

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON HOUSING AND BUILDINGS
JOINT WITH SUBCOMMITTEE ON CAPITAL
BUDGET

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March 5, 2021
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HELD AT: Remote Hearing (Virtual Room 1)

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

Helen Rosenthal
CHAIRPERSON

COUNCIL MEMBERS:
Robert Cornegy
Fernando Cabrera
Margaret Chin
Mark Gjonaj
Barry Grodenchik
Farrah Louis
Bill Perkins
Carlina Rivera
Helen Rosenthal
Adrienne Adams
Vanessa Gibson
Steven Matteo

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

Melanie La Rocca, Commissioner
Department of Buildings

Sharon Neill, Deputy Commissioner for Finance
And Administration
Department of Buildings

Louise Carroll, Commissioner
Department of Housing Preservation and
Development

Anne Marie Santiago, Deputy Commissioner of
Enforcement and Neighborhood Services
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Anne Marie Hendrickson, Deputy Commissioner of
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Rich Johns, Associate Commissioner of Financial
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Margy Brown, Associate Commissioner of Housing
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Kim Darga, Associate Commissioner of
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Emily Goldstein, Director of Organizing and
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Chris Widelo, Director of External Affairs
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Rebecca Sauer, Director of Policy and Planning
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Albert Scott, President
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Hannah Anousheh, Staff Coordinator
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Katelin Penner, Member
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Phoebe Flaherty, Organizer
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Nella Pineda Marco, Nurse
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Kristie Ortiz Lam, Deputy Director
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Lyric Thompson, New York City Resident

Pablo Estupinan, Director
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Debra Ack, Recording Secretary
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John Krinsky, founding member
New York City Community Land Initiative {NYCCLI}

Athena Bernkopf, Project Coordinator
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1 COMMITTEE ON HOUSING AND BUILDINGS JOINT WITH
2 SUBCOMMITTEE ON CAPITAL BUDGET

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3 SERGEANT-AT-ARMS: Good morning, and at
4 this time, will sergeants please start their
5 recordings?

6 SERGEANT-AT-ARMS: Recording to the PC has
7 begun.

8 SERGEANT-AT-ARMS: Recording to the cloud
9 is all set.

10 SERGEANT-AT-ARMS: Backup is rolling.

11 SERGEANT-AT-ARMS: Thank you. And,
12 Sergeant Hope?

13 SERGEANT-AT-ARMS: Good morning and welcome
14 to the New York City Council preliminary budget
15 hearing for the fiscal year 2022. At this time, will
16 all panelists please turn on your videos? I repeat.
17 All panelists please turn on your videos. Thank you.
18 This hearing is held jointly with the Committee on
19 Housing and Buildings in the Subcommittee on Capital
20 Budgets. If you wish to submit testimony, you may do
21 so at testimony@Council.NYC.gov. I repeat.
22 testimony@council.nyc.gov. Also, please place all
23 electronic devices to vibrate or silent mode. Thank
24 you. Chair, we're ready to begin.

25 CHAIRPERSON CORNEGY: Good morning and
thank you all for attending today's virtual hearing

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2 on fiscal year 2022, preliminary budget for
3 Department of Buildings, DOB, and the Department of
4 Housing Preservation and Development, HPD. I am
5 Council member Robert Cornegy and I am the Chair of
6 the Council's committee on Housing and Buildings.
7 Exactly one year ago today, the Council's Committee
8 on Housing and Buildings held its budget hearing on
9 the fiscal 2021 budget. It is hard to express how
10 much is changed since last March and how much the
11 Covid 19 pandemic has upended our lives, livelihoods,
12 routines, and finances. Even more concerning is that
13 these impacts have not been felt equally. In certain
14 communities and neighborhoods are struggling now more
15 than ever. Covid 19 had has a disparate impact on
16 communities of color who are also facing compounded
17 crises of financial and housing instability. The way
18 the above evictions that may occur is households did
19 not receive assistance and the wave of foreclosures
20 that may occur if homeowners are not supported makes
21 the fiscal 2022 budget cycle that much more
22 significant. Wall the road to post-Covid recovery is
23 long, we must use every tool at our disposal to
24 ensure that renters struggling to pay rent and
25 homeowners, especially senior homeowners and

3 homeowners of color are not further crushed and
4 displaced by the pandemic. We will first hear from
5 the Department of Buildings where we will examine the
6 departments 1.8-- 182 million expense budget and 338
7 million revenue budget, as well as its function as
8 the city agencies responsible for enforcing the New
9 York City construction codes, zoning resolution, and
10 that New York State multiple dwelling law. Specific
11 attention will be paid to the DOB role in enforcing
12 heightened energy standards, the departments progress
13 related to construction site safety and training
14 compliance, as well as implementation of the
15 departments self-service online tool, DOB Now. After
16 DOB, we will hear from the Department of Housing
17 Preservation and Development where we will examine
18 the components of HPD's \$1 billion expense budget and
19 \$6 billion capital budget along with details and
20 progress related to the administration's housing
21 plan, Housing New York. HPD is now past the halfway
22 mark in terms of the production goals under Housing
23 New York with about 178,000 affordable units financed
24 to date over the life of the plan. There is much to
25 celebrate about the level of production which has
exceeded projected targets and production goals.

3 Even in fiscal 2020 during a pandemic. But as the
4 city addresses the complex challenges of producing
5 and preserving quality affordable housing, it does so
6 I had a point in time when the housing market has
7 been paused, restarted, and reordered. I look
8 forward to further discussing the complexities of
9 these issues with the administration and working with
10 them to ensure a robust plan is in place to address
11 the various vulnerabilities that exist within the
12 reordered housing [inaudible 00:04:04]. After HPD,
13 we will hear from members of the public. I will now
14 turn it over to our committee counsel to go over some
15 procedural items. Thank you.

16 COMMITTEE COUNSEL: Thank you. I am
17 Audrey Son, counsel to the Committee on Housing and
18 Buildings at New York City Council. Before we begin,
19 I would like to remind everyone that you will be on
20 mute until you are called on to testify at which
21 point you will be on muted by the host. Please be
22 aware that there could be a delay in muting and un-
23 muting, so please be patient. I will call on
24 panelists to testify. Please listen for your name as
25 I will periodically announce who the next panelist
will be. During the hearing, if Council members

2 would like to ask a question, please use the zoom
3 raise hand function and I will call on you in order.
4 Council member questions will be set to three
5 minutes. The hearing will be divided into three
6 sections. First, we will hear from the Department of
7 Buildings followed by Council member questions.
8 Second, we will hear from the Department of Housing
9 Preservation and Development followed by Council
10 member questions and, finally, we will hear from
11 members of the public. The first panelist to give
12 testimony you will be Melanie LaRocca, Commissioner
13 for the Department of Buildings. She will be joined
14 by Sharon Neill, Deputy Commissioner for finance and
15 administration at the Department of Buildings who
16 will be available for questions. I will now
17 administer the oath. I will call on each of you
18 individually for a response. Please raise your right
19 hands.

20 CHAIRPERSON CORNEGY: Way. I'm sorry.
21 Committee counsel, if I could just acknowledge the
22 presence of my colleagues who are in the room before
23 we begin.

24 COMMITTEE COUNSEL: Yes. Of course.

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2 CHAIRPERSON CORNEGY: I'll start with
3 minority leader Steve Matteo. I see Council member
4 Farah Louis, Council member Helen Rosenthal, Council
5 member Barry Grodenchik, Council member Margaret
6 Chin. Have I missed anyone? If I have, please
7 acknowledge your presence. This usually happens,
8 unfortunately, with my limited screen. So, that is
9 who I saw. If anyone else is here, please make sure
10 that use the raise hand function and so that we can
11 acknowledge her presence. Thank you.

12 COMMITTEE COUNSEL: Thanks very much.
13 I will now administer the oath. Do you affirm to
14 tell the truth, the whole truth, and nothing but the
15 truth before this committee and to respond honestly
16 to Council member questions? Commissioner LaRocca?

17 COMMISSIONER LARocca: Yes.

18 COMMITTEE COUNSEL: Deputy Commissioner
19 Neill?

20 DEPUTY COMMISSIONER NEILL: Yes.

21 COMMITTEE COUNSEL: Thank you. You may
22 begin when ready.

23 COMMISSIONER LARocca: Good morning, Chair
24 Cornegy and members of the Committee on Housing and
25 Buildings. I am Melanie La Rocca, Commissioner of

2 the New York City Department of Buildings. I am
3 joined today by Sharon Neill, the department's Deputy
4 Commissioner for finance and administration. We are
5 pleased to be here to discuss the fiscal year 2020
6 preliminary budget and the departments progress in
7 meeting its goals. The last time I testified in
8 person before this committee was exactly one year
9 ago, as the Chair mentioned, just days before we
10 started to feel the unimaginable impacts of the Covid
11 19 pandemic in New York City. The pandemic quickly
12 impacted the construction industry and the work we do
13 at the department. While I work to enforce the laws
14 and regulations that govern the more than 1 million
15 buildings and nearly 40,000 active construction sites
16 under our jurisdiction continue throughout the
17 pandemic. We also began to protect New Yorkers in
18 new ways. We are now working to ensure that
19 construction sites and other businesses are abiding
20 by guidelines to protect against the spread of Covid
21 19. I am very proud of the work our staff has been
22 doing throughout this pandemic and commend them for
23 their hard work. The department is committed to
24 doing its part to ensure the city recovers from this
25 pandemic and we look forward to finding opportunities

3 to partner with this committee and counsel to
4 accomplish that very important goal. Turning now to
5 the department's budget, the fiscal year 2020
6 preliminary budget allocates approximately 182
7 million and expense funds to the department. Of this
8 funding, approximately 152 is for personnel services
9 which supports 1794 positions and nearly 30 million
10 is for O TPS services which primarily supports
11 contractual services, equipment, and supplies. The
12 department's budget was reduced by 12.8 million as
13 part of the citywide savings program which tasked
14 agencies with implementing savings initiatives.
15 Reductions in PS services totaling approximately 8
16 million were achieved by reducing headcount and
17 reducing overtime spending. Reductions and O TPS
18 totaling 4.8 million were achieved by delaying
19 discretionary contract services, reducing vehicle
20 purchases, and reducing telecommunication wireless
21 services.. I would like to now highlight some of the
22 departments work over the past year. The department
23 continues to make tremendous progress in key areas,
24 including to facilitate development and an efficient
25 manner, to improve safety at construction sites, to
keep tenants safe, and to reduce emissions from

2 buildings, all while continuing to improve the
3 services we offer to our customers and members of the
4 public. In fiscal year 2020, nearly 104,000
5 construction jobs were filed with the department and
6 we issued approximately 148,000 initial and renewal
7 construction permits combined. For the first time
8 ever, more construction jobs were filed in DOB now
9 than in the building information system which
10 demonstrates the progress we are making to replace a
11 three decade old mainframe system. DOB Now will
12 allow our customers to conduct all their business
13 with the departmental

14 which will lead to greater efficiency and
15 more transparency by allowing owners, design
16 professionals, and contractors to determine exactly
17 where construction project is in the approval
18 process. We are reviewing plans for new buildings,
19 major renovations, and minor renovations
20 expeditiously. We are completing our initial plan
21 review for new buildings and major alterations in
22 five days and four minor renovations in a little over
23 to date. Our goal is to continue to promptly
24 complete our initial plan reviews and to ensure that
25 customers know what to expect when their plans are

3 being reviewed by continuing to train our plan
4 examiners and by developing plan exam guidelines for
5 a wide variety of projects, which will help ensure
6 that plan review is efficient and consistent. The
7 wait times between a development inspection request
8 and an inspection decreased across the board. The
9 wait time for a general construction inspection was
10 two days and was under three days for an electrical
11 or plumbing inspection. This progress on development
12 inspection service levels can be attributed to the
13 efficiencies gained from DOB Now inspections which
14 allows for all types of development inspections to be
15 scheduled online. This makes it easier for our
16 customers to schedule inspection appointments, offers
17 more precise inspection scheduling, and improves
18 inspection tracking. To provide even more
19 transparency to our customers, we launched our
20 customer service dashboard last year. This new tool
21 allows the public to view a variety of metrics in
22 real time, helping them understand exactly what to
23 expect when starting a construction project. The
24 customer service dashboard calculates average
25 timelines for planned reviews by types, the number of
appointments to plan approval, inspection request,

3 and general customer service. We continued to
4 respond to complaints from members of the public
5 faster than ever before. We are responding to the
6 most serious complaints, priority eight complaints,
7 which are those complaints that relate to conditions
8 that may present an immediate threat to the public
9 within hours. We are responding to priority be
10 complaints which capture violating conditions that,
11 if occurring, while not-- while serious, did not
12 prevent an immediate threat to the public within 12
13 days. As a result to responding to these complaints
14 and our proactive inspections concerning construction
15 safety and tenant protection, we issued over 80,000
16 OATH summonses last year. With this committee's
17 partnership, the department is also continuing our
18 efforts to maintain the city's construction codes.
19 Code revision is truly a collaborative effort between
20 our staff and the hundreds of industry stakeholders
21 who volunteer their time to ensure our construction
22 codes reflect advancements in technology, as well as
23 the latest standards for life safety. Together, we
24 have already updated the city's plumbing codes and
25 work together to implement the most stringent energy
codes in our history. We are in the process of

2 updating the balance of the construction codes, the
3 electrical code, and, for the first time, developing
4 an existing building code which will specifically
5 address construction projects in an existing
6 building. We look very forward to our partnering
7 with this committee to continue to strengthen these
8 codes and look forward to a robust committee hearing.

9 Construction safety continues to be a focus of the
10 department. In 2019, for the first time in nearly a
11 decade, construction related injuries decreased.

12 Last year, we saw another decrease in construction
13 related injuries with 500 to construction related
14 injuries in 2020 down 34 percent from the 761
15 construction related injuries in 2018. This decrease
16 in injuries comes after the launch of our
17 construction safety compliance unit in 2018, which is
18 dedicated to conducting proactive, unannounced
19 inspections of large construction sites. To date,
20 the CSC unit has conducted over 50,000 proactive
21 inspections at over 22,000 unique construction sites.

22 The decrease in injuries also coincides with the
23 implementation of local law 196 of 2017. As of March
24 1st, just this past Monday, workers at large
25 construction sites are required to have 40 hours of

3 safety training and supervisors at those sites are
4 required to have 62 hours of safety training,
5 including, very critically, fall prevention training
6 which has the potential to save lives. Since the
7 enactment of this law, we have conducted extensive
8 outreach to the construction industry and colluding
9 directly to workers who are impacted. I am pleased
10 to report that our improved course providers have
11 issued over 121,000 site safety training cards and
12 many thousands of OSHA 30 cards to workers which
13 means that workers are, in fact, receiving the safety
14 training required by this law. Last year, we held
15 our first ever virtual construction industry
16 conference which focused on safety, innovation, and
17 sustainability and, for the first time, our annual
18 industry conference included sessions dedicated to
19 worker safety, which highlighted local law 196 and
20 the importance of receiving site safety training.
21 Last week-- Last month-- pardon me-- we launched a
22 seven-week façade and scaffold safety blitz. This
23 campaign includes direct educational outreach to
24 construction workers, as well as industry
25 professionals on scaffold safety and construction
sweeps on construction façade work across the five

3 boroughs. As part of this effort, we have also
4 issued our first worker alert which provides
5 practical, situational safety information and
6 straightforward guidance for those workers performing
7 façade work. We look forward to working with this
8 committee to further improve construction safety and
9 to further drive down construction related injuries
10 and fatalities. There is absolutely no excuse for a
11 worker not going home to their family at the end of
12 their shift and I firmly believe that working
13 together with this committee, we can continue to
14 prevent unnecessary injuries and fatalities. For
15 example, we know that we can do more to hold bad
16 actors accountable for actions that result in serious
17 injury, death, or property damage and to implement
18 practices that are proven to work to improve safety
19 at more construction sites, including requiring more
20 site safety supervision. This department continues
21 its critical work to protect tenants. We are
22 committed to providing our Office of the Tenant
23 Advocate with the tools it needs to succeed. OTA
24 serves as a resource to help tenants understand the
25 laws that govern construction to investigate
complaints of construction as harassment, and acts as

3 our liaison to tenants with any department related
4 issues. Our OTA works closely with other units
5 dedicated to tenant protection including our Office
6 of Building Marshals which conducts proactive
7 inspections to ensure that contractors are complying
8 with tenant protection plans, as well as response to
9 tenant harassment complaints and our real-time
10 enforcement unit which responds to work without a
11 permit complaints from tenants expeditiously.

12 Working in tandem, these units provide our tenants
13 with the resources they need to navigate construction
14 in their homes and respond to any issues they may
15 have. The department has also prepared to fulfill
16 its obligation to address greenhouse gas emissions
17 coming from buildings. We are well positioned with
18 the largest energy team anywhere in the country to
19 support the city's goal of achieving carbon
20 neutrality. In addition to enforcing the energy
21 code, enforcing existing laws that require certain
22 buildings to report their energy and water use and to
23 perform retro commissioning, we are also implementing
24 the climate mobilization act. As you know, the
25 Climate Mobilization Act requires all new buildings
and existing buildings undergoing certain major roof

3 renovations to install a solar photovoltaic system, a
4 green roof system, or a combination of the two and
5 regulates greenhouse gas emissions from large
6 buildings starting 2024. Last year, buildings were
7 also required to start posting energy grades which
8 ensures that buildings are held accountable for their
9 performances and makes their building energy
10 efficiency transparent to the public. We recognize
11 the significant impact that our work can have on the
12 public whether they are planning a construction
13 project, attempting to resolve the violation, or
14 wanting to find out more about construction work in
15 their community. As such, we will continue making
16 our work successful to the public by providing them
17 with resources they can understand and use. Like our
18 customer service dashboard in our real-time map of
19 after-hours construction work which allows the public
20 to determine whether after-hours construction in
21 their neighborhood is occurring with proper permits.
22 We will also continue conducting outreach directly to
23 members of the public impacted by our work which
24 includes sending letters to property owners when
25 their neighbor is conducting construction work so
that they are aware of the work and any disruptions

2 that may cause. Thank you very much, as always, for
3 the opportunity to testify before you. I look
4 forward to continuing our work together to help
5 improve this department for the benefit of all New
6 Yorkers and I would certainly welcome any questions
7 you may have.

8 CHAIRPERSON CORNEGY: Thank you so much,
9 Commissioner, for that testimony. I was going to
10 thank you for the most recent incidents in your very
11 swift attention to them on construction sites. We
12 were on the phone on a few occasions trying to
13 mitigate some of this and I really appreciated
14 respect your keeping this committee in the loop.

15 COMMISSIONER LAROCCA: Thank you, Chair.

16 CHAIRPERSON CORNEGY: And when things
17 aren't going, you know, famously, still keeping us in
18 the loop about what is happening as it relates to the
19 site safety. That is important to me, so thank you
20 for that.

21 COMMISSIONER LAROCCA: Thank you, Chair.

22 CHAIRPERSON CORNEGY: I am going to start
23 with a few questions and then let my colleagues and
24 the cochair ask their questions and then I will
25 return to my questions. I will not monopolize the

3 time. I know people have other things on their
4 schedule. So, I will just begin by starting with
5 local law 97 established the Office of Building and
6 Energy Emission Performance within the Department of
7 Buildings as the Greater Climate Mobilization Act, as
8 you mentioned. However, when viewing the
9 department's budget documents, funding and headcount
10 for the office remains a little bit unclear. As of
11 fiscal 2022 preliminary plan, could you please
12 describe the amount of funding both PS and OTPS as
13 well as the associated headcount allocated to the
14 Office of Building Energy and Emission Performance?

15 COMMISSIONER LAROCCA: Absolutely. Thank
16 you, Chair. As I mentioned in my testimony,
17 obviously, the work to establish the Office of
18 Building Energy and Emission Performance, as required
19 by local law 97 and, fundamentally, the work that is
20 required of local law 97 is incredibly important.
21 That is why we have but this unit under our chief
22 sustainability officer, Gina Bokra, who many of you
23 on the committee have seen her work, which is why we
24 have allocated six positions to this and we know
25 that, as our work continues to implement local law
97, that universe will continue to grow with it. So,

3 we have allocated six positions for this work and we
4 will continue to grow that as the work continues to
5 move along and getting closer to the milestones set
6 forth in the law.

7 CHAIRPERSON CORNEGY: So, stayed right
8 there for a second, you know, last year before the
9 pandemic we had a big hearing on the use of drones
10 for efficiency and for energy efficiency, energy
11 efficiency with the use of drones? Because I would
12 imagine now that as this office exists, that is where
13 that would be part and that is where the study would
14 take place. I am just curious is that where it is
15 going to take place and can we count on working
16 together to get maximum efficiency with the use of
17 drones and other technologies that we are thinking?

18 COMMISSIONER LAROCCA: Yeah. I mean, so,
19 thank you for the question on drones. We are
20 obviously working towards being in a position to have
21 the report finalized as the law prescribes towards
22 the end of the year and we will meet that deadline.
23 In part of our review of drugs, we are, obviously,
24 talking with our colleagues at various different
25 agencies about what their interest and experience
with drone technology has been. We are certainly

3 talking with members of the external community,
4 including some larger firms who have expressed an
5 interest, A, and, B, the technology that they believe
6 would be beneficial to us as we look about potentials
7 for the use of drones. You know, having a drone is
8 one thing, right? That is the apparatus that flies.
9 The technology in the drone is really the crux of
10 what we are trying to understand. I think anybody
11 can put a device up in flight around, but if you are
12 not getting the type of video quality that we would
13 need to look at and look deeper in areas like façades
14 which is originally how we started talking about
15 this, but also in bringing it back to 97, there is
16 certain technology that one could use. One could
17 reasonably expect could be helpful in understanding
18 whether a building is sufficiently insulated, whether
19 we see a significant amount of heat penetrating out
20 of the building. Certainly, those things would be
21 very important to understanding the state of our
22 buildings. So, yes. I definitely could see a
23 benefit to a wide variety of the work we do here, as
24 well as potentially benefit owners. So it will
25 continue to go down that path. We will make sure

2 that we are looking at it in the context of also our
3 work around sustainability.

4 CHAIRPERSON CORNEGY: So, thank you for
5 that. I agree with you. I think that my limited
6 knowledge tells me that I believe it is called
7 thermal imagery.

8 COMMISSIONER LAROCCA: Correct.

9 CHAIRPERSON CORNEGY: Drones are able to
10 use to quantify escaping energy from buildings that
11 is the wave of the future. I am just hoping that,
12 with this new office, we could work together. So,
13 thank you for your answer on that.

14 COMMISSIONER LAROCCA: Thank you.

15 CHAIRPERSON CORNEGY: I mean, you know,
16 this wasn't about drones and I slid that in, so thank
17 you for entertaining me, right, because it's--

18 COMMISSIONER LAROCCA: It's an absolutely
19 fair point, Chair. An absolutely fair point.

20 CHAIRPERSON CORNEGY: Ben Kallos and I,
21 who are self-professed nerds, we talk about this all
22 day, right? So, but thank you for taking the time
23 out to just-- you know, just seems like it would be
24 synonymous with this new department to begin those
25 studies they are. So, I will move on. You have

2 already insert the question of where the office
3 resides and the headcount, which I appreciate. Has
4 the office begun the process of establishing
5 protocols for assessing annual energy use in--

6 COMMISSIONER LAROCCA: Yes.

7 CHAIRPERSON CORNEGY: buildings-- You
8 have?

9 COMMISSIONER LAROCCA: Yes. We have. So,
10 the team has, yes, done this already. Begun this
11 work. We have established the advisory board has
12 laid out in local law 97. We have also established a
13 number of working groups as part of that process.
14 So, we have had nearly 50 advisory board and working
15 group meetings in calendar year 2020 and these will
16 continue in this calendar year on a weekly basis. We
17 have also begun the work around creating rules that
18 are required by the law to be in place. And so, that
19 work is progressing.

20 CHAIRPERSON CORNEGY: He mentioned, as it
21 related to drones, the collaboration with other city
22 agencies. I'm wondering has the office begun a
23 collaboration with other city agencies in order to
24 reduce greenhouse gas emissions within governmental
25 operations?

3 COMMISSIONER LAROCCA: Absolutely. I can
4 think of probably no instance in our work at the
5 department where we have committees and collaborative
6 processes in place where we don't include our
7 partners in the city, since we are such a fundamental
8 aspect of other agencies work. It is pretty natural
9 to us and so, I extend that to the work around local
10 law 97. We have involved our partners at DCAS, Man's
11 Office of Sustainability, HPD, NYCHA, Health and
12 Hospitals, Department of Finance, School Construction
13 authority, among others. So, our partners in the
14 city are very much embedded in the work of the
15 advisory boards-- advisory board, pardon me-- as
16 well as the working groups.

17 CHAIRPERSON CORNEGY: Thank you. So, DOB
18 Now implementation. The department recently reached
19 another milestone, as we spoke about and as you said
20 in your testimony. DOB Now phase in where DOB Now
21 builds-- will accept planned submissions from new
22 building construction as well as major alterations
23 that alter a buildings significant to have occupancy.
24 The fiscal 2022 preliminary plan includes 8.6 million
25 for the DOB Now project in fiscal 2022. A decrease
of 1.2 million from fiscal 2021 adopted budget.

3 Additionally, funding for DOB Now decreases to 1.3
4 million in the out years. Is that a decrease in
5 projected funding for DOB Now a signal that the
6 department is over the hump in terms of projects
7 implementation?

8 COMMISSIONER LAROCCA: Yeah. I would say
9 we have made an incredible amount of progress. I
10 mentioned in the testimony that we are seeing a
11 majority of the filings now start moving into DOB Now
12 versus BIZ and I think, you know, for the last 30
13 some odd years, people have been in the mindset of
14 BIZ. We are obviously marching fast out of that
15 mindset into a much more transparent tool and, on the
16 transparency side, I just want to stress the
17 importance. It is not just transparency for the
18 Department of Buildings, although certainly we will
19 be getting far greater data from DOB Now than we were
20 ever able to get on precisely what is happening. But
21 it is also transparency for our customers in plan
22 review. So, those are registered design
23 professionals. But the important part there, to me,
24 among the many improvements that DOB Now will allow
25 us is that we are finally getting the kind of
transparency that is so important for the ultimate

2 customer, which is the person paying the bill. And
3 so, having the ability for that person, right? You,
4 me, or anybody else, who was hiring a contractor, it
5 was hiring a registered design professional to file
6 work with the department is, you know, fundamentally
7 new to us. So, I think that level of transparency is
8 awesome. But, to your actual question, yes. We've
9 made tremendous progress. We have more work to do.
10 You know, build-- DOB Now has four main components.
11 Build, inspections, licensing, and safety. In that,
12 we have made great progress. We had a launch just
13 this past Monday which coincided with the final
14 milestone of local law 196 where we launched more
15 work types on build so now we have 23 out of the 33
16 work types that are now fully available on build. We
17 have three compliance filings in our safety portal.
18 We have two license types already in licensing with
19 one more coming this year and on inspections, as I
20 mentioned are now utilizing DOB Now. About 60
21 percent of our enforcement universe is in that
22 platform and will continue working on expanding what
23 is available in DOB Now up until 2023 where we expect
24 to be finishing. So, I would not say that we are
25 over the hump. We have done a lot of work and we

3 have a lot more to do, but I think we are finally at
4 that point where we are starting to see the scales
5 tip.

6 CHAIRPERSON CORNEGY: So, you partially
7 answered my next question in terms of timeline. Is
8 there a more in-depth detailed timeline that you can
9 give the committee?

10 COMMISSIONER LAROCCA: You know, one of
11 those right now, but let me come back to you with
12 that level of granularity. I would say one piece is,
13 you know, as we expand the universe, obviously, you
14 know, migrating from a 30-year-old system which has
15 established a very specific mindset for all of our
16 different users takes a whole Lotta work. So, we
17 will get you more detail on our expected releases
18 acknowledging up front with the committee that things
19 will evolve as the work to transition away from a
20 very paper manual based system into a system that is
21 exactly the same for everybody does prove to take a
22 lot of time.

23 CHAIRPERSON CORNEGY: So, want to take
24 this opportunity to welcome Chair Rosenthal. And,
25 Chair Rosenthal, they call this baptism by fire,
right, because you're coming on in your subcommittee

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2 role right at the budget time, right? So, there is
3 not much of a learning curve, but you have the next
4 round of questions. I'd love--

5 CHAIRPERSON ROSENTHAL: Thank you so much,
6 Chair Cornegy. You stole all my thunder.

7 CHAIRPERSON CORNEGY: I'm sure I didn't.
8 Anyone who knows Chair Rosenthal knows that she
9 doesn't have a lack of questions.

10 CHAIRPERSON ROSENTHAL: I really just
11 wanted to ask about the success of the office of the
12 tenant advocate and hear about what kind of
13 additional funding was added for their unit.

14 COMMISSIONER LAROCCA: There are very many
15 things I love about the Department of Buildings. I
16 will start there. Some of the things that I really
17 love a lot at DOB is the work that OTA does. You
18 know Sarah Desmond is our OTA. She is tremendous.
19 That is putting her they are in that position was an
20 affirmation of our commitment to tenants and truly
21 believing that there is a very strong intersect
22 between the work the department does and tenants and
23 tenants' rights to be in their home peacefully and
24 acknowledgment that we have a very critical role to
25 play in protecting homes. So, we have lots of hats.

3 We unabashedly love development here. That is our
4 business. We are in the business of development.
5 And I say that very loosely because it's not just
6 about building new homes. It is about maintaining
7 property that exists and improving it. So, we see
8 development as a very important tool for the city.
9 We cannot be blind to the fact that buildings exist
10 as, in some instances, homes to people and sometimes
11 people rent and sometimes people out and why we care
12 is, you know, beyond me. Homes are where people live
13 and that is our business, as well. So, I could wax
14 poetically all day every day about tenant rights, but
15 worker rights, so I look forward to doing that. But,
16 specifically to what OTA has been up to, we've given
17 them certainly have resources. We are obviously
18 always looking at ways to strengthen their work and
19 expand the scope in this department. So, we will
20 keep looking at ways to further those two things. A
21 bigger and better tenant advocate is helpful to this
22 agency. But helpful to know, also, that people are
23 now starting to catch on. So, we have seen growth in
24 the OTA work in the last calendar year. In 2020 we
25 have seen the amount of inquiry is that they have
received going up. They are about 2500 or so

2 inquiries they got in 2020 which was gross from the
3 previous year and where they were about 1700 or so.
4 So, that to me is also, right? We want them to be
5 busier, so I look forward to that number growing and,
6 obviously, should that happen, we will continue to
7 provide OTA the resources we think it needs.

8 CHAIRPERSON ROSENTHAL: Got it.

9 COMMISSIONER LAROCCA: And, plus, having
10 it embedded in enforcement was the right place for
11 it. It allows Sarah and her team and liaisons to
12 work seamlessly with our OBM folks to make sure that
13 all parts of the universe are seeing the same thing.

14 CHAIRPERSON ROSENTHAL: So, that is
15 terrific. Part of my question was was there an
16 increase in funding for that unit between FY 21 and
17 22?

18 COMMISSIONER LAROCCA: Sharon will help
19 me, but, no. We have a baseline budget here of
20 528,000 for this office. So, that is where OTA
21 stands. And, again, we will continue to evaluate its
22 workload and our belief that it should have a bigger
23 footprint in this department and we will continue to
24 work with our partners to see how we can advance
25 that.

3 CHAIRPERSON ROSENTHAL: Awesome. Were all
4 2500 calls, you know, outreach is from my office or
5 were they from all over the place?

6 COMMISSIONER LAROCCA: I would love to
7 give you credit for all of that, but I cannot. I
8 undoubtedly believe there were some others, but you
9 are certainly near and dear to our heart.

10 CHAIRPERSON ROSENTHAL: Well, we say that
11 half-jokingly, but, you know, maybe we have to do a
12 better job at letting people know that this office
13 exists and what it does to help people. So, I am
14 wondering, you know, when it first started there was
15 a terrific education campaign and we had flyers to
16 pass out, but perhaps it would be worth having a
17 marketing campaign to that tenant advocacy
18 organizations who would use this service and to
19 Council members and elected offices. And I am
20 wondering if that is possible.

21 COMMISSIONER LAROCCA: That is a fantastic
22 suggestion. I see no reason why we can't do that.

23 CHAIRPERSON ROSENTHAL: You are very kind.
24 You know, the goal is to really get that number way
25 out because I think the power of that office is
significant and, similarly, last question. Have you

2 been able to measure its success in some way? Like
3 have you found a way to measure it? I'm not quite
4 sure what it is, but--

5 COMMISSIONER LARocca: Yeah. I mean, part
6 of that is, obviously, OTA releases a quarterly
7 report which we will continue to do which does track
8 our success. So, I think on the pure numbers, we are
9 successful, right? We are able to meet our metrics
10 with respect to enforcement actions, with respect to
11 inspections, so that is tremendous. I think the
12 proof of seeing people particularly in a pandemic
13 increase the utilization of OTA is really a good
14 sign, right? We have fundamentally changed how we
15 provide service in the department during the pandemic
16 and yet, you been with that we have seen the growth
17 of use for OTA. So, that is not quite as scientific
18 as, you know, whether we have met our metrics on
19 inspections. But, to me, that is a very important
20 sign.

21 CHAIRPERSON ROSENTHAL: Great. Thank you
22 so much and, you know, you are just such a breath of
23 fresh air for this department. It has been a
24 pleasure working with you. So, thank you very much.
25 Back to you, Chair Cornegy.

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2 CHAIRPERSON CORNEGY: Thank you. Before
3 we go to my colleagues and colleagues' questions, I
4 do want to acknowledge the presence of Council member
5 Mark Gjonaj and Council member Carlina Rivera.
6 General counsel, can you call the staff?

7 COMMITTEE COUNSEL: Yes. Thank you.
8 We will now take questions from Council member Chin.
9 If any other Council members have questions for the
10 Department of Buildings, please use the zoom raise
11 hand function and I will call on you in turn.
12 Council member Chin?

13 COUNCIL MEMBER CHIN: Thank you.

14 SERGEANT-AT-ARMS: Time starts now.

15 COUNCIL MEMBER CHIN: Thank you. Good
16 morning. Thank you to the Chair. It is great to see
17 you, Commissioner. I had a go my colleague, Council
18 member Rosenthal. It is great to have strong women
19 leadership in the Department of buildings. It really
20 makes a big difference. And I just want to follow up
21 on a question about the Office of Tenant Advocacy. I
22 think that is really such a great addition to the
23 Department of Buildings. I remember years ago, you
24 know, we were, you know, pushing for this because
25 there was all this construction harassment that was

3 going on with lead, dust, and all these better
4 rations that were causing a lot of problems for the
5 tenants. And even right now I have a building in my
6 district that is getting a lot of vibration and
7 feeling earthquakes because there is the construction
8 of a new building next door and, you know, we reach
9 out to DOB and DEP and everybody is involved in it
10 and I think we really need to publicize this unit
11 more because even my staff don't really realize there
12 is a special unit in DOB that can really help focus
13 on this issue. And that is great. So, I want to
14 make sure that we have resources for that. My other
15 question is like how is DOB tracking to make sure
16 that when a scaffold goes up, that the work is done
17 timely and it comes back down? Because they are
18 causing a lot of issues not just in my district, but
19 other districts and that is aware we have problems
20 with homeless and garbage. It's because these
21 scaffolds stay up for years. And so, want to see how
22 DOB is dealing with that particular issue. And then
23 my third question is all on language access. To make
24 sure that you have the staff, you know, that are able
25 to help, you know, immigrant populations who don't

3 speak English and to make sure that they also get the
4 protection then the support that they need.

5 COMMISSIONER LAROCCA: Thank you, Council
6 member. I appreciate the very kind words. I will
7 take them in order as you gave them. OTA, you know,
8 we have three staff there who are supporting that
9 role. Obviously, you know, as I mentioned to Council
10 member Rosenthal, we will continue to evaluate their
11 workload and, again, continue to see ways in which we
12 can further embed them in this agency and deepen
13 their scope. I agree with you 100 percent that we
14 should do more. I look forward to working with you,
15 as well as your colleagues, on making their success
16 better known. You know, I think they are a real
17 standout group of this agency that has so many great
18 things and proud things to talk about, particularly
19 in our universe of--

20 SERGEANT-AT-ARMS: Time expired.

21 COMMISSIONER LAROCCA: I'm sorry.

22 COUNCIL MEMBER CHIN: Continue.

23 COMMISSIONER LAROCCA: I'm sorry. Just
24 highlight an important, but probably not well known
25 and, again, that is on us to be better about talking
about our successes particularly when it comes to the

3 work of OTA, you know, that group of inspectors sees
4 response times in one day. I mean, that is really
5 quite tremendous work and that really does show the
6 commitment we have made to tenants and to responding
7 to their concerns. So, on tenant safety, we are with
8 you. We look forward to working to grow that unit.
9 I think your second question was on sheds, if I
10 remember that correctly. Somebody will tell me if
11 I'm wrong, but we will take that--

12 COUNCIL MEMBER CHIN: Scaffolding.

13 COMMISSIONER LAROCCA: Yes. So, you know,
14 from probably everybody except the Department of
15 Buildings, sheds are never the first thing on their
16 mind except that day that they forget an umbrella and
17 it's raining, but they need to provide a service,
18 right? They are an important tool that we use to
19 protect New Yorkers. That being said, we, obviously
20 no that they can overstay their welcome. So, we will
21 look forward to working with you on ideas that you
22 may have in ways that will support the work that is
23 needed. A shed is that because it is needed to
24 protect us from something, so it is never the end of
25 the story, but, for us, it is a very important thing
that needs to be in place to make sure that we can

2 continue to be safe. So, I will look forward to
3 working with you in ways on which we can collectively
4 strengthen the work the Department does to ensure
5 that the work needed gets done so that the sheds may
6 come down for once and for all. And on language
7 access which, I believe, is your last one, we do
8 provide translation services for our outreach
9 material, particularly when we are doing outreach to
10 workers. We want to make sure we are providing
11 access to information in all of the 14 common
12 language is and certainly any internal communication
13 with our-- any staff communication. We also make
14 sure we provide language access for that. So, again,
15 if there are areas of particular concern, obviously,
16 we will be happy to strengthen what we do.

17 COUNCIL MEMBER CHIN: Thank you. Thank
18 you, Chair.

19 CHAIRPERSON CORNEGY: Thank you. Before
20 we go on, I do want to ask a question. You brought
21 up sheds and I have another question. Not those
22 sheds, but the temporary structures that were
23 assembled during the pandemic for outdoor dining. I
24 have gotten this week probably 20 calls from small
25 businesses who said that DOB has been out requiring

2 that they take their sheds down and finding people.

3 I just wanted to know if you could provide for us

4 that guidance now. You know, I had thought that

5 there was a moratorium kind of fallen the outdoor

6 structures through the warmer weather, but I

7 understand-- literally, I'm not exaggerating. I got

8 10 calls from small businesses who have said that DOB

9 had been there and had either find them or was

10 threatening to find them for dismantling or taking

11 down those sheds immediately and if you could just

12 provide some guidance, it would be helpful.

13 COMMISSIONER LAROCCA: Yeah. That would

14 be news to me. I would have to look at our

15 enforcement actions. Obviously, we been part of the

16 process of the city of ensuring we have Covid

17 information getting out there to businesses at all

18 points during the pandemic. So, I would have to look

19 into that and come back to you, Chair.

20 CHAIRPERSON CORNEGY: Okay. I don't mind

21 that. I just wanted to know have any of my

22 colleagues on here gotten the same thing? Because I

23 would hate to think that it was just my district, but

24 those businesses were all in my district that called

3 me. So, follow up with you online. I'm sorry,
4 Commissioner.

5 COMMISSIONER LAROCCA: Yeah. Absolutely.
6 And we'll share with you. We do have guidance on
7 outdoor structures, which I will make sure we get to
8 you before the end of the day, but let's talk about
9 the enforcement piece.

10 CHAIRPERSON CORNEGY: Thank you.

11 COMMITTEE COUNSEL: Thanks very much.
12 If any other Council members have questions for the
13 Department of Buildings, please use the zoom raise
14 hand function now, otherwise, we will move to the
15 next portion of the hearing where we will be hearing
16 from the Department of Housing Preservation and
17 Development.

18 CHAIRPERSON CORNEGY: Wait. Wait. I'm
19 sorry. I wanted my second round of questions. I
20 wanted my colleagues to be able to ask. I have some
21 questions that are specifically related to local law
22 196 of 2017 which mandates construction site safety
23 training requirements for workers on certain
24 jobsites. Under the legislation and, permit holders
25 are required to ensure that all construction and
demolition workers and subcontractors' employee or

3 engage at a permitted side of completed a US
4 Department of Labor occupied-- Occupational Safety
5 and Health Administration, or OSHA, 10 hour training
6 course, and OSHA 30 hour training course, a 100 hour
7 program of OSHA training or the Departments
8 prescribed safety training curriculum. The
9 departments fiscal 2022 preliminary plan includes
10 350,00 for three budgeted positions related to
11 administrative costs for construction site safety
12 compliance. What's the total budgeted funding amount
13 and headcount associated with construction site
14 safety administration and, you know, that keyword
15 enforcement?

16 COMMISSIONER LARocca: Thank you, Chair.
17 Sorry. The department's budget includes the 219
18 positions and approximately 14.9 billion dollars
19 dedicated to construction safety across the agency
20 including, of course, our enforcement universe and
21 that, as well.

22 CHAIRPERSON CORNEGY: Can you please give
23 an update to this committee on the work performed by
24 the department in collaboration with the construction
25 site safety task force?

3 COMMISSIONER LAROCCA: Sure. So, the task
4 force, as you know, is required by the law. It did
5 meet quarterly for two years. This coming October is
6 our next annual meeting of the task force and, as you
7 know, they were instrumental in helping us develop
8 the requirements around 196, particularly on the
9 education side of that and it is worth knowing or
10 remembering that this past Monday we did reach our
11 final milestone in the implementation of local law
12 196 with workers now meeting 40 hours of training on
13 some of our larger sites, as well as their
14 supervisors requiring 62 hours of training. So, we
15 look forward to our next meeting of the task force.

16 CHAIRPERSON CORNEGY: Thank you. What
17 percentage of the city's construction site receives
18 site safety training? I'm sorry. How many site
19 safety inspections were performed in 2020? And I am
20 clear that it is nowhere near what was prescribed and
21 we know that the pandemic was, you know, solely
22 responsible for that which is why we had to move it
23 out. But, still, if you have a number of site safety
24 inspections performed in 2020 and if you can provide
25 it, that would be great.

2 COMMISSIONER LAROCCA: Well, we know our
3 construction safety compliance unit, which was
4 established at the end of 2018 and really got into
5 the swing of it in the 2019 calendar 2019, we know,
6 to date, they have done 53,000 inspections which is
7 pretty phenomenal to see that kind of response from a
8 department and they visited just under 23,000 unique
9 sites in that work. So, very strong group.

10 CHAIRPERSON CORNEGY: So, can you give me
11 those numbers in percentage wise on sites? So, what
12 percentage of sites were seen? To date.

13 COMMISSIONER LAROCCA: what I can tell you
14 is we know that the universe of our larger sites, so
15 these are larger sites that require construction
16 supervisors, site safety coordinators or managers.
17 We know that universe is approximately 4700 sites
18 where safety professionals are required on them.

19 CHAIRPERSON CORNEGY: Do you know how
20 many violations have been issued because of the use
21 inspections?

22 COMMISSIONER LAROCCA: Sure. So, CSC, our
23 Construction Safety Compliance Unit has issued over
24 25,000 violation and about 5000 stop work orders as
25 part of its work. A smaller universe of that total

2 number is specific to the violations found of local
3 law 196.

4 CHAIRPERSON CORNEGY: In those that were
5 found in violation of local Law 96 didn't necessarily
6 receive a stop work order, correct?

7 COMMISSIONER LAROCCA: Correct. So, the
8 violation four 196, specifically 196 violations,
9 we've issued nearly 2700 violations at 544 sites and
10 so, in those instances where we find workers without
11 the required training, just to be clear and remind
12 folks, our enforcement action in that universe is
13 specifically to the property owner, the general
14 contractor, and, where required, any subcontractors.
15 Never do we issue a violation to the worker.

16 CHAIRPERSON CORNEGY: Is there a fine
17 associated with local law 196 violations?

18 COMMISSIONER LAROCCA: Yes. It is \$5000
19 for every violation we write and, again, if we go to
20 a site, we will be issuing, at minimum, to
21 violations. One to the owner, what he to the general
22 contractor, and, in some instead he sounds, we issue
23 three to the subcontractor being the third.

24 CHAIRPERSON CORNEGY: So, is there an
25 instance where, because that fine, with all due

3 respect, is nominal on a large site, that people just
4 continue to work, pay the fine and then continue to
5 work in the same way?

6 COMMISSIONER LAROCCA: I would say this.
7 We've seen very good compliance thus far with the
8 requirements of meeting the milestones for the safety
9 requirements. So, we have issued over-- our
10 providers have issued over cards and then you compare
11 that to the number of violations we have found on
12 sites. And, again, the construction safety
13 compliance group is tasked solely with visiting the
14 site specifically. Those are the sites they go to.
15 Nobody else goes to them. That is CSC's job. So,
16 when you look at the universe of violations they have
17 written for, specifically, 196, relative to the
18 number of sites we have gone to, it is a smaller
19 universe. So, I think compliance in the universe is
20 a very strong and, obviously, if we see a large
21 number of workers at a site without training, we will
22 issue a stop work order. And then, obviously, in
23 those instances, we are coming back to ensure
24 compliance. So, I think the penalty use are quite
25 large. I think the compliance has been quite good
and I think our power of stopping jobs by using our

3 stop work orders and the fact that we will come back
4 has proven to be a successful recipe.

5 CHAIRPERSON CORNEGY: So, there has been,
6 as we mentioned earlier, there has been a record
7 number, unfortunately. What is DOB doing to ensure
8 that the number of fatal construction accidents does
9 not increase? And I kind of know the answer to that
10 because I have actually been seeing, while there may
11 have been a record number of accidents, there seems
12 to be a lesser number of fatalities in those
13 accidents, which, we had a conversation about this
14 and, you know, nobody wants accidents on sites, but
15 the fact that I feel like, you know, this may be
16 anecdotal and you may have different numbers, but the
17 fatality number is not the same. So, what are we
18 doing?

19 COMMISSIONER LAROCCA: Yeah. So, similar
20 to OTA, the work we do around worker safety and the
21 work my inspectors do in the field is probably high
22 among my proudest parts of DOB. This year, in the
23 last month, we did have three fatalities. Two of the
24 three were related to worker fall and the other was
25 an elevator incident that we have spoken about. But
I do want to talk about the good here for a moment

3 because we have seen a decrease in incidents and we
4 have seen a decrease last year and fatalities. Last
5 year we had eight fatalities. I do want to sort of
6 catch this as there was an interruption is a work due
7 to the pandemic where we saw a significant number of
8 sites paused and for the previous five years before,
9 we were holding at 12. So there are good things to
10 talk about. There are good things to talk about in
11 the fact that we know are proactive inspections,
12 those two together have proven to be successful. We
13 know that when we visit sites without advance notice
14 that when workers are armed with the knowledge of how
15 to protect themselves and how to be a waiter of
16 danger around them on job sites that those two things
17 we need to less injuries. This is an area that is a
18 very important to this department is we think we can
19 do more around this specific thing. But I do just
20 want to take a moment to talk about the three
21 fatalities we have had this year. We had three in
22 February, as I mentioned. Two falls. One due to an
23 elevator incident and I want to underscore this very
24 important philosophy that at least I have and I know,
25 Chair, we have talked about this and we share this.
No worker should ever be put in a position where they

3 are not going home safely to their families. That is
4 a very fundamental part of what we are tasked with
5 doing. You know, having the fatality on a jobsite is
6 traumatic. It is traumatic for the people on that
7 site now have to look and witnessed that. It's
8 traumatic for the family, obviously, not only
9 emotionally that they lost somebody, but in many
10 instances, the person who is deceased, the deceased
11 worker is the primary earner for that family. That
12 can have devastating impacts beyond just the fact of
13 loss of life. So, we know-- sorry to get very in
14 the weeds here, but we know fatalities and injuries
15 can continue to go down. We know what it takes to do
16 it. Proactive inspections, training, more safety
17 training, and so we will look forward to do our work.
18 Sorry, I get very long-winded answer.

19 CHAIRPERSON CORNEGY: No. No. No.

20 Thank you for that answer. I believe I see Council
21 member Riley. Is that who I see? I can't see. I'm
22 sorry. That is Counsel member Moya. I'm sorry. An
23 increase in the Mayor's emergency E.O. 120 and E.O.
24 123 has DOB-- I'm sorry. In accordance with the
25 Mayor's emergency executive order 120 and executive
order 123, has led DOB been checking construction

3 sites for compliance due to employer safety plans
4 required by the New York State interim guidelines?

5 COMMISSIONER LAROCCA: Yes. So, during
6 the pandemic, we have had a lot of-- I think I
7 mentioned in my testimony that we have worn a lot of
8 hats during this pandemic. Our inspectors, our team
9 here, has gone from, you know, code enforcement from
10 zoning resolution enforcement and added, right? We
11 have not subtracted. We have not stopped working.
12 We've continued to work fully throughout the entire
13 pandemic. So, we have added to that the role of
14 health and safety. And so, we started the pandemic
15 where construction was essential and so my team was
16 going out there and ensuring compliance. We pivoted
17 to construction becoming, in many instances,
18 nonessential work. And so, my team, again, pivoted
19 to ensure that the band that was in place was adhered
20 to and then construction came back as essential work.
21 And so, back in early June, we, again, pivoted to now
22 doing inspections on all of those sites and we did
23 that for a month at no penalty where we were sending
24 weekly updates to sites on their scorecard of our
25 inspection visit so that permit holders, RDP use, and
owners, I knew exactly what we were finding. And we

3 had added to our usual work of the health and safety
4 checks to ensure compliance with our guidance on
5 Covid requirements on sites and so where we found
6 infractions, we issued violations. Those violations
7 carried a penalty of \$5000. Where we found certain
8 infractions, we issued a stop work orders. So, the
9 team has been hard at work on the Covid front, as
10 well.

11 CHAIRPERSON CORNEGY: Thank you. I just
12 one more kind of overarching question is the
13 Department of Buildings contract budget in the fiscal
14 2022 preliminary plan 2.6 million less than its
15 fiscal 2021 adopted budget. This is primarily due to
16 a 2.3 million reduction in spending for general
17 contractual services and professional computer
18 services thereby mandating it looks like nine
19 contracts. Could you please provide the services
20 that the department would no longer be procuring?
21 Can you let us know what the services are that the
22 department will be no longer procuring and will the
23 decrease in these services impact the operations of
24 the department?

25 COMMISSIONER LARocca: Sure. I will let
Sharon get into the details, but, broadly speaking,

2 we have not made cuts. I think we had a conversation
3 with the Council's finance staff to clarify here.
4 But, as mentioned in my testimony, we will see some
5 delays in contractual services, but the bottom line
6 is there is no impact to our operations.

7 DEPUTY COMMISSIONER NEILL: So, there
8 actually is no change in the spending for
9 contractually services. So, we are going to have to
10 address this. So, my staff is following up with the
11 financial staff to clarify the information and we can
12 discuss the issue with them further.

13 CHAIRPERSON CORNEGY: I was waiting for
14 the tour and that I was going to be able to say good
15 morning, Sharon before it was too late. So, good
16 morning.

17 DEPUTY COMMISSIONER NEILL: Good morning,
18 Chair. How are you?

19 CHAIRPERSON CORNEGY: I'm good. Thank
20 you. I don't have any more questions, General
21 Counsel. Thank you.

22 COMMITTEE COUNCIL: Thank you very
23 much. If there are no further questions from other
24 Council members, we will now move on to the next
25 portion of the hearing where we will be hearing from

2 the Department of Housing Preservation and
3 Development. Are there any other Council member
4 questions? Okay. Chair, I will turn it back to you
5 to introduce this portion of the hearing and I will
6 also and over committee counsel functions to my
7 cocounsel, Austin Bradford.

8 CHAIRPERSON CORNEGY: Thank you. Good
9 morning, Austin.

10 COMMITTEE COUNSEL: Good morning. Hey.

11 CHAIRPERSON CORNEGY: So, I guess you
12 could take it away in a for me Commissioner Carol.
13 Welcome, Commissioner Carol.

14 COMMITTEE COUNSEL: I believe
15 Chair Rosenthal may have been opening right now.

16 CHAIRPERSON CORNEGY: I'm sorry.

17 COMMITTEE COUNSEL: The Chair of the
18 Subcommittee on Capital Budget.

19 CHAIRPERSON CORNEGY: Yes. Chair
20 Rosenthal? Austin, can we--

21 COMMITTEE COUNSEL: Yeah. Just one
22 moment. We're going to sort this out. One second.
23 Just bear with us one minute year will be on the next
24 portion.

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2 CHAIRPERSON CORNEGY: So, generally, at
3 this time, for those who are watching, we would be
4 changing seats in the will of that anyway. So--

5 COMMITTEE COUNSEL: Now it's just
6 happening behind the scenes.

7 CHAIRPERSON CORNEGY: Yeah. And just to
8 make sure, I did acknowledge the presence of Council
9 member Francisco Moya.

10 COMMITTEE COUNSEL: Just one more
11 minute here.

12 UNIDENTIFIED: [inaudible 1:06:25]

13 CHAIRPERSON ROSENTHAL: I love you. Bye.

14 COMMITTEE COUNSEL: All right. Chair
15 Rosenthal, if you are ready to make your opening, we
16 are ready for you.

17 CHAIRPERSON ROSENTHAL: Oh. I need a
18 minute.

19 COMMITTEE COUNSEL: Okay.

20 CHAIRPERSON ROSENTHAL: I'll get back to
21 you in a minute. All right. With apologies, great.
22 Thank you so much. I really apologize for the delay.
23 So, let's start. Thank you for your patience, Chair
24 Cornegy. Good afternoon. I am Helen Rosenthal,
25 Chair of the subcommittee on the Capital Budget. I

3 want to be in first by thanking my cochair, Council
4 member Robert Cornegy in the members of the Committee
5 on Housing and Buildings. This joint hearing is
6 truly appropriate because HPD is such a capital-
7 intensive agency within extremely important mandate
8 to preserve and construct affordable housing with
9 precious and scarce resources in a city that has
10 become increasingly unaffordable. New Yorkers, many
11 of whom were already grappling with housing
12 instability before the onset of the pandemic, for
13 them it is even harder. Due to uncertainties at the
14 start of the Covid 19 pandemic in April 2020, HPD
15 temporarily halted approval of new capital projects
16 that had been scheduled for the end of fiscal year
17 2020. Oh and be pushed about a billion in HPD
18 capital spending from fiscal year 20 and fiscal year
19 21 into the out years and these resulted in,
20 ostensibly, cuts which were maintained in the fiscal
21 2021 adopted budget. However, in September 2020, HPD
22 resumed its capital program and its preliminary
23 capital commitment plan for fiscal year 21 through 25
24 which total \$6 billion and moves 454 million back
25 into fiscal year 2020 14 increased affordable housing
production in this current year. This budget action

3 means that thousands of previously delayed affordable
4 units can now secure the financing needed to move
5 forward in the months to come. I would like to learn
6 more about the impact of that temporary pause, what
7 it had on the affordable housing production pipeline,
8 and the challenges HPD is facing in restarting their
9 capital program in a housing market reshaped by the
10 Covid pandemic. While the shifting of these capital
11 funds back into the current fiscal year is one
12 crucial step forward on the front end, questions
13 remain on how funds will be used and which projects
14 are prioritized. Taking the longer view in terms of
15 how HPD is planning to program capital funding, HPD's
16 preliminary capital-- 10 your capital strategy for
17 fiscal year 22 to 31 totals about 10 billion. It's
18 frontloaded, which is great, from fiscal year 22 to
19 25 and so but that annual average is about 1.1
20 billion. But for the last five years, annual funding
21 drops off to around 900 million. It would be helpful
22 to learn what HPD thinks will be needed after that
23 satisfies housing New York plan to build or preserve
24 300,000 units of affordable housing by 2026. I
25 strongly support maintaining the current high level
of capital investment in affordable housing given the

3 tremendous unmet need which has been further
4 exacerbated during the Covid 19 pandemic. When we
5 discussed post-Covid recovery efforts, the production
6 of affordable housing must be at the forefront of
7 these conversations and efforts. I look forward to
8 engaging with the administration on these important
9 topics and discussing strategies to ensure the pace
10 of affordable housing production and the target of
11 capital resources to meet the current moment. Thank
12 you so much. Again, thank you for your patience,
13 Chair Cornegy. I turn it back to you.

14 CHAIRPERSON CORNEGY: Thank you so much,
15 Chair Rosenthal. I am going to begin with a few
16 questions and do the same thing I did before. Allow
17 my colleagues in the cochair to ask questions and
18 then I will circle back with a second round and if
19 anyone else--

20 COMMITTEE COUNSEL: Chair, we were
21 going to administer the oath to the HPD panelists.

22 CHAIRPERSON CORNEGY: Oh, sorry. Sorry,
23 Austin.

24 COMMITTEE COUNSEL: That and their
25 testimonies. No worries. So, the next panelist to
give testimony will be Louise Carroll, Commissioner

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3 of the Department of Housing Preservation and
4 Development. She will be joined by Ann Marie
5 Santiago HPD Deputy Commissioner of enforcement and
6 neighborhood services, Ann Marie Hendrickson HPD
7 Deputy Commissioner of asset and property management
8 Liz Oakley, HPD's Deputy Commissioner of development,
9 Rich Johns, HPD associate commissioner of financial
10 management, Margie Brown HPD associate commissioner
11 of housing opportunity and program services and Kim
12 Darga, HPD associate commissioner of preservation the
13 will all be available for questions. I will now
14 administer the oath. I will call on each of you
15 individually for a response. Please raise your right
16 hands. Do you affirm to tell the truth, the whole
17 truth, nothing but the truth before these committees
18 and to respond honestly to Council member questions?
19 First step is Commissioner Carroll.

20 COMMISSIONER CARROLL: I do.

21 COMMITTEE COUNSEL: Great. Deputy
22 Commissioner Santiago?

23 DEPUTY COMMISSIONER SANTIAGO: I do.

24 COMMITTEE COUNSEL: Deputy Commissioner
25 Hendrickson?

DEPUTY COMMISSIONER HENDRICKSON: I do.

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2 COMMITTEE COUNSEL: Great. Deputy
3 Commissioner Oakley?

4 DEPUTY COMMISSIONER OAKLEY: I do.

5 COMMITTEE COUNSEL: Associate
6 Commissioner Johns?

7 ASSOCIATE COMMISSIONER JOHNS: I do.

8 COMMITTEE COUNSEL: Associate

9 Commissioner Brown?

10 ASSOCIATE COMMISSIONER BROWN: I do.

11 COMMITTEE COUNSEL: And last but not
12 least, Associate Commissioner Darga?

13 ASSOCIATE COMMISSIONER DARGA: I do.

14 COMMITTEE COUNSEL: Great. Thank you
15 all. Commissioner Carroll, you may begin when ready.

16 COMMISSIONER CARROLL: Thank you. Good
17 morning, Chair Cornegy, Chair Rosenthal, and members
18 of the New York City Council Committee on Housing and
19 Buildings and Subcommittee on Capital Budget. My
20 name is Louise Carroll and I am the Commissioner of
21 the New York City Department of Housing Preservation
22 and Development. Today, I am joined by associate
23 commissioner for financial management, Rich Johns and
24 members of HPD's senior leadership team. It is hard
25 to believe how much has changed since I testified

3 exactly a year ago today at the last preliminary
4 budget hearing. Just a few days after that hearing,
5 New Yorkers were asked to stay at home to keep safe
6 from Covid 19, making our work to provide safe,
7 quality, affordable housing more important than ever.
8 Throughout the pandemic, our code enforcement team
9 was out in the field every day to make sure that
10 tenants had he, hot water, and safe living
11 conditions. We launched a revamped housing connect
12 system on schedule to make it even easier for New
13 Yorkers to find and apply for affordable housing. We
14 stayed responsive to the urgent needs all on the
15 ground, moving more families out of shelter and into
16 long-term housing while coordinating with our
17 partners to keep construction on essential affordable
18 housing projects moving forward is safely as
19 possible. We announced new tools to build up our
20 MWBE and not-for-profit partners to support and
21 strengthen them through this crisis. We also
22 supported citywide initiatives by delivering food and
23 air conditioners to seniors and other vulnerable New
24 Yorkers. The pandemic completely upended the way we
25 live, work, and interact with each other, but our
agency quickly adjusted to meet the demands of the

3 crisis and continue our critical services and, for
4 that, I tremendously grateful to the HPD team. As
5 the city works to rebuild from the pandemic, HPD is
6 looking hard at the devastating health and economic
7 impacts and, frankly, the deeply embedded racial and
8 economic inequities exacerbated by Covid 19. We know
9 that safe, quality affordable housing will be
10 critical for the health and stability of our most
11 vulnerable residents and we are also more focus than
12 ever on our efforts to ensure an equitable recovery
13 for all New Yorkers. I appreciate this opportunity
14 to overview and to testify today on HPD's fiscal year
15 2020 preliminary budget and I will first provide a
16 brief overview of the budget before describing how
17 the funding will help us to achieve our goals of
18 creating and preserving affordable housing, advancing
19 racial inclusion, equity, and fair housing, and
20 protecting tenants and supporting owners. I am then
21 happy to answer any questions that you may have.
22 First, the budget overview. As you know, HPD's work
23 requires significant investment from the city and
24 federal governments. HPD's fiscal year 2020
25 preliminary budget is approximately \$1 billion.
However, this includes \$237 million pass-through

3 funding for NYCHA. So, aside from this pass-through
4 funding, HPD's true expense budget is about \$796
5 million for FY 22. Of this \$796 million,
6 approximately 108 million comes from the city's tax
7 levy and about \$655 million comes from federal
8 grants. That means 82 percent of HPD's expense
9 budget is federally funded. This huge proportion of
10 federal versus city funding in the agency's budget
11 means many of our programs are restricted by federal
12 requirements. Our city tax levy is therefore
13 critical for flexibility and strengthening areas not
14 otherwise eligible for federal grant funding such as
15 administrative functions like improving our
16 technology to better serve New Yorkers and MWBE
17 mentoring programs like our building capacity
18 courses. There is a new economic reality in New York
19 City and we are responding accordingly. HPD has
20 identified mandatory savings targets that will help
21 make the agency more efficient without affecting our
22 core priorities that make the city fair and safer for
23 all New Yorkers. We are thankful for the important
24 role that the city resources played our expense
25 budget in my testimony will highlight several areas
where city funding will help us further strengthen

3 our programs and/or services. Our efforts to create
4 and preserve affordable housing are critical to Your
5 Home NYC. The Mayor's comprehensive approach to
6 helping New Yorkers get, afford, and keep affordable
7 housing. Housing access and affordability are some
8 of the biggest concerns that New Yorkers face and
9 Covid 19 has only made the need for affordable
10 housing more urgent. Initially held back by the
11 pandemic, we moved at record speed in the second half
12 of the year and, when the Mayor restored the \$454
13 million to our FY 21 budget, we ended 2020 with the
14 second highest total affordable housing production
15 for calendar year. Since 2014, we have been
16 shattering production records as we progress towards
17 this administration's goal to achieve 300,000
18 affordable housing homes by 2020 and the Mayor's
19 restoration of funding will allow us to stay on track
20 with a sharpened focus on the city's most vulnerable
21 residents. Our seniors, the homeless, and New
22 Yorkers barely getting by. In fact, as promised in
23 last year's state of the city, we have changed our
24 term sheets so that at least 50 percent of our newly
25 financed units will be for New Yorkers earning less
than \$52,000 for a family of three. A family such as

3 a home health aide and a car wash attendant with the
4 child. In 2020, the city financed 29,521 affordable
5 homes and more than 65 percent of those new
6 construction homes will serve New Yorkers earning
7 less they had \$52,000 for a family of three. In
8 2020, we financed more than 8000 supportive homes,
9 more than a thousand affordable homes for seniors,
10 and more than 2000 affordable homes for homeless New
11 Yorkers. Plus, our homeless placement services team
12 placed 1223 homeless households into housing that we
13 financed, exceeding its housing placement goal for
14 2020 by 22 percent. They also streamlined
15 documentation requirements and inspections in order
16 to move households from shelter to safe permitted
17 housing as quickly as possible. Finally, despite the
18 immensely challenging environment, HPD preserved more
19 than 22,000 homes, bolstering housing stability for
20 approximately 55,000 New Yorkers and created a record
21 18,125 homeownership opportunities by preserving
22 17,573 Mitchell Law, home ownership apartments. To
23 date, we financed nearly 178,000 affordable homes,
24 enough to serve 445,000 New Yorkers. In terms of
25 advancing racial inclusion, equity, and fair housing,
our affordable housing production doesn't just

3 stabilize families and communities by providing a
4 safe and permitted housing, it also brings jobs
5 critical to strengthening the local economy critical
6 housing work is contributing to a fairer and more
7 equitable recovery. In particular, HPD is committed
8 to creating opportunities for and strengthening the
9 participation of MWBEs and not for profits in this
10 growth. In the fall, we announced that our public
11 sites we award for affordable housing development,
12 HPD will require that the team included in MWBE or
13 not-for-profit partner that holds the minimum
14 ownership and financial stake of 25 percent in the
15 project. In January, we announced that the New York
16 City acquisition fund, a \$210 million public-private
17 affordable housing loan fund will exclusively finance
18 projects led by MWBEs and not for profits with at
19 least a 51 percent ownership stake. And just last
20 month, HPD launched Pathways to Opportunity, a new
21 initiative providing free training and certification
22 for MWBEs and not for profits interested in breaking
23 into the growing marketing agent industry. For
24 housing connect [inaudible 01:24:03]. In a city as
25 diverse as ours, it is only sensible that minority
and women owned business as a grassroots not for

3 profits play a central role in shaping and driving
4 community development as we work to build back
5 better. Just as the Covid 19 pandemic laid bare
6 neighborhood based inequities and racial inequality,
7 it also made clear that we cannot take our foot off
8 the gas when it comes to building a fairer society.
9 In October, after more than two years of planning and
10 community engagement, we released Where We Live in
11 NYC, a blueprint for fair housing in the five
12 boroughs. We updated the plan to reflect the
13 disproportionate impact of the Covid pandemic has had
14 on low income communities of color and now HPD is
15 hard at work to advance the five year plan to break
16 down barriers to opportunity and build a more
17 integrated, equitable New York City. Right now, we
18 are prioritizing strengthening neighborhoods that
19 have experienced historic disinvestment and
20 discrimination with mixed-use place making projects
21 amenities like grocery stores, recreational space,
22 and retail. In light of Covid, we are really
23 thinking how thoughtfully designed housing can help
24 New Yorkers remain safe in their homes and promote
25 broader public health. Mold and poor indoor air
quality can worsen underlying health conditions that

3 increase Covid 19 risks, while the lack of broadband
4 access can prevent residents from utilizing online
5 learning and emergency services. That is why we
6 recently updated our design guidelines, to introduce
7 new recommendations to facilitate broadband access,
8 improve indoor air quality and ventilation, increase
9 access to cooling and outdoor space, and reduce the
10 risks of spreading contagions. Housing quality is at
11 the heart of what we do and not just in newly
12 developed buildings. HPD is tasked with enforcing
13 the city's housing maintenance code, which covers
14 heat and hot water, mold, pests, gas leaks, fire
15 safety, and more. While the Covid 19 crisis has
16 disrupted so many lives, housing disasters like
17 firefighters and structurally unsound buildings, lack of
18 heat and electricity, and falling ceilings never
19 stopped. Our city. The work of our enforcement
20 teams to: even more meaning as New Yorkers sheltered
21 at home and we intervened to protect tenants and
22 support homeowners, particularly the most vulnerable.
23 In the last year, the city made important strides to
24 protect children from lead poisoning, explaining
25 local law 12 applied homes where children reside for
more than 10 hours a week, and even if they don't

3 live there full time. HPD has been reaching out to
4 property owners to raise awareness about the changes
5 and the resources available to help them. HPD
6 proactively combats tenant harassment, most recently
7 our anti-harassment unit, secured over \$200,000 in
8 penalties from two negligent landlords, creating
9 unsafe conditions for tenants and we continue to
10 monitor them to make sure that they are in
11 compliance. This year, we also kept a close eye on
12 the repercussions of the pandemic in order to stay
13 responsive to the rising needs. In addition to
14 regular outreach about Covid 19 safety resources and
15 best practices in multi family buildings, we also
16 launched a number of initiatives to protect tenants
17 during this time with our partners in the affordable
18 housing community and in the city and state
19 government. We helped keep vulnerable New Yorkers
20 impacted by Covid 19, in their homes through
21 initiatives like project parachute and our landlord-
22 tenant mediation project which works to resolve
23 disputes outside of housing court. So far, more than
24 90 percent of its mediations have produced
25 agreements. Covid 19 laid an immense burden on both
homeowners and tenants and we are increasing the

3 tools that we have to provide both much-needed
4 relief. In December, we released a security deposit
5 alternatives RFEI to identify eligible companies
6 interested in offering alternatives to the
7 traditional lump sum security deposits of newly
8 constructed homes and, in February, we announced the
9 expansion of the homeowner help desk which will
10 support homeowners at risk of displacement and key
11 neighborhoods in southeast Queens, central Brooklyn,
12 and the North Bronx. The helpdesk will connect
13 owners with resources and raise awareness about deed
14 theft and scams. Ultimately, all of this work is
15 about fighting for an equitable recovery and building
16 back to ensure that all New Yorkers can afford to
17 live, work, and thrive in this city, but we cannot do
18 this alone. I want to thank the Council for its
19 partnership and we look forward to continuing to work
20 together on critical legislative priorities and
21 needed reforms to help New Yorkers pull through into
22 get to the other side of this crisis is a more
23 affordable and equitable city. Thank you for the
24 opportunity to testify today and we look forward to
25 your questions.

3 COMMITTEE COUNSEL: Thank you,
4 Commissioner. We will now turn it over to questions
5 from Chairs Cornegy and Rosenthal. As a reminder, if
6 other Council members want to ask questions, please
7 use the zoom raise hand function and we'll call on
8 you in order. We'll be limiting Council member
9 questions to three minutes, which includes the time
10 it takes to answer your questions. Chair Cornegy, go
11 ahead.

12 CHAIRPERSON CORNEGY: Thank you so much,
13 committee counsel. Welcome and good morning,
14 Commissioner Carroll. It is always good to see you
15 and thank you for your continued commitment to this
16 hard work that we have to do especially around the
17 pandemic and eviction moratoriums being lifted. I
18 know that your work is not easy, so thank you for
19 staying committed to that. You got here at a time
20 which is probably one of the most critical and
21 crucial times in the city's history around
22 affordability, around eviction prevention and so I
23 know that it has been incredibly difficult.

24 COMMISSIONER CARROLL: Thank you.

25 CHAIRPERSON CORNEGY: So, I'm going to
start with the federal stimulus funding and some

3 questions in that area. The coronavirus aid relief
4 and economic act, which is the CARES Act signed into
5 law in March 2020 provided approximately 12 billion
6 national aid US Department of Housing and urban
7 development, HUD. But community development and
8 housing programs for New York City, federal aid for
9 community development housing programs and is
10 estimated to total 972 million. Can HPD provide
11 details on how much federal stimulus money it has
12 received through which programs, i.e. whether it was
13 CBPG grants or section 8 and how are the additional
14 funds slated to be utilized?

14 COMMISSIONER CARROLL: Thank you, Council
15 member, for that question. HPD received about \$15.8
16 million in federal grants through the CARES Act. It
17 was specifically for the administration of our
18 section 8 rental assistance program. The funds were
19 received in about May or June 2020 and we have until
20 the end of 2021 to spend them. The funds will be
21 used to cover the ongoing expenses for our technology
22 improvement of the program and for staff costs. With
23 Covid 19, I mean, we understand that we need to get
24 rental subsidies out to tenants you with the least
25 paperwork, but Covid 19 really made that critical.

3 As you know, our agency went off-line. Most of our
4 employees have been teleworking and we have had to
5 keep the section 8 program running online, as well.
6 And, you know, having to shut down the first floor
7 where people came in person to carry documents and
8 carry papers, senior citizens were coming, getting
9 this funding has been critical for us to streamline
10 our online application process, to reduce the burden
11 of tenants who need the use rental subsidy resources
12 critically at this time. And so, that is what we are
13 going to do with that \$50.8 million is to make the
14 burden of applying for section 8 much less, to
15 streamline our processes and make sure that owners
16 can see the status of their applications really
17 quickly. That way that helps tenants and to make
18 sure that senior citizens and other tenants no longer
19 have to come to HPD in order to access our resources.

20 CHAIRPERSON CORNEGY: So, Commissioner,
21 do we have a timeline for full implementation of the
22 programs that you described?

23 COMMISSIONER CARROLL: So, you know, we
24 are working very quickly with our tech folks to try
25 and use these funds by the end of the calendar year.
If we aren't able to have all of our tech upgrades by

3 the end of this calendar year, we will have it
4 shortly in the next year.

5 CHAIRPERSON CORNEGY: So, we are bracing
6 at the city Council for what we estimate to be a
7 flood of cases once the moratoriums are lifted both
8 on eviction and on foreclosure in the impact on
9 communities like ours are going to be devastating.
10 Is there a system in place from HPD's perspective to
11 help with that and, if there is, could you just
12 describe it?

13 COMMISSIONER CARROLL: Okay. So, at HPD,
14 we run the section 8 program and we offer tenants
15 rental assistance through that program. Throughout
16 the pandemic, we been advocating with the federal
17 government in order to provide additional resources,
18 not just additional section 8, but additional
19 emergency ranked assistance. We feel we were
20 successful in that effort and we recently accepted,
21 as part of the new CRF funding that was issued about
22 \$251 million for New York City to augment its rental
23 subsidies and the state received about \$1.3 million.
24 We have been in constant touch with the state and
25 with HR a to try to assist them in thinking through
how to get this money quickly to tenants. We have

3 been working with our HRA partners throughout the
4 pandemic to assist them in giving their one-shot and
5 to make sure that there is no delay in their ability
6 to get that money out. We longed HRA 30 of our own
7 staff in order to help them at the most critical time
8 to make sure that there was no black blog. We also
9 worked with enterprise and with the Mayor's fund, as
10 well as MOPT and the deputy mayor's office to raise
11 funds for project parachute. We were successful in
12 raising about \$10 million in funds to support the
13 undocumented. As you know, a lot of the federal
14 subsidies are not available tomorrow undocumented
15 residents. New York City and we know that those
16 folks work in economies that have been very hard hit
17 by Covid. And so, the deputy mayor and me and
18 enterprise and project parachute and M OPT, we went
19 out to foundations to raise money in order to help
20 hold these providers, I give rental assistance to the
21 undocumented. We set up with M OPT, the landlord
22 mediation project dispute resolution centers to make
23 sure landlords and tenants could come to some
24 agreement outside of housing court to enter into
25 payment plans. It's no good for the landlord to get
no money, right? And it is costly to take tenants to

3 court and we felt that these conflict resolution
4 centers, which exist in housing court, could be
5 better used before housing court. You shouldn't have
6 to go to housing court to get a dispute resolution or
7 mediation assistance. So we worked with M OPT and
8 with HRA to set that up and it is working really,
9 really well. They have a high level of mediation and
10 settlement between landlords. We continue to canvass
11 the state so we propose that the states legalize
12 payment plans. A lot of people are entering into
13 that now. Smart landlords are doing that now, right?
14 It's better to collect something than nothing and so
15 a lot of smart folks are entering into these
16 repayment plans with their tenants. What we have
17 advocated on the city side is to standardize those
18 agreements, make sure there are proper tenant
19 protections and those agreements. And so, we've been
20 advocating with the state to legislate that practice,
21 you know, so that there would be a standard playing
22 field for everyone entering into these agreements.
23 And [inaudible 01:39:00] some of the amazing,
24 tremendous work that we have been doing, but I do
25 want to say that we are also lenders and we have been
seeing a reduction in rent payments like everyone

3 else and so we have been giving relief to our
4 projects by giving forbearance on loans and allowing
5 folks to use the reserves that they have in order to
6 cover the shortfall of rent for tenants. So, in
7 short, we are doing a lot. We are concerned, as
8 everyone else is at the looming deadline for the
9 eviction moratorium, but we are confident that
10 further advocacy with the federal government will
11 bring in more renter resources and that we will be
12 able to work both with HRA and the state in order to
13 assist tenants.

13 CHAIRPERSON CORNEGY: So, I'm really glad
14 to hear you say that there is an open line of
15 communication between HRA and the state and you guys.
16 I think that that is going to be quintessential, in
17 addition to the resources, right? Everybody says
18 that we need resources, but a lot of the times a
19 solid line of communication on behalf of those
20 tenants and homeowners who are going to be
21 disproportionately impacted will smooth this out a
22 little bit, so I am really glad to hear it. And I am
23 sure from this community and from a counsel
24 perspective, anything we can do to assist in the
25 dissemination of information from our respective

3 offices, we would gladly do, so please keep us in the
4 loop. So, this past December, Gov. Cuomo signed the
5 Covid 19 emergency eviction and foreclosure
6 prevention act of 2020. The act places a moratorium
7 on residential of elections until May 1, 2021 four
8 tenants who have endured Covid related rent
9 hardships. So, specific questions as we had a broad
10 understanding of the great work that you are
11 attempting to do in this crisis, but is HPD tracking
12 the number of renters who are behind on rent citywide
13 and at risk of eviction once the moratorium is
14 lifted? Do we know that number? Because we should
15 be out reaching those folks now. And I'm saying I
16 would love to get the list of those folks if you have
17 it reach out, people in my community, in particular.
18 And every member should be able to do that if you
19 have those numbers.

19 COMMISSIONER CARROLL: thank you, Council
20 member for that question. You know, my policy team
21 has been working throughout this pandemic, as I said,
22 in order to advocate with the federal government and
23 to raise funds to try to track the need and we
24 estimate that there may be about 675,000 households
25 in New York City with one or more persons employed in

3 a Covid 19 affected industry. Now, we don't think
4 that all of these households will necessarily need
5 rental assistance. We know that the stimulus checks
6 that the federal government has been sending out,
7 including the unemployment benefits has really helped
8 stabilize a lot of households. But we-- And so, you
9 know, we're tracking that there are about 75 percent
10 to 90 percent rent collection in the city right now,
11 so, while we don't have exact numbers, we do know
12 that the people who need help, it fluctuates, right?
13 So, the Furman center has been looking at some of
14 this data. The treasury has been looking at some of
15 this data. But, what we know is, especially even
16 through project parachute, a family that needed help
17 maybe for about three months or six months, with the
18 city reopening and with businesses working again,
19 suddenly, that person has found a job and no longer
20 needs that assistance. So, there is some fluctuation
21 in the market and so what we plan to do I know, you
22 know, when HRA comes before you, you can ask them
23 more details, but I know that they are putting out an
24 RFP so that they can employ a not-for-profit's to
25 help in the outreach to families who may need
assistance. We know from Furman center data that a

3 lot of the folks in Covid affected industries live in
4 small buildings, so they live in buildings of 20
5 units or less or four units. So, we know that we
6 need to target-- and a lot of those buildings are in
7 the areas that are hardest hit by Covid. So, we know
8 we need to target certain neighborhoods. We know we
9 need to target certain property types and, you know,
10 so that is what HRA is attempting to do.

11 CHAIRPERSON CORNEGY: So, it's funny
12 because the same description of renters who are going
13 to be disproportionately negatively impacted by the
14 eviction moratorium is the same demographic of
15 homeowners were going to be disproportionately
16 negatively impacted because we know for a fact that
17 those small homeowners are usually ethnic families
18 who have between four and 12 units. If they're
19 lucky, 20 units. I think you would agree that the
20 bulk of even our affordable housing stock falls in
21 that same, you know, range. So, we have to work
22 simultaneously to protect the homeowners in the
23 tenants at the same time because they are almost the
24 same person to some degree. Or at least the same
25 demographic of folks. So, I'm glad you pointed that
out and I'm glad that you pointed out that we at

3 least have some-- while you may not have the
4 numbers, addresses, and names, we do have a clear
5 direction to go when to be of assistance and I would
6 like to continue to work with your office to kind of
7 drill down even deeper to see if we can get to the
8 doorsteps of those folks and provide them, before
9 they ask, right? Because, by the time they have, it
10 is already too late, quite frankly. So, if we can be
11 preemptive on getting the information out I think,
12 you know, it's going to be great. I am going to try
13 on my behalf to work with you to at least the 36
14 Council District, which, not because of anything
15 else, but because we were one of the hardest hit.
16 You know, I'm going to see if we can't work together
17 to provide it for the entire 51 member body, but
18 certainly Southeast Queens and South Bronx and
19 central Brooklyn are harder hit than others. So, if
20 we can concentrate our efforts on trying to get
21 preemptive information to those tenants and
22 homeowners about the services that are available and
23 about the moratorium being lifted, people are so
24 panicked and have so much anxiety around the pandemic
25 itself and vaccines that, you know, like, believe it
or not, their instability and their housing is like

3 tertiary to their list of priorities, which is crazy,
4 right? When you think about the health and
5 employment and, you know? So, anyway. I know that I
6 am preaching to the choir, but that is something I
7 would like to work with you. I'm going to, because I
8 could go on. As I'm watching this kind of unfold in
9 my head, I could talk about that is probably for the
10 rest of the time. I'm going to allow for the cochair
11 to ask questions and other colleagues to ask
12 questions and then I am going to come back for a
13 second round, if time permits.

14 CHAIRPERSON ROSENTHAL: Oh, great. Thank
15 you so much, Chair Cornegy. Those were great and I
16 am just going and that sort of take capital angle on
17 it and, like you, I'm just going to ask a couple
18 questions and then turn it over to the rest of the
19 committee and hopefully come back for a second round.
20 My first question is about the impact of Covid 19 on
21 the housing market and, Commissioner, you touched on
22 this, but let's just sort of dig in a little bit.
23 So, in 2020, the Covid 19 pandemic upended the city's
24 economy, shifted the housing market. Then, when the
25 pandemic hit New York last March, the real estate
industry was literally brought to a halt. And this

3 was, obviously, reflected in your capital program.

4 In April, I think, 2020, HPD temporarily halted
5 approval of the new capital projects that had been
6 scheduled for the end of FY 2020 and that is usually,
7 in terms of seasonality, the biggest chunk that goes
8 out. So, you moved about a billion into the out
9 years. So, I am wondering what you think, given that
10 you have started up again now, and I guess that would
11 be in January when the applause was actually lifted,
12 what do you think the impact was of the pause last
13 spring? How many fewer-- if you were to look at the
14 two year. Together, how many fewer projects were or
15 will be let out? Right? So, in other words, if you
16 combined FY 20 with FY 21 together, a two year
17 review, how many fewer were left? Does that make
18 sense?

19 COMMISSIONER CARROLL: I understand your
20 question. Thank you. It is an excellent question,
21 Council member, and I really appreciate it and I say
22 that because it gives me opportunity to show how
23 amazing our team has been throughout this pandemic.
24 And so, you know, when we were told that there is a
25 pause and that we were going to be teleworking, the
folks at this agency, we said, okay. That's right.

3 We won't stop. Right? Nothing will stop. The
4 marketing will stop, but we will continue closing
5 projects. We can do this. And then the pandemic
6 became an economic crisis and, as you all know, we,
7 our capital was taken away. And that there is a
8 process in producing these units that, if we let
9 everybody stop without working, we would put not for
10 profits out of business. People would have to be
11 laid off in the MWBE Farms. Our own staff we
12 couldn't just let be followed. They are talented
13 people that needed to keep going. And so, what we
14 said is we would find the produce. So, even when we
15 didn't have capital, we were still closing projects.
16 We were closing some projects thanks to you in the
17 Council with just an article 11 tax exemption. So,
18 we looked at everything we had on the table and we
19 thought, okay. What is a cheap deal that we could do
20 with the least resources? Even the least tax
21 exemption? And so, we searched around for some of
22 our preservation deals and we picked those and we
23 went ahead with them. And then we looked around and
24 we said, okay. What MWBE not-for-profit supportive
25 housing that are critical that we didn't want to, for
example, the 1921 Atlantic Avenue go, we just--

3 these folks had been waiting for a while to close and
4 we said, okay. We had some extra federal tax
5 credits. Nine percent credits. And we said, but can
6 we use them? Can you go out in the market and sell
7 those and get equity to replace our subsidy? So, we
8 will take our subsidy out. And we don't always have
9 extra tax credits, but thank goodness we did and so
10 we closed projects by letting them take more tax
11 credits than the were previously allotted and they
12 were able to raise funds in the market and replace
13 our subsidy. We also went to HDC financing partner
14 and said, we don't have any money. Can you give us
15 some? So, in addition to your own subsidy, will you
16 put hours, as well? And, you know, there is only so
17 much of that that they could do, but they said yes
18 and we were also able to close projects that way.
19 And we Weekly meetings with our development partners,
20 basically, cheering them on, telling them that there
21 is no-- that there is no pause. There is no stop.
22 That they should keep working on the June deals that
23 were delayed because we could get funding at any
24 moment and that they would need to go keep moving.
25 And so, thankfully, that Mayor and OMB restored our
funding in those projects were ready to go because we

2 Doing the closing calls. We Doing the weekly calls
3 and that due diligence to move the projects. And so,
4 by September, actually, OMB said, we will give you
5 some money. Start closing. And so we really were
6 closing from about September to December and we
7 closed the June deals in December. And so, the
8 reason we were able to say that we had the second-
9 highest production year in calendar year is because
10 of the awesome team at HPD that kept going.

11 CHAIRPERSON ROSENTHAL: Commissioner, I
12 don't doubt that and it sounds like you made great
13 strides in that, but just can you tell me what the
14 planned closures were for FY 20 and 21 together and
15 then what the actual is?

16 COMMISSIONER CARROLL: Yeah. So, every
17 year, our target is 25,000 units.

18 CHAIRPERSON ROSENTHAL: Okay.

19 COMMISSIONER CARROLL: So, for every
20 fiscal year, that is the target. And so, we had
21 already hit our 25,000 target before Covid hit in
22 2021. So, in fact, when we continue to close
23 projects in June and August up until September in the
24 way that I described, you know, OMB said, you've
25 already made your target of 25,000. So, you know, we

2 said we weren't going to stop there. Right? We were
3 going to continue. And so, we didn't miss our target
4 and that is what I want to really, really--

5 CHAIRPERSON ROSENTHAL: Sure. Sure. No.
6 That is amazing. So, in FY 20, you hit 25,000 units.
7 I actually prefer to combine the two years.

8 COMMISSIONER CARROLL: Okay.

9 CHAIRPERSON ROSENTHAL: So, for FY 2021,
10 your target is 50,000 units and, as of today, you are
11 at what number? Given everything that OMB has let
12 you release?

13 COMMISSIONER CARROLL: So, I'm going to
14 split it in my head. So, for FY-- So, this fiscal
15 year, our target is, again, the 25,000, although my
16 boss has said we need to do better than that and we
17 will. And we have already produced about 11,000
18 units for our--

19 CHAIRPERSON ROSENTHAL: Right.

20 COMMISSIONER CARROLL: For our target.

21 CHAIRPERSON ROSENTHAL: So, you think you
22 can hit the next 13 in the next four months, which
23 actually doesn't sound crazy to me given your
24 seasonality, but is that your goal?

2 COMMISSIONER CARROLL: If I-- Yes. My
3 goal is not 13 because my boss has said we need to do
4 better than that, but yes. We will hit 13 plus--

5 CHAIRPERSON ROSENTHAL: 13 plus. And
6 another sort of technical question. When you are
7 talking about the 25,000 units, does that include new
8 build and refinancing?

9 COMMISSIONER CARROLL: Absolutely. So--

10 CHAIRPERSON ROSENTHAL: Okay. So, the
11 reason I ask is because only because I'm trying to
12 make sense of this and the best way for me to make
13 sense of it is to think about what is happening in my
14 district. So, in my district, there was a project
15 that was supposed to close in last spring and it is
16 now-- we have now said that it will happen this
17 spring. For some reason, it wasn't in that first
18 tranche in the fall or second tranche in winter and I
19 am just, you know, the tenants there are completely
20 freaked out because what was negotiated was something
21 that was good for them that they could afford and
22 now, you know, it has been a year and they are
23 freaked out. So, I don't know if you can tell us--
24 you know, as Chair Cornegy was saying sort of what
25 was in the package for 20, what got done in 20, what

3 is now in the package for 21, and what is going to
4 get done in 21. And I am especially curious on the
5 preservation side because, hypothetically, that
6 shouldn't-- you know, I would imagine there would be
7 a way of rethinking the financing so it doesn't have
8 to all go out in the first year so that you could, in
9 fact, do the financing for, you know, the refinancing
10 for buildings in order to preserve without a problem.

11 COMMISSIONER CARROLL: Thank you, Council
12 member. I really appreciate the question because we
13 say-- We tell folks in advance when they are going
14 to close and we tell them in advance so that I can be
15 ready to meet the closing deadline. So, we have told
16 people a year in advance whether they are in June or
17 December, but every year there are some projects that
18 don't make it to the finish line, so we always have
19 the first tier and the second tier of projects just
20 in case projects don't make it to the finish line.
21 So, I would love to talk to you separately about the
22 particular one you mentioned, but there are times
23 where, you know, we are only the gap filler. We are
24 only a portion of the funds in a project. The
25 development needs other sources of income.

3 CHAIRPERSON ROSENTHAL: Of course. Of
4 course. And, you know, I am not -- I mean, I'm
5 happy to go through my specific one, but I feel like
6 I hope I am speaking for all my colleagues who all
7 have their specific one that, you know, got bumped
8 and there is no reason why, which is why I go back to
9 Chair Courting use first question I have is there a
10 way to provide the lift sort of, you know, for last
11 year and this year. And you can even include what
12 was in your first priority, second priority, or
13 feasible to do quickly, not feasible to do quickly.
14 I think it would really benefit Council members to
15 understand that better only not necessarily to
16 question, but so they can know what they are talking
17 about when we are talking to our constituents who are
18 asking us for our we, right? I think that kind of
19 clarity would be incredibly helpful for Council
20 members, especially if, as you are saying, it sounds
21 like you are really going to get all 50,000 done in
22 the two-year span, plus more. You know? You are
23 going to get to 60,000 or whatever that number is,
24 but, you know, I think that sort of clarity would be
25 incredibly important. Is that something you would
have available and ready to go over?

3 COMMISSIONER CARROLL: You know, Council
4 member, this is an excellent question because, you
5 know, we are constantly refining who is ready and who
6 is not ready. What we DO is we tell people in
7 advance and that they are closing or they are not
8 closing and Council members call me, text me, email
9 me all the time, with where is my particular project?
10 And our team is very transparent when that happens
11 about where it is and why.

12 CHAIRPERSON ROSENTHAL: Of course. Of
13 course. And, unfortunately, I don't have yourself,
14 so I'm not one of them texting and calling you, but
15 perhaps what would be easier, again, is just to send
16 over to the central staff what the list is so we
17 wouldn't have to be bothering you. I am sure you
18 have plenty more important things to do than to
19 answer a specific Council members question about a
20 specific project. And, besides, you know, honestly,
21 you have way more important things to do and if you
22 have the list, I mean, this'll be the last time I
23 will say that, but it just strikes me that sharing
24 the list with the Council would be helpful to all New
25 Yorkers so that all New Yorkers could go to whatever
source they have, whether it is HPD or their Council

3 member to find out and to relieve their anxiety,
4 especially at a time when everyone's anxiety level
5 has doubled because of Covid. And it strikes me that
6 you obviously know exactly what is going on and your
7 staff-- I'm sure-- I mean, I'm just sure that, in
8 your office, you have a list and I am just asking if
9 you can send it over to the city Council so that we
10 could be as well informed. I will let it go there.
11 I trust your answer is yes and I will pass it back to
12 Chair Cornegy.

13 COMMISSIONER CARROLL: I would be happy to
14 talk about this off-line. You know, my team has
15 lists that change regularly. We have big closing
16 meetings in this agency where there are always
17 updates. You know, where are they with the plans?

18 CHAIRPERSON ROSENTHAL: Of course.

19 COMMISSIONER CARROLL: Where are they with
20 DOB?

21 CHAIRPERSON ROSENTHAL: Of course.

22 COMMISSIONER CARROLL: [inaudible
23 02:01:05]

24 CHAIRPERSON ROSENTHAL: Of course. And
25 that is why the word draft is so important. So you
have to do negotiation and change. It's easy-- you

3 know, people can understand the notion of draft. You
4 know, what we're trying to look at is what your
5 mindset is and, of course, you know, let's watermark
6 things subject to change. You know, but that right
7 on there. We can handle that.

8 COMMISSIONER CARROLL: We can talk off-
9 line.

10 CHAIRPERSON ROSENTHAL: Thank you, Chair
11 Cornegy.

12 CHAIRPERSON CORNEGY: Thank you, Helen.
13 I mean, Council member Rosenthal. So, actually,
14 unfortunately, want to piggyback a little bit off of
15 Council member Rosenthal. And I am having a real
16 serious issue with closings, but not so much the
17 affordable tenant units, but my pathways to
18 homeownership. So, none of the homeownership
19 programs are closing and I know that you're probably
20 going to tell me that you are prioritizing the
21 tenant, but my office is filled with calls from
22 responsible developers who are very close to closing
23 affordable homeownership programs who have gotten
24 pushed way out and well, obviously, you have
25 demonstrated and illustrated a priority around
closing, right? So, the I've got people who have

3 three-- you know, these are three family units that
4 they are our eight in a small lot or even smaller.
5 The greatest impact, potentially, you would say-- if
6 I'm the Commissioner, I'm going to say, look. I can
7 get 11,000 units here. I can only get, you know,
8 seven or eight units here. But the homeownership
9 piece is now and has been a tremendous opportunity
10 for minority communities. So, I am getting inundated
11 with these calls around these closings and I just
12 want to know what that guidance is on it and,
13 obviously, we don't have any money, right? I get
14 that. So you don't have to say that to me, but I do
15 know that there is a priority and an order by which
16 you are operating at HPD around providing affordable
17 housing-- affordable housing tenant units. I would
18 like to see a greater mix in terms of priority,
19 right? And so, I would like to personally like to
20 put some members of our communities: pathways to
21 homeownership through the programs that HPD offers
22 and close some of these. There are-- And, actually,
23 there are developers who, at their own peril now are
24 not closing these. You have made significant
25 investments because of my urging in your urging and
because of the city's mandate and now they're going

3 to take a tremendous loss. So, there is the loss to
4 the small-- And their smaller developers, by the
5 way. So, we're not talking about huge developers.
6 These guys who are doing the affordable homeownership
7 piece are not the big guys, right? Because there's
8 really no money there, but there are people who are
9 committed to putting people on pathways, so they are
10 taking an L and then the potential for these
11 homeownership units are taking an L. And most of
12 those units are two and three families. So, the
13 family is who are prescribed to be there and below-
14 market are also taking a loss when we don't close
15 these programs.

16 COMMISSIONER CARROLL: So, thank you,
17 Council member, for that question. So, like the
18 Council, this administration believes in
19 homeownership. We understand that homeownership
20 amongst black and brown communities has been on the
21 decline and so we take homeownership very seriously.
22 This year was one of our biggest years for
23 homeownership as we financed about 18,000 homes. One
24 of those was preserving a very large Mitchell Lama
25 homeownership project called co-op city. Another one
was preserving Cooper's Square, a CLT co-op. We also

3 did Rochester Sudan which is an open door project.

4 It had a Levin city-owned parcels which was developed

5 with 78 cooperative units across seven buildings. We

6 also did the Bed Stuy phase 1 and two where we are

7 about to do the Bed Stuy phase 1 N. and two, which is

8 also an open door. I hear you. We would like to do

9 more. One of the things that we are working on at

10 HPD is trying to increase the down payment assistance

11 so that it's not just what we produced at HPD for

12 people to be able to buy a home, but that people

13 would be able to go out in the market and by

14 affordable homes that are naturally occurring on the

15 market, as well. So, in terms of trying to increase

16 the production and preservation on our end, we are

17 also trying to increase the capital that folks have

18 in their hands to go out and pay down payment

19 assistance. So, right now, it's \$40,000 in down

20 payment assistance that we give and we are working to

21 use our own funds to increase that to about \$100,000.

22 And so, we, in addition to that, we have our home

23 fixed program which the Council has helped us with

24 where we are doing and giving grants for low cost

25 loans to homeowners to rehab their property and

possibly have a unit that they could also rent to low

3 income households so that they can receive the
4 funding that they need to continue to maintain their
5 properties. But we hear you. We need to do more and
6 we are working on it. Homeownership is a harder
7 thing to produce, but we're going to continue to do
8 it because it is one of our priorities.

9 CHAIRPERSON CORNEGY: So, I respect and
10 appreciate it and it wasn't an indictment this time
11 on the willingness to produce it. I am really,
12 though, asking about these closings that are not
13 happening. So, these are already in the pipeline.
14 They have already been, I'm assuming, funded to a
15 particular degree, but they can't get the closing
16 done. I am referring more to that. I know it is in
17 the pipeline, especially in Bed Stuy, but I also
18 have, in bed Stuy, where I am being told that it is
19 really open-ended and there is kind of no closing on
20 the horizon minutes those that I-- and we may have
21 to have this conversation off-line, but I do want to
22 bring to your attention that there are, in addition
23 to the great work that you are doing to sick your
24 affordable housing units and the programs that allow
25 for that, we, literally, have closings out the higher
that there is not enough money in the budget to

3 close. Does that require a public-private
4 partnership to close them? Like what is it going to
5 take to close them and get these pathways?

6 COMMISSIONER CARROLL: So, thank you,
7 Council member, for that question. I know that you
8 are talking about our open door program and, like I
9 said, you know, that it is very expensive to try to
10 put all the resources together, but we are working
11 diligently on those projects to get them across the
12 finish line. You know, because we're trying to meet
13 a very low income target and so, we hear you and we
14 are going to keep working on it.

15 CHAIRPERSON CORNEGY: to see what we can
16 do and what we can leverage to have those come to
17 fruition. You know, it is kind of a legacy thing for
18 me as we-- especially in this time, right? It seems
19 as though I don't want to come out of this pandemic
20 with the same inequities that existed prior to it.
21 So, I feel like if we concentrate on fixing some of
22 this through homeownership and through MWBE and all
23 of that, while it is tough, then we won't have to--
24 you know, there is a saying in the hood that says if
25 you stay ready, you don't have to get ready. So, if
we, even in this tough economic time, commit to doing

3 these things, then we will come out of it and the
4 next time the cycle happens again, it will be less of
5 an impact because we will have hunkered down in this
6 period. So, days that I would like to talk about
7 later and I'm sorry. I know that my other colleagues
8 have questions, but, you know, that is important to
9 me and I just want to figure out a way to not have us
10 on the same vicious cycle that we seem to be on.
11 Because, we are going to recover from this. We are
12 New York freaking city, so we are absolutely going to
13 know recover. How we recover and who has-- whether
14 we move the needle in a tough time in is going to be
15 the same situation. There will be, unfortunately,
16 because of the way the world works, there will be
17 another pandemic. Will we have worked hard enough on
18 the inequities in the healthcare system to make sure
19 that it is not as negative impact? Will we have
20 worked hard on affordability around homeownership so
21 that it is not the same impact is my question and I
22 think we have been opportunity to do that. Whatever
23 it takes to do it so that we don't have the vicious
24 cycle in this time. And, so that was for all the
25 agencies to hear. That wasn't just for you. I truly
think that we can do this if we, you know, spend some

2 political capital to see to it that we don't get on
3 this treadmill again. So, thank you for allowing me
4 that rant and we will talk off-line about how to
5 close some of these open homeownership programs.

6 COMMISSIONER CARROLL: Thank you, Council
7 member.

8 COMMITTEE COUNSEL: Great. We'll now
9 call on Council members to ask questions in the order
10 they have used the zoom raise hand function. We have
11 also been joined by Council members Gibson and
12 Barron. Council members, please keep your questions
13 to three minutes, including responses. If there is a
14 second round of questions, Council member questions
15 will be limited to two minutes. A sergeant-at-arms
16 will keep a timer and let you know when your time is
17 up. We will first hear from Council member Salamanca
18 followed by Council member Moya.

19 SERGEANT-AT-ARMS: Time starts now.

20 COUNCIL MEMBER SALAMANCA: Thank you.
21 Thank you, Chairs. How are you, Commissioner?

22 COMMISSIONER CARROLL: Thank you. How are
23 you.

24 COUNCIL MEMBER SALAMANCA: First,
25 Commissioner, I want to start by thanking you for

3 being extremely accessible when I call and I reach
4 out. I know we don't always agree on the decisions
5 that are made, but to be able to have that dialogue,
6 it means a lot and, you know, not all commissioners
7 do that. So I want to say thank you. I was going to
8 ask questions about the projects that are on the
9 pipeline, but it seems that Council member Cornegy
10 and Rosenthal really homed in on that, so I want to
11 ask more on my 15 percent homeless set aside bill
12 that was passed last year, do you have a number of
13 how many homeless families were put into affordable
14 housing units because of that bill?

14 COMMISSIONER CARROLL: So, thank you,
15 Council member. That is an excellent question. I
16 can tell you that our homeless numbers, again, this
17 year was the second highest production and this year
18 we financed about two-- just over 2000 homeless
19 units. But in addition to that, homeless placements,
20 which is a separate initiative that we did-- so in
21 addition to the homeless units that we financed which
22 is over 2000 of them for 2020, during the pandemic,
23 we went to our affordable housing partners and said,
24 for everything that is in marketing, starting in
25 about March/April, we want you to increase the set

3 aside to about 30 percent so that we can get people
4 out of shelters quickly in this pandemic and get
5 people into housing. And we started with just
6 NYSAFAH and we expanded it to every unit in
7 marketing. And with this effort, Council member, we
8 have had 772 move ins in addition to the homeless
9 units that we financed. We have about 198 buildings
10 participating in this program for about 1647 units.
11 Only about 1036 have TCO's, so we expect to continue
12 to place folks in our buildings in response to this
13 crisis. So in addition to the great work you've done
14 with the city to get this set aside, we are
15 responding with our partners to say, in this crisis,
16 you've got to help people of the city and for things
17 that are going through marketing, we're pushing
18 people to go up to 30 percent. Not everybody can go
19 up that to 30 percent. You know, some of those folk
20 get--

21 SERGEANT-AT-ARMS: Time expired.

22 COUNCIL MEMBER SALAMANCA: I understand.
23 Thank you. And then, just to close off, I know that
24 Council member Cornegy and Rosenthal were talking
25 about the closings and the frustration that both
sides have. I know HPD and also the-- you know? Us

3 Council members you know, whether they are for-profit
4 or nonprofit, you know, there is a frustration there.
5 I have a bill that would-- but also the frustration
6 is that we don't know how many units or how many
7 development projects are waiting on the pipeline.
8 So, you know, Council member Cornegy, you know, have
9 a bill that I would love to get heard soon where it
10 would require that HPD reports on a quarterly basis
11 as to how many projects were closed. And those
12 projects that were not closed that are on the
13 pipeline, they have to give us an explanation as to
14 why they were not closed and that should be public
15 information. And, with that I--

16 CHAIRPERSON CORNEGY: Not only will I
17 push that bill, make sure my name is on it.

18 COUNCIL MEMBER SALAMANCA: Yes. Yes.
19 Thank you. Thank you, Chairs.

20 COMMISSIONER CARROLL: Thank you, Council
21 member. May I just say that we publish all of the
22 projects that were closed. It is on open data. So,
23 I just wanted to--

24 COUNCIL MEMBER SALAMANCA: No. And that
25 is great, but we don't know why there are projects
that are not closed and why they were not closed and

2 I think that that should be open data, too. All
3 right. Thank you.

4 COMMITTEE COUNSEL: Thank you. We will
5 now hear from Council member Moya followed by Council
6 member Chin.

7 SERGEANT-AT-ARMS: Time starts now.

8 COUNCIL MEMBER MOYA: Thank you,
9 Commissioner, and thank you to both Chairs for
10 allowing me to ask a couple of questions. It's good
11 to see you, Commissioner. I'm just going to read you
12 two quick questions and see if you can answer them.
13 Given the economic hardship facing the city of New
14 York as a result of Covid, what programs has HPD been
15 forced to reduce or to cut out completely? For
16 example, AIRS [sic], in terms of financing affordable
17 housing and how have these programs been chosen?

18 COMMISSIONER CARROLL: Thank you, Council
19 member, for that question. So, we have been very
20 efficient with the economic crisis in reducing our
21 budget while not compromising out functions and the
22 services that we provide. With respect to Airs, the
23 AIRS program has not been cut. So, the zoning
24 resolution provides that affordable independent
25 residences for seniors can be financed with a

3 regulatory agreement by any agency and our SERA for
4 affordable independent residences for seniors. And
5 so, we continue to produce senior housing as part of
6 this plan and, to date, we have produced over 9000
7 units of senior housing. There is a-- We attempted
8 to take advantage of the zoning resolution to try to
9 allow privately financed AIRS , meaning projects
10 without city subsidy and we created a term sheet to
11 try to do that to stretch the zoning resolution even
12 though it wasn't because we thought we would be able
13 to take advantage of an opportunity. After further
14 study, we have come to the realization that we didn't
15 want any rezoned areas that-- we wanted to make sure
16 that a variety of housing was produced for families
17 and for all types of New Yorkers and so, we pulled
18 back at term sheet which attempted to stretch the
19 zoning resolution. But that AIRS program is alive
20 and well and we are producing senior housing with our
21 HPD term sheet.

22 COUNCIL MEMBER MOYA: Commissioner, just
23 so I'm clear, because we've been doing these
24 rezonings as Chair and we've been getting back from
25 the folks that we work with that HPD is no longer
doing the AIRS program. So, I just want to be clear.

3 There is money in the budget to continue financing
4 AIRS?

5 COMMISSIONER CARROLL: Absolutely. So,
6 our SERA term sheet is our senior housing term
7 sheet--

8 SERGEANT-AT-ARMS: Time expired.

9 COMMISSIONER CARROLL: And we use that
10 term sheet to finance AIRS project. In fact, we
11 requested the AIRS program in order to help the SERA
12 program function better.

13 COUNCIL MEMBER MOYA: So, maybe I'll come
14 back because I just had a meeting about a project in
15 my district where they were told that HPD is no
16 longer doing AIRS because there is no money in the
17 budget. So I'm just asking because this is the total
18 opposite of what we were told.

19 COMMISSIONER CARROLL: So, this is a great
20 question, Council member and I really appreciate it
21 so that I can clarify. There is some confusion
22 between privately finance affordable independent
23 residences for seniors versus a government financed
24 affordable independent residences for seniors and
25 that AIRS program was drafted so that governmently
26 financed residences for seniors could have certain

2 setback and bonus and Balkan order to maximize the
3 amount of affordable housing for seniors that can be
4 produced. What we tried to do it HPD and we were
5 maybe two clever as we tried to stretch the zoning
6 resolution to allow privately financed affordable
7 residences for seniors and that is the program that
8 we are no longer doing because we want--

9 COUNCIL MEMBER MOYA: Understand.

10 COMMISSIONER CARROLL: the city to be able
11 to have a say in the types of housing produced in
12 rezoned areas and we do not want one type of housing
13 only to be produced. We would like a variety of
14 housing to be produced in rezoned areas.

15 COUNCIL MEMBER MOYA: Thank you,
16 Commissioner. Thank you for your time. Thank you so
17 much.

18 COMMITTEE COUNSEL: We will now be hearing
19 from Council member Chin followed by Council member
20 Barron.

21 SERGEANT-AT-ARMS: Your time will begin
22 now.

23 COUNCIL MEMBER CHIN: Am I on mute?
24 Okay. Great. Thank you, Chair, and it is great to
25 see you, Commissioner, thank you to your team. We

3 work well with the HPD team and I just want to follow
4 up the question about senior housing. October 2017
5 the mayor announced senior, you know, first
6 initiative and so what is the progress on committing
7 to build, you know, 30,000 units for seniors were on
8 track. Just talked about so far 9000. So, are we on
9 track in terms of the number of senior housing that
10 will be built? Because right now, one in five New
11 Yorkers are seniors and I think, among all my
12 colleagues, people who call, they call about senior
13 housing. So, are we on track on that? In my other
14 question is I know you talk about the homeownership
15 of Mitchell Lama and you did some upgrades digitizing
16 the waiting list and I think that is something that
17 is really concerning because there were issues about
18 waiting lists for Mitchell Lama program housing and
19 we want to make sure that people had the opportunity
20 to get into those developments and be able to have
21 homeownership or affordable housing.

22 COMMISSIONER CARROLL: Thank you, Council
23 member, for that question. I will start with the
24 last one first which is the Mitchell Lama program.
25 You know, we have had technology challenges in
upgrading that program, but we are working diligently

3 to digitize the waiting lists, cleanup the waiting
4 lists, make sure that what is being-- the
5 information that is coming from the Mitchell Lama
6 developments to our team and going back is clean and
7 accurate. We are also making sure that people don't
8 have several bites at the apple because sometimes you
9 go to a person on the waiting list. They look at the
10 unit and they say, oh, I don't like that one and they
11 are still on the waiting list. You all for another
12 one and they say, oh, I don't like that one. And we
13 can't get through a waiting list in that way and so
14 we are starting to reduce the amount of times people
15 can reject a unit to maybe once or twice and then
16 they are off the waiting list. So, this has been a
17 priority for me since I came in. It has been a
18 priority from all of the advice we have been getting
19 from other constituents, including legislators and
20 advocate airs. And so, my team is, at the moment,
21 continuing to digitize until the--

22 SERGEANT-AT-ARMS: Your time has expired.

23 COMMISSIONER CARROLL: little bit about
24 senior housing. We have produced over 10,000 units,
25 actually and, you know, we have a goal of 15,000
upgrades in preservation that contributes to the

2 30,000 number we will keep pace. It has been a
3 little slow, but we believe we will keep pace to try
4 to meet that 30,000 number.

5 COUNCIL MEMBER CHIN: Okay. Thank you.

6 COMMITTEE COUNSEL: We will now hear from
7 Council member Barron followed by Council member
8 Gibson.

9 COUNCIL MEMBER BARRON: Thank you. Thank
10 you to the Chair for having this important hearing.
11 Thank you to the panel for coming and presenting the
12 information. Good to see you again. In terms of the
13 sub city that the city offers, is there a range?
14 What is the maximum? Is it one set fee? Can it be
15 altered? Can it be modified? Can you share that
16 with us in terms of what the subsidies are?

17 COMMISSIONER CARROLL: So, thank you so
18 much, Council member, for that question. We have
19 several different term sheets that we have published
20 on our website and our subsidies per dwelling unit.

21 COUNCIL MEMBER BARRON: Right.

22 COMMISSIONER CARROLL: And so, if it is
23 the extremely low income housing program, there is a
24 certain amount of subsidy per dwelling unit that we
25 publish if the developers meet our requirements. If

3 it is a supportive housing program term sheet, that
4 is a different subsidy amount for dwelling units,
5 again, if the developers meet our specific
6 requirements. And there is yet another for our
7 senior housing turned sheet, SERA term sheet we gave
8 a different subsidy amount per dwelling unit produced
9 for each of these different programs. So, supportive
10 housing is more expensive to produce and so, I
11 haven't looked at that term sheet in a while, but
12 that amount per dwelling unit would be more expensive
13 because we have a lot of community facility in
14 offices for services, etc., in supportive housing.
15 We create those term sheets with the approval of IOM
16 be and so, when we propose an amount of subsidy for
17 dwelling unit, we send that to OMB and there is a
18 negotiation back-and-forth between us and OMB before
19 we land at the final amount that we will give per
20 dwelling unit provided.

21 COUNCIL MEMBER BARRON: And is there any
22 variance or is it a range or is it a set number? Can
23 it be modified? Are there alterations? Are there
24 circumstances that might make it go above what the
25 term sheet actually is presented as?

2 COMMISSIONER CARROLL: So, that it is, in
3 some instances-- and a good ask my Deputy
4 Commissioner for development to come in because I
5 have not looked at that term sheet now for about a
6 year. In some instances, there is a set number. In
7 some instances there is a range. There may be
8 reasons why a project goes above term sheet. For
9 example, maybe the projects are increasingly complex.
10 Sometimes there is a lot of infrastructure
11 associated. Maybe sewer infrastructure or other
12 infrastructure that is not really a dwelling unit
13 issue. Sometimes--

14 SERGEANT-AT-ARMS: Time has expired.

15 COMMISSIONER CARROLL: I'm going to speed
16 up. Sometimes we may be asking for open space or we
17 may be asking for other amenities for the residents
18 that is not strictly a creation of the unit. And so,
19 that may make a project more expensive which may make
20 us have to go back to OMB and ask for us to increase
21 the funding. Just one more thing is that, in terms
22 of our projects that we financed in 2020, we have
23 told developers that they will not close during the
24 pandemic if there projects are not at or below our
25 term sheet range. And so, in order to stretch the

3 money that OMB was giving us, we have been very
4 strict with the developers that there projects have
5 to come in at or below term sheet or they will not
6 close. So, if you hear that some people did not
7 close in 2020, they probably could not come in at or
8 below term sheet. Then we have said that, if there
9 is any project that is above our term sheet number,
10 and it has to be for something [inaudible 2:29:49],
11 right? And so, for example, sewer funding would be
12 DEP requiring sewer funding or that they have a big
13 infrastructure project that EDC is contributing to
14 and, therefore, the housing is more expensive.

15 COUNCIL MEMBER BARRON: Thank you. Was
16 there someone who was going to give some data? Mr.
17 chair, if I could?

18 COMMISSIONER CARROLL: So, I would like to
19 call on Ms. Oakley if she wanted to talk a little bit
20 more about our term sheets.

21 COUNCIL MEMBER BARRON: Mr. Chair, can I
22 get a little more time--

23 COMMISSIONER CARROLL: Oh, absolutely.
24 Absolutely. Of course, Council member. Of course.

25 DEPUTY COMMISSIONER OAKLEY: Hi. Thank
you, Council member Barron for that question and

3 thank you, Commissioner, for the opportunity to speak
4 more about our term sheets. The Commissioner was
5 spot on that we do have a variety of subsidy levels
6 depending on the term sheet because we look to
7 maximize the federal resources that we can bring into
8 deals and then modulate the necessary city subsidies
9 to fill the gap. And so our SERA and our supportive
10 housing term sheets where we are able to leverage
11 federal tax credits are at a lower subsidy per unit
12 amount then, for example, our open door term sheet
13 which does not currently have access to such tax
14 credits. So, we do have a variety of different
15 sources. In addition, there are sometimes additional
16 costs that, along with particular sources and we are
17 modulating for that, as well. So, we said our term
18 sheets on an ongoing-- we reevaluate them on an
19 ongoing basis and we are constantly looking at the
20 sort of average cost to see what is appropriate. I
21 will say that I appreciated the Chair's comments at
22 the beginning about the relevance of HPD's work to
23 the crisis and we have tried to maximize whatever
24 advantages we see in a lower interest rate
25 environment and we did take OMB's feedback very
seriously throughout this crisis that we needed to

3 bring every project below term sheet and so we
4 communicated that to our external partners and we
5 have had tremendous success in bringing down costs
6 where possible due to the prevailing market
7 conditions.

8 COUNCIL MEMBER BARRON: Thank you. I'll
9 follow up off lining get those subsidy amounts are.
10 Thank you very much, Mr. Chair.

11 CHAIRPERSON CORNEGY: Yes, ma'am. I do
12 also want to acknowledge the presence of Council
13 member Vanessa Gibson. I don't know if we
14 acknowledged her. She is also in the room.

15 COMMITTEE COUNSEL: We will now hear
16 from Council member Gibson for questions. Sorry?

17 CHAIRPERSON CORNEGY: Yeah. Okay. I'm
18 sorry.

19 COMMITTEE COUNSEL: A couple more
20 questions. So, Council member Gibson, you're up
21 next.

22 SERGEANT-AT-ARMS: Time starts now.

23 COUNCIL MEMBER GIBSON: Thank you very
24 much. Good afternoon, Chair Cornegy, Chair
25 Rosenthal, all my colleagues. Thank you so much,
Commissioner Carroll, to you and your team at HPD. I

3 appreciate, as well, Council member Salamanca
4 acknowledged your responsiveness and I really
5 appreciate that on behalf of my district in the
6 Bronx. The Jerome neighborhood plan that we passed
7 back in 2017. There are a lot of housing projects
8 that we obviously want to see come to fruition. So,
9 I appreciate your office and all of the work you have
10 done during this pandemic. It is certainly not been
11 easy. I just have a couple questions I wanted to
12 present to you. Number one, wanted to get an update
13 on the landlord ambassador program and where we are
14 with that. I remember there was a partnership with
15 enterprise and last year's budget. While the program
16 remained flat, I don't know where we are this year.
17 Second, I wanted to ask about an update on CLT's,
18 community land trusts. I know you mentioned to me
19 that you have new dedicated staff to handle CLT's and
20 there are a number of projects that are in the
21 pipeline across the city. So I would like to get an
22 update on that. And then, thirdly, the state budget
23 is looming ahead in the next few weeks. We will have
24 a state budget by April 1. I am wondering if there
25 will be any opportunities for us, as a city, to get
additional resources on the four percent, nine

3 percent tax credits, all the incentive programs that
4 we get support from Albany on. Will that be a
5 possibility since everyone is talking in the same
6 voice about at a more affordable housing
7 opportunities across the city. And then, the final
8 thing is I want to ask about the cluster housing
9 phasing out that you are working on with DHS. I got
10 a call a couple weeks ago from DHS up about 600 new
11 units that are being phased out and turning back over
12 to affordable housing. So I didn't know what that
13 meant in terms of HPD, but I would love to hear from
14 you about a partnership with DHS as we phase out
15 these cluster housing and turn them back to
16 affordable housing permanent units.

16 COMMISSIONER CARROLL: Thank you so much,
17 Council member, for your partnership and for this
18 question. So I will start with clusters. We closed
19 two phases already of the clusters program. This
20 administration has could admitted to ending the
21 clusters program and so we have been working with our
22 partners at HRA and DHS to do just that. So, we have
23 already purchased two sites for a total of 721 units
24 in phase 1, 225 units in phase 2. We are now
25 currently working on phase 3 and our target is to try

3 to have that completed in the spring. This is 779
4 units. And we are simultaneously working on phase 4
5 which is 328 units. So, while we are-- it's the
6 same lawyer for both phase 3 and four and so we are
7 actively working to close one--

8 SERGEANT-AT-ARMS: Timing is expired.

9 COMMISSIONER CARROLL: and the other. In
10 terms of CLT use, yes, we have hired a dedicated
11 person to work on CLT's with our partners at
12 enterprise and our advocates. As we are so proud
13 that we are able to grow the capacity of CLT's in the
14 city in order to take on more CLT you work that we
15 are thankful that we were able to preserve to CLT
16 projects, one being Cooper's Square, and that we
17 continue to refine the issues with our partners to,
18 basically, grow that in our toolbox. I think we had
19 another question from the Council member. It was
20 on--

21 COUNCIL MEMBER GIBSON: The state budget.

22 LICC--

23 COMMISSIONER CARROLL: The state budget.
24 Landlord ambassadors. So, landlord ambassadors,
25 thank you so much for the funding to help keep that
program growing. We really, really appreciate it.

3 And thank you for helping us extend the CLT deadline,
4 by the way. Sorry, the basements deadline for
5 homeowners to apply. I wanted to say that, as well,
6 because that is another part of homeownership. But
7 this landlord ambassadors' program is going
8 exceedingly well. It is a crucial part of the work
9 we do and it is going to continue being a crucial
10 part of our homeownership work. And so, with our
11 homeownership work with the Center for New York City
12 Neighborhoods, especially with the expansion of the
13 helpdesk, the especially with the rental subsidies,
14 for example, you know, for the small homeowners who
15 have renters who will need access to the new rental
16 subsidies that the state and the city are going to be
17 putting out. You know, the landlord ambassadors is
18 going to be crucial to that work. In terms of money
19 from the state, we continue to ask and we continue to
20 ask for more every year and so far our relationship
21 with each year is such that they have been generous
22 and we have gotten the amounts that we need. We
23 still need to advocate on the federal side for a
24 reduction in what is called the 50 percent test where
25 we can use the bonds for more projects, right? So,
if they reduce that test and, let's say, you have to

2 use 50 percent of the funds in a project has to be
3 used been do using the credits and the bonds, you can
4 reduce that is something to 25 and we can spread
5 those bonds and credits over more projects. So, our
6 collaboration with the state has been great, but
7 there is only a finite resource we need to be able to
8 stretch that resource and we need the federal
9 government to change those rules.

10 COUNCIL MEMBER GIBSON: Thank you so much.
11 Thank you, Commissioner. I look forward to working
12 with you. We will have a conversation off-line about
13 ownership opportunities, but thank you. Thank you,
14 Chair.

15 COMMITTEE COUNSEL: We will now have a
16 second round of questions from Council member Chin
17 followed by Council member Moya.

18 SERGEANT-AT-ARMS: Your time will begin
19 now.

20 COUNCIL MEMBER CHIN: Thank you. I
21 really wanted to thank your team for the two projects
22 in my district. The senior project and the
23 [inaudible 02:39:17] the state proposal, right? They
24 are talking about allowing conversions of hotels and
25 office space into housing. Residential, but only

3 with 20 percent allocated for affordable housing. I
4 wanted to hear your opinion about that and also is
5 HPD also looking at this possibility of converting
6 some of the vacant residential office building and
7 had to have into permanent affordable housing and
8 supportive housing in the city? And also is there
9 housing acquisition five? Is there a possibility of
10 increasing the capital budget in terms of acquisition
11 so that HPD can work with nonprofit organizations to
12 acquire some of the distressed buildings and convert
13 them into affordable housing?

14 COMMISSIONER CARROLL: Thank you, Council
15 member. I so appreciate that question. We think
16 that the state bills are a solution looking for a
17 problem, originally. We oppose this legislation. We
18 believe that when the state should not override city
19 zoning. That when we change zoning in this city, we
20 go to the community. We go to the elected officials.
21 We plan for what is best for an area and how we like
22 the city to login to be and to grow and that is why,
23 when we did the mandatory inclusionary housing
24 program, we went to the community boards. We went to
25 the borough president. We came to you in the Council
and we all agree about where the city should go and

3 what should be zoned and what should-- so just as a
4 matter of--

5 SERGEANT-AT-ARMS: Time has expired.

6 COMMISSIONER CARROLL: we disagree with
7 that. On the other hand, the city has a lot of
8 experience in converting and buying hotels. We just
9 financed 90 Sands which was a Jehovah's Witness hotel
10 in Brooklyn and we just reacquired this site with a
11 not-for-profit and we financed the rehab for this
12 site in December. We constantly look at proposals
13 for hotels from the community and you request them
14 habitually because, like everyone else, we would be
15 happy to purchase buildings at the right price in
16 order to develop affordable housing. What we are
17 seeing is that the hotels people are bringing to us
18 are so expensive. They are as expensive as our new
19 construction supportive housing projects. So we are
20 ready to do something in that space and we are
21 constantly refining with DHS and HRA, which has a 30
22 year master lease program that we may be able to use.
23 Each DCA may be able to do 501©(3) bonds, in order to
24 do it, but the price has to be something that makes
25 sense and is not making sense compared to the
projects that we are doing now. So, you know, we--

3 why I said it was looking for problem is that we
4 don't have a problem buying hotels. We have a
5 problem finding hotels that are cost-effective and
6 what we think is going to happen is, if you have a
7 hotel or a building that is obsolete that is not
8 useful, the price should go down, right? Because the
9 highest and best use is not there. But if you go and
10 put a zoning overlay to hand them a highest and best
11 use, what you have actually done is increase the
12 price and are not for-profits are not able to acquire
13 that site anymore. We also have the Pillars Program
14 which we put into effect just for that purpose. In
15 terms of the acquisition fund, it is a \$210 million
16 refund and we repurposed it so that it is solely for
17 MWBEs and not for-profits. In the past, for-profit
18 developers used to have access to this fund which was
19 created to help affordable housing developers compete
20 in the market. We don't think the for-profit folks
21 need that help anymore. The MWBEs do and then not
22 for-profits do and so we said that only MWBE and not-
23 for-profit. If they have at least 51 percent stake
24 in a deal, they can access this. So, if there is no
25 issue with either a not-for-profit or in MWBE been
able to acquire the sites, the thing is the cost.

3 People still don't believe that the market is bad
4 enough for them to reduce their prices and we think
5 that state bill is going to make that price increase
6 even worse.

7 COUNCIL MEMBER CHIN: so, then, is the
8 administration working with the Council that advocate
9 against that will? I mean, I think we should-- if
10 it is really not good for the city and not good for
11 our community, we should work together to make sure
12 that our state elected hear from us and not create
13 more problems for us in the city.

14 COMMISSIONER CARROLL: Thank you. I have
15 been asked to make calls and I have made calls, but
16 we will talk to our partners in City Hall.

17 COUNCIL MEMBER CHIN: I think the other
18 thing with the acquisition fund is also there are,
19 you know, distressed buildings in the community that
20 nonprofit community that utilizes that money to
21 renovate and to purchase the building to keep it as
22 permanently affordable. And the other issue with the
23 hotel is that DHS is renting all these hotels and
24 that the city is doing that for homeless shelter.
25 So, in some ways, is there any kind of coordination
with HPD? Like some of the hotels that the city is

3 spending so much money on using it for, you know,
4 homeless shelters, I mean, those could be turned into
5 supportive housing or permanent affordable housing by
6 pulling the resources together.

7 COMMISSIONER CARROLL: You know, thank
8 you, Council member. We work really closely with
9 DHS. You know, again, it's the price of purchase out
10 right and how we can put sources together and what is
11 the most cost-effective and so they have a new master
12 lease program and I'm sure you're going to hear more
13 from them when they do their testimony. All of that
14 is to say we, all three agencies, HPD, HDC, and HRA
15 are constantly sending numbers back-and-forth trying
16 to figure out how we can play in this market and we
17 need the prices to drop.

18 COUNCIL MEMBER CHIN: Okay. Well, thank
19 you. Thank you, Commissioner. Thank you, Chair.

20 COMMITTEE COUNSEL: We will next hear from
21 Council member Moya and then circle back to Chair's
22 Cornegy and Rosenthal for their final questions.

23 SERGEANT-AT-ARMS: Your time will begin.

24 COUNCIL MEMBER MOYA: Thank you,
25 Commissioner. This was my second question. It deals
with the policy paper that HPD released on housing

3 segregation called Where We Live. You know, given
4 the spread of Covid in overcrowded neighborhoods like
5 mine in Corona Queens where affordable housing is
6 almost nonexistent, we have cramped multi
7 generational households here. What are you focusing
8 on to implement changes needed to desegregate the
9 city, especially given the public health need to do
10 so right now?

11 COMMISSIONER CARROLL: Thank you so much,
12 Council member, for this question. And so, you know,
13 the goals of Where We Live have-- by the way, I just
14 want to give a shout out to NYCHA into HPD and to all
15 of the agencies. The Department of Education.
16 Everybody who worked on this. The Council. The
17 advocates who put together after two years this
18 amazing study to end discrimination in housing and in
19 many other parts of the city. So we-- you know, part
20 of our plan is to create affordable housing as
21 inexpensively as possible in all of the five boroughs
22 and, you know, we use many different tools to do that
23 and one of them is a rezoning through MIH, you know,
24 what we would like to do in the future is to unlock
25 the ability and more places be able to produce
housing. So, where there are restrictions on

3 creating more than a two-family home, you know, could
4 we have a three family home, right, where the parking
5 restrictions that don't allow that, can we talk about
6 what that looks like? Can we have, you know, more
7 rental assistance so that we can put affordable
8 housing in amenity rich neighborhoods, right? So, in
9 neighborhoods--

10 SERGEANT-AT-ARMS: Time has expired.

11 COMMISSIONER CARROLL: in housing. You
12 know, how can we use our section 8 to move people who
13 want to move into these amenity rich neighborhoods to
14 be there? How do we look at combating persistent
15 discrimination in the housing market? How do we need
16 to a lot of testing in order to see that landlords
17 and brokers are turning people away because they are
18 not the right people for their buildings? So, in
19 terms of Where We Live, you know, even the types of
20 housing that we are creating in these neighborhoods,
21 right? So, what are we having folks live in, you
22 know, that housing should be a place now and the
23 pandemic that you can spend 24 hours. So, where do
24 you-- is the outdoor space? Is there good light and
25 air? Is there good ventilation? Is there broadband?
People in affordable housing need the same kind of

3 services and amenities that other people don't think
4 about, right? And so, do you have good connectivity
5 so you child can actually do remote learning when
6 someone can work from home? Do we have the right
7 banks and grocery stores and other things that make
8 living in a neighborhood easy and comfortable? So,
9 these are the sort of things that we are working
10 towards and, as part of our recent launch of our new
11 design guidelines, we took those things into account
12 to say that, when you create affordable housing, we
13 have to have the best materials that are available
14 that contribute to the cooling. That, when we create
15 affordable housing, that we have to ensure that these
16 buildings that are not near a park have the right
17 open space, whether it be rooftop space or other
18 space that they could live in comfortably in their
19 homes. So, this is just a little bit of what we are
20 trying to do with Where We Live then we are happy to
21 talk further about more of the goals for the future.

22 COUNCIL MEMBER MOYA: Yeah. And I would
23 love to talk to you a little bit more about that
24 moving forward because this is an important piece. I
25 think if we are looking to really take a holistic
look at what is happening here in the city of New

3 York in terms of the housing crisis, in terms of
4 gentrification and, this is a plan that really needs
5 to be implemented the right way while we do
6 neighborhood rezoning so that there is not that
7 displacement that we are seeing throughout the city.
8 So, I would love to have the opportunity,
9 Commissioner, to have a further discussion with you
10 and your team on this. Thank you so much.

11 COMMISSIONER CARROLL: Thank you.

12 COUNCIL MEMBER MOYA: Thank you, Chairs.

13 COMMITTEE COUNCIL: Next up, we have
14 questions from Chair Rosenthal.

15 SERGEANT-AT-ARMS: Your time will begin
16 now.

17 CHAIRPERSON ROSENTHAL: Great. Thank you
18 so much. Really appreciate that. And thank you,
19 Commissioner, for having the time to stay for a
20 second round of questions. I have some really sort
21 of basic lay questions because, you know, the world
22 of real estate finance is a technical one and I know
23 there are a lot of rules and hurdles and words that
24 you used actually get things done, but let me just
25 ask some sort of basic sort of questions. In Council
member Chin talked on this, as well. So, at a time

3 when everyone seems to be talking about the fear of
4 predatory equity sharks going. Then, you know,
5 swooping in and buying all these homes and then, you
6 know, for a dime and then renovating and then
7 selling them for a fortune. Is there a role for the
8 city to do obviously not predatory, but do two
9 things: one, let folks know that if they are being
10 approached by predatory equity sharks that they
11 should instead come to the city who could perhaps
12 help them refinance were, number two, for homes that
13 have, you know-- Yet. For homes that are abandoned,
14 you know, where the city could swoop in and purchase
15 or do a financing deal for some of the constituents
16 that Chair Cornegy is talking about for people who
17 are desperate for homeownership.

18 COMMISSIONER CARROLL: Thank you so much
19 for that question. And, yes. So, you know, the city
20 is partnered-- the city partnered with the Center for
21 New York City Neighborhoods and we work with them
22 extensively to help prevent foreclosure and to combat
23 deed theft and scams. And so, we launched the
24 homeowner help desk with that in mind and we are
25 expanding that, as I said before, to the southeast
Queens, Central Brooklyn, North Bronx. And really we

3 would like that to be citywide and we would like that
4 to the, household name. We are trying to work on a
5 campaign now so that folks know when-- people are
6 getting so much information coming at them. How do
7 you know who is a legitimate source and who isn't?
8 And we want the homeowner help desk to be that first
9 point of contact where the Center for New York City
10 Neighborhoods and talk to a homeowner that is
11 struggling or having issues that need advice where
12 they can help refinance and recapitalize loans so
13 that they are something that the homeowner can
14 afford. We, at HPD, have been, in conjunction with
15 Chair Cornegy, as part of the working group that we
16 are on, and office of homeownership. We believe that
17 HPD with the center has a strong role to play where
18 we would like to change our relationship with
19 homeowners whereby they can come to our Office of
20 Homeownership and they can get advice as to which of
21 our programs work for them, whether they should be
22 talking to the center, or whether we are the right
23 place for them to be. And so, we are continually
24 revising what that would look like. We think we
25 should be a lot of the seats in the system in the
city, you know we advocate for whether it is at the

3 state level creating those zones in places that we
4 know there is a lot of predatory action. The
5 landlord ambassadors' program is another effort of
6 hours to help struggling homeowners where we are
7 looking at the tax lien sale in--

8 CHAIRPERSON ROSENTHAL: Yeah.

9 COMMISSIONER CARROLL: and we are looking
10 at properties in encouraging them to come in and talk
11 to us. We are trying to have this thought of the
12 Office of Home Ownership to be a holistic place where
13 all of that lives and where we are able to strengthen
14 our abilities. We also have-- we work with Me any
15 and with other partners to buy a distressed debt so
16 that we can acquire that debt and trying to help
17 struggling homeowners rather than have a predatory
18 purchaser or purchase that debt. And so, you are
19 right. I think we have a lot of efforts going at the
20 same time and including our CLT program and expanding
21 the base of CLT's that are able to help us, but we
22 believe that if we create that office of
23 homeownership where that is a constant thing that
24 they are charged with thinking about in working on,
25 we can have that central place at HPD.

3 CHAIRPERSON ROSENTHAL: I guess-- I love
4 your answer and it is so thorough, so, obviously, you
5 are bidding on all the points. I am wondering, in
6 terms of the hiring freeze, how the Mayor thinks
7 about a sense of urgency you for what you are talking
8 about, given that, you know, again, I am a layperson,
9 but I read the newspaper and, you know, setting up an
10 office is great, but this is happening now. Do you
11 know what I mean?

12 COMMISSIONER CARROLL: So, you know, this
13 team at HPD has proven to be nimble and to be able to
14 do what is necessary to meet this crisis. So, in
15 fact, our-- and I'll let you hear from Kim Darga,
16 our associate commissioner for preservation finance.
17 We are trying to repurpose a team in our preservation
18 finance department in order to do that. And so, you
19 know, and also we're advocating for funds from
20 enterprise, from the Atty. Gen.'s office who is also
21 recently helped with funding. And so, we are looking
22 to other sources, as well, not just--

23 CHAIRPERSON ROSENTHAL: For sure. For
24 sure. Everyone at OMB loves what you are saying
25 right now. Is there anyone doing that activity
today?

3 COMMISSIONER CARROLL: Yes. And so, I
4 would love for you to hear from associate
5 commissioner Kim Darga so she can tell you more about
6 it. But, really, it is taking people we already have
7 and restructuring a team.

8 CHAIRPERSON ROSENTHAL: And so, maybe she
9 can better answer this, but I'm wondering how many
10 people or families we are talking about their and, if
11 any are in Chair Cornegy's district?

12 COMMISSIONER CARROLL: Yeah. So, Kim,
13 could you talk more about your work? Thanks.

14 ASSOCIATE COMMISSIONER DARGA: member,
15 and thank you, Commissioner. So, as our Commissioner
16 said, we do have extensive resources today and I
17 think one of our challenges is that when planted in
18 with parts of the agency and so there really hasn't
19 been a cohesive strategy. That is something that we
20 have really tried to change the last few years. So,
21 there are two main kind of sets of initiatives that
22 we have really tried to move forward, particularly
23 the last three or four years on the--

24 CHAIRPERSON ROSENTHAL: I'm going apologize
25 for this, but only because world o'clock. I'm really
just talking about during the pandemic. That is all

3 I am interested in is, you know, this very direct
4 question of today there are predatory a what are
5 sharks who are out there scooping up property and I
6 am wondering just very simply is HPD in there, too,?
7 Do you have all the resources you need to get in
8 there and because everyone always says to me, why is
9 it the city taking this opportunity to do more for
10 affordable housing at a time when the floodgates seem
11 to be open to predatory equity sharks?

12 ASSOCIATE COMMISSIONER DARGA: Sure.

13 So, we do have extensive resources. We put them in
14 place the last few years and they have been available
15 during the pandemic. One thing that we particularly
16 tried to expand in the last year and I think it is
17 especially important at this time are the resources
18 to support vulnerable homeowners. So, specifically,
19 I think some of the concerns that Council member
20 Cornegy flagged for, you know, challenges in his
21 district, we, as the Commissioner mentioned, we
22 expanded and launched this homeowner help desk. We
23 also launched Home Fix a little over a year ago now
24 and we have got in more than 2000 expressions of
25 interest from homeowners and we are working through
those applications now.

2 CHAIRPERSON ROSENTHAL: fiscal year 21,
3 using all these different amazing tools and
4 understanding that there are stages, you know, as you
5 just said. Expression of interest is probably the
6 first phase and, technically, there are probably
7 three or four phases in between to homeownership or
8 saving up property of some sort. How many, I guess,
9 have been-- how many expressions of interest have
10 you heard between all of this and then, at the end of
11 the day, how many have you closed on?

12 ASSOCIATE COMMISSIONER DARGA: Sure.
13 So, we opened up the program, Home FedEx for
14 expressions of interest a little over a year ago now
15 and the pandemic really slow down the scoping of
16 properties. At this point, there are more than 500
17 eligible homeowners that have been screened and they
18 are working on applications with our partners and
19 there are over 60 homeowners that have had scopes
20 done and the first loans are expected to close this
21 month.

22 CHAIRPERSON ROSENTHAL: Awesome.

23 ASSOCIATE COMMISSIONER DARGA: So they
24 are actively-- your partners are actively working
25 with homeowners to secure those resources.

3 CHAIRPERSON ROSENTHAL: [inaudible
4 03:03:04] with the demand is out there?

5 ASSOCIATE COMMISSIONER DARGA: In terms
6 of access for home repair and counseling? That--
7 seeking assistance through programs like that help
8 desk, through Home FedEx, and through the work that
9 we've done for over a decade now with our partner
10 organizations like the Center for New York City
11 Neighborhoods.

12 CHAIRPERSON ROSENTHAL: Right. I think I
13 got lost in my own questioning. I meant to be
14 talking about people who might be at risk of losing
15 their mortgage. Losing their home. Are we talking
16 about the same group of people? Yes. Okay.

17 COMMISSIONER CARROLL: And, if I may,
18 Council member, so if you look at East New York where
19 we had our first homeowner help desk, we had
20 conducted outreach to over 3000 homeowners. We
21 hosted 12 different outreach events. We educated
22 about 2000 homeowners. We assisted 350 of them with
23 foreclosure prevention, financial, and legal
24 counseling and that is the kind of thing we hope to
25 expand throughout the city. So, as we expand the

2 help desk that foreclosure counseling prevention and
3 that sort of education and that--

4 CHAIRPERSON ROSENTHAL: Got it.

5 COMMISSIONER CARROLL: are more of a
6 household name that people will know to come to us in
7 the Center as opposed to anywhere else.

8 CHAIRPERSON ROSENTHAL: So, could I ask you
9 just once again? You ran through those numbers that
10 were so brilliant so quickly. So, you started with
11 there were 12 outreach sessions--

12 COMMISSIONER CARROLL: . We held
13 education events for about 2000 of them. We assisted
14 about 350 with foreclosure prevention, financial, and
15 legal counseling, and we want to replicate that
16 throughout the city. So, now that we've expanded
17 into those other neighborhoods--

18 CHAIRPERSON ROSENTHAL: Got it. So--

19 COMMISSIONER CARROLL: Sorry.

20 CHAIRPERSON ROSENTHAL: Can I just ask so
21 it went from 3500 to 2000 that actually sought the
22 education and then 350 of those. So, 10 percent of
23 the original benefited from this. Do you have ideas
24 about why the other 1650 did not?

3 COMMISSIONER CARROLL: I can't answer that
4 today.

5 CHAIRPERSON ROSENTHAL: Okay.

6 COMMISSIONER CARROLL: But I am happy to
7 get back to you.

8 CHAIRPERSON ROSENTHAL: Yeah. I mean, I
9 think-- in part of my question is do you need more
10 resources? Right? Like if you had more people on
11 hand to follow up on those, would we be able to reach
12 these other 1600 families that, you know, or
13 desperate? And, with that, thank you very, very
14 much, but I want to shift just a little bit with that
15 to that ANHD came out and they-- I forget the name
16 of it. Hang on. The Gaping Holes in New York's
17 Safety Net is the name of the report and what is
18 really interesting as they lay out three different
19 possible-- three different scenarios of families and
20 what they are facing and the list out all of their
21 revenue pre-pandemic and what their expenses were.
22 They were just at zero. Fine. But then post
23 pandemic sort of, you know, not having jobs, but
24 getting benefits. Not having jobs, but getting that
25 \$2400 stimulus check. Sort of where everyone stands.
And it was fantastic. I mean, it was a really great

3 eye opener with very specific examples that were
4 helpful. And I am wondering if your office can get a
5 bead on-- I know this is ridiculous, but I'm just--
6 have to ask. Sort of how many of each of the
7 different scenarios there are out. What is the cost
8 of that. And the reason I ask is because I am so
9 fascinated by this idea of Cancel Rent and I don't
10 exactly know what that means because the people who
11 own the buildings, we worked with about 30 small
12 property owners in our district, they have mortgages
13 to pay. Like so I'm just trying to understand like
14 how the math works. So, or people in Cancel Rent
15 saying, well, then just, you know, as long as the
16 federal government, you know, takes away mortgage
17 payment need for covers the cost of mortgage payments
18 and taxes, then, you know, homeowners wouldn't have
19 the biggest need to charge so much in rent. Like I'm
20 just trying to wrap my head around it and I feel like
21 your office probably has tools to understand it much
22 better than I do.

22 COMMISSIONER CARROLL: So, thank you,
23 Council member, for that excellent question. You
24 know, we are interested in, you know-- the Furman
25 center did a study that showed that, you know, the

3 folks that are most likely to that be in service jobs
4 that may have lost their job during the pandemic we
5 did in building that are under 20 units, but mostly
6 in buildings that are 1 to 5.

7 CHAIRPERSON ROSENTHAL: Right.

8 COMMISSIONER CARROLL: throughout the
9 pandemic, I have been on many different town halls
10 with different electives and I have heard from a lot
11 of, you know, immigrants and folks who have or are
12 owner-occupied buildings where they have said that
13 the tenants can't pay and they have good long-term
14 tenants that they love, but then that means they
15 can't live or eat either, right? And so, were
16 emphasis is in making sure that people can afford to
17 pay the rent. And the way we go about that has been,
18 one, this amazing affordable housing plan, you know,
19 making sure that this year over 60 percent of our
20 housing was for people and families earning less than
21 \$52,000 and half of that was for families earning
22 less than \$31,000. So, we need to produce more
23 housing that people can actually afford. That's one.
24 And the other is we need to have the right rental
25 subsidies. And, you know, when we advocated
throughout the pandemic, you know, for more section 8

2 so that-- and different kinds of section 8, the six
3 month program and a two-year program, because all--
4 what that does is it gives people breathing room,
5 right? People don't always need permanent
6 assistance. New Yorkers are a hard-working people,
7 but there are times when you have got a hit like the
8 pandemic and you need six months assistance, right?
9 And another family might need a two-year assistance.

10 CHAIRPERSON ROSENTHAL: Well, that is what
11 that ANHD report lays out.

12 COMMISSIONER CARROLL: Exactly. And so
13 the idea is not to deprive people of the ability to
14 pay the Potters and to pay the service people that
15 also need jobs or to deprive them a great who had
16 saved up and now have an owner-occupied building and
17 said, you know, they, themselves, are facing eviction
18 and homelessness. Our idea is that we build the
19 right type of housing that people can afford and, in
20 other instances, we have the right types of rental
21 subsidy, right? Because it's a one size rental
22 subsidy and that does not suit everybody. Sometimes
23 the family needs a short term and at other times the
24 family needs a longer-term and then they are off that
25 subsidy. A lot of times, you know, with our section

3 8, we see attrition, right? So, a family, when
4 people make enough money and they don't need our
5 section 8 anymore, we take it away and we give it to
6 somebody else. And so, expanding that pool-- and we
7 beg the federal government to really expand how much
8 section 8 we can give, and to increase the, right?
9 So they artificially What we can get about and even
10 if we have reserves, they don't let us use it, right?
11 You know, I know that DHS has the one shots that they
12 give out.

13 CHAIRPERSON ROSENTHAL: Yeah. Yeah. I was
14 waiting for you to say that. I'm going to ask--
15 don't get me wrong. I'm going to ask them the same
16 question.

17 COMMISSIONER CARROLL: And so, you know,
18 we've been working with DHS and with MOPT to say,
19 look, you don't have to have an eviction imminent for
20 you to be able to apply for a one shot. If you are
21 behind on your rent, you should be able to just apply
22 for one shots. And DHS has changed that for the city
23 portion, but for the state portion, they haven't been
24 able to get that approval. And so--

25 CHAIRPERSON ROSENTHAL: The whole thing is
challenging. No doubt. I'm going ask one last

2 question because I see my colleagues have their hands
3 raised and I just want to make sure that this gets
4 asked. The emergency repair program, I don't think
5 anyone is touched on that yet and the alternative
6 enforcement program. I am wondering, I guess, the
7 city's preliminary budget, city funds of 700,000 to
8 cover projected expenses related to emergency repair
9 work for buildings located in the 100 year
10 floodplain. Can HPD provide an estimate of how many
11 buildings are currently in the 100 year floodplain
12 and why these repairs may or may not be eligible for
13 the federal community development Block Grant funds
14 and what is the total city funded portion for repairs
15 in this subset of buildings and have this figure
16 increased over years?

17 COMMISSIONER CARROLL: Thank you so much.

18 CHAIRPERSON ROSENTHAL: And just a simple
19 yes or no.

20 COMMISSIONER CARROLL: Thank you so much,
21 Council member. So we have about 71,500 residential
22 buildings in the 100 year flood plain.

23 CHAIRPERSON ROSENTHAL: Say that again.
24 7500?

25 COMMISSIONER CARROLL: 75,500.

3 CHAIRPERSON ROSENTHAL: Got it.

4 COMMISSIONER CARROLL: And, you know, in
5 order for us to use federal funds for repair costs on
6 these buildings, it requires that the homeowner has
7 flood insurance and most of the homeowners don't have
8 flood insurance. And so that's why we're not able to
9 use federal funds here. It's the reason why we are
10 having to use city capital. The total city funds for
11 repairs in this program has increased over the years
12 to about \$700,000 per year. A lot of expenses have--
13 and the expenses have been really consistent over the
14 years. You know, we have financed about 385 of those
15 buildings through between 2020-- No. 2014 and 2020
16 and then we can't and you need to support these
17 owners if they don't have the right insurance to use
18 federal funding.

19 CHAIRPERSON ROSENTHAL: Wow. That's rough.
20 I mean, that is just stating the obvious. That is
21 rough. I mean, that such a, you know, it is rough.
22 It is a tiny portion of what that demand could be.
23 Great. Well, I really appreciate your patience and
24 answering my questions. I really appreciate it and I
25 appreciate my colleague's patience, as well. Thank
you, Commissioner.

3 COMMISSIONER CARROLL: Thank you, Council
4 member.

5 COMMITTEE COUNSEL: All right. We will
6 turn to any questions from Chair Cornegy and then
7 turn to Council member. For a second round of
8 questioning. If Chair Cornegy has stepped away,
9 Council member Barron, you can get started.

10 COUNCIL MEMBER BARRON: Thank you. Thank
11 you to Share Rosenthal who is here. Just a few brief
12 points. When you cited these steps that HPD had
13 offered, did I hear you say that that was the least
14 New York?

15 COMMISSIONER CARROLL: Yes. Yes, I did.

16 COUNCIL MEMBER BARRON: I just want to make
17 note of the fact that, as the representative for East
18 New York, have been very conscious about trying to
19 assist homeowners in trying to make sure that they
20 can get us much information as possible. And
21 whenever people talk about the assistance that is
22 given to the residents and homeowners to try to make
23 sure that they don't lose their homes, I have to
24 mention the name of Mr. Melvin Faulkner who recently
25 passed, but who worked with over-- he was in my
office when I was in the assembly and we had

3 approximately 100 odd families and they came to our
4 office for assistance and we were able to give them
5 assistance and not wanting of those persons who came
6 lost their homes, so he was very dedicated and I just
7 have to give him that honor and that recognition. In
8 terms of the HP-- in terms of the pilot program for
9 basement conversion-- basement legalization
10 conversion, there was a pause on that and we've been
11 told that we can't extend the program beyond those
12 homeowners that were designated-- it was 19. I'm
13 not precise with that number, but we need to make
14 sure that, as this program now has been given an
15 extension to move forward, that we assist all of
16 those homeowners to get the assistance and file the
17 paperwork and move forward in that. So, if you might
18 just want to talk briefly about that program?

19 COMMISSIONER CARROLL: Thank you so much,
20 Council member, and thank you so much to the Council
21 for extending the timeline for the homeowners to be
22 able to file their documents at DOB. We really
23 appreciate that. As you know, when we started the
24 pilot program, we reached out to about 8000
25 homeowners. That number went down to about 100
households where we did detailed home assessments to

2 see whether they were eligible. There are now nine
3 homeowners who are participating--

4 COUNCIL MEMBER BARRON: I thought it was
5 19.

6 COMMISSIONER CARROLL: No. It's nine.
7 I'm sorry. It is nine homeowners who are now
8 eligible. And we will come to the lessons we have
9 learned from the pilot as to why it is nine and a
10 minute, but there are nine homeowners who are now
11 proceeding. We are working diligently with them to
12 sick your about-- to get through DOB processes. We
13 are working with Cypress Hills, our partner, and we
14 expect the funding to have been homeowners. And to
15 happen in short order. So, these nine homeowners are
16 going to move forward., Council member is that a
17 detached house is better than a semidetached.
18 Semidetached or attached home. Semidetached and
19 attached homes what we also learned was there is a
20 height requirement by the fire department.

21 COUNCIL MEMBER BARRON: Right.

22 COMMISSIONER CARROLL: And I have been
23 told that you need a certain height and cubic feet
24 because, if there is a fire and there is smoke, to

2 avoid suffocation. And so, what we found is when we
3 tried to do--

4 SERGEANT-AT-ARMS: Time is expired.

5 COMMISSIONER CARROLL: assessments, some
6 homes would need a digging down into the foundation
7 to dig deeper in order to create that height and so a
8 lot of people have dropped out from eligibility for
9 that reason. You know, but, you know, you know all
10 of this. The parking and requirements. So, we have
11 some work to do, but we really, really love this
12 program and we want it to be certified, so we are
13 going to keep working on it, but those nine
14 homeowners will get their funding.

15 COUNCIL MEMBER BARRON: Okay. Great.

16 Thank you. I appreciate it.

17 COMMISSIONER CARROLL: Thank you.

18 COMMITTEE COUNSEL: All right. Now we
19 will turn any final questions from Chair Cornegy, if
20 you have any, and then take public testimony.

21 CHAIRPERSON CORNEGY: Just to close out
22 effectively, the Covid 19 emergency eviction and
23 foreclosure prevention act also placed a moratorium
24 on residential foreclosure proceedings until May 1.

25 Homeowners and small landlords who own buildings with

3 10 or less units can file hardship declarations with
4 their mortgage lender, other foreclosure party, or
5 court that will prevent a foreclosure. It is HPD
6 tracking number of homeowners who are behind on their
7 mortgages due to issues related to the pandemic
8 and/or responsibility with respect to assisting these
9 small landlords?

10 COMMISSIONER CARROLL: Thank you, Council
11 member, for that question. So, we had HPD does not
12 track homeowner and the mortgage defaults except in
13 terms of the work that we are doing with the Center
14 for New York City Neighborhoods to support
15 homeowners. So, when they are at the front lines of
16 trying to bring homeowners in to help prevent
17 foreclosure into counsel homeowners, the way we have
18 been tracking the homeownership problem is from the
19 renter side, right? Especially for where you have
20 homeowners who have renters, right, and they have
21 issues paying their mortgage because the renters
22 don't have the ability to pay rent. So, right now we
23 are tracking the homeownership issue through our work
24 with the center and through the landlord Ambassador
25 program and through the homeowner help desk program.

2 CHAIRPERSON CORNEGY: and fiscal 2021
3 adopted budget, the city Council provided about 12.5
4 million in discretionary funding for citywide housing
5 initiative administered by HPD including foreclosure
6 prevention programs which received level funding of
7 3.2 million. Can you provide an update on what type
8 of assistance has been provided to home farmers
9 facing foreclosures this year and has there been an
10 uptick in program services?

11 COMMISSIONER CARROLL: Thank you, Council
12 member, for that--

13 CHAIRPERSON CORNEGY: And I just want to
14 say, before you answer, that was important to me. I
15 am on the budget negotiation team and we fought
16 diligently to make sure that, while we were in a \$9
17 billion budget deficit, that we specifically did not
18 cut the money to programs that we knew would assist
19 when the moratoriums were lifted both on foreclosures
20 and on evictions. So, you know, in plain language, I
21 am just curious as to how that money was spent in the
22 past and what programs and who was affected by it.

23 COMMISSIONER CARROLL: Thank you. Thank
24 you so much, Council member, for that question. I
25 will answer first and then I would also like to ask

3 associate commissioner Kim Darga to further
4 elaborate. So, HPD has, with those funds, we are
5 really thankful to you and the Council for providing
6 to us. We have any HPD mortgage buyback community
7 restoration fund and we use that fund to acquire
8 distressed notes and that fund we work with Manny and
9 with Preserving City Neighborhoods, as well as the
10 Center for New York City Neighborhoods to homeowners.
11 And, when that is not available, we-- any foreclosed
12 homes that we are able to take foreclosed homes and
13 make them affordable housing rentals. In addition,
14 we, with the Center, we do targeted outreach
15 throughout the city to homeowners to assist them. We
16 also work with NHS, the New York City Neighborhoods,
17 to administer project help, as well as Home the
18 Effects and provide additional homes for homeowners
19 in order to keep them afloat. So, we are really
20 using that money to buy distressed that, to convert
21 loans and homes to rentals if they have already been
22 foreclosed on. We are using that money to get with
23 NHS and with the Center to give counseling and to
24 give low cost loans. And, you know, if I've missed
25 anything, I am going to call on my associate

3 commissioner, Kim Darga, to further elaborate on how
4 we spent that money.

5 ASSOCIATE COMMISSIONER DARGA: Thank
6 you, Commissioner and Council member. I don't think
7 I have a whole lot to add. I think you covered most
8 of it. We are aggressively working with our partners
9 to make sure that they are able to successfully use
10 the funding this year and we will do what we can to
11 support them so that we can achieve our mutual goals.

12 CHAIRPERSON CORNEGY: So, wait.
13 Commissioner Darga, while I have you, can you tell me
14 the amount of homeowners that were impacted by that
15 particular program? So, was it to understand? Was
16 it 20 families that, because of that program, either
17 had the loan modification done or had, you know,
18 worked with Manny or whatever the case may be? Do we
19 have a number on that? And the only reason I am
20 asking is because I tried to be a good fiscal steward
21 with taxpayer dollars and so, while I'm in there
22 fighting for programs, I would like to know how
23 effective they are, especially in this time.

24 COMMISSIONER CARROLL: Sure. So, that
25 community restoration fund program so far we have
the, with Council support, there have been 62

3 distressed mortgage notes that have been purchased
4 from mortgage insurers. We were actively actually
5 pursuing additional opportunities this year with FHA
6 to purchase additional notes, but, unfortunately,
7 they are not-- fortunately, I would say, right now
8 because the pandemic and so I do think there's going
9 to be some limited opportunity this year just because
10 of the moratoriums and the restrictions on sales,
11 which is a good thing. We do expect that the need is
12 going to increase one's those moratoriums and the
13 restrictions and we are actively talking with the
14 insurers to make sure that we are ahead of that and
15 that we can seize the moment in order to help folks
16 that do have delinquent loans potentially qualify for
17 mortgage modifications down the road.

18 CHAIRPERSON CORNEGY: So, just my last
19 question is is there an annual target that you seek
20 and did we reach it in 2020?

21 ASSISTANT COMMISSIONER DARGA: We don't
22 have an annual target so much for this program. It's
23 really that we are looking for opportunities with
24 lenders and the mortgage insurers to purchase
25 distressed notes that exist in New York City and we
will continue to do that with FHA, Fannie Mae, and

2 Freddie Mac and we are also talking with lenders
3 directly, the including through, you know,
4 discussions that we are having about zombie homes.
5 So, there are extensive opportunities that we are
6 pursuing and we hope that, you know, we will have
7 partners that are willing to sell to us.

8 CHAIRPERSON CORNEGY: Thank you.

9 COMMITTEE COUNSEL: All right. We will
10 now turn to testimony from members of the public. I
11 would like to remind everyone that, unlike our in
12 person Council hearings, we will be calling on
13 individuals one by one to testify. Once your name is
14 called, a member of our staff will unmute you and the
15 sergeant-at-arms will set the timer and announced
16 that you may begin. Your testimony will be limited
17 to two minutes. We will first hear from Barika
18 Williams followed by Jon Baker and Chris Widelo.
19 Barika?

20 SERGEANT-AT-ARMS: Your time will begin
21 now.

22 EMILY GOLDSTEIN: how are you? I
23 apologize. I am not Barika. My name is Emily
24 Goldstein. Barika to another prescheduled meeting so
25 I will instead speak on the half of the Association

3 for Neighborhood and Housing Development or ANHD

4 where I the director of organizing and advocacy.

5 ANHD builds the community power to win affordable

6 housing in thriving equitable neighborhoods for all

7 New Yorkers. We thank you for the opportunity to

8 testify today and I will use this time to highlight a

9 few key priorities. There are more details and

10 supporting data available in our written testimony

11 which we will submit, as well as on our website.

12 First, we would like to ask the city Council to work

13 with the state in order to ensure the equitable

14 distribution of the \$1.3 billion New York will

15 receive from the December federal relief package.

16 Doing this would, in turn, support the city's budget

17 for rent relief. A recent ANHD analysis shows how

18 more proportional allocation method would achieve

19 this distribution. Second, we would like to ask you

20 to register for 3.65 million dollars in the budget

21 for the community housing preservation initiative

22 sometimes still known as HPICCC, including \$110,000

23 of this funding for ANHD to provide the rest of the

24 funded community groups with individualized, as well

25 as group technical assistance and capacity building

support so that they, in turn, can do their ground-

3 level work as effectively and efficiently as
4 possible. Third, we ask you to continue supporting
5 ANHD's displacement alert project or DAP in the
6 coming year with \$100,000 allocation of funding.
7 This is our tool that provides valuable data and
8 research information to both elected officials and
9 organizers and advocates on the ground about the
10 housing needs and situation and add a block by block,
11 building by building, as well as district by district
12 level. Finally, we ask you to fully read the store
13 funding for the--

14 SERGEANT-AT-ARMS: Time has expired.

15 EMILY GOLDSTEIN: urgent affordability
16 crisis. Thank you.

17 COMMITTEE COUNSEL: Thank you. We will
18 now hear from John Baker followed by Chris Widelo and
19 Deyanira del Rio.

20 SERGEANT-AT-ARMS: Time will begin.

21 JOHN BAKER: Thanks very much. I am John
22 Baker at the Center for New York City Neighborhoods.
23 I wanted to thank the Committee has Housing and
24 Buildings and the Subcommittee on Capital Budgets for
25 allowing us to speak and also I would like to thank
Commissioner Carroll at HPD for all the wonderful

3 mentioned of our work, so I don't have to introduce
4 our work so much in two minutes. What I want to talk
5 about briefly is the two warnings we are seeing in
6 the wake of the coronavirus pandemic. It is still
7 ongoing. We are seeing long-term indicators of
8 distress. They are sending dire warning signals of
9 trouble coming in working for middle-class
10 homeowners, particularly in communities of color. As
11 of January, 14 percent of FHA mortgages are
12 delinquent citywide which is more than double the
13 national average. The unemployment rate stood at
14 11.4 percent as of December, more than triple the
15 rate at the same time in 2019 and, according to the
16 census, New York City risk in the country with nearly
17 500,000 residents at risk of losing their homes.
18 Fortunately, because of the foreclosure moratorium
19 and the forbearance on mortgages right now, very few
20 people are actually losing their homes, but we see
21 this as a Band-Aid masking a crisis to come. By most
22 measures, the risk of homeownership in the homeowners
23 losing their homes is larger than it was in 2008.
24 Chair Cornegy, you said I don't want to come out of
25 this pandemic with the same inequities we had before.
I am unfortunately here to say that we are on that

2 path. Also, Chair Rosenthal, you asked if we need
3 more resources to help homeowners at risk from
4 predators and I'm here to say we do need more
5 resources. We are requesting 4 million in city
6 Council funding to support our homeowner help desk
7 and our foreclosure prevention efforts and 3 million
8 to support Home Fix. Both are badly needed to help
9 homeowners in trouble right now. We thank you very
10 much for your time and I ask you to read are written
11 testimony for more information. Thank you.

12 COMMITTEE COUNSEL: Thank you. We will
13 now hear from Chris Widelo followed by Deyanira del
14 Rio and Izoria Fields.

15 SERGEANT-AT-ARMS: Your time will begin
16 now.

17 CHRIS WIDELO: Thank you. My name is
18 Chris Widelo. I am the director of external affairs
19 for NYSFAFH. We are the trade association for the
20 affordable housing industry here in New York. Thank
21 you, Chair Cornegy, for the opportunity to testify
22 and to members of the committee for being here today.
23 It's hard to believe before this committee on this
24 very day where we couldn't have really imagined that
25 everything would be changing so drastically in the

3 year that followed and, you know, we really hope that
4 better times are ahead and that, you know, as New
5 York City looks to emerge from, you know, the
6 economic troubles that have come upon us due to the
7 pandemic, we believe that the affordable housing
8 industry can help play a role in that. We did a
9 study a few years ago and it looks, you know, when
10 you look at a typical hundred unit affordable housing
11 project, New York can-- you can count about 175
12 construction jobs, 20 permanent jobs, and about \$3
13 million in sustained local economic activity. And
14 this is why the restoration, the partial restoration
15 of \$446 million this past October that was eliminated
16 in the final budget was so important because that
17 results in tens of thousands of units of affordable
18 housing. You know, thousands of construction jobs,
19 hundreds of permanent jobs, and tens of millions of
20 dollars that go into the local economy. So, we want
21 to thank you, the administration, the Housing
22 Committee, and the entire counsel for the part that
23 they played to make that possible. We'll also note
24 that, in this past year, 30,000 affordable homes were
25 produced. I mean, that is quite impressive,
especially in this environment and, you know, I think

2 it is really noteworthy of the construction workers
3 that were essential employees during this time that
4 To the building going. You know, we have an extreme
5 digital divide and, you know, the light has been
6 shined on it due to the pandemic and I really want to
7 pass along the thanks to HPD, the Commissioner and
8 the assistant commissioner for the new design
9 guidelines that just came out yesterday. These
10 design guidelines by which we--

11 SERGEANT-AT-ARMS: Time has expired.

12 CHRIS WIDELO: you know, establishes
13 the criteria by which build so will evaluate proposed
14 developments in this will make sure that the future
15 of our housing stock will be equipped with high-speed
16 broadband service which people need to survive in
17 today's world. Students, people working and looking
18 for jobs. This is really important and monumental.
19 So, thank you to all that were involved in this. You
20 know, and, lastly, you know, we know that, you know,
21 there hopefully will be some stimulus money coming
22 New York City's way in the near future and we need to
23 make sure that some of that money is appropriated to
24 the capital budget to support the construction and
25 the preservation of affordable housing. We know how

2 important housing is in really is during the pandemic
3 and so we need to make sure that, you know, people
4 are adequately housed and we are happy to be on the
5 front lines to do the work to create that housing.
6 So, thank you very much for your time today.

7 COMMITTEE COUNSEL: Thank you. Next,
8 we will hear from Deyanira del Rio followed by Izoria
9 Fields and Rebecca Sour. Deyanira?

10 SERGEANT-AT-ARMS: Time starts now.

11 DEYANIRA DEL RIO: Thank you. Good
12 afternoon, Chair Cornegy, Subcommittee Chair
13 Rosenthal, and all the members here today. Thank you
14 for the opportunity to testify. My name is Deyanira
15 del Rio. I am the codirector of New Economy Project,
16 a citywide economic justice organization that works
17 in partnership with grassroots groups throughout the
18 city. One of the areas of work that we are very
19 active in with partners around the city is on
20 community land trusts and social housing and we
21 wanted to talk a bit about the accomplishments that
22 groups around the city have made over the past two
23 years, creating CLT's and expanding existing CLT used
24 to preserve permanently affordable housing, as well
25 as commercial and retail space and many other

3 neighborhood needs using the community land trust
4 ownership model all. This counsel has broken new
5 ground by funding this CLT education, organizing, and
6 outreach work, funding in the past since fiscal year
7 2020 and funding groups, again, throughout the five
8 boroughs to do this deep work and it has really paid
9 off in just a couple of years. You are going to hear
10 from some of the neighborhood be used CLT's about
11 some of the progress that they made to date, you
12 know, reaching thousands of tenants and homeowners,
13 engaging community stakeholders, including nonprofit
14 developer partners, do we need a comprehensive
15 property research to identify sites in their
16 neighborhoods that could be used to create and
17 preserve deeply affordable housing, retail space for
18 local small businesses, and many other needs. There
19 has been also several CLT's have incorporated,
20 officially. They have created grassroots leadership
21 through steering committees and sounding boards and
22 over the past two years, to CLT's have acquired
23 either their first or additional properties with
24 several more in the process of negotiating for
25 properties completing feasibility studies and so on.
So, there has been just, you know, from a few years

3 ago when there were very few CLT's in the city to
4 today when we have more than 15 that have taken root,
5 the it has been tremendous growth. So, we are asking
6 for renewal in the fiscal year 22 budget of the
7 community land trust initiative. We are actually
8 seeking to expand the initiative this year to engage
9 to new community land trusts in the initiative, as
10 well as an additional technical assistance provider.
11 Our organization, New Economy Project is 104 citywide
12 organizations that are providing legal and training
13 and other support to help the neighborhood based
14 CLT's bill to their capacity. We feel like,
15 particularly in light of Covid--

16 SERGEANT-AT-ARMS: Time has expired.

17 DEYANIRA DEL RIO: and the pandemic that
18 these community ownership models have generated
19 greater support than ever, including through some of
20 the policies that Council is considering such as COPA
21 and other bills. And so we hope that the Council
22 will continue to strengthen the neighborhood -based
23 capacity to really take advantage of these policy
24 changes and opportunities to move more housing and
25 land out of the speculative market and into community

2 control for long-term, permanent affordability.

3 Thank you so much.

4 COMMITTEE COUNSEL: Thank you. We will
5 now hear from Izoria Fields followed by Rebecca Sauer
6 and Albert Scott.

7 SERGEANT-AT-ARMS: Your time will begin
8 now.

9 COMMITTEE COUNSEL: Izoria? Just one
10 moment. We're trying to work on unmuting. All
11 right. We're going to come back to you, Izoria.
12 We're going to move forward to Rebecca Sauer followed
13 by Albert Scott.

14 REBECCA SAUER: Okay. Good afternoon,
15 Chairs Cornegy and Rosenthal and members of the city
16 Council finance and housing and buildings committees.
17 My name is Rebecca Sauer. I am the director of
18 policy and planning at the Supportive Housing Network
19 of New York. We are a membership organization
20 representing the nonprofit developers and operators
21 of supportive housing. Following the release of the
22 Mayor's preliminary budget in January, we were very
23 encouraged to see HPD install model FY 22 capital
24 budget proposed at 1.45 billion with FY 21 budget
25 updated at 1.43 billion. This includes the

3 restoration which was announced in November of the
4 466 million that had been cut this spring. And we
5 are very grateful to the members of the Council who
6 helped advocate for that restoration alongside us and
7 other advocates. We are relieved to see that there
8 are no significant cuts in the expense budget that
9 would impact supportive housing services, however, we
10 are in danger of not reaping the benefits of this
11 budget if the HPD hiring freeze remains intact and
12 the nonprofit sector is not fully supported. My
13 colleague, Tierra Labrada, testified on Monday before
14 the finance and contracts committee on the needs of
15 the nonprofit sector, so I'll focus the rest of my
16 testimony on the impact of the HPD hiring freeze.
17 There are dozens of vacancies across HPD's
18 development preservation and rental assistant and
19 administration departments which are beginning to
20 impact the pace of supportive housing development and
21 move ends. While we truly, truly appreciate the
22 tremendous efforts HPD staff have made throughout the
23 pandemic, allowing for the largest number of
24 supportive housing units that are to be financed in a
25 six month period, there is a tremendous toll to long
periods of understaffing overworking and because some

2 positions did not see salary increases in almost a
3 decade, there is the potential that the city could
4 lose even more talented staff with no capacity to
5 fill those vacancies. Even positions that are funded
6 completely by the federal government are being held
7 vacant. The pandemic and its economic impact have
8 shown us that we need to urgently double down on
9 housing production. If the city used to maximize
10 affordable and supportive housing development--

11 SERGEANT-AT-ARMS: Time has expired.

12 REBECCA SAUER: and expedite the
13 placement of low income and homeless tenants into
14 this housing, the city must lift the hiring freeze.
15 Thank you for the opportunity to testify.

16 COMMITTEE COUNSEL: Thank you. We will
17 now turn Albert Scott and then we will circle back to
18 Izoria Fields who will be followed by Hannah
19 Anousheh. Albert?

20 SERGEANT-AT-ARMS: Your time will begin.

21 ALBERT SCOTT: Oh. Thank you. Oh.

22 COMMITTEE COUNSEL: Go ahead.

23 ALBERT SCOTT: Thank you. Good
24 afternoon, Committee Chair Cornegy, Subcommittee
25 Chair Rosenthal, and member of the Committee and

3 Subcommittee and thank you for the opportunity to
4 testify today. My name is Albert Scott and I am the
5 president of the East New York Community Land Trust.
6 We are a grassroots, volunteer, and resident led
7 community land trust fighting for community control
8 of the land so that what is built on the land meets
9 the needs of low income black and brown people
10 forever. East New York CLT in 17 partner
11 organizations are part of the citywide community land
12 trust initiative that stinks 1.5 million. It should
13 be 3 million, I would say in city Council
14 discretionary funding for fiscal year 2022. We asked
15 the committee to recommend renewed funding for the
16 citywide community land trust initiative. And I just
17 simply want to state that this funding is crucial for
18 communities like ours in East New York. Black and
19 brown communities. The community land trust is a
20 source of empowerment, especially at this time during
21 the pandemic where there is so much housing in
22 business and security and things of that nature.
23 Community land trusts we view as a tool for economic
24 and housing justice and so much work has been done by
25 this volunteer led organization waited East New York
community and we really, really need your support on

2 those endeavors. So, as a result of that, we would
3 definitely seek the funding from the city Council be
4 put to great use and our community will truly, truly
5 appreciate it. Thank you for your time.

6 CHAIRPERSON CORNEGY: Thank you.

7 COMMITTEE COUNSEL: We will now hear
8 from Izoria Fields followed by Hannah Anousheh and
9 Katelin Penner.

10 SERGEANT-AT-ARMS: Your time will begin
11 now.

12 IZORIA FIELDS: Good afternoon,
13 Committee Chair Cornegy, Subcommittee Chair
14 Rosenthal, and members of the committee and
15 subcommittee. Thank you all for the opportunity to
16 testify. My name is Izoria Fields and I am the vice
17 president of the East New York Community Land Trust.
18 We are a grassroots volunteer and resident led CLT
19 that is fighting for community control of the land so
20 that what is built in our community will meet the
21 needs of our community. Specifically, low income
22 black and brown people in perpetuity. Not just for
23 the next couple years, but in perpetuity. The East
24 New York CLT has partnered with several other CLT use
25 and organizations to seek \$1.5 million in city

3 Council discretionary funding for fiscal year 2022.

4 And we ask that the committee recommend renewed

5 funding for the citywide initiative for the physical

6 year 22 budget. We are relying on you guys and the

7 CLT initiative funding to move our work forward and

8 we have done so much with the funding so far. In the

9 short year that we have been working together, we

10 have incorporated, as a 501©(3) nonprofit

11 organization and this means so much to the East New

12 York community to be able to provide real

13 homeownership opportunities to people who water from

14 the community and have been residing in the community

15 for decades who are currently being priced out. We

16 want people to be able to stay where they have lived

17 their whole lives, raised to their families, and

18 worked for years and years. We want them to be able

19 to afford to stay. We have grown our steering

20 committee to over 25 active members. That doesn't

21 include other members who, in support and participate

22 in various events that we have held throughout the

23 year. We have held over 12 virtual community events

24 and six in person events to educate residents about

25 the community land trust model and to bring them into

2 the CLT movement. This is something that we seek to
3 grow and develop alongside the city Council and--

4 SERGEANT-AT-ARMS: Your time has expired.

5 IZORIA FIELDS: in the city. Thank you
6 guys for your time and your support.

7 CHAIRPERSON CORNEGY: Thank you.

8 COMMITTEE COUNSEL: We will now hear
9 from Hannah Anousheh followed by Katelin Penner and
10 Phoebe Flaherty. Hannah?

11 HANNAH ANOUSHEH: Thanks. Good afternoon,
12 Council members. My name is Hannah Anousheh and I'm
13 the staff coordinator for the East New York Community
14 Land Trust and I am on staff at Cyprus Hills Local
15 Development Corporation. And I want to speak today
16 about the CLT initiative funding and also funding for
17 the basement apartment conversion pilot program. So,
18 to start, I will keep it short, but, I mean, the as
19 members of the East New York Community Land Trust
20 have said, we rely on the city Council for the CLT
21 initiative funding a lot. We rely on it to move our
22 work forward and we have done so much with this
23 funding. We have ways surpassed the scope of work
24 that we laid out originally. And we really need the
25 funding so that we can work to actually acquire

2 properties and bring them into community ownership.

3 So, please, please invest in organizing. Invest in

4 us. It really works. And so just to speak to the

5 basement apartment conversion pilot program, it was

6 launched-- as many of you know, it was launched two

7 years ago in East New York with the commitment of

8 converting 40 basements into formal, affordable

9 rental units. The pilot promised to provide low and

10 moderate income homeowners with a reliable source of

11 monthly rental income while also creating stable,

12 affordable housing. However, as part of the Covid 19

13 related budget cuts last spring, the city eliminated

14 funding for the pilot program. The pilot program has

15 since secured alternative funds, but at a scaled-back

16 level. But it is so vital that the city commits to

17 funding this program for fiscal year 2022. So, we

18 are calling on the city to allocate 250,000 for the

19 pilot program so that it can finish this important

20 work. Thank you so much for your time.

21 COMMITTEE COUNSEL: Thank you. Next,

22 we will hear from Katelin Penner followed by Phoebe

23 Flaherty and Nella Pineda Marcon. Katelin?

24 SERGEANT-AT-ARMS: Your time will begin

25 now.

2 KATELIN PENNER: Hi. My name is Katelin
3 Penner and I'm a member of the East New York
4 Community Land Trust Steering committee and an
5 advocate for affordable and social housing. The East
6 New York Community Land Trust and 17 other partner
7 organizations are part of a citywide community land
8 trust initiative that seeks at least \$1.51 million
9 and city Council discretionary funding in fiscal year
10 2022 to develop CLT's in all five boroughs of New
11 York City. CLT is like the East New York Community
12 Land Trust have worked so hard to develop and
13 preserve deeply affordable housing and community
14 spaces in our neighborhoods by placing rental
15 housing, limited equity cooperatives, and even 1 to 4
16 family homes at risk of foreclosure and the
17 stewardship of local communities and not in the hands
18 of wealthy developers. In the context of the Covid
19 19 pandemic, when millions of families, the majority
20 of whom are black, brown, or immigrant have been
21 unable to pay their rent or housing cause due to the
22 high housing costs and an inability to work, CLT's
23 have been especially critical role to play in our
24 city's approach to affordable housing. After the
25 Covid 19 pandemic, rents across the city will likely

3 once again begin to rise and families across our city
4 will begin to face of elections and foreclosures as
5 moratoriums began to run out. Financing the efforts
6 of community land trusts will support ensuring that
7 these families stay housed and will support
8 organizers and black and brown communities like East
9 New York, Cyprus Hills, and Brownsville. Have had
10 the honor of working with some incredible organizers
11 in East New York such as Albert Scott, Ms. Debra Ack,
12 Ms. Ethel Cox, and Ms. Izoria Fields, many of whom
13 you will hear from today who have spent years
14 fighting to bring deeply affordable housing,
15 commercial and community spaces to their
16 neighborhoods. Fully funding our efforts will allow
17 organizations like the East New York Community Land
18 Trust to really bring this important vision
19 surrounding community planning, participatory
20 visioning, and breaking ground on new developments in
21 working-class black and brown communities for word.
22 Additionally, funding CLT's will also work to
23 stabilize housing, combat speculation, and ensure
24 adjust recovery in black and brown--

24 SERGEANT-AT-ARMS: Time is expired.

3 KATELIN PENNER: and immigrant
4 neighborhoods, a vital goal for our city in the
5 coming years. We ask the committee to recommend
6 renewed or increased funding for the citywide CLT
7 initiative in the fiscal year 2022 budget and thank
8 you so much for the opportunity to testify today.

9 COMMITTEE COUNSEL: Thank you. Next,
10 we will hear from Phoebe Flaherty followed by Nella
11 Pineda Marcon and Kristie Ortiz Lam. Phoebe?

12 SERGEANT-AT-ARMS: Your time will begin
13 now.

14 PHOEBE FLAHERTY: Hi. Good afternoon.
15 Thanks for the opportunity to testify. My name is
16 Phoebe Flaherty. I'm an organizer at Align, the
17 alliance for greater New York. We coordinate
18 [inaudible 03:53:35] coalition and Transform Don't
19 Trash Coalitions. And as we all know, we are still
20 in the midst of the pandemic. We are New York's
21 BIPOC environmental Justice communities are bearing
22 the brunt of the impact on the virus and economic
23 downturn. We are seeing record high unemployment
24 concentrated in these communities, so our city's
25 budget must job creation for communities that have
been hit the hardest by the pandemic. Our coalition,

3 the Climate Works For All coalition has created the
4 Equitable Recovery Report, a roadmap to creating
5 100,000 good green jobs for New York City's black and
6 brown communities moving us out of the pandemic and
7 recession and towards our climate goals by investing
8 \$16 billion over three years. This is a
9 comprehensive plan. We need to move our city through
10 the crisis towards equity and climate justice.
11 However, we know we are still reeling from the crisis
12 and we have developed interim climate budget
13 priorities which will lead us on the same path
14 towards investment in communities and green job
15 creation while acknowledging the reality of our
16 budget constraints. Within the studies 2022 budget,
17 we are calling for an investment of 80 million to the
18 retrofit public schools and 100 million to install
19 solar on public schools. And as of 2019, more than
20 1000 schools are admitting at levels beyond local Law
21 97's 2030 to 2034 compliance. At an average cost of
22 755 per square foot to the retrofit buildings, the
23 city would need over \$1 billion throughout the next
24 13 years to meet the mission targets. That is the
25 city needs about 80 million every year to retrofit
schools to meet these the mission standards.

3 Research shows that building retrofits with this
4 level of investment will create 482 good union jobs
5 this year with that investment. In 2014, New York
6 committed to installing 100 megawatts of solar energy
7 in schools by the end of 2025, and immediate
8 investment of 100 million towards DCAS' program will
9 provide the capacity and resources that it needs to
10 swiftly meet the city's 2025 solar goals. And,
11 completion--

12 SERGEANT-AT-ARMS: Time has expired.

13 PHOEBE FLAHERTY: the savings from these
14 sites will be equivalent to taking thousands of cars
15 off the streets every year and create 500 jobs this
16 year. So, we are asking for these investments, among
17 others, from the Claimant Works For All committee.
18 And I will submit written comments, as well, that
19 detail these tasks. Thank you.

20 COMMITTEE COUNSEL: next, we will hear
21 from Nella Pineda Marcon followed by Christi Ortiz
22 Lam and Lyric Thompson.

23 SERGEANT-AT-ARMS: Your time will begin
24 now.

25 NELLA PINEDA MARCON: Good afternoon,
everyone. My name is Nella Pineda Marcon and I work

3 as a nurse at Mount Sinai, Morningside and Mount
4 Sinai West. I'm also a proud union member of the New
5 York State nurses Association. I serve as the
6 director at large and Chair of our climate justice
7 and disaster relief committee. NYSNA represents
8 43,000 nurses across New York State, including 25,000
9 nurses in New York City. This includes nurses and
10 all the city's public hospitals. As nurses in the
11 front lines of patient care, we have seen up close
12 the horrors of the Covid 19 pandemic. Almost 30,000
13 people in New York City have died and countless
14 others have been left wounded physically and
15 emotionally. We have seen the deep impact that the
16 pandemic has had on low income communities of color.
17 The disparities are all income passing, affecting
18 marginalized communities physically, mentally, and
19 economically. We know that this is just a preview of
20 what lay ahead if we do not take climate change
21 seriously. It is critical that we heed the warning.
22 In fact, we are already seeing the distraction that
23 climate change and environmental degradation has had
24 on the health of our patients. Increases in heat
25 have contributed to an increase in hypertension.
Pollutants that are being discharged into our city

3 air and that are causing steady increase in chronic
4 asthma conditions in our most vulnerable communities.
5 In addition, these communities also phase
6 environmental injustices like contaminated water
7 supplies and tainted soil. They are also the ones
8 that are usually hit the hardest by catastrophic
9 events such as super storm Sandy.

10 SERGEANT-AT-ARMS: Time has expired.

11 NELLA PINEDA MARCON: This is not okay.

12 CHAIRPERSON CORNEGY: Please finish.

13 Please finish your statement.

14 NELLA PINEDA MARCON: Let me be clear.

15 The New York State nurses Association is 100 percent
16 in support of a fossil fuel free city. We should be
17 doing everything that we can to speed the reality
18 along. The victories we got signed into law with the
19 Climate Mobilization Act and law, local law 97 are
20 amazing, but if the funding implementation and
21 accountability is not in place, then the legislation
22 doesn't really matter. We need to move ahead quickly
23 like our house is on fire because it is. We are
24 proud members of the Climate Works For All Coalition,
25 a coalition of unions, climate and environmental
Justice organization and advocacy groups. We fully

2 endorse the equitable recovery report that came out
3 of this coalition. The report is a longer term plan
4 for creating 100,000 good green jobs over the next
5 three years and New York City's black and brown
6 communities. This is a comprehensive plan that will
7 require \$16 billion. We know that the city is
8 hurting financially right now, so we have scaled back
9 on what we are asking for in the city's 2022 budget.
10 These tasks will still work towards our shared goals
11 and strength in the lives of our patients and their
12 communities. So, what are we asking for? \$80
13 million through retrofit public schools, \$100 million
14 to put solar on public schools, \$70 million towards
15 public waste management. This includes \$4 million to
16 staff the commercial waste zone program and \$13
17 million towards expanding the composting program and
18 3 million towards clean transportation, electric
19 school buses. I thank you for your time and
20 consideration today.

21 COMMITTEE COUNSEL: Thank you. We will
22 now hear from Kristie Ortiz Lam followed by Lyric
23 Thompson and Pablo Estupinan.

24 SERGEANT-AT-ARMS: Your time will begin
25 now.

2 KRISTIE ORTIZ LAM: Good afternoon. I
3 am Kristie Ortiz Lam, deputy director of Brooklyn
4 Aide's preserving affordable housing program. Thank
5 you for the opportunity to address the committee.
6 Brooklyn Legal Services Corp. A, its mission is to
7 advance social and economic justice and community
8 empowerment through innovative, collaborative,
9 neighborhood-based legal representation and advocacy.
10 Our clients live in rapidly gentrifying neighborhoods
11 throughout New York City where many residents and
12 small business owners have been disproportionately
13 [inaudible 04:01:09] or are facing displacement and
14 harassment. As you know, many low income New Yorkers
15 have lost or are experiencing a decrease in income
16 related due to Covid shutdowns, making it hard or
17 impossible to pay rent or mortgages. The pandemic
18 and the affordable housing crisis has compounded to
19 exasperate the difficulties faced by low to moderate
20 income individuals and families throughout New York
21 City, particularly BIPOC families. Brooklyn Eight is
22 on the front lines responding to the needs of New
23 Yorkers as we survive and recover from this crisis.
24 We are preparing our community members for the
25 upcoming lifts of the eviction and foreclosure

3 moratoriums so that they will be able to stay safely
4 in their homes. So, foundations of stability that
5 are even more important as we continue to navigate
6 economic and public health crisis. For homeowners in
7 danger of foreclosure, BKA is representing homeowners
8 in legal proceedings to prevent foreclosures,
9 educating homeowners on their rights and
10 responsibilities concerning moratoriums, and relief
11 available for financial hardship and assisting
12 homeowners to apply for bankruptcy as a tool to stop
13 foreclosure process. For tenants in danger of
14 eviction, we are providing legal advocacy to prevent
15 illegal evictions and harassments and advocating for
16 repairs and restoration of essential services through
17 e-filing and virtual court appearances.

18 Administering virtual workshops on tenant rights in
19 education, organizing tenant associations to build
20 collective power, support each other through-- and
21 to allow them to support each other through the
22 pandemic. And assisting tenants to receive rental
23 assistance through special Covid rent relief programs
24 and one-shot deals. It is more important than ever
25 for us to maintain and strengthen the safety nets in

3 our city. Access to high quality, free legal
4 services and advocacy--

5 SERGEANT-AT-ARMS: Time has expired.

6 KRISTIE ORTIZ LAM: is a crucial part
7 of this equation. Despite the tight budget season,
8 we urge you to prioritize funding in the fiscal 2022
9 and budget so Brooklyn A has the necessary resources
10 to respond to the growing critical need to keep New
11 Yorkers safely in their homes. Thank you so much.

12 CHAIRPERSON CORNEGY: Thank you for your
13 testimony.

14 COMMITTEE COUNSEL: Next, we will hear
15 from Lyric Thompson followed by Pablo Estupinan and
16 Debra Ack.

17 SERGEANT-AT-ARMS: Time will begin now.

18 LYRIC THOMPSON: Hi. Hi, everyone. My
19 name is Lyric Thompson and I am just a citizen. I am
20 not here to ask you for money. I am here to tell you
21 where you can save money and that is HPD. I am in a
22 421 A building that I am sure, you know, Council
23 member Cornegy, you're very well aware, that is not
24 up to basic code nor was it ever properly registered
25 with DHCR. So, several things. One, when HPD
revokes you four 2180 exemption or IJ 51 exemption,

3 they leave millions of dollars in the hands of God
4 developers. Now, why they ask for just a small
5 fraction of repayment, I don't know. I tend to
6 believe that that is like a little gift for
7 committing the crime and that sends out the wrong
8 message, especially during a time when we are having
9 a housing crisis and the tenants, you know, down here
10 in the trenches are being preyed upon like an all-
11 you-can-eat buffet at Shoney's. Now, the second area
12 that we can't save money is enforcement. The lack of
13 enforcement with HPD is systemic and it is
14 disturbing. We have had over 300 inspections on our
15 building. Four and a half years of revolving
16 violations on an entrance door that was never up to
17 basic code. Never up to basic code. It never should
18 have been on the building. I can't help but think
19 that at least one of those 300 people that walked
20 through this building inspecting the store and the
21 conditions in this building that somebody would have
22 picked up on that. The fact that they haven't and
23 six years later I am still going roundabout with HPD
24 override door that is not up to basic code, that I
25 didn't come up with these codes, they are actually
written down. They are safety codes for a reason.

2 It is problematic that it is very disturbing. How
3 much money do you think that is costing our city?
4 How much money does it cost us when HPD inspectors
5 lie about gaining access and they do systemically. I
6 mean, I could send you at least 10 different videos
7 and or photo evidence that can demonstrate that HPD
8 does not tell the truth when they come out here.
9 That is costing us a lot of money. In 2018, the New
10 York Times came out with an article, mold and leaks
11 and rats. Something that--

12 SERGEANT-AT-ARMS: Time has expired.

13 LYRIC THOMPSON: and they spoke about
14 this exact issue. This city Council has done nothing
15 to address this issue. Why? What are you going to
16 do about it, Council member Cornegy? When are you
17 going to call HPD into a hearing and ask them why
18 they're not enforcing the basic safety codes that we
19 have? Are we going to wait until someone dies to
20 address this issue?

21 CHAIRPERSON CORNEGY: Just for the
22 record, Lyric, everything you send me, Lyric, we sent
23 it directly to HPD and so, no, I'm not going to wait
24 until someone dies. We're been in--

25 LYRIC THOMPSON: They do nothing.

2 CHAIRPERSON CORNEGY: constant contact.

3 LYRIC THOMPSON: They do absolutely
4 nothing about it. And it's dangerous. And I don't--
5 from my part, I don't understand. It's one thing to
6 make a mistake. It's another thing to make a mistake
7 and never address it and clarify it when it creates a
8 hazardous situation for citizens in my city. What
9 are we doing to address this?

10 CHAIRPERSON CORNEGY: I'm going to
11 continue to work to get you what you need, but now
12 that you do have a Council member who is very
13 capable, I told you I am going to work with Dharma
14 Diaz and continue to work with Dharma Diaz on your
15 behalf with HPD to get you everything you need.

16 LYRIC THOMPSON: It's not just my behalf,
17 Robert. It's [inaudible 04:06:50]--

18 CHAIRPERSON CORNEGY: No. No. No. I
19 understand that. I understand that.

20 LYRIC THOMPSON: 1660 and they wrote a B
21 violation for bars on their window that if there is a
22 fire, these people are going to die and they put it
23 at the same hazard level as the gasket on someone's
24 refrigerator.

3 CHAIRPERSON ROSENTHAL: Can I make a
4 suggestion for just one second because certainly
5 these are issue throughout the city. Ms. Thompson,
6 it sounds like you've been through a lot--

7 LYRIC THOMPSON: Six years.

8 CHAIRPERSON ROSENTHAL: And it's really too
9 much, no question. Have you ever tried reaching out
10 to the Department of the Tenant Advocate in the
11 Department of Buildings?

12 LYRIC THOMPSON: Yes. And in fact, I
13 will say this. Our building was--

14 CHAIRPERSON ROSENTHAL: [inaudible
15 04:07:26]

16 LYRIC THOMPSON: DOB inspectros.

17 CHAIRPERSON ROSENTHAL: I'm sorry. When
18 did you reach out to them?

19 LYRIC THOMPSON: Actually, it was
20 probably a couple years ago.

21 CHAIRPERSON ROSENTHAL: Yeah. They didn't
22 exist a couple of years ago. They didn't exist a
23 couple of years ago. This is a brand new division in
24 the Department of Buildings called the Office of the
25 Tenant Advocate. I hear you are really exercised and
I'm sure you want to pursue this conversation. This

2 is a public hearing. We have a lot of other people
3 who want to testify and I think at this juncture, we
4 should move on to the next person, but don't
5 appreciate the snort after I made a particularly good
6 suggestion to you--

7 LYRIC THOMPSON: Ma'am, I have gone that
8 route before.

9 CHAIRPERSON ROSENTHAL: The office of the
10 tenant Advocate at the Department of buildings.
11 Thank you.

12 COMMITTEE COUNSEL: Thank you. Next,
13 we will hear from Pablo Estupinan followed by Debra
14 Ack and John Krinsky.

15 SERGEANT-AT-ARMS: Your time well begin
16 now.

17 PABLO ESTUPINAN: Good afternoon,
18 Committee Chair Cornegy, Subcommittee Chair
19 Rosenthal, and other members of the committee. Thank
20 you for the opportunity to testify. My name is Pablo
21 Estupinan and I'm the director of CASA [inaudible
22 04:08:43] in the Bronx. CASA is a tenant organizing
23 project of new settlement in the Southwest Bronx that
24 organizes tenant associations to win repairs and
25 improved services and building conditions and we hold

3 landlords accountable. We also work on citywide and
4 statewide campaigns to expand right to counsel, stop
5 of elections, expand water rights across the state
6 when rent phrases from the RGB. We are currently
7 working to cancel rent which, for the record,
8 includes tenants, homeowners, and prioritizing the
9 landlord hardship fund for affordable housing
10 landlords and small landlords and not prioritizing
11 corporate landlords for relief. CASA is a part of
12 new settlement. We serve over 16,000 program
13 participants in the community on a yearly basis and
14 we have 16 departments that provide services mostly
15 around educational afterschool programs, as well as
16 organizing [inaudible 04:09:35] around education and
17 housing justice. Today, I am here on behalf of the
18 Stabilizing New York City Initiative, a coalition
19 which is comprised of 20 organizations have come
20 together to combat citywide tenant harassment and
21 preserve affordable housing for New Yorkers who need
22 it the most. This coalition and stabilizing combines
23 legal advocacy and direct action organizing and
24 creating a citywide network to help tenants learn
25 their rights, improved building conditions, restore
basic services through organizing and harassment from

2 predatory equity landlords. We want to thank the
3 Council and we are grateful for the funding we have
4 received over the last six years in our partnership
5 with HPD. And I am here to urge the Council to
6 restore our initiative funding back to the levels
7 before the pandemic it at a total of 3.1 million. We
8 want to make sure there is equity across the board
9 and that the essential--

10 SERGEANT-AT-ARMS: Your time has expired.

11 PABLO ESTUPINAN: that the essential
12 community organizing work we do does continue and
13 also I just want to, in my own personal capacity as
14 director of CASA, also urge continued funding for the
15 housing preservation initiative through HPD, as you
16 know we have been doing organizing work that isn't
17 always recognized and has let New York City--
18 allowed families to shelter in place and we have only
19 experienced for families being evicted in the last
20 year due to our critical organizing work.

21 COMMITTEE COUNSEL: Thank you. Next,
22 we will hear from Debra Ack followed by Jon Krinsky
23 and Athena Bernkopf. Debra?

24 SERGEANT-AT-ARMS: Your time will begin
25 now.

3 DEBRA ACK: Good afternoon, Committee
4 Chair Cornegy, Subcommittee Chair Rosenthal, and
5 members of the committee and subcommittee. My name
6 is Debra and I am the recording secretary on the East
7 New York Community Land Trust. As my other committee
8 members have told you, we are a grassroots volunteer
9 and resident led CLT fighting for community control
10 of the land so that what is built on the land meets
11 the needs of low income black and brown people
12 forever. That includes residential, commercial, and
13 green space. What does the East New York CLT mean to
14 me? It has given my life purpose, especially during
15 this Covid 19 pandemic. With being on lock down, it
16 gives me a reason to keep moving and fighting for
17 change in East New York. I live in East New York for
18 approximately 18 years. I have raised two beautiful
19 children here. I have seen the change in East New
20 York and look forward to continuing change for my
21 community by acquiring long-term land ownership and
22 stewardship for us by us. This funding will give us
23 the opportunity to do just that. Some of our
24 accomplishments have been the writing of our bylaws
25 through a collaborative democratic process. We have
elected our first five board members, which is a part

2 of and we are now officially incorporated as a not-
3 for-profit organization. Through our community
4 outreach, we have grown our steering committee to 25+
5 active volunteer members who move our work forward in
6 three committees that meet weekly over zoom. All
7 steering committee members are used New York and
8 Brownsville residents. Through this pandemic, we
9 have held 12 virtual community events and sex in
10 person events to educate residents about the
11 community land trust model--

12 SERGEANT-AT-ARMS: Your time has expired.

13 DEBRA ACK: And bring them into the CLT
14 movement. We have depended-- We have deep into our
15 community relationships through food giveaways, lot
16 cleanups, and a youth design competition. We need
17 the city to invest in our CLT and in the citywide CLT
18 movement. Please renew funding for the CLT
19 initiative at 1.5 million. Thank you for the
20 opportunity to address the Council.

21 CHAIRPERSON CORNEGY: Thank you for your
22 testimony.

23 COMMITTEE COUNSEL: We will now hear
24 from Jon Krinsky followed by Athena Bernkopf.

25

2 SERGEANT-AT-ARMS: Your time will begin
3 now.

4 COMMITTEE COUNSEL: John, you're still
5 muted.

6 JOHN KRINSKY: Sorry.

7 CHAIRPERSON CORNEGY: John, I'm pretty
8 sure you said some pretty profound, so you might want
9 to start from the beginning.

10 JOHN KRINSKY: Hi. Good afternoon,
11 Committee Chair Cornegy, Subcommittee Chair Rosenthal
12 and members of the Committee and Subcommittee. Thank
13 you for the opportunity to testify. My name is Jon
14 Krinsky. I am a professor of political science and
15 director of Community Change Studies program at the
16 City College of New York and a founding board member
17 of the New York City Land Initiative or NYCCLI on
18 behalf of whom I am testifying. NYCCLI has been
19 working for the last eight and a half years to expand
20 community land trusts as a critical strategy for
21 dealing with the city's steep affordability crisis in
22 housing and for the need for greater community
23 control over other land uses. Among NYCCLI's members
24 are 15 CLT use, either active or in formation, and a
25 number of other technical assistance providers. Many

3 of these organizations, along with several others,
4 are part of a citywide community land trust
5 initiative that city Council has funded before and
6 for the last two years that is now seeking \$1.51
7 million in discretionary funding in fiscal 22 to
8 develop CLT's and permanently affordable housing,
9 commercial and community spaces in all five boroughs
10 of New York City. In the context of the Covid 19
11 pandemic, CLT is have been especially critical role
12 to play to stabilize housing, combat speculation, and
13 to ensure the just recovery in black, brown, and
14 immigrant neighborhoods. So, we ask the committee to
15 recommend renewed funding for the CLT initiative in
16 the fiscal 22 budget. No doubt you'll hear more
17 about the important work that the CLT initiative is
18 doing today. I want to depart from my written
19 testimony or what it will say to add just a bit of
20 personal and historical perspective here. 25 years
21 ago, as a 26-year-old urban planner, I led a 10 city
22 study of CLT's and mutual housing Association's as a
23 research associate at the Community Service Society.
24 The report we wrote, called Balancing Act, showed
25 that these kinds of organizations resident
organizing, development, and good management and that

3 this kind of balance both made for good stewardship
4 and was a challenge requiring ongoing--

5 SERGEANT-AT-ARMS: Your time has expired.

6 JOHN KRINSKY: training. Then, in New
7 York City, we went through 20 years of the Giuliani
8 and Bloomberg administrations when the political
9 decision, and it was a political decision, was made
10 to that the growing nonprofit sector that had been
11 nourished as a way to bring back communities from the
12 brink of the 1980s, on a starvation diet. Now,
13 several things happened in that circumstance. First,
14 25 years on a starvation diet means that,
15 necessarily, you lose muscle. The city's appointment
16 to the relative strength of for-profit developers of
17 affordable housing, but this was something that the
18 city itself engineered. And, as with mixed results
19 as the nonprofit sector provided with a declining
20 share of the pie. Second, 25 years of policy shift
21 can make [inaudible 04:17:17]. A spectacular failure
22 to house people who are precariously housed in the
23 city is a failure that keeps getting worse and
24 suggests that is common sense is not good sense. And
25 so, I just wanted to say that one of the great things
about being involved in this work now is that there

3 is a new generation of organizers, largely in black,
4 brown, and immigrant neighborhoods who are may be 10
5 years old or not even twinkles in their parents eyes
6 when Balancing Fact was published in who don't share
7 this common sense in the energy and understanding
8 they bring to the work, the deep understanding of
9 organizing, engagement, training, and what it means
10 to foster long-term governance is inspiring and
11 absolutely and informs the work that CLT is are doing
12 on the ground. In my small team from City College is
13 helping to structure this process in developing the
14 next generation of workshops, training, and popular
15 education materials in collaboration with them. So,
16 renewed fiscal 2022 funding is critical to
17 maintaining this progress. As more groups sick your
18 legal and technical assistance launch CLT operations,
19 sustained comprehensive organizing and community
20 planning, and acquire property is for long-term
21 community stewardship. So, I really urge you to keep
22 up the funding, increase the funding, and really help
23 us work to turn the city around. Thank you very
24 much.

24 COMMITTEE COUNSEL: Thank you. We have
25 a question from Chair Rosenthal. Sorry.

2 CHAIRPERSON ROSENTHAL: Sorry. Chair
3 Cornegy, go. I am after you.

4 CHAIRPERSON CORNEGY: No. No. No. I
5 was saying thank you to Jon for his testimony.

6 CHAIRPERSON ROSENTHAL: Oh. I was going to
7 say thank you to Jon for his testimony, but also, can
8 I ask a question that I've been sort of thinking
9 about as we've been hearing organizers in the
10 community land trusts community, you know, talk about
11 just wonderful achievements and involvement and I
12 probably should've asked the Commissioner, but
13 didn't. Why do you think the city-- all the
14 questions that Council member Cornegy and I were
15 asking this morning about, come on, let's sort of
16 speed up homeownership then let's, you know, what can
17 we do at this moment? And why isn't there answer
18 Community Land trusts? Or is it and I'm just missing
19 something? You might have to get on muted again. I
20 do. They're working on it.

21 JOHN KRINSKY: No. I got it now. Why
22 isn't the HPD's Commissioners answer community land
23 trusts?

24 CHAIRPERSON ROSENTHAL: Or the city.

25 JOHN KRINSKY: I think it goes--

3 CHAIRPERSON ROSENTHAL: Why doesn't the
4 city just like say, yeah. This makes sense.

5 JOHN KRINSKY: I, you know-- I wish
6 you-- I mean, other than a couple of things.

7 Certainly, it's true that, over the last 25 years, we
8 have not-- I mean, certainly and most clearly during
9 the Giuliani and Bloomberg administrations, but even,
10 you know, into the car at one, you know, we have
11 directed so much more in terms of resources to for-
12 profit developers through-- you know, first
13 voluntary and then mandatory inclusion zoning that it
14 hasn't been part of the strategy. So, it becomes
15 entrenched as common sense that this isn't how we do
16 things, but it's also clear that it's not working.

17 CHAIRPERSON ROSENTHAL: What is the city
18 Council-- I mean, I know on the city Council side,
19 and all of our meetings, we are all on board, right?
20 And we, you know, are adding funding all the time.
21 I'm looking at Ms. Ack. She is amazing. But I'm
22 just wondering if-- so, we have been funding things
23 for the last bunch of years. Doesn't that become a
24 research paper that then gets submitted to the city
25 and you can demonstrate outcomes and, you know, or

3 does it just take more time and faith? Do you know
4 what I mean?

5 JOHN KRINSKY: You know, I think, I
6 mean, it is interesting. The idea of sort of doing a
7 research paper and here you are talking to a
8 professor at city College and maybe I should be
9 hating myself over the head saying, you know, why
10 haven't I done this? In part of it is that I am
11 actually, on a daily basis, much more sort of in the
12 trenches the to develop popular education materials.
13 I mean, sort of the teachings side rather than the
14 research side.

15 CHAIRPERSON ROSENTHAL: You don't have to
16 beat yourself up. It's okay. I'm written for you.

17 JOHN KRINSKY: No. No. But you make--

18 CHAIRPERSON ROSENTHAL: And they have
19 something this they, too. But go ahead.

20 JOHN KRINSKY: But you make an
21 excellent point about, you know, at what point do we
22 sort of aggregate this and say, you know, this is
23 what the success is. In part of it, you know, part
24 of it is that, you know, we have got and, you know,
25 the CLT's take some time to get off the ground. They
are getting off the ground. East Harlem El Barrio

3 CLT, which began as a pilot project for the New York
4 City Community Land Initiative just acquired its
5 first four properties in these Harlem.

6 CHAIRPERSON ROSENTHAL: I got you. Don't
7 worry about it. No. No. No. I get the point. I
8 get the point. You know, my mom was an academic and
9 I'm much more of a, you know, let's get it done. So,
10 I'm a little bit-- I'm projecting just a little bit,
11 so don't take this personally, Jon, at all. But what
12 I'm wondering is I think the best academic work is
13 actually a roadmap and, you know, get all the history
14 part of it, but it-- and maybe days going to answer
15 this question, but just sort of strikes me that we
16 are in a moment in time, especially with all these
17 mayoral candidates where you guys come up with a
18 blueprint and say who is on board? Who has added
19 this to their platform? I challenge you to do that
20 because it feels like, as new as it is, and I really,
21 really get that. You know, I get it. But there
22 could be-- you know, maybe it's not statistically
23 perfect, but it strikes me that there could be, you
24 know, the bones of something that would be incredibly
25 powerful right now. Look, maybe it is already out
there and I am just ignorant and don't know about it

3 because I am busy just like you are, Jon, every
4 single day with the fires that I'm putting out, but,
5 you know, could I ask to the committee counsel, would
6 it be possible to unmute Dey del Rio because I think
7 she wants to say something, unless I'm wrong and at
8 which point she won't unmute herself. There she
9 goes.

9 DEYANIRA DEL RIO: Yeah. Just quickly
10 that-- thank you for that question. And, you know,
11 we are really a year and a half into the CLT
12 discretionary funding initiative, so it is very early
13 and but there has been, that said, tremendous
14 progress made. So, we definitely will be organizing
15 a briefing for Council and provide been a report that
16 details some of the accomplishments that you have
17 heard so far. And I know that the unit is speaking
18 next, I believe, about East Harlem. So, you know,
19 there is a lot to say about specific acquisitions and
20 that level of growth, but there is a lot to say that
21 is more nuanced about all the kind of legwork that
22 goes into creating these new institutions with you
23 all. I just wanted to also mentioned that a lot of
24 the groups that are funded through this initiative
25 went through a two-year learning exchange together at

3 New Is on our Project and NYCCLI to collectively
4 organize and present it. So, all these groups did a
5 deep two-year dies in two CLT history and impact.
6 And so, we do-- we have done a lot of learning about
7 what is happened around the country, what are the
8 challenges, where has it worked well and what is
9 needed to reach scale and city--

10 CHAIRPERSON ROSENTHAL: Okay. And that was
11 John's point that everything will sort of held in
12 abeyance during Giuliani M Bloomberg. So, you know,
13 you are sort of getting back on your feet again. I
14 totally get that. You know, go to probably-- I
15 watch on zoom probably on Mayor Forum every single
16 night and I know these people are being tortured, but
17 it does strike me thing you could have a great forum.
18 I don't know if you are already planning that.

19 DEYANIRA DEL RIO: You'll be seeing some
20 briefings coming up on the lien sale abolition and
21 how CLT's can play a role in replacing that system
22 and then also more broadly about social housing and
23 the role of land trusts and community ownership.
24 Absolutely.

25 CHAIRPERSON ROSENTHAL: Right. You should
do a mayoral forum and see where these candidates

3 are, you know, before or after you send out your
4 briefing. But hold their feet to the fire because I
5 think what you are doing must be continued and, of
6 course, the city Council is trying to be as helpful
7 as we can and, you know, everyone's budget gets
8 clipped, but everyone is trying really hard. But you
9 need to go to scale. I mean, you need more.

10 DEYANIRA DEL RIO: We agree.

11 CHAIRPERSON ROSENTHAL: It would be-- I
12 think the next place to go is to get the city to
13 engage. The city agencies, right? The mayoral side.
14 All right. Thank you very much. I'm just babbling.

15 DEYANIRA DEL RIO: Thank you. Thanks so
16 much.

17 JOHN KRINSKY: Thank you.

18 COMMITTEE COUNSEL: All right. Next,
19 last but not least, we'll be hearing from Athena
20 Bernkopf.

21 SERGEANT-AT-ARMS: Good afternoon,
22 Committee Chair Cornegy. Subcommittee Chair
23 Rosenthal, and members of the committee and
24 subcommittee and thank you for the opportunity to
25 testify today. My name is Athena Bernkopf. I am the
project coordinator of the East Harlem El Barrio

3 Community Land Trust. We are a member of the New
4 York City Community Land Initiative and we are one of
5 the 17 organizations that are part of the citywide
6 Community Land Trust Initiative. And I'm here to ask
7 you to recommend that the CLT initiative be included
8 in this year's budget. That East Harlem El Barrio
9 CLT works to develop and preserve community
10 controlled, truly and permanently affordable housing,
11 commercial greeting cultural spaces in East Harlem El
12 Barrio in the surrounding area that prioritizes
13 households of extremely low to low incomes. As a
14 strategy to ensure permitted affordability, the East
15 Harlem El Barrio community land trust will own land
16 and we sent to the buildings on that land, as well as
17 having developed a resident controlled mutual housing
18 Association. In the past year, we have closed on the
19 first four properties to enter onto the CLT,
20 including for residential buildings that will be
21 owned by a newly formed East Harlem El Barrio Mutual
22 Housing Association. On these properties, beyond
23 just the residential buildings, we also have two
24 commercial spaces and one community space. In
25 closing on the transfer, we are working with the
nonprofit partner developer who is working to get

3 these buildings repairs that have been needed in some
4 cases for over a decade. We have also been able to
5 establish a long-term security and stability of the
6 property and the rent in the building through the 99
7 year ground lease between the CLT and the MHA. We
8 continue to deepen the resident engagement and
9 leadership development of the buildings through the
10 rehabilitation process through trainings which are
11 seeking to prepare residents to step into leadership
12 of the MHA, both through developing their capacity to
13 make decisions around the operations and building and
14 management of the buildings, in addition to
15 participating in local community processes that
16 affect the well-being of the buildings, the land--

16 SERGEANT-AT-ARMS: Your time has expired.

17 ATHENA BERNKOPF: and the people who live
18 in them. We believe this work is crucial to
19 cultivating strong, resilient, and healthy
20 neighborhoods that can care for its community members
21 and bringing needed to the black and brown working
22 class communities that are most vulnerable to the
23 devastation of the city's housing crisis, not to
24 mention the pandemic. With ongoing funding, the
25 CLT's that are growing in strength throughout the

3 city can continue to do this crucial work of ensuring
4 that land and buildings are put to the most critical
5 community needs and we are seeking also to create
6 pathways for community visioning and planning
7 processes that are building out communities that are
8 not just healthy, but thriving and we hope that you
9 will continue to support this work into the future as
10 we build out long-term sustainable structures. Thank
11 you.

12 COMMITTEE COUNSEL: Thank you. This
13 concludes our public testimony. If we inadvertently
14 missed anyone who registered to testify today, if
15 they can use the zoom raise hand function, we will
16 call on them now. All right. Seeing none, we will
17 pass this back to Chair Cornegy to close the hearing.

18 CHAIRPERSON CORNEGY: So, I want to say,
19 as always, it's always a pleasure to hear from the
20 voices that are on the ground. Your testimonies are
21 important. It runs very late sometimes into the
22 evening, but it is well worth that to hear the
23 importance of what you believe and us here at the
24 Council actually attempting to enact from hearing
25 your voices. So, I want to thank you on behalf of
the Committee on Housing and Buildings and I will

3 just let my colleague and cochair, Council member
4 Rosenthal, also close us out. Is that it? We're
5 going with the heart signal? All right. That's
6 cool. That would've been way cooler if I would've
7 done that. Next time I'll do that. Thank you all
8 for attending--

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C E R T I F I C A T E

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



Date _____ March 26, 2021 _____