

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON HOUSING AND BUILDINGS

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B E F O R E: HON. PIERINA ANA SANCHEZ, CHAIRPERSON

COUNCIL MEMBERS:

- Alexa Avilés
- Charles Barron
- Tiffany Cabán
- David M. Carr
- Eric Dinowitz
- Oswald Feliz
- Crystal Hudson
- Ari Kagan

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

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2 SERGEANT KOTOWSKI: Cloud is started.

3 SERGEANT LEONARDO: Okay. Good morning and welcome
4 to today's New York City Council hearing for the
5 Committee on Housing and Buildings. At this time, we
6 ask that all Council Members and staff turn on their
7 video for verification purposes. To minimize
8 disruptions throughout the hearings, please place
9 cell phones and electronic devices to vibrate or
10 silent.

11 If you have testimony you wish to submit for the
12 record, you may do so via email at
13 testimony@council.nyc.gov. Once again that is
14 testimony@council.nyc.gov. We thank you for your
15 cooperation. Chair, we are ready to begin.

16 CHAIR SANCHEZ: Good morning, everyone. Before we
17 get started, I'd just like to start by acknowledging
18 my colleagues who are here online. We have Council
19 Member Avilés, Council Member Kagan, Council Member
20 Carr, Council Member Cabán, Council Member, uh,
21 Barron, Council Member Felis, uh, Council Member
22 Dinowitz. And that is who I am seeing for now.

23 So, good morning everyone. I am Council Member
24 Pierina Sanchez, Chair of the Committee on Housing
25 and Buildings. I want to thank you all for joining

2 today's hearing. Today the Committee will hear an
3 introduction in relation to the continuation of New
4 York City Rent Stabilization Law of 19, of 1969, and
5 a Resolution determining that a public emergency
6 requiring rent control in the City of New York
7 continues to exist.

8 It is no secret that New York City's housing
9 stock has become increasingly unaffordable and
10 unavailable for some of New York City's most
11 vulnerable populations. Rent regulation is one of the
12 most important tools that the City has had over
13 decades to help New Yorkers be stably housed and to
14 keep housing affordable to those who need it.

15 The results of the 2021 Housing and Vacancy
16 Survey demonstrate the need for the City Council to
17 extend rent regulation.

18 Today we will interrogate those findings. The
19 survey, which is a snapshot in time, and was
20 conducted from February to July 2021, found an
21 overall net vacancy rate of 4.54%, below the 5%
22 threshold for a finding of public emergency
23 necessitating rent regulation.

24 It's important to note that a 5, uh, a 4.54%
25 vacancy rate is for all rental types in the City of

2 New York. The vacancy rate varies considerably when
3 you break down the data by Borough, by rent
4 affordability level, and whether the housing is
5 unregulated or regulated through a range of programs
6 or under rent stabilization.

7 For example, the vacancy rate in Manhattan was
8 10.01%, above the citywide vacancy rate and above,
9 far above, the other Boroughs. 4.15% in Queens and
10 Staten Island, 2.73% in Brooklyn, and less than 1% in
11 my own Borough, the Bronx, where we have, by the way,
12 built the largest share of new affordable housing
13 units in New York City in the last decade.

14 Less surprisingly still, vacancy rate still vary
15 greatly based on rental amounts. Less than 1% of
16 rents under \$1,500 and over 12% for rents above 2,300
17 percent, uh, \$2,300 and up.

18 The urgency of the situation is underscored by
19 the rent burden experienced by New Yorkers. By 2021,
20 a staggering 53% of renter households were rent
21 burdened, paying over 30% of their household income
22 in rent. That's nearly one million households. Of
23 those, almost 600,000 households were severely rent
24 burdened, paying over 50% of their household income

2 in rent. And the median asking rent for all units
3 that were vacant and available for rent was \$2,750.

4 Based on affordability and income, most New
5 Yorkers could not afford most of the available units.
6 In fact, the New York City median income would have
7 to double, double, in order for New Yorkers to be
8 able to afford the median rent. And when considering
9 our lowest income households in the city, the HVS,
10 the HVS has found an extreme vacancy shortage at
11 below 1% for the lowest income households. This is
12 the lowest, uh, this rate has been in over 30 years.
13 And it's no surprise to those of us who live with and
14 serve these households every single day.

15 All this data speaks to the severity of the
16 City's housing crisis. Although today's hearing has a
17 specific focus, I want to emphasize how important it
18 is that the New York City housing plan look
19 holistically at this information, the City's economic
20 health, and most importantly, the people who stand to
21 be most affected by the decisions that we make as
22 lawmakers.

23 In March, this Committee extended the existing
24 rent stabilization law for three months, as
25 authorized earlier by New York State law. That

2 extension was simply to account for delays with the
3 HVS caused by COVID-19, which we will discuss today.

4 And today we are looking, finally, at the
5 findings of 2021 HVS which the Council received about
6 a month ago. And the purpose of today's hearing is so
7 that the Council can determine whether there is an
8 ongoing public emergency. Only through Council
9 determination can the rent stabilization law continue
10 to move forward.

11 Based on the data, the answer appears to be yes,
12 the City is still in a housing emergency and this
13 Council has a responsibility in this case to take
14 measures to protect tenants, especially those who are
15 most vulnerable.

16 Yet today, myself and my colleagues will be
17 asking questions of HPD who receives the survey
18 responses from the Census Bureau to ensure the
19 integrity of the survey and that we are making the
20 best decision with the best available data and the
21 best available information. Today, the Committee will
22 hear from the Department of Housing Preservation and
23 Development as well as from housing advocates,
24 members of the real estate industry, and other key
25 stakeholders.

2 I would like to thank my colleagues from the
3 Housing and Buildings Committee for joining today and
4 I'd also like to thank the Council staff, Audrey Sun
5 and, and policy analyst as well as my Chief of Staff,
6 Sam Cardenas and Kadeem, um, Robinson, my legislative
7 director for all their help and all their work
8 preparing for this hearing today.

9 With that, uh, Sergeant, can we swear in the
10 administration?

11 COMMITTEE COUNSEL SUN: Uh, thanks very much
12 Chair. Um, and thank you. Um, just before we proceed
13 with the, with the oath, I just want to go over a
14 couple of quick housekeeping matters for the, for the
15 virtual hearing.

16 Uh, my name is Audrey Sun. I am the counsel to
17 the City Council's Committee on Housing and
18 Buildings. Uh, just a reminder that all participants
19 will be on mute until it is your turn to testify at
20 which point a member of our staff will prompt you to
21 unmute. Uh, please accept the prompt when you receive
22 it.

23 During the hearing, if Council Members would like
24 to ask a question, please simply use the Zoom raise
25 hand function and we will call on you in turn. And in

2 the interest of time, Council Member questions will
3 be set to five minutes each. Um, we will first hear
4 from the administration, and followed by Council
5 Member questions. And then after that, we will take
6 testimony from members of the public.

7 Um, I will now administer the oath. Uh, today the
8 Department of Housing Preservation and Development is
9 represented by Deputy Commissioner Brandon
10 McLaughlin, Chief Research Officer, Elyzabeth Gaumer,
11 and Assistant Commissioner Lucy Joffe.

12 Please raise your right hands. Do you affirm to
13 tell the truth, the whole truth, and nothing but the
14 truth before this Committee and to respond honestly
15 to Council Member questions. Brendan McLaughlin?

16 DEPUTY COMMISSIONER MCLUGHLIN: I do.

17 COUNSEL SUN: Elyzabeth Gaumer?

18 CHIEF RESEARCH OFFICER GAUMER: I do.

19 COUNSEL SUN: Lucy Joffe?

20 ASSISTANT COMMISSIONER JOFFE: I do.

21 COUNSEL SUN: Thank you. You may begin when ready.

22 DEPUTY COMMISSIONER MCLAUGHLIN: Uh, well thank
23 you very much, Audrey. And good morning, Chair
24 Sanchez and members of the Housing and Building
25 Committee. I am Brendan McLaughlin, Deputy

2 Commissioner for Policy and Strategy at the
3 Department of Housing Preservation and Development,
4 or HPD. I am joined by my colleagues, Doctor
5 Elyzabeth Gaumer, HPD's Chief Research Officer, and
6 Lucy Joffe, Assistant Commissioner for Housing
7 Policy.

8 I would like to thank the Committee for welcoming
9 us today to testify in support of pre-considered
10 Resolution T2022-1530 and pre-considered Introduction
11 T2022-1528 and to discuss initial findings from the
12 2021 New York City Housing and Vacancy Survey, the
13 NYCHVS.

14 HPD submitted the findings to the Council on May
15 16th, 2022. The NYCHVS provides critical data that
16 informs our understanding of the City's housing stock
17 and establishes the City's net rental vacancy rate
18 which the Council must consider when determining if
19 New York City is in a state of housing emergency.
20 Pursuant to state law, a housing emergency is
21 determined based on the supply and condition of
22 housing accommodations within a municipality and an
23 identified need for recognizing and controlling
24 residential rents.

2 The continuation of rent stabilization, rent
3 control in the City, depends on a determination by
4 the Council that a state of housing emergency still
5 exists. Local law also requires that a survey be
6 conducted to examine the supply of housing, the
7 condition of housing, and the need for continuing
8 regulation and control of residential rents and
9 evictions.

10 The NYCHVS is a representative survey of the
11 City's housing stock and it has been carried out
12 about every three years since 1965. It is the longest
13 running housing survey in the country and is of
14 critical importance for understanding how our city is
15 changing and what we can and should do to support
16 improvement in policy and programming.

17 It is conducted by the United States Census
18 Bureau under contract with the City of New York.
19 Interviews for the current survey were conducted
20 between February and June of 2021, making it the most
21 up to date representative data on New York City
22 currently available.

23 As you know, the Council must pass the Resolution
24 and Introduction being heard today between 30 and 60
25 days from receiving findings of the NYCHVS and the

2 Mayor must sign the legislation before July 1st,
3 2022. Simply put, they are what make the extension of
4 the rent control and rent stabilization laws
5 possible.

6 In 2021, the NYCHVS underwent a major redesign
7 and added a new module based on the impact of the
8 COVID-19 pandemic. The redesign focused on five key
9 areas: improving the validity of how the NYCHVS
10 measures key features of the City's housing stock and
11 population, ensuring the NYCHVS sample is able to
12 adequately speak to all of New York City's various
13 types of housing and represent the population living
14 in different types of units, modernizing procedures
15 and protocols, employing new technology, and reducing
16 the burdens placed on respondents and field workers,
17 ensuring representation among hard to reach
18 communities through enhanced language access and
19 inclusive respondent facing materials and messaging,
20 and lastly, expanding the survey questionnaire on
21 important topics including financial stability.

22 In addition, through the new COVID-19 module, the
23 NYCHVS collected information about New Yorkers'
24 experiences during the COVID-19 impact including its

disparate impact by various socio-demographic groups, protected characteristics, and housing conditions.

While much of the City's pandemic response is oriented to the urgency of how we can help New Yorkers who are at risk now, the NYCHVS is one of the tools we have to help us better plan for the future.

The findings from this module show the intense strain that many New Yorkers, particularly the lowest income New Yorkers faced during the first 18 months of the pandemic. One in 10 New Yorker households faced food insecurity, one in 8 renter households reported missing at least one rent payment, and of these, just under 30% reported still being in arrears at the time of the survey.

As Doctor Gaumer's testimony will highlight in detail, the findings from the 2021 NYCHVS are clear: New York City continues to face a housing crisis that affects our residents in various way, from paying too much of their income toward rent each month to feeling stuck because of the lack of vacant affordable apartments, to facing pests, mold, and heat outages in their homes. Despite the City's unparalleled investments in creating and preserving affordable housing, a continued shortage of housing

2 options contribute to the ongoing affordability and
3 homelessness crisis.

4 More than half of New York renters were rent
5 burdened, which means they were paying more than 30%
6 of their income towards rent which is consistent with
7 the highest levels on record over the past decade.

8 Within our housing crisis, longstanding rent
9 protections from the rent control and rent
10 stabilization laws have been vital resources for
11 millions of households over the years. In 2021,
12 approximately one million New York City households
13 benefitted from the protection of these laws.

14 Rent stabilization, in particular, provides the
15 largest source of low-cost housing in the City and
16 offers critical tenant protections that enable
17 residents to remain in their homes and exercise the
18 choice to stay in their neighborhoods. Rent
19 stabilization also supports our affordable housing
20 work, where HPD adds to the stock of rent stabilized
21 housing through many of our housing programs which
22 provides an extra layer of protection for those
23 renters.

24 Taking these and many other findings into
25 consideration, we believe New York City continues to

2 experience a housing crisis. The shortage of housing
3 is particularly acute for lower income households who
4 face the lowest vacancy rates and a shrinking stock
5 of lower cost units. It is clear from the 2021 NYCHVS
6 that we must not only continue to add to the overall
7 stock to address our emergency, but specifically add
8 lower cost units and work to retain existing units
9 with low rents to support New Yorkers who face
10 continued affordability challenges.

11 Before turning the microphone over to the Chief
12 Research Officer, I want to express my gratitude to
13 Lyz, and the entire team that ran the New York City
14 HVS through truly trying circumstances over the past
15 three years. Also, to the hundreds of New Yorkers who
16 worked as Census field representatives, and of
17 course, the thousands of New Yorkers who decide, who
18 dedicated their time and shared their personal
19 information. The people of the City of New York and
20 especially the million households who live in rent-
21 controlled and rent stabilized housing are deeply
22 indebted to their service.

23 I'll turn it over now to the Chief Research
24 Officer, Elyzabeth Gaumer.

2 CHAIR SANCHEZ: Thank you so much, Brendan. I just
3 want to acknowledge that we have been joined by
4 Council Member Felis. Uh, Chief Research Officer?

5 CHIEF RESEARCH OFFICER GAUMER: Thank you and good
6 morning. Uh, I am Elyzabeth Gaumer, Chief Research
7 Officer at HPD. Thank you for the opportunity to
8 testify before Council today. I am going to share my
9 screen and present some slides. Um, let me do that
10 and if you could just confirm that you can see it?
11 Can you all see that okay? Great.

12 CHAIR SANCHEZ: Yes.

13 CHIEF RESEARCH OFFICER GAUMER: Thank you. Uh, HPD
14 submitted selected initial findings from the 2021 New
15 York City Housing and Vacancy Survey to the Council
16 on May 16th, 2022. Our testimony today will present
17 the main findings from the report including key
18 statistics on the supply of housing, its condition,
19 and the continued need for the regulations of
20 residential rents and evictions.

21 As will past cycles of the NYCHVS, more detailed
22 analysis will be made available over the coming weeks
23 and months and the Census Bureau plans to release the
24 micro data from the 2021 NYCHVS later this summer for

2 analysis by a range of policy makers, researchers,
3 and academics, who rely on the NYCHVS for their work.

4 The United States Census Bureau conducted the
5 survey from February through the middle of July in
6 2021. Although, the NYCHVS is the most up to date
7 representative information we currently have
8 available, it is important to note that it reflects
9 this point in time. The estimates we share today, as
10 well as the information provided in the report, are
11 based on that time period.

12 In 2021, there were 3.644 million housing units
13 in New York City. This is the largest stock recorded
14 since the NYCHVS began in 1965 and represents a net
15 increase of 175,000 units since 2017. The 2021 New
16 York City Housing and Vacancy Survey reports the net
17 rental vacancy rate to be 4.54%, below the 5% net
18 rental vacancy rate threshold set forth in state and
19 local laws as the condition determining the housing
20 emergency continues to exist. The city-wide net
21 rental vacancy rate indicates that although supply
22 has continued to increase, it has failed to keep pace
23 with the continuing demand for housing.

24 When we break the vacancy rate down further, we
25 see significant variation in the rental inventory.

2 Manhattan had a significantly higher net rental
3 vacancy rate than any other Borough at 10%. The net
4 rental vacancy rate was 4.15% for Queens and Staten
5 Island combined, 2.73% in Brooklyn and less than 1%
6 in the Bronx. There was an acute shortage of housing
7 among lower cost units. In 2021, the median rent of
8 all occupied housing was \$1,500. The vacancy rate for
9 units with asking rents below this level was less
10 than 1%. Units with asking rents at or above \$2,300
11 had a 12.64% vacancy rate.

12 In 2021, there were 353,000 units that were
13 vacant but not available for one or more reasons. Of
14 those that were unavailable for only one reason, a
15 total of 244,000 units, by far the most prevalent
16 reason for being unavailable was what we call held
17 for seasonal, recreational, or occasional use with
18 103,000 units in this group.

19 In 2021, there were 2.274 million renter occupied
20 and vacant available rental units during the survey
21 period. Just over one million of these were rent
22 stabilized, representing 42% of the active rental
23 stock. This is statistically the same as it was in
24 2017.

2 There was a similar share of rental units that
3 were what the NYCHVS refers to as private,
4 unregulated units. These units are commonly referred
5 to as market rate because their rents are not
6 regulated. These include units in newer buildings
7 that were not subject to rent stabilization as a
8 result of participation in an affordable housing or
9 tax incentive program, units in smaller buildings
10 where rent stabilization did not apply, and units
11 that were previously decontrolled and not subject to
12 rent stabilization by some other means.

13 These private unregulated rental units also
14 generally included units in condominium and
15 cooperative buildings that were renter occupied or
16 available for rent either as a sponsor unit after
17 construction or conversion or as a sublet by the
18 unit's owner.

19 Each cycle of the NYCHVS shows the net change in
20 units from the prior survey. That is, the cumulative
21 result of both the units that have left the stock and
22 those that have been added. Over time, the NYCHVS has
23 shown minimal net change in the rent stabilized stock
24 and a net increase of private, unregulated units.

2 The NYCHVS measured housing conditions through
3 self-report of the current occupants regarding
4 maintenance deficiencies as it has done for many
5 cycles. In 2021, 14% of occupied rental units
6 reported three or more maintenance deficiencies.
7 Although the share of households experiencing a
8 heating or toilet breakdown decreased in 2021, there
9 was an increase in the prevalence of most individual
10 deficiencies, including the presence of rodents,
11 leaks, cracks and holes, broken plaster or peeling
12 paint, and additional heating required. This upward
13 trend was across all housing types but we saw
14 significant disparities in the tenant population
15 living with these conditions. New Yorkers of color,
16 in particularly Black and Hispanic New Yorkers were
17 much more likely to experience low quality housing
18 than white New Yorkers.

19 Overall, 8% of all New York City households were
20 living in overcrowded conditions in 2021. 12% of
21 foreign-born households were crowded and the
22 prevalence was highest for families with children
23 where one in four households were crowded.

24 The 2021 NYCHVS showed that we continue to face a
25 severe affordability challenge. According to the 2021

2 NYCHVS, the median household income for renters was
3 \$50,000. That's equivalent to a gross monthly income
4 of \$4,167. Using standard federal guidelines that
5 suggest a household should pay no more than 30% of
6 gross income on housing costs, the typical renter
7 household could afford to pay \$1,250 in rent and
8 utilities. But the median contract rent in 2021 was
9 \$1,500 and it was \$1,650 when we factor in the cost
10 of utilities which are also high. Moreover, the
11 median asking rent of units available for rent was
12 \$2,750, well above the \$1,250 the typical households
13 could afford to pay. To be able to afford the typical
14 unit available for rent would require household
15 income of at least \$110,000 a year, more than double
16 that of the typical New York City renter.

17 What results is a high prevalence of rent burden
18 across nearly every income level. In 2021, we found
19 that more than half of renter households were rent
20 burdened or paying more than 30% of income for
21 housing each month, more than a third were severely
22 burdened or paying more than 50% of income for
23 housing.

24 The NYCHVS helps us identify the components of
25 this challenge. One side is rent burden based on the

1 intersection of housing costs and incomes. But
2 another critical component is the overall composition
3 of our rental stock. Between 2017 and 2021, we saw a
4 net decrease of about 96,000 units renting for less
5 than \$1,500 and a net increase of 107,000 units
6 renting for \$2,300 or more. And that's all reported
7 in 2021 dollars after adjusting for inflation.
8

9 This is not a recent phenomenon. Over the last
10 decade from 2011 to 2021, we saw an even larger net
11 loss of the lowest cost units as rent shifted upward.
12 The graph here shows the net change in the number of
13 rental units by rent level in 2021 relative to 2011,
14 after adjusting for inflation. The negative bars to
15 the left show where we have lost lower cost units and
16 the bars to the right show the net increase in higher
17 cost units. Over this time period, the last decade,
18 there was a net increase of about 340,000 units with
19 rents below \$1,500 and a net increase of just over
20 335,000 units with rents of \$2,300 or more.

21 When we examine the change in rents over the last
22 30 years, we see a dramatic shift in rental cost
23 after adjusting for inflation. This graph shows the
24 absolute number of units with rents of less than
25 \$1,500 and those with rent of \$2,300 or more from

2 1991 to 2021 for each cycle of the NYCHVS. Over this
3 period, New York City saw a loss of almost 610,000
4 units renting for less than \$1,500 and a gain of
5 430,000 more units renting for \$2,300 or more. All of
6 these estimates are inflation adjusted and shown in
7 2021 dollars.

8 The affordability challenge faced by everyday New
9 Yorkers continues unabated. When we examine the share
10 of income spent on rent for the typical New Yorker
11 all the way back to the first NYCHVS in 1965, we see
12 a clear increase over time. In the last decade, the
13 level of rent burden has remained constant, where the
14 typical New Yorker regardless of income, is paying
15 more than 30% of pre-tax income on rent.

16 As Deputy Commissioner McLaughlin shared earlier
17 in our testimony, New York renters struggled
18 financially during the first year and a half into the
19 pandemic. The NYCHVS showed that households that were
20 rent burdened had lower confidence that they could
21 cover an emergency expense. They were also more
22 likely to have missed at least one rent payment and
23 as still be in arrears at the time of the survey,
24 placing them at risk of losing their home or
25 foregoing other critical expenses to make ends meet.

2 In summary, there is a net vacancy rental rate of
3 less than 5% overall and a severe shortage of lower
4 cost units. Rents continue to increase. The rent
5 burden faced by most New York households remains at
6 persistently high levels, leaving households
7 vulnerable to financial instability across multiple
8 dimensions.

9 Thank you for the opportunity to testify and we
10 are happy to answer any questions.

11 CHAIR SANCHEZ: Thank you. Thank you so much, uh,
12 Lyz and Brendan. Appreciate the testimony. Um, so I'm
13 going to start off, uh, asking some questions and
14 then I want to turn it over to colleagues before I
15 come back just to be respectful of, of everyone's
16 time. I want to make sure they can have their
17 questions asked.

18 Um, so, these, the results are, are dismal, um,
19 especially for the lowest income New Yorkers. Um,
20 there's, there's just a lot in here. I was... There's
21 actually, um, some sad music playing in my office and
22 it was just very resonant with some of the findings
23 here. But, as I mentioned in my introduction, the
24 purpose of this hearing really is to talk about, you
25 know, talk about these findings for the Council to be

2 able to make the determination about whether, uh, the
3 extension of, uh, of rent stabilization is warranted,
4 whether there is a 5%. And so, I, I want to, I want
5 to make sure to do that, uh, before I certainly go
6 into questions about affordability and things like
7 that.

8 So, first, um, I'm going to start the focus on
9 methodology. Um, and starting off specifically with,
10 with the extension. So, in typical years, um, the
11 question, the question is going to be, can you walk
12 us through what a typical, non-COVID-19, non-Census
13 year would have been like, what, what would that
14 timing have been like and what, how does that compare
15 to this timing? Why did you need an extension from
16 the City Council and from the State?

17 CHIEF RESEARCH OFFICER GAUMER: Of course, thank
18 you, um, and, and thank you very much for the
19 opportunity to talk about this, um, incredibly
20 important survey effort and our partnership with the
21 Census Bureau to conduct this in the most vigorous
22 and valid of, of means. Um, so in a typical year, um,
23 we would conduct the NYCHVS every three years. Um,
24 and in the third year of the, that cycle, um, within
25 a year of completing field work, we would, uh,

2 prepare our selected initial findings, deliver those
3 to the Council, um, generally in early February,
4 allowing 30 to 60 days for the Council to make its
5 determination. Uh, and if it so, uh, uh, voted, then
6 to extend rent control and rent stabilization by the
7 usual deadline of April 1st of that year.

8 Every 30 or years, um, our triennial cycle falls
9 at the beginning of a decade when the US Census
10 Bureau, uh, is mandated by the Constitution to
11 conduct the Decennial Census. Sometimes we just call
12 that The Census. Um, and that means that they are
13 obviously, their prime focus is on conducting that,
14 uh, across the country, following that mandate, and
15 getting those results out for all of the, the various
16 purposes it's used for. Uh, and we, in New York City,
17 of course, support every effort to make sure that
18 that count is accurate, uh, and completed in a timely
19 manner.

20 Uh, the downside for the NYCHVS is that it means
21 that the Census is really laser focused on that
22 decennial operation and is unable to conduct a sort
23 of secondary survey like the NYCHVS at the same time.
24 Uh, we on the New York City side honestly, would
25 never want those two surveys to be done at the same

2 time because we would not want any New Yorker to be
3 confused about which of those they are participating
4 in and we want to make sure that the messaging for
5 both surveys is very clear.

6 SO, as has been done in the past when we are
7 scheduled to be, uh, our triennial cycle is to fall
8 in the beginning of a decade, um, we need to be able
9 to adjust our timeline. And so, we, before COVID-19
10 hit, we had made the decision and worked with all of
11 you at both the local as well as our state partners
12 to be able to gain a year's extension and pushed the
13 NYCHVS from occurring in early 2020 to occurring in
14 early 2021.

15 We then, of course, uh, faced the pandemic, uh,
16 the beginning of the pandemic while we were gearing
17 up for the 2021 NYCHVS, uh, and then needed to
18 conduct field work, uh, approximately 12 months after
19 the beginning of the pandemic during the winter of
20 2021 and into the spring, um, when conditions were
21 still quite dire.

22 Uh, the NYCHVS has historically been an in-person
23 survey. For many reasons, it is vital that we be as
24 consistent as we can be with that mode of data
25 collection, uh, to ensure the integrity of the data

2 and the completeness and coverage, particularly for
3 low-income households that may be less likely to
4 respond by phone or internet or any other mode.

5 But, of course, we also had to make a fairly
6 dramatic shift in some of our procedures to protect
7 the health and safety of both the public as well as
8 our field staff working out of the US Census Bureau.
9 Um, and it was, frankly, challenging to staff up with
10 field staff who were willing to do that very
11 important work for us, to get them trained, uh, to
12 set up those public health procedures and make sure
13 that all of those were ready to go, uh, to ensure the
14 health and safety of everyone involved. Um, and that
15 resulted in the need for an additional three-month
16 delay, um, to be able to conduct all of the necessary
17 field work which completed by the mid, uh, middle of
18 July in 2021.

19 CHAIR SANCHEZ: Thank you so much. And so, okay,
20 so recognizing the one-year extension, or the one
21 year push is typical, it happens every 30 years, but
22 recognizing that COVID-19 caused additional delays,
23 can you just, just for clarification sake, the
24 purpose of the additional three months was for data
25 collection, expanding the, the period of time the

2 data was collection, uh, was collected or was it for
3 analysis or for both?

4 CHIEF RESEARCH OFFICER GAUMER: Of course. It was
5 purely for data collection. Um, importantly, although
6 we needed that additional time to complete data
7 collection, the actual time period in which we were
8 collecting surveys remained the same. Uh, we were
9 originally scheduled to start data collection at the
10 very end of 2020, um, and to really hit the ground
11 running, um, in late December and into the beginning
12 of January.

13 Um, we did launch field work in February, but
14 were continuing to still staff up, um, and scale our
15 efforts and really only started working in earnest
16 the beginning of early March where we were really
17 getting a volume of cases. And so, we needed the
18 additional three months to be able to maintain the
19 time that is necessary to work each one of our sample
20 cases, make sure we have adequate response rates, and
21 that we're truly representative of not only every
22 type of housing unit but also all of our communities
23 of New Yorkers, uh, that we try to interview.

24 CHAIR SANCHEZ: Thank you, uh, thank you. And
25 there have been, uh, criticisms, certainly, lodged at

2 the administration, um, at, um, about, uh, whether
3 the City actually made this extension or required
4 this extension, or requested this extension in order
5 to beef up the numbers, right, in order to get higher
6 rates of responses. So can you walk us through how,
7 how does HPD and the Census, how do you, uh, decide
8 on a sample size, um, on the, on the number of folks
9 that you are going to be surveying and was there any
10 difference, um, in the response rate this year versus
11 previous years? Uh, is any of that attributed to the
12 extra time that we had to collect?

13 CHIEF RESEARCH OFFICER GAUMER: Sure. So first of
14 all, let me say clearly, absolutely not. Uh, the
15 extension was to ensure that we could conduct this in
16 the most rigorous way possible, ensure the highest
17 quality data for all of you and your colleagues to
18 make this very important set of decisions, and to
19 provide a robust set of information that we can use
20 in the coming months and even years to guide
21 important policy making and programmatic decisions.

22 Uh, so that said, let me take a step back and
23 sort of walk you through the, some of the basic
24 design of the 2021 NYCHVS. Um, so first of all, as I
25 think we explained in the report, and as, um, Deputy

2 Commissioner McLaughlin explained in his first
3 testimony, um, the 2021 New York City Housing and
4 Vacancy Survey, uh, it represents for us, uh, a
5 really important set of modernizations and
6 improvements that we planned even before the
7 pandemic. Um, this was a multi-year process engaging
8 a range of stakeholders, particularly a wide range of
9 our users out there in both government and in
10 academic research to be able to ensure that the
11 NYCHVS was using the best practices in survey
12 methodology, uh, that it reflected our current city
13 in which we live, and that we were gathering data
14 that would not only, um, help us to make
15 determinations such as the one before you today, but
16 also that it could be used by a range of researchers
17 to help ensure and guide our city to be stronger in
18 the future.

19 Uh, so that included, uh, at the beginning, uh,
20 of this decade, as we usually do, in the NYCHVS,
21 redesigning our sample from the ground up, drawing a
22 new set of addresses, uh, that we will continue to
23 seek to interview for each NYCHVS for the rest of
24 this decade. Um, and so this is the first time that
25 we have interviewed those households. Um, but

2 obviously, the New York City housing stock evolved
3 over time. And so, just drawing a random sampling of
4 addresses is not sufficient to make sure that we have
5 sufficient power, statistical power, and coverage for
6 all of the, the different communities and different
7 types of housing that we need and want to speak to.

8 Uh, so, we work in collaboration with the United
9 States Census Bureau, um, to supplement their master
10 address files with various administrative records
11 from New York City, um, on different types of
12 housing. Uh, we are in partnership with HCR at the
13 state level, so we also mix in, uh, rent registration
14 information for rent stabilized units, uh, tax
15 information, tax abatement, uh, information, HPD's
16 production, et cetera, to make sure that that is all
17 part of the design of our sample, um, that we will
18 have for the rest of this decade.

19 The 2021 NYCHVS, uh, we drew, initially drew, a
20 sample of 30,000 housing units, which had been our
21 intention to continue with the rest of this decade.
22 Um, due to the pandemic, you can imagine that not
23 only, um, were we in a difficult financial, uh,
24 situation, right, where we were all asked, uh, to do
25 what we could to reduce, uh, the fiscal impact of the

2 pandemic in those early months, but we also
3 recognized that being an in-person survey would
4 necessitate changes to our on the ground operation,
5 um, particularly all of the public health protocols
6 that we put in place. And so, as a result, we worked
7 with the sample methodologist at Census to draw a
8 sub-sample of 12,000 housing units which comprises
9 the sample for the 2021 New York City Housing and
10 Vacancy Survey.

11 Our overall final response rate was 73.3%, uh,
12 which was very high, particularly for an in-person
13 effort during the first year of the pandemic. Um, all
14 of that was based on, uh, pre-analysis by our Census
15 Bureau statisticians to ensure that we would have
16 adequate power and number of completed cases based on
17 those projections to ensure that we could report on
18 the kinds of things we did in the selected initial
19 findings. Um, and almost across the board, we hit or
20 exceeded all of those targets of completed cases that
21 we would need to be able to generate valid and
22 appropriately precise estimates.

23 CHAIR SANCHEZ: Thank you, thank you. And how does
24 that response rate compare to previous HVS's?

2 CHIEF RESEARCH OFFICER GAUMER: Sure, so we did
3 have a lower response rate for '21 than in the past.
4 In 2017, our final response rate was just over 80%
5 and this time, as I said, it was 73.3%, but I will
6 say that, uh, as in 2017, um, the 2021 New York City
7 Housing and Vacancy Survey response rate reflects
8 real interviews, complete interviews, uh, interviews
9 that were done with all of the level of respect for
10 the respondents who gave their time willingly to
11 participate, and for the information that they
12 shared.

13 Um, part of our redesign for 2021 was to fairly
14 dramatically expand the number of questions that we
15 asked. Uh, in 2017 and earlier, our average interview
16 for a New York City Housing and Vacancy Survey was
17 just over 10 minutes. The 2021 NYCHVS including the
18 questions we asked about COVID and the pandemic, uh,
19 averaged just under 40 minutes. So you can imagine
20 that part of that lower response rate is just a
21 natural extension of asking for more time which as
22 you know, and as we all know, is the most precious
23 thing that any New Yorker can give us.

24 CHAIR SANCHEZ: Uh, first of all, shout out to New
25 Yorkers who gave 40 minutes, uh, for this survey.

2 That is impressive, um, for New Yorkers. That's
3 great. But it, it all sounds to me, and, and I'm
4 sure, uh, many of my colleagues would agree, the, the
5 methodology is robust, right? We're, we're talking
6 about the Census Bureau, we're talking about, uh, a
7 pre-set, um, a pre-determined and sort of
8 scientifically determined sample size, uh, and, and
9 sample that is sort of checked across many different,
10 uh, data sources with the City of New York, um, and
11 anything that, it sounds like, and anything that HPD
12 and the City had available and yet there was still a,
13 a lower response rate, you know, kind of, you know,
14 sort of, to me, I'm just sort of, uh, saying this out
15 loud and thinking out loud, uh, to me saying that,
16 "No, this wasn't an effort to do anything but have a
17 robust methodology and make sure that the HVS was
18 sound." Uh, that's certainly what I'm hearing, so, so
19 thank you for clarifying that.

20 Um, and so, just want to give the opportunity, if
21 there are any other statistical quality standards, or
22 disclosure avoidance practices that you want to
23 highlight, uh, want to make sure to give you that
24 opportunity.

2 CHIEF RESEARCH OFFICER GAUMER: Sure, thank you.

3 Um, I always appreciate additional time to talk about
4 our statistical methodology. Um, I promise I won't
5 take up too much of, of the time here.

6 Um, just a couple of things that I wanted to
7 highlight about the '21 NYCHVS in particular, um, and
8 the NYCHVS, I would say actually, in general, right?
9 We have been conducting this survey, um, in
10 partnership with the Census Bureau for more than 50
11 years now, um, and it is always a balance between
12 maintaining that legacy and the time series and
13 integrity of being able to look at these very long
14 trends over time, some of which, uh, we have
15 highlighted today in our testimony and we highlighted
16 in our report. Um, to be able to look at data going
17 all the way back to the '60s is a, is an incredibly,
18 uh, unusual, uh, gift, and a privilege to be able to,
19 to have access to those kinds of data. Only New York
20 City has this kind of a survey.

21 Um, so that said, we always try with each and
22 every successive cycle to improve what we are doing,
23 to stay on top of current conditions, to anticipate
24 where we will need data, um, and to ensure that we
25 really are putting equity and respect of our

2 population at the center of our survey efforts,
3 really from tip to tail. Um, and that we have worked
4 hard with the Census Bureau to ensure that that
5 really is part of, um, our general ethos and really
6 part of our mission and guiding principles.

7 Um so, we have dramatically expanded language
8 access in a variety of ways for the '21 NYCHVS and
9 will continue to expand that into the future. Um,
10 we're really pioneering that with the Census Bureau
11 and have really pushed those boundaries and we are
12 very proud of our work on that, um, and have seen a
13 difference in the quality of our data, ensuring that
14 every New Yorker who wants to participate, can.

15 Um, we also, of course, and many of the
16 researchers maybe who will see this transcript or are
17 joining us today may know, we are increasingly in an
18 environment where we have to take data privacy with
19 and, and take extra cautionary steps to ensure the
20 privacy and confidentiality of those wonderful New
21 Yorkers who did give us their time. Um, and the
22 Census Bureau's disclosure avoidance policies have
23 become must stricter over time and those, obviously,
24 part of why we partner with the Census Bureau is

2 because we can benefit from those strict federal
3 guidelines.

4 Um, but it does mean that we have had to produce
5 our selected initial findings in a slightly different
6 process than in past years. Um, it does mean that we
7 are using a much more rigorous process to review and
8 submit those findings to the Census Bureau and have
9 the Census Bureau themselves when they are producing
10 data for us, um, go through extra checks and balances
11 and that means that in the coming months, um, we may
12 have to release data in a slightly different way than
13 we have in the past. Um, but I just wanted to be able
14 to say, on the record, that we are doing that because
15 confidentially and privacy really is our number one
16 priority, um, balanced, of course, with making sure
17 that our data are the most useful both to us and to
18 all of you as possible.

19 CHAIR SANCHEZ: Great. Thank you, thank you so
20 much, um, Elyzabeth. And one, one concept that you
21 mentioned a couple of times, you're making me dig
22 back into my, my grad school courses, but you talk
23 about statistical power, um, and I think Professor
24 Watson and Professor Voeglur are going to be very
25 proud of me if I get this right, um, but statistical

2 power refers to, uh, just having, having had a big
3 enough sample size to really have valid results. Can
4 you, can you actually, uh, can you share?

5 CHIEF RESEARCH OFFICER GAUMER: Okay.

6 CHAIR SANCHEZ: Share with us what that means?

7 CHIEF RESEARCH OFFICER GAUMER: You, you actually
8 explained that very well. I'm sure, I'm sure your
9 professors will be very proud. Um, so, yes, I mean,
10 that is intuitively the idea, is that we have enough
11 cases, um, to be able to speak to whatever the
12 measurement is that, that we are, we are creating
13 from the data. Um, part of that is an overall sample
14 size, right, that it has enough completed cases for
15 us to, to create these estimates, to calculate these
16 estimates.

17 But it also is, um, uh, about having sufficient
18 cases, uh, in all of the different ways we want to
19 cut the data. So, to have enough rent stabilized, uh,
20 units in our sample versus private unregulated or to
21 have enough cases that have enough lower rents
22 compared to higher rents so that we can draw those
23 comparisons, uh, and understand with a sufficient
24 level of precision, uh, accounting for both sampling
25

2 and non-sampling error that those are either the same
3 or different estimates.

4 Um, so we run all of our, uh, data, and all of
5 the work in, in our selected initial findings report
6 through a variety of different kinds of statistical
7 standards. You'll see, uh, unlike prior selected
8 initial findings, all of our estimates are presented
9 with margins of error, and some other kind of
10 technical uh, uh, information, um, for users who want
11 to understand that to be able to have true
12 transparency of how precise our estimates are, um,
13 and obviously, to show that we do have sufficient
14 power to be able to draw the conclusions that we did,
15 uh, to present to all of you here today.

16 CHAIR SANCHEZ: Thank you, uh thank you so much.
17 Um, so those are, those are some of the, the major
18 sort of methodology questions that, that I had. Um,
19 but sort of turning to the findings, the 4.54%
20 vacancy rate with high variability across Borough,
21 and across, uh, several categories, you know,
22 especially as I, as I highlighted in my introduction,
23 the lowest income New Yorkers are suffering the most,
24 right? In the Bronx, a 0.78% vacancy rate, for, for
25 the least, um, for the lowest cost units, we have..

2 [SIRENS] Sorry, New York City sounds. Um,
3 everybody can enjoy them. Um, but for, for the lowest
4 cost, um, units, we're seeing, uh, an also below 1%
5 vacancy rate.

6 So, turning to sort of, you know, the housing
7 plan, much anticipated, uh, the Commissioner talked
8 about it at, at our prelim, our, our executive budget
9 hearing. The administration has been saying for a
10 while that the housing plan is coming. You know we
11 are, we are in crisis. We still have a below 5%
12 vacancy rate, so, so folks are feeling that. And, as
13 we know, and know too intimately and too painfully,
14 those who are suffering the most are those who have
15 the least, right? And the government seems to
16 completely, you know, continue to disinvest in those,
17 or not invest enough, I should say.

18 Um so, can you, from, from the policy perspective
19 sort of moving forward, can you tell us a little bit
20 about how the administration is thinking about
21 tackling this crisis, this specific need that the
22 lowest income New Yorkers, the poorest people in the
23 City of New York who are also making our city
24 vibrant, cause my community is amazing. Um, but,
25 what, what is the administration willing to do here?

2 DEPUTY COMMISSIONER MCLAUGHLIN: I might, oh, I'm
3 muted. Okay. Thank you, thank you for the question,
4 Chair. Um, and as you know, um, the, our, our housing
5 plan is, is in the works and, and is forthcoming, uh,
6 soon so we hope to be able to share that with you all
7 soon. Um, but I think what the, the findings that
8 you've seen in the, um, selected initial findings
9 really points to, as you mentioned, really a, um
10 disparity in the city in terms of the impact on low-
11 cost housing and the impact that has on, on, um, low
12 income New Yorkers.

13 And so, certainly over the last several years, we
14 have increased our focus on producing, uh, through
15 our development programs and preservation and new
16 construction, uh, to serving the very low and
17 extremely low-income population of New York City. Uh,
18 if you look back over sort of eight years, uh, around
19 45% or so of our production has been geared towards
20 that, and that has amped up over as you sort of look
21 on an annual basis. And in fiscal year '21, that is
22 around roughly 60% or so of our production.

23 Uh, when you think about what low income, sort of
24 going up to the, you know, uh, a higher but still low
25 income population, around 85% of our production, um,

2 in 2021 has been focused on, on folks that are low
3 income.

4 And so, that is certainly is a priority for us.
5 It will continue to be a priority for us. Um, as well
6 as ensuring that there are tenant resources available
7 beyond, you know, the units that we produce. And so,
8 wanting to make sure that, um, folks are able to... We,
9 we've talked a lot about and I think our
10 Commissioner's talked in front of this group before
11 around, uh, putting people over process and making
12 sure that people are able to access the resources in
13 a more, um, efficient and, and quick manner, uh,
14 without sort of going through some of the trauma of
15 kind of, you know, recertifying and sort of
16 resubmitting paperwork. And so, those are things that
17 we are committed to both at HPD and seemingly
18 certainly across, you know, our partner agencies as
19 well.

20 CHAIR SANCHEZ: Thank you, Deputy Commissioner.
21 And how many, what percentage of New Yorkers are
22 earning below a 30% area median income and how much
23 of, uh, housing production subsidized by the City of
24 New York has been geared toward, uh, folks earning
25 less than 30% area median income?

2 DEPUTY COMMISSIONER MCLAUGHLIN: Sure. I think
3 over the, the course of the last eight years or so,
4 um, around, uh, just under 20% of, of our production
5 has been focused on, um, extremely low income. So
6 that's, as you mentioned, 30% ami or below.

7 Um, that isn't also inclusive of, you know, a lot
8 of the work that we do in partnership with some our
9 other agencies in terms of homeless placements. Um,
10 and in fiscal year '21, um, sort of record level of
11 around 2,800 placements, which is, you know, north of
12 10 or 12% of our overall production was, uh, homeless
13 placements.

14 And so again, very committed to sort of making
15 sure that we continue that work and make sure that we
16 continue to serve those, those more deeply
17 affordable, continue to provide those more deeply
18 affordable units and serve those, uh, lower income
19 households.

20 CHAIR SANCHEZ: Great. Thank you and what
21 percentage of New Yorkers are earning below 30% ami?

22 DEPUTY COMMISSIONER MCLAUGHLIN: I don't have
23 that. Do we, um?

24 CHIEF RESEARCH OFFICER GAUMER: Sorry.

2 DEPUTY COMMISSIONER MCLAUGHLIN: Lyz, do we have
3 that from our? Yeah.

4 CHIEF RESEARCH OFFICER GAUMER: Hi, so I do not
5 have that immediately handy. Um, we didn't report
6 anything in increments of ami in our report. But I'm
7 happy to follow up and give you the distribution
8 based on the '21, um, income limits from online.

9 CHAIR SANCHEZ: Okay, thank you so much. Um, I
10 want to take a pause here and see if any of my
11 colleagues would like to jump in or have any burning
12 questions? I'll give it a few moments before I hop
13 back in.

14 CHIEF RESEARCH OFFICER GAUMER: Sorry, apologize,
15 I will say while we're, while we're letting others
16 gather themselves, um, quick stat on that is that
17 it's at just about over a quarter of households, uh,
18 are below 30%, um, of ami.

19 CHAIR SANCHEZ: Thank you. See the, the HPD
20 network there. Thank you. Um, okay, so, so turning,
21 turning back a little bit, uh, just in terms of the
22 New York State Rent Stabilization Statute, if HPD and
23 the Census did not find a vacancy rate of below 5%
24 this year, what, what would happen in future years?

2 Is there still another analysis that takes place in,
3 in three years? Or how, how would that work?

4 DEPUTY COMMISSSIONER MCLAUGHLIN: I think
5 Assistant Commissiner Joffe is trying to, oh, there
6 she is. Okay.

7 ASSISTANT COMMISSSIONER JOFFE: Sorry. Um, thank
8 you for, uh, unmuting me. So, the statute lays out
9 various processes for what would happen. We are not
10 in a great position to provide legal, uh, guidance or
11 prediction about exactly how such a process would
12 play out, ultimately. Um, but, uh, we would certainly
13 follow the statute and, um, and the guidance of
14 everyone involved. But we are really focused here
15 today on the fact that we did meet that threshold
16 condition, which is that the vacancy rate is below 5%
17 and so, therefore, we actually won't get to that
18 circumstance in which we would have to figure out
19 what might happen.

20 But what we do know, is that that, uh, a, 5%
21 vacancy rate is a threshold condition for rent
22 stabilization to continue. So if, since we've met
23 that threshold, the sort of burden moves back to the
24 Council to make a determination as to whether or not

2 a housing emergency exists. And that's, that's the
3 part that we're, of the process that we're in today.

4 CHAIR SANCHEZ: Got it. That's never happened
5 before and we haven't thought about it yet, is what
6 I'm hearing. Uh, okay. And so, one of, one of the,
7 um, one of the other questions that I have, I have
8 received from advocates and from, uh, folks in
9 industry has been about the definition of vacancy.
10 Um, and actually one of the most striking findings,
11 uh, in addition to the, to the burden for the lowest
12 income New Yorkers was that those units that are not
13 available because they're seasonally, I don't know.
14 Someone, someone is holding them, essentially.

15 So, how is vacancy defined and how does the
16 Census treat, uh, these units that, you know, don't
17 have someone living in them but are, you know, is
18 somebody's second home or is some, somebody's
19 something, right? How is the Census treating them?

20 CHIEF RESEARCH OFFICER GAUMER: Sure. So, um,
21 thank you for that. So, so let me sort of walk
22 through this in, in a couple of pieces. So, first,
23 um, let's talk about what the net rental vacancy rate
24 is and what's, what's included in it. Um, so, the net
25 vacancy rental rate, um, is a calculation of the

2 portion of the rental stock that is vacant and
3 available for rent, uh, such that it is ready for
4 occupancy at the time we make that determination. One
5 of the US Census field representatives makes that
6 determination (INAUDIBLE). Um, so that itself, you
7 can imagine, is very different, than just a gross
8 count of, of units that are not occupied, um, but do
9 not meet that definition of being able to be rented
10 and moved into at a point in time.

11 Um, and so anything that doesn't meet that
12 definition, uh, goes into what we call vacant and not
13 available. Um, and, and it's important to note that
14 that includes both units that are not available for
15 rent as well as units that are not available for
16 sale, right? The NYCHVS, um, covers the entire
17 housing supply, um, not only rental units, although
18 that's the majority of our supply and also our
19 primary focus in the NYCHVS.

20 So, within that group of units that we call
21 vacant and not available, there's, there's a whole
22 range of different, uh, units and types of reasons.
23 Um, and it's an important part of the, the way that
24 we approach our vacancy rate calculation because the
25 purpose of it is really to determine the, the

2 inventory that is accessible to New Yorkers who are,
3 who need a home, um, and to understand those market
4 conditions when we're conducting the survey.

5 So, the largest reason, uh, that we have for a
6 unit not being available is what we call seasonal,
7 occasional, recreational use. Um, that, in and of
8 itself, actually includes many different situations.
9 Uh, it includes units that are maintained, uh, as
10 second homes, right, where somebody's usual residence
11 is somewhere else. Uh, it also in comes cases
12 includes short term rentals, uh, that are also not
13 available for somebody to, to live in, uh, to rent
14 and live in as their home. Um and so, units that are
15 rented as an entire apartment and not available, uh,
16 for, for somebody to sign, for example, a long term
17 lease, uh, also could be classified in that same
18 grouping.

19 Um, it's important to note that as we've done
20 this for, for many decades, uh, and as we go back to
21 that same units and reinterview them in later cycles
22 of the decade as we are actually gearing up to do in
23 2023, uh, for the next NYCHVS, we see that most of
24 these units, um, historically, we see most of these
25 units that are not available, uh, in one survey, when

2 we go back, they have, in fact, fairly quickly, um,
3 returned to the active inventory either being
4 available for rent or having become occupied since
5 the prior survey.

6 Um, and some of the reasons, uh, that a unit may
7 not be available are, are pretty intuitive in that
8 one way. So, for example, um, people who have signed
9 a lease for an apartment that have not yet moved in.
10 If we go there and it is vacant, we, we certainly
11 wouldn't want that to be counted as part of the net
12 rental vacancy rate because nobody else could rent
13 that unit or could purchase that unit, right, if
14 it's in contract, for example.

15 Another important category that we've seen sort
16 of ebb and flow over time, is the number of units
17 that are being renovated or awaiting things like
18 building permits to be renovated. Um, in some of
19 those cases, you know, the, the unit is stripped to
20 the studs, right, or doesn't have any appliances or
21 doesn't have a functioning bathroom. So those are
22 also reasons that a unit may not be available.

23 Um, and over time, the, the number of units, the
24 particular reasons and the number of them, um, has
25 evolved as New York City has evolved. Um, but we now

2 have 16 reasons, and for the first time in 2021, we
3 also classified units that met two or more of those
4 different reasons because obviously, this list is not
5 mutually exclusive.

6 CHAIR SANCHEZ: That, that makes sense. And, and
7 for those units that are seasonal, occasional,
8 recreational use is the, the reason they're not
9 available, where in the city are we seeing that the
10 most?

11 CHIEF RESEARCH OFFICER GAUMER: Um, so that's a
12 great question. Uh, we have only cut some of our data
13 by Borough but have yet to dig into it on a more
14 granular level. Um, the selected initial findings are
15 just that, they are the initial findings. Um, and so,
16 this is all a fresh batch of data that we're working
17 through, um, and certainly will be turning to look at
18 more granular geographic information in the coming
19 weeks and months.

20 CHAIR SANCHEZ: That, that makes sense. Thank you.
21 I look forward to that. Um, turning to some of the
22 findings around affordability, um, one of the things
23 that, that you mentioned in your, in your highlights
24 was that, uh, a pretty consistent share of New
25 Yorkers have been rent burdened, uh, over the last

1 two years and yet it doesn't feel that way. And
2 there's some other statistics that you highlighted
3 that, that sort of, I think, speak to why it doesn't
4 feel that way, certainly not in the Bronx, um, and
5 certain parts of the city. But just to kind of drill
6 down on, on some of those. You mentioned that 13, 13%
7 of renter households were missing a rent payment in
8 the last year. Do you, do you have how that compares
9 to previous years?
10

11 CHIEF RESEARCH OFFICER GAUMER: Uh, so thank you.
12 Uh, unfortunately, we do not. Uh, we, as we talked
13 about earlier, dramatically extended the, the types
14 and substance of the questions we asked and added
15 many questions about these, these different kind of
16 financial well-being and delay of rent payments.
17 We've also, um, added eviction questions, uh, to be
18 able to track those changes over time. Um,
19 unfortunately, all of those are questions that are
20 brand new to the NYCHVS and we obviously recognize
21 their incredible value, um, in understanding what's
22 happening now and also tracking change and
23 disparities over time.
24
25

2 Unfortunately, we can only speak to what we were
3 able to collect during this first 18 months of the
4 pandemic as a baseline.

5 CHAIR SANCHEZ: Yeah, that, that makes sense. Um,
6 what about in terms of, uh, the statistics that, that
7 says that the lowest income, um, renters are seeing
8 the, the lowest vacancy rates as well, that, that
9 rate of lower than 1%. Is that something that we've
10 tracked over time or is it new to this survey?

11 CHIEF RESEARCH OFFICER GAUMER: Yes. Uh, we, uh,
12 we have all of that information. We certainly can
13 share that, uh, over time, um, but we, we have seen,
14 um, in 2021, um, and I think we, we sort of reported
15 it in this way, that, um, while we have always seen
16 very, very low vacancy rates, generally less than 1
17 or 1%, um, for units renting for less than \$1,000,
18 um, and that has been pretty consistent for at least
19 as long as I have been working on the HVS. This is my
20 fifth time testifying before the Council. So, in my
21 memory at least, um, it has always been historically
22 very, very, very low. Um, as, as we all know, those
23 are largely public housing units and the lowest
24 income group. And so, of course it makes sense that
25 we would have very, very low, um, vacancy rates. If

2 I'm remembering this correctly, in 2017, um, it was,
3 uh, 2%, uh, for, for that and, and if we think, think
4 about overall, all units under 1,500, it was only
5 slightly higher than that.

6 Um, but I will say, uh, in this 2021 NYCHVS, um,
7 you can see that for, for really the first time in
8 many, many, many cycles of HVS that units that are
9 renting to 900 to 1,500, that sort of second tier of
10 rents and just below the median, that those are
11 really the, the units that are out there available in
12 the market for, for everyday New Yorkers to, to apply
13 for, to move to, um. That is severely and, uh,
14 substantially lower than it has been in the past.

15 Um, and that really isn't a newly emergent
16 phenomenon, um, that, unfortunately, it's too early
17 to say if that's a short term result of the pandemic
18 or if, if that will actually be a systemic shift in
19 our housing market overall.

20 CHAIR SANCHEZ: Yeah. And I, I think that's a,
21 that's a good and really important question that,
22 that we should monitor but I also think that we
23 should, especially as HPD puts out the housing plan,
24 we should look at that in comparison to, you know,
25 different interventions that the city has, has made

2 over time and how those, how those interventions have
3 changed, uh, the amount of affordable housing
4 available, or the vacancy rate for these lower income
5 units. Or sorry, lower cost units over time. That
6 would be really important.

7 Um, okay. Um, so my next question here, so, so
8 yeah. Just, if you could repeat one more time, um,
9 just about what we're seeing, uh, with respect to
10 vacancy rates at different income levels. So, we've
11 talked a lot about, um, low income or low rental,
12 rental cost units and the low vacancy rates there.
13 But how, uh, what do, what do those rates look like
14 and what do those trends look like for the higher,
15 um, rent priced apartments?

16 CHIEF RESEARCH OFFICER GAUMER: Sure, so, um, as,
17 as we reported and, and shared today, um, rental
18 units in the top quartile, so renting for 2,300 or
19 higher, um, was 12.64%, uh, in the '21 survey. In
20 2017, that was about 8%, um, and so we do see a
21 significantly higher vacancy rate, um, in among those
22 highest cost units.

23 CHAIR SANCHEZ: Great. Got you. Thank you. Um, and
24 I, I may have asked this question in a different way,
25 but just to do it again. For, for Manhattan, we're

2 seeing a vacancy rate of over 10%. Uh, so, what are
3 the factors that we believe are, are driving that?

4 CHIEF RESEARCH OFFICER GAUMER: Yeah, of course.

5 So, first of all, some of the Borough variation,
6 Manhattan at the high end and, and the Bronx at the
7 lowest end is partly just about the type of, of
8 housing that, that tends to be in those Boroughs. Um,
9 so we tend to see lower cost units as well as means
10 tested housing and other forms of government assisted
11 housing concentrated in the Bronx. Um, in Manhattan,
12 we tend to have, uh, more private unregulated units,
13 uh, and the rents for those units tend to be higher
14 and as we just talked about, the vacancy rate for
15 higher cost units does tend to be on the higher side,
16 um, particularly for 2021.

17 Um, the other factors that we, um, see that, uh,
18 in condos and cooperatives, there are also higher
19 vacancy rates, um, net rental vacancy rates. And that
20 may seem counterintuitive to talk about rentals and
21 rental vacancy in condos and coops but that is a
22 really substantial portion of our, of our rental
23 stock in New York City. Um, and we saw over a 7%
24 vacancy rate, uh, in condos and coops. So that's
25 units that are available for rent on the market, uh,

2 divided, just as we do all of our vacancy rate
3 calculations, divided by those same units that are
4 available for rent and renter occupied. Um, and to
5 have that be a significantly high vacancy rate also,
6 um, is part of what we believe is, is driving that
7 Manhattan rate a little bit higher.

8 CHAIR SANCHEZ: Interesting. So, it's sort of, uh,
9 a similar finding to, you know, other kinds of
10 analyses that we do in terms of tenanting affordable
11 units that are affordable, uh, at, at, higher, you
12 know, affordable to the higher income levels. There
13 isn't, there just isn't as much of a shortage, uh,
14 for, for those private, or those unregulated units,
15 right, those higher cost units. What is the, the
16 vacancy rate for, um, units that are renting at over,
17 say \$2,500 a month?

18 CHIEF RESEARCH OFFICER GAUMER: Honestly, we don't
19 have that in more granular level on me right now, but
20 we can certainly follow up and provide, um, to make
21 sure that we are meeting those statistical standards.
22 Um, we can vet that with the Census Bureau and see
23 what more granular information we can provide to you
24 and to the Council.

2 CHAIR SANCHEZ: Got it. Thank you. Yeah, I mean,
3 I, I, this, it's just important to keep talking about
4 what it is. We are in housing crisis. We are in
5 housing emergency, but what is it that we're
6 underproducing? I think it's really important to
7 continue to highlight that and address that and, and
8 fight to, uh, make that better with our, with our
9 policy changes.

10 Um, okay. So, do we have, do we have a sense of
11 the severely rent burdened New Yorkers, those paying
12 more than 50% of their income on rent, where in the
13 city, I imagine the Bronx. I know, I know the Bronx.
14 Um, but, where, where in the City are those renters
15 located and how, what steps does the City, um, taking
16 to, to help those at this point in time?

17 CHIEF RESEARCH OFFICER GAUMER: SO, I, I can speak
18 to the first part of that, and, and defer to my
19 colleagues on, on the later part. Um, so as I said
20 before, this is only selected initial findings, so we
21 really have not looked at different geographic
22 variation below a Borough level. Um, and for many of
23 our statistics, we are still looking only citywide
24 as, as one, uh, unified housing market.

2 So, um, the location or concentration of severely
3 rent burdened households, um, obviously there's, we,
4 we did some really demographic analysis and presented
5 the different types of New Yorkers that are
6 disproportionately affected. Um, and not surprising
7 that we see that there are racial disparities. And we
8 also see disparities in terms of household
9 composition and nativity, um, and these are critical
10 regardless of the geographic concentration.

11 Um, but one of the things that we are always, um,
12 make sure that we're thinking about is households and
13 this certainly applies, um, primarily to severely
14 rent burdened households, um, we think about those
15 who are in, um, government assisted housing like
16 NYCHA or with a voucher, um, where those, those
17 individuals' rents change with their incomes, what we
18 call means tested housing, and think about that as a
19 slightly different group than those who are renting
20 other types of housing where the rent is set
21 independent of their income. Um, and really where we
22 see that, the severely rent burdened is, of course,
23 in, in those, um, other units, um, that do not change
24 when, when the household's income changes.

2 Um, and as with all rent burdened, right, it is
3 the result of, um, two factors. It's, uh, incomes and
4 the, the change in incomes. Of course, for the 2021
5 NYCHVS, we saw that incomes once again stagnated
6 overall. Um, but within that, there's obviously a
7 very divergent experience during the pandemic,
8 beginning in the pandemic. Um, and on the other hand
9 is the change in rents over time, um, and how those
10 two things intersect is what, right, is the
11 calculation of whether someone is rent burdened or at
12 what level.

13 Um, so going back to, to an earlier of statement
14 of the persistence of high levels of rent burden, uh,
15 which we've now seen going all the way back to 2011,
16 it's important to note that that's the typical New
17 Yorker, right, um, and certainly is not the
18 experience of New Yorkers at the extremes. Um, and
19 too many New Yorkers obviously are facing severe rent
20 burden, um, and/or not rent burden but struggling in
21 other ways to make ends meet.

22 CHAIR SANCHEZ: Got it. Thank you, thank you so
23 much, Elyzabeth. And how, how will the HVS inform the
24 Mayor's housing plan? I mean, it seems like we, we
25 have quite a number of data sources, the HVS being

2 the freshest and newest. Um, but we have ACS, we have
3 the, of course, the 2020 Census, um, and we also
4 have, you know, rich information and data from many
5 of our CEO's or Civics in, in the City. How, how does
6 the, how does the Mayor's housing plan, how will the
7 Mayor's housing plan borrow from not just the HVS but
8 these other sources of information, SHIP, ANHD's
9 analyses, the Housing Conference, DSS, all of these
10 organizations, LISK, UNHP, that, that do so much
11 work, how that all sort of come together to inform
12 the housing plan?

13 ASSISTANT COMMISSIONER JOFFE: So, I want to start
14 by going back, because you asked a really good
15 question about how we're thinking about, um, policy,
16 uh, and how the, the, uh, findings here are driving
17 our policy. And I appreciate that question. It's the
18 reason why Brendan and I are here today as well,
19 because we take the findings of the NYCHVS really
20 seriously and it's going to help inform, right, we
21 have this immediate obligation in front of us, as
22 you've laid out very clearly, right, that we, that
23 the Council is going to determine whether or not a
24 housing emergency continues to exist, uh, for
25 purposes of, uh, state law.

2 But the NYCHVS provides us with this very rich,
3 uh, amount of data that Lyz has described in a lot of
4 detail. And that's really important to inform our
5 work. We know that researchers across the City,
6 across the country also use this data, and how
7 important the COVID module as sort of a basis for
8 comparison over time is going to be really important,
9 um, uh, both in sort of our, our regular policy but
10 also how we think about being prepared for, uh, long
11 term, sorry, for crises.

12 Um, and so, when we think about New Yorkers who
13 are experiencing, uh, this housing market and are
14 negatively impacted by it, there are a huge swath of
15 New Yorkers who are struggling and we need to be
16 using the full range of tools to address, uh, this
17 wide range of circumstances and to really help New
18 Yorkers navigate these difficult circumstances.

19 Some of that involves, sort of the everyday work
20 that people think about, uh, HPD involved in,
21 continuing to build and preserve affordable housing
22 across the City, making sure that New Yorkers have
23 the opportunity to choose the Borough, the
24 neighborhood, the house that is best for them.

2 Um, it also includes, uh, advocating for policies
3 that continue to allow us to increase those housing
4 opportunities. Um, we also, uh, beyond just creating
5 and preserving new affordable housing opportunities,
6 we have one of the largest Section 8 programs in the
7 country, and this is one of the sources for
8 stabilizing a lot of, particularly, low-income New
9 Yorkers. And Lyz talked about, um, the, the fact
10 that, for those New Yorkers, they are, they are means
11 tested, so their, their, uh, rent adjusts as their
12 income changes.

13 We are also, uh, in the process of administering
14 emergency housing vouchers which were allocated by
15 the administration, uh, sorry, the federal government
16 as part of the American Recovery Plan. And that's,
17 uh, a, a huge influx for us. Um, we're also looking
18 to enroll as many tenants as we can who are eligible
19 for SCRIE and DRIE to help offset the rising cost for
20 seniors and those with disabilities.

21 So, there are a number of ways and a number of
22 tools, and for such a multi-faceted and extreme
23 crisis, we need to be using all of them. And you'll
24 see that reflected in our work, in our plan ahead,
25

2 and, and how HPD continues to address and respond to
3 these findings.

4 CHAIR SANCHEZ: Thank you, Assistant Commissioner.

5 But, but, do you, do you integrate the actual
6 findings from other organizations and other surveys?
7 Sorry, I think the Deputy Commissioner is about to
8 jump in.

9 DEPUTY COMMISSIONER MCLAUGHLIN: I, I, I, I can, I
10 can take a part of that question a bit, Lucille, so
11 feel free to jump in, uh, as well. Um, I wanted to
12 also follow up. But you had sort of mentioned, um, I
13 think the second part of your question was also
14 thinking about how do we incorporate this work, or
15 these findings into things like our, our upcoming,
16 uh, housing plan. And I would say that, um, that is a
17 big focus of us and certainly, uh, Lyz and her team's
18 work is, is that feedback loop of understanding what
19 is happening in the market, and what is happening in
20 New York City and then how does that affect how we
21 think about our programs and how we think about our
22 policies.

23 And so, things like refocusing our efforts on
24 extremely low and very low-income units, right, is a
25 direct result of not just this HVS. Unfortunately,

2 it's been a condition that we've seen persist for a
3 number of cycles of the HVS. And so, that's been an
4 important tool for us to be able to, um, shift
5 somewhat, um, deftly to, to make sure that we're
6 trying to meet the demands of the market.

7 Um, it also helped to influence or to, um, steer,
8 some of our, our, um, affirmatively furthering fair
9 housing sort of response to HUD through what the
10 Where We Live NYC process. So, there you can see a
11 lot of the work, um, from, from the HVS and a lot of
12 the findings there sort of manifest and how we talk
13 about what needs to change, and the historic patterns
14 in New York City and how we can hope to address them
15 going forward.

16 Um, and then I think your last question, sorry, I
17 think we're doing these in piecemeal but hopefully
18 we've gotten all of them. Um, we certainly do work
19 with our partners, and, and really love engaging
20 with, um, the, the other sort of not for profits, and
21 think tanks, and academic researchers who get engaged
22 with both the HVS data that we produce, but produce
23 their own data, um, and look at that to see how that
24 can help shape our, our programs and policies.

2 And so, we are, um, as the policy and strategy
3 team here, we are certainly willing, able, and ready
4 and very eager to sort of engage on, on all of those
5 to sort of see how we can do better and continually
6 try to serve New Yorkers in a better way.

7 CHAIR SANCHEZ: Thank you, thank you so much. Um,
8 I could go on forever, but I probably shouldn't. Um,
9 just, just one more from me, uh, and if, if my
10 colleagues don't have additional questions, we can
11 thank you for your time.

12 Um, but just, uh, sort of heartening back to the
13 conversation about vacant units, um, and why, um,
14 does the HVS keep track of property owners who might
15 be warehousing, uh, vacant units? It's something that
16 we hear a lot from advocacy, advocacy organizations
17 and, and affected New Yorkers that there are, you
18 know, you, you walk around or, or you go around the
19 City and there are these places that have just been
20 boarded up or have the, the darkened windows for
21 years and years.

22 Um, how does the HVS treat those kind of units?
23 And, uh, policy prescriptions, what can, what can the
24 City, uh, do about getting those back online into the
25 market?

2 CHIEF RESEARCH OFFICER GAURUM: So, um, let me,
3 let me take at least the first couple of those
4 pieces, um, and, and then, we can, I can, I can tag
5 Brendan and Lucy to, to fill in at the end. Um, so
6 first of all, and this is true of all the data that
7 we collect, um, it's important for everyone to
8 understand that, um, those same federal privacy laws
9 that protect privacy and confidentiality, um, means
10 that the, all of the information we collect for the
11 NYCHVS is, it can only be used for statistical
12 purposes.

13 So, first, I, I just want to make that clear
14 that, um, we don't create a sort of inventory of
15 vacant units, right, or lists of building owners that
16 then any kind of enforcement could happen. We don't
17 collect and share information with other federal
18 agencies related to immigration status or, right, um,
19 or with, with even our own housing partners about,
20 uh, who is an authorized occupant or not in any given
21 unit.

22 All of those things are important for us to be
23 able to establish, um, trust and rapport and get
24 honest answers from our respondents and obviously are
25 critical to making sure that overall we can protect

2 privacy and confidentiality, um, uh, through the, our
3 work with the Census Bureau.

4 So, just wanted to, to help make that, make that
5 clear and, and it's an important sort of facet of our
6 disclosure avoidance, um, principles as well.

7 Um, so we certainly, um, have heard over the last
8 several years, uh, about this issue of, of, of
9 warehousing or mothballing units. Um, units that are
10 just not available for, for a variety of reasons, um,
11 or for, for no apparent reason other than the choice
12 of the owner. Um, and, you know, I defer to Brendan
13 and Lucy on the policy side of that, but on the data
14 side, um, we have been having conversations, hearing
15 the, the importance of this issue over some time.

16 Um, and so, for 2021 we added a classification of
17 what called held as vacant, uh, which is not
18 necessarily warehousing in, in all of the dimensions
19 that you're describing it, but is at least one
20 important piece of that, which is a unit that has
21 been empty and vacant for 12 months or longer. Um,
22 we, we said was, even if we didn't have another
23 reason that was provided to us, and why that was the
24 case, we said in New York City in the market that we
25 see with the demand that we see and saw even in the

2 2021 NYCHVS, that there is something about that unit
3 that it, it is clearly not actually available for
4 rent, um, or there is something about it that
5 precludes somebody from being able to, to rent that
6 unit, um, at that time.

7 Uh, so that is one step that we have taken
8 toward, uh, keeping up with those conditions and key
9 issues over time. Um, we continue to review all of
10 the methodology in the NYCHVS both from the back end,
11 for the statistical validity of it, and in the front
12 end, for the validity, external validity and the
13 interpretability, making sure we are capturing data
14 that are useful and timely, um, and that is one
15 important piece that, that we thought was really
16 critical for us to address, um, at the beginning of
17 this decade with this redesign.

18 DEPUTY COMMISSIONER MCLAUGHLIN: And, and just to
19 address the, the second part of, of your question,
20 Chair, um, in terms of what we can do. Um, you know,
21 from a legal perspective, it's, you know, there's no
22 law that prohibits owners from behaving in this way
23 and so we can't intervene from that perspective. But
24 that said, as, as Lyz mentioned, right, we can't
25 necessarily attribute causation to any particular

2 unit or to any, any particular building as to why
3 they might be offline for some period of time.

4 Um, what we know anecdotally, you know, not from
5 the NYCHVS necessarily, but during the course of the
6 pandemic, uh, we know that a lot of buildings and a
7 lot of building owners had to defer maintenance for
8 some time just to make sure that their buildings
9 could operate and they could sort of, um, maintain
10 their financing.

11 Um, and so, to the extent that there are building
12 owners, and again, just, just as fragmented and as
13 wide and diverse the, the range of tenancies, tenants
14 are in New York City, so are sort of the owners. And
15 so, on the preservation side, uh, of what we do and
16 our work, uh, we try to work with as many different
17 types of, of building owners, um, across the spectrum
18 from, you know, one to four family owners that need,
19 you know, emergency repairs for their small home to
20 small, you know, building owners, who want to do some
21 sort of green repair work, um, or, you know, the much
22 larger building owners and portfolio owners that are
23 really doing more substantial work across a larger
24 swath.

2 So, we encourage owners that are having issues or
3 are having trouble keeping up with maintenance, uh,
4 in their buildings, um, to really reach out to us.
5 And we can sort of work with them to figure out the
6 right solutions to both improve the quality of their
7 units and improve the quality of their buildings, but
8 also to ensure that those tenants remain safe and,
9 and stably housed.

10 CHAIR SANCHEZ: Thank you, thank you. That's,
11 that's helpful to understand. So, we can't use it for
12 enforcement or data sharing or anything like that,
13 but we can use it deindividuated for policy making
14 purposes and, and to sort of inform the City's work?

15 DEPUTY COMMISSIONER MCLAUGHLIN: Yeah.

16 CHIEF RESEARCH OFFICER GAUMER: Yes, and that is,
17 that is our mission is to do exactly that and to
18 provide for people to be able to make evidence-based
19 decisions and understand the current conditions and
20 to be able to build better policies for our city.

21 CHAIR SANCHEZ: Excellent. Alright, well, on that
22 note, um, not seeing hands from my colleagues at this
23 time, I just want to take a second to thank you, uh,
24 HPD and the Census who's not here, but thank you, HPD
25 for all of your work on the HVS, uh, for your

2 commitment to making sure that it is a process that
3 is conducted with integrity, that we are getting good
4 and correct and real information from it.

5 Um, I think that's, that's the most important
6 thing. You know, us as, as Council Members, you know,
7 I'm, I'm in my office right now. I can't tell you how
8 many people are out there, but it's, it's been music
9 and, and lots and lots and lots of people coming in
10 and out all day and the majority of what they're
11 coming in for is affordable housing, housing issues,
12 housing quality, and so, you know, it's really
13 important to be able to ground these experiences that
14 we're having in our districts with statistically, um,
15 you know, statistically significant information, um,
16 and appropriate information.

17 So, I just want to thank you for doing that work
18 on behalf of the city. Um, and you know, look forward
19 to having many more conversations, uh, especially as
20 the micro data comes out from HPD. So, thank you,
21 Elyzabeth, uh, thank you, uh, Brendan, and thank you,
22 uh, Lucy. Really appreciate your time.

23 DEPUTY COMMISSIONER MCLAUGHLIN: Thank you, Chair,
24 we appreciate the time.

2 CHIEF RESEARCH OFFICER GAUMER: Thank you very
3 much.

4 CHAIR SANCHEZ: And the rest of the team. I know
5 it's an army back there.

6 CHIEF RESEARCH OFFICER GAUMER: It is a small
7 army, but we are a powerful one.

8 CHAIR SANCHEZ: Yes.

9 CHIEF RESEARCH OFFICER GAUMER: Thank you.

10 DEPUTY COMMISSIONER MCLAUGHLIN: Thank you very
11 much.

12 CHAIR SANCHEZ: Thank you. And now I'll turn it
13 over to our Committee Counsel. Uh, Audrey Sun, are
14 there folks that are signed up for testimony.

15 COMMITTEE COUNSEL SUN: Yes, thank you. We'll, uh,
16 we'll now turn to testimony from members of the
17 public who are registered to participate. Uh, just a
18 quick reminder that you will be on mute until it's
19 your turn to testify. We, I will call names
20 periodically so please listen and be prepared to
21 accept the prompt to unmute when, when your time is
22 coming up. And in the interest of time, testimony
23 will be limited to two minutes per person.

24 Um, first, we'll hear from Mike McKee followed by
25 Chelsea Spencer, and Ellen Davidson.

2 SERGEANT KOTOWSKI: Time starts now.

3 MIKE MCKEE: Good morning. Uh, good morning, Chair
4 Sanchez and Members of the Committee and, um, thanks
5 for the opportunity to testify about this very
6 important issue.

7 First, I want to, um, thank Lyz Gaumer and her
8 staff at HPD for doing a terrific job of a very
9 important study in difficult conditions as she so
10 ably described. I would also just like to mention
11 what a pleasure it is to have a Committee Chair who
12 understands these issues and can ask intelligent
13 questions about it because in past years, some of
14 these hearings have been quite embarrassing.

15 But, uh, if you look at the HVS over time, what
16 it shows you is we have a loss of affordable housing
17 and regulated units, and a loss of affordability. In
18 1996, I remember, rent stabilized units comprised 56%
19 of the rental housing stock in the City. And
20 according to the 2021 Housing and Vacancy Survey,
21 we're now down to 44%. That is the trend we've had
22 over, over time and that's very, very been damaging
23 to the housing situation in the City.

24 I also want to just ask you to think in terms of
25 the 5% trigger as being an arbitrary number. Um, I

2 don't, to my knowledge, no one's ever done a
3 scientific study that demonstrated that if you have a
4 vacancy rate, a net vacancy rate, of 4.5%, you have a
5 housing emergency and if you have a vacancy rate of
6 5.5%, you don't. And if you stop and think about it,
7 it doesn't really make sense. And there are rent laws
8 in other parts of the country that do not have this
9 vacancy rate trigger. They just treat rent
10 regulation, rent and eviction regulation, as
11 something that is necessary as a public utility for
12 the public good.

13 Um, I have submitted written testimony which I
14 won't, uh, read, but it calls for you, the Council,
15 to join us in a complete restructuring of the rent
16 regulation system.

17 SERGEANT KOTOWSKI: Time expended.

18 MISTER MCKEE: Just let me finish. It's not enough
19 to renew these laws. We need to rethink them and we,
20 we want to work with you, this new City Council, uh,
21 to come to a better system and to achieve these
22 reforms that we need. Thank you very much.

23 CHAIR SANCHEZ: Great. Thank you, thank you so
24 much, Mister McKee. Really, really appreciate you
25

2 taking the time today and, and for, for the
3 compliment. I'll take it, gladly, um.

4 MISTER MCKEE: So, I gather you've studied this.

5 CHAIR SANCHEZ: A, a little bit, here and there.

6 MISTER MCKEE: It makes a difference.

7 CHAIR SANCHEZ: It, it, it does, it does. And, and
8 it's, it's something that, that a lot of us,
9 including, myself included, are really passionate
10 about. Um, but just to, to follow up on, on your
11 ideas on, on restructuring the system. I mean,
12 Urstadt does limit the City Council's role in rent
13 regulation and, and you know, in setting, setting,
14 uh, any, any legislation or any policy in this area.
15 What, what do you have in mind? What are some of the
16 ideas that you have in mind for restructuring?

17 MISTER MCKEE: I have a whole program. In fact,
18 I've written legislation that would actually simplify
19 and streamline the system while making it more
20 protective of tenants, um, and I'd be happy to share
21 that with you. Uh, I would start with, uh.

22 I mean, first of all, we should remember that the
23 rent stabilization system was designed by the real
24 estate industry itself, and for the first 15 years of
25 its history, it was actually administered by the real

2 estate industry through what's, what we now know as
3 the Rent Stabilization Association. The RSA was
4 actually the enforcement and administrative, um,
5 agency that ran the system until the state
6 legislature removed them, severed them from that role
7 because of egregious misconduct over the years.

8 Um, many of the worst feature of rent
9 stabilization in that original design, uh, have been
10 corrected, but the way rent adjustments are handled,
11 the Rent Guidelines Board, is substantially the same.
12 It's unchanged for the last 50 odd years and, uh,
13 when the new Board votes on June 21st, I predict that
14 rent stabilized tenants are going to be slammed with
15 harmful rent increases, uh, and a lot of this is
16 because of, of things in the law that have not been
17 changed that need to be looked at.

18 Uh, I think it's time, uh, for the Urstadt law to
19 be repealed. I have actually opposed repealing the
20 Urstadt law in the past because, until we could get a
21 state-wide system in place, um, I think it, it was,
22 it could have been divisive and, and politically
23 damaging to have home rule return to the City. And I
24 want to remind you that it was the New York City
25

2 Council, not the state legislature, that first
3 enacted permanent vacancy decontrol in 1994.

4 Uh, Members of the City Council don't know that
5 or don't remember it, but it was you guys, or your
6 predecessors, uh, to be exact, who actually imposed
7 permanent vacancy decontrol on rent controlled and
8 rent stabilized units and we have lost, in my
9 calculation, at least 300,000 apartments, uh, through
10 vacancy decontrol, which we finally got repealed
11 three years ago. But those 300,000 units were not
12 restored to rent regulation, so those market rate
13 tenants are sitting there unprotected at the mercy of
14 their landlords.

15 I think it's really time we started to push for
16 home rule to be restored to the Council and things
17 that we can't win in Albany, let's win them at the
18 City Council.

19 CHAIR SANCHEZ: Got it. Thank you, thank you so
20 much. Fascinating. I did not know that the Council
21 did that in 1994. Um, I would have been..

22 MISTER MCKEE: In fact, Jenny Laurie and I were
23 there.

24 CHAIR SANCHEZ: I was six. Um, no, that's, that's,
25 that's, that's really, really important context in

2 history and also a cautionary example of, you know,
3 what, what can happen if political winds change and
4 we have a different Council in the future and we do
5 restore home rule. But I do still think it's still
6 certainly worth, uh, the conversation. Now, sorry,
7 last question before we turn to others. 5% vacancy
8 rate, absolutely, it's arbitrary, right? It's, who
9 knows where they pulled it from?

10 Um, but do you, from, from your estimations and
11 thinking about this over the years, is there a number
12 that, that would make sense for how we determine the
13 state of emergency or are you sort of a proponent of
14 universal rent control and, and rent stabilization?

15 MISTER MCKEE: I believe that, uh, rent regulation
16 should be treated as a public utility, just as we
17 regulate the price of milk, which most people don't
18 know. Um, we should be regulating the price of rental
19 housing, um, for the public good.

20 And I submit that even if you had a vacancy rate
21 well in excess of 5%, which can be a temporary thing.
22 Vacancy rates rise and fall. This is certainly the
23 highest it's been since 1965. I want to remind you,
24 that in 1991, the 1991 Housing Vacancy Survey, the

2 vacancy, the net vacancy rate was 4.1%, which at that
3 point was the highest it had ever been.

4 But I submit that, at any vacancy rate, tenants
5 need, and the housing market needs, stability, and
6 people need protections from arbitrary eviction and
7 they need protections from excessive rent increases.

8 So, I would look upon, and, and we actually
9 introduced legislation in the state legislature back
10 in the 1980s that would have essentially made the
11 continuation of rent regulation a matter of public
12 policy, treating it as a public utility, divorced
13 from vacancy rate. Unfortunately, that did not gain
14 any traction and people weren't willing to look at
15 it. Everybody thought, "Oh, well, it's too abstract t
16 an issue."

17 I mean, you're stuck with 5%. It's in the
18 statute. Um, there's nothing, you know, we can do at
19 the moment about that. But I, I think as a matter of
20 policy, uh, it should be considered arbitrary.

21 And, um, there was a lot of fear, quite
22 understandable, in the pandemic as Manhattan emptied
23 out, and of course, the reason Manhattan emptied out,
24 is you have more affluent people in Manhattan who
25 either have second homes or have the financial

2 capacity to go somewhere else in a, in a COVID
3 pandemic. Whereas people in your district were stuck,
4 could not possibly go anywhere else, could barely, in
5 many cases, afford to pay the rent that they have to
6 pay now.

7 So, this was a blip in my view, and I think
8 probably if you looked at, if the HVS were done now,
9 I think the vacancy rate would be significantly lower
10 than 4.5%.

11 CHAIR SANCHEZ: Thank you, thank you so much,
12 Mister McKee, really, really appreciate your time and
13 your testimony and for answering my questions.

14 MISTER MCKEE: Thank you.

15 COMMITTEE COUNSEL SUN: Thank you so much. We'll
16 now hear from Chelsea Spencer, followed by Ellen
17 Davidson, and Jenny Laurie.

18 SERGEANT KOTOWSKI: Time starts now.

19 MS SPENCER: Hi, um, my name is Chelsea Spencer.
20 Thank you so much for, um, your attention today. I am
21 actually here on behalf of my tenant's union and
22 there's four other, um, members here. Would it be
23 possible if we, um, presented all together at the
24 end?

25 COMMITTEE COUNSEL SUN: Certainly.

2 MS SPENCER: Okay, um, and so, two of us
3 registered but, um, they didn't receive a, um, an
4 invite link, so they are logged in under my name. Is
5 that alright?

6 COMMITTEE COUNSEL SUN: Um, I'll follow up with
7 you off, off the Zoom, over email.

8 MS SPENCER: Okay, okay thank you.

9 COMMITTEE COUNSEL SUN: So, we'll now turn to
10 Ellen Davidson, followed by Jenny Laurie.

11 MS DAVIDSON: Uh, good morning. Um, uh, my name is
12 Ellen Davidson. I'm a staff attorney at the Legal Aid
13 Society. Um, and like some of the others on this
14 call, uh, this is, this is not my first time
15 testifying at this hearing. I think it's either my
16 fourth or fifth. Um, and so, I, um, I, uh, I work FOR
17 the Legal Aid Society. We represent low-income
18 tenants, um, and, as you heard from, um, the Chief
19 Researcher, um, that rent stabilization is the
20 largest source of low-cost housing in New York City.

21 Um, for, uh, and, and, you know, what you, what,
22 what the rent stabilization law says is that the
23 primary purpose of rent regulation has been to
24 eliminate abnormal rents in an overheated market. Um,
25 the rent stabilization law says its goal is to

2 protect public health, safety, and welfare, and to
3 present exactions of unjust and unreasonable and
4 oppressive rental agreements.

5 Um, the findings of the law said that prior to
6 the law passing, uh, tenants were facing these
7 increases which created severe hardship to tenants of
8 such accommodations, um, and were uprooting long time
9 City residents from their communities.

10 Um, in fact, you may hear, um, from what we see
11 in the news stories, uh, similar rent spikes and
12 similar unfair rental agreements that tenants on the
13 unregulated market are, are finding. Um, in our own
14 practice, we see clients without the right to renew a
15 lease, which the rent stabilization law guarantees,
16 um, fearing complaining about repairs, facing
17 retaliation for standing up for their rights. Um,
18 rent regulation, um, does both. It, it is both about,
19 uh, ensuring that rent increases are fair, but it
20 also allows tenants to, uh, become parts of
21 communities.

22 Um, and, uh, there's plenty of, uh, studies that
23 have shown that stability in housing is good for
24 families. It's good for health of a community. It is
25 good for educational achievement.

2 SERGEANT KOTOWSKI: Time expired.

3 MS DAVIDSON: And it enables low, uh, low wage
4 earners to maintain their employment. Um, so, we
5 strongly support both of the pre-considered, uh, the
6 Resolution and the Intro, um, in extending the rent
7 laws. Um, and I'm happy to take any questions, if
8 anyone has any.

9 CHAIR SANCHEZ: Thank you, thank you so much, um,
10 Ellen for, for testifying and, and for being active
11 on this issue for, uh, five go arounds. Uh, that's,
12 that's really great to have the perspective, your
13 perspective. Um, so, so one question that I have, um,
14 had over time, and I think, uh, I think that CSS did
15 an initial analysis on this, was what, uh, what
16 difference, um, has the HSTPA, uh, made, the Housing,
17 2019 Housing Stability and Protection Act. How has
18 that helped to further protect tenants? Uh, any, any
19 numbers that we can see.

20 And, you know, thinking about, to Mister McKee's
21 points from earlier, you know, moving, moving
22 forward, um, what have we learned and, and where
23 should we be taking, uh, rent stabilization? Where
24 should the state consider taking rent stabilization
25 from here?

2 MS DAVIDSON: Um, yeah. I, so, I will say that
3 just from our experience, uh, representing thousands
4 of tenants across the City, we have seen, uh, that
5 the Housing Stability and Tenant Protection Act has
6 already, uh, had great, uh, impact on our clients'
7 lives, especially our clients who had preferential
8 rent and were also, often facing rent spikes, uh,
9 because it used to be if you had a preferential rent,
10 at each and every lease term, landlords could raise
11 the rent, uh, as much as they wanted to.

12 Um, and so we had many clients who were afraid
13 of, of, uh, requesting repairs in their apartments
14 for fear that the landlords would take away their
15 preferential rent. Um, we've also, at the last time
16 we did this hearing, um, one of the, or I, I should
17 say, at the, at the 2019, uh, series of hearings that
18 were held by the state, uh, legislature, um, HPD
19 testified that with the various loopholes in the law,
20 um, most apartments were, uh, about, uh, two
21 vacancies away from deregulation.

22 Um, and that, that pressure to vacate apartments
23 because there was such a windfall at the end of it,
24 um, was a pressure that was felt by, certainly, our
25 clients and I think tenants across the state, um,

2 City, sorry. So, definitely, I think that, um, uh,
3 that the, one of the things that the HSTPA did, was
4 take some of the pressure off of tenants, long term
5 tenants with low rent apartments, um, because their
6 landlords don't get a reward for evicting them.

7 Um, having said that, I do think that, uh, it is,
8 it is going to be difficult to tease out what the
9 HSTPA did because COVID is such an intervening
10 factor, um, that a lot of how the market, uh, reacts
11 and how landlord/tenant relationships, uh, work, um,
12 has been affected by, uh, the health emergency, the
13 various moratoria that were put into place, um, and,
14 and tenants, especially low income tenants, um,
15 incredible financial pressures that they were under
16 during COVID, the loss of jobs, um, much of which
17 have still not returned, um. And so, um, uh, you
18 know, I'm very grateful that HSTPA was put in place
19 before this crisis, um, but I do think it may be
20 challenging to tease out all of the effects that we
21 see.

22 As for where I'd like to see the rent
23 stabilization law go, um, let me start by saying, uh,
24 that the Legal Aid Society is co-counsel on, um, five
25 cases, uh, that landlords have (INAUDIBLE) to

2 overturn the rent laws. Um, all five were dismissed
3 by the federal, by the Federal District Courts, Um,
4 all five are currently in the Second Circuit, and
5 the, but the stated purpose, um, of these cases is to
6 get to our more radicalized, Conservative Supreme
7 Court. Um, and, uh, the law, uh, the lawsuits both
8 challenge the HSTPA, as well as the ETPA, uh, what,
9 uh, the arguments in the Second Circuit, the thing,
10 things that were attacked were tenant's right to a
11 renewal lease, the success, the right of tenant's to
12 succeed to leases, and the, the, uh, the fact that
13 the landlords have some regulation on how high they
14 can increase the rents.

15 So, having said that, um, I think before we
16 radically change, uh, the rent stabilization law, I'd
17 like to get through, um, this, these court cases. Um,
18 uh, and, uh, and then we can rethink and see where we
19 are. But, um, at the moment, um, we have to get
20 through the Second Circuit and then, um, hopefully,
21 the, uh, Supreme Court will not take cert. And we
22 will have, um, uh, the, the Courts behind our rent
23 laws, um, and then we can, we can look ahead. That's,
24 that's, that's where I see things, uh. That's where
25 I'm most comfortable at the moment.

2 CHAIR SANCHEZ: Great. Thank you, thank you so
3 much, Ellen. Really appreciate your time.

4 MS DAVIDSON: You got it. Thank you so much for
5 having this hearing.

6 COMMITTEE COUNSEL SUN: Thank you. We'll now hear
7 from Jenny Laurie, followed by Richard Maquire and
8 Danielle Mowry.

9 SERGEANT KOTOWSKI: Time starts now.

10 MS LAURIE: Uh, good morning. Thanks so much, so
11 much to Chair Sanchez for asking these great
12 questions. Um, it's really great to, to hear this,
13 uh, debate, um, or this a, uh, hearing, testimony by
14 the City, um, and the questions you've been asking
15 have been terrific and really a breath of fresh air.

16 Um, my name is Jenny Laurie. I'm the Executive
17 Director of Housing Court Answers, a non-profit which
18 provides current legal information to tenants and
19 landlords without attorneys from information tables
20 in the City's Housing Courts and through a telephone
21 hotline.

22 Since January 15th, when the state moratorium
23 expired, our hotline staff have been taking about 200
24 calls a day from New York City tenants who are facing
25 eviction.

2 From our perspective, rent stabilization is one
3 of the most effective eviction and homelessness
4 prevention programs in the City and should be
5 continued. Much of our work is helping tenants living
6 with a housing emergency. Those who are being taken
7 to housing court for non-payment of rent and who have
8 a temporary loss of income due to direct or indirect
9 impact of the pandemic.

10 Some callers are in hold over proceedings, facing
11 eviction for something other than non-payment of
12 rent. Most tenants facing hold over evictions, live
13 in, who call our hotline, live in unregulated housing
14 with expired leases or month to month tenancies and
15 most of them will have to move.

16 Rent stabilized and rent controlled tenants have
17 the right to stay in their apartments if they can pay
18 the rent and obey the rules. These tenants are
19 protected against precipitous and unexpected rent
20 increases. Um, they also have other protections that
21 are really important, and as others have said, it's
22 still the fact that rent regulated housing stock
23 provides the largest supply of affordable housing for
24 low- and moderate-income tenants in the City, far out
25 pacing Section 8 and NYCHA housing.

2 So, the biggest benefit of rent stabilization is
3 that it protects tenants from eviction and housing
4 instability. Thank you very much and whoa, look at
5 that time.

6 CHAIR SANCHEZ: Oh, very nice.

7 MS LAURIE: I've never, never done that before.

8 CHAIR SANCHEZ: Very, very great. Thank you, thank
9 you so much, uh, Jenny and nice, nice to meet you. I
10 think I've been calling Housing Court Answers for
11 like, 10 years, so, uh, appreciate everything that
12 you all do.

13 MS LAURIE: Glad to support, glad to support.
14 Thank you.

15 CHAIR SANCHEZ: So, can you just, uh, one more
16 time, repeat for me, the number of tenants that you
17 have calling in per day?

18 MS LAURIE: Oh, so we are, we are getting, we're
19 taking, we're talking to about 200 callers a day. We
20 get more calls than that, but about 200 calls a day
21 since the eviction moratorium expired.

22 CHAIR SANCHEZ: Got it. And calls that you don't
23 take, is it just capacity?

24 MS LAURIE: Yes.

2 CHAIR SANCHEZ: Okay, got it. Alright, well thank
3 you so much for, for the work that you do. It is a
4 lifeline, and we really appreciate you in all of our
5 offices. Thank you.

6 MS LAURIE: Great, thank you.

7 COMMITTEE COUNSEL SUN: Thanks so much. We will
8 now hear from Richard Maguire, followed by Danielle
9 Mowery, and Lyric Thompson.

10 SERGEANT KOTOWSKI: Time starts now.

11 RICHARD MAGUIRE: Hi, good morning. Thanks for
12 having me. I'm actually part of the tenant's group at
13 the end. I would ask if I could be skipped over so I
14 could join them at the end of the meeting?

15 COMMITTEE COUNSEL SUN: Certainly.

16 RICHARD MAGUIRE: Thank you.

17 COMMITTEE COUNSEL SUN: Danielle Mowery?

18 MS MOWERY: Hello, should I start now? Okay. Um,
19 thank you again for holding this meeting, Chair and
20 Committee Members. And, um, I'm Danielle Mowery, and
21 I've been active in housing advocacy for the past
22 several years and I've also been a New York City
23 renter my entire adult life in the City.

24 I currently live in a rent stabilized building in
25 Bay Ridge, and have had both rent stabilized and non-

2 regulated living situations and, speaking from a
3 personal perspective, um, the apartments that weren't
4 rent stabilized included life-changing harassment
5 from one landlord, a carbon monoxide leak, unfixed
6 for months in another, and moves when new owners came
7 in and, um, bought a building and nearly doubled my
8 rent, uh, when I had a small child and had, had to
9 move with a baby.

10 Um, when I first moved to New York City after
11 college, I did the bouncing around, couch surfing,
12 subletting, roommates and all of that, and I finally
13 had a rent stabilized apartment with a boyfriend in
14 East Village. We, we felt like we really scored
15 there. And our lives were pretty stable, and we were
16 able to focus on building our lives for five years.

17 And then we moved into Brooklyn in an unregulated
18 apartment in an individually owned home. And I, I
19 just want to delve into the personal there, without
20 getting into the details, we had such landlord
21 harassment that my boyfriend at the time who was a
22 refugee, um, an immigrant, he had moved here alone
23 when was 17, worked in a restaurant, he endured the
24 brunt of it because my landlord would harass him
25 during the day when he was trying to sleep.

2 And all sorts of different things and threaten us
3 constantly with being moved out. Um, and it
4 ultimately led to him having anxiety and depression.
5 And, unfortunately, ultimately, it turned into drugs.
6 He, he had a coke addiction. And so, it was life
7 changing. I mean, it basically destroyed his life. It
8 destroyed our relationship, um, and we did move out
9 of the apartment.

10 And so, the stabilization, it's not just
11 economics. It's also mental health issues. It's also
12 about building a city and building community. And
13 today when I look around, I hear a lot of this now,
14 rent's going up, next generation not being able to
15 find apartments. Um, and it's, it's really.

16 SERGEANT KOTOWSKI: Time expired.

17 MS MOWERY: If I could just finish the last
18 thought. Um, I just find that Sherrod Brown had said
19 on a national low-income housing coalition call, that
20 when you lose your home, everything starts to fall
21 apart. And I would say, except further. When you lose
22 stability, a feeling like you have a home that is
23 going to remain your home that you can constantly
24 access and come to and recharge in, that's when
25 everything starts to fall apart. And I don't think

2 our City could afford to lose that small base of
3 security, that shrinking base of security, that we
4 need for people to move ahead in their lives. Thank
5 you.

6 CHAIR SANCHEZ: Thank you, thank you so much,
7 Danielle, for sharing, for sharing your story and
8 that perspective. It's really powerful to hear. Thank
9 you.

10 MS MOWERY: Thank you.

11 COMMITTEE COUNSEL SUN: Thank you so much. We will
12 now hear from Lyric Thompson.

13 SERGEANT KOTOWSKI: Time starts now.

14 MS THOMPSON: Hi, hi everybody. Thank you for
15 having this hearing. Thank you for allowing me the
16 opportunity to share. Um, rent stabilization, I
17 think, doesn't go far enough. Uh, DHCR is antiquated
18 and the system takes two to six years for simple
19 complaints. But with regard to housing, we have to
20 address the fact that we do have unscrupulous
21 landlords that will jack up the rent \$900 in a year
22 and this displaces people.

23 There's a building across the streets. It's a old
24 building. The tenants have been there, one tenant has
25 been in that building for 52 years, which blows my

2 mind. Young couple when they moved in, raised their
3 family there. Well now there's a new owner and he
4 wants to eject them because they're rent stabilized.
5 They have, you know, lesser rent. So, he is trying to
6 actively get these people out. And he's been able to
7 destabilize some of the units and force some of these
8 tenants out and it's disgusting. We need stronger
9 laws. We need stronger enforcement.

10 And something that strikes me is that we regulate
11 every other business. I couldn't paint your toenails,
12 as the Chair of Housing, without a license because,
13 God forbid, I cut a cuticle, now your, you can't
14 walk. Your toe's jacked up. I'm responsible for that.
15 Yet we don't, we don't license those that manage and
16 provide housing? Why? Why? I mean, there should be
17 standards. Um, and so when it comes to licensure,
18 stabilization would be part of that. We need to
19 regulate the business and completely regulate the
20 business.

21 I wanted to also enclose and briefly touch on the
22 bills that you passed the other day, or last week,
23 regarding self-closing doors, fire-rated, uh, fire-
24 rated equipment and things of that sort. I've been
25 fighting with HPD for seven years over our doors.

2 We're in a 421A building that was never really
3 completed and fraudulently signed off, so we've never
4 had code-compliant doors. HPD does not know the
5 standards that they are supposed to enforce.

6 SERGEANT KOTOWSKI: Time expired.

7 MS THOMPSON: HPD does not train their inspectors
8 in the NFPA codes that govern those doors. As I'm
9 testifying to you right now, I have non-code
10 compliant doors that HPD refuses to write violations
11 for because DOI says they're fine. Yet, on the other
12 side of that, DOB Development, NFPA Northeast
13 Regional Train, Training Chief Robert Duvall, Roger
14 Skull (sp?), an AHC expert, DOB Plan Exam, Universal
15 Fire Door, NFPA Tech Support, you can call them with
16 questions regarding the code, and the fire
17 department, all tell me that my door's will fail in
18 the event of a fire.

19 We need to do better. The class is an hour and a
20 half and costs about \$200. Now, I'll crowdsource it
21 if I have to, but I can't help but think that we
22 already have the resources to address this type of
23 issue. And that's all I have to say. Thank you for
24 allowing me the time. And I hope you guys have a nice
25 day. Anybody have any questions?

2 CHAIR SANCHEZ: Thank you, thank you so much,
3 Lyric, um, and thank you for being in touch with our
4 office. I think, uh, we, we have developed a whole
5 new relationship with you, which we, which we
6 appreciate. But, no, I did want to, want to thank you
7 for, for first of all, uh, speaking on the HVS. Um, I
8 think it's a great idea and would love to hear your,
9 your ideas for what, what would go into licensing if
10 we were to think about, um, a scheme like that.

11 MS THOMPSON: I have already written a law. I will
12 forward it to you.

13 CHAIR SANCHEZ: Excellent. Thank you. And then on,
14 on the self-closing doors issue, we are aware. Uh, we
15 have been in touch with you, um, a few, a few Council
16 Members, I won't name them here, uh, and I are
17 working together on a letter that will be going to
18 HPD, DOB, FDNY, um. There does need to be increased
19 coordination. It's not acceptable for agencies to
20 disagree on, uh, very essential...

21 MS THOMPSON: Lifesaving.

22 CHAIR SANCHEZ: Lifesaving, lifesaving
23 interventions. And thank you for your advocacy on
24 behalf of your building, on behalf of yourself. We

2 will be looking into it and we will circling back to
3 you very soon.

4 MS THOMPSON: Thank you.

5 CHAIR SANCHEZ: Of course.

6 COMMITTEE COUNSEL SUN: Okay. Thank you very much.

7 We will now hear from Chelsea Spencer, followed by
8 Bryant Wells and Kelsey Fairhurst.

9 SERGEANT KOTOWSKI: Time starts now.

10 MS SPENCER: Hi, thank you so much, um, for the
11 opportunity to speak today, and, um, for your
12 attention to something of a particular issue
13 concerning our building. Um, my neighbors and I are
14 here today on behalf of the Opera House Lofts
15 Tenant's Union, um, which represents 26 units and
16 over 50 residents. And we'd like to talk about, um,
17 an issue concerning the converted loft building we
18 live in, at 27 Arion Place in Bushwick. Um, we've
19 prepared a shared testimony that we'd like to read in
20 five, two-minute pieces.

21 Um, so specifically we are here today to ask for
22 your support in persuading the Department of
23 Buildings to conduct a full inspection of our
24 building which they neglected to do when they
25 recently issued a residential Certificate of

2 Occupancy for our address, thus blocking our
3 application for Loft Law protection, which we
4 submitted in 2020.

5 To explain why an inspection is necessary, we
6 will tell you about the recent history of our
7 building and our concerns about its safety and
8 habitability.

9 Our landlords own 40 multi-unit buildings across
10 Brooklyn and Queens, including many converted loft
11 buildings. Um, in the early 2000s, they bought and
12 began converting our building, which is an historic
13 choir hall, into rental apartments. And for this
14 project, they hired an architect who has a notorious
15 history with the DOB for failing to comply with
16 building codes. Um, and so, based on this history and
17 our own lived experience here at 27 Arion Place, we
18 know that our landlords can't be trusted to address
19 the safety and habitability issues here and at their
20 other buildings.

21 And so, my neighbor, if possible, um, we kind of
22 planned a tradeoff thing. Could Sylvie Wise testify
23 next?

24 COMMITTEE COUNSEL SUN: Sure.

2 MS SPENCER: Sorry for the choreography. Thank you
3 very much.

4 COMMITTEE COUNSEL SUN: Uh, sure. Um, we'll, we'll
5 now turn to Sylvie Wise.

6 MS WISE: Hi, thank you guys for your flexibility
7 and for, uh, letting us speak here today. And thank
8 you, Chelsea, for that introduction. Um, my name is
9 Sylvie Wise. I've been a resident at 27 Arion Place,
10 uh, since 2020.

11 And, uh, to, to pick up where Chelsea left off,
12 um, fire safety is our number one concern. We have
13 been feeling particularly fearful about these issues
14 in our building following the horrifying news of the
15 Bronx apartment fire earlier this year.

16 This deadly tragedy was the result of two
17 building maintenance issues: cold indoor temperatures
18 and a broken self-closing door mechanism. Our
19 building is full of similar issues, including
20 insufficient fire protection on wood joists, illegal
21 heating units, illegal mezzanines, lack of proper
22 egress, and indeed, any doors that do not self-close.
23 Not only would these conditions, conditions, in
24 combination prove deadly in the event of a fire, they
25 also make a fire more likely.

2 In April of this year, the FDNY confirmed our
3 fears when they issued several class one, or
4 immediately hazardous fire code violations for non-
5 compliant sprinklers and dangerous problems with
6 heater ventings and valves.

7 In addition, our landlords have neglected to
8 maintain the building in ways that impact our daily
9 lives. These issues have been left to fester for many
10 years, but in recent months our landlords have
11 performatively responded to violations issued by the
12 DOB and FDNY by rushing to fix cosmetic issues
13 throughout the building. Meanwhile, the more serious
14 issues remain unaddressed.

15 My neighbor, Richard Maguire, will now elaborate
16 on Loft Law application process and, uh, we hope that
17 you all will consider holding the DOB accountable for
18 the safety of our building.

19 COMMITTEE COUNSEL SUN: Richard Maguire?

20 MISTER MAGUIRE: Hi, thank you Council Members for
21 listening to me speak today. My name is Richie
22 Maguire and I've been in 27 Arion Place since 2009.
23 Now, please bear with me because in my public
24 speaking class in college, I apparently switched

2 accents and this is quite scary for me, but, here we
3 go.

4 In 2020, I joined my neighbors in applying for
5 Loft Law protection, hoping that the process and the
6 oversight of the municipal agencies would ensure that
7 the issues in our building would be addressed. We
8 were not surprised when the landlord opposed our
9 efforts. But was surprising and extremely
10 disheartening was that the DOB worked against us,
11 choosing instead to cooperate with our landlord in
12 attempt to invalidate our right to seek Loft Law
13 protection by taking advantage of the DOB's confusing
14 and inconsistent record for our building.

15 When we submitted our Loft Law application, the
16 DOB had no residential Certificate of Occupancy for
17 file on our building, located at 1127 Arion Place.
18 Next door to our building, there is a small, vacant
19 lot, 9 Arion Place. It was for this address, of this
20 vacant lot, in 2005, the DOB granted a CO for 70
21 apartment hotels.

22 Even if we assume, and we do not, that the
23 issuance of this CO for the wrong address, the wrong
24 lot number, and the wrong bin, was simply, as our
25 landlords have claimed, an innocent clerical error,

2 there are other inconsistencies in the descriptions
3 in the CO, and alteration filings that can be
4 reconciled neither with the characteristics of the
5 building that was built in 1886 as a choir hall, nor
6 with the building that stands today as our home.

7 These concern not only the height of the building
8 and the number of stories.

9 SERGEANT KOTOWSKI: Time expired.

10 MISTER MAGUIRE: These concern not only the height
11 of the building and the number of stories, but also
12 far more worrying, the construction classification
13 based on fire resistant ratings. My neighbor will
14 elaborate on our attempts to communicate with the
15 DOB. Thank you for considering and asking the DOB to
16 conduct a full inspection of our building. And I hope
17 I didn't change accents. Thank you.

18 My neighbor, Kelsey, will now take over.

19 COMMITTEE COUNSEL SUN: Thanks very much. We will
20 now hear from Kelsey Fairhurst, followed by Bryant
21 Wells.

22 KELSEY FAIRHURST: My name is Kelsey Fairhurst and
23 I've lived in the building for eight years. Um, our
24 attorney has sent multiple letters to the DOB
25 providing substantial details about the building's

2 non-code compliance. As tenants, we too, have made
3 several attempts to communicate directly with the DOB
4 about the issues with our building, requesting
5 inspections and meetings. The DOB has completely
6 ignored all of them.

7 In February of this year, we organized a
8 walkthrough of our building and our units. We invited
9 elected officials, their staff, and the DOB. The DOB
10 declined to attend.

11 We have only once received an official response
12 from the DOB regarding our complaints. It was a
13 cryptic letter saying that our complaints had been
14 administratively closed prior to inspection. We
15 suspect this was to avoid oversight.

16 Ignoring our concerns, the DOB instead cooperated
17 with our landlord in asking the Kings County Supreme
18 Court to order a residential CO issued for the vacant
19 lot adjacent to our building to be transferred to our
20 address. Deferring to the DOB's authority and
21 accepting the landlord's claim that the address
22 listed was a typo, the judge declared the CO
23 retroactively valid for our address.

24 Never during this nearly two-year process, was an
25 inspection of the building completed. Had such an

2 inspection been carried out, there is no legal way
3 that a CO, which is a document that is supposed to
4 confirm the building complies with the law, could
5 have been issued or transferred to our building.

6 Um, Bryant Wells will elaborate on the CO issue
7 and I hope you will consider asking the DOB to
8 conduct a full inspection of our building.

9 COMMITTEE COUNSEL SUN: Bryant Well?

10 MISTER WELLS: Unmute. Hi, um, my name is Bryant
11 Wells. Thank you all, um, for your time today. Uh,
12 um, so, again, my name is Bryant and I've lived in
13 this building since, um, I want to say like 2005 or
14 2006. Um, and so, just picking up from where, uh,
15 Kelsey left off.

16 Um, yeah, so the legal section of this
17 transferred, uh, C of O, thus papers over a reality
18 that we tenants must live with every day, regardless
19 of the address. The Opera House Tenants, the Opera
20 House Lofts building is patently neither safe nor
21 code compliant. Um, the C of O, which we know is
22 invalid, also blocks our right to Loft Law
23 protection, and we have every reason to believe that
24 the Loft Law is the only recourse that we have to

2 protect our rights to safe, stable, and affordable
3 housing.

4 Uh, to distract from the real issues at play, our
5 landlords have repeatedly accused us of trying to
6 take advantage of what they say is nothing more than
7 a, a typo. Um, given our landlord's document history
8 of finding remarkedly inventive ways to skirt laws
9 that were designed to protect New Yorkers in our
10 building and other buildings, um, around the
11 district, and the DOB's documented history of being
12 willing to look the other way, uh, we find this
13 excuse preposterous.

14 Um, the so-called typo is a red herring. The real
15 issues we are here to speak about are our rights as
16 loft, as loft tenants, community members, New
17 Yorkers, and human beings to safe, stable housing,
18 our landlord's desire to continue to profit, um, from
19 the neglect of tenants throughout Brooklyn, and the
20 DOB's willingness to aid them in pursuing this
21 desire. Uh, if the DOB had not gone out of its way to
22 cooperate with the landlords, uh, while refusing to
23 even acknowledge our concerns about the safety and
24 habitability of our building, we would now have Loft
25 Law protection.

2 Um, so, yes, thank you very much for your time.
3 And thank you for considering, um, our case and just,
4 just hearing, um, our story, um, and hopefully you
5 can encourage the DOB to conduct a proper inspection
6 of our building and buildings like it across New
7 York.

8 CHARI SANCHEZ: Well, thank you, thank you so
9 much. Um, was that, was that the full list?

10 MISTER WELLS: Yes, yes.

11 CHAIR SANCHEZ: Okay, great. Um, thank you so much
12 for that. And just, uh, one follow up question, what
13 are the, the sort of rights, and, um, protections
14 that Loft, that Loft Law would afford you all?

15 MISTER WELLS: Um, so, any other members could
16 chime in and expand on this, um, but, uh, basically
17 the Loft, uh, coverage under Loft Law would require
18 the, uh, landlord to fix, um, the, um, issues and
19 code violations that, um, presently exist, um, and
20 provide, uh, rent stabilization, or, um, during that
21 time period, uh, until those, um, changes are, are,
22 uh, made.

23 CHAIR SANCHEZ: Great, thank you. Well, thank you,
24 thank you for brining this to our attention. I would
25 certainly, um, you know, push you all to also make

2 this, uh, known to the Department of Investigation.

3 Uh, there is an Inspector General for the DOB. If you
4 have not already done so, you know, please do submit
5 to them so they can look into the matter. Um, and if
6 you can follow up, uh, with our office, we'll be
7 looking out for your written testimony, but if you
8 could email us at council14@council.nyc.gov with more
9 information we would be happy to look into it.

10 MISTER WELLS: Great, thank you so much.

11 COMMITTEE COUNSEL SUN: Great, thanks very much. I
12 believe this now concludes the public testimony. If
13 we have inadvertently forgotten to call on anyone,
14 please use the Zoom raise hand function now and we
15 will hear from you. Alright, seeing no hands, I will
16 turn it back over to Chair Sanchez to close the
17 hearing.

18 CHAIR SANCHEZ: Excellent. Well, thank you,
19 Audrey. Thank you to everyone who has participated
20 today, to members of the administration, to members
21 of the public, thank you for the time that you have,
22 uh, committed to make your issues known and to
23 especially talk about the Housing Vacancy Survey.

24 Uh, this is a very important hearing. Uh, this is
25 a hearing to talk about the, the methods and, uh,

2 really the integrity of the way that the survey was
3 conducted, uh, because we need to, as a Council, base
4 our determination on the integrity of the survey,
5 right? A good survey showing a vacancy rate of lower
6 than 5%, allows us to continue rent stabilization and
7 so it's very important that we were able to ask, uh,
8 many questions and have those answered by the
9 administration, um, as representatives of, you know,
10 doing that joint work that happened between HPD and
11 the Census Bureau.

12 So, again, I, I just want to thank everyone. I
13 look forward to further discussion on the findings,
14 uh, following this hearing, uh, as you all have heard
15 time and gain, the administration should be releasing
16 the, the housing plan very shortly, uh, which was
17 informed by the Housing Vacancy Survey. And that's
18 really where we get to dig in on the policy, you
19 know, the importance of rent stabilization to New
20 Yorkers, uh, what more we can be doing to, to
21 strengthen policy via the City of New York to protect
22 renters.

23 So, step one, uh, make sure we have a good survey
24 and make sure it's saying, um, what, what it, what it
25 needs to say in order to continue the state of

2 emergency. And with that, then we can, uh, talk about
3 further policy, uh, issues in the City of New York.

4 So, thank you all so very much. Uh, Audrey, thank
5 you for all your work. Jose and Charles, uh, thank
6 you, uh, policy analysts for the committee,
7 appreciate your time and energy. Sergeant?

8 Excellent. And now this hearing is adjourned.

9 [GAVEL]

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1 COMMITTEE ON HOUSING AND BUILDINGS

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C E R T I F I C A T E

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



Date July 11, 2022