

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON HOUSING AND BUILDINGS

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HELD AT: COUNCIL CHAMBERS, CITY HALL

B E F O R E: CHAIR ROBERT CORNEGY

COUNCIL MEMBERS: ROBERT CORNEGY
BEN KALLOS
BARRY GRODENCHIK
MARGARET CHIN
FERNANDO CABRERA
VANESSA GIBSON
INEZ BARRON
FARAH LOUIS
CARLINA RIVERA
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A P P E A R A N C E S (CONTINUED)

CHRISTIAN KLOSSNER
MELANIE LA ROCCA
ANNE MARIE SANTIAGO
AUDREY SON

(PUBLIC)
RICHARD GOTTFRIED
ROLANDO GUZMAN
MURRAY COX
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PETER AMATO
KYLE ISHMAEL
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VICTORIA MCCLLOUD
TOM KAYLOR
JUNE BROXTON
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DONALD RANSHTTE
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ADELIA DEL MEDA
LUCY BLOCK

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2 CHAIR CORNEGY: Good morning and welcome.
3 I'm Council Member Robert Cornegy, Chair of the City
4 Council's Committee on Housing and Buildings. It's
5 good to be back at City Hall after a year and a half
6 of making the most of Zoom hearing, and working
7 remoting, I'm glad to be here with my colleagues, Ben
8 Kallos, Barry Grodenchik, Margaret Chin, Fernando
9 Cabrera, and Vanessa Gibson, and also to be joined by
10 the public. I certainly do not take lightly the
11 seriousness of COVID-19 pandemic, and all the efforts
12 the city has taken till now to contain the spread the
13 virus and keep everyone safe and health, and it's for
14 that reason, I don't take for granted our ability to
15 back in person today. Gathering today is an integral
16 way we remain civically engaged, and I'm thankful to
17 be here. Today, the Committee will hearing thirteen
18 different bills. Some are related to construction
19 safety, some are related to gas piping inspections,
20 and several more within prevue of the Committee, I
21 will introduce each bill in turn. First, Intro 2309,
22 sponsored by Council Member Kallos will require
23 applicants seeking to rent out short-term rentals for
24 fewer than 30 consecutive days to register annually
25 with the Mayor's office of Special Enforcement, and

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2 obtain a registration number before doing so. Next,
3 we have a number of Bills related to construction
4 safety. Intro number 2262 sponsored by myself would
5 streamline the signoff process for permits issued in
6 connection with temporary construction equipment by
7 no longer requiring certain final inspections for
8 such equipment and would also prohibit the
9 installation and use of standoff brackets which DOB
10 has identified as a contributing factor in suspending
11 Scaffolding incidents. Intro number 2263, also
12 sponsored by me, would amend the definition of major
13 building construction sites, and now include
14 buildings that are seven or more stories, or 75 feet
15 or more in height. This change would trigger
16 additional safe site safety requirements for more
17 construction sites. Intro number 2264, also
18 sponsored by me, would establish new requirements for
19 the installation of coal form, steel light frame
20 construction, and establish new special inspection
21 requirements for the use of coal form, steel light
22 frame construction. Intro number 2276, sponsored by
23 Council Member Moya, would require additional safety
24 supervision of major building construction sites to
25 build on efforts to reduce construction related

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2 injuries and fatalities. Proposed Intro 2278A,
3 sponsored by Public Advocate Williams will require
4 general contractors to be licensed by DOB in a
5 similar manner to how other trades are licensed under
6 DOB, and would prohibit any person from performing
7 general contracting work unless approved by DOB.

8 Next, we'll be hearing a number of Bills related to
9 Local Law 152 and gas piping inspections, all of
10 which are sponsored by me. Intro 2259 would extend
11 to December 31, 2021 inspection deadline for
12 buildings in community districts 2, 5, 7, 13, 18 in
13 all boroughs until June 30th, 2022, and also require
14 DOB to conduct targeted outreach regarding compliance
15 with the requirements of local law 152. Intro number
16 2321 would create a hardship program for inspection
17 and correction of gas piping systems in buildings.

18 The hardship program would allow a building owner who
19 was unable to comply with an inspection due date to
20 defer for 90 days. Intro number 2361 would require
21 DOB to create a questionnaire to seek feedback on
22 Local Law 152. DOB would be required to report to
23 the Council, the Mayor, and the post on its website
24 the results of the questionnaires received during the
25 period calendar annually starting March 2022. Intro

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3 number 2377 would extend the physical scope of
4 inspection from individual tenant spaces to the point
5 of connection for an equipment that uses gas supply
6 by gas piping. Additionally, we'll hear the follow
7 legislation. Preconsidered Intro, hasn't been
8 numbered yet, sponsored by Council Member Lander
9 would take the certification of No Harassment pilot
10 created by Local Law 1 of 2018 and extend it to
11 September 27, 2026. Intro number 1817 sponsored by
12 Majority Leader Laurie Cumbo will require the
13 Department of Housing Preservation and Development to
14 promulgate certain minimal rules governing affording
15 housing lotteries, and finally, Intro number 2265,
16 also sponsored by Majority Leader Laurie Cumbo would
17 amend the housing maintenance goal by requiring owner
18 of units in multiple dwellings to provide tenants
19 with the option of either permanent stove safety
20 knobs with integrated locking mechanisms or stove
21 knob covers for each knob located on the front of
22 each gas powered stove. I look forward to hearing
23 testimony related to these Bills from the Department
24 of Buildings, the Department of Housing Preservation
25 and Development, and the Mayor's Office of Special
Enforcement. Industry experts and interested members

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2 of the public, because of the number Bills, and in
3 order to most efficiently utilize everyone's time,
4 we'll dedicated the first portion of the hearing to
5 Intro number 2309, and we'll hear testimony from OSE,
6 and conduct question and answers with them first. We
7 will then move to HPD, NDOB portion of the hearing on
8 the remaining legislation. Before we move to
9 testimony from OSE, I'd like to remind all members of
10 the public who would like to testify today to please
11 fill out a card with the Sergeant. In the interest
12 of time, we will be sticking to a two-minute clock
13 for all public testimony, and now I turn it over to
14 Committee Council, Audrey Son to administer the Oath
15 of Administration before their testimony. I'm sorry,
16 I've been instructed that we will hear from one of
17 the Bill sponsors and good friend, Ben Kallos.

18 CM KALLOS: Thank you to the Chair of
19 Housing and Buildings, and my good friend, Robert
20 Cornegy. Council Member Kallos, sponsor of
21 Introduction 2309, and I've been working on this for
22 eight years. I've been a tenant most of my life, and
23 I'm tired of having to compete with tourist with
24 housing in this city. Housing should be for New
25 Yorkers, hotels should be for tourist, it's that

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2 simple. What's worse, as a renter, every renter and
3 I had to pay an extra \$384.00 more in increased rent
4 due to Airbnb's expansion from 2015 to 2017. This
5 spike in rent actually forced me and my wife to move
6 during a high-risk pregnancy. I didn't know where
7 the spike in rent came from until today. There were
8 37,000 units on Airbnb in February, and half of them
9 listed entire homes, which is not allowed in
10 buildings with three or more units under state law.
11 Short-term rentals are restricted to less than 30
12 days where the resident is home at the time under
13 that same state law. There are many bad actors out
14 there like one who rented apartments to tens of
15 thousands of guests over 55,441 nights, over three
16 years, across 35 different buildings which the city
17 thankfully caught, but just to put that in
18 perspective, that is 151 years of housing that was
19 kept off the market. Now, it's possible that many
20 host don't even know that what they're doing is
21 illegal. Today's we're hearing legislation to
22 request every host and every platform to register
23 their units. Through the registration process, host
24 will learn rather it is legal to rent their units.
25 Units that are rent regulated in NYCHA public housing

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2 won't be allowed. Market rate rentals would be able
3 to register and list their units with their
4 landlord's permission. Cooperatives and condominium
5 owners will be able to register and list their units.
6 I might add that cooperatives on the upper east side
7 do not usually permit rentals. I actually live in a
8 cooperative that does. Though where they do, board
9 could always adopt new house rules. Single-family
10 home owners would be free to register and list their
11 rooms or any habitable sleeping accommodation. Now,
12 with the recent flooding and death from Ida, it's
13 important to me that the spaces be inspected before
14 they are rented to unsuspecting tourists. When we
15 pass this legislation, New York City's affordable
16 housing crisis might get a little bit easier with a
17 flood of 18,000 apartments coming back on the market,
18 many of which might even be affordable. This
19 morning, we had 45,131 in our shelters, 14,616 of
20 them were children, 11,021 were adults, as well as
21 8,387 families. We could end family homeless with
22 just half the units that are coming back with only
23 16,188 single adults in our shelter system, we could
24 house every homeless New Yorker in these soon to be
25 vacant units. Housing is a human right, and by

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2 working to make sure there is more of it available in
3 New York City, we are making a real difference, and I
4 want to take a moment to thank Michael Mckee and
5 Tenants PAC, Tom Keller and Murray Cox, as well as
6 inside Airbnb, the coalition against illegal hotels,
7 and its working group, assembly member Dick Godfrey,
8 my counsel, Wilfreda Lopez, who had the misfortune of
9 living in a rental building surrounded by short-term
10 rentals where the constant coming and going of people
11 actually forced him out of his home, and of course,
12 to my friend, colleague, and Chair of Housing and
13 Buildings, Robert Cornegy. Thank you, and now is the
14 time to bring these units back onto the market and
15 make it safe for every New Yorker. Thank you.

16 CHAIR CORNEGY: Thank you, Council Member
17 Kallos, and now I'll turn it over to Committee
18 Council, Audrey Son to administer the Oath to the
19 Administration before their testimony.

20 COMMITTEE COUNSEL AUDREY SON: Please
21 raise your right hand. Do you affirm to tell the
22 truth, the whole truth, and nothing but the truth
23 before this committee, and to respond honestly to
24 council member questions?

25 CHRISTIAN KLOSSNER: I do.

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2 COMMITTEE COUNSEL AUDREY SON: Thank you.
3 You may begin when ready.

4 CHRISTIAN KLOSSNER: Good morning,
5 Chairperson Cornegy, members of the Committee on
6 Housing and Buildings, and Council Member Kallos. My
7 name is Christian Klossner. I am the Executive
8 Director of the Office of Special Enforcement which
9 is overseen by the Mayor's Office of Criminal
10 Justice. Thank you for the opportunity to testify
11 today. OSE's mandate originating from a Mayoral
12 executive order in 2006 is to coordinator efforts
13 across city agencies to problem solve around emerging
14 issues, adversely affecting neighborhood cohesion,
15 livability, and safety. The vast majority of OSE's
16 work since 2015 has related to addressing illegal
17 short-term rentals occurring in the city's permanent
18 residential housing stock. Because this testimony
19 will reference illegal short-term rentals repeatedly,
20 let me state for the record, what the current is in
21 New York City. The city and state laws that apply in
22 the New York City restrict rentals for fewer than 30
23 consecutive days to only those situations where up to
24 two guests are maintaining a common household with
25 the permanent occupant of the housing unit, rather in

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2 a multiple dwelling or in a one or two-family
3 building. Entire home rentals and rentals to more
4 than two guests are illegal. Living in one unit of a
5 building while renting another unit to guests does
6 not constitute a hosted rental. By working to stop
7 the proliferation of these illegal short-term
8 rentals, OSE's enforcement efforts advance key goals
9 of this Administration to help preserve affordability
10 and community livability, to prevent harassment and
11 displacement of permanent residents, and to increase
12 access to permanent housing. Our enforcement efforts
13 protect residents and visitors to New York City from
14 dangerous violations of the city's building and fire
15 safety standards while striving to ensure that New
16 Yorkers are not disturbed by illegal commercial
17 activity in their residential neighborhoods and
18 buildings. As OSE has reported, in the last five
19 years' worth of annual reports submitted to Council
20 pursuant to local law, between 2016 and 2020, OSE has
21 received over 11,800 complaints about illegal short-
22 term rentals, conducted more than 21,000 inspections,
23 and issued just under 13,000 violations that have
24 resulted in the imposition of 37 million dollars in
25 fines approximately. This field activity, driven and

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2 informed by both the complaints of tenants and
3 neighbors throughout New York City, and the data
4 analysis of OSE's research team has resulted in
5 thousands of illegal rentals being addressed. In
6 select instances of illegal activity persisting in
7 buildings, or where OSE research and investigations
8 reveal operations that span multiple, sometimes
9 dozens of buildings, our legal team initiate
10 litigation. OSE has brought 20 lawsuits since 2015
11 addressing a wide range of illegal short-term rental
12 operations and resulting in court protections for the
13 housing as well as 4.7 million dollars in settlements
14 and penalties assessed the against the operators of
15 short-term rentals and the building owners that allow
16 their buildings to be misused. This work has not
17 only impacted thousands of illegal operators and
18 enhanced the livability of buildings in neighborhoods
19 through the city, but it has exposed several keys
20 truths about the short-term rental market. One, the
21 chief tool of the illegal short-term renter operator
22 is the online market place created by the booking
23 services. Two, only through obtaining data from the
24 online booking services can the full extent of an
25 illegal operation be understood. Three, there are

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2 few restraints imposed by the booking services to
3 stop the proliferation of illegal activity, and four,
4 lack of verification of host identities and addresses
5 of listings coupled with reluctance by platforms to
6 ban facially illegal activity have directed
7 contributed to the rise of the illegal short-term
8 rental market in New York City. Sadly, it took the
9 worse public health crisis in memory to significantly
10 disrupt the thousands of illegal rentals occurring on
11 a nightly basis in New York City with illegal short-
12 term rental activity declining significantly during
13 the first wave of the COVID-19 pandemic. This
14 disruption was further enhanced with the council's
15 enactment, and the mayor's signing of Local Law 146
16 of 2018 and Local Law 64 of 2020, collectively known
17 as the city's booking service data reporting law,
18 which went into effect this past January. The law
19 had an immediate impact resulting in a significant
20 drop in the total number of illegal short-term rental
21 listings. For example, on Airbnb, these illegal
22 listings dropped from approximately 38,000 in October
23 2020 to approximately 14,000 in August 2021.
24 Unfortunately, illegal short-term rental activity in
25 New York City is now rebounding. In the first

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2 quarter of 2021, across the several platforms
3 reporting date to the city, there were approximately
4 3600 illegal listings with high intensity use covered
5 by the reporting law, booked for a total of 135,000
6 nights. The average listing was booked for 32 nights
7 in the reporting period, excluding outliers. The
8 second quarter saw a significant increase in the
9 number of illegal listings, up 33 percent over
10 approximately 4800, but the intensification of
11 illegal activity was even more pronounced with the
12 total number of nights booked increasing by 65
13 percent to roughly 223,000. The mean nights booked
14 for listings leaped from 34 to 46 nights for the
15 quarter. As we have seen for the past several years,
16 this illegal activity is most rampant in areas of the
17 city that have faced significant gentrification in
18 the past two decades, including Williamsburg and
19 Bedford-Stuyvesant in Brooklyn, and Chelsea,
20 Chinatown, the lower eastside and the east village in
21 Manhattan. I should point out that these
22 observations do not include activity happening in
23 listings that may appear on their face to be legal,
24 and therefore, are not required to be reported
25 pursuant to the reporting law. Broadly speaking, the

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2 reporting law only requires reporting on facially
3 illegal listings. Those that offer an entire unit or
4 occupancy for three or more guests. There is a
5 segment of the illegal short-term rental market that
6 is facilitated through listings that appear to be for
7 a partial unit and only one or two guests, but may
8 still be illegal, for example, when several such
9 listings are for rooms in the same unit or when such
10 rooms occur in multiple locations but are offered by
11 the same host. Taken in combination these unreported
12 listings reflect defective illegal hostels, and we
13 estimate that in the last quarter, there were 2400
14 listings indicating this type of illegal activity,
15 which is heavily concentrated in the neighborhoods of
16 Bushwick, Bedford-Stuyvesant, Harlem, and Hell's
17 Kitchen. This, and other data received from
18 platforms, combined with our enforcement to reveal
19 one more key truth, the way to address the inherent
20 challenges of scaling inspection-based enforcement is
21 to add prevention to the cure, and support it with a
22 robust registration framework where unpermitted
23 activity is not allowed onto the market places
24 online. Thus, OSE supports the intent of Intro 2309
25 to provide a registration system for short-term

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2 rental that comply with existing laws, and the tools
3 to prevent unregistered activity from flourishing in
4 a largely unregulated online market place. OSE looks
5 forward to working with Council to suggest changes
6 based on our expertise so that the focus remains on
7 preventing transactions that are legal with
8 enforcement resources directed at the market place
9 that drives the extent of the activity, not just the
10 individual actors. This concludes my testimony.
11 Thank you for the opportunity to provide it, and I
12 welcome any questions you have.

13 CHAIR CORNEGY: Thank you for your
14 testimony. I will be asking a few questions before I
15 pass to my colleagues who are present. The first
16 question I have is you mentioned in your testimony
17 that there is an increase in illegal use of
18 significantly as of recent. You cited that perhaps a
19 portion of it in highly gentrifying areas was
20 gentrification as a construct. I'm also wondering
21 what your thoughts are on the pandemic, the rent
22 moratorium, and those types of things also; would you
23 consider those to be mitigating factors at this time
24 from your estimation?

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2 CHRISTIAN KLOSSNER: You know, we're
3 looking closely at the timing of things, and so when
4 we talk about the drop in listings, it was right at
5 the time where the law passed. Airbnbs started
6 implementing their user education and announcing what
7 was going to happen that we saw that significant
8 drop. In terms of the numbers that we reported from
9 the first quarter to the second quarter, that is a
10 combination of all the activity that is being
11 reported, so obviously not all the activity that's
12 occurred on the sites, and not even as I pointed out,
13 all the illegal activity, but all the entire units
14 and all of the listings for three or more, and we're
15 seeing it rebound quickly. I don't have any data or
16 evidence to weigh in on the question about the rent
17 moratorium, and forgive me, you mentioned another
18 factor that you were asking for my opinion on.

19 CHAIR CORNEGY: I said the rent
20 moratorium, largely the rent moratorium and the
21 pandemic as being potential for mitigating factors
22 for the increase of families finding themselves in
23 deep financial worry, any of those two factors ...

24 CHRISTIAN KLOSSNER: So, these numbers
25 reflect simply the nights being booked of people

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2 coming to the city and booking short-term rentals,
3 I'd say coming to the city. People just booking
4 short-term rentals, so it's purely transactional, the
5 amount of activity that's happening and being
6 reported to the city. I don't think we could discern
7 out anything to weigh in on those factors.

8 CHAIR CORNEGY: Okay, thank you. Then my
9 first question, as it relates directly to this is,
10 I'm curious as to how the Office of Special
11 Enforcement learns about illegal short-term rentals.
12 What is the reporting mechanism for finding or
13 locating a potential illegal operator?

14 CHRISTIAN KLOSSNER: Sure, there are two
15 sources. One, obviously we receive complaints. As
16 Council Member Kallos mentioned, a staff person lives
17 surrounded by short-term rentals, we get complaints
18 from folks like that all the time that report a loss
19 of safety, a degradation in the quality of life in
20 the building, increased noise, and all kind of
21 nuisance like behaviors. We get those complaints
22 throughout the city, not just a neighbor in a
23 building, but also a neighbor down the block. In
24 addition to complaints, we also do proactive
25 inspections where we use scrape the data from inside

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2 Airbnb to identify folks that are engaging in near
3 constant illegal activity, and when we receive data
4 from the platform, for instance, through subpoenas,
5 or now from the reporting law, we turn that into
6 enforcement actions as well.

7 CHAIR CORNEGY: Thank you. So, do any
8 short-term rental booking platforms share data
9 directly with OSE, or do you have to get it from a
10 third party or?

11 CHRISTIAN KLOSSNER: They are all now
12 under the city's reporting law. I shouldn't say all,
13 the major ones are reporting data to the city for the
14 categories that the reporting law requires. In
15 addition, booking services have been cooperative with
16 the city's subpoenas and provided data that's been
17 demanded pursuant to those subpoenas.

18 CHAIR CORNEGY: I don't know if
19 complaint with the subpoena means being compliant,
20 but okay. What kind of data ... (crosstalk).

21 CHRISTIAN KLOSSNER: I'm just saying
22 separate from the reporting law. So, the reporting
23 law has a number of points, and we could certainly
24 refer back to those, but it's also on our website
25 under the reporting law tab, lots of specific points

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2 about the location of the accident, who the host is,
3 what their contact information is, nights books, the
4 amount of revenue generated and those are now coming
5 on a quarter basis. In addition, we still have a
6 subpoena practice. We were using that before the
7 reporting law to get data, and we are continuing to
8 use that, especially if we need to take a deeper dive
9 beyond the reporting quarter to look at the historic
10 impact of a particular operator.

11 CHAIR CORNEGY: So, as it relates to OSE,
12 what is the specific data that is shared?

13 CHRISTIAN KLOSSNER: I would love to
14 provide you a very specific written answer to that
15 question following the hearing.

16 CHAIR CORNEGY: Okay, so we will follow
17 up for that.

18 CHRISTIAN KLOSSNER: Yeah.

19 CHAIR CORNEGY: How does OSE issue
20 violations again owners or operators of short-term
21 rentals that are rented using a booking platform?

22 CHRISTIAN KLOSSNER: The violations that
23 we issue are, the first violation is violation for
24 the illegal conversion of a permanent residential
25 unit into a short-term rental. There are two

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3 different statutes in the building code. In general,
4 it is an occupancy contrary to what is permitted, and
5 so a violation is issued under the building code.

6 That's been on the books for decades, and

7 approximately a decade ago when the state update the

8 multiple dwellings law and clarified the law, the

9 City Council then responded with Local Law 45 which

10 created an enhanced set of penalties for multiple

11 dwelling, especially where there was a second offense

12 or multiple units being rented, but in either case,

13 the core violation is for the change of permanent

14 residential occupancy to an illegal short-term rental

15 occupancy. In addition, there are violations issued

16 for lacking the safety provisions required when you

17 have transient use such as adequate fire alarms,

18 adequate sprinklers, and adequate egress. Finally,

19 and all of those violations are independent of rather

20 the person is using a booking platform or not. The

21 use of the booking platform becomes relevant when the

22 person is advertising illegal occupancy in a multiple

23 dwelling, and then we have the advertising law that

24 the state passed banning illegal advertisements of

25 class A multiple dwellings. That is the one section

of our enforcement law that only applies to multiple

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2 dwellings, that does apply to one or two, although
3 the change in occupancy does.

4 CHAIR CORNEGY: Do you happen to have the
5 number of violations, I'm sorry, the number of owners
6 who have received violations over the last two
7 calendar years?

8 CHRISTIAN KLOSSNER: I can say broadly
9 that in 2020, we issued 1527 violations, in 2019, we
10 issued 3565 violations. There is, on our website, if
11 you go to About, and we'll certainly make sure that
12 you have copies of these that were submitted to
13 council. In About, there's a data page that list our
14 annual reports and in those annual reports is
15 actually a tab that lists out, disaggregated by
16 council district, all of the violations that are
17 issued, including who they're issued to, what the
18 status is, but I'll make a note to send those reports
19 to you as well.

20 CHAIR CORNEGY: So, in short-term
21 rentals, does it also look for violations of the
22 building code and the housing maintenance code? So,
23 in addition to your interest as it relates to
24 violations of the statute that are directly
25 correlated to short-term rental, do you also cast a

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2 wider net, I guess for a better use of language, on a
3 building?

4 CHRISTIAN KLOSSNER: Yeah, I mean, to be
5 clear, all of the violations that we write, are
6 reference in the city's administrative code through
7 provisions of the building code that incorporate the
8 definitions and restrictions of the housing
9 maintenance code, but if I understand your question,
10 do we also write for a crumbling facade if we see it,
11 or do we write for a blocked egress, and the answer
12 is yes. The inspectors on our team from the
13 Department of Buildings and the fire department, if
14 they see a condition, they're required to take the
15 appropriate action.

16 CHAIR CORNEGY: So, I thought I heard in
17 your testimony before the record, does OSE support
18 Intro number 2309?

19 CHRISTIAN KLOSSNER: I would say supports
20 the goal of 2309. As with all legislation, we are
21 committed to working with council to make sure that
22 the best result comes down, but it is clear that we
23 need the tool of an online registration system that
24 will allow us to go to the booking services and make
25 them remove all of the unpermitted and unregistered

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2 activity. It's the market place where this illegal
3 activity is flourishing, and this will give us the
4 new tool to prevent and get into prevention before we
5 even get to inspection and enforcement.

6 CHAIR CORNEGY: So, overall, you agree
7 with the Bill?

8 CHRISTIAN KLOSSNER: Overall, we agree
9 with the idea that there needs to be a toll to get
10 illegal activity off of the sites, and this is a step
11 in the right direction.

12 CHAIR CORNEGY: I was hoping you wouldn't
13 make me dig deep, so are there any major concerns
14 with the Bill that you would like to cite here this
15 morning?

16 CHRISTIAN KLOSSNER: There's no major
17 concerns I'd like to say here.

18 CHAIR CORNEGY: Thank you. We're going
19 to move to questions from our colleagues. I would
20 ask that you keep those questions to three minutes in
21 the interest of time because we have a full agenda
22 today, and we're starting with Council Member Kallos.

23 CM KALLOS: Thank you and thank you for
24 the additional time to ask the questions. Christian,
25 I want to thank you for your work, your testimony.

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2 The numbers are staggering that you just reported.

3 You're telling me just in one quarter, I did the
4 math, I divided the number of illegals nights in the
5 last quarter, the 135,000 minutes by 365, and I came
6 out with 369 years of housing that's been taken off
7 the market. Is that correct?

8 CHRISTIAN KLOSSNER: I trust your
9 calculator council member.

10 CM KALLOS: That's just jaw dropping.
11 Introduction 2309 is silent as to what units can be
12 rented because that is dictated by state law. In
13 your testimony, you said laws, "Restrict rentals for
14 fewer than 30 days to only those situations were up
15 to two guests are maintained in a common household,
16 with a permanent occupant of the housing unit, rather
17 in a multiple dwelling or in a one or two-family
18 building, entire home rentals, and rentals to more
19 than two guests are illegal. Living in one unit of a
20 building while renting another to guests does not
21 constitute a hosted rental". Can you share, is
22 there a specific case law that supports your
23 interpretation or specific state law that supports
24 your interpretation?

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2 CHRISTIAN KLOSSNER: Sure, and to be
3 clear, it is not just state law. Right. This has
4 been illegal in city law for decades. Since we have
5 had a building code, you have not been allowed to
6 change the use from one approved use to one use that
7 is not approved, changing from permanent housing to
8 transient housing, constitutes such a conversion and
9 ample case law on that point. The source of the
10 restrictions comes from the building code occupancy
11 classifications which classify residential units, now
12 R2 and R3, formally J2 and J3 as for permanent
13 residential purposes only. The state law clarifies
14 what permanent residential purposes is, consecutive
15 use for 30 days, and in forms those city laws. In
16 addition, the source of what causes the legal short-
17 term rental, which is the hosted for two guests, is
18 that permanent occupancy of a residential unit is for
19 a family, and housing maintenance code definition of
20 family includes up to two roomers, boarders, or
21 lodgers, and so it's that definition that creates a
22 very small exception for what is illegal short-term
23 rental.

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2 CM KALLOS: If somebody is interested in
3 converting a current residential use for transient
4 use, is there a process to do so?

5 CHRISTIAN KLOSSNER: There is through the
6 Department of Buildings.

7 CM KALLOS: That's my time, thank you.

8 CHAIR CORNEGY: All right, thank you
9 Council Member, thank you so much for your testimony.
10 We are now going to hear from testimony from DOB and
11 HPD. Thank you.

12 CHRISTIAN KLOSSNER: Thank you so much
13 for your time, and I do want to say for the record
14 before I go, that although I'll be walking out, I
15 will be reviewing all of the testimony. I know there
16 are a number of people here to testify on 2309 from a
17 range of opinions, and I look forward to hearing what
18 they have to say to inform us as we close the loop on
19 this piece of legislation.

20 CHAIR CORNEGY: Thank you so much for
21 your commitment to stay and listen is very important,
22 that not only our ears, but OSE gets to hear directly
23 from those members of the public who have voiced
24 their opinion to our individual offices and to this
25 body, so thank you for that commitment to stay.

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2 CHRISTIAN KLOSSNER: Well, not to stay, I
3 am going to leave, but I am going to listen to the
4 entire thing ... (crosstalk).

5 CHAIR CORNEGY: Is there someone, I'm
6 sorry, I believe that, Margaret Chin, before you
7 leave, also has a ... (crosstalk).

8 CM CHIN: Yeah, thank you, Chair. Yeah,
9 I just have a question, Director. First of all, I
10 really wanted to thank uh, the special enforcement
11 unit on the recent victory, and there were a couple
12 of buildings in my districts, and there were tenants
13 whose been complaining about their landlord, you
14 know, illegally renting out Airbnb and it really took
15 a lot of effort to finally get some result. So, I
16 think with this Bill, my colleague, Council Member
17 Kallos, I hope that it would encourage more pro-
18 active enforcement, in terms of, if you have the
19 registration, is there ways that you can check
20 together with HPD to see rather some of these
21 buildings, rather the units are registered, are rent
22 stabilized buildings, and I think that a more pro-
23 active approach would also help, you know, mitigate
24 some of the harassment the tenants are suffering
25 because of this Airbnb.

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3 CHRISTIAN KLOSSNER: It's a complicated
4 question. Let me break down the easy parts. We do
5 have access to unit information about stabilization,
6 but only through subpoenas to DHCR. HPD obviously
7 has that data but has very strong restrictions on
8 their understanding with the state about the use of
9 that data as we can't simply share unit data from
10 them, but again, my understanding of the goal of the
11 legislation, and the thing that OSE supports is that
12 if it isn't legal for them to do, they would never
13 make it onto the website. They might have a listing,
14 but it wouldn't be registered, and the platforms
15 would be penalized for processing transactions from
16 those listings, and so the value of a registration
17 system, and the hope and the goal is that it simply
18 prevents all of that illegal activity right from the
19 get-go and makes it so that people can't enter the
20 market illegally.

21 CM CHIN: Well, we'll look forward to
22 working with you on that. Thank you, thank you
23 Chair.

24 CHRISTIAN KLOSSNER: As with you.

25 CHAIR CORNEGY: Thank you, Council
Member, thank you.

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3 CHRISTIAN KLOSSNER: Thank you, Chair.

4 CHAIR CORNEGY: So, we'll now ask for HPD
5 and DOB. Somebody grab them, please. I think
6 they're right outside. So, I'm going to ask
7 Committee Counsel to please swear in DOB and HPD.
8 Okay, please. We'll begin. We're waiting for
9 Commissioner La Rocca to come from DOB, but HPD, if
10 you could please begin your testimony, I mean, if
11 could just be sworn in.

12 COMMITTEE COUNSEL AUDREY SON: Please
13 raise your right hand. Do you affirm to tell the
14 truth, the whole truth, and nothing but the truth
15 before this committee, and to respond honestly to
16 council member questions?

17 ANNE MARIE SANTIAGO: Yes.

18 COMMITTEE COUNSEL AUDREY SON: Thank you.
19 You may begin.

20 ANNE MARIE SANTIAGO: Good afternoon,
21 Chair Cornegy and members of the New York City
22 Council Committee of Housing and Buildings. My name
23 is Anne Marie Santiago, and I am the Deputy
24 Commission of Enforcement and Neighborhood Services
25 with the New York City Department of Housing
Preservation and Development. Thank you for the

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3 opportunity to testify on this important and timely
4 conversation on Local Law 1 of 2018 and the status of
5 the Certification of No Harassment pilot. The CONH
6 pilot is one of the many unprecedented steps that the
7 city has taken in partnership with the council to
8 combat tenant harassment and displacement. There is
9 no silver bullet to address the difficult issue of
10 harassment in all its many forms which is why this
11 administration has adopted a range of new programs
12 while using existing tools more aggressively to
13 support tenants and address harassment through
14 proactive inspections, targeted litigation, and
15 improved coordination of interagency efforts. Those
16 efforts are more important than ever in the wake of
17 the COVID-19 crisis which has made access to stable,
18 affordable housing all the more critical. We very
19 much look forward to continuing our work with the
20 council to ensure we have the tools we need to
21 protect New Yorkers who continue to face significant
22 instability and to support inequitable recovery.
23 Local Law 1 grew out of the certification of No
24 Harassment working group, convened in 2016 by Council
25 Member Brad Lander, and then HPD Commissioner, Vicki
Bean to respond to concerns of increased tenant

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3 harassment and displacement across the city. The
4 working group which included city council members,
5 tenant advocates, and representative from government
6 agencies, and the real estate industry was charged
7 with identifying building characteristics that might
8 indicate harassment and exploring ways to further
9 deter harassment through the long-standing anti-
10 displacement CONH program. After considering many
11 factors and performing a number of data analyses, the
12 city introduced the CONH pilot modeled after the
13 successful program employed by the city to deter
14 harassment in buildings citywide and multiple
15 dwellings in anti-harassment zones of special zoning
16 districts. The CONH program seeks to disincentivize
17 property owners from harassing tenants to vacate
18 their homes by conditioning future building permits
19 to convert or demolish the building on proof that no
20 tenants were harassed during the prescribed period of
21 time. The pilot created a limited expansion of time
22 and scope of the broader CONH program which has
23 become an effective anti-displacement tool to deter
24 tenant harassment. The CONH requirement is a
25 relative narrow tool that is triggered on when the
property owner, whose building is subject to the

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3 program, seeks permit applications for specific types
4 of work. Therefore, the program functions best when
5 it is precisely tailored to target buildings with the
6 potential for harassment in communities identified to
7 have high risk because of existing housing quality
8 issues or concerns about the displacement pressures.
9 Local Law 1 of 2018, which establishes the pilot, set
10 forth criteria based on the findings of the working
11 group to specifically target buildings in which
12 tenants may be at risk of harassment, largely based
13 on the building size, its physical location,
14 conditions, and its location. Since Introduction,
15 HPD is focused on both the implementation and
16 oversight of the pilot including the promulgation of
17 rules, coordination across agencies, hiring of staff,
18 regular meetings with advocates to discuss the
19 program, and for feedback from tenants living in
20 pilot buildings, the issuance of a require for a
21 proposal for community groups to assist with the
22 agency's investigation of the CONH applications, the
23 education and training of new and existing HPD
24 attorneys and investigators, and the creation of an
25 online portal for the submission of all CONH
applications. Among the requirements of the law is

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2 that the city determine rather the pilot reduces
3 harassment in order to inform the council's next
4 steps regarding the direction of the program. While
5 three years is a relatively short period of time
6 within which to measure impacts on owner behavior,
7 the analysis has been further complicated by two
8 major events that significantly impacted the city's
9 housing market. The first was the passage of the New
10 York State Legislature of the housing stability and
11 tenant protection act of 2019 which sought to reduce
12 owner incentives to encourage, turn over through
13 harassment of unstabilized tenants in order to access
14 rent increases. The second, of course, is the COVID-
15 19 pandemic, which resulted in significant
16 construction delays and constrained many building
17 owner's ability to perform even routine maintenance.
18 These factors likely contributed to the city
19 receiving fewer CONH applications for buildings in
20 the pilot than expected and affected overall owner
21 behavior. Construction permits for all type of work
22 were down 34 percent city-wide during this period.
23 Recognizing these challenges, the city used available
24 data and a review of qualitative feedback to produce
25 preliminary findings. HPD violation data indicates

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3 that buildings subject to the expanded CONH
4 requirement have a higher decrease in the number of
5 HPD violations in buildings city-wide. A positive
6 trend that may suggest the CONH requirement is
7 disincentivizing harassment among owners of program
8 buildings. However, additional data is necessary to
9 fully evaluate the overall effectiveness of the
10 pilot, and to ensure that it is structured in a way
11 that meets its intended purpose. Given the
12 evaluation was based on findings limited by the short
13 time period and complicated external factors, the
14 city recommends the continuation of the pilot upon
15 its expiration this month in order to evaluate a
16 five-year pilot cycle. We are developing specific
17 amendments to recommend if the pilot was to be
18 extended to better focus the criteria and reduce the
19 potential for any unintended harm to tenants. The
20 city believes the CONH requirement is an important
21 initiative in the city's diverse range of anti-
22 harassment tools to protect tenants. We are
23 supportive of the goal to extend the pilot program
24 and look forward to working with the council on the
25 more effective and efficient way to continue the CONH
pilot, and further deter harassment. Now to speak on

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2 Intro 1817. Intro 1817 would require HPD to
3 promulgate certain minimum rules for governing
4 affordable housing lotteries. HPD's current
5 marketing policies go beyond those described in the
6 Bill. We absolutely agree that it is essential that
7 applicants to affordable housing opportunities have a
8 clear understanding of both where they stand in the
9 marketing process, and their ability to appeal
10 eligibility determinations they feel were made in
11 error. Since this the date was originally introduced
12 in 2019, the agency has made significant revisions to
13 our marketing handbook, and in July 2020 rolled out a
14 year in the making new and robust housing portal
15 called Housing Connect 2.0. Housing Connect 2.0 was
16 designed with continued feedback from applicants,
17 community groups, elected officials, HPD staff,
18 marketing agents and our developments partners, and
19 we are continuing to adjust planned enhancements to
20 Housing Connect based on feedback from these
21 partners. We do have concerns with Intro 1817. We
22 want to ensure that new local state or federal
23 government requirements are implemented, or
24 significant changes emerge such as those we've seen
25 in the wake of COVID-19. We have the ability to

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3 respond nimbly in updating our marketing guidelines.

4 In addition, the new portal allows applicants the

5 flexibility to choose between a paper or digital

6 notification system. The cost of complying with a

7 written notice requirements would be significant for

8 the agency as well as our partners while also

9 creating logistical problems and reduced options for

10 tenants. HPD shares the goal of ensuring that the

11 marketing lease up and sales effort process is fair,

12 and provide equal opportunity to all applicants, and

13 we look forward to having more discussions with the

14 council and all of our partners on finding ways to

15 put in place policies that are more inclusive and

16 further reduce barriers. Thank you for the

17 opportunity to testify here today, and I look forward

18 to your questions.

19 CHAIR CORNEGY: Thank you. I see that

20 we've been joined by Commissioner La Rocca. If you'd

21 please join us, and allow Committee Counsel to swear

22 you in.

23 COMMITTEE COUNSEL AUDREY SON: Please

24 raise your right hand. you affirm to tell the truth,

25 the whole truth, and nothing but the truth before

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2 this committee, and to respond honestly to council
3 member questions?

4 MELANIE LA ROCCA: Yes.

5 COMMITTEE COUNSEL AUDREY SON: Thank you.
6 You may begin when ready.

7 CHAIR CORNEGY: Wait, Commissioner,
8 before you begin, I also want to state for the record
9 that we've been joined by my colleague councilwoman,
10 Inez Barron.

11 MELANIE LA ROCCA: Thank you. Good
12 morning, Chair Cornegy, members of the committee on
13 housing and buildings. I'm Melanie La Rocca,
14 Commissioner of the New York City Department of
15 Buildings. I'm pleased to be here today to discuss
16 construction safety, an issue of utmost importance to
17 the department as well as periodic gas piping system
18 inspections which are required by Local Law 152 of
19 2016. Construction-related injuries and fatalities
20 on job sites throughout New York City are a painful
21 reminder that more needs to be done to improve the
22 safety of construction. I firmly believe that we,
23 the department, the city council, and the
24 construction industry can work together to prevent
25 avoidable injuries and fatalities. Construction

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2 workers who are critical to the economic growth of
3 this city, and who are working on the tens of
4 thousands of active construction sites throughout the
5 city as we speak, must be able to go home to their
6 families at the end of their shift. While the number
7 of construction-related fatalities decreased for the
8 first time in half a decade last year, there have
9 been 75 construction-related fatalities since 2015.
10 This is unacceptable, and we must work together to do
11 more to improve safety at construction sites. Before
12 I continue, I'd like to take a moment to thank our
13 construction workers for the critical work that they
14 do, and to remember the workers who lost their lives
15 building this city up, including the workers that
16 have lost their lives this year alone. Dave
17 Botenelli (sp), during an alteration of an existing
18 25-story building in mid-town Manhattan. Enricristo
19 Demal (sp), during the construction of a single-
20 family home in Pleasant Plain, Staten Island. Elion
21 Sealy (sp), during the construction of a 26-story
22 building in Chelsea, Manhattan. Juan Berez (sp),
23 during façade repairs at a 6-story building in
24 Flatlands, Brooklyn. Mauricio Sanchez (sp), when an
25 elevator dropped during the alteration of a 5-story

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2 building in Mott Haven, Bronx. Diego Legaljota (sp),
3 during the alternation of a 6-story building in Long
4 Island City, Queens, and finally, Jose Hernandez
5 (sp), during the demolition of a 2-story building in
6 Flatbush, Brooklyn. In 2019, for the first time in
7 nearly a decade, construction-related injuries
8 decreased. Last year, we saw another decrease in
9 construction-related injuries with 502 construction-
10 related injuries in 2020, down 34 percent from the
11 761 construction-related injuries in 2018. While
12 there was a decreased in construction-related
13 injuries in 2020 for a second year in a row, it
14 should be noted that the construction industry was
15 impacted by the COVID-19, including a pause on all
16 non-essential construction, which resulted in a
17 decrease in construction activity during that year.
18 As New York City recovers from COVID-19, and the
19 construction industry gets back to work, we must
20 continue to prioritize safety. The decrease in
21 injuries since 2018 comes after the launch of our
22 Construction Safety Compliance unit which is
23 dedicated to conducting proactive unannounced
24 inspections of large construction sites. To date,
25 the CSC unit has conducted nearly 65,000 proactive

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2 inspections at over 25,000 unique sites. The
3 decrease in injuries also comes after a multi-year
4 implementation of Local Law 196 of 2017 which
5 requires workers on many of our larger sites to
6 receive comprehensive site safety training. As of
7 earlier this years, workers at large construction
8 sites are required to have 40 hours of safety
9 training, and supervisors at those sites are required
10 to have 62 hours of safety training, including fall
11 prevention training. Since the enactment of this
12 law, the department has conducted extensive outreach
13 to the construction industry including proactive
14 visits to construction sites across the city to
15 directly inform workers who are impacted. Informing
16 workers of this safety training requirement while
17 keeping the industry informed of upcoming deadlines
18 in a way to obtain the training. Additional outreach
19 in education efforts have included online worker
20 safety sessions, in-person information sessions with
21 stake holders in the construction industry. Multi-
22 lingual advertisements in dozens of community papers
23 and system-wide subway campaigns, direct worker
24 outreach at work sites by DOB construction inspectors
25 and staff from the department's Community Engagement

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2 unit as well as direct mailings to all DOB licensed
3 safety professionals and permit holders who work
4 requires Local Law 196 trained workers. To date, our
5 approved course providers have issued 150,000 site
6 safety training cards, most of which are supervisor
7 site safety training cards and full site safety
8 training cards, which means that workers are
9 completing the potentially life-saving site safety
10 training required by this historic law. Last year,
11 the department hosted its first ever virtual
12 construction industry conference which focused on
13 safety, innovation, and sustainability in keeping
14 with our focus on safety for the first time, our
15 annual industry conference included sessions
16 dedicated to worker safety which highlighted Local
17 Law 196 and the importance of receiving site safety
18 training. We held these worker safety sessions again
19 in multiple languages this year. We've also started
20 issuing worker alerts which provide practical
21 situational safety information and straight forward
22 guidance for workers in the areas that we see
23 increased risks to safety. These worker alerts,
24 which include information about preventing worker
25 falls and performing façade worker safely have been

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2 distributed directly to workers on construction sites
3 by the department this year. Finally, in June,
4 following multiple construction-related fatalities in
5 May, the department took swift action and announced
6 the mobilization of teams of enforcement inspectors
7 across the five boroughs to perform safety sweeps of
8 larger and more complex construction sites to ensure
9 that they are safe for both workers and the public.
10 The goal of this sweep was to send a strong message
11 to the construction industry that safety lapses on
12 construction sites will not be tolerated. While
13 performing these sweeps, department inspector took
14 appropriate enforcement action if they observed any
15 safety violation and shut down sites if they found
16 serious safety lapses. As part of this sweep, which
17 ended last week, the department conducted nearly 7500
18 inspections, issued nearly 1500 stop work orders and
19 over 3600 violations for safety issues. The package
20 of construction safety legislation before the
21 committee today, which the department fully supports,
22 builds upon our collective efforts to improve safety
23 with the goal of further reducing construction
24 related injuries and fatalities by providing for
25 greater oversight by the department of general

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2 contractors who engage in construction or demolition
3 work by licensing them, reducing the threshold to
4 require a fulltime department-issued site safety
5 coordinator or site safety manager to certain
6 construction sites that involve buildings that are 7-
7 stories or greater and requiring that they submit
8 site safety plans to the department for review and
9 approval, requiring department license construction
10 superintendents to serve to fulltime alongside site
11 safety coordinator or site safety managers at major
12 construction projects, and limiting the number of
13 non-major construction projects for which a
14 department-issued construction superintendent may be
15 designated. Building upon a buildings bulletin
16 issued by the department which prohibited the use of
17 standoff brackets for suspended scaffold installation
18 by making that prohibition permanent. Also, building
19 upon a building's bulletin issued by the department
20 which improved the safety of cold form steel
21 construction by creating new safety requirements to
22 prevent overloading and improper installation of cold
23 form steel. Now, turning to the legislation that
24 relates to Local Law 152, which mandates the periodic
25 inspection of gas piping systems for most building

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2 types, excluding one and two-family homes. Intro
3 2259 extends the deadline for the second group of
4 buildings that must comply with the inspection
5 requirement. The department has no objections to
6 this extension; however, building owners should not
7 delay compliance with this inspection requirement.
8 Intro 2321 creates a hardship program that would
9 provide certain building owners with additional time
10 to comply with the inspection requirements if they
11 are not able to meet their applicable deadline. The
12 department is supportive of creating a hardship
13 program but would like to discuss the specifics of
14 the program with this committee further including how
15 a building owner demonstrates a hardship. Any
16 program that is created should be helpful and
17 responsive to the needs of building owners while
18 recognizing the importance of complying with this
19 inspection requiring in a timely manner. Intro 2361
20 requires the department to create a questionnaire to
21 seek feedback from building owners regarding the
22 implementation of Local Law 152. The department
23 already uses questions and comments it receives from
24 owners to improve the materials we use in our
25 outreach, and we would certainly support this

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2 measure. Intro 2377 expands the scope of this
3 inspection requirement to include tenant spaces.
4 This is a significant expansion of the scope of the
5 inspection and will result in increased costs for
6 building owners. Access to occupied tenant space for
7 the purposes of conducting these inspections may also
8 pose an issue and prolong the time it takes to
9 complete an inspection of the building. This
10 proposed expansion merits further discussion with
11 building owners to better understand the impact it
12 will have for compliance. Thank you again, for the
13 opportunity to testify before you, and I would
14 welcome any questions you may have.

15 CHAIR CORNEGY: Thank you so much. We
16 are now going to begin the question-and-answer
17 portion of this, starting with me, as the Chair, and
18 then moving to my colleagues who will also have
19 questions. I'm going to start with the Certificate
20 of No Harassment. Has HPD considered the steps that
21 would be necessary to make this a permanent program?

22 ANNE MARIE SANTIAGO: Thank you for the
23 question, Council Member. As you know, we have just
24 recently put out our evaluation of the program, and
25 as part of that evaluation, it was very difficult for

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2 us given the issues that I raised in my testimony to
3 really do a full evaluation of the pilot program, and
4 so at this point, while we see the effectiveness of
5 the program in the data that we did have, we really
6 feel that it's important that we continue to evaluate
7 the program.

8 CHAIR CORNEGY: As it relates to the
9 pilot, how many buildings are there currently covered
10 by the pilot?

11 ANNE MARIE SANTIAGO: So, at the time,
12 there are 1143 buildings that are on the pilot list.

13 CHAIR CORNEGY: The Bill's extension,
14 will that cover more buildings?

15 ANNE MARIE SANTIAGO: So, in discussing
16 the extension of the program with the council, we
17 have been looking at ways to increase the number of
18 buildings that would be covered under the pilot, so
19 those discussion are ongoing.

20 CHAIR CORNEGY: What kind of feedback has
21 the administration received about the pilot?

22 ANNE MARIE SANTIAGO: So, thank you for
23 that question, Council Member. So, we are, as I
24 mentioned in my testimony, meet with the advocates on
25 a regular basis regarding the program. We have

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2 received some feedback pursuant to both those
3 conversations and to other conversations with the
4 council and with others on the program, and I think
5 that we're all in agreement that the program has its
6 effectiveness, and that there are ways to improve the
7 program, and of course, we are open to having those
8 discussions.

9 CHAIR CORNEGY: Has any of the feedback
10 that you received been taken into consideration in
11 the formulation of the Bill? Is it included in the
12 current Bill as we see it today?

13 ANNE MARIE SANTIAGO: I believe it is,
14 sir, yes.

15 CHAIR CORNEGY: And does the
16 administration; I kind of know, but I got to ask this
17 straight forward question, does the administration
18 support the Bill?

19 ANNE MARIE SANTIAGO: Again, we support
20 the expansion of the program to see where it can go
21 to make sure that it is a data driven expansion to
22 see that it remains targeted to those buildings most
23 like to experience harassment, so we are interested
24 in continuing those conversation, and we are actively
25 doing that.

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2 CHAIR CORNEGY: Thank you. Do any of my
3 colleagues have any questions on this particular
4 Bill? Council Member Chin.

5 CM CHIN: Thank you, Chair. My question
6 is with this Certificate of No Harassment program.
7 What criteria did you use to select the buildings,
8 and the other thing is that I want to see with this
9 extension, can we include areas that are being
10 rezoned and areas that are adjacent to the rezone
11 area to make sure that tenants know what their rights
12 are, and they can combat any kind of harassment that
13 might be happening? So, can you elaborate on that in
14 terms of outreach and partnering with community-based
15 organizations, those kind of efforts in some of the
16 rezoning areas that's coming up, and also rezoning
17 areas that past in the past?

18 ANNE MARIE SANTIAGO: So, Council Member,
19 let me just step back for a second, and as you know,
20 harassment is a difficult issue, and there's no one
21 single answer to dealing with harassment. You know
22 that the agency is a city agency's HPD, DOB, the
23 Mayor's office to protect tenants have used other
24 tools even since the Certificate of No Harassment
25 pilot program came into effect. So, we're trying to

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2 address the issues, not just through this program,
3 but through in the moment responsiveness to tenant
4 harassment issues. So, I just want to make sure that
5 everyone realizes that the certificate of no
6 harassment, while it is an important tool in our
7 toolbox, it's not the only tool. As part of the
8 expansion that we are looking at, you know, the data
9 that we were able to collect for the past three
10 years, we are looking at what good indicators of
11 harassment might be. We are looking to expand to
12 additional districts who are having discussions about
13 districts that also share some of the distress
14 indicators that the current district share, so, we
15 are looking at multiple ways in which we can identify
16 districts, rezoning districts is certainly one way,
17 adjacent districts is one way, but we have not yet
18 settled on the exact data that we're going to use in
19 order to make that determination.

20 CHAIR CORNEGY: Thank you ... (crosstalk).

21 ANNE MARIE SANTIAGO: And I'm sorry,
22 excuse me, and rezonings are covered under the
23 current law that's there, so the expansion is not
24 necessary going to cover rezoning areas because those
25 are already covered under the statute.

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2 CM CHIN: Okay, so you're saying that the
3 rezoning areas are covered. So, any kind of upcoming
4 rezoning area would be covered?

5 ANNE MARIE SANTIAGO: Correct.

6 CM CHIN: And what kind of outreach does
7 HDB do to the tenants in those buildings, in the
8 rezoning and adjacent to rezoning areas?

9 ANNE MARIE SANTIAGO: So, in terms of
10 harassment in general, right, we have a lot of
11 information on our website about what tenant's rights
12 are, where they can go for assistance on harassment
13 for the buildings once an owner applies for
14 Certification of No Harassment and the process has
15 started. There's a lot of outreaches to the tenants
16 in those buildings to determine rather harassment in
17 fact occurred. So, that is the method in which we do
18 outreach. I believe we post the buildings; we send
19 out investigators to the buildings to talk one-on-one
20 with the tenants.

21 CM CHIN: But are there any kind of
22 outreach beforehand, like in terms of the rezoning
23 areas and adjacent areas to them, are there like
24 joining the process, are there any kind of outreach
25 that will be extended to resident just as a general

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2 education outreach, so people are aware that they
3 have rights, so if it happens later on, they know
4 where to go, where to file complaints.

5 ANNE MARIE SANTIAGO: Specific to the
6 Certification of No Harassment program you're asking
7 me, Council Member?

8 CM CHIN: Yeah.

9 ANNE MARIE SANTIAGO: I will look into
10 that and get back to you.

11 CM CHIN: Okay.

12 ANNE MARIE SANTIAGO: Thank you.

13 CM CHIN: Thank you, thank you, Chair.

14 CHAIR CORNEGY: So, now we'll be hearing
15 questions from Council Member Farah Louis, not
16 Council Member Vanessa Gibson.

17 CM LOUIS: Thank you, Chair Cornegy. I
18 just have one quick question that kind of piggy backs
19 off of what Council Member Chin just asked you. So,
20 the administration is receiving feedback. Where is
21 that information being tracked? Is there a
22 particular, like, portal where that information is
23 being tracked, and in addition to that, the data that
24 you're receiving and that you're collecting so you
25 can determine if there will be expansion, where is

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2 that being stored, and when will you be able to share
3 that information? Thank you.

4 ANNE MARIE SANTIAGO: So, the feedback
5 that we receive again, as I mentioned, we meet
6 regularly with a group of advocates around this
7 issue. So, that's basically a verbal feedback one-
8 on-one with those individuals and our staff. In
9 terms of the data, the data that we are using is
10 basically around the issuance of violations, is
11 around the data on each HOD violations in those areas
12 and the data on them; you know what I'm going to do?
13 I'm going to turn over to our data guru to answer
14 that question more fully.

15 UNIDENTIFIED FEMALE: Thank you, Council
16 Member. So, we actually just issued out report and,
17 in that report, we have reported on a number of
18 metrics that we're using as Deputy Commissioner
19 Santiago was referencing. The data that we're using
20 was created by the working group, the ten advocates
21 that we were referencing, representatives from
22 agencies, from real estate, council members, right,
23 and so this has been an extension of that data that
24 we use to try to predict where we should be focusing
25 efforts, and all of that is included in the report

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2 that we shared with the council within the last few
3 months.

4 CM LOUIS: I heard some of the
5 stakeholders you mentioned, but does that include the
6 constituents?

7 UNIDENTIFIED FEMALE: Our belief is that
8 we are collecting information and data from the
9 representatives in the tenant organizations as well
10 as through the process by which our investigators are
11 regularly interacting with tenants, and we are
12 constantly thinking about how to continue working on
13 and improving the program.

14 CM LOUIS: I want to ask that you include
15 them in this conversation, and go a little bit deeper
16 cause sometimes, their voices are not being heard, so
17 you can hear from us and everyone else, but just the
18 general person is not being heard, so it's good to
19 include that in there. That would be helpful. Thank
20 you.

21 CHAIR CORNEGY: Thank you, council
22 member. I just want to note that due to the late
23 submission of Intro number 2265, which is Council
24 Member Cumbo's Bill on knob safety, we'll not be
25 asking questions at this date, but we will be taking

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2 and asking questions later on that Bill due to its
3 late submission.

4 ANNE MARIE SANTIAGO: That's on 1817,
5 sir?

6 CHAIR CORNEGY: No, 2265, option of
7 permanent stove knob covers. You may not have it
8 which is why I'm not going to ask you about it.

9 ANNE MARIE SANTIAGO: Okay, thank you,
10 sir, yes.

11 CHAIR CORNEGY: Thank you. We're now
12 going to move to questions, DOB. Commissioner, great
13 to see you this morning. Has DOB consulted with any
14 stakeholders regarding these Bills?

15 MELANIE LA ROCCA: Yes, over the course
16 of the last few years, the department has had
17 multiple engagement sessions with our industry
18 stakeholders.

19 CHAIR CORNEGY: And so, you've received,
20 I don't want to say adequate, but you've received
21 some feedback from those stakeholders?

22 MELANIE LA ROCCA: We certainly have
23 received feedback, and we expect, as part of this
24 dialogue to continue to receive feedback from our
25 stakeholders. Obviously, this department is open to

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2 hearing any feedback from industry partners as we
3 continue to strive to create a more robust cultured
4 safety on our job sites.

5 CHAIR CORNEGY: Thank you. I think, I
6 don't know if I mentioned, we've been joined also by
7 my colleague, Council Member Carlina Rivera. Council
8 Member Rivera has questions on the Certificate of No
9 Harassment Bill.

10 CM RIVERA: Thank you so much for being
11 here. I just have a quick question, I know we're
12 going through quite a few Bills today, so, I'm just
13 going to focus on the preconsidered Intro. My
14 question is really simple. I know that there is
15 opposition to this Bill, but how do you currently
16 determine which buildings qualify for the program?

17 ANNE MARIE SANTIAGO: So, I'll just start
18 off by saying we are not in opposition to the concept
19 of the bill.

20 CM RIVERA: No, not you.

21 ANNE MARIE SANTIAGO: Oh, okay.

22 CM RIVERA: Some of the general groups.
23 I know that Chip has reached out in terms of some of
24 the concerns over the Bill.

25 ANNE MARIE SANTIAGO: I see.

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2 CM RIVERA: So, I would just love to
3 know, how do you currently determine which buildings
4 qualify for the program?

5 UNIDENTIFIED FEMALE: So, as we
6 referenced before, there was a working group that did
7 a lot of data analysis, looking at which buildings we
8 believed, based on various indicators, suggested that
9 there was a risk of harassment, and that is what the
10 pilot is based on, right. This is intended to be a
11 data driven approach, so, based on the working
12 group's theory, we look at various metrics associated
13 with building levels of distress, findings of
14 harassment, ownership transitions, presence of
15 significant amounts of distress as recognized by HBD
16 programs and vacate orders. All of which, as we
17 said, came out of this data driven collective
18 process.

19 CM RIVERA: Thank you very much. Thank
20 you, Mr. Chair. I'll wait until we cover some of the
21 other Bills.

22 CHAIR CORNEGY: Thank you, council
23 member. I'd like to extend the courtesy of my
24 colleague, Council Member Barron to give comments on

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2 her Bill. Also, we've been joined by Council Member
3 Helen Rosenthal.

4 CM BARRON: Thank you, Mr. Chair, and
5 thank you to the panel for coming, and the Bill that
6 the Chair is referring to is Intro 1817 which talks
7 about having written notification being given to
8 those applicants as to the status of their
9 applications when they applied for housing, rather
10 they've been accepted or rejected, and to give them
11 the time and the opportunity to respond to any
12 rejections, and giving them also direction as to how
13 they can file an appeal. Further, the Bills says
14 that the filing of a complaint would be with HPD or
15 HDC if they if believe that they've been rejected in
16 error, and that HPD would be required to provide
17 training to the marketing agents, and that there be
18 an opportunity for a compliance line to be
19 established so that applicants can have the
20 opportunity to have their concerns addressed, and in
21 your comments, you say that you want to have the
22 ability to respond nimbly to updating your marketing
23 guidelines, and you say the cost of complying with
24 written notice would be significant, and I just
25 wanted to ask you, do you think that the cost of

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2 someone getting a written response is not something
3 that should be borne by an agency?

4 ANNE MARIE SANTIAGO: Thank you, council
5 member for the question. So, the expert on Housing
6 Connect 2.0 could not be at this hearing. I believe
7 the council was advised of that, unfortunately, in
8 advance. My understanding is that HPD has come a
9 long way since the introduction of this Bill. To me,
10 a lot of goals that you laid out in the Bill, and
11 what we are talking about now, is really the details
12 of that implementation, but my understanding, and
13 again, I am not the expert in this area, is that HPD
14 is willing and able and does make notifications, and
15 the sponsors do, and that we have tried to address
16 taking steps in our marketing guidelines to address
17 some of your concerns. The details of the answers to
18 the questions that you're raising, certainly be had
19 with the agency, and we look forward to having those
20 conversations to really explore your concerns and
21 relay those concerns.

22 CM BARRON: Thank you. I'm glad that
23 you're explaining that the expert is not here because
24 I would tell the expert that in my community,
25 applicants say that the problem still exists with

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2 getting accurate, current, information, and I know
3 you refer to having moved to Housing 2.0, the
4 transition was not a smooth one, and it is run which
5 my community residents tell me, is not effective, and
6 they're still not able to get the answers, still not
7 able to have the transparency, and that's the main
8 issue, the transparency of knowing what is the
9 status, and the ability for them to realize that once
10 they can get informed of what the status is, that
11 there is an avenue for them to be able to have that
12 addressed, and that's not the case, and I just want
13 to put this in context. We're talking about the
14 disaster that we're facing, we're talking about this
15 pandemic, and we said how it has highlighted much of
16 the injustice that this country has perpetrated upon
17 people who are black and brown, and housing is one of
18 those major areas. We go back to the new deal which
19 dejour and defacto said that blacks could not live in
20 particular areas. So, there's a longstanding basis
21 of discrimination and racism that has yet to be
22 addressed adequately. So, we're talking now as the
23 Housing Connects program seeks to provide some
24 opportunity for black and Latino people, people of
25 color, to be able to have access to this that we

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2 eliminate all barriers, and that we bear the cost of
3 eliminating those barriers. I think that it's
4 insulting to say that there's a (inaudible) the fact
5 that there's a cost involved for making sure that
6 people have equal access, and I hope that in the
7 future documents, that's not listed, and I just
8 wanted to say that this Bill that's being introduced
9 is in conjunction with my colleagues, Council Member
10 Cumbo, Chair Cornegy, and Council Member Kallos. We
11 all have various aspects of this that we were
12 concerned about, and that's how they would join
13 together in this Bill. So, I'm not satisfied that
14 the person is not here, and I hope to be able to have
15 some written testimony that responds to the questions
16 that I've asked. Thank you.

17 ANNE MARIE SANTIAGO: Thank you, council
18 member, and again, we are 100 percent committed to a
19 fair and equitable process.

20 CM BARRON: And I think we should bear
21 the cost for making that happen.

22 ANNE MARIE SANTIAGO: Thank you.

23 CM BARRON: Thank you, Mr. Chair.

24 CHAIR CORNEGY: Thank you, Council Member
25 Barron, and you can count on a follow up from this

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body in relation to your questions. I'm going to
3 stay right there on 1817 for a moment. What kind of
4 guidance does HPD currently provide to marketing
5 agencies?

6 ANNE MARIE SANTIAGO: And again, I'm
7 sorry council member, but I don't have the answer to
8 that question. I am not fully versed on the Housing
9 Connection 2.0 process, so we will get back to you
10 immediately with an answer to your questions.

11 CHAIR CORNEGY: So, you can probably
12 detect the frustration in all of our voices,
13 certainly articulated through my colleague, Inez
14 Barron, so, if I were you, I'd make sure I got back
15 with that. How much time is an applicant currently
16 given to cure any deficiencies in an application?
17 Just for the record, are any of the questions unable
18 to be answered today, cause I don't want to go
19 through every single one if you're going to tell me
20 that the Housing Connect ... (crosstalk).

21 ANNE MARIE SANTIAGO: I'm not, I believe
22 we did advise the council in advance that the person
23 was not able to be here today who would be able to
24 provide all of the detailed answers to your
25 questions.

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3 CHAIR CORNEGY: So, what I'm going to do
4 is I'm going to read the remainder of the questions
5 into the record, so that when we ask for our response
6 as a part of the record going forward, we'll have
7 your responses as well.

8 ANNE MARIE SANTIAGO: Understood, thank
9 you, sir.

10 CHAIR CORNEGY: So, how much time is an
11 applicant current given to provide additional
12 information for an application? When an applicant is
13 rejected from an affordable housing, are they given
14 reasons for the rejection? What kind of information
15 is currently requested by applicants during the
16 application process for affordable housing lotteries?
17 And lastly, what is the current appeal process for
18 applicants rejected for an affordable housing unit,
19 how much time do they have to appeal? Does HPD have
20 an oversight over the appeal process? Does HPD
21 current accept any complaints made by applicants
22 rejected for an affordable housing lottery? So,
23 those are the questions that we're expecting a
24 response from HPD on; hopefully, as soon as possible.

25 ANNE MARIE SANTIAGO: Thank you, sir.

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2 CHAIR CORNEGY: Thank you. So, at this
3 point, we're going to thank you Commissioner La Rocca
4 for your indulgence. We are now going to go to
5 questions that are directly related to DOB, and we
6 will start with a few questions that I have, and then
7 return questions from my colleagues. So, I initially
8 began by asking those two questions. Has DOB
9 consulted with any stakeholders? You replied yes,
10 and has DOB received feedback, which also you replied
11 yes. Intro number 2262, a Local Law to amend the New
12 York City building code in relation to final
13 inspections for temporary construction equipment
14 permits and prohibiting stand off brackets. How
15 would doing away with the requirement that final
16 inspections not be required for temporary
17 construction equipment further DOB's goal of
18 protecting constructions workers from injury and
19 stopping worker fatalities. Now, we share the same
20 passion for safety, and we've had these conversations
21 offline, online, every possible way you can, if you
22 could just answer that for me.

23 MELANIE LA ROCCA: Of course, and
24 obviously, this department would not be under
25 entering anything into a change or a new regulation

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2 that would lesson worker safety, and the safety of
3 the public. We have a dual role here. Obviously, we
4 want to ensure that there's no harm to members of the
5 public. The particular provision that you're
6 speaking of Chair really does not forward our goal of
7 ensuring our resources are spent where they are
8 seeing work occurring. This would change the
9 (inaudible) and incentive requiring an inspector to
10 attend to a site after the temporary equipment has
11 been removed. We'll ensure that contractors notify
12 the department of such removal, and that our efforts
13 remained focused on ensuring work is moving forward
14 in accordance with our codes and ensuring that that
15 work is maintaining a safe environment for members of
16 the public as well as workers on site.

17 CHAIR CORNEGY: So, thank you. For the
18 record, and in layman's terms, can you explain what a
19 standoff bracket is?

20 MELANIE LA ROCCA: Sure. So, in the most
21 simplistic manner, a standoff bracket is a piece of
22 metal or steel that is used to basically push a
23 suspended scaffold further away from a ledge, so you
24 get a change of angle.

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3 CHAIR CORNEGY: Why is a standoff bracket
4 considered so dangerous?

5 MELANIE LA ROCCA: So, back in 2019, we
6 saw a number of incidences, one in which included a
7 fatality, and at that time, we really evaluated what
8 was happening on the site. So, standoff brackets,
9 this piece of metal that's used to change the angle
10 of the ropes that come down for a suspended scaffold,
11 at that the time of those incidences, we really
12 focused in on how the standoff bracket alters the
13 loads imposed on a power pit. So, when you have a
14 suspended scaffold that's going down a building, you
15 see it, we all see it, you know, if you see a window
16 washer on the side of a wall, sort of the same thing.
17 So, on some buildings, the (inaudible) using the
18 suspended scaffold, are using what we call a C-hook,
19 basically a C that you put on top of the power pit,
20 and that is what is allowing the suspended scaffold
21 to come, make its way down the building. Then
22 engineers at the Department of Buildings really honed
23 in on the standoff bracket, and the changes that that
24 little device does to the math, to the engineering,
25 to rather a building's power pit can actually
withhold that change in load. So that, we thought,

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2 was a very significant problem which is why we went
3 ahead with a buildings bulletin in 2019 prohibiting
4 the use of this device, and since then, we've had a
5 host of conversations prior to the bulletin and since
6 the bulletin with our industry partners in ensuring
7 that they understood our rationale for what we were
8 doing, and the compliance has been tremendous, and I
9 think the industry has received this bulletin quite
10 well. So, we're looking to go forward and codify it.

11 CHAIR CORNEGY: How frequently are
12 standoff brackets used?

13 MELANIE LA ROCCA: Well, as I mentioned,
14 we did issue a building's bulletin prohibiting the
15 use of standoff brackets in 2019, and since that
16 time, we've seen very good compliance. We've not
17 seen these devices re-introduced to the field, so
18 again, this is an effort to ensure we codify this
19 building bulletin and continue to ensure suspended
20 scaffold are appropriately used and safely used.

21 CHAIR CORNEGY: Is there an increased
22 financial cost to construction companies based on
23 doing away with ... (crosstalk).

24 MELANIE LA ROCCA: None that we're aware
25 of.

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2 CHAIR CORNEGY: Well, how does DOB know
3 of any fatalities related to the use of standoff
4 brackets? So, in other words, we've seen that you
5 and this committee, and us working together have seen
6 safety and fatalities, how do you know that you can
7 attribute any fatalities actually to this device?

8 MELANIE LA ROCCA: As you know, after any
9 fatality on a construction site, the Department of
10 Buildings does a thorough investigation of that
11 fatality; who, what, where, when, and we're looking
12 to determine what, obviously, what went wrong on the
13 site sequence, but were there any factors that could
14 have contributed to that fatality or major incident,
15 and in the instance of standoff brackets, we did
16 look, as I mentioned, there were four incidences just
17 in 2019; one of which where we had a fatality, and in
18 those instances, we did determine that the use of the
19 standoff bracket was a contributing element of what
20 went wrong on those job sites. So again, the
21 engineers look thorough at the piece of equipment to
22 ensure that the action we were taking back in 2019
23 with the buildings bulletin was justified, and we
24 believe very firmly that the use of standoff brackets
25 alters the engineering in such a way that it creates

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2 unsafe conditions, and that C-hooks can and should
3 continue to be used safely, and doing so, means doing
4 away with standoff brackets, and since the bulletin
5 went out in 2019, as I mentioned, we've seen very
6 strong compliance.

7 CHAIR CORNEGY: So, it's hard for me to
8 fathom this in my mind. Is there any way that you
9 could describe, to the best of your ability, a
10 fatality that the investigation believed that the use
11 of this device contributed the fatality? Like, is
12 there one instance that you; and I'm only asking for
13 one, is there one instance ... (crosstalk).

14 MELANIE LA ROCCA: Sure. So, there was
15 an incident back in April of 2019 in Manhattan on
16 50th Street where we believe that the standoff
17 bracket attributed to that incident where a worker
18 was struck by a coping stone that had come loose
19 because the failure at that the power pit level.

20 CHAIR CORNEGY: So, has DOB received
21 feedback from stakeholders on this particular Bill?
22 I know you initially said ... (crosstalk).

23 MELANIE LA ROCCA: Yeah. We did prior to
24 issuing the building bulletin, we had a number of
25 conversations with the trade organizations in the

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2 industry that are specifically impacted by this, and
3 again, our conversation with the industry have been
4 very good, very strong. They are our partners in all
5 of this, and obviously our job is to support their
6 ability to do work safely, and our conversations
7 around the prohibition of this particular material
8 were quite good, and they understood exactly why we
9 were going forward on the path we were, and I don't
10 believe we had any strong objections to that.

11 CHAIR CORNEGY: So, does the
12 administration have any concerns, and do it support
13 this Bill?

14 MELANIE LA ROCCA: No, this is a Bill
15 that the department fully supports, the prohibition
16 of standoff brackets, codifying our buildings
17 bulletin from 2019.

18 CHAIR CORNEGY: Thank you. Do any of my
19 colleagues have questions on this particular bill?
20 If not, we'll move on Intro 2263, a Local Law to
21 amend the New York City code in relation to the
22 definition of major building. What is accomplished
23 by changing the definition of major building?

24 MELANIE LA ROCCA: So currently, a
25 building that is deemed a major building right now is

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2 a building that is 10 stories or greater. With the
3 redefinition the department is seeking, we're looking
4 to amend the definition to include buildings 7
5 stories or greater or 75 feet in height. So, we
6 believe that the redefinition will meet one of our
7 goals which is increasing safety, particularly by
8 ensuring additional dedicated site safety personnel
9 be on a job site. So currently a major building is
10 required a dedicated safety professional on that job
11 site ensuring that the building code as it relates to
12 safety is being adhered to. So, we believe this
13 shift from 10 to 7 will further our efforts in
14 ensuring a greater degree of safety.

15 CHAIR CORNEGY: Is there any way that you
16 could point to how this change will directly impact
17 the safety of workers?

18 MELANIE LA ROCCA: So, we believe very
19 strongly, and we've seen this with the implementation
20 of Local Law 196 and with the creation of our
21 construction safety compliance unit. We know,
22 obviously workers having the information being
23 trained in the relevant parts of their job, and let's
24 be honest about construction work. It is a
25 challenging profession. Our workers who go out every

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2 day to earn a living for themselves and their
3 families are doing a very hard job, so looking at the
4 worker themselves, which is what the council when you
5 all passed 196, and it was quite substantial. We
6 coupled that with the proactive inspections which is
7 creating additional oversight on sites themselves to
8 make sure that compliance is in fact, adhered to. We
9 think those two efforts really did lead us down this
10 path of looking at how we can increase supervision on
11 job sites, and a number of the Bills that we'll talk
12 about are related to ensuring additional supervision
13 on job sites, and just having a dedicated person
14 whose job it is to ensure nothing but safety of site
15 is so critical when you talk these larger
16 construction sites that have a lot of things going on
17 at any given moment. So, we feel very soundly that
18 the additional dedicated supervision is the step in
19 the right direction if we are looking to achieve
20 deeper reductions in incidences as well as
21 fatalities.

22 CHAIR CORNEGY: So, from a number's
23 perspective, how many more buildings would be
24 included with this change in language?

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2 MELANIE LA ROCCA: So, with the
3 redefinition of major buildings to capture 7-story
4 buildings and above, we're looking at approximately
5 300 additional jobs.

6 CHAIR CORNEGY: I believe I heard you say
7 that the administration fully supports this Bill?

8 MELANIE LA ROCCA: That is correct, sir.

9 CHAIR CORNEGY: Thank you. Are there any
10 questions from my colleagues on Intro 2263? Yes,
11 Carolina Rivera.

12 CM RIVERA: Hi there. What consideration
13 led to the three-year period that's proposed in the
14 current Bill text?

15 MELANIE LA ROCCA: So again, I mentioned
16 earlier, we really do believe we are partners with
17 the industry in ensuring their ability to work. We
18 are the Department of buildings. We are certainly
19 advocates for the development, rather than be new
20 building or maintaining existing building stock which
21 is critically important. So, we understand the
22 industry's ability to meet the deadlines, and this is
23 an effort to ensure our partners, the industry is
24 able to actually bring on the additional capacity
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2 needed to fully being compliant with this. So, we
3 believe three years is responsive to the industry.

4 CM RIVERA: Understood, and what interim
5 safety measures are possible.

6 MELANIE LA ROCCA: We certainly should
7 talk about potential step ups, if you will, and I'm
8 happy to have that conversation with the committee as
9 well as the industry on how we can achieve the goal
10 of this Bill in more incremental steps getting us to
11 a three-year deadline. So, certainly happy to have
12 that conversation.

13 CM RIVERA: I look forward to it. Thank
14 you, Mr. Chair.

15 CHAIR CORNEGY: Thank you. I'd just like
16 to go back really quickly. Council Member Rosenthal
17 has a question on the Certificate of No Harassment.

18 CM ROSENTHAL: Thank you so much, Council
19 Member Cornegy. Commissioner La Rocca, I have a
20 quick question about the Certificate of No Harassment
21 timeline extension which I'm excited about ...
22 (crosstalk).

23 CHAIR CORNEGY: Council member, that's
24 actually for HPD.

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2 CM ROSENTHAL: It is? Oh, oh, I think of
3 it more as a DOB thing because the construction task
4 force has been looking at these buildings, so, my
5 question is to any commissioner. Why not apply it to
6 the whole city? As I read the Bill, it's just for an
7 additional set of districts. Why not apply it city-
8 wide? And I ask that because there are always
9 buildings in my district where this type of
10 harassment is going on, but not as much as in other
11 districts?

12 ANNE MARIE SANTIAGO: Thank you for the
13 question, council member. I think we want to stay in
14 line with the originally conceived idea of the
15 program which, as discussed with the working group,
16 was really targeted, right, the idea is to really
17 target this program to buildings in areas where
18 there's an indicator of harassment, and in part, the
19 program is city-wide in that if there is a findings
20 of harassment, no matter where in the city that
21 happens, it does come onto the list. So, we are, you
22 know, looking at what additional steps we can take to
23 add buildings, but we really want to target this
24 program, especially given, as you know, all of the
25 work that DOB has been doing, that we have been doing

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2 in other areas to make sure that harassment is
3 addressed in its many forms.

4 CM ROSENTHAL: That makes good sense,
5 thank you, and did you have any objections to this
6 Bill?

7 ANNE MARIE SANTIAGO: We're discussing
8 the details still with the council.

9 CM ROSENTHAL: Okay.

10 ANNE MARIE SANTIAGO: We would like to
11 work out some of the specifics of it, but I think the
12 concept and the continuation of the program, and as
13 an expansion of some way, the program is certainly
14 part of the conversation.

15 CM ROSENTHAL: Okay, and so, for the
16 record, I just want to say that this has been a
17 critical program, and that I would urge the city to
18 enable more buildings to be in the rubric of
19 requiring a Certificate of No Harassment. You know,
20 this is the thing that's been, I think buried for so
21 many years, all the buildings that are harassing and
22 terrorizing the tenants. Those are the ones that we
23 have all focused on. Thank you very much
24 Commissioner.

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3 ANNE MARIE SANTIAGO: You're very
4 welcome.

5 CM ROSENTHAL: Thank you, Chair.

6 CHAIR CORNEGY: Thank you. I just want
7 to state for the record, due to the shear volume of
8 the amount of Bills that we have today, especially in
9 construction site safety, I'm going to try to
10 truncate some of the questioning because there is a
11 sincere effort on my part to be able to hear from the
12 public, and so, this is not generally the way that
13 the hearing would be constituted, but it's important
14 for me to get through these site safety Bills with
15 the Commissioner so that I can hear directly from the
16 public. So, on the Bill, 2264 which is a Local Law
17 to amend the New York City building code in relation
18 to cold form steel construction. Can you please just
19 explain in layman's terms, what this Bill
20 accomplishes?

21 MELANIE LA ROCCA: Thank you, Chair. So,
22 the Bill accomplishes an important aspect of our job
23 here which is ensuring further safety on sites. Cold
24 form steel is a material commonly used. It is a
25 safe, reliable, cost-effective material; however,
when used improperly can cause collapses of

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3 buildings, which obviously can lead to death. We
4 have seen a number of collapses because of the
5 improper use of this material, including a fatality
6 in the Bronx in 2019. So, similar to standoff
7 brackets, we've reviewed the incidences, identified
8 the challenges those sites had, and issued a
9 buildings bulletin correcting what we thought were
10 issues sites had, and we are looking to codify that
11 here. So, this will improve the safety on sites
12 where cold form steel is being used.

13 CHAIR CORNEGY: So, you're fully in
14 agreement with the current Bill as it's written?

15 MELANIE LA ROCCA: Yes.

16 CHAIR CORNEGY: Do any of my colleagues
17 have questions about this particular Bill? If not,
18 we're going to move to Intro 2276, a Local Law to
19 amend the New York City building code in relation to
20 construction superintendents and repealing sections
21 3210-8-3 and 3310-8-6 of the New York City building
22 code in relation to inspections required by site
23 safety managers or coordinators in a relation a
24 reasonable prudence required by site safety managers
25 or coordinators to ensure safety. This Bill requires
that a permit holder submit a statement to DOB

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3 attesting that the site safety plan meets certain
4 requirements. Will DOB review the site safety plans
5 to ensure that they meet these requirements?

6 MELANIE LA ROCCA: Yes, as the department
7 does currently for all major buildings, we do accept,
8 review, and approve site safety plans and we intend
9 to do such here.

10 CHAIR CORNEGY: Why does this Bill
11 exclude one to three-family buildings?

12 MELANIE LA ROCCA: So, as you know, of
13 the course of years, this city council, as well as
14 previous city councils have partnered with the
15 department in ensuring we have appropriate safety
16 measures in place, and we've continued to expand on
17 that with the creation of one, two, three-family
18 homes. Those homes are built by contractors who are
19 currently licensed. Those properties tend to be
20 relatively less complex than our larger construction
21 sites where you have a significant number of
22 equipment pieces being utilized that are quite large,
23 quite impactful, and you have some concerns around
24 adjacent properties.

25 CHAIR CORNEGY: So, again, this is
consistent with the administration and the city

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3 council's mandate for as much as safety as possible
4 on site?

5 MELANIE LA ROCCA: Yes, I believe so.

6 CHAIR CORNEGY: Can DOB object to the
7 appointment of a construction superintendent?

8 MELANIE LA ROCCA: The department
9 licenses construction superintendents, so yes, there
10 have been instances where an individual seeking to
11 become one as with our other license types have not
12 been licensed by the department, and as with other
13 license types, should that individual have
14 disciplinary actions, obviously the department will
15 seek to adjudicate those.

16 CHAIR CORNEGY: Does the administration
17 support this Bill?

18 MELANIE LA ROCCA: Yes.

19 CHAIR CORNEGY: Are there any questions
20 from my colleagues on this particular Bill? If not,
21 we'll hear proposed Intro number 2278-AA, Local Law
22 to amend the administrative code of the city of New
23 York and the New York City building code in relation
24 to the licensing of general contractors. Does the
25 DOB currently have an oversight over general
contractors?

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3 MELANIE LA ROCCA: The Department of
4 Buildings, as part of our requirement to issue
5 permits to entities performing work does have a
6 perfunctory process in place for identifying
7 contractors. I would not say that we have an
8 oversight of said contractors which is the reason the
9 proposal is before this council today on licensing
10 general contractors.

11 CHAIR CORNEGY: Are they currently
12 licensed by any other agency?

13 MELANIE LA ROCCA: Contractors may be
14 licensed by our colleagues in the Department of
15 Consumer and Worker Protection. They may or may not
16 receive other documentation from the state, but for
17 this Department of Buildings and our ability ensure
18 safety and oversight on job sites, no.

19 CHAIR CORNEGY: Can you currently tell me
20 how many contractors are registered with DOB to date?

21 MELANIE LA ROCCA: As of earlier this
22 month, we had approximately about 10,000 individual
23 entities.

24 CHAIR CORNEGY: What does this Bill seek
25 to accomplish, Commissioner?

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3 MELANIE LA ROCCA: I think very simply
4 put, Chair, as we've talked about extensively, and as
5 my testimony described, there is a need in this city
6 to ensure that a true cultured safety exists on all
7 of our job sites, and this council very thoughtfully
8 put together legislation to ensure the continuation
9 of our shared goal of safety, and we've seen that
10 through 196. You've seen the department do that
11 through the proactive inspections. The Bill before
12 the council is seeking to address a very big problem
13 of our ability to ensure accountability. The
14 department issues licenses to over 20 different
15 entities in this city performing work on job sites,
16 and yet for, general contractors, we don't license
17 contractors in the same manner, and what we would be
18 doing with this Bill is ensuring that this true
19 accountability on job sites for the success of that
20 job site, and for the success of that work, and of
21 course, we would deem success as workers and the
22 public were safe and kept safe during the duration
23 and completion of that project. So, we are looking
24 to bring real accountability to the work that takes
25 place and ensure that we can hold bad actors

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3 accountable for their actions, and actions that may
4 cause fatalities and other incidences on a job site.

5 CHAIR CORNEGY: What would be the cost
6 for registering as a contractor with DOB?

7 MELANIE LA ROCCA: So, currently, we do
8 charge for the variety of registrations that we have.
9 They can stand between \$80 and \$300. We anticipate
10 that with this Bill, we'll be revisiting the fees,
11 and we will do so by rule, but the anticipation is
12 that the fees would be in keeping with some of our
13 other fees.

14 CHAIR CORNEGY: So, does the
15 administration agree with this Bill?

16 MELANIE LA ROCCA: Yes.

17 CHAIR CORNEGY: Are there any questions
18 from any of my colleagues on this particular Bill?
19 Council Member Louis.

20 CM LOUIS: Thank you, Chair. I just have
21 a quick question and thank you Commissioner for being
22 here. I just wanted you to share with us potentially
23 how could this Bill adversely affect black and brown
24 general contractors who are responsible contractors,
25 but may not be aware of any of the issues that may
come up?

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3 MELANIE LA ROCCA: I thank you very much,
4 council member. Certainly, our MWB population of
5 contractors is incredibly important to this city,
6 obviously, as well as the department. We are
7 particularly mindful of that group of contractors and
8 their ability to continue to enjoy the work that they
9 do, and do so safely, and I will say, the vast
10 majority of contractors who are active in this city
11 are responsible contractors who do comply with the
12 code. So, what we've established with the
13 legislation, is what we believe, a pretty common-
14 sense approach to ensure that we don't create
15 artificial bars to entry. So, we want contractors
16 who are practicing, and those who are currently
17 practicing with us, and are active in our system,
18 will be grandfathered when the Bill goes into effect,
19 and again, as Council Member Rivera pointed out in
20 her question, you know, we are looking at
21 opportunities to support the industry, and
22 simultaneous bring us all up in terms of safety
23 compliance. We think we can do both. We know we've
24 done both in the past, but we also know that our
25 partners need to be able to successful get there, and
so, we've incorporated in the Bill a runway for

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3 implementation that we think is appropriate to the
4 requirements that we're setting forth, and also
5 responsive to the fact that we have contractors
6 working right now, and they will be able to be
7 grandfathered into the new provisions, and obviously
8 they will get folded into the loop when their time
9 comes. So, we don't believe there are any barriers
10 to entry for our MWB contractors with the Bill that
11 we've proposed, and we believe the vast majority of
12 our contractors who are safe, and code compliant and
13 run a very good business, will be able to very
14 seamlessly transition into this new structure.

15 CM LOUIS: Thank you for that. It was
16 very thorough, so thank you, and will there be some
17 type of outreach component done?

18 MELANIE LA ROCCA: Absolutely.

19 CHAIR CORNEGY: Thank you, council
20 member, thank you commissioner. If there are no more
21 questions of that particular Bill, we're going to
22 move into 2259, a Local Law in relation to an
23 extension of the deadlines for inspection and
24 correction of the building gas piping system in
25 certain community districts. How many property

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3 owners complied with Local Law 152 during the first
4 cycle of inspections? Do you have that number?

5 MELANIE LA ROCCA: Yes.

6 CHAIR CORNEGY: Thank you.

7 MELANIE LA ROCCA: I most certainly do.

8 Bear with me one second, sorry. So, to date, we've
9 received about 57,000 applications for all total,
10 yes.

11 CHAIR CORNEGY: Has DOB issued any
12 violations related to noncompliance during this
13 period?

14 MELANIE LA ROCCA: As you know, the
15 deadline for the first cycle was extended by this
16 council in which we were supportive of that action.
17 So, we've not issued violations currently. We are
18 really focused on insuring greater information to
19 property owners who are responsible for completing
20 these deadlines and ensuring that they are capable
21 with our information of achieving this.

22 CHAIR CORNEGY: Did this first cycle of
23 inspect uncover illegal or unsafe piping?

24 MELANIE LA ROCCA: As professionals are
25 required to already, we have certainly received some
26 notifications from our licensed master plumbers of

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2 deficiencies that they found, and where we've
3 received those notifications as is true throughout
4 the rest of the department where licensed
5 professionals and other registered professionals are
6 required to notify us of this. We do follow up with
7 any and all appropriate actions.

8 CHAIR CORNEGY: Thank you. Has DOB
9 received any requests from property owners in
10 community districts 2, 5, 7, 13, and 18 to extend the
11 deadline?

12 MELANIE LA ROCCA: Not that I'm aware of.

13 CHAIR CORNEGY: Has DOB conducted any
14 outreach to property owners in these districts?

15 MELANIE LA ROCCA: So, we launched a very
16 large campaign. We did a mailer to every property
17 that we identified as being required to conduct this.
18 We've done extensive service notices through our
19 email distribution list as well as updates on our
20 website, including a dedicated page for 152, so we've
21 done a number of different outreach strategies.
22 We've talked well over 3,000 individuals just from
23 the mailer that we did to clarify any questions that
24 they may have, so we've heard a fair amount back.

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2 CHAIR CORNEGY: Is their partnership on
3 the horizon to get this information out with non-
4 profits and/or other stakeholders in the community?

5 MELANIE LA ROCCA: Oh, we would most
6 certainly welcome any opportunity to partner with any
7 stakeholder. We've included information in our
8 community news letters that gets distributed to
9 elected officials as well as community boards and
10 other associations. So, the more we can do that,
11 certainly the better.

12 CHAIR CORNEGY: Are there any resources
13 available to property owners who are unable to comply
14 with the requirements of Local Law 152 by the
15 deadline?

16 MELANIE LA ROCCA: As it stands, no.
17 However, with the legislation the council has
18 introduced, certainly that could be a potential, and
19 we would welcome the opportunity to talk more about
20 that and understand the criteria for that.

21 CHAIR CORNEGY: Has DOB contemplated
22 suspending or deferring any penalties associated with
23 not being able to comply?

24 MELANIE LA ROCCA: You know, we certainly
25 have discussed it, and as I mentioned, we're really

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3 focused on ensuring property owners are aware first
4 and foremost of the requirement and have an
5 opportunity to discuss with the member of the
6 department, their to-dos in order to achieve this
7 legislative mandate. So, that's been our focus, and
8 it will remain our focus. We want to ensure
9 compliance and ensure that folks are armed with the
10 knowledge that they need to do this.

11 CHAIR CORNEGY: Does the administration
12 support this Bill?

13 MELANIE LA ROCCA: The extension of the
14 deadline, yes.

15 CHAIR CORNEGY: Yes. Are there any
16 questions from any of my colleagues on this
17 particular Bill? Yes, Carolina Rivera, and then Ben
18 Kallos.

19 CM RIVERA: Hi there. Thanks again. The
20 chairman asked specifically about community districts
21 2, 5, 7, 13, and 18. What alternate gas safety
22 measures will be considered in these districts prior
23 to the extension?

24 MELANIE LA ROCCA: Well, I think you know
25 council member, and obviously you have a very unique
26 advantage being that unfortunately your district has

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2 seen some of the more terrible outcomes of failures
3 here, but we think 152 as intended is really
4 important in ensuring a continued safe environment.
5 We are supportive of the extension. As I mention in
6 my testimony, we are encouraging property owners not
7 to wait. We certainly were supportive the first time
8 the provisions were extended from December to June of
9 this year, and again, even then, we were encouraging
10 owners to do it. I think this city has among the
11 most robust codes, not only around gas piping, but in
12 general. We have some of the most robust codes in
13 this country. So, I believe the safety is there. I
14 believe the good reasoning behind the Bills today,
15 and we certainly look forward to continuing to work
16 with this council on opportunities to strengthen
17 where we may have them.

18 CM RIVERA: And I know that you mentioned
19 that you hadn't heard any requests from property
20 owners in these districts to extend the deadline, but
21 what plans does DOB have for outreach specific to
22 these districts should the Bill pass?

23 MELANIE LA ROCCA: I mean, I would be
24 happy to talk to you about any ways that you think
25 would be more successful outreach. As I mentioned,

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2 we have pages dedicated on our website. We've issued
3 service notices around this which goes to our email
4 network. We've done a mailer to property owners
5 across the board in the city detailing this
6 information. So, we're more than happy to partner
7 with any council member, yourself included,
8 obviously, and community groups in making sure this
9 information gets to property owners so they can act
10 on it.

11 CM RIVERA: And my last question is, has
12 COVID impacted any of the requirements or due dates
13 for Local Law 152 compliance?

14 MELANIE LA ROCCA: Certainly, COVID was a
15 component of what we heard as a reason for pushing
16 the first deadline out from December last year to
17 June of this year. You know, our license
18 professionals in this instance, plumbers are actively
19 out working, and so we don't expect that there is an
20 issue in terms of their capacity, but again, we stand
21 ready and willing to work with this council on
22 opportunities to ensure compliance through, first and
23 foremost, making sure individuals know that they have
24 to comply with something.

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2 CM RIVERA: Certainly, it would help with
3 that outreach, of course. Thank you, Mr. Chairman
4 for the time. Thank you.

5 MELANIE LA ROCCA: Thank you.

6 CHAIR CORNEGY: Thank you. Council
7 Member Kallos has agreed to ask his questions at the
8 end. So, we'll move on to Local Law 2321. A lot of
9 the questions I'm going to ask you in relation to
10 that, I feel like we asked, and were answered in the
11 previous Law, so I will just ask you, does the
12 administration support this Bill?

13 MELANIE LA ROCCA: Yes.

14 CHAIR CORNEGY: Thank you. Are there any
15 questions from my colleagues on this particular Bill?
16 If not, we're going to move on to Intro 2361, a Local
17 Law to amend the administrative code of the city of
18 New York in relation to creating a questionnaire
19 related to the inspection and correction of building
20 gas piping systems. Does DOB currently solicit
21 feedback from property owners regarding issues with
22 or complaints about Local Law 152?

23 MELANIE LA ROCCA: As I mentioned, we've
24 done a number of different outreach types around
25 Local Law 152. I think probably the most successful

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2 was sending letters to property owners in vary plain
3 language that says what they have to do and by when.
4 We've received thousands of communications back from
5 just that single piece of mail. So, we've heard a
6 lot of feedback. Yes, we've heard a lot of feedback.

7 CHAIR CORNEGY: Does the administration
8 support this Bill?

9 MELANIE LA ROCCA: Yes.

10 CHAIR CORNEGY: Are there any questions
11 from my colleague on this Bill? Speaking of 2377, a
12 Local Law to amend the administrative code of the
13 city of New York in relation to extending the
14 physical scope of gas piping inspections. Has DOB
15 received feedback from stakeholders about extending
16 the physical scope of gas piping inspections required
17 under Local Law 152?

18 MELANIE LA ROCCA: Yes, we've heard from
19 some of our industry partners on their interest in
20 seeing changes broadly to 152.

21 CHAIR CORNEGY: Has DOB contemplated
22 extending this scope via rule making?

23 MELANIE LA ROCCA: It is not one that we
24 have acted on. Certainly, we've heard feedback, as I
25 mentioned from our industry partners. We understand

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2 there's an interest at the council and Intro 2377,
3 and I think it's one that merits a real conversation
4 with all stake holder about potential impacts to cost
5 and the ability of a property owner and the time the
6 property owner has to comply with these requirements.

7 CHAIR CORNEGY: There are questions from
8 my colleague, Barry Grodenchik on Intro 2377.

9 CM GRODENCHIK: Thank you, Chair. I was
10 trying to be quiet today, but I failed.
11 Commissioner, it's always good see you.

12 MELANIE LA ROCCA: Likewise.

13 CM GRODENCHIK: We've had issues in my
14 district, especially with Garden Department, but I
15 know it's not limited to that because I've heard
16 other issues in Council Member Koo's district, I'm
17 sure this is true throughout the city. You know, to
18 make things as safe as possible, and we all want that
19 given the disasters and the many deaths that took
20 place in the borough of Manhattan, how do you get
21 around all that, you know, can you just walk in and
22 inspect or do you need, you know, a warrant, or how
23 does it work because I know that at Glen Oaks where
24 we work very closely with your gas operations people,
25 it was a long time to get through every single

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2 apartment that was affected, and they discovered a
3 lot of unsettling things. You know, stoves that had
4 been hooked up, in some cases, decades ago,
5 thankfully, nobody blew up or anything like that, but
6 how do we work to ensure that we get cooperation and
7 maximum safety?

8 MELANIE LA ROCCA: Thank you, council
9 member. I think, you know, that is a very good
10 question you raise, and again, something that we
11 would want to discuss further with this committee
12 with industry certainly, and with property owners
13 because the concerns are valid, they're real.
14 Obviously, we're all interested in ensuring safety,
15 and where we can, make changes to increase that,
16 certainly. It's important for us to do that, and as
17 I mentioned, we already have some of the most
18 rigorous codes in the nation, so you know, these are
19 additive to that, and they're valuable, but we do
20 have to have that conversation about the impacts,
21 again, as I mentioned, to cost as well as an owner's
22 ability to achieve the requirements in the Bill.

23 CM GRODENCHIK: I know it's not easy, and
24 one of the concerns I have is the length of time that
25 people are without services, especially in gas, and

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2 obviously, but I wanted to put that out there. I'm
3 glad to hear that you're speaking with, as you always
4 do, with the stakeholders involved, and I'd be happy
5 to forward more if need more. So, I thank you.
6 Thank you, Mr. Chair. I've got to go off and take
7 care of line use.

8 CHAIR CORNEGY: Thank you. So, the final
9 Bill that was added to the agenda late, because of
10 that latest, I'm going to read the questions into the
11 record, and not require the answers today, but have a
12 reasonable expectation that you'll get back to me on
13 them after I read them. That's Intro number 2265, a
14 Local Law to amend the administrative code of the
15 city of New York in relation to stove safety knobs.
16 How do requirements under the Bill differ from the
17 current requirements that a landlord installs stove
18 knob covers? Can permanent stove safety knobs with
19 integrated locking measures be installed on existing
20 stoves? Would this Bill require a landlord to
21 install a new stove? Would a tenant be able to
22 choose rather they want permanent stove safety knobs
23 with integrated locking measures or stove knob
24 covers? Is there a benefit to one over the other?
25 How much do permanent safety knobs with integrated

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2 locking systems cost? Does the administration
3 support the Bill, if not, what are the concerns with
4 the Bill, and are there suggested amendments? So,
5 again, there is a reasonable expectation that in a
6 timely fashion, you'll get back.

7 MELANIE LA ROCCA: Certainly, thank you,
8 Chair.

9 CHAIR CORNEGY: Thank you. I have
10 comments from my colleague, Ben Kallos.

11 CM KALLOS: Commissioner La Rocca, this
12 is your first time that I've seen you testify and be
13 in the same place, so I have important questions.
14 How are you enjoying being Commissioner, and how was
15 your summer?

16 MELANIE LA ROCCA: I can successfully
17 report or happily report that I like both, and as
18 with everything, it's always too short.

19 CM KALLOS: I yield my time.

20 MELANIE LA ROCCA: Thank you, sir.

21 CHAIR CORNEGY: Thank you, Mel for your
22 testimony. I believe that we are going to begin to
23 hear testimony from the public. Thank you again,
24 Commissioners for your time, and again, HPD, if you

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2 can get back to us on those outstanding items, it
3 would be greatly appreciated in a timely fashion.

4 ANNE MARIE SANTIAGO: Thank you.

5 CHAIR CORNEGY: Thank you. So, first
6 we'll be accepting testimony from Assembly Member
7 Richard Gottfried, and then Murray Cox, and Rolando
8 Guzman. So, if the three could join at the podium,
9 we'll begin the testimony when you are ready. Again,
10 Richard Gottfried, Murray Cox, and Rolando Guzman.
11 Assembly Member Gottfried. I think we lost your
12 entire panel, Assembly Member, so, you're on your
13 own. Only we can't add the time of those that are
14 not there. Thank you. They're actually in the
15 balcony. Can we give them just one second to join us
16 at the podium? Thank you. You can begin when you
17 are ready. I ask that you give name prior to your
18 testimony. We are allowing two minutes on the clock,
19 not for the Assembly Member, but for the members of
20 the public, so thank you. Assembly Member Gottfried,
21 if you'd please lead us off.

22 RICHARD GOTTFRIED: Okay, thank you. I'm
23 Assembly Member Richard Gottfried, and I'm testifying
24 also on behalf of State Senator Brad Hoylman. We
25 support Intro 2309, introduced by Council Member

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2 Kallos. The Bill will strengthen the city's ability
3 to ensure compliance with state and city laws. The
4 city's housing affordability crisis has been
5 compounded by the proliferation of illegal short-term
6 rentals. They cause rents to rise and take an
7 estimated 15,000 departments out of the housing
8 market. By opening up these units to transients,
9 platforms like Airbnb compromise the quality of life
10 and safety for people who live in apartments. We
11 have made great progress, but we still have far to
12 go. It is estimated that 85 percent of all active
13 Airbnb listings in New York City are illegal. Intro
14 2309 will give regulators new tools among other
15 things. One, requiring so called hosts to obtain a
16 registration number and register annually, and two,
17 require platforms such as Airbnb or Homeway to have
18 registration numbers for units they advertise. While
19 we support 2309, we suggest the following
20 modifications. One, make the short-term rental
21 registry publicly available with registration numbers
22 and complete address information. Two, require an
23 annual report by the city on the operation of the
24 registration system, and three, require appropriate
25 tax registration, collection, and payment mechanisms.

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2 Similar laws have passed in Santa Monica and Boston.

3 In Boston, Airbnb had to withdraw more than half of

4 its listings because they were not registered.

5 Airbnb and similar platforms keep saying what good

6 neighbors they are. By making sure that their

7 practices live up to state and city standards and

8 laws, Intro 2309 will help make that so. Thank you

9 very much.

10 CHAIR CORNEGY: Thank you Assembly

11 Member. Anybody else can go next.

12 ROLANDO GUZMAN: Good afternoon. My name

13 is Rolando Guzman. I'm the Director for Community

14 Preservations at St. Nick's Alliance. We are a local

15 community organization in North Brooklyn. First of

16 all, it's nice seeing you all here. Thank you so

17 much for scheduling this hearing. As a note, it's

18 been, I think, about 16 months since I've been

19 testifying here, so, glad to be here. I'm here on

20 behalf of St. Nick's Alliance, and we are to testify

21 in favor of Intro 2309. North Brooklyn is one of the

22 areas with the highest concentrations of listings of

23 illegal short-term rentals in the city of New York,

24 and I just want to put in concrete example what that

25 translates into the community. We have a wave of

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2 displacement where tenants are being displaced on a
3 daily basis, and there's a lack of access, especially
4 through rent stabilized apartments. At the same
5 time, tenants are facing harassment, they are facing
6 landlord's warehousing units denying to list those
7 units into the market for rent stabilized units, and
8 at the same time, listing those units in different
9 platforms as a short-term rental. We understand that
10 tourist come to the city, and they want to enjoy it,
11 but that translates that sometimes having buildings
12 where parties are going on at 2:00, 3:00, 4:00 in the
13 morning on a Monday, and just, I want to make sure
14 that you just think what you're going to feel if you
15 have to go to work, and somebody below you or above
16 you is partying because they are coming out of the
17 city. This legislation is going to help to curb a
18 little bit this illegal listing, and the other thing
19 that is important is that we don't opposed tenants
20 trying to get somebody to help with the rent. While
21 we are very concerned, is making a business from
22 different tenant, different landlords, and online
23 platforms out of the expenses of displacement of New
24 Yorkers. Thank you so much, and I'm here to answer
25 any questions.

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2 CHAIR CORNEGY: Thank you for the perfect
3 timing, Mr. Guzman.

4 MURRAY COX: Good afternoon, everyone.
5 My name is Murray Cox. I'm the founder of Inside
6 Airbnb, a project which collects data on Airbnb
7 around the world. I've also become an expert on
8 policy regulation and enforcement by working with
9 cities also around the world. I'm a member of the
10 coalition against illegal hotels, and you're going to
11 hear from some other tenants today. I thank Chair
12 Cornegy for allowing me to testify, and also the
13 other members of the committee, and I thank Council
14 Member Kallos for introducing this crucial
15 regulation, 2309 for a managery registration system.
16 For years, the city has struggled to control illegal
17 short-term rentals. In February 2020, just prior to
18 COVID, there were 50,000 Airbnb listings, just one
19 platform alone; 26,000 were entire home listings,
20 more than half. The city said that up to 15,000
21 units of housing have been removed from the housing
22 market. They said that in 2020, and as many as
23 35,000 were illegal. Intro 2309 based on Santa
24 Monica laws, after they introduced it, they returned
25 400 units back to the permanent residential market.

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2 That's in a city about one percent the size of New
3 York City, about 90,000 residents there. 2309, it
4 required to reduce illegal conversions, housing in
5 unsafe buildings, removal and misuse of rental
6 regulated buildings, and incursion of tourists in
7 both buildings and neighborhoods. We think that
8 there are essential features that shouldn't be
9 removed from the Bill, including data reporting,
10 requiring tenants to ask permission, and to restrict
11 unhosted rentals in one or two-family homes. I urge
12 the council to pass Intro 2309, and I thank you.

13 CHAIR CORNEGY: Thank you. I just want
14 to point out though, your testimony, including
15 footnotes is very refreshing. I'm a research addict
16 myself, so I enjoy it.

17 MURRAY COX: Okay.

18 CHAIR CORNEGY: I guess in my leisure,
19 which never happens, I'll probably read through it
20 and go through the references.

21 MURRAY COX: I appreciate that.

22 CHAIR CORNEGY: But thank you so much for
23 the detail.

24 MURRAY COX: Okay.

25

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2 CHAIR CORNEGY: I also appreciated the
3 recommendations as well. Thank you. We're going to
4 call the next panel which consist of; thank you so
5 much, I'm sorry. Yes, I'm sorry, Ben Kallos has
6 questions, I apologize.

7 CM KALLOS: Thank you, I will take three
8 minutes to just ask the questions. For some of our
9 Dick Gottfried, thank you for waiting for two hours
10 to testify. How long have you been working on the
11 issue of short-term rentals, and why is it an issue
12 that has risen the level of needing intervention, and
13 for Murray Cox, as the Chair, a former analysis that
14 the city council mentioned, there are a lot of
15 colorful charts, if you could just explain the charts
16 and some of the data.

17 RICHARD GOTTFRIED: Well, we started
18 working on this issue in 2004. We made our biggest,
19 I think, step forward was when the assistance of the
20 Mayor's Office of Special Enforcement, we drafted,
21 and in 2010 got enacted, the illegal hotel law, and
22 then a few years after that, well, the Mayor's Office
23 of Special Enforcement, even before that law, was
24 very active in helping to deal with illegal hotels.
25 They were very aggressive in enforcing the law. The

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2 illegal hotel issue is a problem because it is a way
3 for landlord to withdraw rent-regulated units from
4 the housing market and still draw income from those
5 units. It withdraws apartments from the housing
6 market that are urgently needed, and as has been
7 already said, you know, for the ordinary tenants in a
8 building where units are used for illegal hotel
9 operation, you've got noise problems, security,
10 you've got strangers in the building that nobody
11 knows who they are. There are special fire code
12 provisions that apply to hotels that don't apply ...
13 (crosstalk).

14 CM KALLOS: Thank you.

15 RICHARD GOTTFRIED: To illegal hotel
16 operations.

17 CM KALLOS: Thank you Assembly Member. I
18 only got one more minute for the answers to my
19 questions, if you wouldn't mind yielding to Murray
20 Cox.

21 MURRAY COX: Thank you Council Member
22 Kallos. There's two pages at the end of my testimony
23 with some data on it. The second to the last page
24 has a timeline of the number of Airbnb listings since
25 2014. I've also correlated them with key events like

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2 regulation enforcement. The (inaudible) until 2020,
3 until COVID, and so none of the regulations really
4 had an impact, but it also provides a good timeline
5 of the different events that happened. On the last
6 page, I did an analysis for the European Parliament,
7 a report that included a case study of New York City,
8 and I broke down Airbnb listings by commercial. I am
9 someone that has more than one home, on Airbnb,
10 renting it out full time or private room, and they
11 made up 45 percent of listing, but 82 percent of
12 revenue. There are some other stats there as well
13 that you can always ask me about later.

14 CHAIR CORNEGY: Again, thank you so much
15 for your testimony and the careful detail that the
16 Assembly Member and the rest of the panel has put
17 into this. I really appreciate it.

18 MURRAY COX: Thank you.

19 CHAIR CORNEGY: Now, we're going to call
20 the second panel, and that consists of April McIver,
21 Vijay Dandapani, and Nikki J. Franzita. I apologize
22 if I have not gotten someone's name correct. So, I
23 ask that prior to your testimony, you just give your
24 name so that it can be listed in the record, and you
25 can begin when you're ready.

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2 VIJAY DANDAPANI: Good afternoon, Chair
3 Cornegy and Council Member Kallos. I thank you for
4 the time. I thank Council Member Kallos in
5 particular for sponsoring this Bill. So, I'm Vijay
6 Dandapani, President of the Hotel Association of New
7 York City that represents 300 hotels with roughly
8 85,000 rooms, and pre-COVID, we had 35,000 employees.
9 We come out strongly in support of Intro 2309. For
10 years, the legal short-term rental industry has been
11 a significant problem for New York City's hospitality
12 sector as it is for the housing and affordable
13 housing sector as well. So, these short-term rentals
14 have undercut the economic vitality of the hotel
15 industry in New York, and its vast contribution to
16 the city's tax revenue, which is 3.5-billion-dollar
17 pre-COVID, and (inaudible) sector of nearly 22
18 billion dollars. They've also diminished affordable
19 housing as we all know, and we strongly support the
20 passage because Intro 2309 provides a crucial step in
21 curving the problem of illegal hotels as you've
22 already said. Our industry has been decimated by the
23 economic consequences of COVID. Of 35,000 employees,
24 barely 15,000 are today at their jobs, while the
25 short-term rental industry has been thriving. These

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2 booking services take responsibility for those who
3 realize these platforms, and this Bill would help
4 prevent bad actors, the registration mechanism that
5 has been put in place. I might point out, as
6 somebody else already did that Boston and Santa
7 Monica already have it and has had really positive
8 outcomes not just for our industry, but also for the
9 city's as well. We strongly urge this be passed
10 expeditiously as it will enable the revival of our
11 industry and restore the billions of dollars in taxes
12 for the city as well as bring back employment to
13 thousands of laid off employees. Thank you.

14 CHAIR CORNEGY: Vijay, thank you for your
15 testimony.

16 VIJAY DANDAPANI: Thank you.

17 APRIL MCIVER: Good afternoon. My name
18 is April McIver. I'm the Executive Director of the
19 Plumbing Foundation, city of New York, a non-profit
20 organization representing small and large union and
21 non-union licensed master plumber, engineers, supply
22 houses, and manufacturers. Our mission is to protect
23 the public health and safety through the enactment
24 and enforcement of safe plumbing codes. I know we've
25 spoke with your office several times over the Local

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2 Law 152 related Bills, and that's why I'm here to
3 discuss today. As we've mentioned to your office
4 before, we're part of a gas-working group with Coned,
5 National Grid, the Northeast Gas Association, the
6 Master Plumber's Council as well as the Local Number
7 1 Plumber's Training Center. We've been working
8 together for the better part of the last decade on
9 gas safety laws. It is integral to our industry to
10 the safety of New Yorkers, so we do take the Local
11 Law 152 inspections quite seriously. We are here to
12 speak about 2377, but I did want to say with regard
13 to 2259, 2321, and 2361, that Local Law 152 mandates
14 critical safety inspections and not any extension or
15 hardship program consideration should be carefully
16 balanced by the council with the importance of
17 safety, but our main focus is on 2377, which seeks to
18 clarify the scope of the Local Law 152 periodic gas
19 inspection. We commend the Chair for recognizing
20 that the law, since its implementation which it has
21 been almost about two years now, it does need to be
22 fixed. However, we respectfully believe it falls
23 short of the needed amendments, and I will submit, if
24 I haven't already, electronically, my full written
25 testimony, and I'm not going to go through it cause

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2 it's a little long, but we do believe that the scope
3 section needs additional revisions. Rather than
4 what's proposed here, it really should say that;
5 oops, sorry, okay, thank you. It should say that the
6 scope of the inspection should include all visually
7 accessible gas lines, not inside residential tenant
8 spaces, but anywhere the point of entry is located,
9 and I'll rest there, but I do have several other
10 pieces, and do hope that we can continue this
11 conversation with your office and the Department of
12 Buildings. Thank you.

13 CHAIR CORNEGY: So, just for the record,
14 I have committed to continue to work with you to
15 negotiate these Bills to a place where it's not
16 harmful, and I've committed to doing that.
17 Unfortunately, over the last couple of days, it was
18 difficult to get back and forth, but that doesn't
19 mean the negotiation is halted. You know, you've
20 been around long enough to know that this process is
21 ultimately necessary to hear Bills, and then we go
22 back, and we have more conversations, so thank you.

23 APRIL MCIVER: Absolutely, thank you very
24 much.

25

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2 CHAIR CORNEGY: I thank you all for your
3 testimony. Council Member Kallos has some questions
4 for Vijay, at least.

5 CM KALLOS: How many hotels and room did
6 your organization represent before the pandemic, how
7 many are back online, and how many are still closed
8 or down?

9 VIJAY DANDAPANI: So, we represent 30
10 hotels with 85,000 rooms, and I said earlier, 35,000
11 employees, about 160 hotels are closed either
12 temporarily or permanently. We don't know the true
13 number of closures as of yet, and employee strength
14 is barely about 15,000 at this point.

15 CM KALLOS: If we pass this Law, and
16 18,000 entire home rentals were put back in the
17 housing stock, and all those people, and as of OSE's
18 testimony, we're talking about 135,000 nights that
19 were booked that they believe illegally, according to
20 their testimony, if all those were put into the
21 hotels that have been closed or temporarily closed,
22 what would be the impact? How many would come back
23 online?

24 VIJAY DANDAPANI: Well, council member,
25 that's a really good question. We have occupancy

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2 today at about 62 percent as opposed to the 89
3 percent that we had in 2019, the most pertinent
4 comfortable year, but more importantly, our revenues
5 are down 55 percent on average. So, to answer your
6 question, we think that with more of the occupancy
7 up, and eventually revenue as well in the right
8 direction.

9 CM KALLOS: Thank you.

10 VIJAY DANDAPANI: Thank you.

11 CHAIR CORNEGY: Thank you, council
12 member. Thank you for your testimony. We will now
13 hear from the next panel which consists of Peter
14 Amato, Kyle Ishmael, and Julie Samuels. So, I ask
15 that you state clearly your name for the record. You
16 can begin testifying as soon as you're ready.

17 PETER AMATO: Thank you, Chair Cornegy
18 and member of the Housing and Buildings Committee for
19 holding this very important hearing. I'm Peter
20 Amato, Secretary of the Construction Safety Advisory
21 Committee of New York, or CSAC for short, whose
22 members consist of hundreds of site safety managers
23 and site safety coordinators in New York City. Our
24 Board of Directors include a former chief of the New
25 York City Department of Buildings (inaudible) former

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2 DOB inspectors, and myself, a former Assistant
3 Commissioner of the Department of Buildings. CSAC's
4 mission is to advocate for safety on and around New
5 York City construction sites. Over the last few
6 years, we have worked closely with New York City
7 Council, Mayor's Office, Borough President's Offices
8 and DOB to shape legislation like Local Law 196.
9 CSAC supports Intro 2263, but respectfully requests
10 shortening the effective date to 18 months rather
11 than three years. Doing so will absolutely save
12 lives. The one floor of Local Law 196 was not
13 implementing for protection sooner. That took 3.5
14 years, and as you remember from Commissioner La
15 Rocca's testimony earlier today, 75 fatalities
16 happened in New York City construction in the past
17 5.5 years. That's over one worker every month.
18 That's far too many. All too often, New Yorkers read
19 about a construction worker getting killed.
20 Unfortunately, the majority of these fatalities occur
21 in low-rise buildings which are lower than 10-
22 stories. Of the seven fatalities in 2021, five were
23 in low-rise buildings. DOB and OSHA have
24 consistently publicized the need to protect
25 construction workers on these low-rise buildings

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2 since they are more likely to have accident and
3 fatalities. Implementing this Law is vital to
4 improving safety throughout New York City, doing so
5 within an 18-month periods will mean workers and
6 pedestrians are protected from harm sooner. Don't
7 wait 36 months. It will provide enough time for site
8 safety managers and coordinators to get licensed
9 thanks to the actions taken by city council to
10 shorten this process. As such, there will be
11 sufficient site safety professional available within
12 the time period to begin oversight. Any further
13 delays are necessary. There is also an 18-month
14 apprenticeship program for site safety managers that
15 you may not be aware of that's very successful with
16 both veterans and civilians. CSAC applauds Chair
17 Cornegy and the Housing and Building's Committee for
18 this legislation. The building code revision will
19 ensure more workers, the majority of whom are people
20 of color, will have safer job sites, and will
21 absolutely save lives. Thank you for holding this
22 hearing. We will welcome the opportunity to work
23 with you and are available at your convenience to
24 discuss this further.

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2 CHAIR CORNEGY: Thank you for your
3 testimony.

4 KYLE ISHMAEL: Good afternoon. My name
5 is Kyle Ishmael, and I'm representing Airbnb today.
6 I'd like to thank Chairman Cornegy and the members of
7 the committee for the opportunity to submit testimony
8 regarding Intro 2309. With the introduction of 2309,
9 we are hopeful that New York City could be on the
10 verge of clarifying the law and protecting the rights
11 and abilities of residents to earn additional income
12 that will allow them to remain in their homes, afford
13 taxes, make infrastructure repairs, and meet other
14 financial burdens. However, the Bill would require
15 some fundamental amendments in order to achieve this.
16 As currently constructed, this Bill places undue
17 burdens on New Yorkers that would not impede current
18 hosts from utilizing their space for short-term
19 rentals but would also have a chilling effect on new
20 responsible residents who are seeking ways to earn
21 extra money throughout the year. While we fully
22 support a registration system for short-term rentals
23 in New York City, the Bill would also require that
24 hosts hire an engineer, architect, or inspector to
25 certify the premises. Not only is there no other

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2 city in North America that require this onerous
3 obligation which would cost hosts upwards of \$500,
4 and place New York City at a competitive
5 disadvantage, but it singles out short-term rental
6 hosts with an expensive burden that does not apply to
7 the countless transactions that landlords and tenants
8 enter into in New York City's rental market every
9 day. If the intention is to ensure safety, New York
10 City is already fully equipped to ensure safety
11 standards given the extensive data short-term rental
12 platforms are required to provide to the city
13 quarterly. Additionally, Airbnb has numerous
14 policies and systems in place to promote trust and
15 safety throughout the platform. Further the current
16 iteration of the Bill requires short-term rental
17 hosts who are renter to obtain written consent from
18 their landlords. This is another onerous requirement
19 placed on would-be hosts who would more often than
20 not find it difficult to obtain any additional
21 written permissions from their landlord outside of
22 their already extensive lease. Instead, at the point
23 of registration, we support providing hosts for
24 tenants with a mechanism to attest that their lease
25 does not explicitly prohibit home sharing. This

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2 Bill; however, with amendments represents an
3 opportunity for one of the last major cities in the
4 world to establish a clear registration and
5 regulatory framework for short-term rental, and I
6 will be submitting my testimony in writing. Thank
7 you for your time.

8 CHAIR CORNEGY: Thank you very much for
9 your testimony.

10 JULIE SAMUELS: Good afternoon. My
11 testimony says good morning, but here we are a little
12 later.

13 CHAIR CORNEGY: Here we are.

14 JULIE SAMUELS: Here we are. I will be
15 quick. My name is Julie Samuels. Thank you,
16 Chairman Cornegy, thank you members of the housing
17 committee for having us. I represent Tech NYC, which
18 is a non-profit coalition of more than 800 companies,
19 investors in the city. I would like to start by
20 saying that New York City is going to recover from
21 this pandemic because our government, technology
22 industries, local businesses are all working together
23 hand-in-hand to not just revive, but also grow our
24 economy, which is why I am here today, to submit
25 testimony regarding Intro 2309. The question is no

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2 longer rather home sharing has a role in New York
3 City. The question we need to ask now is how do we
4 effectively regulate home sharing to support tenant
5 while also reviving New York's tourism industry to
6 bring badly needed revenue to neighborhoods and
7 families throughout the five boroughs. New Yorkers
8 and tourists alike want access to home sharing. As
9 you heard from Kyle, you know, pretty much every
10 other major city in the world has a robust home
11 sharing industry in those cities, and so we need to
12 find a way to make that work for New York as well.
13 Small shops and restaurants reap tremendous benefits,
14 neighborhoods see tremendous benefits, and again, the
15 question is not if, it is when we find a way to make
16 this work. We're worried about this particular Bill
17 which would prevent current hosts from utilizing
18 their space legally, effectively, and efficiently.
19 The requirement to host to hire an engineer,
20 architect, or inspector is very burdensome, as you
21 heard from Kyle, and I detail in my written
22 testimony. There are many alternatives to ensure
23 safety in short-term rentals that don't create this
24 type of financial burden. I'd also point out that
25 requiring renter to obtain written consent from their

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2 landlords is so problematic. Any New Yorker who has
3 had to deal with an absentee landlord knows this is
4 the case. There are ways around this as well,
5 simple, more effective ways like the ability to
6 prohibit home sharing in leases. In short, we are
7 trying to, you know, pull ourselves out of a global
8 pandemic, and our city and our neighborhoods are
9 still hurting, and we should be working together to
10 embrace new business models, but to do it
11 effectively, safety, and efficiently, no one is here,
12 you know, saying that there should be a blank check
13 for home sharing. That's not the point, but we are
14 confident that if we work together, we can find a
15 constructive path for home sharing in New York City.
16 Thank you very much.

17 CHAIR CORNEGY: Thank you very much for
18 your testimony. I have questions from my colleague,
19 Council Member Kallos.

20 CM KALLOS: Thank you to the Chair, for
21 his indulgence, and I've been doing my best to keep
22 my questions within the time. For Airbnb, thank you
23 for testifying. I just want to reiterate. We both
24 agree, if you could just reiterate, I heard it stated
25 clearly, but you support registering for hosts?

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2 KYLE ISMAEL: Airbnb absolutely supports
3 registering for hosts, correct.

4 CM KALLOS: Amazing. Thank you, and
5 Julie, good to see you, thank you.

6 JULIE SAMUELS: Hi Ben. Hi council
7 member.

8 CM KALLOS: You can call me whatever you
9 want. The only people who call me council member are
10 people who are mad at me, believe it or not.
11 Everyone else just calls me Ben. So, in terms of
12 your testimony, you also support registration of
13 hosts?

14 JULIE SAMUELS: We do. We support
15 working together to find a path forward here.

16 CM KALLOS: And so, it's more to you, but
17 it's kind of an open question, so, a software
18 developer here trying to figure out what the easiest
19 way to deal with the issue of landlords and tenants,
20 and to the extent that tenants may want to share
21 under the law, they are able to, they just can't give
22 them the entire unit. So, then the questions becomes
23 from a data perspective, you have garbage in, garbage
24 out, so requiring people to hand in a lease, now we
25 end up having lawyers, which might cost more than

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2 other people to review and figure out what does the
3 lease prohibit excuse, are most leases in the New
4 York City the standard lease as a requirement that
5 landlords approve a subtenant. So, if you want to
6 sublet your unit cause you're leaving early or
7 whatever. I think every lease has that, so, the
8 written consent seems like something east versus
9 having some sort of an addendum. So, just from a
10 technology point, for either of you, but mainly for
11 Tech NYC, what is an alternative?

12 JULIE SAMUELS: Well, listen, I think
13 generally speaking, we would prefer that it is at the
14 lease level, so you don't have to go and chase down
15 your landlord.

16 CM KALLOS: Mm-hmm.

17 JULIE SAMUELS: This might be a question
18 of implementation because you know, once you're in a
19 lease, they tend to be 12 months.

20 CM KALLOS: Mm-hmm.

21 JULIE SAMUELS: And we're talking about a
22 new piece of legislation that might be middle lease,
23 which I guess is complicating, but as a general
24 statement, what we worry about is each additional
25 burden on the tenant, when it is legal and effective

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2 to share, makes things harder. So, as much as we can
3 accomplish it globally at a high level, then we feel
4 like we're business.

5 CM KALLOS: I'll be very, very quick.
6 With something such as having alternative pathways,
7 you can either get a letter from the landlord which
8 might be easier, or you submit your lease, which ever
9 way is the easier way for the applicant?

10 JULIE SAMUEL: Yeah, listen. I have to
11 think about that, but I general am in favor of
12 alternative pathways, and most of these pieces of
13 legislation when you're dealing with regular New
14 Yorkers who aren't landlord, attorneys whatever.

15 CM KALLOS: Thank you.

16 JULIE SAMUELS: Thank you.

17 CHAIR CORNEGY: Thank you, council
18 member. Thank you so much for your testimony. We
19 are going to call the next panel which consists of
20 Joy Williams, John Mudd, and Alfred Roach. Again,
21 I'd like to remind you to please state your name loud
22 and clear for the record. You can begin. We're
23 missing one person. You can begin whenever you like.
24 Just state your name clearly for the record.

25

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2 JOY WILLIAMS: Thank you for the
3 opportunity. I'm Joy Williams. I've been a host
4 since 2013. I want to be sure this committee is
5 aware of the draconian nature of the Office of
6 Special Enforcement, an office with no oversight, and
7 no, I am not giving to hyperbole. OSE shows up with
8 four or more and is NYPD. This happened twice to me.
9 In January of the pre-COVID year, the commissioner
10 held a hearing to get the public comment. I
11 testified. In March, I could find nothing on the
12 city website. I called OSE. I was never called
13 back. Two or three weeks OSE showed up. I refused
14 to let them in. My parents taught me long ago, never
15 to let any law enforcement in without a warrant.
16 Nothing good can come of it. As the lead officer
17 left, he turned over his shoulder said, "We have
18 other ways of getting in your house". I received a
19 mail notice of dismissal for half of the charges. I
20 erroneously believe that all were dismissed as I had
21 never received any other communication. Within days,
22 four different OSE were at my door. They gave
23 additional violations without providing an
24 opportunity to cure. OSE appealed the dismissal by
25 the dismiss violation resulting in a fine of

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2 \$10,000.00. Add to this the \$30,000.00 I lost from
3 deadbeat tenants. I met with the OSE commissioner in
4 October of 2016. He let me know that the small print
5 on the back of the citation held me responsible even
6 if no notice arrived. He also let me know that his
7 office was behind and publicly sharing how his office
8 was enforcing the law. The commissioner is committed
9 to the notion that short-term rental is at the core
10 of the demise of affordable housing. I completely
11 disagree. I'm blessed to live on a street where
12 redlining kept my ancestors away. Increasingly,
13 developers are buying small buildings and permanent
14 destroying rentable units for larger luxury homes.
15 Rent stabilized units are regulated on premises
16 basis, not the income of a tenant. There is no
17 incentive for a landlord to rent to a lower income
18 tenant. Control Stringer reported that the city is
19 dragging its feet in one thousand vacant city-owned
20 lots, and many for more than 50 years. There are
21 other hosts and particular homeowners feel that
22 we are the target, and believe the proposed law to be
23 unfair, severe, and cruel. Simply put draconian.
24 Thank you.

25

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2 CHAIR CORNEGY: Thank you for your
3 testimony.

4 ALFRED ROACH: Hello, my name is Alfred
5 Roach, and I'm here representing myself. I fully
6 support Intro 2309. I have lived in my building for
7 27 years, and I have never felt as unsafe as do right
8 now by bad actors who are renting apartments in my
9 building, and they don't live there, and they're
10 renting to groups of people, six to eight at a time,
11 and they're also doing raved parties. They started
12 doing raved parties at the beginning of the pandemic
13 because kids couldn't go to bars, so they have 30 to
14 40 people in apartments at night being loud and
15 smoking in the building. We have a non-smoking
16 building. Our building is kind of small, 40 units,
17 and of those 40 units, I can identify six units that
18 are used for illegal Airbnb, bad actors coming into
19 my building, leaving garbage around, rats, homeless
20 people can get into the building because all sorts of
21 people have access to our security code in the front
22 now. We had a drug dealer who was doing his business
23 in our building in the stair well for a good year,
24 until COVID came about, and then he couldn't get into
25 the building anymore. So, I don't care that Airbnb

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2 is legal, but I think that we need as many vehicles
3 to stop the bad the actors. You know, and I don't
4 think enough is said about the people who are
5 misusing Airbnb and the others to detriment of
6 somebody like me who lives in my building for 27
7 years, and I do things legally. That's all I really
8 have to say, so I support Intro 2309.

9 CHAIR CORNEGY: Thank you for your
10 testimony.

11 JOHN MUDD: Hi, I'm John Mudd. I've been
12 living within the Midtown community since 1984, and
13 I've been the President of the Midtown South
14 Community Council for almost as long. I support Intro
15 2309, and MSCC recognizes the housing shortage, and
16 the manipulation there of, and how it contributes to
17 the poor health, education cost burden, displacement,
18 and homelessness. Now, these issues threaten health
19 and existence in whole society, and it's not an
20 exaggeration to say that these illegal hotels
21 contribute to that threat. According to Airbnb data
22 from the economic policy institute, the Airbnb effect
23 increased the value of an area, and pushes out the
24 indigenous residents. According to information from
25 Harvard Business Review, the presence of Airbnb

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2 encourages landlords to decrease long-term rentals
3 and enter the vacation rental market. Now, I've
4 received numerous complaints about constant traffic
5 from short-term rentals and apartments being
6 warehoused, and what this gentleman before me said,
7 I've heard that plenty of times from a lot of people
8 within the area. I personally experienced the
9 constant flow of suitcases rolling in and out of
10 small rent-controlled and stabilized walk up where I
11 live. I mean, the owner of the building where I
12 reside the reader card to allow people access to the
13 building as if you were entering a hotel room. Now,
14 many landlords in pursuit of more profits will
15 encourage tenants to move by harassment or by
16 ignoring apartment and building maintenance needs,
17 and I've intervened several times between landlords
18 and tenants who are harassed. In New York City, the
19 issue of homelessness and affordable housing are
20 intertwined. Shelters use is at an all-time high.
21 It's up 33 percent over the last three years, and the
22 length of stay has risen 20 percent. Now adequate
23 housing supply would save many of those 46 percent
24 evicted and overcrowded, and 41 percent caught in
25 domestic violence that were living in shelters and

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2 added 92,000 New Yorkers in 2020. Now, what the lady
3 said before me about them not being the sole
4 perpetrators of the problem, and she's right to point
5 out. The developers have a heavy hand in all this.
6 They squash out the tenant buildings and they destroy
7 housing. This is a homeless and housing crisis. In
8 Paris, Barcelona, Berlin, Santa Monica have put in
9 regulations and rules, and it's really about the
10 tenant whose using Airbnb to survive is one thing,
11 and having one apartment is one thing, but a tenant
12 who is making a business out of renting apartments
13 and taking them off the market, that is another
14 thing, and we're in short supply as it is, and we've
15 got too many homeless people out there, and we need
16 to start bring housing into the market, some
17 affordable housing, really affordable housing, and
18 that's all I need to say.

19 CHAIR CORNEGY: Thank you so much, thank
20 you all. There are no questions for this panel.
21 Thank you so much for your testimony. It is
22 incredibly important to hear every single voice on
23 every single side as we put forward legislation, so
24 thank you. We're going to call the next panel which
25 consists of Michael McKee, Esteban Herron, and

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2 Viviana Boyle. Again, I ask that you please state
3 your name clearly for the record before you begin
4 your testimony. You can begin as soon as you're
5 ready.

6 ESTEBAN GIRON: Hi. My name is name
7 Esteban Giron. I am a member of the Crown Heights
8 Tenants Union, and I just want to go through this
9 real quick. It is a couple of photos here that I
10 have printed out for you to give you some idea of
11 what's been going on in Crown Heights in regards to
12 short-term rentals. You'll see the first one here is
13 actually taken in front of my bodega. It says, "No
14 where to hold your Airbnb keys. Try this key nest".
15 This popped up a little bit shortly after the 2017
16 passage of the Bedford Union Armory rezoning which
17 causes significant change in the demographic of my
18 blog, and if you go to the next page, you will see
19 this key nest, which I just happen to look up and is
20 a picture of basically central Brooklyn and spots
21 where these key nest locations are is like a stunning
22 example of what's been happening in the neighborhood
23 if you know it. It basically, the places that have
24 been emptied out of black and brown residence, and
25 so, I think that the key thing here is that these

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2 things are happening, these illegal short-term
3 rentals are happening. We need to know where they're
4 happening, we need to have the data, we need to be
5 able to have this registration so that we can combat
6 that, and we need to do something about it. I mean,
7 I have people calling me all the time on my blog,
8 people that we organized tenant associations for, the
9 noise levels are increasing, the people with
10 suitcases in the building, all the stuff that you
11 hear, all the horror stories, and I was struck by one
12 thing that the bodega owner told me, was that it
13 wasn't a whole lot of people that were doing these
14 keys, it was a small number of people, sometimes
15 maids and services workers that were turning over
16 cleaning rooms. So, we have hotels running out of,
17 you know, this part of Crown Heights, you can see
18 they're working their way down to Flatbush now and
19 will keep doing so until we do something about it,
20 so.

21 CHAIR CORNEGY: Thank you for your
22 testimony. Yes.

23 HALEY REFROMACCO ABUELO (SP?): Hi, my
24 name is Haley Refromacco Abuelo. I'm a member of
25 Illegal Hotels Campaign for Westside Neighborhood

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2 Alliance. We strongly support Intro 2309. In 2004,
3 after my apartment building was turned into a
4 commercial youth hostel by a new management, I joined
5 up with other tenants and Neighborhood Alliance to
6 combat transient rental in residential buildings.
7 Seventeen years ago, there was no 3-1-1 code for
8 illegal hotel, and department of buildings was not
9 equipped to address the problem. In 2010, when
10 Office of Special Enforcement was charged with
11 cracking down on illegal hotels, this proved
12 effective against landlords looking to make a quick
13 buck on tourist rentals. When Airbnb provided
14 platform for ordinary people to monetize their homes;
15 however, the problem quickly became too much for one
16 agency to handle. A 3-1-1 complaint has to be called
17 in, OSE has to visit the site when tourists are
18 present in order to right violations, and the
19 violations must go through ECB before penalties can
20 be imposed. Conversely, if a short-term rental
21 operation is legitimate, it should be recognized as
22 such and able to operate without interference. By
23 establishing perimeters for legal operation of short-
24 term rentals in New York City, Intro 2309's

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2 registration system will greatly reduce the guess
3 work. Thank you.

4 CHAIR CORNEGY: Thank you for your
5 testimony.

6 MICHAEL MCKEE: Good afternoon. I'm
7 Michael McKee from the Tenant's Political Action
8 Committee. I'm also a member of the Coalition
9 Against Illegal Hotels. We have been working on this
10 Bill for two years. We are convinced that a
11 registration system is absolutely essential to crack
12 down on illegal hotel activity. We do not believe
13 that despite their best efforts, the tools that the
14 city now has are adequate to go after bad actors, and
15 we think a registration system is the way to go. I
16 want to say for the record that we have made numerous
17 attempts to get input from both the office of Special
18 Enforcement and the Mayor's Office and we have been
19 stonewalled. We have attempted to get this input
20 before the Bill was introduced on May 12th, and we've
21 attempted to get input from them since then, and they
22 have not been willing to engage. We are determined
23 to get this Bill done before the end of the year when
24 there will be a massive turn over at both ends of
25 city hall, and we would have to start all over with a

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2 new mayor and new city council. There is simply no
3 time to waste to have the tools that are going to be
4 necessary to eliminate illegal hotel activity once
5 and for all. I want to be clear that our intent here
6 is to go after bad actors, landlords who convert
7 residential apartments to short-term rentals. We are
8 not intending to go after mom-and-pop home owners
9 from Brooklyn who want to rent out a room or rent out
10 their homes; that's perfectly legal. We know that
11 there are going to be changes necessary for the Bill,
12 and we are ready to engage in those discussions. I
13 want to give a special thanks to Council Member
14 Kallos, and to the speaker's office for their help
15 with this Bill and thank you very much for the
16 opportunity to testify.

17 CHAIR CORNEGY: Thank you for your
18 testimony. I believe we have questions from my
19 colleague, Ben Kallos.

20 CM KALLOS: I want to thank Mike McKee
21 and tenants back on the Coalition Against Illegal
22 Hotels for their work. We would not be having this
23 hearing. It took eight years and this speaker to get
24 this Bill drafted. I also want to thank city
25 council, Louis Cholden Brown (SP?) for working

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2 personally on it. I just have to say for Crown
3 Heights, Esteban, you're testimony just blew me away.
4 I didn't even know key nests existed. So, I guess if
5 you could explain; so, literally the bodega on your
6 store has now become a part of the, they call it a,
7 "Airbnb ecosystem", but so, my question is, so, if
8 the law requires a host to be home, why would a host
9 need key nests?

10 ESTEBAN GIRON: That's exactly the point.
11 I don't understand. That is the point. From what I
12 ... (crosstalk).

13 CM KALLOS: What's the point? If you
14 could spell it out for me like I'm a 6-year-old.

15 ESTEBAN GIRON: Right, so, essentially,
16 it's giving you a way to not have to interact with
17 whoever it is that's getting the key, which means
18 that you're not going to be home because if you were
19 home, you would be able to give them the key
20 yourself. What they do is they give the person that
21 is renting the apartment, takes the key down, they
22 get a one-time issued code that they then send via
23 email or text to the person whose going to be renting
24 the place, and they never meet, they never interact.
25 So, yeah. I mean, I don't, you know, I don't know

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2 exactly how that fits into the current legal
3 structure. I don't think it does, and again, what I
4 was told, was that there's a lot of maid service
5 workers, is what he said. People that were coming
6 to; if you are looking on the website actually for
7 this key nest, they call them, I think what they call
8 them is serviced apartments, which is essentially
9 just like, you know, they turn down your bed. It's
10 almost like a management company is running out of
11 these places, and they're literally come down every
12 two blocks now. So, they started up in North Reison
13 (SP?) Parkway, then Union Street, now they're down on
14 Carol. They're just working their way down.

15 CM KALLOS: So, there's seven key
16 nests, and is each key nest one unit that they're
17 serving or is it like 10 or we don't know?

18 ESTEBAN GIRON: He didn't even know
19 because they issue codes, and so it's like a very;
20 they don't really know what's going on. They get
21 paid, and it's not Airbnb themselves that's doing
22 this. They are a partner somehow or another. So, I
23 didn't know they existed until I saw this sign, and
24 just a couple days ago, pulled up this massive

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2 listing. If you look under Manhattan, they're
3 everywhere. So, they're operating here now, yeah.

4 CM KALLOS: Thank you.

5 CHAIR CORNEGY: There are no more
6 questions for this panel. We're going to call the
7 next panel. Thank you so much for your testimony.
8 The next panel consists of Victoria McCloud,
9 Christopher Oden, Amy Thrasher. I would ask again
10 that you please state your name clearly for the
11 record before you begin your testimony. Just give me
12 one second, we're missing one person. One second.
13 So, who do I have? Amy and Victoria? Christopher
14 Oden? Thank you. Christopher LeBron? Tim Kaylor?
15 I believe Tim is coming, hold one second. Yep, there
16 we go. Tim? Again, I ask that you please, before
17 you begin your testimony to speak loudly and clearly
18 your name for the record, or you can begin when
19 you're ready.

20 AMY THRASHER: Thank you for this
21 opportunity to speak. My name is Amy Thrasher. I
22 live in Queen. I have been an Airbnb host since
23 2016. After my initial assessment, after the first
24 quarter, I was given the status of super-host which I
25 have maintained every quarter since. I moved to New

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2 York from Scranton, Pennsylvania in 1980. The
3 biggest problem I encountered at that time was lack
4 of affordable housing in 1980. In 1984, I was priced
5 out of Manhattan, and I moved to Queens. In 1998, I
6 bought a small house in Queens. Now, I consider
7 myself the luckiest woman in the world because I have
8 a son who is a flight attendant, so we are able to
9 fly all over the world for free. However, we cannot
10 afford to stay in hotels, so we stayed in Airbnbs,
11 and that was how was I first introduced to Airbnb as
12 a guest. My house is a mother-daughter, and when I
13 bought it, my daughter lived downstairs for several
14 years before she got married and moved out. Then my
15 son's father, to whom I was estranged, he moved in
16 and lived there for over a decade, until he passed
17 away. Unfortunately, there was no other family
18 member to move in. I didn't know what I was going to
19 do because at that time, I was looking at retirement,
20 and discovered that I did not have enough money from
21 social security and pension to pay my mortgage. So,
22 I decided to fix the apartment, and rent it out on
23 Airbnb. Some Airbnbers state that this is a
24 supplement to their income. It is not a supplement
25 to my income. It is my income. Without my Airbnb

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2 unit, I would lose my house, and I have no where to
3 go. My daughter lives upstate in a small two-bedroom
4 house with a husband, a teenager and five dogs in a
5 snowbelt. I'm a city girl. I can't go there. My
6 other son lives in Pennsylvania where I don't want to
7 go back in a small house with 19 cats, so you can
8 imagine how that smells. I don't want to go there.
9 My other son shares a house with another person. I
10 can't go there. I provide a service to people who
11 cannot afford to stay in hotels. I don't know why
12 this arbitrary Bill states two people. I mostly rent
13 to families. Families can't relax in a hotel room
14 where there's two beds and one chair. I provide them
15 with a nice space to relax, a full kitchen, a back
16 yard, and these people contribute to the economy.
17 They go to the grocery store, they go to the
18 restaurants, they use the transit system to go to
19 Manhattan, they contribute to the economy of New York
20 City. The city should be trying to raise us up
21 instead of tearing us down. I find this Bill to be
22 very arbitrary and very ambiguous. Why two people?
23 I don't understand. The hotels, I know they're
24 having a problem, but they're problem is that they're
25 losing business traveler, not families that I rent

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2 to. The goal of this Bill is to eliminate Airbnb
3 entirely. It's another example of the big guy versus
4 the little guy, and it's the worst part of
5 capitalism. I would like you to direct your gaze up
6 there where it says, "Our commercial policy should
7 hold an equal and impartial hand". Thank you.

8 CHAIR CORNEGY: Thank you for your
9 testimony.

10 VICTORIA MCCLOUD: Good afternoon, my
11 name is Victoria McCloud, and I've lived in East
12 Flatbush neighborhood. Thank you for the opportunity
13 to testify at this hearing as to rather or not this
14 will be helpful to the community or the economy. I
15 find that the people I rent to; I've been running an
16 Airbnb for two years. I started two years ago, as I
17 said, after I retired as a single person, I also was
18 a single mother whose children have grown up and on
19 their own. My daughter lives upstate, and this was
20 an opportunity for me to be independent and try not
21 to seek assistance from the state or the city.
22 Hosting Airbnb also helped me to remain, as I said,
23 independent and active. I help people who want to
24 visit New York City but cannot afford the hotels. It
25 supplements my retirement incomes. It increases the

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2 economy in my neighborhood, especially the restaurant
3 industry, and the dry good industry as well. They
4 also get to see my neighborhood in the light, not
5 that of which they see in the media. They see the
6 real neighborhood. I believe that this Bill will
7 hurt the community and will also hurt New York City's
8 economy if it is passed as it is. So, I'm asking you
9 to consider rather or not some of the fines that will
10 be levied against Airbnb members would be fair enough
11 based on the income we're earning. Thank you for
12 hearing my testimony.

13 CHAIR CORNEGY: Again, thank you so much
14 for your testimony.

15 TOM KAYLOR: Thank you, Chairman. My
16 name is Tom Kaylor. I'm a member of the Westside
17 Neighborhood Alliance, the Illegal Hotel Committee.
18 We've been a committee since 2004. Hell's Kitchen
19 was pretty much the ground zero for illegal hotels in
20 New York City because of Time's Square and the
21 theater district, of course. So, one thing I wanted
22 to do this morning was read into the record to the
23 committee here, Airbnb's actual statement in their
24 IPO documents submitted to SCC on November 16, 2020,
25 page 45, in which they clearly state to their

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2 investors as well as into the municipalities in which
3 they function, we cannot guarantee the safety of our
4 hosts, guests, and third parties. The actions of
5 hosts, guests, and third parties have resulted, and
6 can further result in fatalities, injuries, other
7 bodily harm, fraud, invasion of privacy, property
8 damage. We do not verify the identity of all of our
9 hosts and guests. Now, this is what Airbnb is
10 telling their investors. This is what they're saying
11 to the people that they want to put money into their
12 business. So, the question for New York City is what
13 other business exists in this town that states we do
14 not guarantee the safety of the people who
15 participate in that business. Frankly sir, there's
16 none that I know. To my Airbnb hosts, to both of
17 you, I just want to point that this Bill doesn't in
18 fact change any existing law in the state of New York
19 or in the city of New York City. It only requires
20 that hosts and Airbnb comply with the existing laws.
21 Thank you.

22 CHAIR CORNEGY: Thank you all so much for
23 your testimony. There are no questions for this
24 panel. We're going to call the next panel. Thank
25 you so much for your patience. June Broxton, Daniel

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2 Arbeeny, and Sandra Mingo. I ask that before you
3 submit your testimony or before you give your
4 testimony that you speak your name loudly into the
5 microphone so that it can be read in the record. You
6 can begin whenever you're ready.

7 JUNE BROXTON: Good afternoon, everybody.
8 My name is June Broxton. I live in Manhattan, and
9 I'm a real estate agent and a landlord. I volunteer
10 as a mentor for Rights of Passage program in Harlem
11 and Westchester. I attend church and sing in the
12 choir in Manhattan and Long Island, and I enjoy
13 growing herbs and veggies in my backyard garden.
14 Today, I am here as a homeowner. I hosted a room for
15 four years, but stopped due to the pandemic, and my
16 intentions are to start back in 2022, but I started
17 hosting for a few reasons. One, being to help others
18 who cannot afford \$400 to \$500 per night hotels,
19 that's me; two, I lived alone, and desired short-term
20 companionship, and not long-term; three, I was tired
21 of being a fulltime landlord while fighting illnesses
22 and while on vacation because you can control it on
23 Airbnb, you cannot have people there while you're
24 away, you cannot have people there while you're sick,
25 but if you have a permanent, sometimes, that's a

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2 problem. They don't understand that your sick; and
3 four, I was tired of being lumped together with those
4 landlords who have large buildings, and I only have
5 two units while I live in my property. So, if it had
6 not been for short-term rental, I don't know what I
7 would do or have done. It has provided me the
8 opportunity to learn about people from other
9 countries and cultures and give me ideas of places to
10 visit or vacation. The extra money helped me to pay
11 for my extensive medical bills which my health
12 insurance did not cover for my particular treatments.
13 My guess, they used to bring in so much money to the
14 boroughs. They knew about restaurants, and found out
15 about places, and taught me about them. Affordable
16 housing, well let's talk about affordable housing.
17 As a real estate agent, I also saw a 6-figure salary
18 people purchasing or renting apartment for people who
19 would make \$80,000 or \$70,000, so that is what is
20 boosting up prices uptown. I can tell you that for a
21 fact. I treat all my tenants and guest the same
22 rather long or short-term, so why doesn't OSE do
23 that? Why doesn't OSE do that? Why is there a
24 concern for individuals staying one week versus those
25 staying one year? If this apartment is not safe for

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2 somebody for one week, then it can't be safe for them
3 for the whole year, so why aren't we thinking about
4 that, and where's the help when we have no tenants?
5 I had no tenant for 18 months. Nobody was there, but
6 I was following the rules, and you couldn't do
7 Airbnb, and almost lost my home. So, I'm trying to
8 say to you today, I opposed this Bill, this
9 legislation because I did not purchase my home to
10 have my local government tell me who I can or cannot
11 house in it. The OSE actually told me one day when I
12 called, I could not rent short-term to my own family
13 members visiting, and I find this terribly
14 ridiculous, unfair, and uncontrolling.

15 CHAIR CORNEGY: Thank you for your
16 testimony.

17 DANIEL ARBEENY: Thank you, council
18 members. I'm Daniel Arbeeney, and my family of six
19 has lived on the same block in Brooklyn for five
20 generations. Please let that sink in, five
21 generations on the same block, and with your help, I
22 hope, another five generations. I've also had the
23 privilege of meeting many of you in my capacity of
24 volunteering, bringing help and hope through the arts
25 to New York City schools. In fact, the last time I

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2 was in this room, pre-pandemic, I was invited, and
3 part of that non-profit, as they were awarded through
4 the council, an award. My family additional
5 volunteers from my littlest kids to my biggest
6 through our local church helping those in need. We
7 have been hosting my upstairs apartment for six years
8 now. My Airbnb story is one that will inspire you on
9 how Airbnb or hosting short-term rentals enables
10 great things in New York City. The way I like to
11 begin hosting starts with today. As we speak, we
12 have a former Brooklyn couple along with their two
13 young children staying with us for free. Why free
14 you might ask? They left Brooklyn two years ago,
15 gave up lucrative jobs in the medical field to go to
16 Lebanon and work with Syrian refugees. They gave it
17 all up to go serve, and they're here on respite to
18 get a break cause it's very hard and dangerous what
19 they're doing. They have been with us for the last
20 five weeks, and they'll be with us for two more weeks
21 before they go back home to their new home. That is
22 why we host on Airbnb. From the very beginning, we
23 opened our home to friends, friends of friends, and
24 church friends mainly from developing countries that
25 could not afford to ever stay in New York but needed

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2 to be here. We have done this hundreds of times in
3 between those special guests, and it is an honor to
4 be part of their stories we host on Airbnb so we can
5 pay our mortgage, and I've been out of work for two
6 years, so we can actually stay and live, and not
7 leave our community that we have the deepest roots
8 you can imagine. I have real concern that more
9 regulation and legislation will only serve to harm
10 us. It's a real burden, and it's vague, which leads
11 to abuse, and it's restrictive, but more importantly,
12 we were visited by the Mayor's Office of Special
13 Enforcement once, and it was a howering and scary
14 experience, and while they were nice, it was still
15 scary. Being law abiding citizens who give back to
16 our community, you may find it hard to believe, but
17 they literally went throughout my whole building,
18 took pictures of every room. Being a minority
19 household, we were pretty shaken up by it. In fact,
20 my wife stayed complete out of the way. She couldn't
21 even be there. The history books are replete,
22 council members, with stop and frisking, rejected by
23 the council and everything. This is no different. I
24 ask you to consider that. Sorry for going over my
25 time. Thank you.

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2 CHAIR CORNEGY: Again, thank you for your
3 testimony. If you don't mind me asking, what
4 neighborhood in Brooklyn do you live?

5 DANIEL ARBEENY: Cobble Hill.

6 CHAIR CORNEGY: Yes, sir.

7 SANDRA MINGO: Hello. Good afternoon,
8 council members and ladies and gentleman. My name is
9 Sandra Mingo. I'm a community partner with the 75th
10 precinct in east New York where I host. I host
11 contracted healthcare workers for some of the
12 neighboring hospitals. I also work in a major
13 hospital system in the city. I started hosting with
14 Airbnb because of my experience with a horrific
15 tenant that was placed in my home by the city, an
16 experience that I do not wish to repeat. The
17 destruction she did to my house was incredible, and I
18 have to say, it was my house that I just bought, the
19 whole place was newly renovated, and when she was
20 done, it looked like she had been there 50 years, and
21 some of the walls were missing. Airbnb helped me to
22 pay back the people that I had to borrow money from
23 to get my unit back into a livable condition, and
24 most of all, pay my mortgage and keep my house.
25 Since I started Airbnb in 2017, I met a lot of very

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2 nice people from 13 different countries. Some have
3 told me if I didn't have such an affordable unit,
4 they would not have been able to visit America. They
5 utilized many of the stores in our area, and directly
6 contributed to our community. This legislation
7 threatens to put me back in a position where I need
8 to continue to struggle to keep my home. My home has
9 been inspected by the DOB, the HPD, many, many, many
10 times. I think over 50 times, they've been to my
11 house to the point where the HPD actually nicknamed
12 my daughter 92, that's our house number, and they
13 would see her in the street and call out to her, "Hey
14 92, what's happening". That's how often they have
15 been to our house. The (inaudible) my unit for that
16 matter, my entire home, to be legal and safe. What
17 would be the point of registering my home for further
18 scrutiny from an agency whose rules and regulations
19 are a moving target. I am a law-abiding citizen and
20 believe those who are bad actors should be penalized.
21 However, they also need to know clearly, what the law
22 is and what the fair penalties are. I understand
23 Airbnb is working to help to correct it, and I hope
24 they are given the opportunity to fix the situation
25 before this Bill is passed.

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2 CHAIR CORNEGY: Thank you so much for
3 your testimony. We're going to move to the next
4 panel. There are no questions for this panel. I do
5 want to thank you though. As homeowners in the city
6 that's increasingly growing unaffordable, we
7 understand here at the council what you're facing.
8 So, thank you so much for your testimony. It is a
9 pleasure to put a face to the many stories that we
10 hear in our office and here at the council. Thank
11 you. We're going to move to the next panel,
12 beginning with Christopher Lebron, Tamera Rivera, and
13 Karen Beck. My colleague, Ben Kallos will conduct
14 the hearing just for a few minutes for me while I
15 excuse myself.

16 CM KALLOS: Please identify your name and
17 organization for the record. You may begin whenever
18 you wish. Please turn on your microphone.

19 TAMERA RIVERA: Good afternoon, members
20 of the committee. My name is Tamera Rivera, council
21 representative for the New York City District Council
22 of Carpenters. Thank you for allowing me the
23 opportunity to testify on behalf of nearly 20,000
24 members in my union. As New York City seeks to
25 recover from the economic impact of the pandemic, it

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2 is vital that we incentivize and enable the growth,
3 modernizations, and most importantly, the recovery of
4 our important tourism industry. I'm here to support
5 Airbnb and its position on amending this Bill.

6 Tourism is such an important part of New York,
7 creating jobs, supporting local business, and bringing
8 much needed tax revenue to the city, and we know that
9 as tourism returns to New York, home sharing must be
10 an important part of insuring tourism benefits for
11 all New Yorkers in all of our diverse neighborhoods.

12 The return of travel to the city is helping to drive
13 important economic impact for a tourism economy that
14 saw 67 percent less travel, 1.2 billion in lost tax
15 revenue and tens of thousands of jobs lost. It is

16 also helping Airbnb hosts make ends meet. These are
17 every day New Yorkers who have turned to period
18 hosting in the homes as an economic lifeline during
19 the pandemic. Today, I stand before you as a proud

20 homeowner, thanks to the benefits of a good union
21 career; however, we all have to start somewhere. As
22 a young adult, like many New Yorkers, my roommates
23 and I depended on each other to survive. Sharing my

24 home gave me the opportunity to save money and
25 resources. With the Intro of 2309, we are hopeful

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2 that New York City could finally move to clarify the
3 law regarding home sharing and establish a clear a
4 regulatory frame work for this industry. However, in
5 doing so, we must also seek to protect the rights and
6 abilities of residents to earn additional income that
7 will allow them to remain in their homes, afford
8 their taxes, make infrastructure repairs, and meet
9 other financial obligations. As currently written,
10 though Intro 2309 would enact expensive and redundant
11 requirements on every day New Yorkers seeking to make
12 ends meet. The legislation fails to provide
13 requirements to the administering agency, the Office
14 of Special Enforcement on what types of units in New
15 York City would be eligible for a permit. Further,
16 it fails to require that home share platforms collect
17 and remit taxes to the city on their transactions,
18 and untapped funding source that is beyond necessary
19 as we climb out of the economic devastation brought
20 by the pandemic. In closing, I'll just say that
21 currently Intro 2309 fails to deliver, but we join
22 Airbnb and stakeholders across the city in imploring
23 this council to pass an amended Bill that addresses
24 the points raised today. Thank you for your time.

25

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2 CHAIR CORNEGY: Thank you for your
3 testimony.

4 KAREN BECK: Good afternoon. My name is
5 Karen Beck, and I am homeowner at the Parc Vendome
6 Condominium. I've heard a lot of testimony here
7 today, and there is a difference between legal short-
8 term rentals and illegal short-term rentals, and I,
9 unfortunately, live across the hall from an illegal
10 short-term Airbnb host. I purchased my home over
11 five years ago. I used my entire savings to renovate
12 the home, and ultimately now, I am forced out of the
13 home because I don't choose to live across the hall
14 from a hotel. I live across the hall from a
15 revolving door. Tenants in and out, housekeepers in
16 and out, luggage, strangers. I live in a full-
17 service building, but it doesn't help because the
18 doormen are on the take. The board can't enforce the
19 rules. The building can't enforce the rules, and
20 when I purchased the condominium five years ago, I
21 read the offering plan, I read the rules, and I do
22 not understand why we can't enforce the rules. We
23 don't need just a law, we need the help of everybody
24 here in New York City, labor unions, boards,
25 buildings to get together and allow people who want

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2 to live in peace to do so. I live life through a peep
3 hole so that I can document evidence for the city,
4 for the building, I call 3-1-1. 3-1-1 takes 30 to 40
5 days to come and inspect the premises. The tenants
6 are already gone in 30 to 40 days. The homeowner's
7 back or whoever his assistant or friend is, is back
8 in the home. In closing, I want to say that I
9 support Intro 2309, and I urge the city council to
10 pass it. Thank you for having me today, and I'm
11 sorry I went over a little bit.

12 CHAIR CORNEGY: No, thank you so much for
13 your testimony. What I hope is happening today
14 though is that the perspectives that are being
15 offered by various advantage points in the city are
16 being heard by everyone. SO, it is our intention
17 always at the New York City Council to listen
18 intently to what's happening on the ground. So,
19 thank you so much for taking the time out to provide
20 your testimony. Please understand that is on the
21 record, but myself, and Council Member Kallos have
22 really sat to make sure that we can come up with the
23 best iteration of a Bill that serves the purpose of
24 everyone. So, thank you so much for your testimony.

25

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2 KAREN BECK: You're welcome. Thank you
3 for having me.

4 CHRISTOPHER LEBRON: Good afternoon. My
5 name is Christopher Lebron. I'm from Hell's Kitchen
6 New York, and I represent the 47th Street Tenant's
7 Association. Gosh, where do I really start? First,
8 I was here three years ago asking for the city
9 council to pass Council Member Carolina Rivera's Bill
10 which you did. I was very grateful for all your
11 work. Today, I'm speaking and hoping that you do
12 pass 2309-2021, (inaudible) no changes, and let me
13 tell you quickly why. In 2009, I returned home from
14 St. Louis University to my parents on 47th Street.
15 My mother was able to get a rent-stabilized apartment
16 there after she had graduated in 1978 from Princeton.
17 She was also able to get a rent-stabilized apartment
18 for my grandmother, my abuela. 47th Street has been
19 empty to us. As an immigrant, it is our home, not
20 Puerto Rico, Hell's Kitchen on 47th Street. During
21 that time, neighbors disappeared and were quickly
22 replaced by illegal hotels operated by management and
23 by our building owners. Hell's Kitchen, as you all
24 know, is a union working class area, or at least it
25 was until Airbnb exploited the housing market of my

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2 community. We lived in fear daily as tourist came in
3 and out, 24-hours a day, some sober, some drunk,
4 having to grab a bat to protect my door when somebody
5 was drunk trying to enter my apartment. It's
6 probably one of the most traumatizing things I've
7 ever experienced, and I grew up during the crack
8 epidemic of the 1980s. In short, this Bill is going
9 to give us an opportunity to register legal short-
10 term rentals, and what's really important as to why
11 council member, this is an important factor, if you
12 Google Airbnb, Hell NYC, or Airbnb, Hell, Lebron in
13 the news tab, you will see exactly what happened when
14 one of the basement storage areas was converted into
15 an illegal hotel. Twenty-six apartments on my block
16 were removed from the rental market. Real
17 opportunities to start growth and put down roots in a
18 city that we've all had the privilege to do. Thank
19 you.

20 CHAIR CORNEGY: Thank you so much for
21 your testimony. There are no questions for this
22 panel. We're going to move to the next panel which
23 consists of Kit Garrett (SP?), Alex young, Skip
24 Carol.

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2 KIT GARRETT: Good afternoon. I am Kit
3 Garrett, a resident of Chelsea and support 2309,
4 coalition against illegal hotels. 45 Christopher
5 Street is a condo. Owners rents their units. I
6 rented one for eight years. When Airbnb opened each
7 weekend, people with backpacks entered our building.
8 They booked apartments for short-term stays using
9 Airbnb or One Fine Stay, a luxury booking site that
10 offered multiple units in our building. All
11 illegally. As a single woman, I was extremely
12 uncomfortable with strangers entering the building.
13 My apartment was the first of eighteen units to
14 burglarized all using a key without forced entry.
15 When I asked to see the security footage, I was
16 informed that the cameras were not working that day.
17 When I asked the front desk person why all these
18 people were coming and going, I was told they were
19 instructed to hand over the keys to whomever asked
20 for them. I moved to a rental building with a strict
21 policy that forbids short-term rentals so I could
22 feel safe. For the security of the residents, the
23 safety of the people wishing to use short-terms
24 stays, there should be a legal system that lists
25 units which have been certified for safety,

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2 cleanliness, and security. It should be equipped
3 with sprinklers and smoke and carbon monoxide
4 detectors. Keys should be turned over in a safe
5 manner rather than being left in a bodega where
6 anyone can make a duplicate. Airbnb now has over 100
7 people employed as crisis managers who handle harder
8 cases dealing with clients who booked a property that
9 have been raped, robbed, had property destroyed, and
10 even died. For the safety of guests, the image of
11 New York City as a safe tourist destination, please
12 pass Intro 2309. It will benefit the people who want
13 to rent their properties legally and help keep people
14 safe and increase our tax base.

15 CHAIR CORNEGY: Thank you for your
16 testimony.

17 SKIP CAROL: My name is Skip Carol. I'm
18 a 61-year-old disabled man whose an Airbnb host. I
19 live in my house. I've lived in my house since 1960.
20 I want to thank the committee members and the
21 chairperson for hearing my testimony. Three years
22 ago, I was here at this very table telling you about
23 the Office of Special Enforcement, and how they gave
24 me tickets in 2017. They assured me that was safe
25 with the new law because I owned a two-family home.

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2 Ten days after that, they were back at my home again,
3 and they gave me four more tickets. I fought them.
4 I went through four levels of courts, and finally,
5 the city appealed a final time, and then they won. I
6 don't trust the Office of Special Enforcement to do
7 what you think they're going to do. They targeted
8 me. They harassed me all because I was doing Airbnb
9 in my own home, in my sister's old room. I don't
10 understand their thinking. They said, three years
11 ago, that they would treat me the same as they would
12 a landlord with 60 units in the building. I'm
13 obviously not that. I'm not a number. I don't own a
14 rental property or a house, it's my home, and all I'm
15 doing is trying to stay there so I can stay in this
16 city, the city that I've been my whole life. Thank
17 you very much.

18 CHAIR CORNEGY: Thank you for your
19 testimony.

20 ALEX YOUNG: My name is Alex Young. I'm
21 going to read right from the page. Good afternoon,
22 Chair Cornegy and all present. My name is Alex
23 Young, a tenant in Midtown in a rent-regulated
24 building and a member of the Westside Neighborhood
25 Alliance, also known as WESNA. (inaudible) today are

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2 my own. There's an aspect of Intro 2309 which I
3 love, plus one downstream benefit that isn't as
4 obvious. In the building where I live, hosts hosting
5 guests were never physically present, and are still
6 never physically present. Intro 2309 would make it
7 clear that unhosted stays are illegal. Unhosted
8 stays severe impede tenants' rights to due process.
9 For example, if a tenant union wants to do a 7/8
10 petition to remove the current property manager in
11 favor of a new one, then empty apartments and guests,
12 and third-party hosts should not be regarded as
13 tenants. To refresh your memory, a 7/8 petition,
14 actually any petition requires that a tenant or
15 tenant union presents to housing court a petition
16 where the gather of signatures represent 30 percent
17 of the totality of lease holding individual tenants.
18 At the risk of stating the obvious, I must emphasize
19 that empty apartments are not tenants. Guests
20 certainly are not tenants either. An accurate head
21 count of actual tenants is in this case crucial, but
22 because landlords want confusion and difficulty and
23 ultimate failure, and tenant petitions reaching the
24 mandatory 30 percent which housing court requires,
25 landlords will continue to withhold as much

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2 residential data as possible while also encouraging
3 guests from online platforms to be in buildings.
4 This preference breeds confusion so that the guests
5 are mistaken for tenants which tilts the odds to the
6 landlord's advantage as the 30 percent housing court
7 goal because an unclear and uphill climb for the
8 tenant unions. Intro 2309 would help to mitigate
9 landlords' reluctance to give information. The big
10 take away from my testimony is that illegal hotel
11 activity stands in the way of the right to do
12 process. Thank you.

13 CHAIR CORNEGY: Thank you very much for
14 your testimony. We'll call the next panel, Charlie
15 Sanboy (SP?), Mr. Wolf, Felice Farber (SP?). Mr.
16 Sanboy? Ryan Monell (SP?), Ryan Monell? Donald
17 Ransay (SP?). I ask that you state your name clearly
18 for the record before issuing your testimony. You
19 can begin whenever you like.

20 HY WOLF: Good afternoon. My name is Hy
21 Wolf, and thank you Chair Cornegy for holding this
22 meeting, and thank you Council Member Kallos for
23 staying through the whole thing and for actually
24 picking up the phone and returning my call twice when
25 I called you, and we spoke for over 15 minutes, so

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2 that for me, was an exceptional moment. I'm the Co-
3 President of the Hebrew Actors Foundation/Union. We
4 were formed three centuries ago in 1898. We are
5 fourteen years older than Actor's Equity, and all of
6 members are members of Actor's Equity. The fabric
7 that made New York the theater capital of the world
8 were the unions and the acting unions of the Hebrew
9 Actor's union that made Second Avenue the Yiddish
10 theater capital of the world where we have fourteen
11 theaters at its hay day, and Broadway. Neither of us
12 ever crossed the union line or a picket line when we
13 were picketing. So, we both had great respect, and
14 the New York became the theater capital because of
15 us. I'm here to talk about the certain situations
16 that Local Law 152 imposes on us in 2321 and 2359
17 that attempt to address the situation, but not yet,
18 and it doesn't actually hit the mark. So, the legal
19 council may need to do a little tweaking here to get
20 us just a little closer to where we need to be. Our
21 building has been vacant for 10 years. We have not
22 had gas in our building in 21.5 years, probably 40
23 years, but ConEd will confirm 21.5 years, but they
24 will not memorialize anything. They're response to
25 us is, "Well, you need to go out and hire for

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2 \$3000.00 a master plumber who will then file a report
3 so we won't have liability, but they will confirm
4 that we don't any gas in our building. This is,
5 after 2015, those two souls that were lost not 200
6 yards from our building down on East 7th Street cause
7 at 30 East 7th Street at the explosion, ConEd came in
8 and replaced our gas pipe on the entire street. They
9 did not even give us a feeder pipe. We have no gas
10 cutoff valve. 29 and 31 have cutoff valves, but we
11 have no gas yet. They're asking us to have our
12 exposed gas internal piping inspected every four
13 years when common sense tells you that we have no
14 intension of ever using our building. It is vacant.
15 It has never been apartments. It has never been
16 anything but a union hall, a shape up hall, and a
17 gathering place. So, we don't have income from
18 things like that. We are trying to create a
19 community space, a Yiddish theater, a teaching space
20 for the lower eastside, a jewel. I wish that
21 (inaudible) were still here to hear this of the good
22 we are trying to do. So, forcing us to comply with
23 four-year inspections when common sense shows that we
24 have no gas piping, and when we go to the Buildings
25 Department, and we did speak; I'll finish with this,

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2 when we tried to speak with Commissioner La Rocca,
3 there was no response. Not that there was, there was
4 none after five calls, and my visits, nonresponsive,
5 so what I am saying is hold us to highest standard.
6 Prevent us from getting gas. That would be a fix.
7 If you prevent us from getting gas and if you have
8 the Department of Buildings confirming we have no
9 gas, there is no need to replace and gas piping that
10 is never going to be used because if we raise the
11 millions required to create this community space,
12 teaching space, Yiddish theater, and immigrant
13 experience theater on 31 East 7th Street, we will
14 have state of the art plumbing in place, but this is
15 a hardship, so if it goes under 2259 or 2321, the
16 hardship is appreciated that you have done. It just
17 needs a little tweak. A little bit of benefit to
18 help us here. Legal counsel, I know can do it. I'm
19 not a lawyer. I'm just a common-sense speaker. I
20 appreciate your time. Thank you.

21 CHAIR CORNEGY: Thank you for your
22 patience and thank you for your testimony.

23 HY WOLF: Thank you.

24 FELICE FARBER: Thank you. I'm Felice
25 Farber, Senior Director of Policy and External

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2 Affairs at the General Contractors Association of New
3 York. Thank you, Chair Cornegy and members of the
4 Housing and Buildings Committee for the opportunity
5 to testify today in opposition to Intro 2278A, the
6 city's proposal for licensing of general contractors.
7 The GCA represents the unionized heavy civil
8 contractors that build New York City's public works
9 infrastructure. The roads, bridges, water and sewer
10 systems, transit systems, and parks that provide the
11 very foundation for New York City. In general, we're
12 not opposed to general contractor licensing
13 requirements. We are opposed to Intro 2278A as
14 drafted as we believe the Bills takes the wrong
15 approach to licensing. The Bill tries to fit
16 licensing of general contractors into a specialty
17 trade licensing model which is not applicable to
18 general contractor work, essentially trying to fit a
19 square peg into a round hole. The GC licensing
20 proposal as drafted would apply to any contractor
21 pulling a Department of Buildings permit. Such
22 proposal would encompass city public works
23 infrastructure contractors who may be required to
24 pull a DOB permit for work that is ancillary to the
25 overall project such as a maintenance shed, or a

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2 sidewalk shed for a bridge or other infrastructure
3 project. Work that is ancillary to the overall
4 infrastructure project should be exempted from DOB
5 general contractor licensing requirements.

6 Contractors working on city public works projects
7 must undergo an extensive responsibility review and
8 background checks and city's procurement awards
9 process, thereby ensuring that only responsible
10 contractors are awarded city contracts. Performance
11 or payment bonds are also required for city
12 procurement ensuring the contractors doing business
13 with the city have a base level of financial
14 capability before they can be awarded a contract.

15 The requirements of the GC licensing proposal are
16 therefore not relevant to public works projects
17 further supporting the need to exempt public
18 infrastructure from this proposal. The Bill is
19 drafted also, it's not about protecting the worker's
20 safety; may I continue or would you like me to, thank
21 you. It's not about protecting or ensuring a safe
22 worksite. If that were the case, it would establish
23 standards of care, testing, record keeping or the
24 like. Other GC licensing proposals across the
25 country take this approach. Instead, the Bill

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2 assigns blame to the person pulled the DOB permit
3 without setting forth any requirements or standards
4 relating to safety, and in fact, making that person a
5 designated defendant that will allow DOB to have a
6 photos op, targeting a specific individual. By
7 taking this approach, the Bill further negatively
8 impacts safety by driving out responsible individuals
9 from serving as the permanent designee, as no one in
10 their right mind would accept the position to service
11 the designated defendant for their company. The Bill
12 further fails to include any due process provisions.
13 The revocation of the GC license is left to the
14 discretion of the DOB commissioner, leaving an
15 individual company at risk of being put out of
16 business at the whim of a public official. There are
17 no steps laid out for presenting a defense or for
18 graduated enforcement provisions. We welcome the
19 opportunity to work in partnership with the council
20 and the city to develop a fair and balanced proposal,
21 and we believe that the Bill in front of the city
22 council takes the wrong approach. Thank you very
23 much.

24 CHAIR CORNEGY: Thank you for your
25 testimony.

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2 DONALD RANSHTTE: Good afternoon, Mr.
3 Chair. I am Donald Ranshte. I'm the Executive Vice
4 President of the Building Trades Employer's
5 Association. We represent 1100 union contractors in
6 New York City and employing over 100,000 union
7 workers. We are here this afternoon to state our
8 opposition to Intro 2278A, and just for some context
9 as I'm going to bounce around a little bit cause
10 you've heard a lot of the points already, I was the
11 Legislative Director at the Department of Buildings
12 for 11.5 years, and in the private construction
13 sector now almost 9, and have dealt with the
14 licensing of general contractors for practically 20
15 years. This Bill isn't about safety. As you've
16 heard, it's about making one person responsible for
17 everything, which is ridiculous, and there's no other
18 word for it. Even a small contractor in New York
19 City working in Brooklyn could have 20 or 30 jobs
20 going at the same time. Is it right or is it safer
21 to have one person be responsible for those 30 jobs?
22 The DOB should be allowing multiple designees per
23 company or requiring in some cases so that there is a
24 person that is ultimately responsible for making
25 safety decisions for those individual sites. Having

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2 one person being designated in a corporate office for
3 a large company or some entrepreneur working out of
4 their garage in a small business is not the right way
5 to say that this is about safety. It's about having
6 one person DOB can go after. Just a quick example.
7 One of the companies that we represent, and these
8 pages are all filled, I'll show it to you, 200 pages
9 of safety requirements not mandated by the city code.
10 Okay. The corporate offices of general contractors
11 in New York City, they have lawyers, they have
12 shareholders, some of these companies are publicly
13 traded, and therefore, they are looking at safety.
14 The commissioners herself stated that the last 2.5
15 years have been safer than the 5 prior. We want to
16 work with the department. We want to make sure that
17 they're capturing the responsible party when
18 something goes wrong. Not just someone they can walk
19 out of an office and say we got the bad guy because
20 this Bill, this licensing scheme does not at all
21 capture the bad guy. Thank you.

22 CHAIR CORNEGY: Thank you again for your
23 testimony. Thank you all for your testimony. Are
24 there are questions for this panel? Thank you, we'll
25 call the final panel for today. Thank you all for

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2 your patience, and for your willingness and
3 commitment to have your testimony entered into the
4 record. We will hear from Shaun Riney, Lucy Block,
5 Adelia del Meda (SP?). I'm sorry, also, is Joseph
6 Condon still here? Please speak your name loudly
7 into the microphone before you begin your testimony
8 so it can be entered into the record, and you can
9 begin when you are ready. Can you get him a chair at
10 the end? Thank you, yes. Please begin.

11 JOSEPH CONDON: Hi. Good afternoon.

12 Thank you for the opportunity to testify. My name is
13 Joseph Condon. I'm testifying on behalf of the
14 Community Housing Improvement Program, also known as
15 CHIP. We are true housing advocates. Our members
16 provide renal housing for hundreds of thousands of
17 families throughout the five boroughs. CHIP members
18 are long-term property owners. They have good
19 relationships with their tenants and have become part
20 of the communities in which they provide housing.
21 This testimony today is calling your attention to the
22 CONH expansion Bill T2021-7888. It is a Bill that
23 was not on the original committee calendar and added
24 late last week. The Bill would greatly expand the
25 CONH pilot program well beyond the recommendations of

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2 HPD, and without any evidence of the current program
3 being effective. We would like to call your
4 attention to some of the negative impacts that the
5 program has on tenants and their communities, while
6 the program intends to root out tenant harassment, it
7 also traps tenants into substandard building
8 situations. Buildings placed on the list slowly
9 become unoccupied as tenants move out organically,
10 and owners are unable to re-rent their units because
11 they cannot obtain a permit to upgrade a kitchen or a
12 bathroom or plumbing or electricity. The program
13 also acts as a form redlining because banks are
14 unwilling to lend to buildings on the CONH list.
15 This is concerning to CHIP when looking at the
16 communities where the CONH applies. 70 percent of
17 CONH buildings are from only 11 community districts
18 in New York City. Most of these communities are low-
19 and moderate-income communities where housing is a
20 number one concern, but the CONH program locks
21 tenants into bad situations because no new owner will
22 buy a building on the CONH list. Arguably, the CONH
23 serves to expedite neighborhood deterioration by
24 preventing upkeep of units and forcing owners to
25 leave housing units empty rather than re-rent them.

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2 We recently learned of a 6-unit in Brooklyn where the
3 owner is part of the CONH program but has essentially
4 been bankrupted because five of the units are vacant.
5 They cannot be re-rented in their current condition,
6 and the owner is stuck in the program. Just to close
7 out, there are numerous other concerns with the CONH
8 program including rather it hinders the ability of
9 housing providers to make an apartment led-free.
10 There are due process concerns for buildings on the
11 list itself, and BQI criteria used to put owners on
12 the list is lacking. We ask the committee to take
13 more time to analyze the impact of the program,
14 rather it is effective or rather it is even necessary
15 anymore. The world has changed significantly since
16 2018, in particular the passage of HSTPA which
17 changed the rent laws to prevent construction-related
18 rent increases in between tenancies. Thank you for
19 taking this testimony. We've submitted written
20 testimony for the record, and I appreciate your time
21 at the hearing today.

22 CHAIR CORNEGY: Thank you for your
23 testimony. Please reach out to Ian Fullerton (SP?)
24 in my office as soon as possible.

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2 SHAUN RINEY: Good afternoon. My name is
3 Shaun Riney, and I'm also here to testify in strong
4 opposition to the expansion of the CONH pilot
5 program. I'm a broker of apartment buildings by
6 trade. I have no vested interest in either
7 direction. I don't own any buildings under this
8 program, but I do have to sit in many living rooms of
9 people that do, and it's very hard sitting across
10 from somebody that's worked their entire life for a
11 building and have to tell them that it's valueless.
12 That it cannot be sold at any price, that the
13 conditions that they're under in terms of making
14 repairs or you know, just trying to sell or refinance
15 the building, there is absolutely no solution for
16 them, and you can't give a building away. The CONH
17 program does exactly the opposite of its intention.
18 It tries to lump in harassment with deteriorating
19 buildings. When you can't get a permit to fix
20 something, nobody will step into it. The buildings
21 are Scarlett lettered, and the tenants, therefore,
22 end up staying the exact same predicament that
23 they're in, and I think that we can all understand
24 that when you make something valueless, that's truly
25 what happens. It doesn't hold any value. Secondly,

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2 it's my testimony that the list is completely
3 arbitrary. It compounds a bunch of different things,
4 and like Joseph mentioned, just needs a lot more
5 thoughtful review. It's also my testimony that HBP
6 and city council should really look at the intention
7 of this cause I think there is a solution that helps
8 do the opposite and makes the repairs easier and puts
9 it at the top of DOB's list instead of putting it on
10 a, like I said, a 5-year Scarlett letter list that
11 tells everybody that wants to invest in it, stay
12 away, go away. Thank you for hearing me out.

13 CHAIR CORNEGY: Thank you for that
14 testimony. That was straight and to the point, thank
15 you.

16 ADELIA DEL MEDA: Good afternoon. My
17 name is Adelia del Meda. I live in a building at 215
18 West 94th Street since 2009 that has violations for
19 illegal hotel in that building by the Mayor's Office
20 of Special Enforcement. However, it doesn't stop.
21 There are about 300 illegal hotel rooms being rented.
22 I've lived there for 26 years. I'm being harassed
23 since the hotel thing started. I've been stonewalled
24 by everybody. The apartment building has been
25 complaining lately twice a day. They've been

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2 brushing off the complaints. There was

3 (inaudible)harassment in 2007. After that, they

4 actually retaliated on the tenants that testified

5 against them, in calling police for intimidation.

6 (inaudible) more than one, construction-wise, abuse,

7 bullying, disrespect, assault, stalking, and lack of

8 maintenance. With COVID, things got even worse.

9 They started putting homeless people in there, and

10 drug dealers moved in. It smells all over the place,

11 and the police is not really being helpful. They say

12 that shelters have drugs. I've been having problems

13 breathing since last September. I'm 65 years old and

14 a cancer survivor. I'm an immigrant from Brazil. I

15 used to love New York. I'm trying to pass, but the

16 thing is to have the Special Enforcement to do all

17 these buildings in New York, the complaint, what they

18 told me, they had three people to enforce the laws of

19 illegal hotels in the entire city of New York.

20 There's lot of laws, we're alone. I don't know who

21 is going to be sleeping above me tonight. They are

22 renting per hour. I don't know who is going to be on

23 my side. There will be drug dealing, drug

24 production, drug packaging, drug distribution for

25 everybody to see. I pay my own rent, and I pay my

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2 bills. Please help us. 215 West 94th Street. The
3 Bates Hotel. The owner is Samdong (inaudible). He
4 was arrested for donating money illegally to
5 politicians in 2014. I don't know if I open my door
6 if there will be drugs, drug gangs, whose going to be
7 outside that door. The west side is my home. I love
8 the opera houses, and that's why I live in New York.
9 Thank you.

10 CHAIR CORNEGY: Thank you for your
11 testimony.

12 LUCY BLOCK: Hi. Good afternoon. Thank
13 you for the opportunity to testify. My name is Lucy
14 Block. I'm a Research and Policy Associate at the
15 Association for Neighborhood and Housing Development,
16 or ANHD. Thank you, Chair Cornegy and Council Member
17 Kallos for sticking around, and the opportunity to
18 testify. So, ANHD coordinates the coalition against
19 tenant harassment or CATH-NYC, and we worked with
20 Council Member Brad Lander in 2017 to pass the
21 original pilot program. So, we are in support of the
22 Bill proposing the expansion of CONH, and we are
23 particularly happy to see some really important
24 improvements and expansions to the legislation. So,
25 we did an evaluation of the pilot program showing

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2 that expansion of the program was really important,
3 that the program needed adjustments in order to have
4 an impact that was intended of stopping tenant
5 harassment, stopping the displacement of tenants in
6 low-income communities of color, and protecting our
7 affordable housing. We also did some recent research
8 looking at the enforcement of harassment cases
9 generally. What we found is that out of 7, 126
10 tenant harassment cases over the last 5.5 years, that
11 at most 165 cases resulted in a favorable finding for
12 the tenant. We found that between 1.8 and 2.3
13 involved tenant harassment cases resulted in a
14 finding in favor of the tenant. That's about 30 per
15 year. So, I realize my time is going out. I
16 provided a fact sheet with a little more information
17 on that research. I wanted to emphasize some of the
18 parts of the legislation that we think are really
19 important which is the expansion into districts that
20 are at high risk of displacement based on the new
21 displacement index that's being created by the city
22 after Intro 1572. The greatest risk of tenant
23 harassment is in those districts where displacement
24 risk is the greatest because landlords have the most
25 profit off of. We also think that the direct

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2 compensation to tenants in the legislation, when
3 there's a finding of harassment by HPD is extremely
4 important. Currently in the pilot program, there is
5 no mechanism for tenants to be compensated for
6 harassment that they faced in the past. So, we think
7 that those two elements are really, really important
8 to maintain in the legislation, and I just want to
9 point out that the purpose of CONH is linked to
10 harassment. It doesn't prevent landlords from making
11 repairs on buildings. It prevents them from getting
12 permits to make improvements in order to profit more
13 off of their buildings, but the purpose and the
14 impact of the program is not to prevent those
15 landlords from making necessary repairs. Thank you.
16 We submitted written testimony, and I'll be following
17 up with some more detailed testimony.

18 CHAIR CORNEGY: Once again, thank you all
19 for your testimony. Thank you for the testimony
20 we've received here today from all sides. It's
21 valuable and incredibly important as we, as a city,
22 really try to make an effort to make sure that we can
23 protect through safety, and also to make sure that
24 people's homes are intact through this pandemic and
25 as we go forward. So, thank you so much for your

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2 testimony. We are now commencing this particular

3 hearing on Housing and Buildings today. Thank you.

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C E R T I F I C A T E

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



Date October 9, 2021