I could say it's one of the number one challenges.

COUNCIL MEMBER BREWER: Yeah. I have lots of material here. But how are you approaching that

1 issue of curtailing ? I think my understanding is
2 lawsuits unfortunately do focus on affordable
3 housing. You have more lawsuit on affordable housing
4 that for whatever reason they're non-affordable. So
5 how are we going to- this is, you a big issue. Lots
6 of people are trying to work on it, Albany and here,
7 but what are you doing about but what are you doing
about that issue?

8 COMMISSIONER LEVY: So, first I want to
9 acknowledge, Council Member, we say the preservation
10 that John Krotty [sp?] did about the lawsuits and
11 whether they are sort of showing that there's like a
12 disparity in terms of how many lawsuits are being
13 filed in affordable housing versus market rate
housing. We just saw it, but we are digging into-

14 COUNCIL MEMBER BREWER: [interposing]
15 Right. I have it right here.

16 CHAIRPERSON LIEBER: COMMISSIONER LEVY:
17 Secondarily what I would say is we agree. It's
18 probably one the biggest drivers right now of what is
19 causing fragility in all types of housing. So both
20 the housing that we finance and then have under our
regulatory agreements, also just in the private market
21 in the rent stabilized stock and it has to be

1 addressed. Again, I've been here a relatively short
2 time, but in that time we've had a number of
3 conversations with City Hall and external partners on
4 what can be done to reign in insurance costs. I
5 think we're in process of developing some proposals
6 and we'll be working both with OMB and with City Hall
7 to figure out exactly what the government can do to
8 drive down those prices. I- you know, I think we
9 don't regulate insurance, so yeah.

10 COUNCIL MEMBER BREWER: I know, state.

11 COMMISSIONER LEVY: So, yeah, that's the
12 state and the federal government. But I do think
13 there are interventions the city can play and we just
14 need to finalize those [inaudible]

15 COUNCIL MEMBER BREWER: Yeah, I'd love to
16 be involved, if possible. Number two, HDFCs as you
17 heard earlier, we have a lot of them still in
18 Manhattan. I don't know how many TILs [sic] you
19 still have and how you're looking to- as we suggest,
20 do the homeownership. I guess it's called ANCP now.
21 And there are some challenges in terms of the new
program. So, what are- how are- do you have the
division that's focusing on it. I know you're trying
to get TILs to become homeownership, etcetera, but

there are some groups that are challenging on this topic. I think you know who they are. So we're trying to see what- where are you at with this HDFC and what's the financial aspect to it?

COMMISSIONER LEVY: Yeah. So, a couple things. As I said in my testimony, there are still 64 buildings-

COUNCIL MEMBER BREWER: [interposing] I saw that.

COMMISSIONER LEVY: remaining in the TIL.

COUNCIL MEMBER BREWER: Yeah, yeah.

COMMISSIONER LEVY: It's about 1,100 units. We happily are moving about 40 projects right now through construction so they will get to the other end and be able to actually take ownership of their building.

COUNCIL MEMBER BREWER: The 40 of the 64 or that's something different?

COMMISSIONER LEVY: Separate 40.

COUNCIL MEMBER BREWER: Okay.

COMMISSIONER LEVY: And then there's additional funds that we were able to get for both 2026 and 2027 through the attorney general settlement fund specifically to work with the TIL building. So,

1 it's about \$3 million for 2026 and \$2.5 million for
2 2027. That all said-

3 COUNCIL MEMBER BREWER: [interposing] That
4 doesn't go very far.

5 COMMISSIONER LEVY: It doesn't go very
6 far, and I-

7 COUNCIL MEMBER BREWER: [interposing]
8 Because I have \$8 million left over from the Borough
9 President's office in one building.

10 COMMISSIONER LEVY: Yeah.

11 COUNCIL MEMBER BREWER: Still sitting
12 there.

13 COMMISSIONER LEVY: Agreed. It is not
14 sufficient. I think we need to do more to move these
15 projects through. It would be my honor to have- to
16 finish the TIL program during my time here since I
17 started working in the TIL program when I got to UHAB
18 [sic]. It's challenging for a couple of reasons, and
19 not least of which we want to make sure that tenants
20 are organized and ready for the challenge that
21 collective homeownership requires. And I say that
 with all due respect to the model and to UHAB. I love
 co-ops, but it is a challenge style of homeownership.

COUNCIL MEMBER BREWER: I'm very aware of it, yeah.

COMMISSIONER LEVY: Yeah. So, I think we need to do more to move the ones that have been particularly where folks have been out of their units for the longest.

COUNCIL MEMBER BREWER: Yes.

COMMISSIONER LEVY: We're going to be moving those to the front of the pipeline.

COUNCIL MEMBER BREWER: Like Louise at 1610 West 105th Street.

COMMISSIONER LEVY: Yeah.

COUNCIL MEMBER BREWER: I'll give it to you.

EXECUTIVE ADVISOR HORNBACH: And I was just going to add, Council Member, we want to thank you so much for your partnership. This is actually an area where partnership with Council Members where your constituents and where you have TIL buildings in your district can be so valuable.

COUNCIL MEMBER BREWER: It's not just my district. I got all of Manhattan.

EXECUTIVE ADVISOR HORNBACH: Yes, ma'am.

1 COUNCIL MEMBER BREWER: Final question is
2 Bloomingdales. So, that is a project that I think is
3 EDC, but they would like to have HPD be in charge.
4 So, it's one of those above the library, blah [sic],
5 blah, blah, but nobody's happy with EDC doing it.
6 They'd rather have you do it. Perhaps more
7 affordable housing. It's on city-owned land. I
8 thought that when something was on city-owned land,
9 it should be 100 percent affordable. This is not.
10 So, we could use some help making it 100 percent
affordable.

11 COMMISSIONER LEVY: I am happy-

12 COUNCIL MEMBER BREWER: [interposing]
13 [inaudible] just maybe Robinhood has to get involved
14 again. I did that project in Washington Heights. So,
15 it would be a shame to put market housing on land
that is city-owned land.

16 COMMISSIONER LEVY: Council Member, can
17 you say the name of the project again?

18 COUNCIL MEMBER BREWER: For Bloomingdale
Library, 100 street between Amsterdam and Columbus.

19 COMMISSIONER LEVY: Okay. I'm happy to
20 look at it.
21

COUNCIL MEMBER BREWER: You'll look at it, okay.

COMMISSIONER LEVY: [inaudible] to EDC and then follow up.

COUNCIL MEMBER BREWER: Thank you very much. Thank you, Madam Chair.

CHAIRPERSON SANCHEZ: Thank you, Council Member Brewer. Whatever- all the things she said, co-sign, every time. Thank you so I want to move toward uncollected fines and charges. As I was discussing with the Department of Buildings earlier today, there's an alarming gap between the amount of fines and penalties issued by our agencies and then those that are collected. And I understand at HPD we're looking at 80 to 85 percent of fines and charges not being collected. So, first question is, can you give us a breakdown of the amount of HPD charges and fines that are issued versus how many are collected, say for the last fiscal year, and can you share your assessment of why that is? Is it finance collecting? Is it you?

COMMISSIONER LEVY: So, I can. So, let me start with where collections are generally higher, and that is in the ERP program. So, last fiscal year

we levied or- let's use the term levied- \$26 million in fines. That has generally been hovering around a 70 percent collection rate. So that's much higher. The numbers then go a little lower as we get into the AEP program. There was \$5 million of charges in 2025, of which only 30 percent was collected, and then in our debt emergency demolition program it's about \$24 million that was levied, and around 13 percent collection. If I could just- I mean, I don't know this for a fact, but I can give you my instinct as to why collections are down in both AEP and in demo. These are obviously the more distressed properties. In the case of demo, there's property, and so I believe the incentive in those cases- well, I think in the AEP program it's financially challenging for those owners who are obviously both physically and financially distressed. I think in the demo- again, this is like somewhat speculation on my part- there's less incentive to pay when you've already lost the building. That said, I will just say with all due respect, I do think the purpose of these programs is less about collecting fines and more about forcing compliance. So, you know, where we see 199 buildings being discharged last year from

1 the AEP program, we assume that's good and that we're
2 getting to the point, right, which is compliance
3 first and foremost.

4 CHAIRPERSON SANCHEZ: Thank you. And I
5 know there- well, first just a narrow question on
6 distressed properties, the demolition component of
7 this- are those fines- is that amount levied? Is
8 that going to become a lien against that property?

9 COMMISSIONER LEVY: Yeah, so all of the
10 uncollected and collect- well, all of the charges
11 initially go to DOF for collection, and when not paid
12 convert to tax levies.

13 CHAIRPERSON SANCHEZ: Got it. And there
14 is an increased budget line, and I'm losing it in my
15 rolling document here. But there is increased- there
16 is a need for emergency demolition in this year's
17 budget. Can you help us understand why that is and-

18 COMMISSIONER LEVY: [interposing] Yeah.

19 CHAIRPERSON SANCHEZ: Yeah. What can we
20 do to reduce it?

21 COMMISSIONER LEVY: So, if I'm to be
frank, I don't think it represents necessarily an
increase in the number of buildings where emergency
demolition has been called for by an order by DOB. I

1 think it really has to do with just the general cost
2 of construction, in this case deconstruction, but
3 because it is generally the same idea, right? All
4 cost is going up when it comes to this type of work.
5 So I think that is why we're seeing an increase in
6 cost of demolition.

7 CHAIRPERSON SANCHEZ: Thank you. And HPD
8 does that work through contractors, right?

9 COMMISSIONER LEVY: Correct.

10 CHAIRPERSON SANCHEZ: And can you tell us
11 what percentage of those emergency demolition
12 contractors are M/WBEs?

13 COMMISSIONER LEVY: Yeah. So, there's
14 about 125 prequalified contractors on that list, and
15 I believe 76 of them are M/WBE. Sorry? I'm getting
16 corrected. Oh, sorry, I was quoting you the correct
17 numbers for ERP not for the demo contracts. We don't
18 have it here, but we will get you that information.

19 CHAIRPERSON SANCHEZ: But it's good to
20 know for ERP. I was going to follow up. Okay. So
21 for emergency demo, we'll circle back. The current
fines for hazardous and immediately hazardous
violations are comparatively low. After an initial
fine, owners are only required to pay \$25 to \$125 per

1 day for B class violations and \$50 to \$150 per day
2 for C class violations. For how many owners this is-
3 I don't know if you can answer this, but for how many
4 owners does this become simply a cost of doing
5 business and would the Department consider working
6 with the Council to raise these fines for repeat
7 offenders or those who have consistently failed to
8 correct these violations?

9 COMMISSIONER LEVY: Yes. I want to make
10 sure I don't jump ahead of my colleague [inaudible]
11 but I would say, we would be happy to sit down and
12 have that conversation. Again, I think our primary
13 goal is compliance more than collecting or, you know,
14 levying charges. But again, you are correct it is a
15 deterrent. Right? And if it is not serving as a
16 sufficient deterrent, I think we should definitely
17 have a conversation about whether increasing those
18 finds might.

19 CHAIRPERSON SANCHEZ: Thank you. Do you
20 want to add anything, Deputy Commissioner?

21 COMMISSIONER LEVY: Checking with the
boss.

CHAIRPERSON SANCHEZ: She started. She
started it. Read the body language. Okay. Okay, so

1 moving to emergency housing. According to the PMMR,
2 the average length of stay in emergency housing
3 increased the most in the first four months of fiscal
4 year 2026 for adult families from 445 days to 494
5 days, and for families with children from 300 to 353
6 days. HPD attributes this increase to families being
7 impacted more by fires, vacates, and housing
8 availability. Makes sense. So, how does HPD plan to
9 work with other agencies to better prepare for
10 emergencies like fire and winter storms? Can you
11 explain the reduction of \$136.3 million of city funds
12 in the emergency housing program given these
13 increases? Can you explain the removal of emergency
14 funding for asylum-seekers, and are all HPD shelter
15 contracts expiring in fiscal 27?

14 COMMISSIONER LEVY: Okay. So, starting
15 with the vacate orders, Council Member, it is true it
16 is taking a very long time to get folks back into
17 their homes after a vacate order is issued for
18 whatever reason, whether it's a legal occupancy or
19 whether it's a fire. I think you may know a little
20 from our conversation. This is a high priority for
21 me and figuring out how to get owners particularly
where there's been a fire to repair their buildings

more quickly. It's challenging, but it is definitely a place that we need to pay some attention, and if they will not repair the building, perhaps there are alternative ways to remove them from the buildings. So, that is something we're definitely exploring. We currently have 800 as of now families living in our shelters. That's across our 14 SROs and our three family shelters. In terms of who's been moving out, in 20- fiscal year 2025, 20 percent of those who left our shelter were able to go back to their original unit

CHAIRPERSON SANCHEZ: 28 percent.

COMMISSIONER LEVY: 20, 20 percent. 60 percent of families who left our shelter moved into new housing and 40 percent of single adults left our shelter also moved into new housing. I think one of the big challenges here again, and not just eliminating factor of units not getting repaired quickly is that we also as we've discussed have limited Section 8 tools available to us at the moment. That said, I do want to point out that through the state housing HAVP program, like the vouchers that were allocated by the Governor and the Legislature who will be making about 330 of those new

1 vouchers available to folks across our shelter
2 population in order to get them out. So, we'll
3 obviously be targeting folks who have been out of
4 their buildings the longest, and because I gave you a
5 long answer, I forgot the second part of the
6 question.

7 CHAIRPERSON SANCHEZ: Do I remember the
8 second?

9 COMMISSIONER LEVY: Oh-

10 DEPUTY COMMISSIONER CAPHART: Yeah, I
11 just want to jump in also, because Council Member,
12 you mentioned about emergency housing funding being
13 reduced. I just want to clarify-

14 CHAIRPERSON SANCHEZ: [interposing] That's
15 part of the question. Thank you.

16 DEPUTY COMMISSIONER CAPHART: Sorry,
17 excuse me. I just want to clarify that that's in
18 reference to our asylum-seeker program. So what
19 happened is that the funding that is now budgeted for
20 that program is also in the same funding area where
21 emergency housing service is, and that's because as
you mentioned our HERRCs, our emergency shelters,
[inaudible] down to one shelter at this point, and
that shelter is scheduled to close this year. And so

1 as a result of that, we will now see money in the
2 out-years to support that shelter. Our asylum-seeker
3 funding was over \$120 million and that funding is
4 only in this fiscal year and it goes away next fiscal
5 year because the program is winding down. I will say,
6 though, for the [inaudible] last shelter that we have
7 open, it may stay beyond June. we don't know yet,
8 but just- it was on schedule to close this fiscal
9 year, that's why no funding is reflected in this
10 fiscal year. It is open beyond this fiscal year,
11 then we'll work with our colleagues at OMB to ensure
12 that we do have funding in our budget to cover the
13 cost for the shelter for next fiscal year. Now, on
14 emergency housing services specifically we did see an
15 increase in our budget, because we did get- one of
16 the new needs items that we got was four our
17 single-room occupancy shelters for single adults. So
18 we did see a small rate increase for providers there.
19 And so we did see an increase in our budget to
20 support that. So, the funding for emergency housing
21 services actually went up instead of going down.

CHAIRPERSON SANCHEZ: And that was \$1.6
million?

DEPUTY COMMISSIONER CAPHART: No, actually it was \$2 million. \$1.6 million this year, and then \$2 million in the out-years, each year in the out-years.

CHAIRPERSON SANCHEZ: Thank you. Just to- bless you. Just staying on asylum-seekers for a moment. Where are they going?

DEPUTY COMMISSIONER CAPHART: So, there is a plan. So, right now for asylum-seeker programs we have our sister agency, the Mayor's Office of Housing [inaudible] Operations handle asylum-seeker operations in partnership with the Office of Asylum-seeker Service Operations, and so the plan overall as we know is to have those transitions into the regular DHS system. That's a plan that is still being worked out. It's not been finalized yet. But HPD is not at forefront of that plan. And so we'll have to get more information from our sister agencies around that plan, but the idea is that the- any migrant or asylum-seeker left in our last remaining shelters is supposed to be transitioned into regular shelter system.

CHAIRPERSON SANCHEZ: And who is being housed? What were the characteristics of the households or families being housed in the HERRCs?

DEPUTY COMMISSIONER CAPHART: Single adult men.

CHAIRPERSON SANCHEZ: Single adult men.

DEPUTY COMMISSIONER CAPHART: In the last remaining shelter, yeah.

CHAIRPERSON SANCHEZ: Thank you. So, the Council should be seeing a shift in the HERRCs- in HPD's HERRC funding somewhere else.

DEPUTY COMMISSIONER CAPHART: As far as HPD, yes. If you look at our budget right now, we do not have funding for contracts for asylum-seekers in our budget for the out-years. And again, the caveat there being that if this last shelter stays open beyond this fiscal year, then there will be funding reflected. But as of this point, it's not.

CHAIRPERSON SANCHEZ: Thank you. And then just rounding out the question on families exiting from HPD shelters, from emergency housing shelters, what percentage of those have either a Section 8 or access to CityFHEPS or some other kind

of rental assistance for the ones that are going to a new home? Or back to their old home?

COMMISSIONER LEVY: So, at the moment we have the set aside of the HAVP vouchers which is about 330 vouchers that we're going to make available to do the permanent transition out of temporary shelter and into permanent shelter. Beyond that, you know, we do not have at the moment the ability to issue new vouchers. These are the housing choice vouchers that we get annually. So, we are not able to offer more than right now the HAVP to this population. It is possible some of those households could qualify for FHEPS, but I don't have exactly what that window would be.

CHAIRPERSON SANCHEZ: Got it. But looking back, would two exits, say, in the last fiscal year- is it safe to assume that most of those families or households were not receiving vouchers to exit?

COMMISSIONER LEVY: I want to confirm with AnnMarie. Do we know? Yes, it's safe to assume it's what she said.

CHAIRPERSON SANCHEZ: Okay. Thank you. So moving on to Section 8 and Housing Choice

1 vouchers- according to the PMMR the utilization rate
2 for Section 8 Housing Choice vouchers over the first
3 four months of fiscal 26 was just at 87 percent which
4 is down two percentage points from the same time last
5 year. And over the same time period, HPD issued 20
6 percent fewer vouchers. Can you explain why there is
7 a downward trend on voucher issuance and utilization?
8 How many Section 8 vouchers are currently being
9 utilized? And please explain the increase in \$15.4
10 million in city funds and decrease in \$13.9 million
11 in federal funds to the rental assistance program?

12 COMMISSIONER LEVY: So, yes. Council
13 Member, let me start with the utilization. So, we
14 have between the federal government both the major
15 program which is Housing Choice vouchers and then the
16 smaller program, and including the HAVP vouchers,
17 we're basically a total of- I'm just doing the math-
18 about 44,000 families that are getting this ongoing
19 operating rental assistance. The utilization rate is
20 really a function of the shortfall situation that I
21 described in which we cannot issue new vouchers. So
we have in some cases the funding to allocate, but we
are unable to issue those vouchers while we're in
shortfall. That is a result of HUD having swept

reserved from HPD. so, we are working very hard with what partners remain at HUD to try to get out of shortfall, and then we will be able to issue new vouchers which should improve that utilization rate. On the capital side- or on the funding side, I was ask Gardea.

DEPUTY COMMISSIONER CAPHART: Yeah. So, Council Member, I will get back to you on the Section 8 changes there. Just trying to confirm as far as the exact figures, because- they- on the program, it may be our emergency housing voucher program. It's a program where it's funding in this year, but not reflecting the out-years, but we do have Section 8 funding, and we did see a slight increase in [inaudible] funding. So, I just have to confirm just to be sure. We can follow up with you in terms of the breakdown you just provided around Section 8.

CHAIRPERSON SANCHEZ: Thank you. Moving to Housing Access Voucher Program. In 2025, law makers allotted \$50 million for HAVP with \$32.5 million going specifically to the city and is projected to create between 900 and 1,100 vouchers in New York City. So, one, can you help us understand the delay and disbursement of these vouchers? What

has HPD been doing during this timeframe to make the program operational? And second, if the state were to increase HAVP funding to \$250 million per year, would HPD be able to administer these vouchers?

COMMISSIONER LEVY: Yes, Council Member. So, as I started to say, you're correct. We estimate it's about 1,000 vouchers, and we're going to be prioritizing about 330 of those for emergency shelter population. The remainder will be focusing on families in shelter, so all the different regular, you know, families who are living in shelter. And I am happy to report that that program is now operational and we started taking in applications and are processing people to get those vouchers. To your second question, of course, if we were to be given new resources through an increase in HAVP, we would 100 percent take those vouchers and use them.

CHAIRPERSON SANCHEZ: Thank you.

DEPUTY COMMISSIONER CAPHART: And just to add quickly to what the Commissioner just shared in terms of what we've been doing so far. We have to staff up for the program. We work with OMB to schedule headcount into our budget. So, you see a reflect in our budget from last plan out of 15 lines

1 that were added for the staff to staff up that
2 program so we can start ramping up, and as we do
3 issue vouchers, our budget be adjusted to reflect
4 what we expect to spend each fiscal year.

5 CHAIRPERSON SANCHEZ: Thank you. So, any
6 increase in the number of vouchers, if we were to see
7 these \$250 million materialize through the state
8 budget that would require additional staffing up at
9 HPD to process?

10 DEPUTY COMMISSIONER CAPHART: We'll see.
11 It might, but as we get more, we assess and see what
12 the needs are and work with our state partners and
13 OMB to increase our budget accordingly based on what
14 implementation would look like.

15 CHAIRPERSON SANCHEZ: Be an excellent
16 program. Go ahead.

17 COMMISSIONER LEVY: So, I was just going
18 to say, you know, now that the program is
19 functioning, I think having more vouchers- obviously
20 we get to incrementally larger numbers. You do need
21 additional staff. We can't say for sure where we
 would get. We were sort of guessing a little bit
 about what portion of the \$250 million would come to

us. We could guestimate that it would represent another 5,000 vouchers for us.

CHAIRPERSON SANCHEZ: Thank you. Housing Connect-

COMMISSIONER LEVY: [interposing] Yes.

CHAIRPERSON SANCHEZ: Our favorite- well, they're all our favorite topics. Okay. this month, the New York Housing Conference reported that it took about 27 months to lease 180 apartments in a newly-constructed apartment building in the Bronx for low-income renters. New York Housing Conference attributed delays to repetitive documentation requirements, inspection requirements, especially for tenants who use rental assistance like Section 8 and CityFHEPS. For example, even though the Department of Homeless Services determines if a household qualifies for an affordable housing referral, additional income eligibility reviews are conducted, and additional inspections are required even though this building just got it's C of O, and all of its approvals for a new building. What are HPD's current strategies and tactics to improve the HOusign Connect process especially for low-income renters. How does HPD currently work with DHS and HRA to streamline the

1 referral process for the homeless? And one
2 recommendation that the housing conference had is to
3 limit HPD oversight, step-by-step oversight, and have
4 more an audit process? How time intensive is
5 step-by-step oversight of the marketing plan for HPD?

6 COMMISSIONER LEVY: Yes, Council Member.
7 So, again, it's been 10 weeks, but I'm- I can say
8 frankly I have spent a good chunk of that on Housing
9 Connect, and we have new staff at the agency who are
10 also working on Housing Connect. I do want to say
11 first in support of the team that built that system,
12 that oversees that system, it is very challenging,
13 challenging sort of tension that exists between
14 having a system that works well and quickly and a
15 system that is fair and transparent and, you know,
16 complies with fair housing. So there's just a lot
17 there, and they have been working really, really hard
18 to look at where the choke points are. I will say
19 we're all on the same page. It is not working. It
20 needs to be overhauled. I know there's a lot of
21 folks who have a lot of- I've been given three
different unsolicited proposals about what's wrong
with Housing Connect and what needs to happen. I did
want to take a look myself, and I have been deeply,

1 deeply engaged in it. I think we are getting close
2 and I hope as part of the SPEED initiative, this will
3 be- probably recommendations will be coming out about
4 what specifically we intend to do about Housing
5 Connect, but we are very much open to rally
6 significantly changing if not migrating to a new
7 system. On the DSS homeless shelter set-aside, there
8 too it has been too long. It is to over- there are
9 too many duplicative steps. I think those are all
10 fair comments. I am happy to report that has been
11 largely a spreadsheet email system which is not
12 working, and that we are moments away- and maybe we
13 can get Emily up here. Come up here. Emily up here
14 to say how many moments we are away, but we are going
15 to be launching, you know, a 21st century technology
16 solution to make that transfer of information and
17 getting folks out of shelter and into vacant units
18 much faster. It is to me unacceptable that we have
19 vacate units and people living in shelter with a
20 FHEPS voucher. But Emily here who's been doing all
21 the hard work will tell you.

CHAIRPERSON SANCHEZ: Thank you.

COMMISSIONER LEVY: Oh, you have to swear
in?

CHAIRPERSON SANCHEZ: Yeah.

COMMITTEE COUNSEL: Please raise your right hand. Do you affirm to tell the truth, the whole truth and nothing but the truth and to answer all Council Member questions honestly?

ASSOCIATE COMMISSIONER OSGOOD: Yes I do.

COMMITTEE COUNSEL: Thank you.

ASSOCIATE COMMISSIONER OSGOOD: We are working closely with the Department of Homeless Services and HRA constantly at HPD on our homeless placements process and have been for years. It has taken- we've had a tech development process to role out what will modernize emails, spreadsheet, a very old access database into an actual system that coordinates, provides clear and transparent data and tracking of our homeless referral process this spring. We're very excited about that. It is in the testing phase right now, and we're eager to show it all to you as soon as it is ready for a demo.

CHAIRPERSON SANCHEZ: Great. I hope you hire at DJ and have a big sufficient- that's great to hear. That's been a very frustrating point that we've talked about a lot over the last few years. Okay, let's see. I just like to jump around on my

1 questions list. My apologies. Thank you. This is
2 not on my questions list, but because I'm looking at
3 Michael. I wonder in terms of the housing plan that
4 the Mayor's going to be putting forth- I'm sure HPD
5 is essential if not integral to that process. What
6 can we expect in terms of- well, you mentioned it in
7 your testimony that the Fair Housing framework
8 interpretation- but what level of detail can we
9 anticipate in terms of, you know, community district
10 targets for development, preservation? Are there
11 going to be- is there going to be more neighborhood
12 planning that's going to be in outgrowth of the
13 housing plan? How are you all thinking about the big
14 pictures?

15 COMMISSIONER LEVY: Yeah. I think
16 there's three focal points that I can peak to, but we
17 could also have Michael come up and elaborate if need
18 be, but the first is really a citywide assessment for
19 where there is low affordability areas. And the
20 second are extremely specific actual production
21 targets for how much housing needed by community
district. And then the third is this strategic
equity analysis that HPD has committed to the council
do to really evaluate any of the changes, the Zoning

changes that were included in City of Yes and elsewhere are having an impact of any kind on production of extremely low-income units. And I think- Michael, please correct me if I'm wrong. I think of this is expected out in the fall.

CHAIRPERSON SANCHEZ: The plan is expected in the fall or the fair housing component?

COMMISSIONER LEVY: Well, I guess they're fighting to come up here.

DEPUTY COMMISSIONER SANDLER: Okay, let's do this. If you're from the administration, and think you're going to come up to the dais, just raise your right hand. Okay.

DEPUTY COMMISSIONER SANDLER: I'm new.

COMMITTEE COUNSEL: Do you affirm to tell the truth, the whole truth and nothing but the truth and to answer all Council Member questions honestly? And when you come up to the dais, just state your name. Thank you.

DEPUTY COMMISSIONER SANDLER: Michael Sandler. So, I think the fair housing framework will be implementing that. [inaudible] be released in the fall. The housing plan agencies and City Hall are working on together right now and expect the two to

1 speak to each other, and I don't know if you have
2 anything to add there?

3 DEPUTY COMMISSIONER JOFFE: Yeah, just
4 that we- that analysis is really important to us, so
5 we are going to take the time that is required to do
6 a full assessment of it. It will build off of where
7 we live as we've talked about. The housing plan, all
8 of the things will work together. That analysis is
9 really important to us, so we are going to take the
10 tim that is required to do a full assessment of it.
11 It will build off of where we live. As we've talked
12 about the housing plan, all of these things will work
13 together . But that exact analysis we are not going
14 to be able to complete any earlier than the time that
15 we had negotiative [sic] talks.

16 CHAIRPERSON SANCHEZ: THank you. T hat's
17 really helpful. A lot of fund reading coming our
18 way. Okay, asset management within the agency it's
19 been along time since we've talked about HPD's asset
20 management function at a hearing. So, I'm wondering-
21 you know, thank you for the outline of, you know, the
number of Mitchell-Lama properties and 485X
properties and all the rest. I'm wondering if you
just provide some 101 about what is it- and I'm sure

1 it can vary by type of regulation or regulatory
2 agreement. But what are you asking properties that
3 HPD manages? What does- what do Mitchell-Lama's have
4 to share with you? What are you overseeing? What
5 about Article XI properties?

6 COMMISSIONER LEVY: Yeah. I think it's a
7 great question, and I think actually we are kind of
8 taking a fresh look at all of that, because we know
9 there is so much distress even within the affordable
10 housing stock. There are- for the Mitchell-Lamas
11 there are financial documents that they are obligated
12 to send to us. I can't frankly recall what- maybe you
13 can help us- whether that was a new requirement or an
14 old requirement, but we do now have like a list of
15 financial documents that the Mitchell-Lamas need to
16 report to us every year. For the HDFC co-ops, there
17 are about a thousand of those in the city and only
18 about 280 of them have a regulatory agreement with
19 us. So those are the ones where we do have asset
20 management responsibility. We can go out and inspect
21 the buildings. We can check on their financial
 health. They can come back to us for additional
 financial assistance. I'm just going to say frankly
 to you I think one of the places we need to spend

1 some time is digging in a little deeper into how all
2 of those portfolios are- and buildings are
3 performing. And I do think like the private stock,
4 they are struggling with things like insurance and
5 with taxes and with utilities. And so we are looking
6 really hard at ways to bring more stability to those
7 profiles [sic], both the rentals and the co-ops,
8 particularly in the Mitchell-Lama set.

9 CHAIRPERSON SANCHEZ: For the thousands
10 HDFCs, you say 280 have a regulatory agreement. The
11 rest of those, who is sort of responsible- is it us-
12 for oversight of their affordability restrictions?
13 Are they getting- are they getting-

14 COMMISSIONER LEVY: [interposing] Thank
15 you, Council Member. So, there's- yeah. It's
16 delicate. You know, we can't- we don't directly
17 regulate them. They do, I think, in most cases have
18 an Article XI tax abatement which does subject them
19 to like scrutiny from say the Attorney General's
20 office, but we don't have any kind of asset
21 management relationship to them. We do have a
contract, I think you know, with UHAB [sic], who goes
out and provides technical assistance to HDFCs and
they will work with more than just those that are

1 under regulatory. So they have technical assistance
2 support through that contract, but it is- truly,
3 they're private, as private as in much as they're not
4 city government regulated.

5 COUNCIL MEMBER BREWER: I would say,
6 particularly Manhattan where it's very lucrative to
7 put your 1099 and then put money under the table.
8 And I see it many times. So, I wish that we could
9 have more regulation on it, but it's controversial
10 because they don't want regulation on them, and so I
11 think it's a longer discussion.

12 CHAIRPERSON SANCHEZ: But these-

13 COUNCIL MEMBER BREWER: [interposing]
14 We're losing out on HDFCs being affordable as a
15 result.

16 CHAIRPERSON SANCHEZ: And these 1,000
17 minus 280- okay. But the non-280, they are subject
18 to receiving damp [sic] right?

19 COMMISSIONER LEVY: You're asking if the
20 non-regulatory get the damp [sic] tax cap? That's a
21 good question that I don't know the answer to. Let
us- somebody in this room knows, so we will get you
an answer. I know they get an Article XI, but I

1 don't know if they actually are eligible for the damp
2 tax cap if they're not regulated.

3 CHAIRPERSON SANCHEZ: Okay. Thank you.
4 Yeah, it's always been a conversation about how do we
5 get them back into regular discussion with the city.
6 Speaking of UHAB, how much is included in the FY 27
7 Preliminary Budget for that contract compared to past
8 fiscal years, and how many of these HDFCs are they
9 reaching?

10 DEPUTY COMMISSIONER CAPHART: Excuse me.
11 Thank you, Council Member. So, for UHAB right now,
12 as far as state funding for that contract, we are
13 somewhere around about \$1.3 million per year for that
14 contract. But again, as needs increase, we work to
15 see how best we can provide additional funding as
16 needed.

17 CHAIRPERSON SANCHEZ: And the reach?

18 COMMISSIONER LEVY: So, I would need to
19 get specifically that information for you, and then I
20 can only talk about it when I was there 20 years ago
21 [inaudible] but today I would like to get an update
number you.

CHAIRPERSON SANCHEZ: How many were you
[inaudible].

EXECUTIVE ADVISOR HORNBAACH: Did you want to- we can clarify what the requirements that we oversee as part of the Mitchell-Lama. No, the Mitchell-Lama compliance. Essentially, as part of the new requirements we do have annual certifications that boards are following the requirements specified in the rules. That includes annual apartment inspections, the rent rules. They submit monthly financial documents to us. So, that is part of the new required financial oversight that we see, but we also have longstanding financial requirements that we just like certified as part of our annual compliance.

CHAIRPERSON SANCHEZ: Got it. Thank you. I'd love to understand that better. I don't remember where we had or who I had this conversation with, but we need to remove Mitchell-Lamas from the AVP [sic] program. Does not make sense to fine them repeatedly for, you know, their operational issues, their physical challenges when, you know, these are affordable homes that are already struggling. Okay, thank you. I'd like to acknowledge that we're joined by Council Member Restler. Would you like to ask your questions?

COUNCIL MEMBER RESTLER: Thank you so much, Chair Sanchez. Appreciate your tremendous leadership of this committee. Commissioner, congratulations. It's nice to meet you. I wanted to ask about some legislation that we passed at the end of last year to mandate- they put these screens up that are just pictures of ourselves, talking to ourselves. It's very strange. It's not a computer. It serves no function. It's just to see myself while I'm talking. No, do you disagree with me? It's totally useless. I'd rather have the space for my laptop, as Pierina would, too. But I digress. At the end of last year, thanks to some tremendous work on the part of some of the staff at HPD including the former Commissioner and others across city government at the Law Department and MOCEJ in particular, we passed legislation that is groundbreaking to mandate indoor cooling- mandate access to indoor cooling for every tenant in New York City. This is going to be a major C change for HPD. No longer will cooling season be a time for Deputy Commissioner Santiago's team to catch their breath. I'm sorry to say. Well, I'm not really to say. Sorry, I didn't mean that. But wanted to understand as you're coming into this new role

1 with many, many priorities on your plate, has the
2 agency begun to look at planning on this initiative,
3 what the undertaking of public awareness campaigns,
4 educating landlords, educating tenants, and also, you
5 know, what will be the needs for the agency to be
6 able to successfully implement this law? We do have
7 a couple of years to get our- a few years to get
8 ourselves organized, but it's going to take that long
9 for a law of such scale and consequence.

10 COMMISSIONER LEVY: Yes. Thanks, Council
11 Member. Nice to meet you. So, I'll start just by
12 saying I haven't had a chance yet in my 10 weeks to
13 get deep into this, though I want to say at the top,
14 you know, I worked for the state and there one of my
15 duties was overseeing resiliency and energy
16 efficiency improvements, and so this is hugely
17 important. We agree. Climate change we know is
18 getting worse and heat is probably the number one
19 risk to citizens, right, tenants, homeowners, so it's
20 hugely important that this has happened. In terms of
21 getting up to speed on this, not yet. We might have
Lucy here who's already sworn in and can come up and
maybe give you an update on where we are in

1 implementation. If there is more to say- where's
2 Lucy?

3 DEPUTY COMMISSIONER JOFFE: Hi, Council
4 Member. Thank you for that question. AnnMarie and I
5 were grateful to be working with you and your team on
6 this legislation for a while. It is an issue that we
7 care deeply about and is reflective of our current
8 circumstances, of course. We recognize that there is
9 a lot to do to comply with this law. We look forward
10 to continue to working with the Council in terms of
11 some of the upcoming deadlines we are working with
12 OMB to ensure that we're prepared for some of the
13 more immediate parts of the law, but generally we'll
14 look forward to continue to working more generally on
15 how we address this issue.

16 COUNCIL MEMBER RESTLER: Yeah. Look, I
17 wasn't expecting for you to say, Commissioner or
18 Associate Commissioner, that there's been a
19 tremendous amount of progress done in the, you know,
20 10 weeks that you've been there or 10 weeks since we
21 passed the bill, but I raise it because it is such a
substantial piece of legislation. It's going to
require years of planning and coordination, and I
want to be an active partner with Deputy Commissioner

1 Santiago and with the agency as a whole and making
2 sure that you all are resourced appropriately to be
3 able to effectively implement this and that tenants
4 have an understanding of their new rights to ensure
5 safety. Because as you know, extreme heat is by far
6 the number one killer for climate-related deaths.
7 Nearly 600 New Yorkers die every single year from
8 extreme heat. We can save lives and we will with
9 this legislation as long as we implement it
10 effectively. So, looking forward very much to
11 working together on affordable housing projects
12 across District 33. We have produced more housing in
13 Council District 33 than any other district in New
14 York City over the last 15 years. It's not
15 particularly close. And we hope to produce a whole
16 lot more, especially affordable housing where folks
17 in our community just like every other are getting
18 priced out. So, we'll look forward to meeting
19 one-on-one to go through some specific projects in
20 the district, and as always appreciate Chair
21 Sanchez's great leadership of this committee, and
22 thank you for the time today.

 COMMISSIONER LEVY: Absolutely. Thank
 you.

CHAIRPERSON SANCHEZ: Thank you, Council Member Restler. I just wanted to go back to a question that I don't think we got to earlier when we were talking about City of Yes and Homeowner Help Desk and all of that. Can you give us a breakdown of households served per program? How many have gotten downpayment assistance? How many have gotten Home Fix?

COMMISSIONER LEVY: So, the numbers for- the combined numbers of new production, so that would primarily through Open Door and ANCP- this is in calendar year 2025- was about 136 units. I'm sorry, that's wrong, 336 units that were produced. Through the downpayment assistance program, we reached 142 first-time- I don't know if they were all first time, but homebuyers, new home buyers. I would say, you know, we are looking hard at how to expand that program as well as the Home Fix program. You know, we do that program in partnership with the Center for New York City Neighborhoods. It's been a little slow-going, but I think we've just sort of made some strides in getting that up and running. So, that is actually what we did historically, and again,

homeownership is very close to me. So, something I'm looking to do more of as we keep going.

CHAIRPERSON SANCHEZ: Got it. Got it.

So, 142 households, and this is the eligibility for the downpayment assistance program is very specific income levels, right?

COMMISSIONER LEVY: Correct.

CHAIRPERSON SANCHEZ: Okay. So that tells us how much. And then for Home Fix, do you have a number of households?

COMMISSIONER LEVY: I don't have the Home Fix numbers in front of me, but I'm sure we can get them here. So, 53 units. Which I think we would agree is low, but again, hopeful that that program is going to pick up now that we've had some changes with the program and met with the center to figure out how to get it moving.

CHAIRPERSON SANCHEZ: Thank you. Two more rounds of questions and then Council Member Brewer, since you're rocking out with me, if you have anything else let me know. Great. Okay. Do you want to ask it now?

COUNCIL MEMBER BREWER: So, in terms of the Housing Connect, artist housing, it doesn't fit

1 into Housing Connect, and because of the way in which
2 artists get their- paid. So, I just- Melissa
3 Mark-Viverito did PS109, and there hasn't been much
4 since. There have been some in the way past. So, I'm
5 just- hopefully, you can put on your agenda artist
6 housing. We desperately need it for our city.

7 COMMISSIONER LEVY: You mean the creation
8 of new-

9 COUNCIL MEMBER BREWER: [interposing] Yes,
10 affordable, affordable housing for artists. It's
11 obviously a city that thrives on our artists and
12 they're leaving in droves and may not come back. I
13 just want to bring it to your attention. I know
14 Fordham's got their 25-year plan going and Lincoln
15 Center. I'm going to urge them working with you to do
16 artist housing. They're right next to Lincoln Center,
17 but I'm just- in general, I'd love to see and
18 hopefully the Chair agrees as part of any affordable
19 housing program that we consider artist housing.
20 Thank you.

21 COMMISSIONER LEVY: Understood.

CHAIRPERSON SANCHEZ: Thank you.

COMMISSIONER LEVY: We will definitely
set up a time to discuss.

COUNCIL MEMBER BREWER: Excuse me?

COMMISSIONER LEVY: We would just love to set up a time to discuss that after this hearing.

COUNCIL MEMBER BREWER: I have a long list already for you. Thank you.

COMMISSIONER LEVY: Alright, I look forward to it.

CHAIRPERSON SANCHEZ: Thank you, Council Member Brewer. So, I want to turn to this fascinating article that Gothamist put out a couple of weeks ago, maybe days ago, [inaudible]. A recent analysis from Gothamist found that nearly 10 percent of roughly 1,600 residential buildings that have opened since 2016 have at least one housing code violations per apartment. That set of properties averages 2.1 violations per unit compared to 0.8 average per unit citywide. Each building in the analysis received a property tax abatement through the states 421A program, and a lot of these are considered luxury apartments or luxury buildings. What corners are being cut in the new construction that we're seeing and why? Is it materials? Is it labor? What is happening to lead to this low quality of new buildings?

COMMISSIONER LEVY: So, I would be a little careful here, Council Member, not to speculate too much, and I understand, we read the same article. What I can say is obviously these are generally private buildings. They're not buildings financed by HPD, so it's a little hard for us to sort of see through what is going on there. Is it a trend? Is it a trend across, you know, a subset of developers? Is there anything more to be done? What I will say is, you know, they like any other person in the city whose subject to the housing maintenance code can call 311 and when they do call, AnnMarie and her team go out and inspect and record violations, and then expect those violations to be cured. I would say, we would need a little time to look into this and to see whether or not there is actually a pattern and whether that pattern is, again, project type specific or developer type specific. It's a little challenging because we don't finance those buildings.

CHAIRPERSON SANCHEZ: Got it. And we don't have a- speaking of regulatory agreements and HPD oversight over 421A buildings? Are we able to ask any questions about-

COMMISSIONER LEVY: [interposing] We only have there I think a recorded deed structure for the set-aside units that happen, but we do not have a regulatory and they have no reporting obligation back to us.

CHAIRPERSON SANCHEZ: So, how do we know that those units remain affordable? How do we know as a city?

COMMISSIONER LEVY: That's why we have the deed recording for the set-aside specifically, but for market rate units we don't have any oversight.

CHAIRPERSON SANCHEZ: And is HPD monitoring those in any way? Is there any kind of auditing that we're doing to make sure that-

COMMISSIONER LEVY: We do track all the set-aside units, and at turnover, they have to go through the same process that the original- so, right, in the first generation, second generation, third generation rentals, so they'll have to go through the same process which will soon, as you just heard, be vastly improved by getting off paper and into a 21st century system.

CHAIRPERSON SANCHEZ: Magical sometimes the way that government works. We're talking about all of, you know, AI takeover, but not within our agencies yet. Until now. Okay. The last set of questions I just wanted to ask was to get a sense of vacancies by Department. So, what are vacancies in inspectorial, in the code enforcement, among inspectors? What is vacancy looking like in the Office of Development? It's been a longstanding conversation and I just want to continue to be an advocate, that if we are able to completely more and more just increase our staffing at HPD, that will have dividends for the rest of the city.

COMMISSIONER LEVY: So, do you want me to do it, or do you want to do it? Okay, Gardea's going to share with you the-

DEPUTY COMMISSIONER CAPHART: So, thank you for the question, Council Member. So, starting just with the specific title you're asking about, as it relates to our Project Managers in our development programs we have- we budgeted to have about 114. We allocate our headcount about 114 headcount to project managers and project managers series. As of January, end of January, we had about 89 staff active, but 25

vacant. So, that's roughly about 22 percent vacancy rate for that area. And then for our inspectors, for the field inspectors and the supervisors combined we have 459 total lines that we allocate to those titles. We have about 372 active totals, another 87 vacant. So that's about a 19 percent vacancy rate for those particular titles. But as the Commissioner mentioned before, just overall for the agency we're looking about roughly 15 percent vacancy rate. We are however definitely excited about being close to lifting the two-for-one hiring freeze so that we can move full speed to fill the remaining positions that we have.

CHAIRPERSON SANCHEZ: Thank you. What is the vacancy rate and code enforcement?

DEPUTY COMMISSIONER CAPHART: So, for code enforcement overall- just one minute, let me grab that. So, for code enforcement overall we're looking at about 15 percent vacancy rate.

CHAIRPERSON SANCHEZ: 15?

DEPUTY COMMISSIONER CAPHART: Yeah, roughly about 15 percent for that office. That's for all the titles, not just the inspectors.

CHAIRPERSON SANCHEZ: Okay. What about inspectors-

DEPUTY COMMISSIONER CAPHART:
[interposing] Oh, that's- let me go back.

CHAIRPERSON SANCHEZ: And AMS [sic] is on deck. She's got the body-

DEPUTY COMMISSIONER CAPHART: Yeah. So, I'll go back. So, for the inspectors [inaudible] inspectors and supervisors, that's why I mentioned earlier the total lines we allocate to those titles is about 459 total. We have active roughly over 372, vacant 87, roughly 19 percent vacancy. That's for the inspector series.

CHAIRPERSON SANCHEZ: What are we doing? What are we doing to address these? Question one. Question two is who has HPD assigned to be the Chief Savings Officer, and are these positions on the chopping block?

COMMISSIONER LEVY: So, we've named our Chief Compliance Officer as the Chief Savings Officer, and we have been working frankly as a team in the executive. So myself included have been pretty embedded in this exercise. We believe we have identified the savings that we're being asked to find

in both 2026 and in the out-years. It's 1.5 percent and 2.5 percent respectively. This will not come from any of our essential services or reduction in staff in any of our critical programs.

CHAIRPERSON SANCHEZ: Okay. Definitely not the inspectors. They can bring in a lot to the city.

DEPUTY COMMISSIONER CAPHART: Yeah. No, just echoing the Commissioner, yes. And just to say in terms of your question about hiring, yes, we do bring in hiring classes and even during the hiring freeze that we're going through, we did have an exemption for inspectors because we recognize how important those positions are. So, we have modified one-for-one as opposed to the across-the-board two-for-one hiring. And we'll just continue to make sure we fill positions as soon as we have the hiring freeze, the two-for-one and the one-for-one part lifted.

CHAIRPERSON SANCHEZ: Got it. Thank you. So, I have a couple of more follow-up. I don't have them written out right now, but I had some questions about term- actually, maybe I do have them. Let me

see. Term sheet investment. So, just a quick general question while I find my actual question.

COMMISSIONER LEVY: Sure, sure.

CHAIRPERSON SANCHEZ: Term sheets have been updated. Are we seeing more interest from the development community? Are we seeing more applications to each position?

COMMISSIONER LEVY: So, we have no shortage of interest from the development community, Council Member. I'm very happy to say, you know, having worked outside of New York City and frankly outside of New York state, we have a massive and robust both nonprofit and for-profit affordable housing community here. The term sheets have been updated and it was obviously overdue, right? It'd been about five years, and I think it is more reflective of the cost environment that we're now in which is good. I do think we will continue to monitor that and work with OMB should we see any need for changes, whether that's because of like Local Laws that have passed or just because, again, the climate that we're in costs do continue to change, and unfortunately right now they're going up. Hopefully we can get to a point where we're actually

bringing them down, the cost of construction, in which case we would reflect that in our term sheets.

CHAIRPERSON SANCHEZ: Thank you. And then for- you highlighted Partners in Preservation. We also talk a lot about pillars. Any notable changes there in terms of what is allocated in the capital plan?

COMMISSIONER LEVY: Not at the moment, right? I think the program for Partners in Preservation is about \$5 million annually, and I think that is holding. Is that right, Gardea?

DEPUTY COMMISSIONER CAPHART: Yeah, and that's for expense dollars, not capital dollars. That's expense dollars. Yes, and it's \$5 million a year across fiscal years.

COMMISSIONER LEVY: And I would just say that they are, I think, a hugely important partnership to us and will be as we think about more strategic ways to utilize code enforcement at a sort of portfolio level. They'll also be working really closely with the Mayor's Office to Protect Tenants and Executive Director Weaver [sp?].

CHAIRPERSON SANCHEZ: Yeah. Great, excellent. Well, with that, I want to thank you for

1 your time, your testimony, the water that was good
2 luck for- it's just I'm really excited to know that
3 you, Commissioner, are focused on the worst of the
4 worst even as we're trying to build more, even as
5 we're trying to, you know, be very ambitious across
6 the HPD portfolio. So, thank you for your time, and I
7 look forward to pushing so that you can have even
8 more resources.

8 COMMISSIONER LEVY: Thank you.

9 CHAIRPERSON SANCHEZ: Alright, we have-
10 now, onto 30 people who are really excited to also
11 testify on affordable housing and buildings in New
12 York City.

12 [break]

13 CHAIRPERSON SANCHEZ: [gavel] I now open
14 the hearing for public testimony. I remind members
15 of the public that this is a formal government
16 proceeding and that decorum shall be observed at all
17 times. As such, members of the public shall remain
18 silent at all times. The witness table is reserved
19 for people who wish to testify. No video recording or
20 photography is allowed from the witness table.
21 Further, members of the public may not present audio
or video recordings as testimony, but may submit

transcripts of such recordings to the Sergeant at Arms for inclusion in the hearing record. If you wish to speak at today's hearing, please fill out an appearance card with the Sergeant at Arms and wait to be recognized. When recognized, you will have two minutes to speak on today's hearing topic of the fiscal 2027 Preliminary Budget for the Department of Buildings and Housing Preservation and Development. If you have a written statement or additional written testimony you wish to submit for the record, please provide a copy of that testimony to the Sergeant at Arms. You may also email written testimony to testimony@council.nyc.gov within 72 hours of this hearing. Audio and video recordings shall not be accepted. Going to take a one-minute recess.

[break]

CHAIRPERSON SANCHEZ: Okay. I actually forgot one question for the Commissioner. So she will be returning for that, but I just want the first panel to prepare. It is Tonya Ores, Johnson Gladstone, Angella Cummings, Richard Trouth- sorry if I'm saying your name wrong- and Yoselin Genao. So, you'll be right up. Just the Commissioner is going to answer one question. False ending. Commissioner,

1 thank you. Thank you for coming back. I did forget
2 to ask one question on the record that is really
3 important to the Council and we've talked about in
4 previous hearings. In January and February of this
5 year we had two major snow storms with several inches
6 of snow that the likes of which we had not
7 experienced in a very long time in our city's
8 history. And during that time we had devastating
9 losses in New York City. It is my understanding that
10 a total of 20 New Yorkers passed away this winter
11 because of the extreme cold weather within their
12 homes. So, 20 cases hypothermia within residential
13 spaces. First and foremost, I extend my condolences
14 to the families of these individuals and their loved
15 ones. And I just wanted to ask on the record if
16 HPD's- in HPD's investigations, have there been any
17 correlations between the unfortunate deaths in
18 relation to the heat complaints in mulit-family
19 buildings or otherwise?

20 COMMISSIONER LEVY: So, Council Member,
21 let me start by saying it's a terrible tragedy and we
 mourn the loss of those who passed during that very
 unusual weather front. There's really not much more
 to say about that other than it was a terrible

1 tragedy. We did do a deep dive into where these
2 deaths occurred, and we did not see a pattern across
3 any particular housing type. So, we do know that it
4 happened in single-family homes, in co-ops and in
5 multi-family buildings. We also know that none of
6 the buildings were part of our special enforcement
7 programs, and that only one of the units- or I'm
8 sorry, one of the buildings where the unit was
9 located where somebody did pass away had a recent
10 code violation complaint specifically related to
11 heat, but that we also have record that that
12 violation had been closed. So, again, we mourn the
13 tragedy. I don't think it was a housing maintenance
14 code-driven issue, but that doesn't make the loss any
15 easier.

14 CHAIRPERSON SANCHEZ: Thank you. Thank
15 you for coming back to answer that on the record.
16 It's really important to share that with the public-

16 COMMISSIONER LEVY: [interposing] I
17 understand.

18 CHAIRPERSON SANCHEZ: because it's been a
19 recurring question. Thank you, Commissioner.

20 COMMISSIONER LEVY: Thank you.

CHAIRPERSON SANCHEZ: For real this time.
See you later.

COMMISSIONER LEVY: Thank you.

CHAIRPERSON SANCHEZ: Thank you. And so
now, that first panel I called, you are welcome to
come to the dais. Tonya Ores- sorry- Johnson
Gladstone, Angella Cummings, Richard Trouth or
Trouth, and Joselin Genao. And whoever is ready can
begin right away.

TONYA ORES: Yes. Good afternoon, Chair
Sanchez and members of the committee. Thank you for
the opportunity to testify. My name is Tonya Ores. I
am the Chief Executive Officer for Neighborhood
Housing Services of New York City. I am joined today
by several long-time partners in community-based
housing services, Angella Cummings, Executive
Director for NHS Brooklyn, Richard Trouth, Executive
Director for Brooklyn Neighborhood Services,
Gladstone Johnson, Executive Director for Bronx NHS,
and Yoselin Genao-Estrella, Executive Director for
NHS Queens. Together, our organizations have served
New York City homeowners and neighborhoods for more
than 40 years. While we now operate as independent
nonprofit organizations, we continue to work closely

1 together to preserve home ownership and neighborhood
2 stability across the city. Today, we are united in
3 requesting \$1 million from the City Council to a
4 launch a citywide pilot property management program
5 to support small homeowners who are struggling to
6 maintain their properties. Across New York City,
7 many owners of one- to four-family homes find it
8 difficult to manage routine exterior maintenance.
9 For serious homeowners with disabilities or lower
10 income homeowner's tasks like snow removal,
11 landscaping, trash and recycle management and basic
12 site upkeep can become physically and financially
13 overwhelming. When these responsibilities go unmet,
14 homeowners may face violations, mounting costs, and
15 added pressure that can threaten housing stability.
16 For many homeowners, older homeowners who want to age
17 in place and more, many others who struggle with the
18 responsibilities, property management support can
19 make a difference between staying in their home and
20 having to leave it. This pilot program will provide
21 free property management services to eligible homes-

CHAIRPERSON SANCHEZ: [interposing] Can
you conclude?

TONYA ORES: helping them safeguard their homes that can be well-maintained. This first year, the program is expected to assist at least 95 units, and we're very excited about the program, and hopefully we'll be funded. I wanted to say about two more paragraphs-

CHAIRPERSON SANCHEZ: [interposing] You can go ahead. I was just about to say that.

TONYA ORES: Okay. Neighborhood Housing Services of New York City would administer the property management program and provide coordination, training and ongoing technical assistance to our neighborhood partner organizations. Through this collaboration model our partners will be equipped to deliver services directly within their communities, ensuring that homeowners have access to trusted locally based support. By strengthening the capacity of both homeowners and community-based organizations, this program will help prevent housing instability, protect small homeowners assets, and promote responsible property management. We respectfully request that New York City Council support this initiative as a practical and impactful step towards helping vulnerable homeowners remain in their home,

1 preserve generational wealth, and maintain the
2 strength of stability of neighborhoods. Thank you
3 for your time and consideration.

4 CHAIRPERSON SANCHEZ: Thank you.

5 GLADSTONE JOHNSON: Good afternoon, Chair
6 Sanchez and members of the committee. My name is
7 Gladstone Johnson and I serve as Executive Director
8 of Bronx Neighborhood Housing services. Thank you
9 for the opportunity to speak today. Today, we stand
10 together in requesting \$1 million from the City
11 Council to launch a citywide pilot program for
12 property management services. This investment will
13 support small homeowners who are struggling to
14 maintain their properties and keep them in their
15 homes across New York City and especially in the
16 Bronx. Many owners of one- to four-family homes are
17 facing multifaceted challenges for seniors,
18 homeowners with disabilities, and low income
19 homeowners. These challenges can show up as leaky
20 roofs left unrepaired. And lower income homeowners,
21 these challenges can show up as leaky roof- sorry-
 crumbling steps, and walls that are crumbling also
 causing safety hazards. Some of the homes that we go
 in, they're cluttered and unsafe and have unsafe

common areas, unsecure basements, water in their basements, failing boilers, and broken exterior light that leaves property vulnerable. When these seemingly minor areas are not addressed, they can quickly estimate into housing code violations, pest infestations, unsafe living conditions, and increased insurance costs, all of which put additional strain on families already on the brink. At the same time, we're seeing older homeowners fall behind on their property taxes and water bills. Major crisis in the northeast Bronx where we have a large housing stock. Making them vulnerable to tax lien sales, predatory rescue schemes, and deed theft. For many, the burden of coordinating repairs, vetting contractors and staying on top of city requirements is simply too much to manage alone. This pilot program would provide free property management services to eligible homeowners helping them keep their home safe, compliant, and well-maintained. In its first year, the program expected to assist at least 30 homeowners with an estimated total of 95 units. By offering organized maintenance, monitoring buildings conditions, and helping owners navigate city rules, we can prevent emergencies like fires, building

1 system failures and hazardous conditions before they
2 occur. And so we urge you, Council, to invest in this
3 pilot program, empowering trusted community-based
4 organizations like us here from the NHS's of New York
5 City, because we believe together we can protect
6 vulnerable residents, preserve affordable housing,
7 and stabilize our neighborhoods. Thank you for
8 allowing me to speak.

9 CHAIRPERSON SANCHEZ: Thank you.

10 CHAIRPERSON SANCHEZ: Where we're going?
11 We're going to Queens or Brooklyn? Brooklyn in the
12 house.

13 RICHARD TROUTH: Good afternoon everyone,
14 Chair Sanchez and the committee. My name is Richard
15 Trouth. I am the Executive Director for Brooklyn
16 Neighborhood Services. I'm here to support the pilot
17 program what would provide free property management
18 services to eligible senior homeowners to help them
19 keep their homes safe, compliant, and
20 well-maintained. Thus assisting them to age in place
21 in their own home. Bedford-Stuyvesant has been
designated the first horizontal NORC which is
Naturally Occurring Retire Community in District 36.
As result of that, we have a very significant number

of seniors that often are homeowners that need assistance. This work is very costly and hence homeowners are now retired and living on very fixed incomes and unable to afford these expenses. Aging pre-war buildings require a specific and often delicate repair processes, and property maintenance not only preserves the structure of integrity but also ensures safe and comfortable living conditions. Historically, these types of properties have given homeowners the ability to rent units to generate administration income to help offset their expenses. Unfortunately too many of these property owners are no longer able to manage the upkeep, and the units remain in deplorable and very often hazardous conditions, sometimes including the owner's primary unit. Navigating New York's very complex housing laws and regulatory systems can be especially challenging for a senior homeowner who most often is unfamiliar with the requirements and understandably intimidated by the process. Many seniors face mobility issues and other age-related challenges that make it very difficult for them to manage routine property responsibilities such as collecting rent, tenant screening, maintenance condition- coordination,

1 responding to tenant inquiries, complaints, preparing
2 lease agreements, and advertising vacancies. By
3 strengthening the capacity of both homeowners and the
4 community-based organizations, this pilot property
5 management program will help to prevent housing
6 stability, protect small homeowner's assets, and
7 promote responsible property management. Thank you.

8 CHAIRPERSON SANCHEZ: Thank you.

9 ANGELLA CUMMINGS: Good afternoon, Chair
10 Sanchez and others. My name is Angella Cummings. I
11 am the Exec Director of Neighborhood Housing Services
12 of Brooklyn. In the landscape of New York City's
13 housing crisis, small residential units are
14 frequently overlooked, yet they are indispensable.
15 In Brooklyn, these properties formed architectural
16 and social fabric of neighborhoods providing a
17 significant part of the boroughs unsubsidized
18 affordable housing. This buildings are not owned by
19 corporations. They're owned by families. Many of
20 these families have held their properties for
21 generations. Many are low to moderate-income
 individuals who rely on rental income, not to build
 empires, but to maintain stability, pay taxes and
 preserve their homes that anchor their communities.

And yet, these small property owners are often left to navigate a complex and unforgiving housing landscape alone. NHS Brooklyn saw the need to assist this population by creating an affordable property management program. This program was built on the foundational understanding that stabilizing these small landlords is the most effective community-centered strategy for preventing displacement, preserving affordable housing, and closing the racial wealth gap. It was created to move beyond crisis responses to offer proactive holistic mode for sustainable ownership. This property management program helped a single mother and landlord in Brooklyn how to manage her property's finance. She was enrolled in the program where she learned how to make small repairs around the house which helped to save her money. Through this program, she became eligible to receive a grant to hire contractor to completely repair her bathroom that had been an ongoing problem for her family. Our generations would like to affirm that small homes matter, that small landlords matter, that families who have kept Brooklyn's neighborhood vibrant for generations deserves support, not neglect. Programs

1 like NHS Brooklyn affordable property management
2 initiative program and NHS NYC affordable management
3 initiative are essential tools in the fight for
4 housing stability, racial equity and community
5 preservation.

6 CHAIRPERSON SANCHEZ: You may conclude.
7 You good? Alright. Extra points. Thank you.

8 JOSELIN GENAO-ESTRELLA: Thank you. Good
9 afternoon, Chair Sanchez and members of the
10 community. Thank you for the opportunity to testify.
11 My name is Joselin Genao-Estrella and I'm the
12 Director, the Executive Director of Neighborhood
13 Housing Services of Queens. For the past 30 years we
14 have been on the front line working with both
15 low-income homeowners and tenants to keep residents
16 stably housed. But I want to be clear, supporting
17 tenants and supporting homeowners are not mutually
18 exclusive. They are deeply connected. When we
19 stabilize homeowners we preserve affordable housing.
20 When we support tenants, we prevent displacement.
21 This is one ecosystem. Today, we are asking for \$1
 million investment in a citywide pilot property
 management program for small homeowners. As it was
 stated, every day we need older adults, working

1 families, and homeowners with disabilities who are
2 doing everything right but are overwhelmed with the
3 basic demands of maintaining their homes. Something
4 as simple as the snow removal or minor unkept can
5 lead to violations, fines, and mounting pressure that
6 can ultimately result in foreclosure or loss of a
7 home. This pilot program would provide practical,
8 on-the-ground support to help homeowners stay
9 compliant, safe, and stable. But this program alone,
10 this cannot be a standalone program. We urge the
11 Council as well to fully commit to continue housing
12 stability, including providing funds for foreclosure
13 prevention to keep families in their home and stay
14 planning for protecting generational wealth, and
15 resolve title issues, as well as provide- continue to
16 provide support for project help and emergency repair
17 programs to address urgent conditions before they
18 become a crisis. At NHS we see everyday how the
19 unsolved issues-

20 CHAIRPERSON SANCHEZ: [interposing] You
21 may conclude.

JOSELIN GENAO-ESTRELLA: Illegal barriers
can lead to a spiral displacement, but with the right
support, with the right time, and the outcome is

1 preventable. The reality is simple. When we lose
2 homeowners, we lose affordable housing. When we fail
3 tenants, we accelerate displacement. Invest in
4 property management pilot foreclosure prevention,
5 estate planning, and emergency repairs, because
6 keeping New Yorkers in their home is not just good
7 policy, it is our responsibility.

8 CHAIRPERSON SANCHEZ: Thank you. You
9 have all testified. Yes. Okay. What are eligibility
10 criteria your proposed for this pilot?

11 TONYA ORES: So, this is our free
12 services-

13 CHAIRPERSON SANCHEZ: [interposing]
14 [inaudible] No, I'm getting.

15 TONYA ORES: So, eligibility is simple.
16 It's one to four units, and we do provide a full home
17 assessment and a commitment from the homeowner to
18 work with NHS. Those- it could range from simply
19 maintenance services or a full-blown property
20 management program where we help safeguard the home,
21 especially for seniors dealing with tenants,
collecting rent, maintaining their expenses as it
pertains to taxes and insurance, and just monitoring
it on a regular basis.

CHAIRPERSON SANCHEZ: Got it. I mean, there's just hundreds of thousands of people- potential, right- of owners who might fall into this category. So how do you propose to limit it, or is it just first come first served?

TONYA ORES: It's low to moderate income.

CHAIRPERSON SANCHEZ: Low to moderate, okay.

TONYA ORES: Yes, yes.

CHAIRPERSON SANCHEZ: Got it. Yeah, I'm wondering how this program-

TONYA ORES: [interposing] With an extra emphasis on seniors. I just want to-

CHAIRPERSON SANCHEZ: [interposing] Seniors, okay. Low to moderate income seniors?

TONYA ORES: Yes.

CHAIRPERSON SANCHEZ: Not just- not both?

TONYA ORES: Low to moderate income and seniors.

CHAIRPERSON SANCHEZ: And seniors, okay. What was I going to ask? It's been a great couple of hours, right? With respect to the population you serve, right- one, is this an existing program in any of the NHS centers?

1 TONYA ORES: Yes, I had the privilege-
2 I've been with NHS for about two years, and I'm
3 coming from NHS Brooklyn, so NHS Brooklyn is here,
4 but we started the program. Property management is
5 not new, but we have noticed being on the ground that
6 many smaller homeowners are in trouble, and they need
7 more assistance in dealing with the regulations and
8 collection of rent and not really knowing landlord
9 obligations. So, it's a program that's educational
10 and it's someone who would actually- we could
11 actually teach someone how to look at their home as a
12 business. And in Brooklyn, it has been successful.

13 CHAIRPERSON SANCHEZ: Great. Yeah, if
14 you can share with the committee just how the program
15 as it exists has worked and who- how many you have
16 served and what kind of projects you're helped them
17 with- the case study from Queens was very helpful.
18 I'm wondering- I mean, I'm a client of NHS Bronx, I
19 don't know if you know. That's where I got my first
20 homeowner education and then, you know, went and
21 applied for a mortgage and everything with my husband
when we were newlyweds. So I have a special place in
my heart for NHS. And one of the programs that NHS
Bronx runs, a question is if you all run it, is the

1 Green Energy Hub program, and just wondering if you
2 have information? You don't have to- you're here
3 talking about this new initiative, but I'd love
4 information about how that's working just because as
5 a now homeowner- you were successful. I got a home.
6 But there's also related to this problem of
7 management is just finding a contractor is so
8 difficult. Finding a responsible contractor is-
9 finding licensed contractors is just a nightmare, and
10 so as you work on Green Energy Hub projects, just
11 wondering your experience, lessons that you have,
12 because that's one of the areas that I certainly want
13 to grow in this committee is conversations about how
14 do we help all one- to four-family homeowners. What
15 resource banks can we create? How much more do we
16 need to, you know, be asking HPD to pump into Home
17 Fix and everything else, because it feels impossible.
18 And even as the Chair of Housing and Buildings in the
19 Council, I feel like it's impossible. So, thank you
20 for coming to testify about this program, and just
21 welcome your ideas for all of us, for all of us who
need help as one- to four-family homeowners.

TONYA ORES: Thank you.

YOSELIN GENAO-ESTRELLA: Thank you for this opportunity.

CHAIRPERSON SANCHEZ: Thank you. The next panel is going to be Tricia Lendore [sp?], Yanif Kat [sp?], Annalise Brown [sp?], Roselyn Black, and Sophia Fenn. So whoever is ready can begin when ready.

SOPHIA FENN: Thank you, Chair Sanchez and the committee, for the opportunity to speak. My name is Sophia Fenn and I'm a housing attorney for the New York Legal Assistance Group, specifically within our Public Housing Justice Project and I'm one of the only attorneys in the city funded to represent NYCHA tenants in standalone HP actions. I want to focus my testimony today on small changes that would make a large difference for NYCHA's tenants. To start, HPD inspections need to be reformed to be as successful as possible to NYCHA tenants. Currently, NYCHA tenants cannot call 311 to request an HPD inspection. If they do call 311, they are often rerouted to NYCHA's customer care center. This is like if a private tenant called 311 to report that their landlord was not making repairs, and instead of receiving help or information was rerouted to their

landlord. Once NYCHA tenants do get an HPD inspection scheduled by bringing an HP action, tenants wait all day for an inspector to show up. HPD will call tenants a few minutes before they arrive, and if the tenants do not pick up the phone, HPD will not knock on their door and will simply skip their inspection. This policy is not routinely communicated to tenants when they request an HPD inspection. So, tenants aren't aware that they need to answer this call to receive their inspection. This is a huge access issue that leads to tenants missing their inspections, either because they don't have access to a phone or simply didn't pick up a call from an unknown number. This policy needs to be clearly communicated to tenants on the inspection request form and there must be a way for tenants to opt out and have HPD knock on their door. There is a universe of rampant repairs and conditions that are not reflected in HPD data, because of the barriers to inspections that only NYCHA's tenants face. Mismanagement plagues NYCHA's repair departments. Repair tickets are ignored or closed without any action being taken to address them. NYCHA's maintenance schedules access dates only to skip them

or shows up with no notice when tenants are unlikely to be home. There's seemingly no centralized project management or oversight for repair work. I want to stress that much more could be done with the resources that NYCHA does have.

CHAIRPERSON SANCHEZ: You can conclude.

SOPHIA FENN: I also want to stress how little accountability there seems to be when NYCHA fails at its legal and moral obligations to its tenants. Thank you.

CHAIRPERSON SANCHEZ: Thank you.

TRICIA LENDORE: Hi. Good afternoon, everyone. Hello. Hello, Chair Sanchez and all the members of the committee. Good afternoon and thank you for the opportunity to testify before you today. My name is Tricia Lendore and I'm the Director of the Preserving Affordable Housing program Brooklyn at Brooklyn Legal Services Corporation A, doing business as Build Up Justice NYC. We have two Preserving Affordable Housing programs, one in Brooklyn and the other in Queens. Using legal representation, brief advice and services and legal education as well as advocacy to prevent evictions, combat tenant harassment and discrimination and help organize

tenants and buildings in Brooklyn and Queens. So, last city fiscal year, BUJ NYC handled more than approximately 3,600 cases across Brooklyn and Queens while also supporting 20 tenant associations for fighting for habitable living conditions. BUJ NYC joins our fellow civil legal service providers in calling for timely delivery of city contracts. We're also eager to see expanded enforcement of building code violations. Our affirmative legal work is supported by the Anti-Harassment Tenant Protection Program, also known as AHTP, and our team regularly sees clients whose landlords leave them in inhabitable an unacceptable living conditions. One notable example of our work is with a group of tenants in Brooklyn who will keep anonymous, but advise they're from the Red Hook area. Now, these group of residents were told years ago by their landlord that their units would be demolished and rebuilt. Meanwhile, our clients and many of their neighbors across the multi-location complex have had to repeatedly demand that their landlord address issues like mold, leaks, broken front doors, roaches, rats, holes in the floor and ceiling, no usable mailbox and more. Now some residents have even

unfortunately lost their Section 8 housing vouchers
as a result of their units being deemed unfit.

However, there are substantive updates on the rebuilding project, despite slow response time for repair issues, but we have fought for our clients to find themselves in acceptable housing and habitable conditions to ameliorate the issues that they've been going through prior to our presentation. Now, the kinds of injustices that I previously spoke of are all too common, unfortunately, among our clients and across the city. BUJ NYC would like to see the city as a partner with civil legal services providers in working to ensure all New Yorkers have a safe, stable, habitable housing that they deserve. Thank you again for the opportunity to testify.

CHAIRPERSON SANCHEZ: Thank you.

YANIV KOT: Good afternoon, Chair Sanchez. Thank you for the opportunity to be here today. My name is Yaniv Kot. I'm a staff attorney with the Legal Aid Society's Housing Justice Group Advocacy Unit. I first want to just echo everything Mr. Lendore just said. I work under the same contract and agree with all of that. We work frequently with HPD and DOB towards shared goals of preserving

affordable housing and preventing displacement and harassment. I want to acknowledge the new leadership there and say that we're very excited about renewed partnership on a lot of the issues that we're going to put in our written testimony, and I just want to highlight a few of the most pressing issues for our clients. The first issue is around vacate orders. We were really happy to see the mayor's announcement of the establishment of the Back Home Unit, because it's so important that tenants have a centralized place where they can go to access social services and legal services to get their belongings quickly from units that they've been vacated from without having to go through their landlords. In addition to that, we want to urge DOB to coordinate more closely with DHCR to make sure that landlords aren't illegally modifying or even demolishing stabilized units that are under vacate orders. That's an issue that we've seen a couple of times. Second, I want to touch on code enforcement. There's a troubling pattern of tenant complaints being closed without inspection, particularly when it comes to heat and hot water complaints. Just as a quick example, a building that I represent in Flatbush made 65+ heat and hot water

1 complaints during the most recent cold snap. Only
2 one violation was placed on the building, and it was
3 multiple tenants without heat and hot water, the
4 whole building. We also want tenants to be able to
5 use 311 to schedule and reschedule inspections, and-
6 can I finish?

7 CHAIRPERSON SANCHEZ: You may conclude.

8 YANIV KOT: Thank you. And be able to
9 respond to landlord certification of repairs online
10 and not just by mail. And now, when people can only
11 respond by mail, HPD isn't hearing from tenants in
12 the way that they should be. Third, we want to see
13 HPD give more support to HDFC co-ops and
14 Mitchell-Lama buildings that are financially stressed
15 and need support. And lastly, we want to partner more
16 with HPD and DOB to push for Housing Court reforms,
17 specifically applying pressure to judges to
18 prioritize decisions in urgent repair cases. Another
19 quick example in one of my cases, my clients have
20 been waiting for over 100 days on a decision for an
21 unopposed contempt and civil penalties motion in a
 building with over 150 open violations. So, we would
 love to partner with HPD and DOB to see if we can

push the Housing Court to prioritize those emergency cases. Thank you so much.

CHAIRPERSON SANCHEZ: Thank you.

ROSALIND BLACK: Good afternoon. I'm Rosalind Black, the Citywide Director of Housing at Legal Services NYC. Thank you for allowing me to testify today. I'm going to speak on behalf of a number of the Right to Counsel providers about the program, the payment issues that are hobbling our program and the need to substantially increase funding so that all eligible tenants receive their representation in their eviction proceedings. The Right to Counsel program created by this council and funded by New York City is in its ninth year successfully keeping at least 84 percent of those New York City tenants sued for eviction in their homes, saving the city millions in shelter costs, improving health outcomes for families, and reducing eviction filings. While the work we do is highly successful, the contracting implementation and payment process is putting providers on the brink of financial collapse. Our agency is owed at least \$26 million by the city, and we have already spent \$700,000 in interest to cover expenses while we await reimbursement. That is

\$700,000 unavailable to provide crucial services to low-income New Yorkers. In addition, our current Right to Counsel contracts carry harsh financial penalties for providers who don't meet certain performance thresholds won't get reimbursed 10 percent of the expenses we incur in performing. As nonprofits, we don't have financial cushioning or profits to set aside to bear this risk which only further destabilizes our agencies. These ineffective penalties must be removed. Providers, the Independent Budget Office, the Comptroller, and many of you have observed that the funding level has left tens of thousands of tenants each year without lawyers. The gap has only widened over time. In 2025, while 50,000 households were eligible for full rep [sic] in eviction cases, only 23,000 households received rep. This is the majority, 27,000 tenant households with no hope of retaining a lawyer. The impact of this gap is seen in Housing Court every day, tenants without lawyers agree to pay money they don't owe are charge illegal rents and get evicted. I conclude by saying that we understand the city is in a difficult financial and fiscal situation this year, with the city is severely underfunding a successful and

1 money-saving program. We ask that you continue to
2 support the program to increase funding over the next
3 three to five years until eligible tenant receive
4 representation. Thank you.

5 ELISE BROWN: Hi. I'm Elise Brown. I'm
6 the Director of Housing Litigation at Mobilization
7 for Justice. You'll be happy to know that Ros said a
8 lot of what I was going to address, so I'm going to
9 get done early. I would- just wanted to reiterate
10 that eviction, I believe, is the largest cause of
11 homelessness, and our success in keeping our clients
12 in their homes, their families in their
13 neighborhoods, their children in their schools is a
14 resounding success. It's also financially become
15 extremely difficult because of the way the contracts
16 are structured. And for instance, we have cases- we
17 have a lot of tools, legal tools from y'all, from the
18 state to defend our clients vigorously. We're
19 lawyers, we like- we litigate. We provide vigorous
20 defenses for our clients, and sometimes our cases
21 last longer than a year, but we're paid for one year
for a client. We have cases from 2018, 2019 that we
are still actively litigating because it's our
ethical responsibility to provide a defense and get

1 the best result for our clients, but it's at a huge
2 financial cost for our organizations. So, there are
3 a lot of things that could be fixed in the contracts.
4 That is one that particularly irks me, and so-
5 because previously we were allowed to- a percentage
6 of our cases rolled from one year to the next. Now,
7 we're not allowed to do that, and it's just killing
8 us. So, anyway, I will end it with that, but thank
9 you for being here and listening and we're certainly
10 part in parcel of the whole city effort on all sides
11 to try to enhance the conditions and circumstances of
12 tenants and low-income homeowners as well. So, thank
13 you.

14 CHAIRPERSON SANCHEZ: Thank you. Just a
15 couple of follow-ups. On the contracting issues, your
16 contract is with HRA, correct, the Office of Civil
17 Justice, right?

18 ELISE BROWN: Yes.

19 CHAIRPERSON SANCHEZ: And these delays I
20 imagine are multi-year?

21 ROSALIND BLACK: We're owed \$40 million
from fiscal year 25 still, and the rest of the money
is for this fiscal year.

CHAIRPERSON SANCHEZ: Collectively, all of the Right to Counsel?

ROSALIND BLACK: No, just Legal Services NYC alone. I know UJC is- [inaudible].

ELISE BROWN: We are behind a few months, but it- it was a for a year or so we were carrying a few million dollars of-

CHAIRPERSON SANCHEZ: I'm sorry, how? How do we get to \$40 million?

ROSALIND BLACK: It's astounding, yeah.

CHAIRPERSON SANCHEZ: Alright, Mayor, we got to-

ROSALIND BLACK: Four- just be clear, four from last year. [inaudible] for this year.

CHAIRPERSON SANCHEZ: Got it. I haven't been on the General Welfare Committee, so I'm not as read-in all-

ROSALIND BLACK: [interposing] Yeah, there was a hearing this morning about contracting issues and delays that focused particular on this.

CHAIRPERSON SANCHEZ: Got it. Got it. Okay. Well, I'm certainly a champion for Right to Counsel. I will continue to be. These are, you know, for as bad as eviction rates are, they had been

1 and will be- would be exponentially worse without
2 your work. So, thank you to your commitment to
3 low-income tenants. It really matters and it really
4 helps our communities. The general question for all
5 of you, all of your organizations- well, first a
6 comment. On the 311 recommendation for NYCHA
7 tenants, you're speaking to the Section 9 and the
8 Section 8 universe, or specifically Section 9?

9 SOPHIA FENN: I'm speaking specifically
10 to Section 9. I'm not- I can't speak as well to
11 Section 8.

12 CHAIRPERSON SANCHEZ: Okay. And what
13 happens when the city- when an HP action is brought
14 against NYCHA?

15 SOPHIA FENN: when an HP action is
16 brought, there's- the court orders and HPD
17 inspection. So, when you file an HP action, you fill
18 out a tenant inspection request form.

19 CHAIRPERSON SANCHEZ: So that's
20 essentially the only way that NYCHA tenants can get
21 an HPD inspection?

SOPHIA FENN: To my knowledge, yes.

CHAIRPERSON SANCHEZ: And then the court
orders repairs based on said inspection?

1
2
3 SOPHIA FENN: Based on the violations
4 within the inspection report that's created. So, the
5 inspections are hugely important to the success of an
6 HP action. So, when they're missed, it causes
7 massive delays. Sometimes you don't get a new date
8 for weeks, and this calling policy is having an
9 affect on people being able to get their inspections,
10 and I just don't understand why it's not written on
11 the form if that's what they're going to do. And
12 then obviously it's a clear access issue and people
13 need to be able to opt out and get a knock on their
14 door.

15 CHAIRPERSON SANCHEZ: Got it. Okay.
16 Happy to work with you on that, on addressing that
17 issue. It seems like a pretty simple fix just on the
18 access issue, on the tenant notification issue. Yeah.
19 sorry, I can't get over this \$40 million. This is-
20 what? Okay. What- in your- in everybody's view,
21 what is the- aside from fully funding Right to
Counsel, what is a top intervention the city can make
to stabilize the clients that you all work with?

YANIV KOT: Code enforcement.

CHAIRPERSON SANCHEZ: Roll call. Go ahead, down the line. Or everybody agrees on code enforcement?

ROSALIND BLACK: I'd say there's a host of interventions, repairs and safe conditions are a very important priority, but also helping people access the income benefits that they're entitled to like more resources from HRA to help people access more [inaudible] and more subsidies for rent that I know this council has been working hard on. Those are crucial pieces.

CHAIRPERSON SANCHEZ: I hear there was this really great bill, set of bills passed, to get- give more people vouchers. Yeah, do y'all support that?

ROSALIND BLACK: Absolutely.

CHAIRPERSON SANCHEZ: Okay.

ELISE BROWN: I would say also, appropriate staffing at the agencies, because a lot of our- a lot of reasons it takes us longer to resolve cases, particularly non-pays, is we're just waiting and waiting and waiting and pushing and sometimes having to bring in DSS or HRA to the proceeding to explain to the court why it's taking so

1 long. Another thing that is, I think, difficult is
2 that litigating repairs takes a long time. We do
3 Right to Counsel in the Bronx. Every client has
4 apartments that have things that need to be fixed.
5 But for us as Right to Counsel providers, to litigate
6 the repairs in that context is just not- it's already
7 not economically sensible, but we often, you know,
8 provide advice to tenants about how to get repairs,
9 what they need to do, the various steps in it and
10 counsel them through it. We're also not paid by
11 Right to Counsel to do any kind of a brief advice.
12 So, unless it's full rep, it's nothing. So we give a
13 lot of free advice on the side. But it is not- my
14 attorneys hate it that they have to focus on
15 preventing the eviction as opposed to leaving the
16 clients in much better position if we'd been able to
17 have the bandwidth to litigate the repairs issues.

18 CHAIRPERSON SANCHEZ: Got it. Thank you
19 for your advocacy. Thank you for your work, and
20 yeah, I want to follow up and continue working on
21 these issues. Brendan Cheney, Arielle Hersh, Pete
Secora [sp?], Jame- sorry- Cogger, Cogger, alright.
What's up? And Darren Sealy, you're the next panel.
And whoever is ready can begin first.

BRENDAN CHENEY: Good afternoon. My name is Brendan Cheney. I'm Director of Policy and Operations at the New York Housing Conference. I've submitted written testimony, so I'll just summarize it in the interest of time. So, first of all, we look forward to the Mamdani administration's new housing plan. We want to highlight that currently HPD's capital budget is facing a fiscal cliff. HPD's capital budget in 2026 is \$5.9 billion. In 2027, this drops to less than \$3 billion, and in the following years it's less than \$2 billion. We estimate HPD needs about \$4 billion per year to maintain historical production, adhere to the Construction Justice Act, while also adding capital to fully utilize the LiTech [sic] expansion. This does not include \$1 billion needed annually to support NYCHA's PACT program. So we urge the Council to work with the administration to ensure the gap is addressed in the next plan. Second, there's a growing crisis of financial distress in affordable housing. A recent study by Enterprise and Lisk [sp?] found that more than half of the projects in their portfolios have negative cash flow. The city must meet this urgent need by investing resources and making reforms. As

1 such, we're introducing the Crisis Agenda, CRISIS:
2 Create \$1 billion [inaudible] reserve fund for
3 affordable housing buildings; raise revenue by
4 allowing vacancies to comply with current AMI rent
5 limits in buildings under regulatory agreement;
6 increase capacity for loan restructuring; staff DSS
7 adequately to prevent nonpayment evictions; support
8 homeless set aside referrals and process CityFHEPS;
9 invest in a multi-family backed affordable housing
10 insurance program; and save money on water bills by
11 expanding the multi-family water assistance program
12 to \$100 million. With this agenda, we can help
13 address the crisis facing affordable housing. And
14 then finally, bureaucratic issues are eliminating the
15 affordable housing development and operations. The
16 Mamdani administration rightly created the SPEED
17 taskforce. Our recent reports track delays in
18 Housing Connect resups [sic], estimated cost of
19 housing, and the excessive role of OMB. We look
20 forward to working with the city to improve and
21 implement the suggestions that will remove
unnecessary delays in housing production. Thank you.

CHAIRPERSON SANCHEZ: Thank you, Brendan.

For the fiscal cliff you identify, how does this

BRENDAN CHENEY: I mean, you know, they're working on their housing plan. On the campaign he talked about \$10 billion per year in housing capital to meet that plan. I don't- you know, I don't know if they're going to revise that or not, but that's what they said on the campaign trail, and I- you know, I think we're looking forward to seeing what they come out with.

CHAIRPERSON SANCHEZ: Thank you. The CRISIS Agenda, thank you. I'm just going to ask questions as you speak, because you're going to speak on different things. But for the CRISIS Agenda, thank you. I love myself a good acronym. For the \$1 billion loan workout and reserve replenishment fund, is that- do you all envision city funding, state funding, private funding? Have you talked to infrastructure funds, folks that have funds available?

1
2 BRENDAN CHENEY: I think for this we're
3 calling for city capital funding for the \$1 billion.
4 I believe there's also asks at the state level for
5 state support as well.

6 CHAIRPERSON SANCHEZ: Thank you. And
7 those are my questions. Thank you. Thank you,
8 Brendan. Ariel?

9 BRENDAN CHENEY: Thank you.

10 ARIELLE HERSH: Hi, Chair Sanchez and
11 members- no members of the committee. It's good to
12 see you.

13 CHAIRPERSON SANCHEZ: They might be
14 watching online.

15 ARIELLE HERSH: They may be watching
16 online. That's so true. My name is Arielle Hersh.
17 I'm the Director of Policy and New Projects at UHAB.
18 And we're really heartened to hear this new
19 perspective from Commissioner Levy and the Mamdani
20 administration. It's great to see so many dedicated
21 civil servants in the administration taking a
different approach here. I wish I was here to talk
about many really exciting sort of like follow-ups to
many of the issues presented in today's testimony and
in the budget. We are unfortunately here around

contracts like a number of other folks. And we heard HPD confirm on the record today that there's only \$1.3 million allocated for HDFC co-op technical assistance. This is a \$1 million cut from the original contract funding amount for each fiscal year for the lifecycle of that contract. It was cut through an administrative error in December. So, just an accounting mistake. And to HPD's credit, they identified the issue and have immediately worked to restore that contract amount, but we are now hearing differently. We are also seeing that OMB has blocked the correction and for the last six months has continued to fight HPD on restoring that contract amount. For FY 26 HPD supplemented the contract with another source of funding to plug that gap, but the remaining six years of contract renewals are still at risk and OMB has thus forth refused to allow HPD to correct the error. That means for our organization which, you know, pales in comparison to some of the other shortfalls I'm hearing folks mention, but it means that starting this July this will potentially result in the layoffs of eight or more UHAB staff and the termination of services to approximately 400 HDFC co-ops, affecting roughly 8,000 low and moderate

1 income homeowners. We are really happy to see UHAB's
2 work uplifted in the current administration. May I
3 continue? We're excited to be in the fight together,
4 but that fight does not get us paid, and we need that
5 to provide these essential services, too.

6 CHAIRPERSON SANCHEZ: Thank you, Arielle.
7 And what is your total reach with \$2.3 million?

8 ARIELLE HERSH: It is the full scope of
9 the TTA HMMT contract which is all about 1,200 HDFC
co-ops in the city.

10 CHAIRPERSON SANCHEZ: And what is the
11 depths of your relationship with these 1,200 clubs?

12 ARIELLE HERSH: We have worked extensively
13 with just about every single HDFC co-op in the city
14 since their founding, often going back to the 70s and
15 80s in their incorporation. We helped many of those
16 buildings go through the original TIL process to
17 convert to co-ops, and have been trusted counsel and
advisors, assisting with board transition and
governance for many decades in their buildings.

18 CHAIRPERSON SANCHEZ: Thank you.
19 Specifically, just want to get a sense of what does
20 \$2.3 million per year allow you to do with 1,200
21 clubs?

1 ARIELLE HERSH: Yeah. It allows us to go
2 above and beyond in our work as our, you know, really
3 dedicated staff of project associates do in these
4 buildings, providing not just basic trainings and
5 technical assistance, overseeing elections, the sort
6 of bread and butter of our technical assistance work,
7 but doing deep and intensive workouts for HDFC
8 cooperatives facing severe issues of financial and
9 physical distress, which I know Chair, you are
10 intimately aware of all of our conversations around
11 Safer Act, and where those buildings would be headed
12 without that additional really high intensive
13 assistance. Those buildings face, you know, the
14 third-party transfer program and dwarfs in the
15 meantime while conditions deteriorate or board
16 governance issues prevent those buildings from
17 getting back on track and getting the support folks
18 need. That also translates downstream into code
19 enforcement and living conditions in those buildings.

20 CHAIRPERSON SANCHEZ: Okay. Thank you.
21 Thank you, Arielle.

 ARIELLE HERSH: Thanks.

 JAMES COGER: Good afternoon, Chair
Sanchez and esteemed members of the Housing- of the

Committee on Housing and Buildings. My name is James Coger and I serve as the Manager for Community Justice Connect Bronx, an initiative of the Center for Justice Innovation. Thank you for the opportunity to testify today. Across New York City housing challenges often emerge long before cases reach Housing Court, whether through unresolved repair cases, confusion around tenants' rights and responsibilities, or financial shock that make it difficult to keep up with the rent. Too often, these issues escalate, because tenants and small property owners lack accessibility, timely support to help navigate them- navigate complex systems and resolve problems early. The Center for Justice Innovation's work is grounded in the belief that housing stability is strengthened when people can access support early within their communities and at key moments before challenges escalate. Today, I'll be highlighting several initiatives that reflect that approach and demonstrate how targeted investments can strengthen housing stability, improve access to justice and support more effective problem solving across New York City's housing landscape. I'll start with the Housing Resource Centers within Red Hook, Harlem, and

1 Queens Community Justice Center Far Rockaway. Then
2 I'm going to go onto my particular baby, the
3 Community Justice Connect where we have- we train the
4 community volunteers within community to help get
5 access to civil legal issues. We also- predominantly
6 the work that we do is surrounding by Housing
7 Connect. I was very interested in hearing what HPD
8 had to say about Housing Connect, and as a front line
9 advocate, it's very interesting, and it's very
10 interesting, I'll say that. Also, we have the
11 Eviction Diversion Program which addresses housing
12 needs for folks that's within the housing- we
13 literally trying to transform what Housing Court
14 looks like and court in general looks like. In
15 conclusion, the programs outlined today-

16 CHAIRPERSON SANCHEZ: You may conclude.

17 JAMES COGER: Thank you. The programs
18 outlined today reflect a comprehensive approach to
19 strengthen New York City's housing ecosystem. Thank
20 you for the opportunity and- opportunity to testify
21 and for your continued leadership in advancing
policies and investments and strengthening housing
stability and access to justice for all New Yorkers.
Thank you.

CHAIRPERSON SANCHEZ: Thank you. And just taking a look at what you've submitted here to the Sergeants, so these are requests for Council support of the individual programs that you outlined in your testimony?

JAMES COGER: Yes.

CHAIRPERSON SANCHEZ: Copy. Okay. I'll take a closer look and circle back with-

JAMES COGER: [interposing] It's just not limited to the ones I mentioned. I just highlighted those three. We also have our Neighborhood Safety initiative. Yes, there's a lot of papers- you know, they told me to print out 20 for everybody, so- but you know, it's a lot of stuff. Also, I didn't color code it, but [inaudible] color coded, but I wasn't able to get color prints. So, but-

CHAIRPERSON SANCHEZ: All good. Thank you. This is excellent. We'll take a closer look and, you know, hope to support.

JAMES COGER: Thank you.

CHAIRPERSON SANCHEZ: Thank you. The next panel is Edmundo Alex Gomez [sp?], Graham Gale [sp?], Anthony Abugadi [sp?]- I love the assist,

1 thank you. Ustacia Smith [sp?] and Maribel Rodriguez
2 [sp?]. And whoever is ready can begin when ready.

3 ANTHONY ABUGADI: Good afternoon. My
4 name is Anthony Abugadi [sp?]. From 2019 to 2021 I
5 lived in New York City shelter system. Thank you,
6 Chair Sanchez, and members of the Housing and
7 Buildings Committee for holding this hearing and
8 giving me the chance to speak. I'm here because the
9 city is failing the people that- who need it most,
10 and I was one of them. I'm calling on this council
11 and this administration to commit to creating 12,000
12 units of truly affordable housing every year for the
13 next five years, 60,000 units total reserved
14 exclusively for homeless New Yorkers and extremely
15 low-income households on the brink of homelessness.
16 That means capital investment directly specifically
17 at deeply affordable housing, not moderate income
18 housing, not market rate subsidies, housing for the
19 people who have nowhere else to go. I shouldn't have
20 had to enter shelter to get a CityFHEPS apartment. I
21 wanted to find one on my own. The facility I was
 placed in was a harm reduction program. The idea is
 to keep people alive, but what I saw was staff that
 was confrontational and disrespectful where I had to

1 watch my own back every single day. When I
2 documented and reported problems, I faced
3 retaliation. Despite all of that, I kept going, and
4 in 2021 I was connected to a CityFHEPS voucher. While
5 in shelter I applied through Housing Connect. I was
6 told I won the lottery and was matched with a unit I
7 liked, and then I was told someone else took the
8 apartment. After everything I had survived, I still
9 couldn't win. Here's why. There's simply not enough
10 deeply affordable units for people like me. When
11 supply is this scarce, brokers and building managers
12 can choose and they do. Someone who never spent a
13 night in shelter but who is also extremely low-income
14 looks like a safer bet. That discrimination exists
15 because there isn't enough housing for extremely
16 low-income families. And that is really
17 psychologically devastating. It discourages people
18 from even trying. The root cause of mass homelessness
19 in New York City is the lack of effort from people
20 like me- is not a lack of effort from people like me.
21 It's the shortage of rental housing for the lowest
income New Yorkers. This crisis will keep growing
unless the city changes its priorities. We need for
affordable housing for homeless people. Thank you.

CHAIRPERSON SANCHEZ: Extra points.

Thank you.

ALEX GOMEZ: Good afternoon. My name is Alex Gomez, Campaign Coordinator at Coalition for the Homeless. Thank you, Chair Sanchez and members of the Committee for this opportunity to testify. I'm also testifying and asking for this Council to commit to funding or including capital investments for 12,000 of affordable housing, specifically for ELI and homeless set-aside units. Here's the scale of the housing and homelessness crisis: over 100,000 people sleep in shelter on average each night this January. That was just this January. So, 100,000 people per night just in January 2026 on average. An estimated 200,000 more doubled or tripled up in apartments, one crisis away from being homelessness. And across the metro area, for every 100 ELI households, there are only 35 available apartments that are affordable to them. These people would qualify for an affordable unit if one existed, but our analysis of city production data from 2014 to 2024- that's over a decade- found that only 21 percent of city-financed affordable units were created for ELI households. That's just 22,565

extremely low-income units over an entire decade.

While at the same time nearly 70,000 units went to households earning between 51 and 165 percent of AMI.

This mismatch between the households with the biggest needs and the units of affordable housing being

created needs to be corrected. City Council recently

took a step by introducing and passing Intro 1443

which mandates more apartments for ELI and low-income

households, but a mandate without money is not- is

just an empty promise. We are urging the Council to

dedicate capital funding in the budget for 12,000 new

units of homeless and extremely low-income households

for extremely low-income New Yorkers each year for

the next five years. So that's 60,000 units over

five years. This is a capital investment. Every

mayor has failed to address the needs of the lowest

income New Yorker in their housing and plans

production, so much so that in 2024 the largest share

of affordable apartments financed by the City

required a minimum income of over \$118,000 a year.

The majority of affordable housing last year was

restricted to people only making \$118,000 and above,

excluding people like my friend Anthony right here.

I'll conclude by saying that we can fix this by

CHAIRPERSON SANCHEZ: Thank you. Thank you both from Coalition for the Homeless. I'm going to say something- something controversial, maybe. But I don't see why as a city we couldn't have a vision of having a right to shelter that means a right to a home and not the right to a bed in a shelter, right? I think, yeah, we- it would probably cost a lot less for the City of New York to operate this way. Shelter is not anybody's first choice, right? You want a home. You want your privacy, and so I just encourage us as a city to have a different conversation about what it means to have a right to shelter, especially as we talk about interventions like expanding CityFHEPS legislated and have not been able to come to a conclusion with the previous mayor or the current mayor.

ALEX GOMEZ: You're exactly correct, Chair Sanchez. And if I may just say that it is an expensive program, and what we are asking for is a lot of money, but it's a lot of money that has a major impact on the city that we can likely see how

1 years and years and years of positive impact just-
2 you know, just by simply putting people into stable
3 and permanent housing. This isn't to say that our
4 right to shelter and the shelter system is
5 inappropriate. We absolutely need shelters, but we
6 need housing also.

7 CHAIRPERSON SANCHEZ: Absolutely. Thank
8 you. Thank you both.

9 GRAHAM GALE: Hi, there. My name is
10 Graham Gale. I'm an organizer with Food and Water
11 Watch which is a national environmental group, and we
12 are in coalition with New York Communities for
13 Change, We Act, Triage, the Central Labor Council,
14 and the Steamfitters 638 Local to talk to you about
15 this program that we're putting forth called Heat
16 Pumps for All. We've already met with your office
17 and shared some language, so I'll just keep it short.
18 But it's a program to fund heat pumps for one- and
19 two-family homeowners while lowering energy bills,
20 reducing air pollution, and creating good union jobs
21 in the green energy market. We are asking for \$10
million in the city budget as a starter program. We
want to build the program year by year. So, this
small amount of money makes a huge difference. Just

1 to highlight the difference that this program could
2 make, I want to share a quick story. I've been out
3 petitioning every week in my neighborhood and local
4 neighborhoods. When I met Louis, who is a homeowner
5 in Ridgewood, he shared with me that his gas bill
6 last month was \$767 and that his bill this month is
7 over \$500. When I told him about our plan, I could
8 see him light up. I could see him picture a future
9 where he could actually afford his energy bills and
10 see a pathway towards a cleaner New York City. So,
11 heating our homes should not cost us so
12 significantly, not only from our pockets, but also
13 our health, our city, and our employment. Thanks.

12 CHAIRPERSON SANCHEZ: Thank you. What
13 would the \$10 million be used for? Are you covering
14 the cost for certain households?

15 GRAHAM GALE: Yes. So, the way that we're
16 considering the program would work is to target in a
17 geographical area. So, it would essentially be a
18 universal program in that neighborhood, and it would
19 fund most of the replacement from oil and gas boilers
20 to heat pumps. Heat pumps cost around- between \$15
21 to \$20,000. So, we would try to allocate \$10,000 to
1,000 homeowners to make that switch, and as was

1 mentioned earlier today. A lot of great city and
2 state programs that help to bridge that remaining
3 \$10,000, but yeah. So, getting folks most of the way
4 there. We're also attaching this to labor standards
5 so that you are connected with a good contractor to
6 do the work. So, yeah, that's the basic idea of the
7 program.

8 CHAIRPERSON SANCHEZ: And thank you for
9 sharing the proposal here today. I just want to push
10 my friend in advocacy to- in addition to creating
11 programs that would help specific households, even
12 just the question of the- you just mentioned at the
13 end of it, the labor standards portion of it, it is-
14 as many have heard me complaining about earlier as a
15 homeowner of a two-family home, it is like impossible
16 to find contractors who think it's worthwhile to work
17 with me, right?

18 GRAHAM GALE: Absolutely.

19 CHAIRPERSON SANCHEZ: With us, right?

20 GRAHAM GALE: Yep.

21 CHAIRPERSON SANCHEZ: And so even just
creating a pool of reputable or trustworthy,
whatever, willing contractors would go a long way,
and of course it's a high price tag and all that for

1 the machines. But then, you know, just helping folks
2 navigate through issues that come up like the house
3 can't sustain that electrical load, and so now there
4 is a lot of electrical work and the house needs a new
5 service line and whatever. So, I'm really interested
6 in seeing form advocates suggestions about how we
7 can, you know, just like we're talking about Local
8 Law 97 compliance, how we can have a Local Law
9 version for ht small homes, right- it's a substantial
10 number of New York City buildings- to really help
11 them, provide them technical assistance and know-how
12 and resources and everything else so that they can
13 also electrify and, you know, become sustainable.

14 GRAHAM GALE: Yeah, our idea with this
15 program is to make it easy. We want it to be smooth.
16 We want it to be easy. So, you know, it's not only
17 that you get a contractor- not only that you get the
18 money, but you also get a contractor who knows what
19 they're doing, who's going to do a correct install,
20 and who is also there to do the assessment and sort
21 of assist every step of the way. So, thank you.

CHAIRPERSON SANCHEZ: Great. Thank you
so much. I look forward to talking more about this,
too.

EUSTACIA SMITH: My name is Eustacia Smith. I'm from Westside Federation for Senior and Supportive Housing. Thank you, Chair Sanchez and the entire committee for the opportunity to testify. We currently house 2,500 low-income older adults, many who are formerly homeless, across a portfolio of supportive housing and affordable senior housing. Older adults make up 20 percent of New York City's population. They're the fastest-growing age group of people becoming homeless, rising 10 percent every year for the past 10 years. There were 520,000 seniors on wait lists for affordable senior housing at last count, most of whom are extremely low-income. These facts together make it critical that New York City dramatically scale up development of new housing for older adults. Instead, we are facing a fiscal cliff in the coming years that New York Housing Conference talked about. We call on the city to support the five-year Age Strong New York City platform and create at least 1,000 SARA [sic] units for extremely low income per year even if there's a Section 8 shortfall. Preserving the units of housing we currently have is also vital. Take for example, our 120-unit SRO that opened in 1987 where seven

residents on the hall share one toilet and bathtub in one small kitchen. The average tenant is in their late 70s. In our experience is that an SRO environment does not work well for older adults as they age in place. The only services funding is the state's 80s-era program NYCHIP [sic] which by today's standards is grossly under funded. Many of the units have no dedicated rental subsidy. This combined with sky-rocketing operating costs means that we can't afford minor upgrades like converting the bathtubs which are difficult for seniors to use into showers. We need preservation funding that would allow us to rehabilitate the entire building, converting it into studio apartments. We ask the city to support the Supportive Housing Network's ask for \$65.3 million to be included in FY 27 for preservation of supportive housing. The operational costs and affordable senior housing are growing rapidly and revenue is shrinking, putting these buildings at risk. Just this year, we got a 35 percent increase on our insurance costs. We ask that the city fully fund and support the crisis agenda that New York Housing Conference talked about that would- that would help reduce operating costs and aid preservation efforts such as expanding the

multi-family water assistance program. We've applied to that every single year and we've never received the credit because it runs out of money too soon.

CHAIRPERSON SANCHEZ: Thank you. Thank you for your testimony. Thank you to this panel. My staff told me I have to ask less questions. I'm blaming you, sorry. Okay, [inaudible]. Brianna Sturkey, Malika Casa, Sarah Newman, Frank Shintella McMullin [sp?]. Katie Moy from SHNY [sic] and Kevin Wolfe [sp?]. Whoever is ready can begin.

BRIANNA STURKEY: Good afternoon. My name is Brianna Sturkey. I'm a Pro Bono Scholar at New York Lawyers for the Public Interest. This testimony is on behalf of NYLPI's Disability Justice and Environmental Justice Programs. Thank you to the Chair and members of the committee for allowing me to testify today. NYLPI's Disability Justice Program assists New Yorkers with disabilities in matters involving housing discrimination, including requests for reasonable accommodation such as apartment and common area retrofitting, transfers to accessible apartments, and protection for use of service animals. It is imperative that all New York City agencies ensure that housing is accessible and free

of discrimination. Although the Federal Fair Housing Act was passed nearly 60 years ago in New York City and New York State's Human Rights Laws have likewise long been in effect, countless people in New York City continue to face discrimination when it comes to their housing needs. Consistent and aggressive enforcement of anti-discrimination laws allows more people with disabilities to remain in their homes. Enforcement of accessibility requirements of New York City's building code should therefore also be a priority for the city. We urge City Council to fund aggressive enforcement of the code by the Department of Buildings and the Department of Housing Preservation and Development. Such enforcement will ensure accessible spaces for New York City's disabled residents and senior citizens, and allow them to continue to be part of the communities and live independently. We also urge New York City and the Public Advocate to investigate and track evictions of tenants with disabilities to enforce New York City's anti-discrimination laws in a systemic way and create new causes of actions and penalties to aid to enforcement. Tracking evictions will enable New York City to identify and monitor housing providers who

1 routinely evict tenants with disabilities. Treating
2 this as a systemic issue will also help address the
3 root causes of disability discrimination in housing.
4 Because one of the most impactful ways
5 anti-discrimination laws are enforced is through
6 private action, we also advise adding a mechanism for
7 enabling easy public access to records of
8 discrimination patterns in addition to public
9 oversight hearings and reports of general findings.
May I continue?

10 CHAIRPERSON SANCHEZ: You may conclude.

11 BRIANNA STURKEY: Building complaint
12 violations filed with the Department of Buildings are
13 already available on the Department's website due
14 through building information search. Discrimination
15 records must similarly be publicly available.
16 NYLPI's environmental justice team strives to ensure
17 timely and proper oversight in implementation of the
18 city's landmark building de-carbonization law, Local
19 Law 97. We urge this committee to ensure that Local
20 Law 97 is fully implemented with the expert
21 assistance from New York City agencies like the
Mayor's Office of Climate and Environmental Justice
which offers an accelerated program to all owners for

1 free, the Department of Housing Preservation and
2 Development and the Department of Buildings. A more
3 detailed written testimony has already been submitted
4 on NYLPI's behalf. Thank you for your time and
5 consideration.

6 CHAIRPERSON SANCHEZ: Thank you.

7 SARA NEWMAN: Good afternoon. My name is
8 Sara Newman. I'm the Deputy Executive Director for
9 the Open Hearts Initiative, an organization that
10 builds solidarity between homeless and housed
11 neighbors in communities throughout the city. I'm
12 here alongside colleagues from Coalition from the
13 Homeless and appreciate the opportunity to testify
14 today, and I'm here because we need affordable
15 housing for people who are homeless or extremely low
16 income, and I'm here to say that's something that
17 many housed New Yorkers support as well. New York
18 City must prioritize investing in capital in deeply
19 affordable housing, specifically for folks who are
20 extremely low income or currently experiencing
21 homelessness. And I'm asking the city to commit to
creating 12,000 units of truly affordable housing
each year for the next five years for a total of
60,000 units. Our members work closely with

1 [inaudible] experiencing homelessness and see how
2 easily folks can become homeless and how hard it is
3 for folks to get out of shelter and find housing. We
4 know that homelessness is a housing problem. There
5 aren't enough available affordable units for
6 extremely low income folks. We saw that in the
7 housing and vacancy survey a couple years ago where
8 less than one percent of the units renting for under
9 \$1,100 a month were available, and the affordable
10 housing that our city is creating isn't meeting that
11 need. Just by record levels of affordable housing
12 production in recent years, most of that housing
13 created by the city excludes households who are
14 homeless and extremely low income. The homelessness
15 crisis will continue to grow unless the city corrects
16 that misalignment between the greatest need for
17 affordable housing and the priorities for affordable
18 housing production. I urge the administration and
19 this council to right this wrong and to give homeless
20 and extremely low-income New Yorkers more
21 opportunities to get permanent affordable housing.
Thank you.

CHAIRPERSON SANCHEZ: Thank you.

KEVIN WOLFE: Good afternoon, Chair Sanchez. My name is Kevin Wolfe and I'm here on behalf of the Center for New York City Neighborhoods. The Center is one of the largest homeowner service organizations in New York City, and just to help explain the importance of our work protecting homeowners, I did want to share a story of a homeowner that we served. Her name is Mr. V, and she was a first time home buyer who purchased an affordable home in east New York, Brooklyn. She's a Black woman and an immigrant. And although she was a high-earner, income earner, she was denied access to a traditional mortgage and steered toward purchasing a home in east New York with a predatory loan. What was supposed to be a dream quickly became a nightmare. Her home was entangled in violations, lawsuits and bureaucracy, and a prior illegal construction which put her at risk of losing the home. Ms. V told us that the property had two deeds with technical issues, and they've rendered one of the deeds invalid, and due to an illegal conversion, she was unable to live in the home. Despite this, she had to continue paying legal fees, covering property violations, paying rent to live elsewhere,

and financing repairs which led to her financial ruin. She was on the brink of homelessness when she came to the center for help. Ms. V's story highlights the challenge that many New Yorkers face in achieving sustainable homeownership. Since 2008, the Center has worked to promote and protect affordable homeownership across the city so that working in middle class, New Yorkers can remain in stable communities. Our network has assisted 200,000 homeowners and invested \$60 million across New York City. I want to emphasize a simple and important truth. Foreclosure remains a serious and growing threat, especially for our communities of color. Through these foreclosure prevention programs, which the City Council funds, we support a network of nearly two dozen housing counselor and legal service organizations. And this year, the network helped- if I could just conclude- 2,000 homeowners avoid foreclosure and stabilize their finances. The- I did also want to note that we commend the new administration, Mayor Mamdani, for addressing affordability with homeownership, including suspending the tax lien sale this year which research shows disproportionately affects Black and Brown

homeowners. At the same time, homeowners are facing increasing challenges, rising foreclosures- we saw foreclosures rise eight percent, increased scams targeting vulnerable residents, and homeowners who are unable to meet home repair needs. Programs that the City Council funds like Home Fix are critical to ensuring homeowners can safely remain in their homes. This is why we are requesting \$9.7 million from the City Council to continue supporting foreclosure prevention, home repair outreach, and estate planning services. These investments will strengthen the existing programs that homeowners have and bring support to the communities that need it most. With the Council's support we can protect homeowners, preserve generational wealth, and ensure that New York City remains a place working families can stay and thrive. Thank you for your time.

CHAIRPERSON SANCHEZ: Thank you. Kevin, your- thank you for your testimony. Your reaction to the number of people we've been able to reach through downpayment assistance and Home Fix, I think the numbers were 142, 150 something?

KEVIN WOLFE: Yeah, with both Home Fix and Home First, we definitely need to do more and

1 making sure that the programs are built at scale to
2 the need. There is a huge need for both Home Fix and
3 Home First. We see with Home Fix, 4,000 homeowners
4 apply every year, and we're only able to help around
5 100 homeowners, excuse me, every year. And so we need
6 to increase the scale. You know, without the
7 Council's resources we would not have been able to do
8 as much as we've done with home repair thus far. And
9 so it's- the Council has stepped up to the plate. We
10 also want to make sure that we have the partnership
11 with the new administration which we're excited about
12 in order to provide these services. And we do want
13 to scale our downpayment assistance as well so more
14 New Yorkers can access homeownership.

15 CHAIRPERSON SANCHEZ: Thank you. The
16 downpayment assistance is a grant, correct?

17 KEVIN WOLFE: Yes, that's right.

18 CHAIRPERSON SANCHEZ: And you said 4,000
19 applies to- for which program?

20 KEVIN WOLFE: This is for Home Fix.

21 CHAIRPERSON SANCHEZ: For Home Fix. And
that is income restricted, right?

1 KEVIN WOLFE: It is. It's sort of
2 sliding scale, and so it's a zero interest to- it's a
3 lower interest to zero interest forgivable loan.

4 CHAIRPERSON SANCHEZ: Who gets forgiven?

5 KEVIN WOLFE: I'd have to get back to you
6 on the exact statistic, but it is for, you know,
7 those homeowners who are low-income, very low-income.
8 They would be- they would have their loan forgiven
9 after and they would have to live- remain in their
10 home for a certain period of time. And it would be
11 forgiven incrementally year by year.

12 CHAIRPERSON SANCHEZ: Excellent. Thank you
13 so much for your testimony.

14 FRANK MCMULLIN: Hello. Good afternoon,
15 evening, Chair, Council Members.

16 CHAIRPERSON SANCHEZ: [interposing] We
17 live here now.

18 FRANK MCMULLIN: Of course. My name is
19 Frank McMullin and I'm the Communications Manager at
20 LiveOn New York. Our membership includes more than
21 110 community-based nonprofits that provide core
services under the NYC Aging portfolio and many other
help and community-based services in our city. I
submitted our housing needs report alongside this

testimony for your review. Thank you for this opportunity to testify. The affordability crisis is crushing older New Yorkers. Homelessness among older New Yorkers is growing at three times the rates of any other demographic and senior housing wait lists stretch over six years long. At the current wait, our most conservative estimate is that it will take 250 years to clear the current waist list which is a while. There are two problems. Obviously, one, the senior homelessness crisis demands new housing. Two, older adults who are already in affordable units are watching their rents rapidly outpace their income which is often only a social security stipend, or they're watching the buildings they will fall into great disrepair. The funding we need to confront this crisis is minuscule. It is nothing in comparison to the billions of homelessness preservation mitigation that we will have to pay if we fail to provide adequate senior housing. Study after study has found that senior housing programs, like I said, are in SCRIE [sic] do more than just providing older New Yorkers the life they want, it is also fiscally responsible and a smart decision. Our recommendations are trifold. One is to develop at

1 minimum a thousand SERT units per year as we're
2 calling for at NBH Strong New York campaign with
3 priority given to one-bedroom units without
4 sacrificing unit counts. Two is to commit \$250
5 million to fully fund the senior citizen rent
6 increase exception or, SCRIE. Currently, it's funded
7 to do 47 percent utilization. A rent freeze may
8 provide temporary relief, but once that rent freeze
9 inevitably ends, [inaudible] New Yorkers would be
10 unable to meet their rents and risk homelessness
11 again, unless SCRIE is fully funded. And I'm sorry,
12 if I can just finish my last piece? Third, we want to
13 ask the City to commit \$200 MILLION to HUD to achieve
14 residence repairs across New York City. There is not
15 currently funding to repair HUD 202 buildings, and
16 they're falling into disrepair and are at risk of
17 condemnation and it's essential that we make sure
18 those buildings get repaired. Thank you for the
19 opportunity to testify.

20 CHAIRPERSON SANCHEZ: Thank you. For the
21 SCRIE advocacy, \$250 million, can you help me
understand how this works? Where would this funding
flow through?

FRANK MCMULLIN: The funding comes through the city. This is- under the state bill to expand SCRIE, but currently it is- it's funded by the city and right now its funding level, it's funded to 47 percent [inaudible].

CHAIRPERSON SANCHEZ: 47 percent.

FRANK MCMULLIN: 47 percent, yes, that's correct.

CHAIRPERSON SANCHEZ: So, does that mean that not all eligible households who are submitting an application are being approved?

FRANK MCMULLIN: Yes, that's correct.

CHAIRPERSON SANCHEZ: Okay. Thank you.

FRANK MCMULLIN: Of course. Thank you.

KATIE MUI: Good afternoon, Chair and members of the Committee. I'm Katie Mui, the Policy and Programs Manager at The Network, a membership organization representing over 200 nonprofits that develop and operate and supportive housing across the state. As you know, supportive housing is one of the most effective tools to end homelessness and strengthen communities. However, the model faces mounting challenges as ongoing federal uncertainty, rising costs, and workforce challenges place

1 increasing pressure on our providers. We are here
2 today to discuss the need for targeted investments to
3 preserve the City's existing supportive housing
4 stock, advancing the goal of 1,300 units preserved by
5 2030 in alignment with the New York 15/15
6 reallocation plan. Now it's time to put that plan
7 into action. We are asking the city to invest \$44
8 million in capital funding and \$21.3 million in
9 expense budget to preserve 325 supporting housing
10 units this fiscal year. Our data shows at least
11 7,600 units are prying [sic] for preservation, but
12 are at serious risk of closure. Federal cuts to a
13 continuum of care are imminent, meaning nonprofits
14 will lose their operating subsidies for thousands of
15 units which will destabilize programs and displace
16 tenants. By investing in preservation right now, the
17 city can mitigate this loss. On the services side,
18 the units that we've identified are currently
19 operation service contracts through NYCHA [sic], HRA,
20 SRO support services which is the lowest funded
21 service contract rate in existence. While the
network was successful in securing a \$17.8 million
increase in last year's state budget, the
pass-through rate is still five times lower than the

1 New York City 15/15 service contract rate. Allowing
2 nonprofits to claim New York City 15/15 rates will
3 address the significant gap in funding and provide
4 the level of care that is needed. The \$44 million in
5 capital funding will support the preservation needs
6 of at least 325 units that are 15 years or older to
7 complete necessary renovations, meet energy
8 efficiency standards, and offset rising maintenance
9 and operating costs. This will also support the
10 conversion of outdated SROs without private bathrooms
11 or kitchenettes and to modernize studios that are
12 more functional and desirable for formerly homeless
13 tenants, many of whom are older adults. Eustacia on
14 our previous panel from [inaudible] highlighted a
15 program facing such challenges. If the city does not
16 address the significant preservation needs, we will
17 have to contend with the reality of programs closing,
18 residences shutting down and tenants losing their
19 home. Proactive investment and preservation is
20 crucial to stability of nonprofits and formerly
21 homeless New Yorkers. Thank you for your time.

CHAIRPERSON SANCHEZ: Thank you. Thank
you to this panel. We're now moving to our last
in-person panel. If you have inadvertently been left

off the list, after this please see a Sergeant, one of our Sergeants. Melanie Reyes [sp?] and Emily Klein. Vanessa Leon [sp?], Pamela Herrera [sp?], and Greg Roberts. And whoever is ready can begin.

EMILY KLEIN: Hi, good evening. Thank you, Chair Sanchez and members of the Council for the opportunity to speak today. My name is Emily Klein and I'm the Assistant Vice President and Deputy Director of Public Affairs at the Community Preservation Corporation. As the city works to determine its budget for the next year, we urge prioritizing the increasing tenuous financial and physical conditions of the city's rent stabilized housing stock. For the one million rent stabilized apartments across New York City, rent levels have been kept stable for the past many years. However, the costs of operating and maintaining these buildings have not. Across CPC's New York City's rent stabilized portfolio, per unit operating expenses rose 22 percent between 2020 and 2023 with insurance and admin costs climbing more than 50 percent each during that period. Despite these cost increase, pathways to revenue growth remain tightly constrained, creating a fundamental mismatch. When

expenses grow faster than revenue, building finances develop a shortfall, and as shown by the expense line with flat or negative growth in the past three years, some owners are choosing to defer repairs and maintenance to stay afloat which can quickly lead to decreasing housing quality. We urgently need to address runaway operating costs that are eroding the financial viability of the city affordable housing stock. We suggest exploring the following pathways. First, a modernized J51 can once again become a powerful tool for supporting regulated housing stock and we encourage the mayor and council to work with Albany to ensure that J51 is re-enacted this session. Second, we need innovative solutions to slow and ultimately stop runaway insurance costs. The recent successes of new affordable housing insurance captives demonstrate market appetite and economic feasibility of these alternative approaches. Third, a long term 100 percent property tax exemption for distressed rent stabilized buildings could effectively slow financial decline and free up vital capital to support much-needed building improvements. And notably, it's important to say that any increase in property taxes would be devastating for rent

1 stabilized properties that are already operating on
2 thin margins, especially paired with a proposed rent
3 freeze. And lastly, we encourage the city to work
4 with public agencies and service providers to
5 establish reasonable and reliable cost increases for
6 water, sewer, and utility costs, and when needed, to
7 step in to offer relief for these most-severely
8 distressed buildings. In addition, our written
9 testimony goes through a number of reforms for
10 existing government systems and administrative
11 programs, including capital subsidy allocations,
12 housing voucher administration and marketing in
13 lease-up. But thank you for the opportunity to
14 testify today. Happy to answer any questions.

15 CHAIRPERSON SANCHEZ: Thank you. A lot
16 of text, I'm reading it. Whoever's ready can go
17 next.

18 PAMELA HERRERA: Good afternoon Committee
19 Chair Sanchez and members of the Housing and Building
20 Committee, and thank you for the opportunity to
21 testify. My name is Pamela Herrera and I'm the Land
Justice Coordinator at Western Queens Community Land
Trust. Since 2022 our organization has received city
Council discretionary funding through the Citywide

CLT initiative. With the support of this funding, our team has grown to include a full-time staffer and a new part-time project manager. We have been engaging with tenants across Queens regarding the need for deep affordability and the role of Community Land Trust in addressing the housing crisis. Our organization is currently applying for this funding for the first time without a fiscal sponsor. Without these resources, our capacity to serve the Queens community will be limited. To-date, we have hosted general meetings to welcome the community into a CLT model and have maintained strong relationships with vocal [sic] organizations. We are also actively working on two mixed-use housing projects that include opportunities for low-cost community space. We are working closely with creatives, Queens residents, and small business owners to collectively address the need for space for a publicly-owned site on Animal Basins Waterfront. We have reached over 1,000 community members this year alone and spoken to several buildings that want to work with our Community Land Trust to combat the neglect they face from their landlords. We have collaborated with TRIA [sic] CDC to work closely with the community to

1 address the uses of vacant property scattered in
2 Elmhurst. We have hosted community potlucks, town
3 halls, and a block party that generated a wave of
4 support for the CLT work. We urge the City Council
5 to fund the CLT initiatives at \$3 million for 23
6 organizations in the FY 27 expense budget, up from
7 \$1.5 million for 15 groups in FY 26. This urgently
8 needed funding will provide essential support not
9 only to CLTs, but we will be able to address the
10 affordability crisis in New York. A recent report by
11 the London School of Economics and Political Science
12 stated that low wage workers have seen their income
13 stagnant. May I continue?

14 CHAIRPERSON SANCHEZ: You may conclude.

15 PAMELA HERRERA: Thank you. Low wage
16 workers have seen their income stagnant in addition
17 to an overall increase in work carry [sic]. While the
18 city is addressing the supposed housing shortage, the
19 shortcomings is addressing the affordability. By
20 giving CLTs an opportunity to be on the same playing
21 field as big real estate, we can create housing that
not only supports New Yorkers, but we can preserve
land and communities for generations to come. Thank
you for your time and consideration.

CHAIRPERSON SANCHEZ: Thank you.

VANESSA LEUNG: Alright. Good afternoon, Chair and Committee. My name is Vanessa Leung. I am a homeowner in Long Island City, Queens, and a steering committee member of the Western Queens Community Land Trust. I'm here with two requests. Please fund the Community Land Trust initiative at \$3 million in the fiscal year 27 budget which is an increase from last year. And two, create a \$50 million Community Land Trust capital fund. This is a game-changer that the mayor committed to during his campaign. If New York City wants neighborhoods that still feel like New York, we need tools like CLTs that keep land in community hands. Walking through the industrial blocks of Long Island City today you'll see the Bangladeshi halal cart, operator preparing food, you'll see the Ukrainian cabinet maker in a wood-working shop, and the Chinese produce wholesaler that's supplying restaurants across all five boroughs. You see the economy that makes New York unmistakably New York. Nearly half of all small businesses here are immigrant-owned, and LIC alone is home to more than 6,000 small businesses, employing over 100,000 people, and they're in danger of being

1 displaced. That's why the Western Queens CLT wants
2 to transform a large city-owned building on Vernon
3 Boulevard into the Queensborough people's space, not
4 just for more luxury condos and national coffee
5 chains, but half a million square feet of permanently
6 affordable space for small businesses, manufacturers,
7 arts, food justice, community space. Yes, affordable
8 housing matters deeply, but housing alone does not
9 make a neighborhood. A neighborhood needs the
10 mechanic, the maker, the rehearsal studio, these are
11 the places where culture is created. CLTs give
12 communities the tools to hold onto the people and
13 places that make them flourish. So, please, fund the
14 CLT initiative and address delays in our funding.
15 Our CLT has gone three years of not receiving the
16 \$300K in allocated funds. And so we need your help
17 to invest in the neighborhoods that make New York New
18 York. Thank you.

16 CHAIRPERSON SANCHEZ: Thank you. And
17 bonus points for time.

18 VANESSA LEUNG: I tried.

19 MELANIE REYES: Good evening Committee
20 Chair Sanchez and committee. My name is Melanie
21 Reyes and I'm a housing organizer at [inaudible]

Quedamos in the Bronx, and we're also members of the NYC Community Land initiative. Our organization has received City Council discretionary funding through the Citywide Community Land Trust initiative which has helped catalyze the growth of more than 20 CLTs across the five boroughs in low-income and Black and Brown communities. We urge the City Council to also fund the CLT incident at \$3 million for 23 organizations in the fiscal year 27 expense budget, up from \$1.5 million for 15 groups last year. Nos Quedamos has an innovative model of community ownership rooted in decades of south Bronx organizing, planning, and co-development. Through the South Bronx Land and Community Research Trust launched in 2017, we are institutionalizing permanent affordability and resident power, and we do this through an emerging resident committee to improve quality of life and help raise awareness about issues that affect our community. We additionally urge the City Council to support the creation of a \$50 million CLT funds in the fiscal year 27 capital budget NQ has secured 450 affordable units across four buildings that aims to expand its permanently stewarded portfolios, approximately 610 units by

2027, a goal that requires more CLT initiative funding and technical support. Investments would especially help with tenant organizing to prepare our residents for structured governance roles.

Affordable housing preservation is a major priority at Nos Quedamos. Enhanced CLT funding in the city's expense and capital budgets will strengthen these essential grassroots institutions. For decades the south Bronx has demonstrated that community-led planning can reverse the investment and restore stability, and our CLT model can ensure that the next era of development in south Bronx is rooted in affordable housing preservation, equity, and community control. Thank you for the opportunity to testify today.

CHAIRPERSON SANCHEZ: Thank you. Bronx in the house.

GREG ROBERTS: Hi, good afternoon. My name is Greg Roberts. On behalf of all of us SKF Development, we're fully integrated residential owner and property manager. We currently own and operate 2,300 units across 32 properties in the Bronx. All of our projects include affordable units, and we are proud to work extensively with HRA and other city

1 agencies to accept tenants with vouchers who are
2 exiting the city's homeless system. We regularly
3 work with HPD through its inclusionary housing
4 programs and are now seeking to redevelop our first
5 100 percent affordable housing project with the
6 department. We are here testify to urge that the
7 final budget to include new funds to allow HPD to
8 carry out its mission of affordable housing
9 preservation and would like to bring to your
10 attention an outrageous delay that is currently
11 destroying our business and will ultimately impact
12 low income renters of two of our properties. 66 East
13 Tremont in Chairwoman Sanchez's district, and 297
14 Daly [sp?] Avenue in Councilwoman Feliz's district
15 are two of our properties that we developed in 2018.
16 Both buildings are fully rent stabilized and with
17 very few if any violations. In the coming years, the
18 buildings 421A tax exemption will start burning off.
19 In anticipation of this exemption ending, in August
20 2024 we applied for an Article XI tax exemption from
21 HPD. After being told that the Department was
over-subscribed, we enlisted the help of a consultant
and began to meet regularly with HPD to let them know
know how urgent our situation was becoming as our

1 loan was approaching maturity. HPD still couldn't
2 take us into their program by the end of 2025, and we
3 are now falling into default and are facing possible
4 foreclosure by our bank. Despite every plea we made
5 to the Department, they continued to say that they're
6 understaffed and are only prioritizing buildings that
7 are in poor physical conditions. Should we let our
8 buildings fall in despair so we don't lose them to
9 foreclosure? Should we hand the keys over to the
10 bank? We pride ourselves on being diligent
11 developers and property managers, and it breaks our
12 hearts to be treated this way. To conclude, as this
13 committee works with the administration to set HPD's
14 budget, we urge its attention to building owners who
15 are trying to do the right thing, but are locked out
16 of the city's tools due to capacity constraints.

15 CHAIRPERSON SANCHEZ: Thank you. Thank
16 you for your testimony. Thank you all for your
17 testimony and for staying with me til 5:30.
18 Appreciate you. Oh, there's more in-person? Jackie,
19 where you at? Jackie Devalle [sp?] and Pilar DeJesus.
20 And again, if you are here in-person and you wanted
21 to testify, please see one of the Sergeants and then
we're going to be moving to online testimony. This-

bringing them here is cheaper child care, so don't tempt me.

PILAR DEJESUS: Okay. Saved the best for last. Good afternoon. Good evening, I guess I should say. Thank you for having us. My name is Pilar DeJesus. I am a senior advocacy coordinator at Take Root Justice. I'm here with my colleague Jackie, so I'm going to let her do a lot of the technical, and I'm going to submit a lot of my specific and technical online. I mostly just want to like just share a lot. One, to confirm a lot of what folks from Legal Aid said. We need to be paid. A lot of these contracts need to be paid. You know, organizations have rents, rents to pay, employees to pay. It doesn't feel good, you know, having the conversation that, you know, we possibly may not be able to make payroll. We work very, very, very hard as you've heard and as I'm sure you know really trying to keep our tenants in their housing and also fight against landlords who are targeting them. So, again, just want to really encourage more of the funding. And also consider being a little open to, you know, the deliverables or giving us more money so that we can also do some- get a little creative in

our work personally. I love to do investigations on landlords and go really down rabbit holes, but unfortunately I don't get paid to do that and have that time. I would like to do more investigation on landlords- be able to have more experts come in. like, right now I have a building where it's unstable and it would really benefit if we had an engineer. So, funding for our organization to also do a lot of the things that are already not in our scope. That would be hopeful. I'd like to talk really quickly about- I appreciate the new administration and look forward to the many things to come, but there is a problem with the AEE [sic] program in my experience. Their contractors are kind of for lack of a better term interesting and how they show up to do work is interesting. If I may conclude, and I will try to be fast. You know, contractors are interesting. When the inspectors come out, I have personally been there when the AEE program inspector has come out, and I have to show him, oh, well there's mold, and he's like, that's not on my list. You're going to have to call that in. I don't know understand that process. It was really frustrating. 311 operators I am noticing more and more- I'm not sure what's happening

1 with training. Some of them know how to take like
2 repairs call. Some of them don't. Some of them know
3 how to take calls around vacant units. Some of them
4 do not. We have this issue where 311 closes tickets
5 and the issue still exists, as you've heard. We
6 would love to see more roof to cellar inspections,
7 because again, we know that there are a lot of
8 issues. DOB, I have a building, East Harlem,
9 [inaudible] tenants if you remember that testified
10 last year when my mom translated if you remember-
11 245 East 110 Street. During that same time we went
12 to court. The landlord brought my clients to court
13 for non-pay. We made an agreement, an amazing
14 agreement that would benefit the tenants. Landlord
15 still has not complied. HPD [inaudible] the
16 violations. DOB, after that hearing last year,
17 actually went and did an inspection, found out that
18 the building is unsafe. Here we are a year later,
19 still nothing. I can't get a court order to move this
20 landlord. HPD's not enforcing. DOB is not enforcing.
21 So, I would like to really see real enforcements.
And then really quickly on the jobs- and I only know
this because a friend of mine, he unfortunately is
not working. He receives benefits and he goes to the

1 HRA Back to Work program. He's very well qualified
2 to get a position at HPD. He has attempted- and I
3 guess his developer at HRA does not make that
4 connection. I don't know. I'm just saying it seems
5 like there are people at HRA Back to Work program who
6 have the qualifications and want to work for these
7 agencies, but somehow there's not a connection being
8 made. And I did have one more point that I can't
9 remember, so I'll just leave it up to Jackie. But
10 you know, thank you, and I really- you know, I've
11 been doing this work for over 10 years, and yes,
12 there's been some amazing wins, but it just feels
13 like groundhog's day. And I really would also like
14 to see the District Attorney's office in all the
15 boroughs start working closely with these agencies,
16 because I think what the landlords are doing are
17 criminal, and I do think, you know, if we can arrest
18 people for jumping the turnstile for three dollars, I
19 don't see why we're allowing landlords to have
20 millions of dollars in fines that owed to the city.
21 And maybe we should consider that, remember that they
owe- that they give that back to the tenants.

CHAIRPERSON SANCHEZ: Thank you. Thank
you. What was the address your mom-

PILAR DEJESUS: [interposing] Oh, yes, 245 East 110th Street, and unless the building- because of the MTA doing the work, the shake- it's constantly shaking. Like, the tenants are living in anxiety, and the landlord was ordered in our court agreement to file the permits and do the work, and here we are as of March 2026 and nothing yet.

CHAIRPERSON SANCHEZ: Thank you. Thank you, Pilar.

JACKIE DEL VALLE: Thank you so much for waiting. My name is Jackie De Valle and I'm the coordinator of Stabilizing NYC of Take Root Justice. And we're requesting on behalf of the coalitions that we're a part of \$5.3 million for Stabilizing NYC which funds Take Root to do legal work and 19 other organizations to do the kind of organizing that the new leadership in HPD is really supportive of, \$3 million for Community Land Trust, and \$4.9 million for Community Housing Preservation Strategies initiative. But the increases don't matter if we can't get paid on time. \$9,250,000, that is how much the 20 groups that make up Stabilizing NYC are owed through this fiscal year, and Stabilizing NYC unawarded funds represent close to about half of

that. And even with all the progress that has been made improving contract delays, in this current situation we'll be lucky if we reduce that number by 10 percent, by the end of June. This is unacceptable, and we need- action needs to be taken. What we recommend is that groups receive an advance of at least 50 percent of their contracts. The new legislation on advances does not apply to discretionary funds. HPD must be properly funded to hire more contract managers to process contract registrations and invoicing. The backlog of contract registrations must be cleared, and money for past fiscal years needs to be made immediately available. Many of the group's contracts have recently registered, but there's no money in them. I learned at the Contracts hearing this is called budget readiness, and both MOCS and MONS identified this as a huge bottleneck, and ultimately OMB who releases the money for the budget needs to come under fire for these delays, and we need to start having them at this hearings and asking why we're not getting paid. And further, to conclude, I'd like to highlight one more number of things to the Make Them Pay Campaign which we're part of, and it's determined that New

1 York City is owed at least \$1.5 billion in unpaid
2 penalties from large corporation and bad actor
3 landlords, and much of it's tied to housing and
4 building violations that impact tenant safety and the
5 quality of life. So, thank you, Council Member
6 Sanchez for your leadership and all the members that
7 gave and to our great financial analysts and
8 committee counsels for your time. It's been a really
9 long day.

10 CHAIRPERSON SANCHEZ: Thank you. I cannot
11 understand these payment delays, but thank you for
12 highlighting them again and again, and yeah. Let us
13 know how and when and whatever you know about how we
14 should push further and I'll task us with the same.
15 Thank you.

16 JACKIE DEL VALLE: Can I make one more
17 thing? Just [inaudible] HPD [inaudible] grants for
18 people who [inaudible] years, because right now it's
19 only one-shot deal, and that's it. That's a loan
20 [sic]. If you're like a middle-class person, there's
21 not really- and you make a little bit too much,
there's not really many options for you to get large
amounts of money for arrears, and right now a
one-shot deal is really the main thing for most, but

that isn't always- that doesn't always help everybody, especially if you're undocumented. So, like, maybe if there's ways for even HPD to give out housing grants. Thank you.

CHAIRPERSON SANCHEZ: We're going to put more money in the bank. Okay. Thank you so much for your testimony. We're going to move to online. We will now turn to remote testimony. Once your name is called a member of our staff will unmute you and the Sergeant at Arms will give you the go-ahead to begin. Please wait for the Sergeant to announce that you may begin before delivering your testimony. Jonathan Gaffney.

SERGEANT AT ARMS: You may begin.

CHAIRPERSON SANCHEZ: Tamika Mapp [sp?]?

SERGEANT AT ARMS: You may begin.

TAMIKA MAPP: Oh, hi, everybody. Thank you so much.

JONATHAN GAFFNEY: Hello?

TAMIKA MAPP: Hello? Hi.

JONATHAN GAFFNEY: [inaudible] Hello. Did you guys-

SERGEANT AT ARMS: Everybody hold on.
Hold on one second, okay, guys? One second. Council
Member, who was the first person that you called?

CHAIRPERSON SANCHEZ: Jonathan Gaffney.

SERGEANT AT ARMS: Okay. Jonathan
Gaffney is here. I'm going- I'm just going to unmute
him. Tamika can go next, because he just responded
late. Sometimes the Zoom is a little delayed, okay?

SERGEANT AT ARMS: You may begin.

JONATHAN GAFFNEY: Thank you so much.
Sorry about the technical difficulties. My name is
Jonathan Gaffney. I am the supervisor of the tenant
organizing program at Catholic Migration Services.
CMS provides free legal services and community
education to low-income New Yorkers in immigration,
workers rights, and housing. And it's our mission to
welcome a stranger in our midst by advancing dignity,
stability, and justice for immigrant and
working-class communities. And I'm here today to
speak in strong support of increased funding for
Stabilize NYC and community housing preservation
strategies. These programs fund a model that works,
deep collaboration between legal services and tenant
organizing. At CMS our attorneys work side by side

1 defending tenants in Housing Court while also
2 providing and building tenants associations,
3 developing leadership, and organizing collective
4 action to preserve affordable housing. Through the
5 SNYCNCHPS [sic] funding, our team has been able to
6 carry out sustained on-the-ground organizing across
7 Queens neighborhoods like Crown and Jackson Heights,
8 Elmhurst, Jamaica, and Flushing, and we're seeing
9 lack of hot water, persistent mold, water damage,
10 eroding, cockroach infestations, dangerous
11 conditions, and you know, in one of our buildings
12 that I organize in, tenants have organized a
13 beautiful tenant organization while raising serious
14 conditions of harassment. And through consistent
15 organizing, tenants formed this association to lodge
16 collect demands and secure- for their first meeting
17 with management that they've had in like over 10
18 years. And as a result, management has given this
19 tenant organization serious concession. This work is
labor intensive. It requires repeated door-knocking,
follow-up conversations, translation, meeting
facilitation, coalition coordination, and-

20 SERGEANT AT ARMS: [interposing] Time
21 expired.

JONATHAN GAFFNEY: Can I just- two seconds to finish?

CHAIRPERSON SANCHEZ: Yep. You may conclude.

JONATHAN GAFFNEY: Thank you. Stabilizing helps us do this amazing work. Something that happened in our tenant association meeting last week was that somebody was hungry in their home, and because of the organizing that I was able to do, that person was able to get fed through the collective action. So, we strongly support allocating \$5.7 million to stabilizing, and allocating \$5.37 million to community housing preservation initiative. These increases are necessary to sustain and expand the work that is already proving effective in stabilizing tenants and preserving affordable housing. Thank you so much for your time, and thank you for allowing me to go over.

CHAIRPERSON SANCHEZ: Thank you, Jonathan. Thank you for joining us and for your advocacy. Tamika Mapp?

SERGEANT AT ARMS: You may begin.

TAMIKA MAPP: Hi. So, hi. Thank you so much, Chair. My name is Tamika Mapp and I'm a proud

co-op owner in East Harlem and a district leader for the 68th Assembly District. I'm here today in support of Resolution 009-206 because our co-ops and affordable homeowners are in crisis and we cannot ignore any longer. Let me be clear, these buildings are not being neglected by residents. They are being strained by a system that has not provided the resources to keep them stable, and one of the biggest drivers of this crisis is expiring tax abatements. For years these abatements have kept maintenance [inaudible] for working-class homeowners, but now as they expire, we're seeing sharp increases of monthly maintenance, building unable to fund critical repairs, seniors having to decide on their health or a place to stay, and families getting pushed closer to displacement. In East Harlem these are not investors. They are families on a fixed income and first generation homeowners who finally given a pathway to stability. And now that stability is being taken away. I support this resolution, but it must go farther. We must recognize that the [inaudible] homeowners, not developers. We need fair property tax abatements extended and reformed taxes, real funding for repairs, and consistent support from

1 HPD, because without interventions we'll just keep on
2 losing buildings. We'll lose one of the pathways to
3 affordable homeownership in the communities like
4 mine. So I ask you today stand with our residents,
5 protect our homes, and act with urgency because East
6 Harlem families cannot wait any longer. Thank you
7 for your time.

8 CHAIRPERSON SANCHEZ: Thank you so much.
9 Just highlighting that the Council has no control
10 over DAMP, and so I just encourage you to also
11 advocate at the state level. Thank you. I'd now
like to call James Dill.

12 SERGEANT AT ARMS: You may begin.

13 JAMES DILL: Hi, I'm Jim Dill, Executive
14 Director of Housing and Services Inc. We provide
15 permanent supportive housing, the most cost-effective
16 and humane way to end chronic homelessness to 725
17 households in Manhattan and the Bronx in both
18 congregate and scatter site settings. Like our peer
19 organization that testified before WSHFISH [sic], we
20 are members of the Supportive Housing Network of New
21 York, and I echo their testimony about urging the
city to allocate \$65 million of New York 15/15
funding for the preservation of SRO supportive

housing. We are proud to have been one of the organizations to pioneer housing first, and the first generation of supportive housing where ensured bathrooms and kitchens were the standard. With the success of this first generation, it paved the way for increased expectations for supportive housing while the HPD standard is now studio apartments with full baths and kitchens- kitchenettes. However, we now have [inaudible] units that have been online for over 40 years and buildings that are over 10 years old. SRO rentals now- and as you heard before, the state NYCHA funding social services contracts has been stagnant for decades. Accordingly, operating revenues are insufficient to fund major repairs and long-time maintenance. Given the low revenues, cash debt service on government or private loans is not an option. The proposed \$65 million allocation would greatly- significantly increase crucial SRO preservation opportunities. During this period of record-high homelessness, the city can't afford to lose any supporting housing units. And so when repairing for the first generation SROs we presume with NY 15/15 funding. We will submit written testimony and on behalf of our tenants and staff I

very much am grateful of this opportunity to be able to speak to you.

SERGEANT AT ARMS: Time expired.

CHAIRPERSON SANCHEZ: Thank you so much for your testimony, James, and for paying attention enough to still be with us at 5:54. Emily Goldstein.

SERGEANT AT ARMS: You may begin.

EMILY GOLDSTEIN: Good afternoon. Thank you for the opportunity to testify, I and I apologize that I wasn't able to be there in-person today. My name is Emily Goldstein. I'm the Director of Organizing and Advocacy at the Association for Neighborhood and Housing Development, or ANHD. I'll use my time to highlight just a few priorities from our longer written testimony. First, ANHD is very concerned about the lack of resources dedicated to the preservation of existing affordable housing which we believe must be a top priority in the city's housing capital budget. The administration's Preliminary Budget allocates approximately \$304.9 million for its primary preservation loan programs. We believe the need for preservation capital is likely closer to \$1 billion, and so we strongly urge the mayor and the council to increase capital funds,

specifically for preservation of our existing subsidized affordable and deeply affordable housing. On the operating side, we also urge the mayor to fully implement the changes to CityFHEPS that passed into law several years ago now. These vouchers are a critical resource for homeless New Yorkers to access permanent housing, for preventing eviction, and to enable deeper affordability across our affordable housing stock. Second, we're grateful for the Council's longstanding commitment to the Community Housing Preservation Strategies Initiative, or CHPS, which enables community-based organizations to provide essential preservation and anti-displacement services in at-risk neighborhoods across the city. However, funding for this program has remained flat since 2016 despite skyrocketing demand and increasing costs. We call on the City Council to increase CHPS funding to \$5.37 million in FY27. We also urge the City Council to continue funding ANHD's displacement alert project and our capacity building training and technical assistance for the CHPS program. Finally, we encourage increased staffing allocations at HPD for various key areas including development, asset management, and code enforcement. I'll note that our

written testimony includes further information about how improved collection of fees and penalties for code violations could help offset-

SERGEANT AT ARMS: [interposing] Time expired.

EMILY GOLDSTEIN: some of the staffing costs in addition to being good policy to protect tenants. Thank you very much for your time.

CHAIRPERSON SANCHEZ: Thank you so much for joining us, Emily, and for your testimony. Memo Salazar.

SERGEANT AT ARMS: You may begin.

MEMO SALAZAR: Hi. I hope you can hear me. My name is Memo Salazar. I am the Co-Chair of the Western Queens Community Land Trust. We've only been around a few years, but already we've managed through great headway here in New York City and Queens specifically. We just secured \$2.2 million from then Assembly Member Zohran Mamdani, who is now mayor of course, to purchase a building in Astoria that's going to house some families upstairs and downstairs house the Astoria food pantry which is a mutual aid organization that is incredibly useful, and loved here in the community. That will now give

1 them a home that they don't have to worry about
2 getting booted or losing their home, you know,
3 permanent affordable space to work. We're pursuing a
4 couple other building projects as well this year. So,
5 it's a very exciting time for us. However, this is
6 only possible because of our deep roots in the Queens
7 community. We're a very trusted group. We're all
8 volunteers except for one full-time staffer and one
9 part-time project manager that we just hired now. So
10 funding is really, really crucial for us. Like,
11 we're, you know, mostly just people like myself
12 donating their time while in between jobs and, you
13 know, every day and family and all the other things
14 that we have to deal with. Many of the issues that
15 were discussed in today's- in the first part of
16 today's meeting could be addressed by the many CLTs
17 that are in the city, but only with a substantial
18 increase of funding. So, we're asking City Council to
19 fund the CLT initiative that you've heard today at \$3
20 million per 23 orgs. That's incredibly- we need the
21 money. We need so much money in policy changes and
 so many things. Hand in hand with that, we're asking
 also, and you already heard this from others, but
 please address the chronic delays in registering the

discretionary funding contracts. Our CLT's already gone three years of not receiving the funds that were allocated to us, and it's making us cash-strapped as an organization. We've lost through fiscal sponsor, because they could no longer cover the overhead. We're now on our own. This is an-

SERGEANT AT ARMS: [interposing] Time expired.

MEMO SALAZAR: So, anyway, I guess I'll stop. But thank you. Both of those points are incredibly important for us.

CHAIRPERSON SANCHEZ: Thank you so much, Memo. Heard and appreciate you participating today. Todd Baker?

SERGEANT AT ARMS: You may begin.

CHAIRPERSON SANCHEZ: Alexis Foot?

SERGEANT AT ARMS: You may begin.

CHAIRPERSON SANCHEZ: De Anita Deville
[sp?]?

SERGEANT AT ARMS: You may begin.

CHAIRPERSON SANCHEZ: Paul John [sp?]?

SERGEANT AT ARMS: You may begin.

CHAIRPERSON SANCHEZ: Zara Nazir?

SERGEANT AT ARMS: You may begin.

CHAIRPERSON SANCHEZ: And a representative from the Flatbush Tenant Coalition?

SERGEANT AT ARMS: You may begin.

CHAIRPERSON SANCHEZ: If we have inadvertently missed anyone that has registered to testify today and has yet to be called, please use the Zoom raise hand function if you are testifying remotely and you will be called in the order that your hand has been raised. If you are testifying in-person, please come to the dais. Seeing none, I will now close today's hearing. Thank you to the members of the administration and the members of the public who have joined us today. This hearing is adjourned.

[gavel]

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 June 26, 2026