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COMMITTEE ON HOUSING AND BUILDINGS

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON HOUSING AND BUILDINGS

January 14, 2019
Start: 10:07 a.m.
Recess: 12:52 p.m.

HELD AT: Council Chambers - City Hall

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

COUNCIL MEMBERS:

- FERNANDO CABRERA
- MARGARET BROWN S. CHIN
- RAFAEL L. ESPINAL, JR.
- MARK GJONAJ
- BARRY S. GRODENCHIK
- BILL PERKINS
- CARLINA RIVERA
- HELEN K. ROSENTHAL
- RITCHIE J. TORRES
- JUMAANE D. WILLIAMS

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COMMITTEE ON HOUSING AND BUILDINGS

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

Molly Park
Commissioner for Development at the New York City
Department of Housing Preservation and
Development, HPD

Margaret Brown
Associate Commissioner for Housing Opportunity
And Program Services at the New York City
Department of Housing Preservation and
Development, HPD

Baaba Halm
Commissioner for Economic Opportunity and
Regulatory Compliance at the New York City
Department of Housing Preservation and
Development, HPD

Julie Walker
Assistant Commissioner for the Mitchell Lama
Program

Giselle Routhier
Policy Director for Coalition for the Homeless

Joshua Goldfein
Staff Attorney at the Legal Aid Society

Wendy O'Shields
Safety Net Activist Founding Member and a Housing
Advocate

Nathylin Flowers Adesegun
Member of VOCAL-NY

Annie Carforo
Community Organizer with Neighbors Together

Leroy Alexander
Leader with Neighbors Together's Community Action
Program, Formerly Homeless Person

Nicole McVinua
Policy Analyst at Urban Pathways

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

Robert Altman
Legislative Consultant to the Queens and Bronx
Building Association, QBBA

Victoria Wolf
Member of Neighbors Together's Community Action
Program

Mauricio Hernandez Tapiero
Homeless Columbian Immigrant

Raqibah Basir
Resident of Supportive Housing

Shelia Martin
Chief Operating Officer for the New York City
Housing Partnership

Scott Andrew Hutchins
Member of Picture the Homeless

Matthew Dunbar
Vice President of External Affairs for Habitat
For Humanity

Catherine Trapani
Executive Director of Homeless Services United

Stephanie Sosa
Senior Associate for Housing Development Policy
At the Association for Neighborhood and Housing
Development, ANHD

Carolyn Brown
Resident of Pam's Place

Sheila Fields
Board Member of Community Board Two in the Bronx

Lyric Thompson
Resident of New York City

[gavel]

CHAIRPERSON CORNEGY: Good morning

everyone, I'm Council Member Robert Cornegy, Chair of the Committee on Housing and Buildings. We're here today to hold an oversight hearing on the housing lottery process. New York City is in the midst of an affordable housing crisis where many households pay more than half of their income towards rent. As a result, these households teeter on the brink of homelessness. Countless New Yorkers pin their hopes of receiving adequate and affordable housing on winning in housing lottery sponsored by the Department of Housing Preservation and Development. These housing lotteries provide applicants with the opportunity to secure housing with affordable rent giving them the ability to provide for their families and keeping them from homelessness. Unfortunately, we heard from constituents that the housing lottery process is fraught with problems, incomes are miscalculated in error excluding qualifying applicants for housing they need and deserve. Applicants are frequently given conflicting information or told that their application documents that they've timely submitted were never received.

1 Appeals are time consuming and often limit fruitless.
2 We'll also hear six bills which seek to among other
3 things, bring clarity to an otherwise opaque process
4 and ensure that the modest... that the neediest New
5 Yorkers can find shelter. These include Intro 249
6 sponsored by Council Member Reynoso, Intro Number 357
7 sponsored by Council Member Rosenthal, Intro 550
8 sponsored by Council Member Levine, Intro 564
9 sponsored, sponsored by Council Member Treyger, and
10 Intro 716 sponsored by Council Member Williams and
11 Intro 1211 sponsored by Council Member Salamanca.
12 Intro Number 1211 of which I also am a sponsor would
13 provide that developers... will require that developers
14 receiving financial assistance from the city for
15 housing development projects set aside 15 percent of
16 the available units for homeless individuals and
17 families. Through this legislation I hope that the
18 city can help homeless New Yorkers find adequate and
19 affordable housing. I'd like to thank my fellow
20 committee members present, who do we have here..
21 Council Member Grodenchik, Salamanca, Perkins and
22 Reynoso oh sorry, and Carlina Rivera and acknowledge
23 Council Members... oh, I've acknowledged all the
24 Council Members. We're going to at some point have an
25

1 opening statement by Council Member Treyger who's not
2 present, but we can behind this hearing at this time.
3 Oh, I'm sorry, I'd like to remind everyone that will...
4 that would like to testify today to please fill out a
5 card with the Sergeant, we'll be sticking to a two-
6 minute clock for all public testimony and now we'll
7 administer the oath of administration before the
8 testimony.
9

10 COMMITTEE CLERK: Right hands up. Do you
11 affirm to tell the truth, the whole truth and nothing
12 but the truth in your testimony before this Committee
13 and to respond honestly to Council Member questions?

14 MOLLY PARK: I do. Good morning Chair
15 Cornegy and members of the Committee on Housing and
16 Buildings. I am Molly Park, Deputy Commissioner for
17 Development at the New York City Department of
18 Housing Preservation and Development, HPD. Thank you
19 for the opportunity to testify on HPD's housing
20 lotteries and corresponding legislative package. I am
21 also joined today by Margaret Brown, Associate
22 Commissioner for Housing Opportunity and Program
23 Services, and Baaba Halm, Assistant Commissioner for
24 Economic Opportunity and Regulatory Compliance.
25 Affordable housing is one of the biggest concerns

1 that New Yorkers face, and correspondingly, it is one
2 of the top priorities of Mayor De Blasio's
3 administration. Our housing lottery process is a
4 vital way to connect New Yorkers to the affordable
5 homes we are producing at a record pace. It is no
6 secret that there is a housing crisis in New York
7 City. Although we now have the largest housing stock
8 on record, the city's vacancy rate remains low at
9 3.63 percent. Building on our successes during the
10 first few years of this administration, we
11 accelerated and expanded our housing plan to achieve
12 300,000 affordable homes by 2026 and released Housing
13 New York 2.0, a suite of new programs, partnerships
14 and strategies to help thousands more families and
15 seniors afford their rent, buy a first home, and stay
16 in the neighborhoods they love. As a result, five
17 years into the plan, we have established a new
18 baseline for how affordable housing can and should be
19 built in New York City. Already, this administration
20 has financed over 110,000 affordable apartments
21 through fiscal year '18, 43,000 of which serve low
22 income individuals making less than roughly 36,500
23 per year or 47,000 for a family of three. As we
24 accelerate and expand the goals of Housing New York,
25

1 we are also looking to speed up the delivery of the
2 affordable housing we are producing and ensure that
3 those homes serve the New Yorkers who need them the
4 most. Housing Connect, the city's affordable housing
5 lottery system allows New Yorkers to search for
6 affordable housing, fill out a profile, and apply for
7 multiple homes with a few clicks of a button. Since
8 launching in 2013, over two million people have made
9 accounts on Housing Connect, 1.1 million have
10 submitted applications and 23,000 households have or
11 soon will moved into new homes. Now six years after
12 this revolutionary application was created, HPD is
13 currently building our new and improved Housing
14 Connect 2.0 system. We have learned a lot through
15 operating Housing Connect over the past six years and
16 Housing Connect 2.0 will provide New Yorkers with a
17 more transparent and user-friendly experience. 2.0
18 will automate, standardize and streamline the
19 applicant eligibility review process with an
20 integrated information exchange between housing
21 developers, applicants and HPD. The new system will
22 also facilitate additional HPD oversight and
23 reporting on housing lottery indicators. Stakeholder
24 engagement has been critical in crafting this system,
25

1 we engaged with housing developers and marketing
2 agents, applicant advocates and service providers,
3 financial counseling experts, several other agencies
4 and, of course, applicants themselves. We are also
5 working with behavioral research experts to ensure
6 2.0 will more easily guide users through complex
7 questions such as how to calculate their income and
8 specifying what types of housing best fits their
9 needs. As we push forward with these innovations, we
10 will also be looking at every aspect of the Housing
11 Connect system through the lens of fair housing and
12 how we can promote equal opportunities for all New
13 Yorkers. When the Trump administration rolled back
14 the implementation of the Affirmatively Furthering
15 Fair Housing requirement, the De Blasio
16 administration launched our Where We Live NYC
17 process. HPD is working with 30 sister agencies to
18 study, understand and address patterns of residential
19 segregation and how these patterns impact New York
20 City's at... New Yorker's access to opportunities
21 including jobs, education, safety, public transit and
22 positive health outcomes. With these goals in mind,
23 HPD also updated our marketing policies that
24 developers that must follow to further limit how
25

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2 credit history impacts housing applicants, address
3 and clarify complexities in income calculations,
4 ensure special protections for survivors of domestic
5 violence, and make the lottery selection process more
6 efficient. These updates demonstrate the city's
7 continued commitment to create more opportunities for
8 all New Yorkers. Importantly, developers must also
9 meet all of the steps outlined in the published
10 marketing requirements before they are able to go
11 forward with selecting applicants. HPD has also been
12 very focused on expanding our existing outreach tools
13 and education efforts. We currently have robust
14 communication requirements during the marketing
15 process, including but not limited to outreach to
16 local community boards, elected officials and the
17 general public through online and print advertisement
18 both citywide and local. Understanding that some may
19 find applying for projects to be complicated, HPD
20 provides resources to lottery applicants in a variety
21 of ways. Besides hosting biweekly marketing seminars
22 for potential lottery applicants to teach them about
23 the process, our Housing Ambassador program partners
24 with community-based service providers such as
25 IMPACOMMITTEE CLERKT Brooklyn or the Mutual Housing

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2 Association of New York who help individuals prepare
3 and apply for open lotteries. HPD's Ready to Rent
4 initiative also provides free one on one financial
5 counseling and assistance with affordable housing
6 applications, our resource fairs, marketing seminars,
7 and mobile van allows us to assist New Yorkers
8 directly in their communities. And thanks to the City
9 Council, we've also been able to translate
10 applications guides into 17 languages. With this
11 robust and aggressive work in mind, we appreciate the
12 Council's shared goals to increase access to our
13 lottery system, ensure transparency without
14 compromising individual applicant's privacy and make
15 it as efficient as possible. We are happy to discuss
16 further many of the bills on today's agenda relating
17 to the lottery process. Importantly, we want to keep
18 in mind the ongoing efforts to build out Housing
19 Connect 2.0 so that we are not duplicating the work
20 already being done or codifying practices that will
21 no longer be relevant moving forward. Developing
22 affordable housing for a wide swath of New Yorkers is
23 a core component of HPD's mission and we are deeply
24 committed to addressing homelessness in New York
25 City. As part of our efforts to expand housing

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2 production for the formerly homeless while also
3 ensuring that these apartments continue to be
4 distributed in every neighborhood where HPD is doing
5 business, many of our term sheets have a 10 percent...
6 have ten percent or more of the units set aside for
7 homeless individuals and families. For the benefit of
8 the public, I want to take a step back to explain the
9 process of building and preserving affordable housing
10 in New York City. This work is a public and private
11 partnership, with the city providing gap financing to
12 projects. This has allowed us to effectively use
13 public subsidies in exchange for record levels of
14 affordable housing production not seen anywhere else
15 in the country. A typical affordable housing project
16 has five or six sources of financing and is not
17 uncommon to see even more. These sources are both
18 private and public, coming from all levels of
19 government, each with its own requirement and
20 restrictions, losing even one financing source due to
21 incompatible restrictions can stop a project in its
22 tracks. Our hard work packaging together these
23 multiple funding streams not only allows the projects
24 to be built in the first place, but also ensures the
25 financial solvency of the building and therefore a

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2 stable housing source for New Yorkers. Our term
3 sheets, which are available online for all to see,
4 set the parameters for each of our subsidy programs
5 with our many partners in development finance; they
6 outline eligible borrowers and sponsors; required
7 income and rent tiers; how much financing is
8 available on a per unit basis; equity requirements;
9 design requirements; eligible real estate tax
10 benefits and other important loan terms. In
11 development finance, term sheets are a critical way
12 to structure and give shape to our programs and to
13 give consistent guidance to our many partners. We
14 also continually make tweaks to our term sheets in
15 order to reflect the changing needs of the city's
16 residents, feedback from our many partners, the ever-
17 changing housing market and the available funding
18 streams at all levels of government. In 2017, we re-
19 tooled our most popular term sheets to require
20 homeless set asides and when we see that more can be
21 done then we do more. The ELLA, Extremely Low- and
22 Low-Income Affordability and Mix and Match, which are
23 mixed income programs, now both include ten percent
24 homeless set asides. We have also included homeless
25 set asides, effective upon re-rental in nearly all

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2 our rental preservation programs. These new set
3 asides, along with the 30 percent set aside in the
4 Senior Affordable Rental Apartments or SARA program
5 and 60 percent supportive housing loan program set
6 aside, have enabled us to do... to more than double the
7 rate of our homeless housing production since the
8 onset of Housing New York. During the second half of
9 2014, we were producing homeless apartments at a rate
10 of about 1,000 homes annually. In calendar year '18,
11 we closed down more than 2,500 homeless apartments
12 for a record number. In total, we have created and
13 preserved, preserved approximately 10,000 apartments
14 for formerly homeless households since January of
15 2014. I think we share the same goals. Speaker
16 Johnson, Council Member Salamanca, Chair Cornegy and
17 so many sitting here today have worked with us to
18 bring important projects to their communities with
19 units for the formerly homeless. I work at HPD
20 because I deeply believe in housing New Yorkers who
21 need the most help. I used to run the agency's
22 Section 8 program, which is one of the best tools
23 provide... for providing housing assistance to
24 extremely low-income families. In my current role, I
25 take great pride in the fact that we have increased

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2 housing production for both homeless New Yorkers and
3 the lowest income households. However, I do have real
4 concerns about the mechanism proposed in Intro 1211
5 to reach our shared goal. Our term sheets must remain
6 highly flexible to respond to outside factors in
7 addition to policy changes. In 2009, for example,
8 during an especially down housing market, roughly 50
9 percent of all new construction in the city of New
10 York was financed by HPD. We had to stretch our
11 dollars as efficiently as possible to continue the
12 work. Although we are not currently in a major
13 recession, the last two years have seen changing
14 federal regulations and a substantial drop in the
15 value of the low-income housing tax credit that
16 requires updates to our processes. Of course, the
17 ongoing shut down of parts of the federal government
18 including HUD, has big potential consequences for the
19 millions of Americans who rely on federal housing
20 assistance. I can say that the operations of HPD have
21 not yet been impacted but we all know that the longer
22 the disruption in the basic functions of our federal
23 government goes on, the worse it gets. Adding
24 additional layers of restriction through unbending
25 legislation, while other factors fluctuate widely,

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2 will make these deals increasingly difficult to
3 complete. We look forward to having further
4 discussions with the Council to find alternative ways
5 to achieve our shared goals. Lastly, I would like to
6 speak to HPD's multifaceted approach to ensuring that
7 our affordable housing development partners meet the
8 expectations of the agency from project conception
9 through construction completion. During the pre-
10 development phase of a project, HPD has a formal
11 integrity review process to conduct extensive
12 background checks that review code violations,
13 municipal charges and arrears, performance on prior
14 government and private projects, criminal
15 investigations and convictions, enforcement action
16 and administrative proceedings. The agency also
17 provides architectural, engineering, environmental,
18 cost evaluation and construction support services for
19 its new construction and preservation projects.
20 Through a new unit formed in 2012 to make these
21 efforts more robust, HPD ensures developers,
22 consultant architects and engineers comply with all
23 applicable laws, regulations, codes, rules, standards
24 and HPD requirements. In addition, projects with
25 significant issues during the construction period may

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2 be subject to increased oversight and monitoring by
3 the unit and referred to the Department of Buildings
4 for construction code violations. Further, HPD has
5 made significant strides in combatting wage theft.
6 HPD hosts pre-award conferences attended by
7 contractors and subcontractors to review prevailing
8 wage and other requirements and the Labor Monitoring
9 Unit ensures that contractors and subcontractors
10 working on HPD development projects subject to
11 prevailing wage requirements comply with those
12 prevailing wage and labor laws during the course of
13 construction. If the agency determines that
14 prevailing wage violations have occurred, HPD may
15 withhold payments until all outstanding issues are
16 resolved and routinely shares the information with
17 law enforcement entities, including the New York City
18 Department of Investigation and the New York State
19 Department of Labor to take actions against
20 contractors who engage in wage theft. HPD may also
21 place contractors with a history of construction
22 quality issues or construction law violations on its
23 enhanced review list. For these contractors, the
24 agency reviews each project on a case by case basis
25 to evaluate the participation of a contractor. If

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2 those contractors are allowed to proceed, the project
3 that they work on are subject to greater scrutiny
4 prior to closing as well as proactive contractual and
5 procedural measures during construction. Finally, HPD
6 has technical staff that receive and review
7 complaints for post construction conditions. In 2014,
8 the agency hired a dedicated staff person to serve as
9 a centralized intake point to accept complaints
10 regarding post construction conditions, assess how
11 HPD should respond and otherwise assist the homeowner
12 or building owner in identifying the appropriate
13 remedy. The staff person also tracks the outcome of
14 each complaint and reports any findings of
15 construction defects to other parts of the agency.
16 This interdisciplinary effort has become more robust
17 over time and has been effective to ensure that the
18 vast majority of our projects result in safe and
19 lawful construction practices and therefore in
20 quality affordable homes. Although we understand that
21 Intro 357 is meant to give the agency additional
22 tools to address construction issues in our projects,
23 we are deeply concerned about the potential
24 unattended consequences of this bill. HPD would not
25 want to create an impression that it has a special

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2 relationship to certain contractors nor negate our
3 recent work to encourage a wider array of businesses
4 to participate in projects that HPD finances
5 especially MWBEs. This legislation would limit the
6 list to more established contractors and not support
7 these emerging mission focused entities with close
8 ties to their communities. Thank you for the
9 opportunity to testify. My colleagues and I will now
10 take any questions.

11 CHAIRPERSON CORNEGY: Thank you so much
12 for your testimony, we're going to hear an opening
13 statement from two of the bill's sponsors beginning
14 with Council Member Salamanca.

15 COUNCIL MEMBER SALAMANCA: Good morning,
16 thank you Chair Cornegy, good morning Commissioner.
17 The, the issue of homelessness is directly tied to
18 affordable housing crisis. Families are being pushed
19 out of their homes because of rising rents and
20 stagnated wages. The most recent coalition for the
21 homeless report indicates that there are more 63,000
22 New Yorkers sleeping in shelters nightly. As the
23 greatest city in the world this is unacceptable. That
24 is why I introduce bill 1211 into the City Council.
25 This bill will require developers who receive city

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2 financial assistance for rental housing development
3 projects to set aside 15 percent of units for
4 homeless individuals and families. We need bold
5 policy strokes if we ever want to end this crisis and
6 despite good intention policies that have ultimately
7 failed the thousands of New Yorkers who are still
8 living in shelters not to mention the thousands more
9 that sleep on the streets and remained uncounted.
10 Homelessness in New York City has reached the highest
11 levels since the great depression in the 1930s. To
12 date I have 29 co-sponsors on this bill and have the
13 support of the Speaker, we have the opportunity to
14 change the course for homeless New Yorkers and those
15 on the brink of homelessness. In addition to the
16 support I've received, I've also heard some sceptics
17 including the Mayor, they've questioned is this
18 financially possible? Isn't the Mayor's housing plan
19 sufficient, well I have successfully fought for a 15
20 percent set aside in the last four recent projects in
21 my district, it was hard work, it took patience, but
22 it worked. We can do the 15 percent, it is possible.
23 We have to stop depending on select projects around
24 the borough to solve our homelessness crisis. We need
25 citywide legislation on this because this is a

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2 citywide issue. Homelessness affects all of us in
3 every borough and every community. Let us also not
4 forget the face of homelessness, the largest single
5 population in New York City's shelter system is
6 children under the age of six years old, over 15,000
7 families will sleep in homeless shelters tonight. So,
8 as we continue this conversation today, I hope you
9 will all keep in mind how dire the affordable housing
10 crisis is and the critical juncture we are as a city
11 when it comes to homelessness. Thank you, Mr. Chair.

12 CHAIRPERSON CORNEGY: Thank you. I just
13 want to flag a little bit of housekeeping on behalf
14 of the ability to try to hear everyone's voice on a
15 very important issue to the city, we're going to keep
16 Council Members on a five minute clock and general
17 public speaking to a two minute clock so I want to
18 make sure that we can and that the administration can
19 hear from everyone and so in an effort to do that
20 there will be a time clock, double time clocks today.
21 The, the next Council Member who's bill we'll be
22 hearing is Council Member Treyger, Intro 716.

23 COUNCIL MEMBER TREYGER: Thank you...

24 [cross-talk]

25 CHAIRPERSON CORNEGY: I'm sorry, 564.

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2 COUNCIL MEMBER TREYGER: Thank you so
3 much Mr. Chair. Good morning to all and thank you
4 again to Chair Cornegy for holding today's important
5 hearing on a number of, of pieces of, of legislation
6 and particularly my bill on housing lotteries. When
7 people hear about affordable housing the first
8 question is always who is it for, who's it affordable
9 for. We've heard this question over and over again,
10 but it still needs to be repeated because it's never
11 answered properly. My bill, Introduction 0564 is a
12 Local Law to amend the code of the city of New York
13 in relation to reporting on housing lottery outcomes.
14 The bill would require the Department of Housing and
15 Preservation and Development to report on housing
16 lottery outcomes desegregated by area median income,
17 eligibility for a preference and demographics. My
18 bill will help make sure our housing lottery process
19 is much more transparent and we'll finally know
20 exactly who qualifies for affordable housing and
21 perhaps more importantly who doesn't and why. With my
22 bill HPD will have to report on housing lottery
23 outcomes broken down by crucial categories including
24 AMI, the number of applicants who are accepted,
25 rejected or put on a waiting list will also be

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2 available and the data will be broken up.. broken down
3 by a variety of income levels including extremely low
4 income applicants, very low income applicants, low
5 income and moderate income applicants. It's crucial
6 to make sure our affordable housing is available for
7 New Yorkers who need these opportunities the most.
8 Tracking the outcomes of affordable housing lotteries
9 will make the process more fair, inequitable and it
10 could lead to further advocacy points to make much
11 more needed changes. Our city must do everything we
12 can to make sure that housing is open to all and
13 adding more transparency to housing lotteries is one
14 way to help make sure the city really is the fairest
15 big city. With that I thank very much the Chair for
16 his time.

17 CHAIRPERSON CORNEGY: Thank you and now
18 we have Council Member Reynoso, Intro 249.

19 COUNCIL MEMBER REYNOSO: Yes, thank you
20 Chair Cornegy. I'll be extremely brief. As you know
21 Intro 249 specifically requires that developers who
22 receive city financial assistance follow a set of
23 marketing and pre-marketing procedures. Intro 249
24 specifies that developers must provide pre-marketing
25 seminars that include financial consultation and

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2 assistance with filling out applications. The issue
3 that I have locally is when the applications do come
4 out many families don't know that they're either have
5 financial issues related to credit and so... and so
6 forth and end up losing the opportunity on an
7 application and appeals process that they think is
8 extremely unfair, issues with income requirements
9 and, and so forth. Non for profits have traditionally
10 taken on the role of trying to be helpful in pre-
11 marketing application processes but the financing for
12 that doesn't necessarily exist. Should you receive
13 money from the city of New York I think you should do
14 the work to make sure that the people that need to
15 apply or want to apply are in a position to actually
16 win these applications or win these apartments
17 through their lottery. I've had conversations with
18 the supported... supportive housing network that is
19 extremely concerned about the burden, the financial
20 burden of imposing this on non for profit developers
21 so I want to make sure that I work to modify the bill
22 and would probably be asking that HPD actually be the
23 ones that provide the funding for pre-marketing
24 services for the, the city of New York, all residents
25 in the city of New York to, to make sure that when

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2 they apply they're applying the right way and that
3 all their financials are in order. Again, thank you
4 Council Member Cornegy for this hearing and also just
5 want to say very supportive of the work that
6 Salamanca is doing related to supportive housing at
7 the 15 percent level given the amount of work he does
8 in the Bronx to build affordable housing overall so
9 thank you.

10 CHAIRPERSON CORNEGY: So, as, as the
11 current Chair of this Committee I'm going to do
12 something a little bit bold and forego my opening
13 questions and let my colleagues ask questions
14 especially since we have such a substantive suite of
15 bills that have a disproportionate effect on some of
16 the communities that are represented here at the
17 table today. Oh, I'm sorry, and before we begin, I'm
18 sorry, we have Council Member Levine who will speak
19 on his bill, Intro 550.

20 COUNCIL MEMBER LEVINE: Thank you so much
21 Mr. Chair. I want to speak on Intro 550 which I'm
22 pleased to be lead sponsoring, it works in
23 conjunction with the bills that my colleagues Council
24 Member Treyger and Reynoso discussed. The lottery
25 system now has expanded to an epic scale in which

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2 we're getting often 1,000 applicants per apartment
3 and in some high-profile projects 1,500 applicants
4 per apartment. This is driven by the obvious
5 desperate need for affordable housing which is ever
6 greater and on the more positive front by the
7 transition to an online system that does make it
8 easier for people to apply. The result is that the
9 stakes of these lotteries are greater than ever and
10 the number of people who are getting their hopes
11 dashed is greater than ever and I think this is a
12 moment to look at every aspect of the lottery process
13 to make sure that it's error free, that it's fair to
14 participants and that it's consistent with the values
15 that we want reflected. As for errors, we do hear
16 cases, all of us in our district offices, one of
17 which for example was a case of someone who's 401K
18 income was counted towards their allowable income and
19 that's not the way it's supposed to go, that put them
20 a few dollars over the limit, they had to go through
21 an appeal process. We've heard of people whose credit
22 scores were recorded different from the, the credit
23 score... the credit score that they got from the three
24 major agencies, had to appeal to get it fixed. We
25 hear about cases where 1099 income is treated

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2 differently from W2 income as is complicated for
3 people who are freelancers and then there's the fact
4 that the... these, these lotteries are administered by
5 often for profit third parties that are not under
6 direct oversight of HPD and that does raise questions
7 and then there's the issue of dash topos where people
8 are often informed that... in, in messages that make
9 them think they've won the lottery when really
10 they've just been given the chance to apply and they
11 may not even qualify based on income and family size,
12 that might be preventable if we screened earlier in
13 the process for income and family size so that people
14 weren't given false hope and to consider all these
15 questions which are admittedly complicated. This bill
16 would create a task force comprised of experts,
17 practitioners, advocates and members of the
18 government who can look at this process from start to
19 finish to make sure that it's up to the highest
20 standards in this era of high stakes and so many
21 applicants. Thank you very much, thank you Mr. Chair.

22 CHAIRPERSON CORNEGY: Thank you Council
23 Member Levine. We'll begin questions with Council
24 Member Grodenchik.

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COUNCIL MEMBER GRODENCHIK: Thank you Mr. Chairman. Good morning HPD people, it's good to see you, happy Monday. Can you tell me, I'm looking at the bottom paragraph on the opening page of testimony Commissioner Park and in the, the last paragraph you talk about the number of people which have made accounts on Housing Connect, 1.1 million have submitted applications and 23,000 households have or soon will move into new apartments which is a roughly 2.1 percent chance so about 49 to one chance of hitting the lottery which is better than hitting regular lottery I guess but my question is do you know, does HPD keep statistics on how many of the people that are actually applying are considered homeless or doubled up, you know which is also homeless?

MOLLY PARK: Sure, let me start with a high-level answer and I'm going to turn it over to my colleague who can speak more specifically. There are... [cross-talk]

COUNCIL MEMBER GRODENCHIK: Remember I'm married to a math professor so just... [cross-talk]

MOLLY PARK: Okay. There are two pathways for homeless households to get into HPD housing. When

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2 we talk about our homeless set aside units whether
3 it's in supportive housing projects or, or more
4 general purpose projects those units don't go through
5 the lottery at all, those are filled through a direct
6 referral process either working with DHS and HRA so
7 the... all the... when I referenced the 10,000 homeless
8 units that we have created thus far those are
9 separate and apart from what's going through the
10 lottery. In addition, homeless families are
11 absolutely encouraged and allowed to apply through
12 the lottery and many of them do, I think we have
13 anecdotal evidence of that but I'm going to turn it
14 over to my colleague who can speak more specifically.

15 MARGARET BROWN: Thank you. So, in the
16 lottery process we do not require an applicant to
17 specifically flag whether they are currently living
18 in shelter, they may indicate a shelter address as
19 their current home and so we do not track through the
20 lottery who is homeless per se although particularly
21 based on the subsidy type that applicants may be
22 applying with we have some indication of that. The
23 vast majority of our applicants in lottery are low
24 income and below and it's about 50 percent that are
25 very low income and below and we... a, a portion of

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2 those are certainly homeless and we do note that as
3 well is through the homeless referral process that
4 Molly was referencing that homeless applicants do
5 access housing units through the lottery. We also do
6 specific outreach through shelters and working with
7 HRA in doing informational seminars for both shelter
8 directors and for applicants in shelter to make sure
9 that they are aware of the Housing Connect process
10 and aware of exactly how to apply.

11 COUNCIL MEMBER GRODENCHIK: So, people
12 that get referred is that... you're just lucky or how
13 does that work, how do you get... how does that... you
14 make the leap from being somebody who does not have a
15 home to being somebody who has a home and who gets to
16 determine who gets referred to these homes?

17 MARGARET BROWN: So, on both the
18 supportive housing side and the affordable units that
19 are set aside in a, a more general-purpose project
20 DSS is really doing the work to see who qualifies for
21 both of those housing types. For supportive housing
22 of course, there is a specific process, by which to
23 qualify and those actual referrals are made by DSS,
24 HPD does not have a role in the supportive housing
25 placement process. For the more general-purpose

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2 projects HPD coordinates closely with HRA. HRA is
3 doing the data match to say by family size and by
4 household needs who should be referred and then HPD
5 takes in those applications and passes them on to
6 developers and handholds, handholds developers
7 through that process. So, HPD... DSS provides
8 assistance to the homeless applicants, the
9 application process and HPD provides assistance to
10 the developers to ensure and expediate a placement.

11 COUNCIL MEMBER GRODENCHIK: Alright, I
12 have some more questions, but they're probably better
13 directed at Homeless Services, so I'll save that for
14 my... next time I see them. The turnover rate in the
15 housing that we're building, the affordable housing
16 can you keep track of that? Somebody... person A moves
17 in, family A moves in do we track how long they stay
18 in these units, so maybe they move out, maybe they
19 move to Florida, I don't know but I'm just curious?

20 MARGARET BROWN: Sure. So, in 2015 HPD
21 introduced the eRent Roll system in which we started
22 taking in electronic rent rolls for projects in our
23 management portfolio and, and so we are starting to
24 have a better, better data on how long applicants
25 stay and what the turnover rate is. With the

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2 introduction of Local Law 64 which initially goes
3 into effect in 2020 and then more units, more legacy
4 units come into that in 2021 we will really start to
5 have very accurate data on that. There is greater
6 reporting requirements and also re-rental
7 requirements for most of those units, so those units
8 will start to come through Housing Connect so we'll
9 have a very keen view of how frequently those units
10 turn over.

11 COUNCIL MEMBER GRODENCHIK: And if
12 somebody's income were to go up, which happens, you
13 know people get better jobs, they... whatever does that
14 effect the rent that they're paying, is it like a
15 Section 8 program or just the, the rate is...
16 Commissioner you're shaking your head?

17 MOLLY PARK: Sure, the short answer is
18 no... [cross-talk]

19 COUNCIL MEMBER GRODENCHIK: Okay... [cross-
20 talk]

21 MOLLY PARK: ...one... these are rent
22 stabilized units... [cross-talk]

23 COUNCIL MEMBER GRODENCHIK: So, they're
24 rent stable... okay... [cross-talk]

25 MOLLY PARK: ...and the rent... [cross-talk]

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2 COUNCIL MEMBER GRODENCHIK: Alright,
3 done. Thank you, Mr. Chairman.

4 CHAIRPERSON CORNEGY: Thank you... [cross-
5 talk]

6 COUNCIL MEMBER GRODENCHIK: Thank you...
7 [cross-talk]

8 CHAIRPERSON CORNEGY: Council Member
9 Salamanca.

10 COUNCIL MEMBER SALAMANCA: Thank you Mr.
11 Chair, Commissioner. I have a few questions regarding
12 my bill 1211, the first one is, the Mayor's Housing
13 Plan calls for a five percent homeless set aside yet
14 HPD's term sheets calls for a ten percent homeless
15 set aside, why?

16 MOLLY PARK: In... that's a great question
17 Council Member, in any particular project we are
18 working to achieve a whole variety of goals with
19 homeless set asides being a key one of them but also
20 units for other extremely low income households that
21 may not be in the shelter system, a variety of
22 community facility goals, labor, low cost retail,
23 there, there is sort of a slew of different public
24 purposes that we are trying to assemble in any given
25 project but I, I think what you can see from the

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2 numbers that I mentioned in my testimony that we've
3 done about 10,000 units to date, we have been
4 significantly exceeding that five percent target.

5 COUNCIL MEMBER SALAMANCA: Alright, I...
6 but I'm, I'm still not understanding why if a Mayor
7 who's the head of all agencies in the city of New
8 York has set the bar at five percent and he's not
9 budging on that but yet an agency that reports to him
10 is saying well we're going to do a ten percent
11 homeless set aside, I'm just still not understanding
12 why... what are you being... aligned with what the Mayor
13 is doing and why wouldn't the Mayor be aligned with
14 what HPD is doing in terms of the homeless set aside
15 but I want to get to my other questions. How many
16 homeless set aside units has HPD financed to date?

17 MOLLY PARK: About 10,000.

18 COUNCIL MEMBER SALAMANCA: Okay and how
19 many of those are supportive housing?

20 MOLLY PARK: About 4,500.

21 COUNCIL MEMBER SALAMANCA: Okay and so
22 the rest... and so how many units are non-supportive
23 housing homeless set aside?

24 MOLLY PARK: Roughly 5,500.

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COUNCIL MEMBER SALAMANCA: The difference here, okay. What percentage of all units financed are the non-supportive housing homeless set aside?

MOLLY PARK: I'd have to do some quick math in my, my folks with calculators are going to do that so that I don't say the wrong number on, on the record.

COUNCIL MEMBER SALAMANCA: Okay, well we'll, we'll come... [cross-talk]

MOLLY PARK: Yeah... [cross-talk]

COUNCIL MEMBER SALAMANCA: ...back to that if we can. How many new construction term sheets require homeless set aside?

MOLLY PARK: Right now, everything other than our middle-income program and our home ownership program and the percentage on the new construct... sorry, the non-supportive housing is about five percent of the plan to date.

COUNCIL MEMBER SALAMANCA: In the last year how many homeless set aside... how many term sheets with the homeless set aside have been negotiated down?

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MOLLY PARK: I will have to get back to you on that number, it's been very few over the last year.

COUNCIL MEMBER SALAMANCA: But it's fair to say that you have a requirement of a ten percent homeless set aside yet when you're negotiating these projects with... some of my colleagues that the projects, if they don't agree with the ten percent homeless set aside they will hold this project up until HPD comes back and gives them the right percentage that they're asking for.

MOLLY PARK: In the last year I can't think of any circumstances where that particular scenario has played out, there have been some instances where... [cross-talk]

COUNCIL MEMBER SALAMANCA: I'm the Chair of the Land Use Committee so I know, I've, I've sat on the table and I've seen it happen.

MOLLY PARK: Okay, we'll get back to you on that one Council Member.

COUNCIL MEMBER SALAMANCA: How many homeless households have actually moved into HPD homeless set aside since 2015?

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MOLLY PARK: Since 2015... the, the... I'm going to start the answer and then I... and ask my colleagues to jump in, I think we have seen... there's, there's two pathways for placements into, into the homeless set aside units, HPD is directly involved in the... in the filling of the non-supportive units and we have seen the rate of placements in those double over the last few years so it was... gone from 200 to 400 to 800... thank you, it's... so that we are at about just shy of 1,700 units in the family... in the non-supportive set asides, HRA is doing the placements on the supportive housing units and that has been... I think they've done about 8,000 since the start of, of the administration but let me find that exact number and I'll get back to you.

CHAIRPERSON CORNEGY: Council Member I would ask that you... the, the remainder of your questions if you would ask them on the second round.

COUNCIL MEMBER SALAMANCA: Thank you.

CHAIRPERSON CORNEGY: But I do want to piggy back off of both you and Council Member Grodenchik, had questions... I believe Council Member Grodenchik's questions were around turn over and you

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2 had some questions around support... the supportive
3 housing... [cross-talk]

4 MOLLY PARK: Uh-huh... [cross-talk]

5 CHAIRPERSON CORNEGY: ...I'm curious as to
6 why there are so... so, you count... obviously you count
7 supportive housing as... you know in this... in totality,
8 I'm curious as to whether or not we see higher
9 turnover in the supportive housing portion of the
10 homelessness or the general population of the
11 homelessness, you may not have those numbers now but
12 I, I am going to ask about them, I think it's... I
13 think it's pertinent so that we can see which
14 programs are, are being the most productive.

15 MOLLY PARK: Sure, anecdotally I would
16 report that I don't see a difference in the turnover,
17 but we can do a, a better data scrap and get back to
18 you on that.

19 CHAIRPERSON CORNEGY: Right. So, I, I
20 mean I'm hoping that we can work together, I'd, I'd
21 hate to have another reporting bill on that so if we
22 could agree that that is information that's important
23 and remain to carrying this conversation further and
24 we could circle back myself... [cross-talk]

25 MOLLY PARK: Certainly... [cross-talk]

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2 CHAIRPERSON CORNEGY: ...and... my office
3 and... [cross-talk]

4 MOLLY PARK: Certainly... [cross-talk]

5 CHAIRPERSON CORNEGY: ...your office could
6 circle back and get those numbers.

7 MOLLY PARK: Absolutely... [cross-talk]

8 CHAIRPERSON CORNEGY: Without, without a...
9 another reporting bill that'd be great.

10 MOLLY PARK: Uh-huh, we would enjoy that,
11 thank you.

12 CHAIRPERSON CORNEGY: Thank you. So, next
13 we have Council Member Rivera.

14 COUNCIL MEMBER RIVERA: Morning...

15 MOLLY PARK: Good morning...

16 COUNCIL MEMBER RIVERA: Thank you for
17 your testimony. Just really quickly I want to just
18 give you some background so for about four years,
19 from 2011 to 2015 I sat in a storefront on Avenue B
20 providing housing services and during that time,
21 again the storefront was a revolving door of people
22 coming in and asking for housing and it was the most
23 heartbreaking thing to say that their only option was
24 really the housing lottery at the time, Housing
25 Connect, you know they were the... you would... back then

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2 you... actually in like 2011 you had to check the back
3 of the newspaper for all the opportunities so that in
4 itself was kind of an exhausting exercise that
5 desperate people had to go through to find assistance
6 and so with the housing lottery... you know I gave a
7 number of workshops, they would be on how to take
8 your landlord to court or how to repair your credit
9 or how to even report heat and hot water outages and
10 I even gave workshops on Housing Connect. So, then I
11 would go on to become an HPD ambassador as a part of
12 my organization, good old Lower East Side and shout
13 out to all the advocates in this room that do the
14 work because I know you do a lot with very little and
15 organizing is tough especially organizing tenants'
16 associations and people on their block. So, I ask...
17 back then that was 2014, 2015 we were brought in a
18 number of housing organizations to give you
19 recommendations of how to implement a better system
20 and you're saying that Housing 2.0 will be a better
21 system, I wonder what, what has taken so long, you
22 know I was just looking back at Housing Connect when
23 I used to apply in 2014 and 2013, I'm still number
24 like 32,000, 40,000. Now clearly I don't need that
25 apartment now, I'm blessed and I'm doing okay but for

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2 all the people that don't know how to navigate the
3 system, for all the people that apply out of
4 desperation that actually don't even qualify for
5 those units, are you working on a system that better
6 educates the, the tenant or the applicant and so I,
7 I... my... I guess my question to you is, where do you
8 see Housing 2.0 going, what, what are you doing to
9 strengthen partnerships throughout the city to make
10 sure that this doesn't become this, this void where
11 people's hopes and dreams go, and nothing comes to
12 fruition?

13 MARGARET BROWN: Sure. So, Housing
14 Connect 2.0 is really going to change the way
15 applicants apply for affordable housing. The current
16 Housing Connect certainly has been a great tool to
17 streamline applications and the, the publication
18 process of housing lotteries like you said applicants
19 used to have to go through various newspapers to
20 identify when housing lotteries were even happening
21 and so streamlining all those resources into one
22 system has been very important but the current
23 Housing Connect really took the paper application
24 process and put it online which had value but was not
25 everything we needed and, and you're right that it

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2 has been too long to get to the next system however
3 we really feel like this system is going to catch us
4 up to where we need to be and beyond. So, regarding
5 that application portion of it, the application will
6 really help applicants understand much better things
7 like who their household is, what their income is.
8 Rather than asking applicants to state their income..
9 and the current Housing Connect breaks down income to
10 help people understand it a little bit better, what's
11 your employment income, what's your self-employment
12 income, etcetera. Rather than asking kind of those
13 broad questions it will be a set of really
14 institutive questions to get to a very well-honed
15 application. So, just for example, rather than saying
16 what is your employment income it will say questions
17 like did you receive a W2 last year, if you received
18 a W2 check box... or enter what's in box five or
19 whatever the appropriate box is in the system, did
20 your spouse receive a W2, all very intuitive
21 questions that people can appoint to, a data point
22 that they have... [cross-talk]

23 COUNCIL MEMBER RIVERA: And let me just...

24 because I don't have a lot of time, are you going to
25 be as thorough and extensive for homeownership

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2 opportunities, I was really pleased to see when you
3 added the Mitchell Lama portion... [cross-talk]

4 MARGARET BROWN: Yes... [cross-talk]

5 COUNCIL MEMBER RIVERA: ...on it which I, I
6 do hope as a city we continue to expand that program
7 in a new way but you know there aren't a lot of
8 homeownership opportunities for working and moderate
9 and middle income families, are you going to be at
10 least creating an application that's as extensive
11 because even in my own community when we organized
12 around Essex Crossing and the Seward Park urban
13 renewal area there were home ownership opportunities
14 and then those were actually decreased over time. So,
15 we're looking to the city to count on these
16 opportunities, are you going to include more of those
17 in Housing Connect, are you looking to it and, and
18 are you going to be explicit because applying for a
19 home is a very, very serious issue?

20 MARGARET BROWN: Absolutely, yes. The
21 home ownership... home ownership application process
22 will be in Housing Connect and so many more types of
23 housing including different types of home ownership
24 will be in Housing Connect particularly with the
25 implementation of Local Law 64...

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2 COUNCIL MEMBER RIVERA: And, and just the
3 last question, how many home ownership opportunities
4 are currently in the pipeline?

5 MARGARET BROWN: I'm, I'm sorry, I'll
6 have to get back to you with that number but we'll,
7 we'll get to you.

8 MOLLY PARK: Just a little bit of
9 context, about 17 percent of Housing New York to date
10 has been home ownership, the majority of that has
11 been preservation projects some... all out of the
12 Mitchell Lama co-ops things like that but we last
13 year rolled out what we call our open door program
14 which is new construction of co-ops and condos, we
15 started the first project last year and we have a
16 robust pipeline in pre-development but they haven't
17 started construction yet.

18 COUNCIL MEMBER RIVERA: Thank you, thank
19 you Mr. Chair.

20 CHAIRPERSON CORNEGY: I'm sorry, Council
21 Member Chin and then that will be followed by Council
22 Member Williams' opening statement on his bill.

23 COUNCIL MEMBER CHIN: Thank you Chair,
24 good morning. I wanted to follow up a question in
25 terms of the marketing of the lottery and I know that

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2 working with the city, HPD there's been a lot of
3 progress that's been made in the last, you know
4 couple of decades and more and more people are
5 learning how to kind of fill out the application, how
6 to find information but it's still not enough, I mean
7 the whole issue with Housing Connect you have to have
8 a computer, you have to be able to do it online so do
9 you keep statistics in terms of how many paper
10 applications that you still are receiving versus just
11 online?

12 MARGARET BROWN: Absolutely, so it varies
13 widely from project to project and in every lottery,
14 we do allow paper applications and advertise for
15 those. The... currently across the whole spectrum of
16 lotteries it's about one to two percent of the
17 applications per year that we take in by paper but
18 that varies widely from lottery to lottery.

19 COUNCIL MEMBER CHIN: Yeah. I think that
20 part is that we still have to do more to really help
21 people who are, you know immigrant who don't speak
22 the language, seniors who don't know how to use
23 computers but they are in desperate need of
24 affordable housing so I think in terms of the
25 marketing I know some of the projects that we've

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2 worked on a lot of times the developer even by asking
3 them to market with the local ethnic newspaper they
4 would only do one, they wouldn't even like bother to
5 do a few more so I think for the city it should
6 really look at what other way of getting the
7 information out to local non-profits, libraries so
8 that everyone has that information and a resident can
9 just go to the library and be able to get the most
10 updated housing that's available to apply because we
11 do that in our office, I think a lot of Council
12 offices... we're the, the place where people come up
13 and ask if there's information and a... and we
14 encourage people to do that so I think that in terms
15 of broadening the outreach so that that information
16 is more accessible to families, to people who need to
17 look for affordable housing that would be helpful.

18 MARGARET BROWN: Thank you Council

19 Member, yes, we so agree. So, under the current
20 administration is really the first that the HPD
21 marketing has seen public outreach as a part of our
22 work. My team of about 25 staff members does between
23 two and three sessions in communities per week with
24 information about housing lotteries. So, last year we
25 did between 110 and 120 ourselves but even more

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2 importantly we have the housing ambassadors' program.

3 The housing ambassadors program started as just four

4 organizations in... [cross-talk]

5 COUNCIL MEMBER CHIN: Well with the

6 housing ambassador program, I talked to the housing

7 ambassadors, first you have to really provide more

8 resources because I know during Essex Crossing people

9 were lining around the block, alright and they were

10 getting inundated and... because they want to be

11 helpful but I think looking at that if we want the

12 nonprofit organizations to really help in this

13 process we have to provide more resources, you know...

14 [cross-talk]

15 MARGARET BROWN: Sure... [cross-talk]

16 COUNCIL MEMBER CHIN: ...it's, it's not

17 just all volunteer, I mean unfortunately you also

18 have some of the for, for profit groups in the

19 community who sort of like charge people because they

20 know how to look up the housing lottery and they

21 charge residents to get an application which should

22 have been free so we are encouraging a lot of those

23 because we don't have enough support. The final

24 question that I have is on Mitchell Lama. Is, is HPD

25 supervising the waiting list because I had one

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2 incident where I had a constituent who applied for a
3 Mitchell Lama, she was so happy she got selected and
4 then all of a sudden it turned around and they told
5 her oh, we have to do the internal waiting list
6 first, they never told her from the beginning so, it
7 was like what's going on with those waiting lists and
8 is HPD monitoring to make sure that people who are on
9 waiting lists, you know get the opportunity?

10 JULIE WALKER: Hi, I'm Julie Walker,
11 Assistant Commissioner for the Mitchell Lama program
12 and we do supervise the waiting lists and the person
13 who got the spot on the waiting list and the external
14 will keep her spot or his spot until the, the
15 internal waiting list is, is, is used up. So, we, we
16 do make sure that the, the next person gets it but
17 the way that the Mitchell Lama rules are, are laid
18 out is that internal people get the first preference.
19 The managing agent should have said to the person
20 that the internal people get preference and I'm sorry
21 that they didn't, but we will make sure that that
22 person doesn't get skipped over that... once the
23 internal list is, is used.

24 COUNCIL MEMBER CHIN: So, if they have a
25 complaint, they can file directly to HPD?

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2 JULIE WALKER: Yes, absolutely.

3 COUNCIL MEMBER CHIN: Alright, thank you,
4 thank you Chair.

5 CHAIRPERSON CORNEGY: Oh, I'm sorry
6 Commissioner are you... are you going to be assisting
7 with more testimony?

8 JULIE WALKER: If there's more Mitchell
9 Lama questions... [cross-talk]

10 CHAIRPERSON CORNEGY: So, let me just
11 swear you in.

12 JULIE WALKER: Sure.

13 COMMITTEE CLERK: Right hand up. Do you
14 affirm to tell the truth, the whole truth and nothing
15 but the truth in your testimony before this Committee
16 and to respond honestly to Council Member questions?

17 JULIE WALKER: Yes, I do.

18 COMMITTEE CLERK: Great.

19 CHAIRPERSON CORNEGY: And that actually
20 counts for your statements before.

21 JULIE WALKER: Absolutely...

22 CHAIRPERSON CORNEGY: Contractively.

23 Council Member Williams on 716.

24 COUNCIL MEMBER WILLIAMS: Thank you Mr.
25 Chair and my colleagues for holding this hearing as

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2 well as those who are testifying today. The housing
3 lottery is a life line for many New Yorkers searching
4 for their ever decreasing and elusive affordable home
5 and considering the housing crisis this city is in
6 it's imperative that we do all that we can to
7 preserve and promote affordable housing. It's time we
8 took stock of how many are in need and reasons of how
9 to best approach this issue this is why I'm proud
10 that we are hearing my bill along with Council Member
11 Reynoso's. Intro 716 which is a Local Law to provide
12 an annual report on waiting lists for each Mitchell
13 Lama housing development. The Mitchell Lama program
14 which was created in 1955 provides a rental and co-op
15 model... co-ops to moderate to middle income families.
16 Mitchell Lama was an effective affordable housing
17 program when it was first implemented however over
18 the years the program has deteriorated and slowly
19 disappearing. The program is plagued with a number of
20 problems such as the failure to follow waiting list
21 rules, untrained boards, decrepit buildings and
22 sudden rent increases. Under Intro 716, the annual
23 report would have to include from... information on the
24 following; the number of unique applicants on the
25 waiting list on the last day of the previous calendar

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2 year, the number of waiting list applicants who were
3 not selected for occupancy in the last calendar year
4 and people who were behind those applicants on the
5 waiting list but were selected for occupancy ahead of
6 them, the number of applicants who were qualified
7 for preferential selection in the Mitchell Lama
8 development in the last year, the total number of
9 compliment... total number of complaints about the
10 waiting list received within the last calendar year
11 including but not limited to complaints about the
12 wait list and preference shown to applicants, the
13 average percentage rent increase for the development.
14 It's crucial that we continue to fight for families
15 and all New Yorkers to have transparent access to all
16 opportunities for affordable housing like Mitchell
17 Lama. I do want to say of course no housing plan is
18 complete unless we are talking about preservation
19 since we'll never build our way out of the problem.
20 So, its critical that we make sure that we're
21 preserving the affordable units that we have and its
22 also critical that people feel there's equity with
23 these units. Last term this committee had a hearing
24 on Mitchell Lama waiting lists, it was... it was pretty
25 contentious to say the least, I don't know that after

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2 that hearing much has changed, I still hear some
3 complaints from Mitchell Lama tenants and owners and
4 I'm sure the Chair may hear the same so I'm hoping
5 this bill will help at least maybe make people feel
6 better about what's going on because I think there's
7 a lot of questions about the systems in general
8 whether it's the, the lottery system or the Mitchell
9 Lama, housing is... the number one question I get and
10 probably the same as my colleagues so hopefully the
11 administration will support this bill. Thank you.

12 CHAIRPERSON CORNEGY: Thank you Council
13 Member, Council Member Treyger.

14 COUNCIL MEMBER TREYGER: Thank you very
15 much Chair Cornegy. So, I'll just get right to it as
16 far as my legislation Intro 0564, I reviewed the
17 opening statement I did not see any commentary about
18 the legislation, what is the administration's
19 position on my bill?

20 MARGARET BROWN: So, we already do
21 certain public reporting on the lottery and are
22 certainly willing to work with you to look at what
23 else we should be reporting on. There are... when you
24 look at the matrix of really what we would be
25 reporting on under the current bill there are certain

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2 things that get so specific that it may compromise
3 personally identifiable information in some
4 circumstances and so we, we want to be sure that that
5 is never the case. Also, the new Housing Connect I
6 want to say will help us to accomplish some of the
7 reporting that is currently proposed in a much more
8 efficient manner and so some of the reporting that is
9 requested now would be really prohibitive under the
10 current version of Housing Connect but to work with
11 you on what should be reported and then make sure
12 we're developing that in the new Housing Connect
13 we're happy to do.

14 COUNCIL MEMBER TREYGER: Right, so we're
15 not asking for names, we're not asking for addresses,
16 we're not asking for any of that type of... we're
17 asking... you know it's basic demographic information,
18 its commonality because to be very blunt I think my
19 colleagues and I hear more from those who are being
20 rejected for unclear reasons and purposes rather than
21 those who are winning the lotteries and we'd like to
22 know from a policy standpoint what's working and
23 what's not working, how do we fix and address this
24 process and, and to finally answer the question,
25 affordable for who?

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MARGARET BROWN: Uh-huh, uh-huh... [cross-talk]

COUNCIL MEMBER TREYGER: Affordable for who and I think that the information that we were very careful to make sure that we don't compromise anyone's privacy or safety and, and we... I fully appreciate and respect that but this is just basically going by, you know applicants who are extremely low income, very low income because we always hear that people are being turned away or rejected based on very small technicalities or things that they could have learned during the beginning of the process, you know for example, recently I went through a housing workshop in my district where I asked the question point blank, can your credit score potentially knock your application out and there was an unclear answer because they said well technically it can't be the single reason why it could be knocked out but it could, could... it could still be a reason, some folks left... [cross-talk]

MARGARET BROWN: No, credit... [cross-talk]

COUNCIL MEMBER TREYGER: ...the meeting very... [cross-talk]

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2 MARGARET BROWN: ...score is not a... [cross-
3 talk]

4 COUNCIL MEMBER TREYGER: ...confused...
5 [cross-talk]

6 MARGARET BROWN: ...reason you can... it can
7 be knocked out of lottery...

8 COUNCIL MEMBER TREYGER: Right but they
9 left this grey area that some people were still
10 confused about and so I, I, I just kind of... I think
11 we, we need some more information in order to make
12 better policy decisions and address this moving
13 forward and I would be very much willing to work,
14 work with HPD to, to really make this process as
15 transparent as possible and to report on who's
16 winning and... [cross-talk]

17 MARGARET BROWN: That's right... [cross-
18 talk]

19 COUNCIL MEMBER TREYGER: ...and why are
20 they winning and why are... why aren't more folks
21 winning that's, I think basic questions that we
22 should be able to answer in our government.

23 MARGARET BROWN: Sure, transparency is a
24 real key priority for us, transparency both in the
25 process and in qualification standards, it is one of

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2 the things that we have worked on and incorporated
3 into our guidelines. Under the current administration
4 we re-released... we, we first introduced restrictions
5 on developer's ability to reject for credit related
6 criteria in 2015, in 2016 we incorporated those and
7 codified those into the guidelines and just last year
8 in July of 2018 we rolled back those standards even
9 further and we have really tried to educate
10 applicants around those criteria as well as just what
11 to expect in the application process and we'll... we're
12 always happy to take feedback on where applicants are
13 still getting tripped up or where there is a lack of
14 clarity around that so we'll certainly be happy to
15 work with you on that. Also, surrounding the data
16 reporting we do on... through open data report on
17 information by AMI already and again just with regard
18 to privacy information when you... again kind of
19 looking at that matrix of all of the reporting types
20 that are in the bill, you know working with our
21 statisticians at HPD and everything they did raise
22 concern that when you get down to the level of this
23 AMI in this neighborhood and this demographic that
24 you could potentially identify somebody who has
25 received housing but again we're more than happy to

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2 work with you on that and to kind of like walk
3 through some of those concerns.

4 COUNCIL MEMBER TREYGER: Right and, and
5 just in closing I thank the Chair just for a few more
6 seconds, if the average AMI of a neighborhood is 40
7 percent for example, I don't think reporting on which
8 AMI levels are winning or not winning is going to
9 give that away because that's already the average,
10 we're not giving... and I think... I don't think anything
11 in the... but... okay and I'll be willing to work with
12 you and I'm very happy to sit down to work this out,
13 we just want to make sure that if the average
14 neighborhood... the average AMI in the neighborhood is
15 40 percent of AMI but people who are winning the
16 application process are 80, 90, 100 percent of AMI
17 there's a problem because... and it's not affordable
18 for those who live there and that's one of the
19 reasons why we need to really address this issue but
20 I'd be happy to sit down with you, I want to make
21 sure that we protect the people's privacy but I also
22 want to make sure that affordable housing is for
23 those who need it the most in our neighborhoods, that
24 is a... that's, that's the purpose of the bill. Thank
25 you very much, thanks Chair for your time.

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2 CHAIRPERSON CORNEGY: Thank you Council
3 Member, Council Member Levine.

4 COUNCIL MEMBER LEVINE: Thank you Mr.
5 Chair. As I mentioned earlier we're routinely getting
6 1,000 more applicants per available apartment, there
7 are New York City... New York State lottery scratch off
8 games with better odds than that, it's so important
9 that this process is run in a way that is fair to the
10 people who are applying because it's not an
11 exaggeration to say that people's hopes and dreams
12 are invested in these lotteries, their ability to
13 continue living in the city may be dependent on
14 winning this lottery and we don't want to
15 unnecessarily dash anyone's hopes. These lotteries
16 are run by private agents essentially that if I'm not
17 mistaken submit reports to HPD on a biweekly basis
18 about the, the carrying... about the performance of the
19 lottery and it, it seems to me that there is minimal
20 follow up done based on the results of these reports
21 but perhaps you can elaborate on the ways in which
22 you can identify errors, how you react if you see an
23 unusual number of errors and the extent to which you
24 are proactively auditing or enforcing in this
25 process?

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2 MARGARET BROWN: Sure, thank you. so,
3 during the tenants selection period so after the
4 lottery is run the list is... has been randomized and
5 the developer is going through the application
6 period... the application process with applicants HPD
7 is overseeing like you said, at minimum on a biweekly
8 basis so the developer is required to submit the
9 lottery log to HPD at least every two weeks but also
10 every time they identify an applicant who they deem
11 to be eligible they need to submit that entire file
12 so exactly what they have reviewed to deem them
13 eligible, HPD does an independent review of that and
14 also takes in the lottery log to make sure that every
15 applicant above that has, has been processed
16 correctly and at, at that time we may request
17 additional documentation, so a file of somebody who
18 has been rejected and another kind of key point at
19 which we can identify our people being properly
20 processed is that we do have an appeals process as
21 well as an open hotline and so in the appeals process
22 HPD over the past few years has really taken steps to
23 clarify an applicant's point of recourse at every
24 point that they may receive an ineligibility
25 notification and so we end up receiving many more

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2 complaints and appeals than we used to just by virtue
3 of transparency of the process... [cross-talk]

4 COUNCIL MEMBER LEVINE: And just to jump
5 in can you quantify the number of appeals and the,
6 the frequency of which they're validated?

7 MARGARET BROWN: Sure, so I, I don't have
8 that information at... in front of me and I will say
9 that what, what we take in, in as an appeal now we
10 take in with a little bit more flexibility than we
11 used to and so the reporting on that is a little bit
12 difficult but we can... we can get you the general
13 numbers for sure. And, and so that is another
14 opportunity for us to see, is there... is there
15 something that the developer is potentially doing
16 wrong in their communication with the applicants or,
17 or how they're screening applicants. We also do
18 particularly in cases where we think that there may
19 be something going wrong on site compliance reviews
20 so we will go out and make sure that every, every
21 file has been processed properly, that every type of
22 communication that has gone out is the standard
23 communication, another thing that we have done over
24 the past few years is standardized all communication
25 that goes to the applicant so that the developer

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2 isn't giving too little information for somebody to
3 understand why they were really found to be
4 ineligible and so... [cross-talk]

5 COUNCIL MEMBER LEVINE: And just because
6 my time is running out do, do you ever disqualify or,
7 or sanction any way an agent due to frequency of
8 errors or other performance problems?

9 MARGARET BROWN: Sure, so the primary
10 thing we do where, where we are seeing errors, the
11 primary thing we want just to make sure that
12 everybody who has been misprocessed in some way that
13 that is remedied and so we oversee and typically the
14 lottery is stopped from moving forward that if there
15 has been errors that every single one of those is
16 corrected on an applicant by applicant basis, the
17 primary thing that does in delaying the lottery is
18 that it delays the lease of, of the building which
19 has it's own financial consequence but also usually
20 delays the permanent conversion of the loan so that
21 the construction loan interest goes on longer which
22 is a real financial penalty to development.

23 COUNCIL MEMBER LEVINE: Right. The last
24 question I'd like is to ask whether you account for
25 assets versus income, there can be people who are

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2 asset rich and income poor and that's not really the
3 intended target for affordable housing, how are you
4 distinguishing those two kinds of wealth?

5 MARGARET BROWN: Yeah, absolutely agreed.
6 So, in I believe it was 2016 we first introduced an
7 asset limit as part of our continuing need criteria
8 and, and so what it essentially boils down to is that
9 households can have no more than about a years' worth
10 of income in non-retirement assets.

11 COUNCIL MEMBER LEVINE: Got it, okay.
12 Thank you and thank you Mr. Chair.

13 CHAIRPERSON CORNEGY: Confer, thank you,
14 Council Member Reynoso.

15 COUNCIL MEMBER REYNOSO: Thank you Chair.
16 I want to ask a, a couple of questions just some
17 scenario questions so you can help me through it, I
18 get it in my office... I get these questions in my
19 office all the time and I just feel uncomfortable
20 about how to... about having to answer them and whether
21 or not I have the right answers. We had a firefighter
22 who made 43,000 dollars a year, over time I think
23 went up to like 48, 49,000 dollars a year, he
24 applied, he has a newborn baby and his wife applied
25 for a two bedroom, got the notice, came in, they saw

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2 his overtime and he was disqualified even though his
3 base salary was appropriate for the income that they
4 were asking, he comes to my office asking for help,
5 city... he's a city firefighter, I do everything I can
6 in my power to try to be helpful and I'm told no by
7 the HPD... [cross-talk]

8 MARGARET BROWN: Uh-huh... [cross-talk]

9 COUNCIL MEMBER REYNOSO: ...they do not
10 qualify because of the overtime, is that a... is that a
11 true situation? I guess it is true because HPD told
12 me it's true but I, I want you to explain that to a
13 common New Yorker. This person could have easily
14 said, you know what I'm not going to take overtime so
15 that I can get this apartment and make... take that
16 risk of not having to pay maybe sufficient pay to
17 take care of his child in an effort to get an
18 affordable housing apartment that would eventually I
19 guess compensate for the fact that he get... he's
20 making less money because now he has a more
21 affordable housing apartment. So, those are scenarios
22 I think that we're putting some of our people... some
23 of our residents in, can you just explain the logic
24 behind the... these insignificant increases in pay

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2 through overtime or bonuses that are attributed to a
3 denial of an application?

4 MARGARET BROWN: Sure, so first I will
5 say that the standards that we rely on for income
6 calculations are federal standards, they are
7 absolutely required where there are tax credits or
8 any sort of federal funding in a project or to a
9 unit. We use those same standards though across all
10 of our lotteries so that number one, people aren't
11 being qualified by different standards for different
12 units, sometimes we have tax credit units and
13 affordable non-tax credit units in the same project,
14 it would be very confusing and also really unfair to
15 be qualifying people by two different sets of
16 standards. Federal requirements do require that we
17 count overtime as part of income however income... we
18 really look at what is the... what is the total income
19 over the last year and what is expected over the next
20 year, that expected over the next year is really the
21 key priority so... [cross-talk]

22 COUNCIL MEMBER REYNOSO: Okay, so... and
23 I'm sorry I have... because of time I'm going to be...
24 sorry, if I'm rude occasionally at cutting you off.
25 Then I have another case where a person worked in a

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2 company for six years, never received a bonus,
3 received a bonus I believe two years ago, applied for
4 an application now so this year didn't receive a
5 bonus but that bonus was attributed to their general
6 income so they... let's say it was 50,000 they got
7 55,000... [cross-talk]

8 MARGARET BROWN: Uh-huh... [cross-talk]

9 COUNCIL MEMBER REYNOSO: ...now they're
10 over the... they were also over the limit so I want...
11 so, explain that last part that you just were talking
12 about, they lost their opportunity to apply because
13 their income was more in line with 55 than 50 or
14 something like that and that was a year before,
15 they've been in this same company for six years,
16 never received a bonus, one bonus and now they're
17 knocked out of the lottery opportunities.

18 MARGARET BROWN: So, I would need to look
19 at the specific case, typically the most recent year
20 is what is weighed most heavily but we are required
21 to look at least two years back in terms of history,
22 federal... [cross-talk]

23 COUNCIL MEMBER REYNOSO: Federal
24 requirements to look at least three years.

25

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2 MARGARET BROWN: It, it's typically two
3 depending... [cross-talk]

4 COUNCIL MEMBER REYNOSO: Two... [cross-
5 talk]

6 MARGARET BROWN: ...on the type of
7 employment income or if there has been a, a lot of
8 inconsistency in income we may look as far back as
9 three but typically the requirement is two.

10 COUNCIL MEMBER REYNOSO: Okay, I want to...
11 I'm going to have a conversation with the Chair and
12 with the Council about that, if it's two it should be
13 two and we should have a, a very clear conversation
14 about that, we don't want to dismiss people. The
15 amount of applications that are getting denied in my
16 district are overwhelming when people initially think
17 that they're going to be accepted so they lose faith
18 and they don't want to apply anymore, and I don't
19 want that to be the case. Applications, you... first
20 you talk about the Ambassadors program, I just want
21 to be clear on the record the Ambassadors program is
22 a volunteer program, you do not provide resources to
23 ambassadors to do that work.

24 MARGARET BROWN: We provide grants to
25 organizations who apply for them for some of the work

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2 but you're right that for the most part that is
3 volunteer... [cross-talk]

4 COUNCIL MEMBER REYNOSO: Okay, we just
5 don't want to rely on volunteer programs to be doing
6 pre-marketing work in helping folks with applications
7 and so forth, so I don't want to rely on an
8 ambassador's program unless it's in house and its 100
9 percent funded by HPD. The applications, they can't
10 be printed online so in my office if I want to have
11 an application and take it to Donna Conchita who
12 lives across the street, she can't come to my office,
13 I can't hit print, I have to write a letter for her,
14 send you a, a letter saying that we want the
15 application and then the application has to come in
16 and then we help her apply, why not just allow me to
17 hit print and allow for her to... so, so then I can
18 take it to her and help her apply?

19 MARGARET BROWN: Sure, so applications..
20 there is a lot that is helpful to an applicant by
21 applying through Housing Connect so for one thing an
22 applicant can see what number that... what lottery
23 number they receive but also paper applications tend
24 to come in with many more errors, there are just data
25 integrity checks through Housing Connect that are

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2 really helpful so as people ask for paper
3 applications we try to refer them to a Housing
4 Ambassador who can help them to apply online.

5 COUNCIL MEMBER REYNOSO: Right but I'm
6 just... but you send them an application... a paper
7 application?

8 MARGARET BROWN: We do send paper
9 application.

10 COUNCIL MEMBER REYNOSO: Why can't... as a...
11 as a city agency that wants to partner with HPD why
12 not allow at least maybe Council Members with a, a
13 pass code of some sort to print an application so I
14 can do it, I trust my staff's ability to fill out
15 these applications correctly, why not allow me to hit
16 print?

17 MARGARET BROWN: Sure, absolutely. That
18 is something we certainly, certainly will be willing
19 to consider, it is very helpful when the, the... those
20 who are passing out applications can sit down and
21 help somebody with them, we have trained a couple of
22 Council Member's offices, Council Member Chin is one
23 of them, on essentially being a housing ambassador we
24 would be happy to do that with you as well.

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COUNCIL MEMBER REYNOSO: Alright, thank you Chair for the time, thank you.

CHAIRPERSON CORNEGY: Thank you, I just can't over emphasize what Council Member Reynoso was talking about, we actually have hard working, lower middle class individuals who are making choices to underachieve so that they can receive affordable housing, what do I need to do as the Chair of this Committee to see to it that that's not the case in partnership with HPD? I think that that's a ridiculous proposition that we continue to see in our... in all of our offices that people are trying.. people are not taking bonuses, not taking overtime, working less, that's a, a ridiculous proposition and it's a recipe for underachievement, there's got to be a better way to do this, what is your suggestion to me as the Chair of this Committee in conjunction with HP... HPD what can we do?

MOLLY PARK: I think the most important thing that we can do Council Member is to make sure that we are targeting units at every level across that, that spectrum of incomes, right, so historically we have done an awful lot right at the 60 percent of AMI mark because that's where the

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2 federal resources have come in, what we have tried to
3 do over the last few years and where I think we are
4 headed even more so going forward and we'd like to
5 continue to work with you on this is to make sure
6 that we are building the 30 percent, the 40 percent
7 AMI units also the 70 percent AMI units, the 80
8 percent AMI units, 70 percent frankly has been a
9 level that we have done very little to hit because
10 it's hard to mesh with the different funding sources
11 that we have available to us but I think we have some
12 new ideas that we can do more of that going forward.

13 CHAIRPERSON CORNEGY: So, just for some
14 context in my district alone between firefighters,
15 police officers, bus drivers those are the folks that
16 I'm losing in mass from my district and districts
17 like mine who are contributors to the... to taxes, who
18 are patronizes of small businesses it's really a
19 travesty in what we're going to ultimately see, is
20 literally a tale of two cities... I'm in a tale of two
21 districts right now because I can't assist a nurse
22 and a teacher, you know a, a police officer... a
23 firefighter and a, a school crossing guard there's,
24 there's no opportunities for them so we've got to do
25 better. Council Member Rosenthal.

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2 COUNCIL MEMBER ROSENTHAL: Thank you so
3 much Chair Cornegy and I would like to attach my name
4 to your comments and to Council Member Reynoso's
5 we're, we're certainly... we have... face the exact same
6 issues on a number of fronts and, and one idea too
7 might be to, you know work on training of, of your
8 staff just so that they're giving very good, very
9 clear information that's something.. that's a hiccup
10 that we run into on a regular basis where, you know
11 things aren't... the accurate information is not given
12 in the first place and that... you know and I can
13 imagine workers there are just flooded with all these
14 applications so I emphasize but... [cross-talk]

15 MARGARET BROWN: May I ask... [cross-talk]

16 COUNCIL MEMBER ROSENTHAL: ...if you can...
17 [cross-talk]

18 MARGARET BROWN: ...whether you feel that
19 the, the misinformation is being given in things like
20 public seminars or whether it is through feedback to
21 applicants... [cross-talk]

22 COUNCIL MEMBER ROSENTHAL: Feedback back
23 to applicants... [cross-talk]

24 MARGARET BROWN: ...as they ask questions...
25 [cross-talk]

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2 COUNCIL MEMBER ROSENTHAL: ..who have put
3 in applications and not given good reasons for what's
4 really going on and if they're given good reasons we
5 can then go back and think about it, I'm just saying
6 please put a pin on that, I'm attaching my name with
7 their comments, it's, it's not limited to their
8 offices it's in everyone's office. I really want to
9 just talk about... ask you a few questions on my bill,
10 357 and the.. and I again appreciate Chair Cornegy
11 including this bill in this hearing, you know the
12 genesis to this bill was from hearings we had a year
13 or two ago about wage loss and wage theft and the
14 concern that contractors that HPD was hiring for its
15 own projects were some of those firms themselves were
16 implicated in wage theft so we're trying to get at
17 dealing with that issue, how do we.. how does the
18 government fund a project and then hire a contractor
19 who, you know has a history of, of not paying their
20 workers, those are the genesis of the bill and I'm
21 certainly if you have other suggestions for how we
22 write it and where we go with the bill I'm, I'm eager
23 to hear your comments. In your testimony you, you
24 seemed to dismiss it pretty.. you, you seemed to
25 dismiss the idea due to the concern of unintended

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2 consequences on contractors not listed as preferred
3 providers, I mean I think in this... you know this,
4 this is one where I think we can work together to
5 identify what footnotes are required to define a
6 preferred contractor where we could, you know think
7 together on why we're doing this, I, I tried to
8 structure the bill in the positive who are preferred
9 contractors because you... HPD was very clear that it
10 could not list the... that, that disbarment is not
11 something that you, you do so what I'm trying to get
12 at is where do we publicly give out the information
13 of history of wage theft, you know history of sexual
14 harassment on the job, how, how do we get that
15 information out and, and really be able to hold the
16 administration's feet to the fire to say are you
17 hiring the firms that have a record because then we
18 know the city is, you know giving positive feedback
19 but with its... putting it's money where it's mouth is?

20 MOLLY PARK: So, let me start by
21 apologizing if I came across as dismissive that was
22 certainly not at all the intent and we, we take very
23 seriously the conditions on our projects. I think as
24 our, our read of the bill looked at a much broader
25 array of, of conditions, wage theft but also other

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2 kinds of safety and other issues so let me just start
3 by walking through a little bit about what we do and
4 I'm going to ask my colleague to jump in as well. We...
5 making sure that we have good contractors on HPD
6 financed jobs is very important to us and, and I do
7 want to just clarify that the contractors are hired
8 by the developer, so we're certainly involved in the
9 process but we... [cross-talk]

10 COUNCIL MEMBER ROSENHAL: So, just to be...
11 [cross-talk]

12 MOLLY PARK: ...want to be clear on...
13 [cross-talk]

14 COUNCIL MEMBER ROSENTHAL: ...I mean
15 please, you're still responding... [cross-talk]

16 MOLLY PARK: Absolutely... [cross-talk]

17 COUNCIL MEMBER ROSENTHAL: You're
18 ultimately responsible... [cross-talk]

19 MOLLY PARK: Absolutely, I just want...
20 [cross-talk]

21 COUNCIL MEMBER ROSENTHAL: We'll stop...
22 [cross-talk]

23 MOLLY PARK: Absolutely, I just wanted to
24 make sure that we were... we're using... [cross-talk]

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2 COUNCIL MEMBER ROSENTHAL: No, we'll
3 stop... [cross-talk]

4 MOLLY PARK: ...vocabulary... [cross-talk]

5 COUNCIL MEMBER ROSENTHAL: ...this is city
6 dollars, I don't care whether or not it goes through
7 a third party or not... [cross-talk]

8 MOLLY PARK: Okay... [cross-talk]

9 COUNCIL MEMBER ROSENTHAL: ...it's not
10 relevant... [cross-talk]

11 MOLLY PARK: Okay, so from the... [cross-
12 talk]

13 COUNCIL MEMBER ROSENTHAL: In my mind's
14 eye... [cross-talk]

15 MOLLY PARK: Okay, thank you. From the
16 very beginning we are looking closely at who is on
17 the job and how the project is being designed and
18 scoped so the technical team within HPD development
19 is reviewing plans and, and scope design to make sure
20 that it is compliant with all the relevant codes and,
21 and requirements... [cross-talk]

22 COUNCIL MEMBER ROSENTHAL: Building
23 codes, sure...

24 MOLLY PARK: Beyond building codes,
25 accessibility, a whole environmental, a whole slew of

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2 other things, before we start the project we are
3 doing an integrity review so we're looking at do they
4 have violations on their properties, do they have
5 municipal arrears, do they have... do they have any
6 court findings, what's the history of labor
7 violations, so there is... there is an integrity review
8 process there as well and then we are out on
9 construction sites at least once or twice a week for
10 every single project and certainly if there is
11 anything that's identified we are out there much more
12 frequently. We also have what we refer to as our
13 enhanced review process which is... looks at both the
14 labor issues and at construction quality and I'm
15 going to ask Assistant Commissioner Halm to talk
16 through that.

17 COUNCIL MEMBER ROSENTHAL: Thank you,
18 with the Chair's permission? Thank you.

19 BAABA HALM: So, Council Member
20 Rosenthal we do take issues of wage theft very, very
21 seriously on our projects and as Commissioner Park
22 alluded to, we do an integrity review and to the
23 extent that we identify contractors that have those
24 issues we attempt to take very proactive measures.
25 Our hands are tied, we do not have the legal

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authority to, to bar as you said so our concerns with Intro 357 is by creating a preferred contractor's list that in some way says that folks are ineligible to participate not explicitly saying debarment but saying that only those on a preferred contractor's list are those that are eligible to be considered so through our... [cross-talk]

COUNCIL MEMBER ROSENTHAL: Isn't saying that, I mean definitionally all... perhaps then another way to say... the word preferred is not... raises baggage that's problematic why don't we do a scorecard, why don't we just say here are the firms in the last year we have the scorecard, have there been incidences of wage theft, have there been instances of sexual harassment, have... you know what is the job hiring history then just have a scorecard and just be honest about what we know, I mean of course integrity is good so how about a list that meets integrity requirements and... go ahead, sorry.

BAABA HALM: So, I just want to say...
[cross-talk]

COUNCIL MEMBER ROSENTHAL: I apologize...
[cross-talk]

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BAABA HALM: ...one of the... one of the challenges for us on the wage theft issue is usually what, what happens is that if those issues are happening workers wait until the project has ended before they come forward and the reason why is that they don't want to jeopardize the day to day income that they may have at the time... [cross-talk]

COUNCIL MEMBER ROSENTHAL: Sure... [cross-talk]

BAABA HALM: ...and so... [cross-talk]

COUNCIL MEMBER ROSENTHAL: So, let's say at the end they come, for your next project...

BAABA HALM: And so, for the next project what we would do is apply enhanced review and so for every single project after we've identified that a contractor has engaged in wage, wage theft we would review whether or not that contractor should be allowed to participate, and our enhanced review list is a public list.

COUNCIL MEMBER ROSENTHAL: Yeah, with all due respect to the Committee Chair I'm going to turn it back and cede my time and appreciate your giving me this time perhaps we can follow up offline...

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2 CHAIRPERSON CORNEGY: Absolutely, I think
3 that this... as, as the former Chair of Small
4 Businesses there's an, an issue that I'm concerned
5 about so... [cross-talk]

6 COUNCIL MEMBER ROSENTHAL: Thank you...
7 [cross-talk]

8 CHAIRPERSON CORNEGY: ...on behalf of
9 Council Member Rosenthal as the Committee Chair, I
10 will be following up with HPD. Thank you. We have...
11 now have Council Member Salamanca and then Council
12 Member Williams and then we're going to go directly
13 to public questions.

14 COUNCIL MEMBER SALAMANCA: Alright,
15 Commissioners I have some questions regarding Section
16 8, Section 8 vouchers, is there a hold currently on
17 giving out new Section 8 vouchers?

18 MOLLY PARK: Right now, no, there's not.
19 I, I, I assume... maybe I shouldn't assume that you're
20 talking about in the context of the federal shutdown...
21 [cross-talk]

22 COUNCIL MEMBER SALAMANCA: No, I'm not...
23 [cross-talk]

24 MOLLY PARK: Okay... [cross-talk]

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2 COUNCIL MEMBER SALAMANCA: ...referring to
3 it for the shutdown... [cross-talk]

4 MOLLY PARK: Okay... [cross-talk]

5 COUNCIL MEMBER SALAMANCA: ...I'm just... we
6 get inundated with a lot of calls from constituents
7 about going about applying for Section 8 vouchers and
8 there's a, a rumor or they are told that there is...
9 Section 8 vouchers are on hold right now, they're not
10 giving them new Section 8 vouchers.

11 MOLLY PARK: So, so there's... [cross-talk]

12 COUNCIL MEMBER SALAMANCA: I want to
13 verify that...

14 MOLLY PARK: There are two public housing
15 authorities that are part of New York City
16 government, there's, there's NYCHA and there's HPD
17 both agencies have Section 8 programs. I believe
18 although I will defer to my colleagues at NYCHA that
19 their waitlist for their Section 8 program is closed,
20 HPD uses Section 8 vouchers in, in the context of
21 particular development programs and particular HPD
22 priorities. So, for example, when we are doing a
23 preservation project where the rents are so low that
24 they cannot sustain the project operations we will
25 bring Section 8... we will allow everybody in that

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2 project to apply for Section 8 so that we can get
3 more revenue into that project so that we can have a
4 strong viable community asset going forward but that
5 we're not negatively affecting any of the tenants in
6 those buildings. Another place where HPD uses Section
7 8 on a fairly regular basis is in our senior programs
8 because seniors typically have very low and fixed
9 incomes, we put... make just about all of our senior
10 housing projects base Section 8.

11 CHAIRPERSON CORNEGY: Sure, let me be...

12 let me see if I can clear... so there hasn't been from
13 the federal government a restriction, cut back, roll
14 back or anything on federal Section 8 dollars, is
15 that... is the... is... because I think that's, that's what
16 my constituents are reporting that they're applying
17 for Section 8 and being told that the Section 8
18 program in some way, shape or form is either being
19 condensed, they say the, the monies have run out, I
20 don't know how it's being articulated to them, I'm
21 asking is there any... outside of the recent government
22 shutdown is there a mandate handed down from the
23 federal government saying that that federal... that
24 Section 8 program is being condensed or, or...

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2 MOLLY PARK: No, Section 8 financing is
3 not nearly as robust as we would like it to be. When
4 I started my career in affordable housing the budget
5 conversation every year was how many new Section 8
6 vouchers we would get and these days it's can we hang
7 on to what we have but we have done relatively well
8 over the last couple of rounds of, of federal funding
9 and maintaining the budget for Section 8, it's
10 something we always monitor, keep a really close eye
11 on because it's such a critical program like if the
12 shutdown does continue its something I'm anxious
13 about.

14 CHAIRPERSON CORNEGY: What is... what is...
15 do you... do you know what the waiting list is, the
16 Section 8 waiting list?

17 MOLLY PARK: I can't speak for NYCHA on
18 their, their Section 8 wait list and it's... we rather
19 than have a general-purpose waiting list align it
20 with the programs as I mentioned so we don't have a
21 general-purpose waiting list.

22 CHAIRPERSON CORNEGY: Do you know how
23 many years that goes back?

24 MOLLY PARK: HPD's policy?

25 CHAIRPERSON CORNEGY: Yeah... [cross-talk]

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2 MOLLY PARK: Or NYCHA's?

3 CHAIRPERSON CORNEGY: HPD's obviously.

4 MOLLY PARK: That has been our policy for
5 decades that we align our Section 8 program with the
6 other initiatives that we have going on so that we
7 don't have a general open wait list.

8 CHAIRPERSON CORNEGY: So... but do you... do
9 you know the number combined of those programs, is
10 there, there... is there a way as the Chair I could get
11 that?

12 MOLLY PARK: Sorry, if I'm not following
13 the question, there are about 35,000 people on HPD's
14 program now those are people who are receiving rent
15 subsidies through HPD and we can certainly... that's
16 my... off the top of my head number, we can get you the
17 exact number, we don't have a wait list because we
18 align the program as in vouchers become available we
19 use it to align with our other existing programs, put
20 it out through a project based wait... RFP or align it
21 for the, the preservation projects as I mentioned.

22 CHAIRPERSON CORNEGY: So, I, I definitely
23 will come back... [cross-talk]

24 MOLLY PARK: Okay, absolutely... [cross-
25 talk]

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CHAIRPERSON CORNEGY: ...because I think that there's a... there some intricacies in there that I, I need to get... [cross-talk]

MOLLY PARK: Intricacy is a good word for Section 8.

CHAIRPERSON CORNEGY: Yeah, thank you... [cross-talk]

CHAIRPERSON CORNEGY: So, Commissioner... [cross-talk]

COUNCIL MEMBER SALAMANCA: And then lastly... I'm sorry... [cross-talk]

CHAIRPERSON CORNEGY: Yeah...

[off mic dialogue]

COUNCIL MEMBER SALAMANCA: So, if I get a constituent that comes in and they're, they're not applying for NYCHA, they're looking for a home, they need help and they're interested in applying for a Section 8 voucher so that they can go and find their own apartment is that... where can I send them, does that still exist or is there a wait list or is there kind of a moratorium where you're not giving out those type of Section 8 vouchers?

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2 MOLLY PARK: HPD has, has never given out
3 Section 8 vouchers in that way, that's, that's how
4 NYCHA has administered their program.

5 COUNCIL MEMBER SALAMANCA: Okay. Going
6 back to the homeless set aside questions, how are
7 homeless families placed in these homeless set aside
8 units that have been built, how do you work with DHS,
9 how do you select these families, how does it work?

10 MARGARET BROWN: So, for homeless set
11 aside units in general purpose projects as units
12 become available or as construction is close to
13 complete we provide DSS with the unit information of
14 those... of those units and projects becoming
15 available so you... we'll give them the AMI levels,
16 the, the number of bedrooms in each so they have the
17 specifics to work with to help to match clients or
18 submit the right applications to us. Generally they
19 give us more applications than the number of units
20 because certain people will drop out of the process
21 but as I explained earlier they're doing a general
22 data match in... as well as conversations with shelters
23 to identify families who are well suited referrals
24 and are interested in the particular housing
25 opportunity based on location for instance, those

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2 applications come in to HPD, we convey them to the
3 developer so that we can see... oversee every point of
4 the, the review process to ensure that only
5 applicants from that pool are being selected, oversee
6 that developers are accepting and rejection...
7 rejecting applicants in accordance with the marketing
8 guidelines, the marketing guidelines apply to
9 homeless units as well and as I said before we
10 provide assistance to developers through that
11 process, we help with scheduling the eligibility
12 appointments, etcetera and DSS is providing
13 assistance to the applicant in getting their
14 paperwork together to ensure that they're, they're
15 ready for their interview, etcetera.

16 COUNCIL MEMBER SALAMANCA: Alright and
17 then I guess my time is running out, my last question
18 would be how many preservation term sheets require a
19 homeless set aside?

20 MOLLY PARK: The vast majority of them at
21 this point there are two that do not, it is the, the
22 housing repair program which is doing very light
23 touch rehabs, you know financing built... boiler
24 repairs and things like that and then the green
25 housing preservation program which is again

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2 relatively small-scale loans for energy efficiency
3 work.

4 COUNCIL MEMBER SALAMANCA: Do you have a
5 number of how many homeless families you've placed in
6 the preservation term sheet project?

7 MOLLY PARK: Not specifically broken down
8 by the preservation but we can... we can look and see
9 if we can pull that and get back to you. I will... I
10 will say that the... putting homeless set asides in
11 preservation is, is a, a long term investment in
12 housing for homeless households, right, for the most
13 part the preservation projects are largely occupied
14 and we feel these... a turnover but had we been doing
15 this a decade ago or 15 years ago we would be in a
16 different place than we are now so I think it's an
17 important commitment to be making.

18 COUNCIL MEMBER SALAMANCA: Alright, thank
19 you Mr. Chair.

20 CHAIRPERSON CORNEGY: Thank you and as
21 we... this, this will be the last question from Council
22 Members and as we transition to the general public's
23 testimony my predecessor, Council Member Williams
24 gets to set the tone for asking clear and concise
25 questions, thank you.

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2 COUNCIL MEMBER WILLIAMS: Thank you Mr.
3 Chair. For the Section 8 piece I did want to just
4 make clear if you're aware of individual Section 8
5 vouchers if they are still being issued by the
6 federal government, that's one question and then I
7 also understand that one of the issues with those
8 vouchers that people were having they can't find
9 affordable housing to use those vouchers for so I
10 just wanted to make that... put that on the record.

11 MOLLY PARK: Yeah, so the vouchers are
12 issued by the public housing authority, right, either
13 in New York City, either NYCHA or HPD and yes, we
14 are... we at HPD are still issuing, I haven't heard
15 anything otherwise for NYCHA, but I don't want to
16 speak for them...

17 COUNCIL MEMBER WILLIAMS: But I'm saying
18 the federal government is still giving additional
19 housing vouchers to give out to individuals.

20 MOLLY PARK: Federal... the federal
21 government gives each public housing agency both a
22 budget and a voucher authority, the voucher... the... I
23 think the number of vouchers has barely gone up over
24 the last few years and where it has been it's been in
25 some very specific populations, there's been some

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2 family reunification vouchers and veterans' vouchers
3 things like that, budget authority has gone up
4 marginally and then the actual tying of budget and
5 vouchers together happens at the local level.

6 COUNCIL MEMBER WILLIAMS: So, primarily
7 it's been staying then same, maintaining what you
8 already have?

9 MOLLY PARK: Yes.

10 COUNCIL MEMBER WILLIAMS: That's... so,
11 there's no... probably no new vouchers are what we're,
12 we're... what we... where we... [cross-talk]

13 MOLLY PARK: Not... [cross-talk]

14 COUNCIL MEMBER WILLIAMS: That's what
15 we've been trying to get at with all these questions.

16 MOLLY PARK: Okay, apologies for not
17 understanding, the vouchers that we have been issuing
18 are turnover vouchers.

19 COUNCIL MEMBER WILLIAMS: Thank you.
20 Who's responsible for maintaining and keeping the
21 waiting list records for Mitchell Lama developments
22 and are those records stored in digital format? And
23 I'll just ask my next question, what is the average
24 length of time a person spends on Mitchell Lama
25 waiting lists?

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JULIE WALKER: Hi Council Members...

COUNCIL MEMBER WILLIAMS: Hello.

JULIE WALKER: So, in terms of maintaining the waiting list the housing companies maintain the waiting list along with a copy at HPD, the amount of time that a person can stay on a waiting list actually varies. Years ago, when, when we conducted lotteries, we didn't do limited lotteries, so I had some developments where the lotteries were conducted where it could be ten or 15 years long and we're still actually going though those waiting lists like even though there, they're old people are still interested. Where much more recently when we do lotteries we do lotteries that we try to have three to five year lists, you know depending on the neighborhood, they can be shorter or longer lotteries, we, we converted to house... to Mitchell Lama Connect online in 2016 and generally our waiting lists we, we try to limit to about 500 applicants.. [cross-talk]

COUNCIL MEMBER WILLIAMS: The waiting list is in digital form.. [cross-talk]

JULIE WALKER: So.. [cross-talk]

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2 COUNCIL MEMBER WILLIAMS: ...on Housing
3 Connect?

4 JULIE WALKER: So, the Mitchell Lama
5 Connect waiting list that we've conducted since 2016
6 are, are digital, the... just... but only those going
7 forward. When we convert to Housing Connect 2.0 those
8 waiting lists will be converted to... and will be
9 digitized.

10 COUNCIL MEMBER WILLIAMS: So, all of the
11 waiting lists from the time you had Housing Connect
12 are digitized, all of the waiting lists from before
13 that are not?

14 JULIE WALKER: Correct.

15 COUNCIL MEMBER WILLIAMS: And how many
16 applicants who qualify for a preference for Mitchell
17 Lama development are offered housing in development?

18 JULIE WALKER: So, the preference
19 category that we have it's a state mandated
20 preference category is veterans and, and every
21 veteran that is either chosen in a lottery or applies
22 to a, a... an open lottery... to an open waiting list is
23 given the preference category so they may have to
24 wait because there might be 15 veterans who, who are
25 selected in a lottery so depending on their number

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2 they'll have to wait but they will... they get the
3 first preference.

4 COUNCIL MEMBER WILLIAMS: Is there... is,
5 is, is administration supportive of this bill?

6 JULIE WALKER: We're supportive of
7 transparency because we're moving to Housing Connect
8 2.0 to go backwards and count... as particularly some
9 of these very long waiting lists it, it... I don't
10 think it will achieve what... you know what we're
11 looking for in terms of moving to Housing Connect 2.0
12 we're working very, very closely with associate
13 Commissioner Brown's unit in putting that together..
14 [cross-talk]

15 COUNCIL MEMBER WILLIAMS: I'm sorry, my
16 time is running out, I didn't know if that was a no
17 or a yes?

18 JULIE WALKER: So, the answer is we're
19 supportive of transparency, we're not supportive of
20 the way that... but we're not supportive of the direct
21 bill, the way that it's composed because we're
22 looking back going forward.

23 COUNCIL MEMBER WILLIAMS: You don't...
24 you're opposed because you don't want to go
25 backwards, is that what it is?

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2 JULIE WALKER: That... I think that what
3 you're looking for will not... that we will get going
4 forward.

5 COUNCIL MEMBER WILLIAMS: Okay, well I'd
6 be happy... I want to continue the conversation, I'm,
7 I'm interested about some of the past as well but I'd
8 be interested in... but I did... just for my last
9 remaining seconds want to talk about Council Member
10 Salamanca's bill, its mostly a comment, I'm, I'm just
11 proud to be on that bill, we... obviously we can't
12 build our way out of the problem but to the extent
13 that we all build and we have to make sure that we're
14 building for the people who need it, I don't think
15 that has occurred and I've been quite clear about
16 that and my hope is that this body at some point will
17 open... reopen MIH because I think it was debacle from
18 the beginning and I'd like to see a moratorium on MIH
19 and I just supported a group of housing applicants to
20 have a racial impact study on every rezoning that
21 happens in this... in the city and I hope that we will
22 count toward subsidies, rezoning as well because
23 landlords or, or developers are getting subsidy
24 whether its not... whether its direct or not and I know
25 we've tried to fix a lot of it with the term sheets

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2 but it's not... the band aid approach is not working so
3 whether it's this bill or MIH we have to do a lot
4 more and the housing plan is not where it needs to
5 be. I think I'm, I'm a broken record at this... at
6 some... at this point in time but the things that we've
7 pointed out from years ago have proven to be true, so
8 I hope the administration supports this bill and all
9 those like it. Thank you.

10 CHAIRPERSON CORNEGY: Just really quickly
11 in terms of using the broken record analogy I think
12 we have to come up with a better analogy for the
13 millennials because they don't know what that really
14 means...

15 COUNCIL MEMBER WILLIAMS: A repeated
16 stream...

17 COUNCIL MEMBER SALAMANCA: We got a
18 record player.

19 CHAIRPERSON CORNEGY: And then lastly,
20 the question that I had was do, do we know how many
21 veterans there are on the list that we discussed
22 earlier?

23 JULIE WALKER: I can get you the numbers
24 of veterans who are... who were given housing over the...

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2 since the veterans bill went into effect, you know I
3 can get that, that number for you.

4 CHAIRPERSON CORNEGY: Okay, thank you I'd
5 like that.

6 JULIE WALKER: Okay.

7 CHAIRPERSON CORNEGY: Thank you all for
8 your testimony, we're going to move into the public
9 testimony portion of this and call the first panel.
10 Giselle Routhier and Joshua Goldfein; Nathylin
11 Flowers; Peter Malvan; Wendy O'Shields and Annette
12 Tomlin will be our first panel and please excuse the
13 mispronunciation of any names. In the interim I do
14 ask that as, as much of the administration that can
15 remain to hear the testimony please be able to do
16 that. We have several panels so we're going to ask
17 that the public comments be put on a clock for two
18 minutes.

19 [off mic dialogue]

20 CHAIRPERSON CORNEGY: I'm not sure if I
21 mispronounced a name or two but we seem to be missing
22 some panelists Annette Tomlin... she left? Okay, okay
23 then, thank you so we'll do...

24 [off mic dialogue]

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2 CHAIRPERSON CORNEGY: Annie Carforo,
3 thank you.

4 [off mic dialogue]

5 CHAIRPERSON CORNEGY: So, we can begin at
6 either end or wherever you guys want to start.

7 GISELLE ROUTHIER: Hi everybody, my name
8 is Giselle Routhier, I'm a Policy Director at the
9 Coalition for the Homeless, we've submitted joint
10 testimony with the Legal Aid Society and I'm going to
11 summarize our testimony here, but we thank you so
12 much for the opportunity to testify. We're going to
13 be talking about Council Member Salamanca's bill,
14 Intro 1211 as well as the, the broader issue of
15 homelessness in New York City. I want to start by
16 saying that we can't forget that we're currently
17 experiencing record homelessness in New York City,
18 we've hit new records for the past several months,
19 there are now 63,600 people sleeping in shelters
20 every single night, this is a new all-time record and
21 I think this underscores the fact that Mayor De
22 Blasio's plan to help reduce homelessness is not
23 working. When he initiated the Turning the Tide plan
24 in 2017 he said he would reduce the shelter census by
25 2,500 people over five years, we're already going in

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2 the wrong direction and so we're here to talk about
3 the importance of adding a critical piece of the
4 housing plan in order to address homelessness in New
5 York City because homelessness is ultimately a
6 function of the availability of low income housing.
7 So, broadly we and 60 partner organizations along
8 with 38 elected officials including Council Member
9 Salamanca have been part of this larger coalition
10 called the House Our Future New York campaign where
11 we've been calling on the Mayor to dedicate 30,000
12 units of the Housing New York Plan for homeless
13 households but specifically 24,000 of those to be of
14 the new construction so that works out to be about 20
15 percent of all new construction going forward for
16 homeless households. That's critically important
17 because as was mentioned earlier the preservation
18 units are largely already occupied and so those units
19 don't present an opportunity to move somebody off the
20 streets or from the shelter system into a housing
21 unit and so we really think the focus here is
22 important to, to keep on new construction and to make
23 sure a significant and meaningful portion of those
24 are dedicated specifically to homeless households.
25 So, we believe that Intro 1211, we fully support it,

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is a great practical tool to help us get to that goal. Right now they're actually is no across the board set aside requirement for term sheets for units that are financed and in, in many cases some are negotiated down and through data that we had gotten from HPD under their Mix and Match term sheet which has a ten percent set aside so far less than five percent of units created under that program have been for homeless units. So, that's an example so I'll wrap up, but Josh will talk a little bit about some of the reporting things that we recommend.

JOSHUA GOLDFEIN: This is... Josh Goldfein from the Legal Aid Society, thank you for the opportunity to testify. As Giselle said we submitted joint written testimony. I just want to highlight that we support generally the goal of transparency and in having the numbers put forward, it's, it's very important to focus on however which are the relevant numbers. We heard a, a lot of testimony about how many units were preserved, how many units were financed but what snuck in there was, I think we heard that... there was a question that I believe Council Member Salamanca asked which was how many people have actually moved into units so far in this

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2 administration and the answer was 1,700. Now it took
3 us a while to get that number, we actually had to
4 file a lawsuit when the agency would not reveal those
5 numbers to us and, and claim they didn't track them
6 that way eventually though and the number that's in
7 our testimony is 1,660, I'll accept that maybe there
8 have been some more since they turned those numbers
9 over to us but when the agency talks about preserving
10 units certainly it is very important to ensure that
11 buildings remain affordable and that people who are..
12 have been in communities can remain in those
13 communities, that people are not forced out of their
14 homes, those are all important objectives but at the
15 same time as Giselle said we have a record shelter
16 census at this time, we have a homeless crisis and
17 the city needs to be doing everything it can to
18 ensure that people who are homeless have a place to
19 go, we are not going to empty shelter systems if we
20 don't have places for people to move into and HPD to
21 date.. again the number is 1,700 since the start of
22 the administration, 1,700 households have moved out
23 of shelter into HPD apartments. When you compare to
24 what HRA, DHS, DSS has done that's a drop in the
25 bucket and so that side of the administration has

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2 really got to step up and increase the numbers of
3 units that are available for people who are in
4 shelter to move out of or we're going to just have a
5 permanent shelter population forever. Thank you.

6 CHAIRPERSON CORNEGY: So, so you
7 mentioned the number 1,700, do you know of that
8 number how many are supportive housing and how many
9 are general?

10 GISELLE ROUTHIER: Those are all general
11 so those are the non-supportive housing units.

12 CHAIRPERSON CORNEGY: So, so is the
13 administration going to argue that there's a, a huge
14 number that are supportive housing and, and we're not
15 report... and, and that number is not reported in the..
16 [cross-talk]

17 JOSHUA GOLDFEIN: I mean one, one thing
18 that we want to ensure that the... is properly reported
19 and is in the bills is to distinguish the actual
20 number of units that are being created at any given
21 time, we have units being financed through a number
22 of different programs; by the city, by the state and
23 we want to make sure that units aren't being double
24 counted so it's, it's very important to look at not
25 just how many are financed, how many are for

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2 preservation but how many households are actually
3 moving from shelter into an apartment and those are
4 numbers, I think you're absolutely right, that we
5 have to press them to account and not double count so
6 that we know how much the city is actually investing
7 in getting people out of the shelter system so that
8 we can bring down the numbers of people in the
9 shelter.

10 CHAIRPERSON CORNEGY: So, so I do.. I do
11 respect that some of the administration has stayed to
12 hear your testimony, do you guys know off hand of
13 that 1,700 number.. I'm sorry, outside of the 1,700
14 number what the number for supportive housing units
15 that people have actually moved from, from shelter
16 into HPD apartments?

17 MARGARET BROWN: So, I'm sorry the, the..
18 [cross-talk]

19 CHAIRPERSON CORNEGY: This, this is
20 unprecedented by the way, what, what we're witnessing
21 right here.. [cross-talk]

22 JOSHUA GOLDFEIN: We're happy to share a
23 table with her..

24 MARGARET BROWN: Thank you. The
25 supportive housing placements are not done in

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2 conjunction with our office, supportive housing
3 placements are done directly by DSS, so we do not
4 have that number, the 17 is for the general-purpose
5 project that we work in conjunction with DSS to make
6 placements.

7 CHAIRPERSON CORNEGY: Well thank you,
8 thank you for answering that question. So, does... so,
9 does the, the DSS number not count in your overall
10 number?

11 MARGARET BROWN: The DSS number does not
12 count in the 1,700, no. Thank you.

13 CHAIRPERSON CORNEGY: Thank you.

14 WENDY O'SHIELDS: My name is Wendy
15 O'Shields and I'm a Safety Net Activist Founding
16 Member and a housing advocate. Please integrate the
17 HUD Housing First and Rapid Re-Housing models into
18 Intro bill 1211 opt for less shelter residents and
19 shorter shelter residencies. The city of New York
20 Department of Homeless Services single adults that
21 are literally homeless, truly homeless, or
22 chronically homeless languish in shelters for five,
23 seven or more years. During the multitude of
24 residence... of a... during a multitude of years, a
25 resident's health degrades, family and friends'

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2 relationships become estranged and their community
3 network becomes no longer viable. HUD Housing First
4 and Rapid Re-Housing removes barriers to independent
5 or supportive housing for homeless and averts long
6 shelter stays. HUD Housing and Rapid Re-Housing
7 rapidly connects homeless in shelter or NYC streets
8 to independent or supportive permanent housing as
9 eligible. HUD Housing First and Rapid Re-Housing
10 understands that prolonged homelessness has a
11 significant negative effect on human beings. Intro
12 1211 homeless assessment should include the length of
13 stay in DHS shelters or NYC streets when prioritizing
14 homeless for homeless set aside apartments. Currently
15 there's no time metric enforced for the Department of
16 Homeless Services single adult residents eligible for
17 independent housing. The length of residency in
18 shelters is not applied to an immediacy to quickly
19 house single adults independently. DHS shelter
20 lengths of stay beyond 24 months has become a concern
21 to continue the HUD McKinney-Vento payments for
22 homeless residents, this usually triggers an... a DHS
23 administrative transfer to their next home shelter.
24 Many single adult residents are routinely ignored by
25 DHS housing specialists or staff at... and reside in

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shelters approaching decades. Thank you for your thoughtful review of my suggestions and my enclosed documents, thank you.

CHAIRPERSON CORNEGY: Have you submitted... you submitted that for us... [cross-talk]

WENDY O'SHIELDS: Yes...

CHAIRPERSON CORNEGY: Okay, thank you.

WENDY O'SHIELDS: Uh-huh.

NATHYLIN FLOWERS ADESEGUN: Hi, I'm Nathylin Flowers Adesegun. I'm a Member of VOCAL New York, voices of the community activist and leaders. I want to thank the Chair Robert Cornegy and other members of this Committee for the opportunity to provide testimony and I especially want to thank the Chair... Council Member Salamanca for introducing Intro 1211. VOCAL New York is a part of House Our Future New York campaign. The campaign has been working tirelessly to win more housing for homeless New Yorkers. In October, I confronted Mayor De Blasio at the gym in Park Slope to ask him to set aside... [cross-talk]

CHAIRPERSON CORNEGY: Wait, wait that, that was you?

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2 NATHYLIN FLOWERS ADESEGUN: Yeah. And I,
3 I spoke very quietly, I did not scream at him, to ask
4 him to set aside 30,000 units of his 300,000 units,
5 he only provided five percent or... for us, 15,000, we
6 asked him to double that to ten percent or 30,000 of
7 the 300,000, 24,000 to be created through new
8 construction. Later I joined hundreds of people as we
9 marched to Gracie Mansion and then Council Member
10 Salamanca introduced his critical bill, Intro 1211
11 that will get us closer to our goal, triple what the
12 Mayor was asking, 15 percent. We met with the
13 administration, we had press conferences we even
14 risked arrest, Councilman Salamanca and us we did a
15 sit in right in front of the Mayor's office, we
16 couldn't get arrested, we just couldn't but to say
17 this has got to be addressed, you have to... got... you
18 have got to stop sweeping this under the rug. We
19 believe it's something simple, the housing plan
20 should help New Yorkers who need the most help. My
21 story of homelessness started in February of 2015
22 when I was evicted from my apartment of 34 and half
23 years when my rent went from 475 to 1,319 a month as
24 I lost my rent stabilization and I've been in shelter
25 for three years. Shelter has 23,000 children, 63,000

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2 of us and we know there's more than 68,000 in the
3 state but what I want you to know is that we need
4 your help, we need this bill passed, we need
5 effective ways of changing this because otherwise
6 63,000 of us will continue to sleep in shelters every
7 night. And I want to thank you for supporting
8 Councilman Salamanca's bill and supporting us to get
9 us into permanent housing, two billion dollars plus a
10 year is too much to just spend for beds, that's
11 squandering our wealth and our tax payer dollars, and
12 we could use it better to put us all in permanent
13 housing. Thank you.

14 CHAIRPERSON CORNEGY: Thank you for your
15 testimony and your advocacy.

16 ANNIE CARFORO: Good morning or good
17 afternoon. My name is Annie Carforo and I'm a
18 Community Organizer with Neighbors Together. Thank
19 you for the opportunity to testify before the
20 Committee today to support Intro 1211. Neighbors
21 Together is a soup kitchen and community-based
22 organization located in Central Brooklyn. In the last
23 four years our members have overwhelmingly identified
24 the affordable housing and homelessness crisis as the
25 most pressing issue they face. The Mayor's claims

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2 that his administration is doing enough for homeless
3 New Yorkers that his affordable housing plan is doing
4 enough, is gravely out of touch with the severity of
5 this growing crisis. Neighbors Together strongly
6 supports Intro 1211, rising rents and the increasing
7 cost of living are displacing longtime residents and
8 pushing them into the shelter system. The mandated 15
9 percent homeless set aside in new developments would
10 create a critically needed increase in units for
11 people in the shelter system or on the streets. It
12 would help ensure that all neighborhoods maintain
13 some semblance of economic diversity and help prevent
14 resident displacement. Long term investment in
15 housing the extremely low-income bands of the AMI
16 will also provide a return on investment. Currently
17 the city spends approximately 5,760 dollars per month
18 to shelter individuals at a cost of 70,000 per year
19 that does not include the hidden cost of
20 homelessness; loss of employment and educational
21 opportunities due to appointments with HRA and DHS,
22 travel time and expense from shelter to children's
23 schools, doctors and other networks and supports,
24 cost of storage or loss of belongings while homeless,
25 thefts in shelters, trauma and mental health

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2 stressors from being in crowded and understaffed
3 shelters, including increased likelihood of substance
4 use and overdose, recidivism, etcetera. Over the
5 course of Neighbors Together's 36-year history, time
6 and again we have seen that safe permanent housing is
7 the key to stability, stable housing is the
8 foundation from which all other things are possible.
9 Neighbors Together is a lead participant in House Our
10 Future New York campaign which calls on the Mayor to
11 set aside 30,000 units of his affordable housing plan
12 for homeless New Yorkers and make sure that 24,000 of
13 those are new construction. Intro 1211 would help us
14 get to this critically important goal. We're in the
15 midst of homeless crisis on a scale not seen since
16 the great depression and now is the time for bold
17 action. We and our members call on the City Council
18 to pass Intro 1211 immediately, the 63,000 people
19 living in the city shelter system depend on it. thank
20 you for your time.

21 CHAIRPERSON CORNEGY: Thank you all so
22 much for your testimony and your advocacy especially
23 around this very important issue. So, let me get this
24 straight that's a yes on 1211 from the entire... the
25 entire panel?

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2 WENDY O'SHIELDS: Yes.

3 NATHYLIN FLOWERS ADESEGUN: Yes.

4 WENDY O'SHIELDS: Yes.

5 GISELLE ROUTHIER: Yes.

6 CHAIRPERSON CORNEGY: Thank you.

7 ANNIE CARFORO: Thank you.

8 CHAIRPERSON CORNEGY: I'm going to call
9 our second panel. Mauricio Hernandez Tapiero; Leroy
10 Alexander; Victoria Wolf; and Shelia Martin... I'm
11 sorry and Nicole McVinua. I'm going to also ask
12 Robert Altman to join this panel and as soon as Mr.
13 Altman is seated, we can begin. I would like to
14 remind you that we have two more panels so if you can
15 keep your testimony passionate and concise, we can
16 hear everyone's voice today. We have a hard stop at
17 one p.m. is, is why I'm trying to urge everyone to be
18 clear and concise. I believe you can be passionate
19 and clear and concise. You can begin.

20 LEROY ALEXANDER: Hello, good morning. My
21 name is Leroy Alexander and I'm a leader with
22 Neighbors Together's Community Action Program and I'm
23 also a formerly homeless person. I'm here today to
24 urge the City Council to pass Intro 1211 to help
25 homeless New Yorkers move into permanent housing. I

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2 first became homeless in 2001 when I was asked to
3 leave a three-quarter house in the Bronx where I was
4 residing at the time. I've been homeless on three
5 different occasions totaling almost two years. During
6 that time, I lived in two drop in centers and four
7 different shelters. Now I've been living in a housing
8 unit through a supportive housing program for the
9 last six and a half years while it isn't perfect at
10 least I have a place to go that I can sit at home and
11 I live with dignity. The homelessness crisis in NYC
12 today is as assiduous as the AIDS epidemic which was
13 another dark... was another dark period in time that we
14 see; it has a cause, a prevention and a cure and now
15 it needs to be prioritized by our government and
16 elected officials. Very few of you here today can
17 understand the true nature of homelessness if you
18 haven't experienced it firsthand. However, you can
19 end the instability and trauma experienced by more
20 than 63,000 New Yorkers by passing Intro 1211 into
21 law. I'm here to be a voice for the thousands of
22 homeless people who cannot be here to tell their own
23 stories. Homelessness is an all-consuming and
24 disrupts lives in unimaginable ways. I was fortunate
25 to receive a place to call home and its quite

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2 reasonable to say that it saved my life and I can sit
3 here and speak to you all today because I have my
4 basic human needs met. I hope you all understand that
5 homelessness has no face, no stereotype and is native
6 to no particular segment of the population. New York
7 is changing and developing at a rapid pace and more
8 than 63,000 New Yorkers many of whom are lifetime
9 residents, many of whom worked to make this city run
10 are relying on the city that they had given so much
11 to, to give something back. Suffice to say that Intro
12 one... 1211 can be the salvation of either yourself or
13 someone you care about. Thank you for giving me the
14 opportunity to speak, once again my name is Leroy
15 Alexander.

16 CHAIRPERSON CORNEGY: Thank you for your
17 testimony Mr. Alexander.

18 NICOLE MCVINUA: Good afternoon, my name
19 is Nicole McVinua and I am the Policy Analyst at
20 Urban Pathways. On behalf of the organization, thank
21 you for the opportunity to testify on Intro 1211
22 today. Urban Pathways is a nonprofit that provides
23 services to chronically homeless individuals through
24 a unique combination of street outreach, safe havens,
25 extended stay residences, permanent supportive

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2 housing, and employment programs. We meet individuals
3 where they're at in their lives, provide them with a
4 range of services appropriate to their needs and
5 assist them in gaining permanent housing. This last
6 piece of our work assisting individuals in gaining
7 permanent housing, has proven increasingly difficult.
8 It's especially difficult for those who are
9 classified as general population and don't qualify
10 for supportive housing nor needs the services
11 provided under supportive housing. This is why we
12 adamantly support Intro 1211. New York as you know is
13 in the midst of an affordable housing crisis.
14 According to findings from the 2017 New York City
15 Housing and Vacancy Survey, the vacancy rate for
16 units with asking rents of less than 800 dollars per
17 month was just 1.15 percent and apartments ranging
18 between 800 and 999 dollars per month had a vacancy
19 rate of only 2.1 percent. According to the
20 comptrollers the gap is still growing report, there
21 was a loss of over 425,000 apartments renting for 900
22 dollars or less since 2005. This is an incredibly low
23 vacancy rate and shrinking stock of affordable
24 housing makes it extremely difficult for people to
25 exit homelessness. Meanwhile, our shelter population

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2 is growing, 63,000 adults and children sleep in city
3 shelters each night and their stays are getting
4 longer. The average stay of single adults and
5 families in DHS shelter extends beyond a year. Intro
6 1211 would be an impactful step towards the creation
7 of more affordable housing that will get people out
8 of shelters and into a home. It cannot be the only
9 one though, as a lead organization of the House Our
10 Future New York campaign we're also calling on the
11 Mayor as you heard from the Coalition to set aside
12 30,000 units of his committed 300,000 units of
13 affordable housing to homeless households. So, thank
14 you again for the opportunity to testify today and we
15 sincerely hope the Council will pass Intro 1211.

16 CHAIRPERSON CORNEGY: Thank you.

17 ROBERT ALTMAN: Hi, my name is Robert
18 Altman and I am the Legislative Consultant to the
19 Queens and Bronx Building Association. As currently
20 constituted, we do not support the bills here today.
21 Our number one issue is with Intro 1211, it is not
22 that we oppose a set aside it's the question of where
23 is the money, money going to come from. All of these
24 projects have a specific economic mix to make them
25 affordable and I think you do know that already but

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2 unless we have a plan to in fact come up with a way
3 to get the money so that it... there is additional
4 funds available. Simply putting a set aside of 15
5 percent does not do anything, it... in fact all it
6 would do is actually decrease the amount of units
7 created. Rather than be negative I'd like to make a
8 suggestion, is that the Council come forward with a
9 bill that would in fact put the onus back upon the
10 administration, requiring the administration to come
11 forward with a plan sometime in the next six months
12 and report back to the Council on how it would
13 achieve this goal. We could then, then in fact talk
14 about whether the number is 15 percent or ten percent
15 has been discussed here a bit today and then figure
16 out where you're going from there. With respect to
17 the affordable housing task force I would like to
18 point out that our membership actually has a bit of a
19 problem, we actually get too many applications for
20 lotteries and many of them are not, how shall we say
21 meeting the criteria of the project and often we'll
22 be going through thousands and thousands of
23 applications in order to meet the couple of dozen or
24 the 50 or the 60 that we have in our projects and the
25 issue is not one of access, its almost as if too much

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2 access has been granted because, because people are
3 applying again and again and again for projects they
4 have no intention of going to and that's it, thank
5 you.

6 CHAIRPERSON CORNEGY: Thank you. Thank
7 you for that perspective actually.

8 VICTORIA WOLF: Good afternoon, my name
9 is Victoria Wolfe, I'm a member of Neighbors
10 Together's Community Action Program..

11 CHAIRPERSON CORNEGY: We, we can't hear
12 you, I need you to push the button.

13 VICTORIA WOLF: Oh, okay, thank you.
14 Should I repeat? Okay. Good afternoon, my name is
15 Victoria Wolf, I am a member of Neighbors Together
16 Community Action Program. I am here today to ask the
17 City Council to pass Intro 1211 to help all homeless
18 New Yorkers. I am also here to be the voice for many
19 thousands of homeless people who cannot be here today
20 to tell their own stories. I've experienced many
21 degrading, unsafe behaviors in situations in the
22 drop-in centers and shelters in which I have resided.
23 We have nowhere to turn, no one to turn to and this
24 is a very profound hardship. I know this bill is an
25 opportunity for hope because as a voucher owner since

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2 2017 I have come to learn that the harsh realities of
3 the voucher program in that vouchers are really only
4 a piece of paper. Because there is a lack of
5 enforcement against discriminating landlords that
6 treat us like second citizens... second class citizens
7 we need something to be done. Trying to use city
8 vouchers is like trying, trying to... excuse me, trying
9 to use the city vouchers to find housing leaves you
10 feeling defeated, hopeless and trapped in the system
11 without dignity. Our elected officials have only
12 given us empty promises. The system that you have
13 placed is not working and it leads many people to
14 suffer. In a homeless crisis this is worse than the
15 great depression, we need bold action, we need to
16 value people above profits, we need to prioritize
17 getting the 63,000 people living in our shelter
18 system out of it and we need to do it now. Please
19 pass Intro 1211, which would greatly benefit
20 everyone's lives, tens of thousands of homeless New
21 Yorkers are depending on it, we thank you
22 respectfully, Victoria Wolf.

23 CHAIRPERSON CORNEGY: Thank you for your
24 testimony Miss Wolf.

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2 MAURICIO HERNANDEZ TAPIERO: Good

3 afternoon, my name is Mauricio Hernandez, I am from
4 Columbia and am immigrant and now I'm homeless since
5 August 2018. I came from Philadelphia looking for the
6 new opportunities of jobs here in the... in New York,
7 sorry for my broken English, I tried to be clear of,
8 of this. Everything when I came here was stolen, my
9 documents, my IDs from Columbia, IDs from the United
10 States, my papers, my clothes my cell phone, my money
11 so I get a homeless suddenly. I didn't realize that
12 but I was trying to get help some... from some
13 organizations and they send me to the shelter and I'm
14 in shelter, I was attacked I almost died because I...
15 every bones of my face were broken and I, I was in
16 the hospital for ten days and I got this surgery in
17 my face and now I'm looking better, you can see that
18 and after that I was... the Church of the Holy Apostles
19 sent me to... or contact me for any, any kind of
20 organizations that help homeless but until now after
21 many, many cards, business cards, many, many promises
22 I'm here, I'm still sleeping on the street like
23 thousands of people on the streets now in the winter
24 so I have to say thanks for some generous people and
25 some churches that helped me with clothes, with shoes

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and with some food but I need the real solutions about a place to sleep like... New Yorker here so I been at the hospital more than five times because of my attack, I have some side effects in my brain so I lose my conscious, I lose my balance when I walk in, I'm losing my vision so any... all the time in this process of healing of my face and my body I have been sleeping on the streets so I just want to ask everybody a question because... the question is, do you really know how hard it is sleeping on the street in winter, no. You would just know this really if you had slept at least one night in the city of New York so thinking about a solution because we need a solution, a real solution, people who have the control to make those and to make this moment, please move this so fast, please. Thank you very much.

CHAIRPERSON CORNEGY: Uh-huh, thank you

for your testimony, I'm sorry for your experience and your attack, thank you. We are going to move to the next panel. This looks like Matthew Dunbar; Scott Hutchins; Catherine Trapani; Raqibah Basir; Queen Mother Lucy Woody. Good afternoon, you can begin your testimony when you're ready. And if you can just do

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2 me a favor before your testimony if you'd identify
3 yourself.

4 RAQIBAH BASIR: Good afternoon, my name
5 is Raqibah Basir, I live in supportive housing, a
6 nonprofit which is contracted with the city. Right
7 now, I'm living under substandard conditions with the
8 Urban Pathways Organization where I reside at. I was...
9 what is happening the city has been sending residents
10 like myself, people formerly incarcerated, I was
11 wrongfully convicted and I'm still challenging that
12 as we speak but what is happening that instead of
13 reporting of permanent housing for individuals like
14 myself coming out of the prison and coming out of the
15 shelter... and going into the shelter system, they're...
16 I've been homeless eight years. I have not as of yet
17 received permanent housing nor have I been given a
18 voucher and what's been happening is that the city
19 has been contract... now I'm not going to totally
20 accrue full blame to Mayor De Blasio although I'm
21 disappointed that he came up with this progressive
22 agenda saying that he was going to assist in the
23 homeless crisis here in New York apparently he has
24 not delivered. I am still in a homeless... a scatter
25 site shelter apartment under substandard conditions.

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2 The SROs have become... how, how can I describe it, as
3 drug houses, okay, I'm constantly subjected to people
4 exposing their private parts men in particular, I
5 have a present situation going on now where my safety
6 is being compromised. I, I'm constantly subjected to
7 crack, K2 and cigarettes on a regular basis in a
8 nonsmoking SRO building, I don't know who's
9 responsible totally I have made almost a two-year
10 report of 3-1-1 calls to no avail, nothing has been
11 addressed. The Department of Buildings for some
12 reason have moved certain... removed certain violations
13 they have not addressed. I'm advocating as not only a
14 Safety Net activist but also an individual who was
15 formerly incarcerated who has been struggling for
16 eight years now to successfully reacclimate that you
17 do support and introduce the bill of Rafael Salamanca
18 and that's 1211. It is... it is definitely needed also
19 to consider the fact that too that supportive housing
20 was introduced by Senator Vento and Senator, Senator
21 McKinney at one point for the purposes of individuals
22 like myself to be able to establish their selves once
23 they are released apparently there are others that
24 are coming behind me who are still established and
25 have not been able to successfully reacclimate due to

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2 the breakdown in the system of the supportive
3 housing. So... [cross-talk]

4 CHAIRPERSON CORNEGY: Miss Basir what,
5 what borough are you in?

6 RAQIBAH BASIR: I'm in Harlem, I'm in
7 Manhattan sir.

8 CHAIRPERSON CORNEGY: Okay...

9 RAQIBAH BASIR: And I have reached out to
10 Mayor De Blasio's office on numerous occasions, in
11 fact I went to one of the 35th Town Hall meetings and
12 spoke to him and Commissioner Banks. Now I'm not here
13 to ostracize anybody but I would like for people to
14 keep their word, I should not remain in the same
15 predicament that I am. A year ago, I had a pacemaker
16 surgery and the conditions that I'm living on is not
17 so... it's, it's not conducive for my health or anybody
18 else's as I speak, nobody... not addressing it, not the
19 Mayor's office, not the Department of Health, not the
20 Department of Buildings, not DHS who placed me in
21 this precarious situation. I need permanent housing
22 and I'm proposing to you to please support Rafael
23 Salamanca's bill, 1211.

24 CHAIRPERSON CORNEGY: Thank you so much
25 for your testimony... [cross-talk]

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2 RAQIBAH BASIR: You're welcome.

3 SHELIA MARTIN: Good afternoon, my name
4 is Shelia Martin and I'm the Chief Operating Officer
5 for the New York City Housing Partnership, New York
6 City's primary nonprofit intermediary for the
7 affordable housing. In our more than 36-year history,
8 the Housing Partnership has served as the nonprofit
9 sponsor in the development and preservation of more
10 than 70,000 affordable homeownership and rental units
11 throughout the five boroughs and leveraged over seven
12 billion dollars in private sector financing. I'm here
13 to register concerns about some of the details in the
14 proposal of Intro 1211. We've had conversations with
15 the legislative staff and we were told today that
16 Intro 1211 will only be relevant to rental housing,
17 no longer homeownership. However, some more clarity
18 is needed. As currently drafted, Intro 12, 1211 does
19 not require any additional funding to be attached to
20 the units for formerly homeless households. While
21 many households depend... departing the shelter systems
22 are move in ready and do not require a fully
23 supportive housing living situation, the screening
24 process is opaque and needs more transparency.
25 Households departing the house... homeless shelter

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2 systems are on a continuum of services where some
3 will require a variety of services and follow up by
4 professionals. Indeed, anecdotally, we can report
5 that it is the formerly homeless households that have
6 the highest turnover in affordable housing projects,
7 which we believe is connected to the fact that there
8 is little or no support once families have been
9 placed in housing. It is the goal, goal of not only
10 the families but also the building owners as well,
11 that placements required by this new set aside have
12 every chance to be successful and long lasting. It
13 must be addressed how formerly homeless individuals
14 and families are screened to determine if they are in
15 need of special services to be properly housed and
16 how additional services will be provided. A fiscal
17 impact analysis to both property owners and agencies
18 charged with housing homeless individuals and
19 families must be connect... conducted, which will
20 include whether additional finance, financial sources
21 will be made available by the city of New York to
22 ensure that these projects are economically feasible.
23 If so, this will require a committed source of
24 multiyear funding. Next, we feel more clarity is
25 needed in order to understand how a set aside would

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2 function with respect to preservation, as required by
3 the legislation. We have questions as to what
4 preservation events would trigger the requirement,
5 how it would work with respect to unit vacancy and
6 many other logistical concerns for this complex and
7 unique part of the affordable housing universe.

8 Finally, it is our understanding that HPD has raised
9 concerns about changes to their programs' term sheets
10 being legislated by the council in a way that removes
11 the agency's flexibility, particularly in the event
12 of a major market event like the great recession of
13 2008. We share in that concern and are willing to be
14 stakeholders in any process that examines ways to
15 meet this necessary 15 percent set aside goal in a
16 way that allows the city to maintain this
17 flexibility. We also have concerns about other bills
18 being processed in this council, which have to do
19 with a number of subjects including the marketing
20 enhancements but since time is running out, I'll
21 leave it at that.

22 SCOTT ANDREW HUTCHINS: My name is Scott
23 Andrew Hutchins and I've been a member of Picture of
24 the Homeless for the past six years, May 25th, 2019
25 will be the seventh anniversary of my entry into the

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2 shelter system. I'm living in my ninth shelter as I
3 write this with no end in sight having been denied
4 disability on the grounds that I can do a desk job,
5 my 2005 master's degree from CUNY not being enticing
6 to employers no matter how much Navient pursues me.
7 On my Instagram one can see numerous pictures I took
8 outside the Park Slope YMCA as part of the support
9 contingency when Nathylin Flowers confronted Mayor De
10 Blasio at his workout, to date I believe I can safely
11 say that De Blasio has created zero units of housing
12 that are affordable to me or any of the homeless
13 activists with whom I work. No one I know in my
14 homeless activism has been helped by the housing
15 vouchers due to source of income discrimination and
16 the Ferber of shelter staff for me to take time off
17 any new temporary or freelance job with a letter from
18 an overly enthusiastic new employer who predicts more
19 hours than they can provide or the bizarre assumption
20 that an employer who hires me for a project will
21 automatically be able to find other work with which
22 to keep me employed if I do well even with my last
23 two employers being nonprofits. From that as a case
24 study it's clear that 15 percent of units set aside
25 for the homeless is a reasonable demand what is

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2 unreasonable is De Blasio's belief that a significant
3 portion of housing subsidies go to... go to people
4 making six figures. In a period of low homelessness
5 this seems like a stretch but with homelessness
6 reaching great depression era levels and exceeding
7 60,000 people, 23,000 of them children this is
8 unconscionable and certainly defies any definition of
9 the term progressive as I know it. The only person
10 that I know who won a housing lottery was still
11 homeless last I heard, he could not meet the
12 requirements and ultimately lost. Given the rarity of
13 obtaining apartments by this method and homelessness
14 must be going up at its most extreme rate ever if
15 Steven Banks' claim of 90,000 housing city vouchers
16 is true, De Blasio's solution to homelessness is not
17 brought down... the number of homeless New Yorkers
18 down. Eliminating homelessness will require action on
19 the level of Salt Lake City's housing first program
20 in order to have a measurable success. A 15 percent
21 homeless set aside would be New York City's first big
22 step towards that model. Thank you.

23 MATTHEW DUNBAR: Hi, my name is Matthew
24 Dunbar, I'm the Vice President of External Affairs
25 for Habitat for Humanity New York City. I'm going to

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2 summarize my, my comments as I'm legally blind and I
3 actually want to echo a lot of Shelia's comments in
4 relation to the, the homeownership piece of this and
5 from the Council Member Salamanca's comment it does
6 appear that the, the bill will be amended to be
7 identifying primarily as a rental program which we
8 greatly support. Habitat for Humanity New York City
9 has built and preserved over 700 units of affordable
10 homeownership throughout the city through both single
11 and multifamily affordable homeownership
12 opportunities but we also recognize with the scale of
13 the housing crisis in New York City that everybody
14 must do more and we appreciate the goals of the bill
15 and we are actually currently involved as a co-
16 developer in our... in our first rental project which
17 will be under the HPD SARA term sheet and have a 30
18 percent set aside for formerly homeless seniors and
19 is located in the Little, Little Italy neighborhood
20 of, of Manhattan and we greatly appreciate Council
21 Member Chin's support of that project and request
22 that folks check out Haven Green community dot NYC
23 for details on that... on that project. But we also
24 want to express potential concerns just over the size
25 of the projects that are included in the... in the set

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2 aside to ensure that there is enough funding for
3 projects that may be of smaller nature and especially
4 under the preservation program that there be more
5 detail as many of the preservation programs that are
6 accessed are accessed by low income cooperatives that
7 may have additional restrictions and requirements in
8 order to keep those buildings sustainable. So, we... I...
9 we thank you for the Council's work and
10 prioritization of this issue and are available for
11 any questions, thanks so much.

12 CATHERINE TRAPANI: Good afternoon, my
13 name is Catherine Trapani and I'm the Executive
14 Director of Homeless Services United. We are a
15 coalition of nonprofit mission driven shelter
16 outreach prevention providers and I am here today to
17 testify about Intro 1211. The crisis of homelessness
18 as we've heard today impacts around 63,000 New
19 Yorkers using DHS shelters every night but I do want
20 to note for the record that the number of homeless
21 New Yorkers is actually quite a bit higher if you
22 factor in persons using the domestic violence, youth
23 shelter systems and folks living on the street and
24 the numbers that were just reported to HUD we're
25 nearly 79,000 people homeless on any given night on...

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2 I'm sorry, not any given night, the point in time
3 count last year so when we say that the crisis of
4 homelessness is at a record level it is really quite
5 serious and often under reported. The Mayor's plan to
6 address homelessness dubbed Turning the Tide does a
7 number of important things that the administration
8 deserves credit for. There has been increased
9 homeless prevention services, increased outreach to
10 improve shelter and some permanent housing
11 initiatives that are worth noting and so I want to
12 respect the administration when they've said that
13 they've done a lot, they have. The Mayor's also
14 championed a very large affordable housing plan with
15 a promise to build and preserve 300,000 units of
16 affordable housing and so while that number pledged
17 is certainly impressive and in theory could be a boon
18 to help address the homeless crisis. When you dig in
19 to who the housing is actually being built for it
20 becomes clear that there's a mismatch between the
21 need and the number of units being produced. The New
22 York Times actually did a story on lotteries that I
23 read online on Friday and they talked about landlords
24 marketing these affordable units that they're
25 creating on websites like street easy and similar

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2 platforms to attract applicants looking for market
3 rate homes given that the prices are typically no
4 long... no lower than what's actually available on the
5 open market and so while we appreciate that New
6 Yorkers of all walks of life need housing and some
7 like one of the women profiled in the article would
8 like to trade up to a more luxurious home, there
9 really is this mismatch between where our tax payer
10 dollars are going on the affordable housing
11 production and the... and the, the level of the crisis
12 of homelessness and so I just want to express my very
13 strong support for setting a 15 percent set aside as
14 a... as a floor and if we could actually align the
15 housing plan and the homeless plan we could do a heck
16 of a lot more than just Turn the Tide on homelessness
17 we could actually start to end it. Thank you.

18 CHAIRPERSON CORNEGY: Thank you, your
19 recommendations are duly, duly noted, thank you all
20 for your advocacy and your testimony here today. I'm
21 going to call what seems to be the last panel of the
22 day. Stephanie Sosa; Carolyn Brown; Paula Fields; and
23 Lyric Thompson. You can begin your testimony.

24 STEPHANIE SOSA: Good afternoon. Thank
25 you Chair Cornegy and members of the Housing and

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2 Buildings Committee for this opportunity to testify.

3 My name is Stephanie Sosa and I am the Senior

4 Associate for Housing Development Policy at the

5 Association for Neighborhood and Housing Development

6 or ANHD. We are a coalition of over 100 mission

7 driven local nonprofit groups across New York City

8 who do affordable housing, economic development,

9 organizing and also provide social services. We're

10 here to show our support for two bills today. ANHD

11 supports the efforts of city... of city Council Member

12 Salamanca to address the homeless crisis by passing

13 Intro 1211. New York City must do all that it can to

14 address the growing severity of the homeless crisis.

15 Our member groups believe that there are certain

16 technical and operational issues that should be

17 addressed. That includes the underwriting process,

18 financing for this program, questions about

19 marketing, how the approach should be applied in

20 preservation deals and also in new construction deals

21 and what the term sheet requirements would be in an

22 uncertain funding environment. We encourage HPD and

23 City Council to jointly and quickly work through

24 these issues and we are happy to offer our expertise

25 of our member groups so that we can be helpful in

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2 making this requirement work. We also want to show
3 our support for Council Member Levine's bill, Intro
4 550. We believe that the task force can analyze both
5 the mechanics and the overall fairness of the housing
6 lottery system. Our members have shown concerns for
7 several issues including barrier to access, paper
8 applications, rejections, transparency in the
9 process, public notices, data collection and
10 education about the lottery process to constituents.
11 An appointed group of housing lottery experts can
12 study these issues prioritize and make strategic
13 recommendations for housing lottery reform. ANHD and
14 our member groups look forward to working with
15 Council Member Levine and the Housing and Building
16 Committee in order to improve the housing lottery
17 system and we hope that our expertise is helpful to
18 creating fair opportunities for New Yorkers who
19 desperately need affordable housing. Thank you.

20 CAROLYN BROWN: Hi, hi, my name is
21 Carolyn Brown, I came in with Miss Flowers, I'm at
22 Pam's Place, I would consider myself the new face of
23 mental illness. I came in to say I have one of those
24 vouchers, city FEPS and he is 59th Street. With this
25 being said myself and my son if we get called, you

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2 know for the lottery it says tent process and he's at
3 Covenant Housing, again I'm at Pam's Place with Miss
4 Flowers, we need to know that if we are, you know... if
5 we're entitled to this do we come in, will this
6 voucher of 1,246 also allow my son to come in with
7 me, what part of our incomes are we going to be
8 allowed to use and then, you know social security
9 just suppose with my social security they find out
10 that I can get a job working with the United States
11 Post Office and I'm a labor custodian, how much are
12 they going to take, what are we qualified for, if we
13 do move into 59th Street in Manhattan are we going to
14 pay additional fees for him to use a music or an art
15 studio, there's a lot of things that are going on.
16 This homeless situation that we have I, I never mean
17 to be rude toward anybody I'm just flabbergasted, I
18 come from 116 Williams which is an assessment shelter
19 and also Bronx for the women and they're telling us
20 monthly that they get five grand and I'm thinking
21 just... you're going to pay for me to be in the shelter
22 and stay off the street 5,000 but you won't pay to
23 keep me from being homeless when I live in Albany,
24 New York so I have to run back down here to change my
25 situation. Again, I need to breathe in and out and

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2 I'm asking again there's a lot of confusion here for
3 me with these assessment shelters with the places
4 that they put us in, Pam's Place is mixed population,
5 I'm having a hard time adjusting once again. I came
6 out of New York City housing as of October 2017 we
7 actually met Miss Carlina Rivera, she came to our
8 meetings, we helped get her to the City Council so
9 she saw me at the door and she's like if I, you know
10 can help you just call, she did remember, I wanted to
11 say thank you guys for listening, there's a lot of
12 confusion but thank you for keeping us off the
13 street. Thank you.

14 CHAIRPERSON CORNEGY: So, at, at, at
15 Pam's Place is there a... is there a, a counselor or
16 someone that's helping you try to navigate all of
17 that confusion?

18 CAROLYN BROWN: There's a woman named
19 Miss Still she's trying to be as polite as she can,
20 she gave me the city FEPS voucher, I had to go to
21 the fair hearings and with no disrespect fair hearing
22 conciliation is in the welfare center, they were
23 giving me such the run around I stated to them I
24 don't want to be one of the, the clients who lies but
25 I get social security so they had to readjust it

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2 since you're getting social security we don't give
3 you funding like cash or... we slow down your food
4 stamps so we can get this done, fair hearing
5 conciliation in the building, redid the work, foot
6 stamps is cut off right now until they get the work
7 done. Yes, Miss Still is trying to help me but with
8 the city FEPS I'm still entitled to something called
9 the 2010E, you have to forgive me again I'm not being
10 rude, I have a psychiatrist that I see once every two
11 months she's very, very gracious when you feel better
12 and you're not sick, the cancer is gone, go back and
13 apply for school but now isn't a good time. With Miss
14 Still you have to forgive me, at Pam's Place they're
15 more, I would consider let's get them out, let's show
16 them that we're working, I don't think the 2010E
17 would be good for me because myself and my son we're
18 on this city FEPS, we're applying... [cross-talk]

19 CHAIRPERSON CORNEGY: How, how old is
20 your son?

21 CAROLYN BROWN: My son is 19, he's at
22 Covenant House, we're applying for the HPD housing,
23 once they do call us in they have this process that
24 says tenant selection they would be calling us for
25 either 30th Street or Pacific Street in Brooklyn, he

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2 has to save if he wants this because he just got
3 social security as of January so they're trying to
4 help but I don't want to be one of those people like
5 the woman was saying in the scattered site, I don't
6 want to be forced into... you have to forgive me for
7 being rude, I don't want to be forced into a
8 situation where people are allowed to smoke crack in
9 the building because security won't come upstairs and
10 check the rooms, I'm, I'm sorry. I just wrote the
11 coalition, I wrote the Department of Homeless
12 Services, Miss Still wants to help, I am... I'm sorry
13 Mr. Cornegy... [cross-talk]

14 CHAIRPERSON CORNEGY: Cornegy...

15 CAROLYN BROWN: Cornegy, I'm sorry, I'm
16 going to be sort of like her, I'm going to be forced
17 into a situation because they need the numbers to go...
18 I don't want that

19 CHAIRPERSON CORNEGY: Okay, thank, thank
20 you for your testimony.

21 CAROLYN BROWN: Thank you sir.

22 SHIELA FIELDS: Good morning, my name is...
23 good afternoon, I'm sorry. My name is Paula Fields
24 and I am a board member of community board two in the
25 Bronx and I'm also the President of the Precinct

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2 Council in my district. I'm a constituent of
3 Councilman Rafael Salamanca and I'm in support of his
4 bill 1211. I volunteer once a month on a Friday, I go
5 out into Hunts Point and I deliver... I cook, prepare
6 and deliver food to the homeless. There's nothing
7 that could really set your heart... a sight than to see
8 someone homeless out in the freezing... it's freezing,
9 snow, it's raining, and they are out in the streets
10 sleeping on a blanket and plastic. This homeless
11 situation is totally just inhumane, it's just
12 horrible that we, average citizens could allow this
13 to get to this, this catastrophe. HPD has failed me
14 as a citizen, as a tax payer of New York City, I've
15 tried to get into H... I've applied, I couldn't tell
16 you how many times, I have not to this day gotten an
17 apartment. That lottery system is a joke, its nothing
18 but a joke. We need to have a, a policy or something
19 where someone on a housing committee in each
20 community board be at the table with HPD when they're
21 pulling these applications because the 50 percent
22 priority doesn't happen in my neighborhood, I'm
23 sorry, I have done many of surveys of tenants that
24 moved into my district in these new developments and
25 none of them come from community... well maybe two of

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2 them, I'm sorry, in one building came from community
3 board two and most of them come from Brooklyn and I
4 stand to be corrected, I have gotten a call for an
5 apartment but in Queens, I lived in the South Bronx
6 when it was burning down and I advocated for housing
7 for a... and still have... advocating and I want to stay
8 where I live and, and, and create it in my district,
9 in my neighborhood, I don't want to go to Queens, I
10 don't want to go to Brooklyn, I want to stay where
11 I'm at. I think the Council should really consider
12 having a housing committee member on the community
13 board at the table with HPD when they pull these
14 applications so that everyone can get a fair chance.
15 Thank you.

16 CHAIRPERSON CORNEGY: That's actually a
17 pretty good recommendation, thank you.

18 LYRIC THOMPSON: Hello, good afternoon
19 Council Members... [cross-talk]

20 CHAIRPERSON CORNEGY: Good afternoon...
21 [cross-talk]

22 LYRIC THOMPSON: My name is Lyric
23 Thompson, how are you doing today?

24 CHAIRPERSON CORNEGY: Good, how are you?
25

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2 LYRIC THOMPSON: Well you know slightly
3 pissed off, HPD is red hot mess. Not only are... I find
4 it offensive that we have a lottery for affordable
5 housing, you just might win affordable housing
6 granted it might not be anywhere where you want to
7 live or in the area of the city where you enjoy just
8 shut up and be glad that you have housing. Now we're
9 supposed to happy for that and, and I do support
10 Salamanca's... Council Member Salamanca's bill, I think
11 it's... we have issues with homelessness as well as
12 Council Member Levine's bill with regard to an
13 oversight and task force for HPD. However, we're not
14 addressing the fact that HPD is the root of our
15 issues, HPD development, do they pay attention to the
16 developers that are... that are engaging in business
17 with them? In our 421A building they most certainly
18 didn't, not only did they not have the, the landlord
19 fills out the required paperwork, but they accepted
20 forged documents to feign compliance with their 421A
21 and Molly Parks, the woman that was just here
22 testifying she knows, they've known for years, hell
23 they know our building wasn't even finished but
24 crickets. I can't help but think that that's not in
25 the best interest of our city. Then we have the

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2 repair problems, the revolving repairs, I mean a year
3 ago actually in, in February it's going to be our
4 year anniversary, you all passed legislation last
5 year with regard to fire doors, we had that big fire
6 in the Bronx, people died so we, we came here, we put
7 forth legislation and got it passed yet no one
8 bothered to tell HPD. We've had problems with our
9 front door, we've had over 25 violations written on
10 this door, everything from replace the striker plate,
11 which there's only half of a striker plate on the
12 door, rehang the door, put a fire door, etcetera,
13 etcetera, they've all been removed, revolving like
14 with absolutely no standards. January 1st, it took me
15 45 minutes to open the door, so a tenant could get
16 out of the building, this is the door that HPD says
17 is perfectly okay. Now my Council Member has asked
18 for an oversight hearing with regard to HPD's
19 standards, it's not just me that says we have a
20 problem, I'm sure there's a lot of other people in
21 this room that have a problem with HPD's standards
22 but there was a New York Times article that came out
23 on December 26th that pretty much sums up our problem
24 with HPD and it is this, it boiled down to HPD not
25 wanting to go after players. The city's housing

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2 department says its goal is to correct violations not
3 punish landlords and they're doing neither accepting
4 patch quick fixes, that is not a repair, that's not
5 going to withstand the storms that are coming with
6 climate change, not punish landlords. I'm sorry, give
7 a mouse a cookie they're going to require a glass of
8 milk. When HPD does not enforce the fining structure
9 that we have in place, when they take 4,000 dollars
10 in fines, when the, the accrued fines are actually
11 100,000 dollars there's absolutely no reason for them
12 to abide for the law, why should they? It's cheaper
13 for them not to. So, I'm going to ask you Council
14 Member Cornegy and honorable Chair, my Council Member
15 Rafael Espinal has asked for an oversight hearing
16 with regard to HPD's standards of repair and what
17 they accept as repair for over a year. I'm going to
18 ask you to go ahead and hold that hearing because it
19 is endangering the citizens in my city, HPD's
20 pathetically low standards and, and I'm done dealing
21 with it, it's been three and a half years trying to
22 get a door fixed and more than that I'd also like ask
23 this board to hold a hearing with regard to
24 legislation that he, he would like to introduce that
25 would actually deal with a lot of these issues that

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I'm dealing with and too many of my fellow citizens are dealing with. I'd be really happy about that too.

CHAIRPERSON CORNEGY: Thank you, we are actually reviewing... I'm just being told of Espinal's request and, and probably we will be having some hearing in regard to that so... thank you for your advocacy.

LYRIC THOMPSON: I... well you know I mean the thing is, is I'm trying to deal with this problem. I think one of my biggest problems is why is HPD allowing developers to violate the laws, why is HPD allowing a developer to submit forged documents to feign compliance with a tax exemption, I mean honestly that just doesn't send out a good message, I can't help but think that maybe just maybe if we took some of these bad players and put their ass in jail like the law calls for they might think twice before they... before they act out in such an emboldened and abusive way and it's abusive to the citizens, the people that have to endure there, their ridiculousness and it's also draining on our city resources so, if we could do something about that that would just be swell.

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CHAIRPERSON CORNEGY: Thank you, thank
you Miss Thompson. So, unfortunately, we have a
hearing that is waiting in the hallway right behind
us, so I have to adjourn this hearing. Thank you so
much.

[applause]

[gavel]

C E R T I F I C A T E

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



Date

January 28, 2019