

1 BEFORE THE NEW YORK STATE SENATE FINANCE  
2 AND ASSEMBLY WAYS AND MEANS COMMITTEES

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3 JOINT LEGISLATIVE HEARING

4 In the Matter of the  
5 2023-2024 EXECUTIVE BUDGET  
6 ON HOUSING

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7 Hearing Room B  
8 Legislative Office Building  
9 Albany, NY

10 March 1, 2023  
11 9:37 a.m.

12 PRESIDING:

13 Senator Liz Krueger  
14 Chair, Senate Finance Committee

15 Assemblywoman Helene E. Weinstein  
16 Chair, Assembly Ways & Means Committee

17 PRESENT:

18 Assemblyman Edward P. Ra  
19 Assembly Ways & Means Committee (RM)

20 Assemblywoman Linda B. Rosenthal  
21 Chair, Assembly Housing Committee

22 Senator Brian Kavanagh  
23 Chair, Senate Housing Committee

24 Senator Pamela Helming

Assemblyman Michael J. Fitzpatrick

Senator Rachel May

Assemblywoman Rebecca A. Seawright

1 2023-2024 Executive Budget  
2 Housing  
3 3-1-23

4 PRESENT: (Continued)

5 Senator Julia Salazar

6 Senator John Liu

7 Senator Robert Jackson

8 Assemblywoman Alicia Hyndman

9 Assemblyman Harvey Epstein

10 Assemblywoman Chantel Jackson

11 Senator Zellnor Myrie

12 Assemblywoman Dr. Anna R. Kelles

13 Assemblyman Jonathan Rivera

14 Assemblyman Demond Meeks

15 Assemblyman Chris Burdick

16 Assemblywoman Maritza Davila

17 Senator Cordell Cleare

18 Assemblyman Ari Brown

19 Assemblywoman Grace Lee

20 Assemblyman Keith P. Brown

21 Assemblywoman Jo Anne Simon

22 Assemblyman Al Taylor

23 Senator Jack M. Martins

24 Assemblywoman Dana Levenberg

Assemblyman Jeffrey Dinowitz

1 2023-2024 Executive Budget  
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3 3-1-23

4 PRESENT: (Continued)

5 Assemblywoman Marcela Mitaynes

6 Assemblywoman Alicia Hyndman

7 Senator George M. Borrello

8 Assemblyman Khaleel M. Anderson

9 Assemblywoman Nikki Lucas

10 Assemblyman Brian Manktelow

11 Assemblyman Jeff Gallahan

12 Assemblyman Ron Kim

13 Assemblywoman Monique Chandler-Waterman

14 Senator Michelle Hinchey

15 Assemblyman Lester Chang

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8 Director of Foreclosure  
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9 Legal Services NYC  
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10 Rachel Halperin  
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11 Legal Services of the  
Hudson Valley  
12 -on behalf of-  
Legal Services

13 Access Alliance  
-and-  
14 Rebecca Garrard  
Legislative Director  
15 Citizen Action of New York  
-and-

16 Claudia Waterton  
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17 Board President  
-for-

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 7 Jamie Smarr  
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 8 New York City Housing Partnership  
 -and-  
 9 Justin Pascone  
 VP of Public Affairs  
 10 New York Building Congress  
 -and-  
 11 Rachel Fee  
 Executive Director  
 12 New York Housing Conference  
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 13 Jolie Milstein  
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 14 NYS Association for  
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1 CHAIRWOMAN WEINSTEIN: Good morning.

2 Welcome to the 12th and 13th in a  
3 series of hearings conducted by the joint  
4 fiscal committees of the Legislature  
5 regarding the Governor's proposed budget for  
6 fiscal year 2023-2024. We'll be having two  
7 hearings today, first on housing and then  
8 later this afternoon on workforce issues.

9 I am Helene Weinstein, chair of the  
10 Assembly Ways and Means Committee and cochair  
11 of this series of hearings, along with my  
12 colleague Senator Krueger, chair of the  
13 Senate Finance Committee.

14 The hearings are conducted pursuant to  
15 the New York State Constitution and the  
16 Legislative Law.

17 And first today the Assembly Ways and  
18 Means Committee and the Senate Finance  
19 Committee will hear testimony concerning the  
20 Governor's proposal for housing.

21 I will introduce our Assemblymembers  
22 who are here, then Senator Krueger will  
23 introduce the Senators.

24 So we have with us the chair of the

1 Assembly Housing Committee, Assemblywoman  
2 Rosenthal. We have Assemblyman Burdick,  
3 Assemblyman Epstein, and Assemblywoman  
4 Jackson.

5 Senator Krueger.

6 CHAIRWOMAN KRUEGER: Thank you very  
7 much.

8 Good morning, everyone. So we have  
9 Housing Chair Brian Kavanaugh, Robert Jackson,  
10 Rachel May, John Liu, Cordell Cleare.

11 And to my right, serving double duty  
12 today as ranker for Finance and ranker for  
13 Housing, Pam Helming, who will introduce  
14 other members of her conference.

15 SENATOR HELMING: Thank you,  
16 Senator Krueger.

17 With me today is Senator Jack Martins,  
18 a member of our Housing Committee.

19 CHAIRWOMAN KRUEGER: Thank you.

20 CHAIRWOMAN WEINSTEIN: And  
21 Assemblyman Ra, ranker on the Assembly Ways  
22 and Means Committee.

23 ASSEMBLYMAN RA: Thank you. Good  
24 morning. We're joined this morning by

1 Assemblyman Fitzpatrick, our ranking member  
2 on the Housing Committee, and Assemblyman Ari  
3 Brown and Assemblyman Keith Brown.

4 CHAIRWOMAN WEINSTEIN: So let me just  
5 do the short version of the rules of the  
6 road.

7 The governmental witness, our  
8 commissioner, will have 10 minutes to present  
9 her testimony. Then there will be an  
10 opportunity for questions. The  
11 nongovernmental witnesses who are here and  
12 will be coming here this morning will have  
13 three minutes to present their testimony.  
14 The nongovernmental witnesses are in panels,  
15 so each of those members of the panel will  
16 have three minutes. When the panel is  
17 completed, legislators will have three  
18 minutes, if they desire, to ask a question.

19 And remember, colleagues, that it is  
20 both -- the three minutes is both to ask a  
21 question and for the answer. So we warn  
22 everybody, when the clock says 20 seconds,  
23 don't say "I have one more question for you"  
24 and not leave time for the individuals to

1           respond.

2                         For the governmental witness, for the  
3           commissioner, the chairs of the Housing  
4           Committees of both houses will have  
5           10 minutes to ask questions and get answers.  
6           The rankers of those respective committees  
7           will have five minutes, as will -- and  
8           Senator Krueger and I, if we desire, will  
9           have 10 minutes as chairs of our finance  
10          committees.

11                        And just a reminder, no PowerPoint  
12          presentations, placards or signs are  
13          permitted in the hearing room, either by  
14          witnesses or legislators.

15                        So with that being said, we have a  
16          long day. Today we have a second hearing  
17          later on. So with that, let us -- oh, and  
18          just also a reminder to colleagues that the  
19          testimony has been -- of all of our witnesses  
20          today has been distributed, is posted -- has  
21          been posted actually for several days on the  
22          Senate website. So please refer to your  
23          emails to see those testimonies.

24                        CHAIRWOMAN KRUEGER: So we've been

1 joined by one more Senator, Julia Salazar.

2 Sorry.

3 CHAIRWOMAN WEINSTEIN: No, not a  
4 problem.

5 So we're very pleased to have the  
6 New York State Homes and Community Renewal  
7 Commissioner and CEO RuthAnne Visnauskas with  
8 us today. And, Commissioner, the floor is  
9 yours.

10 COMMISSIONER VISNAUSKAS: Thank you.  
11 Good morning, everyone. I'm RuthAnne  
12 Visnauskas, commissioner of New York State  
13 Homes and Community Renewal, and it's my  
14 pleasure to testify before you today on what  
15 I think is your last day of hearings for  
16 Governor Hochul's 2024 Executive Budget.

17 When I appeared before you last year,  
18 HCR was nearing the finish line of the  
19 state's first five-year Housing Plan to  
20 create and preserve 100,000 affordable homes  
21 and 6,000 apartments with supportive  
22 services. I'm pleased to say we completed  
23 that plan, and thanks to Governor Hochul's  
24 leadership and your support, we immediately

1 embarked on our next Housing Plan, a new  
2 \$25 billion investment over the next five  
3 years to create an additional 100,000  
4 affordable homes across New York, including  
5 10,000 units with supportive services. This  
6 represents the largest investment in housing  
7 in state history, and as of today we financed  
8 nearly 15,000 homes toward this new goal.

9 Since last year, HCR has also  
10 introduced several initiatives that will  
11 complement the Housing Plan and tackle  
12 New York's housing shortage while also  
13 placing an emphasis on our broader goals of  
14 removing barriers to housing, building up  
15 communities, and improving our environment.

16 Some brief highlights of those  
17 efforts: HCR recently launched a new  
18 \$250 million Climate Friendly Homes Fund.  
19 This will electrify 10,000 homes across the  
20 state and, importantly, help us meet the  
21 climate goals set up by the Climate  
22 Leadership and Community Protection Act.

23 The Climate Friendly Homes Fund will  
24 provide an average of \$25,000 per unit to

1 owners of small multifamily rental buildings  
2 for investments like electrifying heating  
3 systems, electrifying domestic hot water,  
4 making upgrades to existing building envelope  
5 and ventilation systems. The funds are  
6 available to regulated affordable housing and  
7 also to unregulated affordable housing that's  
8 located in low-income neighborhoods.

9 We've also made progress on our  
10 commitment to address historic inequities and  
11 eliminate the racial wealth gap that has  
12 impacted minority communities for far too  
13 long. For example, in the wake of the tragic  
14 mass shooting last year in East Buffalo,  
15 Governor Hochul announced a series of  
16 initiatives that address the historic  
17 disinvestment in this community by providing  
18 funding to keep current homeowners safely  
19 housed as well as funding to expand  
20 homeownership opportunities for minority  
21 residents in the city.

22 And as the nexus of health and housing  
23 was becoming increasingly evident, we've  
24 recently celebrated the completion of a

1 project called Vital Brookdale. This is the  
2 first development completed under the Vital  
3 Brooklyn Initiative, which is a strategy to  
4 address chronic disparities in access to  
5 health and housing in Central Brooklyn.

6 We also continue to make it a priority  
7 to preserve the housing that we have. In our  
8 first Housing Plan we invested over  
9 \$1.4 billion to preserve 57,000 apartments  
10 across the state, and this included almost  
11 18,000 of our Mitchell-Lama apartments.

12 Along these same lines, we began  
13 construction this year in the City of  
14 Kingston on our first project funded through  
15 our \$25 million Legacy City Access program.  
16 Under this program, local land banks partner  
17 with minority- and women-owned businesses to  
18 transform vacant buildings into move-in-ready  
19 homes for first-time homebuyers and  
20 households of color.

21 But as we look ahead to the future, we  
22 know our work is far from over. In the past  
23 year I've traveled to every corner of the  
24 state and stood alongside many members of the

1           Legislature to celebrate our developments --  
2           tossing dirt, cutting ribbons, and witnessing  
3           firsthand how our work strengthens  
4           communities and how it transforms lives. But  
5           the joy of these celebrations is tempered by  
6           the knowledge that we need to do more.

7                     In every town, village, and city that  
8           I visit, I hear similar challenges on  
9           housing -- rents are rising, existing  
10          residents are being priced out, and across  
11          the spectrum it's becoming more and more  
12          difficult to find places to live. We are in  
13          the midst of a housing crisis, and the crisis  
14          has been years in the making.

15                    In the decade before the pandemic, we  
16          created jobs at three times the rate of  
17          housing, leaving us with 1.2 million new jobs  
18          but only 400,000 units of new housing over  
19          the 10-year period. We now see this lack of  
20          supply impacting nearly everyone:  
21          middle-income renters, young people looking  
22          to buy a first home, families that need room  
23          to grow, and older New Yorkers who want to  
24          remain in the communities they've lived in

1 for their entire lives.

2 This crisis of supply and  
3 affordability does not stem from inaction on  
4 the state's part to fund new affordable  
5 housing. In fact, New York invests more  
6 per capita on affordable housing than any  
7 other state in the country.

8 To be clear, the crisis stems from  
9 unnecessary and sometimes purposeful  
10 obstacles. And as a result, we're losing  
11 New Yorkers to states like New Jersey and  
12 Connecticut that are addressing their housing  
13 shortages with statewide policies that drive  
14 production and better address keeping their  
15 housing stock affordable.

16 This is why the time is now to come  
17 together as a state and take bold action to  
18 increase our housing supply. And that is  
19 what Governor Hochul's Executive Budget does.  
20 Within the budget is the creation of  
21 the New York Housing Compact, a proposal that  
22 engages every community in the state to work  
23 together towards the creation of 800,000 new  
24 homes over the next decade.

1                   Importantly, the compact's goals will  
2                   expand access to housing for all New Yorkers,  
3                   benefit our climate, and accommodate our  
4                   growing workforce. The Executive Budget  
5                   seeks to restore the cycle of housing in this  
6                   state -- building starter homes, creating  
7                   larger houses or apartments for growing  
8                   families, developing modern places for our  
9                   parents and grandparents to live safely and  
10                  independently.

11                  The main pillars of the housing  
12                  compact include setting statewide growth  
13                  targets, focusing on transit-oriented  
14                  development, and removing barriers and  
15                  creating incentives to spur housing  
16                  investment. And we'll do this while  
17                  supporting local governments with funding  
18                  that they can use to address their  
19                  infrastructure and carefully plan for future  
20                  growth.

21                  The housing compact sets new statewide  
22                  housing targets for all municipalities to  
23                  achieve on a three-year cycle. This means a  
24                  3 percent growth for downstate communities

1 served by the MTA, and 1 percent growth for  
2 upstate communities.

3 Municipalities will decide how to best  
4 meet their new home construction targets.  
5 This means rezoning underutilized office  
6 parks or malls, creating density in targeted  
7 areas, or allowing homeowners more  
8 flexibility with their land. We have seen  
9 incredible success stories of these already  
10 in places like Patchogue and Riverhead and  
11 Kingston and Amherst and Rochester and so  
12 many other places across the state.

13 We want local governments to be  
14 empowered to choose solutions that are best  
15 for their communities. And we want to  
16 provide both funding and guidance from the  
17 state.

18 The housing compact also puts a laser  
19 focus on transit-oriented development. We  
20 know this type of development strengthens  
21 local economies by creating vibrant  
22 communities that attract both residents and  
23 businesses. It reduces commute times,  
24 improves public health by encouraging walking

1 and biking, and it cuts greenhouse gas  
2 emissions.

3 To expand housing potential in  
4 transit-oriented communities, localities with  
5 train stations run by the MTA will undertake  
6 a local rezoning within a half-mile of the  
7 station -- unless, of course, they already  
8 meet the density level. And this will enable  
9 more families to enjoy improved access to  
10 jobs and thriving, sustainable communities.

11 Lastly, the compact proposes new  
12 regulatory changes and property tax  
13 exemptions to encourage mixed-income  
14 development, including allowing more  
15 commercial buildings in New York City to be  
16 converted to residential use.

17 To support these efforts, the state  
18 will provide an initial 250 million to help  
19 localities meet the demands of new housing  
20 construction on local water supplies, on  
21 sewers and roads, as well as a separate  
22 \$20 million planning fund to help local  
23 governments map out their plans to help  
24 increase housing capacity.

1           All told, we believe the creation of  
2           this statewide housing strategy complements  
3           our current 25 billion five-year affordable  
4           housing plan, and it forges a new path to  
5           unlocking our development potential and  
6           increasing housing supply.

7           The message that I want to leave you  
8           with today is that New York State cannot  
9           afford to continue with the status quo. For  
10          the sake of our future, we must take this  
11          opportunity to build the housing New Yorkers  
12          need, regardless of age, income or phase of  
13          life. We look forward to working with the  
14          Legislature on this proposal to make it a  
15          success for all of New York's communities.

16          I'm so proud of all that we've  
17          accomplished together, and I'm excited to see  
18          the positive impact that our continued  
19          partnership will have on New Yorkers now and  
20          in the future. Thank you.

21                   CHAIRWOMAN WEINSTEIN: Thank you,  
22                   Commissioner.

23                   We go to Assemblywoman Rosenthal,  
24                   Housing chair, for 10 minutes.

1 ASSEMBLYWOMAN ROSENTHAL: Thank you  
2 very much. Thank you, Chair Weinstein --  
3 excuse me. Clearing my throat.

4 Good to see you, Commissioner, and I'm  
5 very pleased to be here as chair of the  
6 Housing Committee. So I have 10 minutes and  
7 many questions, so I hope we can go through  
8 this rapidly.

9 First, regarding HOPP, Homeowner  
10 Protection Program, I have a letter from  
11 89 nonprofits to the Governor regarding the  
12 lack of funding in the budget for the HOPP  
13 program. Last year she put in 20 million,  
14 the Legislature added 15 million.  
15 Projections estimate a need for 40 million,  
16 yet there's no funding in the budget for the  
17 only homeowner retention program, can you  
18 explain why that's not there?

19 COMMISSIONER VISNAUSKAS: So as you  
20 said, last year the program had been  
21 initially run I think with the \$20 million  
22 and was added last year 15 million, almost  
23 doubling the size of the program. Our  
24 understanding is that there's still funding

1 left in that. But as you probably know, the  
2 program itself is administered by the  
3 Attorney General's office, it's not by HCR.  
4 So we can definitely work with them to see if  
5 they feel that they need additional funds.

6 ASSEMBLYWOMAN ROSENTHAL: So it was an  
7 intentional omission. Because the rumor  
8 floating around was that it was just an  
9 error.

10 COMMISSIONER VISNAUSKAS: I believe  
11 last year the funding was almost doubled for  
12 the program, so I think we have not heard  
13 that that funding is fully expended. But  
14 happy to work with you on that.

15 ASSEMBLYWOMAN ROSENTHAL: Okay.  
16 It's -- I've heard from so many people. And  
17 of course the nonprofits are very, very  
18 concerned about this.

19 Okay, there's a provision in the  
20 budget to extend the 421-a deadline for  
21 projects that got in the ground by June 2022,  
22 by four years, so that completion could --  
23 instead of being expected in '26, would be  
24 expected in 2030.

1                   So how many projects are there, where  
2                   are they, and how many units are expected to  
3                   be built?

4                   COMMISSIONER VISNAUSKAS: So as you  
5                   know, the 421-a benefit program is  
6                   administered by the City of New York. The  
7                   program was changed in the 2017 version --

8                   ASSEMBLYWOMAN ROSENTHAL: I know, I  
9                   know. But please just answer: How many are  
10                  there, and where are they, and how many units  
11                  are expected?

12                  COMMISSIONER VISNAUSKAS: So as you  
13                  know, this program is run by the city, and so  
14                  we defer to them for information on the  
15                  program.

16                  They don't get preliminary application  
17                  data from applicants, so the most available  
18                  information that we have on projects that are  
19                  gotten in the ground is really what has been  
20                  reported by the industry, which I'm sure  
21                  you've seen. They have reported that there's  
22                  upwards of 30,000 units of projects that are  
23                  in the ground. But there is no data source  
24                  for that other than the developers themselves

1 reporting that.

2 ASSEMBLYWOMAN ROSENTHAL: So I met  
3 with some lobbyists who have a handle on some  
4 of their projects. I met with REBNY, who  
5 have a handle on some of the projects. But  
6 I've heard that there are more than 70. And  
7 it's very concerning that there would be this  
8 provision to extend the deadline for four  
9 years when no one can actually tell us where  
10 all those projects are.

11 COMMISSIONER VISNAUSKAS: Well, I  
12 think when the program was changed in 2017 by  
13 the state, that the application to apply for  
14 the benefits prior to construction of the  
15 project was eliminated, so there is no data  
16 source certainly at the state level, since we  
17 don't administer it. But there is not one at  
18 the city level either that tracks projects  
19 before they start construction.

20 As you know, they apply at the end of  
21 construction. So I think that is why we have  
22 also heard from those lobbyists and others  
23 folks about the unit count, because they are  
24 the ones who are familiar with all the

1 projects that are in the ground.

2 ASSEMBLYWOMAN ROSENTHAL: Well, I  
3 think it's troubling that there's this  
4 provision without actually telling the  
5 legislators who have to extend it, if we  
6 agree or not, where every single project is.  
7 It's disturbing.

8 Okay, thank you for that answer.

9 On the front page of the Daily News on  
10 February 27th, it features a photo of a  
11 beleaguered Bronx family that is threatened  
12 with eviction. Now, we know there's an  
13 eviction crisis in this state, thousands of  
14 evictions occurring on the uptick since our  
15 eviction moratorium ended.

16 In the Governor's State of the State  
17 she referenced the fact that more than half  
18 of New York renters pay more than 30 percent  
19 of their income toward rent. She said that  
20 is the second-highest rate in the nation. In  
21 the New York City metro area, rents have  
22 risen 30 percent since 2015; home prices have  
23 risen 50 percent over the same period. And  
24 outside of New York City, rents have risen

1 40 to 60 percent since 2015.

2 What in the Governor's budget proposal  
3 addresses this serious problem?

4 COMMISSIONER VISNAUSKAS: Well, I  
5 think it's a complex problem certainly on  
6 eviction. And I saw that same article, which  
7 I think discussed that eviction levels are  
8 sort of back to pre-pandemic levels.  
9 Obviously we had, during that moratorium, a  
10 complete cessation of those.

11 I think we feel very strongly that a  
12 lot of the pressures on the housing market,  
13 whether it's for evictions or rents or some  
14 of the other issues you mentioned, are really  
15 driven by the fact that there is not enough  
16 housing for people in the City of New York  
17 and in the State of New York.

18 And that's why we've proposed the  
19 housing compact this year, which is to say  
20 that we have to have a long-term strategy  
21 because short-term strategies are not going  
22 to get us out of the eviction predicament  
23 that we're in. And that's why we have put  
24 that sort of at the front and center of our

1 housing proposal this year.

2 ASSEMBLYWOMAN ROSENTHAL: Well, you  
3 know, I'm pleased that the Governor put in a  
4 provision to build 800,000 units across the  
5 state in 10 years. But I am troubled that  
6 the word "affordable" is not connected with  
7 that 800,000. And I'm also concerned that  
8 what is there in the budget that addresses  
9 today's problem -- evictions, rents are just  
10 so high. There was an article in the  
11 New York Times that Black New Yorkers are  
12 leaving the state because of rising rents.

13 So rents are just skyrocketing.  
14 Evictions are continuing apace. And there is  
15 nothing in the budget that addresses what  
16 happens today, next year, the year after, the  
17 year after, until some of those 800,000 units  
18 can be built.

19 COMMISSIONER VISNAUSKAS: So obviously  
20 the housing compact is a long-term plan, but  
21 it isn't meant to, you know, compete with or  
22 replace any of our short-term efforts we do.  
23 As I mentioned, you know, and as you know, we  
24 have our \$25 billion Housing Plan. We are

1 continuing to build affordable housing in  
2 New York City, across New York State.

3 We've put a bigger investment than any  
4 other peer state does into that, so I think  
5 we are addressing the issue of providing  
6 affordability across the state with that  
7 plan.

8 I would also add that we do have  
9 funding for eviction prevention in the  
10 rest -- as you know, New York City has right  
11 to counsel. But in the rest of the state  
12 there is funding for eviction prevention to  
13 make sure that tenants have access to those  
14 resources.

15 ASSEMBLYWOMAN ROSENTHAL: Which is  
16 great. The city right to counsel, there are  
17 not enough attorneys, so tenants in Housing  
18 Court have found that they are facing  
19 eviction without the help of an attorney,  
20 something that is guaranteed by law. So that  
21 is a concerning thing. But that's on the  
22 city level.

23 But I'm just so alarmed, as are many  
24 of my colleagues, you know, about this

1 crisis. And I'd like to see more coming from  
2 the Governor. There are many programs that  
3 we have offered -- the Housing Access Voucher  
4 Program, there's TOPA, there's more  
5 homeownership programs, there's good-cause  
6 eviction -- just to help tenants across the  
7 state stay in their homes, and to help new  
8 people find a place that they can afford to  
9 buy and stay in New York State.

10 So I think that's -- those are areas  
11 that we need a lot more resources, maybe  
12 staff for HCR, and dedication from the  
13 Executive.

14 I also note that in 2021 the Office of  
15 Rent Administration at HCR showed  
16 976,478 units that were stabilized as of  
17 March 31, 2019. In 2022, the annual report  
18 shows 889,507 as of March 2022. So what  
19 happens when -- first of all, what accounts  
20 for this dramatic drop in rent-stabilized  
21 units? Secondly what happens when a unit is  
22 rent-regulated and the landlord does not file  
23 the annual registration? Does HCR have a  
24 system of tracking units that have fallen off





1 chair of Housing, Brian Kavanagh.

2 And we've also been joined by  
3 Senator Borrello.

4 SENATOR KAVANAGH: Great. Thank you  
5 very much.

6 Just let me begin by thanking our  
7 stalwart chairs of our respective Finance and  
8 Ways and Means committees, Liz Krueger and  
9 Helene Weinstein, who are getting down to  
10 the --

11 CHAIRWOMAN WEINSTEIN: (Inaudible.)

12 CHAIRWOMAN KRUEGER: Give him  
13 10 minutes --

14 (Laughter; overtalk.)

15 SENATOR KAVANAGH: I'd like to  
16 especially thank the timekeepers today, who  
17 are really doing an excellent job.

18 (Laughter.)

19 SENATOR KAVANAGH: So, you know,  
20 just -- but we have a great -- you know, a  
21 great collection of legislators in both  
22 houses. I served in the Assembly for  
23 11 years, and it's really wonderful to work  
24 jointly with them today, and of course

1 Pam Helming, our dual ranker both in Housing  
2 and Finance, and the great new chair of the  
3 Assembly Housing Committee, Linda Rosenthal.

4 So just -- I'm going to -- there's a  
5 lot here, and I know you're going to get a  
6 lot of questions from colleagues about the  
7 compact and some of the more complicated  
8 aspects of that. I just want to sort of set  
9 the table by talking -- just getting a sense  
10 of how a few of the newer funding items fit  
11 in with the larger plan here.

12 So first of all, just -- there are  
13 three new funds: The infrastructure support  
14 fund, the planning assistance fund, and the  
15 statewide data collection system. And each  
16 of those is proposed basically to support the  
17 new initiatives around land use and the  
18 housing compact. Okay, so they're not -- you  
19 know, each of them -- if we're doing those  
20 things, we need those funds to be critical.  
21 And presumably if we weren't doing them, we  
22 probably wouldn't be collecting data on all  
23 those permits. So I'll just leave those  
24 aside for a second.

1                   The Housing Stabilization Fund, it's a  
2                   very substantial item. Can you just talk a  
3                   little -- is that directly connected with the  
4                   housing compact goals? Is it -- does it  
5                   have -- can you just talk a little bit about  
6                   the purpose of that and how it would work?

7                   COMMISSIONER VISNAUSKAS: And -- I'm  
8                   sorry, the Housing Stabilization Fund as  
9                   funded within the compact or outside of it?

10                  SENATOR KAVANAGH: Yeah, I mean,  
11                  there's a -- I think the way we've received  
12                  the budget, there are Article VII about  
13                  compact goals and then there are separate  
14                  funding items. So I think we're trying to  
15                  figure out just the -- the Housing  
16                  Stabilization Fund you're saying is a  
17                  distinct -- it's distinct from those other  
18                  three funds I mentioned. And just trying to  
19                  get a sense of how it would -- how it would  
20                  work.

21                  COMMISSIONER VISNAUSKAS: Can I come  
22                  back to you on that? I'm not sure I know  
23                  which budget line item you mean on the  
24                  Housing Stabilization Fund.

1                   SENATOR KAVANAGH: Okay. I'm happy to  
2                   have you get back to me.

3                   Can you talk a little bit about the --  
4                   first of all, I'd just say I'm very excited  
5                   that the Governor and -- and the Executive  
6                   has proposed a lead abatement program. We  
7                   did a hearing in December of 2021 jointly  
8                   with the Health Committee and, you know, it's  
9                   a real scourge across the state.

10                  So there's, you know, in a separate  
11                  place there's the health -- the Health  
12                  Department is proposing a registry of  
13                  apartments in various impacted zip codes, and  
14                  you have the capital fund that's intended to  
15                  address that.

16                  Can you just talk about, a little bit,  
17                  how the agencies work together, how that  
18                  would work, and it's a \$20 million fund, how  
19                  that relates to the overall need?

20                  COMMISSIONER VISNAUSKAS: Yes, we're  
21                  very excited about this new initiative in the  
22                  budget this year. We worked really closely  
23                  with the Department of Health to craft it.  
24                  As you said, we sort of share

1           responsibilities with them, and they will be  
2           working with -- to make sure the inspection  
3           piece of it is done.

4                         We are modeling this on some work that  
5           was done in Rochester where they created a  
6           really successful program to drive down the  
7           incidence of childhood lead poisoning.

8                         For our part, we'll be working with  
9           landlords. You know, the costs of doing some  
10          of the remediation can be sometimes \$10,000  
11          or \$20,000 a unit, and it's sort of  
12          uneconomic and a real sort of hardship for a  
13          landlord, especially of a small building or  
14          in a low-income neighborhood.

15                        So we want to make sure that resources  
16          are available, because the issue is so  
17          important. So we're excited to be partnering  
18          with them to make sure that we can get funds  
19          to landlords to pay for the remediation so it  
20          gets done quickly.

21                        SENATOR KAVANAGH: Great. And you  
22          mentioned the climate friendly homes fund in  
23          your written testimony and in your oral  
24          testimony. Can you talk a little bit more

1           about how that -- and I understand it's about  
2           twenty -- a maximum of \$25,000 per unit and  
3           might be intended to cover as many as  
4           10,000 homes.

5                        COMMISSIONER VISNAUSKAS:  Yup.

6                        SENATOR KAVANAGH:  Sort of how people  
7           access that?

8                        COMMISSIONER VISNAUSKAS:  Yup.  So we  
9           actually already opened the application  
10          process about a month ago.

11                       And so landlords -- we have a series  
12          of organizations that are on the ground in  
13          localities across the state who are doing  
14          outreach to landlords.  But it's really for  
15          landlords to apply, to make sure that sort of  
16          outside of the work we're doing in our  
17          regular portfolio we are working to  
18          electrify, that we're touching other either  
19          sort of naturally occurring affordable  
20          housing out in the state.

21                       Again, sort of a cost that is  
22          expensive for landlords to bear, where they  
23          don't necessarily get a return from doing  
24          electrification of their heating and hot

1 water system. But it's an important goal for  
2 us as a state. So landlords will be able to  
3 work with a CDFI that we've selected called  
4 Community Preservation Corporation, and we  
5 have a series of nonprofit partners out  
6 working with landlords to make sure they're  
7 aware of the program.

8 And we'll be happy to work with  
9 anyone's offices to get more awareness out of  
10 that program.

11 SENATOR KAVANAGH: I think my own  
12 landlord might be interested --

13 (Laughter.)

14 SENATOR KAVANAGH: -- but I probably  
15 should stay out of that application process.

16 Fair housing is something that, you  
17 know, we've -- with the investigations in the  
18 Gov Ops Committee and the Consumer Affairs  
19 Committee and the Housing Committee, the  
20 Senate did some pretty extensive  
21 investigations that resulted in the creation  
22 of a fund that is in the AG's hands to do  
23 more fair housing education and testing.

24 You also have a program that's been --

1 I think it's been 2 million in the current  
2 year and there's a proposal to continue that  
3 2 million. Can you talk a little bit about  
4 how that's working and, again, how  
5 \$2 million -- there are some people that talk  
6 about what someone's called fair housing  
7 deserts. There are parts of the state I  
8 think that don't have any kind of dedicated  
9 organization that works on it.

10 Can you just talk about how that  
11 program is working and whether it might be  
12 possible and the additional resources to meet  
13 the statewide need?

14 COMMISSIONER VISNAUSKAS: Absolutely.  
15 So we work on fair housing kind of across the  
16 spectrum of the agency. But as it relates to  
17 the testing, we awarded contracts -- we went  
18 through a procurement process and awarded  
19 testing to six organizations around the state  
20 to do fair housing testing with the 2 million  
21 last year, and that will continue.

22 We ensured, relative to the program  
23 before, that there weren't really testing  
24 deserts, so the purpose of sort of the new

1 procurement and the new organizations was to  
2 make sure we are covering that statewide.

3 So those -- that work has begun, those  
4 contracts have been awarded, and we would,  
5 you know, I think be able to assess better  
6 probably next year whether that is or is not  
7 enough sort of funding. But we felt  
8 comfortable putting that out as contracts  
9 right now.

10 SENATOR KAVANAGH: Thank you.

11 And just back to the -- my colleague  
12 Assemblymember Rosenthal talked a little bit  
13 about this. But the HOPP program, as we  
14 understand it, the current contracts go  
15 through July 15th. And is there -- I mean,  
16 the Executive proposes no money this -- you  
17 know, it frankly has been a bit of a budget  
18 dance between the Legislature and the  
19 Governor. For a long time it was less. So  
20 last year, because there was \$20 million in  
21 the Executive.

22 But just for the record, we would need  
23 to put additional money into this budget if  
24 we were going to provide those services

1 throughout the coming fiscal year, right?

2 COMMISSIONER VISNAUSKAS: Yes. And I  
3 think we would want to reach out to the  
4 Attorney General's office to confirm with  
5 them as the contract administrators, because  
6 we don't operate the program. But we would  
7 be happy to do that.

8 SENATOR KAVANAGH: Okay. Because I  
9 think we -- yeah, as in past years, I assume  
10 we will be pushing -- my colleagues and I, a  
11 lot of us will be pushing to add that money  
12 back.

13 And the -- I have a few things on the  
14 list here. Public housing; this is again  
15 something that typically has not been  
16 included initially in the Executive Budget  
17 and has been added, but -- by the  
18 Legislature. And last year we did manage to  
19 get I think \$350 million in for New York City  
20 and \$50 million for other housing  
21 authorities.

22 Could you just talk to the -- I mean,  
23 you know, to what extent is there an ongoing  
24 need for capital investments in public

1 housing?

2 COMMISSIONER VISNAUSKAS: So because  
3 we are just in the first year of our Housing  
4 Plan, we feel fully funded on the public  
5 housing front. We have a couple of projects  
6 that will close this year, but we've budgeted  
7 ourselves as sort of a five-year ask when we  
8 did it last year.

9 So I think we feel, sort of in the  
10 rest-of-state public housing, we have enough  
11 capital. Certainly to the extent we spend  
12 that down -- we don't, you know, say no to  
13 our public housing authorities, so to the  
14 extent we run through that, I'm sure we'd be  
15 happy to come back to you and work with you  
16 on additional funding for that. But right  
17 now we have enough capital to fund everything  
18 that's in our pipeline.

19 SENATOR KAVANAGH: Okay. And the  
20 pipeline -- I mean, your process for New York  
21 City Housing Authority and other public  
22 housing authorities is pretty different,  
23 right? You're directly getting applicants  
24 submitted by non-New York City housing

1 authorities, right, and assessing those and  
2 delivering -- that's the 50 million. In  
3 terms of NYCHA, I mean, it's a much more  
4 complicated process involving DASNY and other  
5 agencies.

6 But just you are not suggesting that  
7 the overall capital needs of NYCHA are in  
8 good -- are well covered?

9 COMMISSIONER VISNAUSKAS: Yeah, we  
10 have not historically used our capital to  
11 fund NYCHA. That's either come from the city  
12 or come from the sort of overall  
13 appropriation that gets managed by DASNY.

14 SENATOR KAVANAGH: Gotcha. Okay.

15 So just -- my colleague Linda was more  
16 efficient with her time. She's been a  
17 legislator for 10 months longer than I have.  
18 But just to say, you know, I and many of my  
19 colleagues share concerns about ensuring that  
20 some of our programs that are intended to  
21 address immediate needs -- you know,  
22 good-cause eviction, Housing Access Vouchers  
23 and others -- you know, are included in the  
24 final budget.

1                   But, you know, thank you for your  
2                   testimony and for all your work to get people  
3                   housed throughout the year. Thank you.

4                   COMMISSIONER VISNAUSKAS: Thank you.

5                   CHAIRWOMAN KRUEGER: Thank you.  
6                   Assembly.

7                   CHAIRWOMAN WEINSTEIN: We go to the  
8                   ranker on housing, Assemblyman Fitzpatrick,  
9                   five minutes.

10                  ASSEMBLYMAN FITZPATRICK: Thank you,  
11                  Madam Chair. Thank you, Commissioner.

12                  A quick question. Back in 2018 we had  
13                  1342 applications in the air preceding  
14                  passage of the HSTPA, for MCIs. And then 285  
15                  were filed, like 2021. What is -- what is  
16                  your department doing to kind of address this  
17                  issue? Because we have a severe lack of  
18                  investment in this housing stock, which we  
19                  know is very old, 75-plus years or older.

20                  So these rules that were enacted have  
21                  really disincentivized investment in this  
22                  housing stock. That is a real problem. What  
23                  are your thoughts on that, and what are you  
24                  going to do to address that?

1                   COMMISSIONER VISNAUSKAS: We did see  
2                   that same drop in the data of applications  
3                   for MCIs across our portfolio.

4                   You know, we work really closely with  
5                   that stock. I mean, as it relates to people  
6                   submitting applications, obviously we just  
7                   sort of accept and process the applications.  
8                   But I think in the overall we have tried to  
9                   make resources available to rent-stabilized-  
10                  building owners who want to make investments  
11                  through our lending programs, to make sure  
12                  that they are making those capital  
13                  investments.

14                  We also run a pretty robust  
15                  weatherization program where we grant  
16                  weatherization dollars for roofs and windows  
17                  and boilers, and we do that in the  
18                  rent-stabilized stock.

19                  So we offer a lot of programs to  
20                  provide assistance to landlords, especially  
21                  landlords of small buildings and landlords in  
22                  low-income areas to make sure that they can  
23                  make critical investments.

24                  ASSEMBLYMAN FITZPATRICK: This housing

1 review board that's part of this compact,  
2 what are the qualifications going to be for  
3 service on that board? And --

4 COMMISSIONER VISNAUSKAS: So the  
5 Legislature and the Governor will make  
6 appointments, and so we would presume that  
7 they would make appointments consistent with  
8 the mission of the overall growth of housing  
9 in the state as they think about appointees  
10 there. But it would be up to the Legislature  
11 to select for their appointees.

12 ASSEMBLYMAN FITZPATRICK: So there are  
13 no specific qualifications for service on  
14 that board.

15 COMMISSIONER VISNAUSKAS: Not in the  
16 statute as written, right.

17 ASSEMBLYMAN FITZPATRICK: I'm sorry?

18 COMMISSIONER VISNAUSKAS: Not in the  
19 statute as currently written, correct.

20 ASSEMBLYMAN FITZPATRICK: Okay.

21 You mentioned in your testimony -- you  
22 made reference to unnecessary and sometimes  
23 purposeful obstacles that created this  
24 crisis. Can you give me some specific

1           example of purposeful obstacles? What are  
2           those?

3                   COMMISSIONER VISNAUSKAS: Well --  
4           sure. I'm sure you're familiar with the term  
5           "exclusionary zoning." So there's a lot of  
6           zoning that exists in places across New York  
7           State and across the country -- New York  
8           State is not alone in this -- that prevent  
9           people from being able to move into  
10          communities. So if a community has something  
11          like a five-acre minimum lot size for a  
12          house, right, those are going to really limit  
13          the number of housing units that are  
14          available in a locality and limit the number  
15          of people that can live there.

16                   ASSEMBLYMAN FITZPATRICK: So that's  
17          places like, say, East Hampton or Southampton  
18          would be examples of that.

19                   COMMISSIONER VISNAUSKAS: I wouldn't  
20          pick out any place in particular. But there  
21          certainly are a lot of places where we see  
22          large lot sizes equated to very high housing  
23          prices, and so there's a direct connection  
24          between zoning and house prices and, by

1 extension, I think affordability and access.

2 ASSEMBLYMAN FITZPATRICK: Okay. All  
3 right, thank you.

4 The individual apartment improvements,  
5 how many have been reported or registered in  
6 the past four years? Do we have any idea how  
7 many --

8 COMMISSIONER VISNAUSKAS: I don't have  
9 those exact statistics, but I'd be happy to  
10 get back to you on how many IAIs have been  
11 submitted.

12 ASSEMBLYMAN FITZPATRICK: Okay. All  
13 right, very good.

14 So with regard -- back to the housing  
15 compact. You take a county like mine,  
16 Suffolk County -- Suffolk and Nassau, for  
17 that matter. We -- the townships, my  
18 township in particular, Smithtown, is doing  
19 some very innovative things trying to get  
20 transit-oriented development established. We  
21 have a local town, Smithtown, my town, that  
22 is creating an overlay district in the  
23 industrial park to meet the needs of our  
24 industrial park for their future growth.

1                   But we have limitations, two in  
2                   particular. One, we live over our potable  
3                   water supply, the aquifer. And also we have  
4                   a lack of funds for infrastructure, for sewer  
5                   in particular.

6                   So what will happen if a township  
7                   doesn't meet the stated goals of the  
8                   Governor, and yet we don't have enough  
9                   infrastructure money and we have limitations  
10                  set by the health code? Does that -- how do  
11                  you resolve that conflict? What's going to  
12                  happen in a situation like that?

13                  COMMISSIONER VISNAUSKAS: Yeah, so we  
14                  certainly understand the issues around both  
15                  water and sewer as it relates to housing  
16                  development, and so we have put in several  
17                  places in the legislation considerations for  
18                  health and for safety. And certainly that  
19                  would dovetail on issues around the aquifer  
20                  in Long Island.

21                  We want to make sure that there's  
22                  investment and places that can be sewerred do  
23                  get sewerred. And so the \$250 million in the  
24                  budget is not meant to attempt to pay for all

1 the sewers that might be needed in a county  
2 and locality like yours. But it is meant to  
3 be a down payment on that effort to make sure  
4 that where we can sewer in places and get  
5 housing built, that we're putting money  
6 forward to help support localities to do  
7 that.

8 CHAIRWOMAN WEINSTEIN: Thank you.

9 ASSEMBLYMAN FITZPATRICK: Thank you.

10 CHAIRWOMAN WEINSTEIN: To the Senate.

11 CHAIRWOMAN KRUEGER: Thank you.

12 We're going to go next to  
13 Senator Jack Martins for three minutes.

14 SENATOR MARTINS: Thank you.

15 Commissioner, good to see you again.

16 COMMISSIONER VISNAUSKAS: Hi, thanks.

17 SENATOR MARTINS: Commissioner, I  
18 represent Nassau County, a portion of  
19 Nassau County. We've had an opportunity to  
20 speak briefly at one of our Housing Committee  
21 meetings regarding my concerns for the  
22 housing compact. And so I have some very  
23 specific questions on the housing compact and  
24 its impact on communities like ours in

1 Nassau County.

2 I'm a village guy, a former mayor of  
3 the Village of Mineola, where we built over a  
4 thousand units of transit-oriented  
5 development, including affordable housing,  
6 over the last 10 years on our own. We didn't  
7 need state mandates, we didn't need someone  
8 telling us that we're required to build a  
9 certain amount of density. And so I would  
10 encourage a different path when it comes to  
11 the housing compact, one that works with our  
12 local communities and does not impose a  
13 one-size-fits-all approach.

14 But with regard to your housing  
15 compact and the proposal specifically for  
16 transit-oriented development, there's a  
17 requirement that there may be a minimum or an  
18 average of 50 units per acre over a half-mile  
19 radius around a train station. So I'm going  
20 to ask you, do you know how many acres there  
21 are in a circular mile centered on a train  
22 station?

23 COMMISSIONER VISNAUSKAS: A half-mile  
24 around a train station is approximately

1           500 acres.

2                    SENATOR MARTINS:   About 502 acres.

3                    COMMISSIONER VISNAUSKAS:   Five hundred  
4 acres, yeah.

5                    SENATOR MARTINS:   Yeah, 502.4.

6                    And so if we multiply 500 acres times  
7 50 units per acre, on average across that  
8 space, we're talking about 25,000 housing  
9 units as of right, aren't we?

10                   COMMISSIONER VISNAUSKAS:   Well, for  
11 each locality it's a little different because  
12 a lot of land is exempted.  So if there are  
13 waterways and roadways or cemeteries or other  
14 non-buildable land --

15                   SENATOR MARTINS:   If we assume that  
16 there's no exempted land as an abstract,  
17 50 units per acre times 500 is 25,000.

18                   COMMISSIONER VISNAUSKAS:   Yes, that  
19 math is correct.

20                   But we found when we looked at a lot  
21 of localities that in fact there are  
22 exemptions almost everywhere, so no one is  
23 really going to be held to that full acreage  
24 and unit --

1                   SENATOR MARTINS: But there's a  
2                   50-mile distance from New York City for this  
3                   50 unit per acre, including all of the subway  
4                   stations within New York City.

5                   So my point is 25,000 units around  
6                   train stations -- in Nassau County we have  
7                   over 50 train stations, which would amount to  
8                   over a million housing units as of right as a  
9                   result of this proposal.

10                  My concern is, Commissioner, there are  
11                  476,000 housing units in Nassau County right  
12                  now. It is the most densely populated county  
13                  outside of the five boroughs, at  
14                  approximately 4750 units per mile. So if you  
15                  consider the sheer scope and impact on our  
16                  communities in Nassau County by a proposal  
17                  that in a single step has the potential of  
18                  tripling the number of housing units in our  
19                  county, changing the very fabric of our  
20                  communities -- I hope you understand why  
21                  people in our communities are that upset.

22                  And so we see it as an attack on our  
23                  suburban communities, and I urge you and the  
24                  Governor to reconsider this as we go forward.

1 Thank you.

2 COMMISSIONER VISNAUSKAS: Thanks.

3 CHAIRWOMAN KRUEGER: Thank you.

4 CHAIRWOMAN WEINSTEIN: Thank you.

5 We have been joined a little while ago  
6 by Assemblywoman Levenberg and  
7 Assemblyman Taylor.

8 And we go to Assemblyman Epstein for  
9 three minutes.

10 ASSEMBLYMAN EPSTEIN: Commissioner,  
11 always good seeing you. Thank you. I'm over  
12 here; I start from the left.

13 (Laughter.)

14 ASSEMBLYMAN EPSTEIN: So do you  
15 believe the most important piece of a  
16 family's stability is housing stability?

17 COMMISSIONER VISNAUSKAS: I'm sorry, I  
18 didn't hear the first part of your sentence.

19 ASSEMBLYMAN EPSTEIN: Do you think  
20 housing stability is a critical piece for  
21 family stability?

22 COMMISSIONER VISNAUSKAS: Stability is  
23 important, yes.

24 ASSEMBLYMAN EPSTEIN: And so keeping

1 families in their homes is a critical part of  
2 that, do you agree with that?

3 COMMISSIONER VISNAUSKAS: Yes.

4 ASSEMBLYMAN EPSTEIN: Great.

5 So I'm wondering, in the proposed  
6 plan, we don't see a lot on preservation,  
7 nothing on good-cause eviction, you know,  
8 HAVP, lots of preservation tools. Do you  
9 believe preservation is an important part of  
10 the tool belt for HCR?

11 COMMISSIONER VISNAUSKAS: Absolutely.  
12 And I think we have a lot of programs that  
13 address preservation outside of the things  
14 you mentioned, including, as I had said to  
15 your colleague, the Housing Plan in and of  
16 itself. We spend an enormous amount of money  
17 preserving existing rental housing in  
18 New York City and across the state, and we  
19 think that's an important part that sort of  
20 gets lost a little bit in that conversation.  
21 You know, as does New York City.

22 But there is a lot of resources that  
23 go into protecting our existing rental stock.

24 ASSEMBLYMAN EPSTEIN: So part of our

1 concern is our public housing residents. We  
2 have the risk of tens of thousands of  
3 evictions for public housing residents  
4 because we created a lower priority for ERAP  
5 for them. I'm wondering why the Governor  
6 didn't do anything around trying to put money  
7 into ERAP for public housing residents and  
8 really trying to keep those units. In my  
9 district alone, it's \$10 million in arrears;  
10 hundreds of families are going to get evicted  
11 unless we do something.

12 COMMISSIONER VISNAUSKAS: Yes, I also  
13 understand that they were sort of statutorily  
14 at the lower end of the priority as it was  
15 passed last year.

16 My understanding from OTDA and from  
17 the Governor's office is certainly that they  
18 continue to advocate at the federal level for  
19 additional funds to pay for ERAP. There have  
20 been several installments, I'm sure you know,  
21 and they continue to advocate to get  
22 additional funds as best they can to keep  
23 serving all of the priorities in the  
24 prioritization.

1 ASSEMBLYMAN EPSTEIN: Right. I want  
2 to turn your attention to basement and cellar  
3 apartments. As you know, a year and a half  
4 ago we lost 11 New Yorkers after Hurricane  
5 Ida. I know the Governor's proposed a plan  
6 that might include legalization of basement  
7 and cellar apartments in New York City, as  
8 well as part of the Housing Plan, ADUs is one  
9 of the options.

10 And I'm wondering, in the proposal you  
11 listed basements but didn't include cellars,  
12 even though they can be identical to the eye,  
13 cellars and basements. I'm wondering why it  
14 was -- was it intentional to exclude the  
15 cellars? Even though it could be, you know,  
16 the difference of 2 inches between a basement  
17 and a cellar in a unit.

18 COMMISSIONER VISNAUSKAS: Yeah, I  
19 think we are initially coming out and trying  
20 to address the basement issue. And for folks  
21 that don't know, the basements are just the  
22 ones that are 50 percent above grade versus  
23 50 percent below grade for the cellars.

24 And so I think we felt like as a first

1 effort to address this, that basements was  
2 the right place to start. But happy to keep  
3 working with the Legislature on that.

4 ASSEMBLYMAN EPSTEIN: Yeah, I  
5 appreciate that. I think we need to address  
6 the basements and cellars too.

7 And I know we have only seconds left,  
8 but the 12 FAR cap, I think that's a problem  
9 for Manhattan just lifting it, you know,  
10 without any commitment to affordability. I  
11 think a longer conversation needs to be had.

12 Thank you.

13 CHAIRWOMAN WEINSTEIN: To the Senate.

14 CHAIRWOMAN KRUEGER: Thank you.

15 To Senator Robert Jackson.

16 SENATOR JACKSON: Good morning,  
17 everyone. Good morning, Commissioner.

18 COMMISSIONER VISNAUSKAS: Good  
19 morning.

20 SENATOR JACKSON: So I have only three  
21 minutes, so let me be very quick.

22 My concern is I've heard that there's  
23 approximately 60,000 units of housing that is  
24 not being rented in the New York City area.

1           And I'm concerned about that because  
2           affordability is extremely important for the  
3           people that I represent. Are you aware of  
4           that, and can you comment on that?

5                    COMMISSIONER VISNAUSKAS: Did you say  
6           16,000 or 60,000?

7                    SENATOR JACKSON: Six, zero, thousand.

8                    COMMISSIONER VISNAUSKAS: And so  
9           you're referring to the vacant, the sort of  
10          reported vacancies in the rent stabilization  
11          system? Is that what you're referring to?

12                   SENATOR JACKSON: Yes.

13                   COMMISSIONER VISNAUSKAS: So there was  
14          some reporting a couple of months ago about  
15          units registered as vacant. And the way our  
16          data works is that sort of point-in-time data  
17          for April 1st of each year. And that was  
18          data that was reported at the height of the  
19          pandemic in 2021. Since that time, we have  
20          seen that vacancy number come way down as  
21          additional apartments have been registered.  
22          And so that condition is really back to  
23          historic norms.

24                   We agree there should be -- we agree,

1           sorry, that there's a tight housing market in  
2           New York City and that there's a lot of  
3           demand. But we don't see, in the  
4           rent-stabilized stock, sort of an abnormal  
5           number of vacant units in the system.

6                         SENATOR JACKSON: And what are you  
7           hearing why there's so many units not being  
8           rented?

9                         COMMISSIONER VISNAUSKAS: I mean,  
10          again, we see the sort of number of units  
11          vacant in the system, so the system is about  
12          960 -- 950,000 units -- that the number of  
13          those that are vacant is sort of consistent,  
14          reported, again, sort of as April 1 of each  
15          year, is consistent year over year and that  
16          those aren't necessarily long-term vacant  
17          apartments, that's just about the number of  
18          apartments that are vacant on that date in  
19          any given year.

20                         And they are different apartments each  
21          year. So it isn't that there's sort of a  
22          consistent 30,000 or, you know, whatever the  
23          number that gets reported, it's not the same  
24          units year over year that are sort of vacant

1 long-term. It's just different units, for  
2 the most part, in any given year.

3 SENATOR JACKSON: Let me switch to the  
4 enforcement unit. There's additional money  
5 in the proposed budget for the enforcement  
6 unit. And I'm curious to -- in my opinion,  
7 that's not enough in order to really look at  
8 the enforcement of compliance with our laws  
9 and regulations. And especially when people  
10 are charging electric bikes in units and  
11 there's fire taking place and people are  
12 being killed and property being destroyed.

13 So do you suggest that we should  
14 increase the amount of money for the  
15 enforcement unit? Is that enough in order to  
16 do that statewide? Obviously I'm from  
17 New York City, I'm concerned about New York  
18 City, but I'm concerned about the rest of the  
19 people in New York State as far as having an  
20 enforcement unit that is going to enforce  
21 compliance with the laws that we pass.

22 COMMISSIONER VISNAUSKAS: Yeah, so we  
23 really felt that the -- we sort of sized it  
24 to increase the footprint of the Tenant

1 Protection Unit upstate, since those  
2 protections were expanded statewide through  
3 HSTPA, and also expanded to manufactured and  
4 mobile home park residents. So that staffing  
5 is really meant to serve that need.

6 CHAIRWOMAN KRUEGER: Thank you.

7 CHAIRWOMAN WEINSTEIN: Before we go to  
8 the Assembly, we've been joined -- we were  
9 joined a little while ago by Assemblyman  
10 Dinowitz, Assemblywoman Mitaynes, and  
11 Assemblywoman Hyndman.

12 And we go to Assemblyman Ari Brown for  
13 three minutes.

14 ASSEMBLYMAN ARI BROWN: Thank you,  
15 Madam Chairperson. And thank you to you and  
16 Assemblyman Ed Ra for your tireless efforts.

17 Good morning, Commissioner.

18 COMMISSIONER VISNAUSKAS: Good  
19 morning.

20 ASSEMBLYMAN ARI BROWN: I've read your  
21 resume. You're a person of experience in  
22 this field. Do you honestly believe that the  
23 \$250 million designated for planning and  
24 infrastructure will cover even a small

1 fraction of the monies needed to create new  
2 water, sewer, pumping stations, power plants  
3 and roads for the Governor's housing compact?  
4 Aren't we really talking about billions of  
5 dollars?

6 COMMISSIONER VISNAUSKAS: So I would  
7 say a couple of things.

8 I think the state, as you know, funds  
9 infrastructure through a variety of ways, EFC  
10 obviously being one of the main -- the  
11 Environmental Facilities Corporation being  
12 one of the main ones, as well as the bond act  
13 that was passed last year, which is also  
14 going to provide a significant amount of  
15 infrastructure dollars for the state.

16 So the \$250 million isn't really meant  
17 to reflect the infrastructure needs across  
18 the state. What it is meant to be is sort of  
19 a down payment on the housing growth that we  
20 want to see through the housing compact, and  
21 the Governor has sort of said as much. So I  
22 think we're happy to continue to work with  
23 the Legislature on infrastructure needs for  
24 communities across the state that want to

1 grow their housing stock.

2 ASSEMBLYMAN ARI BROWN: Thank you,  
3 Commissioner.

4 You proclaimed this morning, you  
5 stated that you traveled to every corner of  
6 the state. Have you been to the South Shore  
7 of Long Island, specifically the southwestern  
8 portion of Long Island? I mention that  
9 because where are the 3 percent and 1 percent  
10 growth target numbers coming from for  
11 downstate specifically? How confident is HCR  
12 that the municipalities will be able to reach  
13 those targets, considering that many of the  
14 downtown communities, especially southwestern  
15 Nassau, are built to capacity? There's no  
16 open land for any development at all.

17 COMMISSIONER VISNAUSKAS: So we -- I'm  
18 not sure if I've been exactly to the town  
19 you're speaking of, but I've certainly been  
20 to quite a few places in Long Island in my  
21 tenure here at the state. And there's so  
22 many wonderful examples, actually, of the  
23 type of growth that we are looking for, both  
24 in the general housing growth and also in the

1 transit-oriented development.

2 So we understand that there are  
3 density challenges in some places. And for  
4 areas that are actually already zoned to the  
5 density, there is not a requirement to rezone  
6 or zone above that in any way.

7 But we really look forward to working  
8 with municipalities to work with them on  
9 achieving these goals. We think that doing  
10 nothing is not an option and we have to find  
11 a way to make sure that we can continue to  
12 house all the New Yorkers that want to be  
13 here and continue to attract jobs and  
14 companies who need places for their workforce  
15 to live.

16 ASSEMBLYMAN ARI BROWN: Thank you,  
17 Commissioner.

18 To your point, though, you mentioned  
19 before about five-acre zoning and the price  
20 reflects as such. I'm in a community,  
21 specifically South Shore of Long Island,  
22 where there are 60x100 lots that are going  
23 for \$2.5 million. So the lots are tiny, no  
24 place to build at all. The only time a new

1 structure is going to go up is when something  
2 goes down.

3 We're involved with transit-oriented  
4 development. There isn't an inch of space.  
5 What do you do in communities like that?

6 COMMISSIONER VISNAUSKAS: Look, I  
7 think we're happy to work with you on a more  
8 granular level for localities in your area  
9 that want to work with us on what we can do  
10 together.

11 ASSEMBLYMAN ARI BROWN: Thank you,  
12 Commissioner.

13 COMMISSIONER VISNAUSKAS: Yup.

14 CHAIRWOMAN WEINSTEIN: Senate?

15 CHAIRWOMAN KRUEGER: Thank you.

16 Housing Ranker Pam Helming. Five  
17 minutes, thank you.

18 SENATOR HELMING: Thank you,  
19 Senator Krueger.

20 Thank you, Commissioner, for your  
21 testimony today. And I appreciate the few  
22 moments we had prior to the hearing to chat.

23 As I stated to you, in reading through  
24 Part F, the growth targets, I have a number

1 of questions. I'm very concerned that as a  
2 state we have spent years investing in plans  
3 to help preserve and protect our natural  
4 resources, to do things like to preserve and  
5 protect open spaces, viable farmland,  
6 et cetera.

7 And I see potential unintended  
8 consequences in Part F, with the housing  
9 compact and also with the ADU language. So I  
10 look forward to talking with you and your  
11 staff in more detail about where I have  
12 questions and where I see some of those  
13 challenges.

14 But I wanted to start out by going  
15 back to -- you kind of concluded your  
16 presentation by saying that New York State  
17 cannot afford to continue with the  
18 status quo. I couldn't agree more. We lost,  
19 based on one report I read, 500,000 people  
20 over the past two years. But I would argue,  
21 and I think many others would agree, that the  
22 primary reason we're losing people to so many  
23 states is our high property taxes. It's not  
24 for solely a lack of housing.



1 people.

2 So I'm going to assume -- and I know  
3 that can get me in trouble -- but that HCR  
4 supports the land bank model, just based on  
5 you using the City of Kingston and the  
6 land bank work there as a positive. Can you  
7 tell me how much funding is allocated in the  
8 2024 proposed budget for land banks?

9 COMMISSIONER VISNAUSKAS: So last year  
10 we received \$50 million in the budget for  
11 land banks, and we worked really closely with  
12 all the land banks and the association to  
13 craft what they really wanted to see from  
14 that. We put out the first round of funding  
15 in coordination with them, which was really  
16 for operational support, which is what they  
17 felt was the first need. And then we're just  
18 about to release the next tranche of that  
19 money, again, based on consultation with them  
20 with what they --

21 SENATOR HELMING: So how much is in  
22 2024?

23 COMMISSIONER VISNAUSKAS: Well, we  
24 still have the money from last year that

1 we're spending down. So I believe of the 50  
2 we've only committed about 20. So we're  
3 going to -- and again, this is in  
4 consultation with the land banks themselves.  
5 So we're about to release the next tranche of  
6 which will probably be 20 --

7 SENATOR HELMING: I understand that --

8 COMMISSIONER VISNAUSKAS: -- or the  
9 full 30 this year will go out. So we  
10 would --

11 SENATOR HELMING: All right, so we --  
12 and I'm sorry, I don't mean to cut you off,  
13 but my time is so limited.

14 So we've allocated zero in the 2024  
15 budget for land banks, based on the --

16 COMMISSIONER VISNAUSKAS: Because we  
17 still have \$30 million left, right, from last  
18 year.

19 SENATOR HELMING: And we should be  
20 moving that out, since these programs are  
21 very successful and help us meet our housing  
22 goals.

23 I wanted to talk about, too -- I  
24 mentioned that I think there's some policies

1           that could actually potentially increase  
2           property taxes -- things like property tax  
3           exemptions for developers, some as long as  
4           25 years. In my work I'm familiar with  
5           PILOTs that go as long as 10 years, 15 years,  
6           maybe some as long as 25 years.

7                        There's also language in the  
8           Executive proposal to create a private cause  
9           of action, which I think could lead to more  
10          costs for local governments and ultimately  
11          higher property taxes.

12                      So I guess my question to you is, who  
13          was consulted on this proposal? Have you had  
14          input from the Association of Counties,  
15          Towns, Conference of Mayors, school  
16          associations, all these folks who are going  
17          to be impacted by this policy?

18                      COMMISSIONER VISNAUSKAS: Yes, we  
19          certainly have done a lot of stakeholder  
20          outreach. We've met with organizations like  
21          the Conference of Mayors and others.

22                      I would say a couple of things. One  
23          is the intent of the plan is certainly not to  
24          raise people's property taxes. The intent is

1 to create more housing.

2 And we see that actual housing costs  
3 is sort of the number-one stressor above  
4 property taxes statewide, and why people sort  
5 of choose to relocate. And so we are really  
6 focused on making sure that the increase in  
7 housing supply goes to drive down housing  
8 costs. Which, again, we see as one of the  
9 number-one stressors for people.

10 SENATOR HELMING: I have so many more  
11 questions, and I only have about 10 seconds  
12 left. I'm going to make a comment.

13 Earlier there was a comment made about  
14 large lot sizes and how that limits housing  
15 in our rural communities. Those large lot  
16 sizes are important to accommodate the  
17 keeping of farm animals, to preserve the  
18 rural character of our communities. And  
19 also, we don't want housing tracts built next  
20 to farms. It just doesn't work.

21 Like I said, I appreciate that you're  
22 willing to talk with me following this. I  
23 have so many questions. Thank you.

24 CHAIRWOMAN WEINSTEIN: Thank you.

1                   We go to Assemblywoman Jackson, for  
2                   three minutes.

3                   ASSEMBLYWOMAN JACKSON: Thank you,  
4                   Chair.

5                   So I see that we are allocating a  
6                   hundred million from Mitchell-Lama  
7                   homeownership program, very near and dear to  
8                   me. But how many state-run Mitchell-Lamas do  
9                   we currently have, and what is the hundred  
10                  million actually going to look like?

11                  COMMISSIONER VISNAUSKAS: So we  
12                  supervise Mitchell-Lamas. We just have a  
13                  regulatory purview there; they're privately  
14                  owned and privately managed. And we have  
15                  about 133 of them in our portfolio. And as  
16                  you know, the city also has -- we have about  
17                  a little over a hundred.

18                  ASSEMBLYWOMAN JACKSON: A little over  
19                  a hundred.

20                  And then what are we doing to grow  
21                  this state Mitchell-Lama program?

22                  COMMISSIONER VISNAUSKAS: So in many  
23                  ways, you know, the Mitchell-Lama program is  
24                  quite old and sort of historic, and so our

1           role both on the regulatory front is to make  
2           sure they're financially and physically and  
3           regulatory sort of healthy.

4                        But we also lend, as you mentioned,  
5           through the funding in our budget, we do a  
6           lot of loans and grants to the Mitchell-Lama  
7           housing companies to make sure that they can  
8           make investments.

9                        I think in many ways sort of the  
10          Mitchell-Lama format has been replaced by the  
11          tax credit program. And so now when you see  
12          new construction of 100 percent affordable  
13          housing like what was Mitchell-Lama, it's  
14          largely been done through that program.

15                       SENATOR JACKSON: Right. So I was  
16          able to own my home through Mitchell-Lama at  
17          23 years old, and I would love to see more  
18          young people be able to do the same thing.

19                        With the loan process, the issue I'm  
20          having is that, you know, with Concourse  
21          Village, one that I represent, they were  
22          being told to like hire out a professional to  
23          help them with the process of the  
24          application. Can you speak to like why is

1           this such a vigorous process, like why is it  
2           so complicated? And can we make this easier  
3           for people to apply for?

4                        COMMISSIONER VISNAUSKAS: So the  
5           Mitchell-Lama -- again, since they are  
6           privately owned and operated, we do want them  
7           to go get a needs assessment so they can go  
8           do a scope of work. And so they would hire a  
9           consultant who would prepare that for them,  
10          and that is part of the process. We don't do  
11          that, as the state, since they're sort of  
12          privately owned buildings.

13                       So we don't intend it to be sort of  
14          onerous for them. There's certainly lots of  
15          great consultants that work with our  
16          Mitchell-Lamas in our portfolio to do those  
17          types of needs assessments. And then from  
18          there, they can have a real scope of work  
19          about what the capital needs are, and then we  
20          work with them on financing those.

21                       ASSEMBLYWOMAN JACKSON: Got it.

22                       And then on the conversion of  
23          commercial properties, do we have a timeline  
24          for that? Like if we approve it, like what

1 does it look like?

2 COMMISSIONER VISNAUSKAS: So if the  
3 provision as proposed in the budget is passed  
4 as it's written, which would allow buildings  
5 built before -- up till 1990, where it's now  
6 1969, so it opens up a whole series of  
7 buildings that are not eligible to convert,  
8 to be able to convert. So statutorily we're  
9 just sort of allowing that to happen, and  
10 then it would be on the building owners to  
11 decide to convert if they want to, and then  
12 to do the plans to do that.

13 SENATOR JACKSON: Is there a timeline?

14 COMMISSIONER VISNAUSKAS: It's really  
15 up to the -- it's a private market decision,  
16 so it would be up to the owners to convert  
17 their buildings. We're just giving them the  
18 ability to do it, because right now they  
19 cannot.

20 ASSEMBLYWOMAN JACKSON: And then --  
21 well, that's it. Thank you, Chair.

22 CHAIRWOMAN WEINSTEIN: To the Senate.

23 CHAIRWOMAN KRUEGER: Sorry, excuse me.

24 Senator Rachel May.

1                   SENATOR MAY: Hi, Commissioner.

2                   COMMISSIONER VISNAUSKAS: Hi.

3                   SENATOR MAY: I wanted to start by  
4                   thanking you for putting the language and  
5                   funding in the budget ask for data collection  
6                   on housing, because we know that's really  
7                   important. And as an illustration of that,  
8                   I'm wondering if you have any data already  
9                   that would show how many upstate communities  
10                  are already on track to fulfill what I  
11                  consider to be pretty low targets for  
12                  increasing housing, and especially increasing  
13                  affordable housing.

14                  COMMISSIONER VISNAUSKAS: So there  
15                  are -- thank you for the question. And thank  
16                  you for all the work that you have done on  
17                  this to sort of pave the way for these  
18                  conversations to be happening.

19                  On the data, there are a couple of  
20                  organizations around the state who are really  
21                  great who we have worked with that are  
22                  private entities that just sort of do this  
23                  type of research, and they have assembled  
24                  databases. But it really just reveals the

1           need to have kind of a statewide,  
2           centralized, transparent database for that  
3           information.

4                        So we do have some groundwork from  
5           those organizations, but of course we're  
6           looking forward to some of the municipalities  
7           being able to validate and then continue to  
8           provide that.

9                        We do think that there are a lot of  
10          municipalities that are close to the goals.  
11          But there are, you know, a lot of localities  
12          that will have to do rezonings in order to  
13          meet them. We'd be happy to sort of follow  
14          up on specifics for localities in your  
15          district on that.

16                       SENATOR MAY: Thank you.

17                        I mean, my big concern is -- as a  
18          resident of Syracuse but also as chair of the  
19          Cities 2 Committee -- that we've got some of  
20          the worst concentrated poverty, the worst  
21          racial segregation in the nation in many of  
22          our upstate cities. And I'm struggling to  
23          see how this system will -- this, you know,  
24          proposal will change that.

1                   And also, as I've mentioned to you  
2                   before, if you're asking every municipality  
3                   to increase by a certain amount, that could  
4                   increase sprawl as well.

5                   So are you open to something more like  
6                   a regional development plan that would take  
7                   into account both concentrated poverty and  
8                   sprawl issues?

9                   COMMISSIONER VISNAUSKAS: Yeah, I  
10                  mean, I would say that we are certainly aware  
11                  that a lot of the affordable housing  
12                  development has been in the cities upstate,  
13                  and so are looking to make sure that in the  
14                  everyone-does-their-part sort of theme of  
15                  this, that a lot of those suburban areas --  
16                  that are wonderful places to live -- do in  
17                  fact also provide housing and people have the  
18                  opportunity to live there.

19                  So I think that's sort of embedded in  
20                  the targets being statewide and at the  
21                  village, town and city level. We really want  
22                  to spur them. And as you know, we've  
23                  embedded, we think, incentives for affordable  
24                  housing to make sure when they are building

1           they feel incentivized to make sure that  
2           housing is affordable and workforce housing  
3           that is much needed.

4                     But we're happy to continue to work  
5           with you on ways to make it better.

6                     SENATOR MAY: Thank you.

7                     CHAIRWOMAN KRUEGER: Thank you.  
8                     Assembly.

9                     CHAIRWOMAN WEINSTEIN: Assemblyman  
10          Keith Brown.

11                    ASSEMBLYMAN KEITH BROWN: Thank you,  
12          Madam Chair.

13                    COMMISSIONER VISNAUSKAS: Hi.

14                    ASSEMBLYMAN KEITH BROWN: Hi. Good  
15          morning. How are you?

16                    COMMISSIONER VISNAUSKAS: Good, how  
17          are you?

18                    ASSEMBLYMAN KEITH BROWN: So I think  
19          we could all agree diversifying the housing  
20          stock, particularly on Long Island, is a  
21          laudable goal that we should be working  
22          towards. I echo the comments of Ranker Mike  
23          Fitzpatrick and Senator Jack Martins today.  
24          But I think there might be a better way, less

1 of a top-down approach, more of a bottom-up  
2 approach.

3 I had a couple of questions I was  
4 going to ask, but in hearing your testimony I  
5 just wanted to kind of go through some of it.  
6 You say you'll do this by supporting -- and  
7 all my questions are related to the housing  
8 compact. That is my chief concern.

9 While supporting local governments  
10 with funding, the estimates for Suffolk  
11 County are it would cost anywhere from about  
12 \$5 billion to sewer all of Suffolk County.  
13 And the 250 million is a drop in the bucket  
14 towards that.

15 The second thing you mentioned was in  
16 terms of the 250 million to help funds, last  
17 year Long Island asked for 110 million to  
18 build affordable homes, of which the state  
19 funded 3 million, which is approximately less  
20 than 3 percent. And last year also there was  
21 85 million allocated for the ADUs that never  
22 came into fruition.

23 So I just wanted to ask, relative to  
24 that, how in the world could we possibly even

1 scratch the surface of this problem with the  
2 funding levels that are appropriated for next  
3 year's -- for this year's budget?

4 COMMISSIONER VISNAUSKAS: I mean, I  
5 would sort of echo some of my previous  
6 comments, that this 250 million is not meant  
7 to pay for or reflect the need for all the  
8 water and sewer needs across the state and  
9 that there are a lot of other sources that  
10 pay for that.

11 That said, we do want to work with  
12 communities that are interested in putting  
13 forward plans that allow them to build more  
14 housing related to connections for water and  
15 sewer. And so we are eager to get that money  
16 out as quickly as we can. The Governor has  
17 sort of called it a down payment. And so to  
18 the extent that we need additional funds to  
19 keep going, I think we are committed to make  
20 sure we can support that kind of housing  
21 growth.

22 We are sensitive and aware of the  
23 issues. We are not --

24 ASSEMBLYMAN KEITH BROWN: All right.

1 I only have three minutes, so I've got to ask  
2 my next question.

3 COMMISSIONER VISNAUSKAS: Yup.

4 ASSEMBLYMAN KEITH BROWN: To what  
5 extent did the executive chamber consult with  
6 members of the Association of Towns, members  
7 of the Association of Counties, NYCOM,  
8 village associations, before coming up with  
9 the housing compact?

10 COMMISSIONER VISNAUSKAS: So we -- I  
11 also didn't answer your accessory dwelling  
12 unit question from the last round, but we did  
13 put \$20 million out and awarded to several  
14 places in Long Island, New York City, and  
15 Westchester localities. Be happy to follow  
16 up and give you that information.

17 We did some consultation over the  
18 summer with folks, but we have also been  
19 actively engaged since we announced this in  
20 January. We have been talking probably to 10  
21 or 15 groups a week to get feedback, because  
22 we want to make this something, through this  
23 process, that is better. So we are happily  
24 and have been engaging with organizations

1           like the Conference of Mayors and others.

2                   ASSEMBLYMAN KEITH BROWN: Great.

3                   Last question. Would you be open to  
4           more of an incentivized program similar to  
5           something that I've been advocating for like  
6           the Brookhaven CRD, which provided a base  
7           density and then incentives after that?

8                   COMMISSIONER VISNAUSKAS: Be happy to  
9           talk with you about that more.

10                   ASSEMBLYMAN KEITH BROWN: Great, thank  
11           you.

12                   CHAIRWOMAN WEINSTEIN: Thank you.

13                   To the Senate.

14                   CHAIRWOMAN KRUEGER: Thank you very  
15           much.

16                   To Senator John Liu.

17                   SENATOR LIU: Madam Chair, thank you  
18           very much. I didn't even request to ask  
19           questions. But this is great.

20                   (Laughter.)

21                   CHAIRWOMAN KRUEGER: Wait, wait, wait.

22                   SENATOR LIU: This is fabulous. Thank  
23           you very much.

24                   CHAIRWOMAN KRUEGER: I'm sorry, should

1 I take it back --

2 SENATOR LIU: I do have questions,  
3 but --

4 (Laughter; overtalk.)

5 SENATOR LIU: Commissioner, well --  
6 commissioner and CEO, I've been wondering  
7 about that all morning. But congratulations  
8 on both titles.

9 The housing compact, you know, I  
10 understand that we probably need some kind of  
11 statewide policy to create more affordable  
12 housing. But it seems like almost all of the  
13 housing compact is just about allowing for  
14 more density overlaying a rather  
15 broad-brushed statewide policy on every  
16 community in the state. And yeah, creating,  
17 more housing but not necessarily affordable.  
18 In fact, a lot of that housing could be  
19 rather expensive, and it will be driven by  
20 market rates.

21 So the only thing I can think of is  
22 that your philosophy might be that increasing  
23 supply somehow reduces prices a little bit.  
24 But there doesn't seem to be a whole lot of

1 inducement for affordable housing. So how do  
2 you -- do you just envision more market-rate  
3 housing, potentially luxury housing?

4 COMMISSIONER VISNAUSKAS: I would say  
5 a couple of things.

6 We definitely want housing of all  
7 types, but also embedded in the plan is that  
8 localities can choose the type of housing  
9 they want. We have seen really successful  
10 inclusionary housing rezonings in places like  
11 New Rochelle and others, where they require a  
12 10 percent affordable on every project that  
13 gets developed.

14 So we would be delighted to see  
15 localities as they look to rezone their areas  
16 to meet these goals, to embed affordability  
17 targets within that.

18 We've also built into the plan  
19 affordability -- as you know, it's sort of  
20 two-for-one counting; every affordable unit  
21 counts for twice of what a market-rate unit  
22 does.

23 SENATOR LIU: Towards what -- towards  
24 which measure?

1                   COMMISSIONER VISNAUSKAS: Towards the  
2 count. So if you have a growth target of 100  
3 units, you could build 100 market-rate units  
4 or 50 --

5                   SENATOR LIU: Is that the 3 percent  
6 target? Or which --

7                   COMMISSIONER VISNAUSKAS: It's  
8 1 percent upstate and 3 percent downstate.

9                   SENATOR LIU: Okay.

10                  COMMISSIONER VISNAUSKAS: So if you  
11 were a locality and you had a 100-unit  
12 target, you could build a 50-unit regulated  
13 affordable, and that would count as  
14 100 units.

15                  So we think those types of incentives  
16 will incentivize localities to make choices  
17 around affordable and workforce housing that  
18 makes --

19                  SENATOR LIU: And what do you think is  
20 affordable housing?

21                  COMMISSIONER VISNAUSKAS: We count  
22 affordable housing as -- we count  
23 affordability as when tenants don't pay more  
24 than 30 percent of their income towards rent.

1 We use 80 percent AMI as sort of the federal  
2 standard as sort of affordability. It's  
3 where most of our programs serve. But  
4 certainly localities --

5 SENATOR LIU: So 80 percent AMI is the  
6 denominator of that 30 percent that you  
7 talked about?

8 COMMISSIONER VISNAUSKAS: Eighty  
9 percent AMI is the denominator --

10 SENATOR LIU: You said 80 percent of  
11 AMI is the standard --

12 COMMISSIONER VISNAUSKAS: Oh, so  
13 80 percent is what the federal government  
14 sort of uses as their kind of like  
15 affordability target.

16 Different localities obviously aim to  
17 reach different AMIs, but that's -- you  
18 could -- the tax credit runs at 60, so  
19 there's sort of different affordability  
20 targets depending on the programs people are  
21 using. But, you know, they're generally  
22 serving less than 100 AMI in terms of a  
23 household income.

24 SENATOR LIU: Okay, thank you.

1                   Madam Chair, feel free to call upon me  
2                   again, please.

3                   (Laughter.)

4                   CHAIRWOMAN KRUEGER: Thank you,  
5                   Senator Liu.

6                   CHAIRWOMAN WEINSTEIN: We go to  
7                   Assemblyman Burdick.

8                   ASSEMBLYMAN BURDICK: Thank you.

9                   And -- I'm over here. Good to see  
10                  you.

11                  COMMISSIONER VISNAUSKAS: I'm sorry, I  
12                  didn't hear what you said.

13                  ASSEMBLYMAN BURDICK: And my  
14                  congratulations on completion of the  
15                  five-year plan and the new plan and your  
16                  continuing good work.

17                  I first wanted to voice my agreement  
18                  with Chair Rosenthal on the need for HOPP  
19                  funding and the crisis in evictions, as well  
20                  as agreeing with Assemblymember Epstein on  
21                  the need for good-cause eviction.

22                  On the housing compact, appreciate  
23                  your willingness to consider comments from  
24                  organizations and so forth, and for meeting

1 with Westchester municipal officials on that.

2 I'd like to turn to the housing  
3 compact and its targets, and perhaps we can  
4 discuss offline that some system actually  
5 might be set up -- I realize the logistical  
6 issues have each municipality setting a  
7 target which HCR would vet, but some might be  
8 1 percent, others 10 percent.

9 To Senator Liu's point, I really do  
10 feel and I think a lot of my colleagues feel  
11 that the emphasis really needs to be shifted  
12 to affordable housing. And to that point, I  
13 think that the ratio in terms of the targets  
14 should be considerably higher than 2:1. I'd  
15 suggest maybe 5:1.

16 And I'd like to ask you, of the  
17 800,000 units, how many do you envision  
18 should be affordable? And do you think that  
19 within the goal there could be a subset for  
20 affordable housing?

21 COMMISSIONER VISNAUSKAS: So happy to  
22 answer that. It's a little bit of a  
23 complicated answer, but I'm going to -- so  
24 give me 30 of your seconds, if you will.

1                   When we looked at the -- the plan is  
2                   sort of a two-part. There's sort of the  
3                   400,000 that have happened over the last  
4                   decade, and we presume that those 400,000  
5                   will happen over the next decade sort of  
6                   naturally, what we call kind of the organic  
7                   production in the state. And then the  
8                   additional 400,000, to get to the 800, is  
9                   sort of what these series of policy tools, we  
10                  think, will permit and create.

11                  When we looked back at the historic  
12                  production, that's -- the affordability there  
13                  is made up primarily of work that the  
14                  state HCR and I would say the city HP and HDC  
15                  finance. That's probably 25 percent or more  
16                  of those units. And then on top of that are  
17                  some units that come from 421-a, they come  
18                  from other tax exemptions in the city and the  
19                  state. So we would assume that sort of --

20                  ASSEMBLYMAN BURDICK: Let me interrupt  
21                  you. I think that outside of the city may be  
22                  the greater need there in terms of the  
23                  affordable housing and setting the goals  
24                  there and trying to promote that and advance

1           that.

2                       And, you know, perhaps it could be  
3           bifurcated between the city and outside the  
4           city in terms of separate goals for  
5           affordable housing within the 800,000. You  
6           know, obviously you have the five-year plan  
7           and there would be another five-year plan  
8           that would follow that. But I think that we  
9           really need to ramp up affordable housing,  
10          and the concern about it not being all luxury  
11          condos around train stations.

12                      COMMISSIONER VISNAUSKAS: Yeah, I  
13          mean, I think we put a series of tax  
14          exemptions out also, because we really want  
15          to make sure that the private market is  
16          driving affordability. As you know, we sort  
17          of are limited in our resources as it relates  
18          to housing production, and so we really are  
19          looking for other tools to be able to  
20          generate affordable housing as housing gets  
21          organically built across the state.

22                      CHAIRWOMAN WEINSTEIN: Thank you.

23                      ASSEMBLYMAN BURDICK: Thanks so much.

24                      CHAIRWOMAN WEINSTEIN: Thank you.

1                   To the Senate.

2                   CHAIRWOMAN KRUEGER: Senator Cordell  
3                   Cleare.

4                   SENATOR CLEARE: Thank you.

5                   Thank you, Commissioner, for your  
6                   testimony.

7                   I know it was mentioned earlier, and I  
8                   want to drill down a little bit. There was a  
9                   recent report in the New York Times that  
10                  described an exodus of Black people out of  
11                  New York. And this is especially troubling  
12                  to me, representing Harlem and a historically  
13                  Black community where the average median  
14                  income of Blacks in New York is \$53,000 a  
15                  year, compared to whites, which is \$98,000 a  
16                  year.

17                  And I just want to know what in the  
18                  agency are we doing to address this? Because  
19                  it is very troubling, especially considering  
20                  the historic discrimination and redlining,  
21                  economic and other barriers that have been  
22                  put in front of Black people in New York  
23                  City. I think that we should be doing  
24                  something. This is related to affordability,

1 deeper affordability. And I do think the  
2 program should focus on affordability more so  
3 than quantity, because we have built so much  
4 housing that Blacks and other New Yorkers  
5 cannot afford to live in.

6 COMMISSIONER VISNAUSKAS: Yes, I saw  
7 that same article, as I'm sure many people in  
8 this room did, and it was very upsetting.

9 And I would say a couple of things.  
10 One, we certainly see that as an issue of  
11 supply, that there is not enough housing,  
12 people don't have enough options, there are  
13 not enough affordable places to live. But I  
14 think, second to that, the compact really  
15 seeks to make sure that housing is getting  
16 built everywhere. And as you know, there are  
17 many places that have excluded --  
18 historically excluded minority communities  
19 from owning, renting.

20 And so that has just caused a sort of  
21 a lack of access to housing in lots of  
22 communities, and I think we want to make sure  
23 that communities, all communities are  
24 building and all communities are following

1 Fair Housing Laws and all communities are  
2 accepting.

3 And so I think at the base of that we  
4 really are trying to get a lot of those  
5 housing policies that have been in the  
6 housing system for a long time that need to  
7 be changed.

8 SENATOR CLEARE: That exclusion also  
9 occurred in Harlem and in Manhattan, and I'd  
10 like to see that addressed as well, because  
11 there are many people who don't want to leave  
12 New York. They don't want to leave Harlem.

13 I'll also ask, seniors being our  
14 fastest-growing population, how much of that  
15 800,000 units is being dedicated for senior  
16 housing?

17 COMMISSIONER VISNAUSKAS: So that  
18 would really be up to communities to decide  
19 in terms of how they want to do their zoning  
20 and projects they want to permit. So we are  
21 not dictating any particular type of housing  
22 to localities, but giving them sort of the  
23 tools to create the type of housing that fits  
24 their locality.



1 know, was built by the Amalgamated Clothing  
2 Workers of America starting in 1927, so  
3 95 years ago -- 1500 affordable units which  
4 we hope will remain. There's going to be a  
5 witness later on who's going to get into a  
6 lot of specifics regarding it. But it was  
7 built under Article 4 of the Private Housing  
8 Finance Law, unlike Mitchell-Lamas, which are  
9 Article 2.

10 And this is a limited equity housing  
11 co-op. It's the oldest one in the entire  
12 United States. My mother lived there for  
13 many years, my brother and his family lived  
14 there for many years. And they're in big  
15 trouble now, and I believe part of the reason  
16 they're in big trouble is because of I'll say  
17 inaction by the agency. For example, they've  
18 tried in the past to secure loans, which I  
19 think they had lined up, and there were  
20 delays, people in the bureaucracy were  
21 dawdling. And as a result, interest rates  
22 have skyrocketed. The cost of loans have  
23 therefore gone up, and it's going to cost  
24 them millions of dollars. They're facing a

1           situation where 800 of their apartments are  
2           going to be -- the gas is going to be turned  
3           off soon. They've faced financial problems  
4           because of delays in approving changes in  
5           carrying charges.

6                        And so I think despite the hard work  
7           of the people there -- and this is one of the  
8           most important housing developments. I mean,  
9           it's 1500 affordable units. I could just  
10          hear some people saying, Well, why are we  
11          under their supervision when we can go  
12          private? We don't want them to go private.  
13          We want them to continue to be affordable  
14          housing.

15                      And I think that the agency has to  
16          really step up to change how they do things  
17          with them so that they can get things done at  
18          a reasonable time. And I'll go further and  
19          say that I believe the agency, because of  
20          slowness on the part of some people, and  
21          because it's cost them so much money, I think  
22          you should come up with money to make up for  
23          it by helping them out.

24                      And in your 34 seconds, please

1           respond.

2                       COMMISSIONER VISNAUSKAS:  Yeah, we  
3           would be happy to talk more in-depth about  
4           all of the challenges at Amalgamated.  I'm  
5           very familiar with them, and we've been  
6           working with them very closely.  We did give  
7           them about a \$7 million loan about five years  
8           ago for what was then a scope of work of  
9           capital work that had to get done.  And we  
10          are working with them now on a new scope of  
11          work.

12                      They do have some of the highest -- I  
13          think they may have the highest carrying  
14          charges of any co-op in our portfolio, so  
15          we're very sensitive to them taking on  
16          additional debt and raising their carrying  
17          charges even more.

18                      But that said, first and foremost is  
19          really making sure that the capital  
20          investments are made.  And so we have been  
21          working with them very closely.  And we'd be  
22          happy to talk more in-depth with you about  
23          that.

24                      ASSEMBLYMAN DINOWITZ:  Thank you.

1 CHAIRWOMAN WEINSTEIN: Thank you.

2 We go to the Senate.

3 CHAIRWOMAN KRUEGER: Thank you.

4 Next up is Senator Borrello.

5 SENATOR BORRELLO: (Mic not working;  
6 pause.) How's that, better?

7 COMMISSIONER VISNAUSKAS: Perfect.

8 SENATOR BORRELLO: Thank you.

9 You know, I was looking through -- I  
10 spent 10 years in local government, and I was  
11 looking through the housing compact  
12 legislation. And Part F, basically  
13 discussing the fast tracks, if you look at  
14 Article 20 and you look at the language, it  
15 essentially is blaming local government for  
16 the lack of housing or lack of affordable  
17 housing. And I'd just like you to speak to  
18 that.

19 Do you believe that local government  
20 is to blame for the current housing  
21 situation?

22 COMMISSIONER VISNAUSKAS: The purpose  
23 of the fast track is really to be an  
24 enforcement mechanism. But what we really

1 want to see is actually localities doing  
2 rezonings and doing plannings and planning  
3 processes and meeting their growth targets.  
4 It's really just there for localities that  
5 don't do any permitting and don't do any  
6 planning.

7 As you know, there are some localities  
8 that have actually issued moratoriums for  
9 development, and that is not how we are going  
10 to be able to ease the housing crisis in this  
11 state is with localities.

12 So I think it's a mix. I think  
13 there's lots of localities that do great  
14 work, and I think there are some that don't  
15 allow any permitting. And that's really  
16 there just to create the incentive for places  
17 to be doing rezonings and doing planning so  
18 in fact they can meet their growth targets.

19 SENATOR BORRELLO: So you're basically  
20 saying that the state knows better than  
21 localities if they have, you know, enough  
22 space or the infrastructure to support more  
23 housing. Right? I mean, because you have  
24 the -- as the commissioner, you have the

1 right to actually delegate that power to  
2 override local zoning to this new review  
3 board. Is that correct?

4 COMMISSIONER VISNAUSKAS: We would  
5 assert that the housing crisis in this state  
6 is so bad and that the need for more housing  
7 is so great that it is a matter of state  
8 concern that we do propose a statewide policy  
9 for housing.

10 But we absolutely are leaving how that  
11 housing gets built, where it gets built, to  
12 localities to decide. We simply want them to  
13 do a process and a planning and a rezoning to  
14 get there.

15 SENATOR BORRELLO: But if you're  
16 letting them decide, why would you need to  
17 override their local zoning?

18 COMMISSIONER VISNAUSKAS: Well,  
19 because some localities have not permitted  
20 any housing or in fact they're introduced  
21 moratoriums on building housing. And that's  
22 not going to help us address the housing  
23 crisis.

24 SENATOR BORRELLO: So if you start

1 talking about creating new housing in areas  
2 that already are densely populated, what  
3 about infrastructure needs -- water, sewer,  
4 roads? More importantly, police, fire. Is  
5 the state going to support that also?

6 COMMISSIONER VISNAUSKAS: So we think  
7 that the growth targets that we've put in are  
8 not -- allow localities to plan for those  
9 types of changes, and we stand ready, willing  
10 and able to work with localities on  
11 infrastructure needs they may have to support  
12 the growth.

13 SENATOR BORRELLO: Well, we're going  
14 to electrify everything, right? So what  
15 about ensuring that they actually have grid  
16 capacity to build these new houses that the  
17 state essentially is going to force upon  
18 them, and also have to electrify? How's that  
19 going to work?

20 COMMISSIONER VISNAUSKAS: So we are  
21 working really closely with NYSERDA. We have  
22 this with our affordable portfolio as well,  
23 to make sure that there is capacity in places  
24 where the growth is happening, to meet that

1 demand.

2 SENATOR BORRELLO: Do you have budget  
3 money in order to ensure that electrical  
4 infrastructure will be able to meet that  
5 capacity for these millions of new units  
6 you're going to create?

7 COMMISSIONER VISNAUSKAS: That lies  
8 more with energy agencies than it does with  
9 the housing agency. But we do coordinate  
10 with them.

11 SENATOR BORRELLO: I think it's rather  
12 troubling that we think local government  
13 hasn't done a good job and the state has  
14 somehow done a better job. I think a lot of  
15 local government officials would disagree.

16 But thank you.

17 CHAIRWOMAN KRUEGER: Assembly.

18 CHAIRWOMAN WEINSTEIN: Assemblyman  
19 Rivera.

20 ASSEMBLYMAN RIVERA: Hi, there.

21 COMMISSIONER VISNAUSKAS: Hi.

22 ASSEMBLYMAN RIVERA: How are you?

23 Two questions, one a bit local and  
24 then the other about the compact.

1                   So the compact idea is ambitious and  
2                   has a potential to it. A big potential I see  
3                   is not just the housing that it could produce  
4                   but the economic impact in the construction  
5                   industry. That being said, what's your take  
6                   on the absence of labor standards in the  
7                   plan, in the face of the opportunity that we  
8                   have ahead of us?

9                   COMMISSIONER VISNAUSKAS: So there are  
10                  a series of labor standards embedded in the  
11                  tax exemptions, which is somewhat I think  
12                  common and precedential for the tax  
13                  exemptions.

14                 I think on the other growth it is  
15                 largely just privately financed growth. So I  
16                 think that the market will sort of dictate  
17                 how that gets built and where that gets  
18                 built.

19                 ASSEMBLYMAN RIVERA: I guess I'd say  
20                 that if we're at the forefront of doing this  
21                 big move, that, you know, potentially looking  
22                 at constructing so much housing that the  
23                 staff or I should say the workforce that's  
24                 going to be constructing it might not be able

1 to afford it themselves, is sort of the  
2 dilemma. You know, we can build a lot but at  
3 the end of the day if we're not paying people  
4 wages that they themselves can afford to live  
5 in the housing that they themselves are  
6 building, then we're just sort of going to be  
7 revisiting an entirely different problem.

8 Second question, a bit local. There  
9 is a public housing development on the  
10 waterfront of my city, Buffalo, called Marine  
11 Drive Apartments, and they've been sort of  
12 sitting in the same way for about 60,  
13 70 years. And I know that there's a huge  
14 plan to redevelop them entirely, tear them  
15 down, you know, build something new. It's a  
16 pretty tight space there. They're sort of  
17 landlocked and it's kind of tough to do much.

18 I guess, one, what's the overall  
19 community engagement plan around it? And  
20 then, two, how are we going to ensure that  
21 people that are, you know, living there with  
22 a very affordable rent can continue to do so  
23 in the face of building something brand-new  
24 and far more expensive?

1                   COMMISSIONER VISNAUSKAS: So I'm  
2                   familiar with the project, and we have been  
3                   working closely with the Buffalo Housing  
4                   Authority as well as their selected developer  
5                   on this. They are just beginning the  
6                   community engagement process to talk through  
7                   a lot of the issues you mentioned.

8                   We would anticipate financing that  
9                   project as they work their way through the  
10                  community process. And as part of that, we  
11                  would ensure that all tenants have the right  
12                  to return to the housing. And also we  
13                  anticipate that there will be as many  
14                  affordable units, if not more, in that for  
15                  those returning residents, to make sure that  
16                  they come back to affordable rents.

17                 ASSEMBLYMAN RIVERA: Thank you.

18                 COMMISSIONER VISNAUSKAS: Yup.

19                 CHAIRWOMAN WEINSTEIN: Senate.

20                 CHAIRWOMAN KRUEGER: Thank you.

21                 Senator Julia Salazar.

22                 SENATOR SALAZAR: Thank you.

23                 Good to see you, Commissioner.

24                 I want to ask about the Governor's

1 budget proposal --

2 CHAIRWOMAN KRUEGER: Get close to your  
3 mic and make sure it's on, Julia.

4 SENATOR SALAZAR: Yes, sorry. You can  
5 hear me.

6 So the Governor's budget would grant  
7 New York City authority to establish a tax  
8 abatement program for the purpose of making  
9 capital improvements in housing units. How  
10 would these tax abatements benefit low-income  
11 and working-class renters?

12 COMMISSIONER VISNAUSKAS: This is the  
13 J51 proposal, colloquially called?

14 So the J51 program has been around for  
15 a very long time. It is intended to help  
16 promote capital investments in the existing  
17 rate-stabilized stock. So the revised  
18 program mirrors much of what has historically  
19 been in that program, except it adds some  
20 additional qualifiers to limit the buildings  
21 that can apply to buildings that have  
22 affordable rents in them. So I think it's  
23 really trying to be more specifically  
24 targeted towards buildings with low-income

1 renters.

2 SENATOR SALAZAR: Got it. So only  
3 eligible if they already provide -- the  
4 housing that they already provide is  
5 considered affordable rents.

6 COMMISSIONER VISNAUSKAS: If -- yeah,  
7 half of the building has to be at 80 AMI  
8 rents or below in order to get into the  
9 program. Which is new.

10 SENATOR SALAZAR: And how does -- in  
11 other ways, how does this proposal differ  
12 from the previous J51 tax exemption, apart  
13 from the shorter maximum length of the tax  
14 abatement in this proposal?

15 COMMISSIONER VISNAUSKAS: Yeah,  
16 there's a couple of pieces. So there's the  
17 qualification that 50 percent at 80. There's  
18 a change in the way the exemption and the  
19 abatement are treated. And -- but I think in  
20 general the program is really meant -- and  
21 there's a proposal for the cost schedule I  
22 think is the other one that's in there.

23 But I think we would be open to  
24 working with the Legislature to the extent

1           there's other things in the program that we  
2           want to talk about.

3                         SENATOR SALAZAR: Great.

4                         How much tax revenue, approximately,  
5           would New York City forgo if this were  
6           implemented as it's proposed?

7                         COMMISSIONER VISNAUSKAS: I believe  
8           they have proposed it so that it would be  
9           sort of neutral to what it was in the past.  
10          But we'd be happy to get back to you with  
11          those numbers.

12                        SENATOR SALAZAR: Got it.

13                        So I just want to say, in the  
14          Governor's commitments and goals that are set  
15          out in this housing compact are laudable.  
16          But I'm deeply concerned about the loss of  
17          affordable housing that's ongoing in our  
18          state, even as we're seeking to create much  
19          more, hundreds of thousands more units of  
20          housing, and really want to emphasize the  
21          importance of codifying rights for  
22          unregulated renters and protecting families  
23          from evictions without good cause. I think  
24          that's something that has really been missing

1 from the Executive Budget proposal, and I  
2 really hope that that can be part of the  
3 conversation as we move forward talking about  
4 the Governor's housing compact in the budget.

5 Thanks.

6 COMMISSIONER VISNAUSKAS: Thank you.

7 CHAIRWOMAN KRUEGER: Thank you.

8 Assembly.

9 CHAIRWOMAN WEINSTEIN: We go to  
10 Assemblywoman Simon.

11 ASSEMBLYWOMAN SIMON: Thank you very  
12 much. That works, thank you.

13 I have several questions, and I  
14 appreciate your responding as quickly as you  
15 can. You know, in the budget there are plans  
16 for six new Tenant Protection Units across  
17 the state. Where would they be? How many  
18 currently work at the current TPU? And what  
19 are the goals for these new TPUs?

20 COMMISSIONER VISNAUSKAS: So we put in  
21 the budget an expansion of staff to address  
22 the expansion of HSTPA, especially in the  
23 Hudson Valley, which is where we see a lot of  
24 need and demand, both just for education

1           around HSTPA's rights, but also it expanded  
2           to manufactured and mobile home park tenants  
3           also. So we wanted to make sure that we had  
4           a presence up there, since there's a sort of  
5           high presence of those folks.

6                         So we plan to have those staff really  
7           be out sort of in a field office outside  
8           New York City.

9                         ASSEMBLYWOMAN SIMON: Okay. And with  
10          regard to the housing compact, there are a  
11          number of things that I think are very  
12          laudable about it, a number I think are  
13          problems.

14                        The FAR of 12 cap in the city --  
15          there's no need to raise that 12 cap. First  
16          of all, they do it all the time in other  
17          ways. Coming from a district that is very  
18          transit-oriented and very developed, they've  
19          gone up a thousand feet in some places. So I  
20          think the real issue is engagement locally so  
21          that the plans actually make sense.

22                        And the other problem that I would  
23          like to see the state work on is expanding  
24          access to capital of not-for-profit housing

1 developers who do not have the same profit  
2 margins they need to meet, and they can build  
3 more affordably. Because so much of what is  
4 called affordable isn't, and affordability is  
5 the crisis in New York. It's not high taxes  
6 per se, it's the affordability of housing.

7 And we literally have displaced, at  
8 Atlantic Yards, 25 percent of the  
9 African-American population in four community  
10 boards, under the guise of affordability that  
11 isn't really there and isn't even developed.

12 And the other thing I would like you  
13 to address is Mitchell-Lama and the amount of  
14 money that we need from the feds to recreate  
15 a new Mitchell-Lama.

16 COMMISSIONER VISNAUSKAS: So I would  
17 say, on Mitchell-Lamas, so we certainly work  
18 really closely with our entire portfolio to  
19 make sure that we're investing there. And  
20 I'd be happy to work with you on any  
21 particular Mitchell-Lamas that you would like  
22 us to be working with.

23 I think on the -- I'll sort of go out  
24 of order -- on the FAR 12, you know, we are

1 really just giving the city the permission to  
2 then rezone for residential throughout the  
3 city, as opposed to changing their zoning,  
4 right? It's really up to them.

5 ASSEMBLYWOMAN SIMON: It's not  
6 working, and it's never going to work.

7 COMMISSIONER VISNAUSKAS: But just to  
8 say we are --

9 ASSEMBLYWOMAN SIMON: Just telling  
10 you, it's not going to work.

11 COMMISSIONER VISNAUSKAS: -- it's the  
12 removal of the cap. And we also would like  
13 to see the commercial buildings be able to  
14 convert to residential as well as sort of a  
15 key part of this.

16 And then, sorry, remind me, I missed  
17 what your middle question was in between FAR  
18 and --

19 ASSEMBLYWOMAN SIMON: That was the  
20 main question, was the FAR, the affordability  
21 and lack thereof. Thank you.

22 COMMISSIONER VISNAUSKAS: Okay.

23 CHAIRWOMAN WEINSTEIN: Thank you.

24 To the Senate.

1                   CHAIRWOMAN KRUEGER: Thank you. I  
2                   believe I'm the last Senator, and I'm just  
3                   trying to bat clean-up a little bit,  
4                   Commissioner.

5                   On the five-year housing plan. So in  
6                   '22-'23 we enacted a 4.5 billion new  
7                   five-year housing plan to provide 100,000  
8                   affordable units, 10,000 supportive housing  
9                   units. Of course we haven't done much on  
10                  that yet, I'm assuming, or spent that money.

11                  But we also had reappropriated last  
12                  year 1.1 billion for the previous five-year  
13                  plan. Tell me what's happened to the now  
14                  done original five-year plan. Is that -- has  
15                  that 1.1 billion now been spent?

16                  COMMISSIONER VISNAUSKAS: It's in the  
17                  process of just being drawn down. So some of  
18                  those projects have not fully pulled down all  
19                  their capital. But we started financing on  
20                  the full 100,000 on -- for basically every  
21                  category in there. But I think for one or  
22                  two that we may have rolled some funds.

23                  But we can get you a more accurate  
24                  accounting of that.

1                   CHAIRWOMAN KRUEGER: So approximately  
2                   how many years will it be for us to complete  
3                   that now-ended five-year plan? Your estimate  
4                   of how many years it takes.

5                   COMMISSIONER VISNAUSKAS: So on that  
6                   longest end, I think for our new construction  
7                   projects it takes them about 24 months to  
8                   construct and then maybe another six months  
9                   or so to occupy.

10                  So, first of all, the last project  
11                  that we would have started last year in  
12                  March, which would have been the end of the  
13                  first Housing Plan, we would have -- it would  
14                  take us about 30 to 40 months to see a tenant  
15                  in that unit. So we're happy to continue  
16                  sort of reporting on occupancy of that.

17                  But we would have started all the  
18                  units by last year March. And the new  
19                  construction, sort of the longest timeline,  
20                  so we would expect to see, you know, two and  
21                  a half years from then.

22                  CHAIRWOMAN KRUEGER: So the five-year  
23                  plan that technically started one year ago --  
24                  the one we're in now that we have four years

1 left, with a commitment of 100,000 units,  
2 10,000 supportive housing units -- give me an  
3 end date for when we actually ought to see  
4 all of those online.

5 COMMISSIONER VISNAUSKAS: Well, it's a  
6 mix, right. So for our preservation deals,  
7 they happen a little faster than new  
8 construction, happen a little longer. But it  
9 would be the same math. So as we get to the  
10 last sort of day of the Year 5 budget and  
11 we're closing those last March deals, they  
12 take about two years to finish construction  
13 and occupy. So we would be in -- if we  
14 closed the first deal -- or the last deal,  
15 '22, '23, '24, '25, '26 -- so in '27, if we  
16 started our last deal in March of '27, it  
17 would be two years from then for the last  
18 unit to be, you know, occupied.

19 CHAIRWOMAN KRUEGER: So when the  
20 Governor talks about an 800,000 unit goal for  
21 10 years, do I add another two or three years  
22 on top of that, even if we're staying on  
23 schedule?

24 COMMISSIONER VISNAUSKAS: Yeah. I

1 mean, we're really talking about shovels in  
2 the ground for the new construction. Which  
3 is our sort of goal, is to get them approved  
4 and permitted and shovels in the ground. So  
5 everything tends to have sort of a 24-month  
6 lag behind that for the buildings to get  
7 built.

8 CHAIRWOMAN KRUEGER: And I know there  
9 was a question earlier about 421-a and the  
10 Governor's proposal to extend it four more  
11 years. And your clarification that you don't  
12 even know who, what, where about those  
13 projects until they've actually applied for  
14 the credit once they've completed the  
15 building or --

16 COMMISSIONER VISNAUSKAS: We have  
17 seen, as many of you probably have too, sort  
18 of the lists of all the deals that are in.  
19 But I think that in terms of a true data  
20 source, that data doesn't come in till the  
21 end of construction, and it's held by the  
22 city.

23 CHAIRWOMAN KRUEGER: So as one Senator  
24 who's pretty much always been opposed -- I

1 had 10 minutes, so I know I'm not done yet.  
2 I don't know where we are, but I know I'm not  
3 done.

4 So I've always been an opponent of  
5 421-a in all the variations since I've been  
6 here. But I think the fact that you've  
7 got -- we don't even know how many people are  
8 rushing to -- rushed to get their  
9 applications in before June, now are rushing  
10 to call for us to give them another four  
11 years. Some of those might not even be  
12 anything but a glint in someone's eye. I  
13 just think it's a tragic mistake for New York  
14 State to allow an additional four years on a  
15 program we ended for very specific reasons.

16 But I do think that there are a few  
17 storylines that are coming forward about  
18 applications that were in much earlier than  
19 June '22 and are -- negotiated serious  
20 affordable housing projects with communities  
21 and with even the City Council on a number of  
22 the issues that have been brought to me, that  
23 there's a reasonable proposal to allow  
24 exceptions based on certain criteria and

1 viewed one by one.

2 Do you think your agency can handle  
3 that if that's how we change the deal?

4 COMMISSIONER VISNAUSKAS: I suspect  
5 those maybe would get administered by the  
6 city, since they administer the tax  
7 exemption.

8 But I think what I would -- I would  
9 say a couple of things. You know, the permit  
10 data spiked a lot in 2021. I think we -- you  
11 know, a couple of things could happen. We  
12 would like those projects to continue because  
13 we would like housing to continue to be  
14 built. So we don't want them to get stalled  
15 by virtue of the program not being available.

16 We also don't want them to convert to  
17 either all-market rate or to condos and would  
18 prefer, if the rentals are going to get  
19 built, that they do have the affordable  
20 component.

21 I'm not as familiar with the sort of  
22 city-negotiated projects and how one would  
23 negotiate those one by one. But, you know, I  
24 think we do think that the construction of

1 the rental housing and the affordable  
2 component is important, and we want to see  
3 that continue and not stop.

4 CHAIRWOMAN KRUEGER: Well, I would  
5 also like to see affordable units being  
6 built, but I don't think they get built under  
7 that program. So I'd rather the City of  
8 New York had four more years of property tax  
9 money to invest in something that actually  
10 might get us real affordable housing. So I  
11 think that will just continue to be a  
12 disagreement perhaps with the administration  
13 and some of us.

14 So I want to go to your additional  
15 funding for the Tenant Protection Unit, which  
16 I see supposedly is \$579,000 more than the  
17 previous year. Now, the wait time now for  
18 people with complaints relating to TPU issues  
19 is how long with your agency?

20 COMMISSIONER VISNAUSKAS: We don't  
21 really have a wait time for TPU, right? That  
22 office is focused primarily on bringing units  
23 that have been dropped from the registration  
24 system back in, investigating harassment

1 complaints and those types of activities. So  
2 we don't per se have a wait time.

3 This staff is really to expand our  
4 footprint --

5 CHAIRWOMAN KRUEGER: So it's really  
6 the Rental Assistance Unit that has the very  
7 long wait time --

8 COMMISSIONER VISNAUSKAS: The Office  
9 of Rent Administration.

10 CHAIRWOMAN KRUEGER: -- that  
11 coordinates with TPU in looking into  
12 bigger-picture questions, right.

13 How many staff do you have in that  
14 unit now?

15 COMMISSIONER VISNAUSKAS: In the  
16 Office of Rent Administration?

17 CHAIRWOMAN KRUEGER: TPU. TPU.

18 COMMISSIONER VISNAUSKAS: Oh, TPU  
19 has -- we are 28, I believe is our full-time  
20 equivalence.

21 CHAIRWOMAN KRUEGER: And how many  
22 additional staff would you get with the  
23 \$579,000?

24 COMMISSIONER VISNAUSKAS: I think

1 we're looking to add three to five staff  
2 specifically to be upstate on the ground.

3 CHAIRWOMAN KRUEGER: So over half a  
4 million dollars for three to five staff?

5 COMMISSIONER VISNAUSKAS: I think  
6 that's our math, yeah.

7 CHAIRWOMAN KRUEGER: But you also --  
8 it references there will be 402,000 intended  
9 to open six new TPU offices. So that's  
10 really most of that money is not going to new  
11 staff, it's going to opening new offices.

12 COMMISSIONER VISNAUSKAS: I think  
13 it's -- that may be sort of an error in --  
14 the funding that we have would be  
15 primarily -- there is something I think  
16 office expenses that go with that, but  
17 it's -- the thrust is to get some staff on  
18 the ground upstate. They will need a place  
19 to work, so they may need some office space.  
20 But the key to it is getting the people up  
21 there who can work with communities and work  
22 with tenants.

23 CHAIRWOMAN KRUEGER: So I don't know  
24 in the 21st century the concept that you need

1 regional offices for everything actually is a  
2 good use of money because people are dealing  
3 with these issues through computerized  
4 tracking and Zoom meetings and documents  
5 through email.

6 So I was just very concerned that we  
7 would raise your budget 579,000, but if the  
8 numbers I saw were right, 402,000 would go  
9 into setting up and renting and creating  
10 office equipment for six more sites that,  
11 based on what you told me, would have less  
12 than one person in them each.

13 COMMISSIONER VISNAUSKAS: Yes, I think  
14 maybe that would be an error in the six new  
15 sites. I think it's really about getting the  
16 people up there who will maybe need a place  
17 to be housed, so they will need some sort of  
18 OTPS for that.

19 But really -- and we actually see that  
20 the benefit of being out in the community,  
21 even though we are in sort of a virtual  
22 world, for places like mobile and  
23 manufactured home parks is actually  
24 important. So we do want to have people in

1 place who can be making people aware of what  
2 their rights are as relates to HSTPA and  
3 also, again, sort of working in the parks.

4 So we're more focused on getting sort  
5 of the people up there, making sure they're  
6 in communities. But happy to circle back  
7 with you on that office space part.

8 CHAIRWOMAN KRUEGER: Thank you.

9 The Senate I believe is closed.

10 CHAIRWOMAN WEINSTEIN: We still have a  
11 number of Assemblymembers, so we'll go first  
12 to Assemblyman Manktelow.

13 ASSEMBLYMAN MANKTELOW: Thank you,  
14 Madam Chair.

15 Thank you, Commissioner. Good  
16 morning.

17 COMMISSIONER VISNAUSKAS: Hi.

18 ASSEMBLYMAN MANKTELOW: Reaching out  
19 to many of our veterans throughout New York  
20 State, especially in the upstate area --  
21 Rochester, Finger Lakes area -- I know  
22 there's a growing concern for female  
23 veterans' housing. Is that on your radar by  
24 any chance?

1                   COMMISSIONER VISNAUSKAS: So we do a  
2 lot in the veterans housing space and are  
3 eager to do more. We have many projects that  
4 either access ESSHI, the Empire State  
5 Supportive Housing, which has funding for  
6 vets, or some of our other programs.

7                   I would say, you know, we're happy to  
8 do more outreach as it relates to women vets  
9 for sure.

10                  ASSEMBLYMAN MANKTELOW: So with the  
11 outreach, is that including funding at some  
12 point to help --

13                  COMMISSIONER VISNAUSKAS: I mean, we  
14 like to work with organizations that are  
15 serving that population and figure out what  
16 their needs are. So I think -- we don't  
17 generally fund organizations; we're more  
18 funding housing for vets. But I think those  
19 two can certainly be linked.

20                  ASSEMBLYMAN MANKTELOW: Okay, so I may  
21 have a few veterans organizations reach out  
22 to you.

23                  COMMISSIONER VISNAUSKAS: Great.

24                  ASSEMBLYMAN MANKTELOW: Thank you for

1           that answer.

2                       My second question, with the HCR are  
3 we taking into consideration the supply  
4 chain, not only for supplies but through our  
5 contractors? I know that our contractors  
6 back in our area, they're two, three, four  
7 years out for work already. And not only the  
8 time schedule for them to do the job, but  
9 also the ability to get the material. If we  
10 move this forward and looking at the time  
11 frame, how are we going to accomplish that,  
12 especially coming out of COVID?

13                      COMMISSIONER VISNAUSKAS: I mean, I  
14 think we think of the jobs as an opportunity,  
15 right. And we have this both in the -- when  
16 we think about the greening and sort of  
17 electrifying of our portfolio as well as just  
18 an overall growth, we need more jobs in the  
19 construction sector, we need more jobs in the  
20 electrification sector.

21                      And so I think -- we have worked  
22 closely with the Department of Labor and with  
23 NYSERDA in the past on those issues, and we  
24 will continue to do that. We certainly don't

1 want our housing to be constrained by a lack  
2 of a workforce to construct housing.

3 ASSEMBLYMAN MANKTELOW: That's one  
4 part of it, absolutely. But you didn't  
5 address the supply chains and material,  
6 getting the material.

7 COMMISSIONER VISNAUSKAS: Yeah, you  
8 know, it's interesting, from our perspective,  
9 and certainly the things that we financed, we  
10 saw probably 12 and 24 months ago an issue on  
11 supply chain. But we've seen that let up  
12 quite significantly in the last 12 months,  
13 and we have not had our developments being as  
14 constrained by supply chains.

15 But we're happy to sort of continue  
16 that conversation to the extent there's  
17 things we can do to help on the supply chain  
18 front.

19 ASSEMBLYMAN MANKTELOW: And you look  
20 at the supply chain across the State of  
21 New York?

22 COMMISSIONER VISNAUSKAS: I mean, we  
23 work across the state, so we have a very  
24 parochial sort of version of it in the -- we

1 do probably about a hundred real estate  
2 transactions across the state a year, so  
3 that's kind of our litmus test for that.

4 But happy to work on it with you more  
5 extensively.

6 ASSEMBLYMAN MANKTELOW: And my last  
7 question, in the last few minutes -- or  
8 seconds -- I was a member of our local land  
9 bank back home when I was at the county  
10 level, and they play such a huge part. And I  
11 know some of the members have already  
12 addressed this. How much dialogue do you  
13 have with our land banks?

14 COMMISSIONER VISNAUSKAS: So we work  
15 really closely with the land bank  
16 association, and we recently put out funding  
17 and awarded all 26 land banks in the state.  
18 So we are in I think fairly regular contact  
19 with them about what their needs are so we  
20 can continue to give them resources that they  
21 need.

22 ASSEMBLYMAN MANKTELOW: Okay, I  
23 appreciate your time. Thank you so much.

24 CHAIRWOMAN WEINSTEIN: Thank you.



1 suburbs and housing in general across the  
2 state has developed. So I'm happy to see  
3 that there's focus on transit-oriented  
4 development, but I also think that we need to  
5 focus on walkability, bikeability, and making  
6 sure that transportation in general isn't  
7 just sort of a one stop on a train, but that  
8 there's other ways to access within  
9 communities housing that is going to really  
10 meet the needs of New Yorkers.

11 And I do think, for that reason, that  
12 we are going to need to see more money for  
13 planning, because our little municipalities  
14 are -- really do need help. And I do think  
15 also that we're obviously going to need more  
16 money for infrastructure, as we've heard from  
17 many. But I know that there is money,  
18 certainly, that's coming from the  
19 Environmental Bond Act.

20 And I just heard this morning from  
21 labor at the Alliance for Clean Energy  
22 breakfast that as we're building out  
23 renewables and, you know, building that  
24 infrastructure that we really need to look at

1 infrastructure for getting workers to sites  
2 where we're building. So I'm hoping that as  
3 we look at the housing compact that we're  
4 also thinking critically about that renewable  
5 infrastructure and how we can meet -- address  
6 both needs at the same time sort of  
7 simultaneously, because I think it's  
8 critical.

9 I mentioned that I had an opportunity  
10 to look at fracking in Pennsylvania, and I'd  
11 love to make sure that we do not reproduce  
12 the mistakes that happened there as  
13 communities were built up only to fail  
14 miserably as they left from the work that had  
15 put in that infrastructure.

16 I also would -- I do believe that in  
17 fact home rule and local zoning absolutely  
18 was responsible for our current housing  
19 situation. So again, I hope that we don't  
20 reproduce those mistakes as we look at this  
21 housing compact.

22 But I am very excited about it, and I  
23 hope that we can work together with local  
24 municipalities to actually make it work and

1 not sort of have that one-size-fits-all, but  
2 make sure that we work with targets and  
3 incentives to really make it work.

4 And also for our school districts,  
5 that those PILOT payments have sometimes  
6 hamstrung school districts with the local tax  
7 cap, so please make sure that works for them  
8 as well. Thank you.

9 COMMISSIONER VISNAUSKAS: Thank you.

10 CHAIRWOMAN WEINSTEIN: Thank you.

11 We go to Assemblyman Gallahan.

12 ASSEMBLYMAN GALLAHAN: Thank you,

13 Madam Chair.

14 Good morning, Commissioner.

15 COMMISSIONER VISNAUSKAS: Good  
16 morning.

17 ASSEMBLYMAN GALLAHAN: A couple of  
18 quick questions.

19 The seven counties that I represent  
20 certainly don't have an overabundance of  
21 employees and resources. So I'm looking at  
22 the reporting requirements that are going to  
23 be required, both written and digital. Are  
24 these requirements going to be -- is the

1 state going to be reimbursing for this, or is  
2 this going to be another unfunded mandate?

3 COMMISSIONER VISNAUSKAS: So we're  
4 going to create a centralized sort of  
5 database at the state for localities to be  
6 able to just submit information to. So we're  
7 going to try to make that part of it as easy  
8 as possible.

9 And then second to that, we have  
10 planning dollars available that if localities  
11 need to build up systems or they need a  
12 consultant to be able to assist with doing  
13 this -- we understand a lot of towns may only  
14 have a half-time planner who may have other  
15 municipal roles also. And so we understand  
16 that the needs -- there may be financial  
17 needs to pay for consultants to help with  
18 things like that.

19 So we don't want it to be a burden, we  
20 want to be able to facilitate and assist both  
21 sort of from a technology standpoint at the  
22 state and also with resources.

23 ASSEMBLYMAN GALLAHAN: So has that  
24 been budgeted, those --

1                   COMMISSIONER VISNAUSKAS:  Yes.

2                   There's \$20 million that can be for planning  
3                   and technical assistance to localities to  
4                   help with that.

5                   ASSEMBLYMAN GALLAHAN:  Okay, thank  
6                   you.

7                   There's an update to the law that it  
8                   enables localities to reclaim certain vacant  
9                   land and abandoned homes.  And this proposal  
10                  expands the ability of the municipalities to  
11                  claim vacant property to include that that  
12                  has zoning, building, property maintenance  
13                  code violations, potential to injure,  
14                  endanger or unreasonably annoy the health and  
15                  safety of others that has not been remedied  
16                  for at least one year.

17                  We have several of those properties in  
18                  my district.  My question is, several of  
19                  those properties also have environmental  
20                  issues tied to them.  Who is going to be  
21                  responsible for those environmental issues if  
22                  the county claims that property?

23                  COMMISSIONER VISNAUSKAS:  I mean, the  
24                  purpose of the legislation is really to give

1 more sort of tools in the tool box to  
2 localities to be able to address vacant and  
3 abandoned homes that are creating issues for  
4 the surrounding properties. So it doesn't  
5 sort of do more than that other than to allow  
6 them more flexibility and more ability --  
7 lots of times those abandoned homes are  
8 really distressing for neighboring properties  
9 and are unsafe and unhealthy and cause a  
10 hazard.

11 So it's really meant to give them more  
12 flexibility in dealing with those properties.

13 ASSEMBLYMAN GALLAHAN: Yeah, many of  
14 those properties are old gas stations and  
15 things like that where you could build a 20-  
16 or 30- or 40-unit complex and there's  
17 environmental issues there that hold things  
18 back.

19 So I didn't know if there was some  
20 carveout in the law that would exempt the  
21 current owner from any liability on those  
22 certain issues.

23 And my last question is, you know, the  
24 Governor, she's proposing 800,000 housing

1 units in the state over the next decade, and  
2 this is a far-reaching and expansive program  
3 and it's proposing several massive changes  
4 that would override the ability for  
5 municipalities to enact their own zoning  
6 requirements.

7 And the question I have is, what  
8 authority does the Governor have to mandate  
9 certain zoning requirements upon  
10 municipalities? And where is this authority  
11 given in statute or law?

12 CHAIRWOMAN WEINSTEIN: We'll have to  
13 wait on that answer. When we get that, we'll  
14 circulate it to our colleagues.

15 Assemblywoman Seawright.

16 ASSEMBLYWOMAN SEAWRIGHT: Thank you,  
17 Chair Weinstein.

18 I wanted to address a few issues or  
19 ask some questions about RIOC on Roosevelt  
20 Island, which is in my district. We sent a  
21 letter recently with some questions about the  
22 newly implemented garage fee at Motorgate  
23 Garage, and we got a very, very disappointing  
24 and unacceptable letter. It was cosigned by

1 several elected officials.

2 And what I would like to do is call on  
3 a workgroup to be set up to examine this.  
4 For the first time, people with disabilities  
5 are now being charged a user tax on the  
6 island. And in addition, the Sportspark Gym  
7 has now gone up from a few hundred dollars to  
8 over a thousand, which is not in line with  
9 rates at other public facilities.

10 So I would just ask that you comment  
11 on the garage and the Sportspark, which was  
12 unilaterally put in place without any  
13 community input, and what your position is.

14 COMMISSIONER VISNAUSKAS: So Senator  
15 Krueger and I were speaking before the  
16 hearing this morning about those same two  
17 topics. And we would be happy to work with  
18 you on a task force and to have a larger  
19 conversation in the community about both the  
20 parking and the sports center. We understand  
21 that it's a challenge and the rates seem a  
22 little inconsistent. So happy to work with  
23 you on that.

24 ASSEMBLYWOMAN SEAWRIGHT: As well as

1           having community input and, you know, setting  
2           up regular meetings between RIOC and the  
3           community so that RIOC is responsive to the  
4           community concerns that are raised.

5                        COMMISSIONER VISNAUSKAS:  Yup,  
6           absolutely.

7                        ASSEMBLYWOMAN SEAWRIGHT:  Thank you.

8                        COMMISSIONER VISNAUSKAS:  Yup.

9                        CHAIRWOMAN WEINSTEIN:  We go to  
10          Assemblywoman Hyndman.

11                       ASSEMBLYWOMAN HYNDMAN:  Thank you,  
12          Chair Weinstein.

13                       Thank you, Commissioner, for your  
14          endurance.

15                       (Laughter.)

16                       ASSEMBLYWOMAN HYNDMAN:  I represent a  
17          community predominantly of homeowners,  
18          predominantly homeowners of color, Black  
19          homeowners.  So to see a cut of \$32 million  
20          to HOPP is really disturbing.  I'm hoping  
21          that we can get that money back.

22                       And also we talk a lot about the  
23          Homeowner Stabilization Fund for communities  
24          of color, but what we're seeing is the

1 middle class, the Black homeownership that we  
2 have, is diminishing as they're choosing to  
3 leave the State of New York. We're talking  
4 about a lot of union members who are now  
5 turning 55 and instead of dealing with high  
6 property taxes, are leaving the State of  
7 New York and they're going south. I even  
8 have friends that have left for allegedly  
9 greener pastures.

10 And so when you talk about this -- the  
11 housing compact, I just want to be clear.  
12 You know, we have a community with four  
13 Long Island Rail Road stations, and so they  
14 don't feel like they're getting any help.  
15 They feel like we're asking them to do more  
16 density. We don't have any office parks or  
17 malls; we're talking about residential  
18 communities. And we're asking the  
19 middle class, particularly my community, to  
20 do more with less. And the property taxes  
21 and escalating home prices, large foreclosure  
22 rates in the community -- Laurelton,  
23 St. Albans, Springfield Gardens, Rosedale --  
24 where we're seeing the same thing, to do more

1 with less.

2 I would really like to talk about how  
3 we sustain Black homeownership. We have to  
4 remember that we're only a generation away  
5 from redlining and housing covenants. So how  
6 are we going to move the State of New York  
7 and not remember those communities who have  
8 really done the work, built the wealth, and  
9 now we're seeing diminishing returns.

10 So I just wanted your department to be  
11 mindful of that as we go into this  
12 homeowner -- this housing compact, especially  
13 in a district like Queens, New York.

14 Thank you.

15 COMMISSIONER VISNAUSKAS: Yeah, look,  
16 I would say that we are very aware of the  
17 racial wealth gap in homeownership in  
18 New York State and really in the country, and  
19 we have tried to put in a series of programs  
20 both on the borrower side, to make sure  
21 there's more access to people who have  
22 traditionally not had access to home  
23 mortgages, but also on the supply side, to  
24 make sure that we are building homes that

1 people can buy.

2 I think in the middle of that is also  
3 making sure the people who are homeowners  
4 have resources. And as you mentioned, the  
5 Homeownership Stabilization Fund, to make  
6 sure that when they need to make repairs, to  
7 hang on to that home that has a lot of equity  
8 built into it, that is their generational  
9 wealth.

10 So we are trying sort of across the  
11 spectrum, whether it's on the borrower side,  
12 the -- is there something I can buy, and can  
13 I stay in my home, to address all that. But  
14 we'd be happy to continue to work with you on  
15 other strategies to address that. We're very  
16 well aware of it. It's such an important  
17 issue.

18 ASSEMBLYWOMAN HYNDMAN: Thank you.

19 CHAIRWOMAN WEINSTEIN: Thank you.

20 Assemblyman Meeks.

21 ASSEMBLYMAN MEEKS: Thank you,

22 Madam Chair.

23 Good morning, Commissioner.

24 COMMISSIONER VISNAUSKAS: Good

1 morning.

2 ASSEMBLYMAN MEEKS: Looking at some of  
3 the goals and the plans as they relate to  
4 more affordable housing across the State of  
5 New York, one of the challenges -- and I  
6 represent Rochester, New York -- one of the  
7 challenges that we often see is we see this  
8 new development, these capital projects  
9 coming into our communities. And out of the  
10 five poorest zip codes in New York State,  
11 three of them are in Rochester.

12 And we see some of this development in  
13 those communities, yet we don't see  
14 individuals from those communities with  
15 opportunities to generate wealth from these  
16 projects.

17 Are there any plans in place that you  
18 all have as they relate to project labor  
19 agreements that are intentional in focusing  
20 on zip codes and helping those zip codes do  
21 better as it relates to these type of  
22 projects and monies coming in?

23 COMMISSIONER VISNAUSKAS: I mean, we  
24 have our MWBE goals, so we do try to make

1           sure that there is both sort of MWBE  
2           opportunities across the investments we make,  
3           which are significant. Certainly in places  
4           like Rochester we have a wealth of wonderful  
5           affordable housing developers that we've  
6           worked with there. So I think we do that on  
7           that front, and also always encourage local  
8           hiring as relates to those.

9                     I think on some of the owner side, we  
10           also are trying to create more homeownership  
11           opportunities in places like Rochester, where  
12           we've had a lot successful rental buildings  
13           built there. And since we launched last year  
14           a new homeownership program, also making sure  
15           that sort of on the flip side of the jobs,  
16           that there are places for people to buy and  
17           also build generational wealth.

18                     So we look forward to sort of working  
19           with you more on that.

20                     ASSEMBLYMAN MEEKS: Thank you.

21                     And also as it relates to like what we  
22           often talk about across the state,  
23           anti-violence initiatives. And I want to say  
24           a great anti-violence initiative is

1 good-cause eviction. When we look at  
2 challenges with housing insecurities  
3 throughout our communities, housing  
4 instability, I think that we need to be  
5 intentional in protecting families, and in  
6 particular our children, and keeping them in  
7 their homes.

8 We see challenges with our school  
9 districts. I think some of those challenges  
10 go back to the instability within the  
11 household. So we're asking the Governor to  
12 look at good-cause eviction and support this  
13 effort.

14 Thank you.

15 CHAIRWOMAN WEINSTEIN: We go to  
16 Assemblywoman Lucas.

17 ASSEMBLYWOMAN LUCAS: Good morning,  
18 everyone. Thank you, Madam Chair.

19 Thank you, Commissioner.

20 So you made a tremendous investment in  
21 a five-year plan for housing. And however,  
22 due to the pandemic, a major offset has  
23 occurred with ERAP funding for our NYCHA  
24 developments. How can we work together to

1 address this issue with -- in this particular  
2 plan, without disrupting the 25 billion  
3 set-aside for housing stabilization and  
4 opportunities?

5 COMMISSIONER VISNAUSKAS: Yes, I  
6 understand sort of NYCHA is sort of dictated  
7 in the legislation from last year in terms of  
8 priority for the ERAP funds. But my  
9 understanding is that both the office of --  
10 OTDA, who administers the ERAP program, and  
11 the Governor's office have been working very  
12 closely with the federal government to try to  
13 get additional funds for that program. There  
14 have been two or three additional tranches of  
15 funds that have come into it from the overall  
16 federal program, and I think they continue to  
17 advocate to get additional funds to fill  
18 what's now currently, you know, a large need  
19 in that program.

20 I don't have the specific because we  
21 don't administer the program, but I know  
22 there's a lot of pressure in working with the  
23 federal government to get additional funds  
24 for that.

1 ASSEMBLYWOMAN LUCAS: I'd be  
2 interested in knowing where we can  
3 potentially get it from within that five-year  
4 plan. Is that --

5 COMMISSIONER VISNAUSKAS: Well, the  
6 five-year plan that we have is capital, it's  
7 not expense dollars, which I think is what is  
8 funding the -- would need to fund the ERAP  
9 program.

10 ASSEMBLYWOMAN LUCAS: Got it.

11 Additionally, I heard Member Simon  
12 reference the Mitchell-Lama. It would be  
13 criminal if I did not mention Linden Plaza,  
14 which has had tremendous issues over the  
15 years. They have been flip-flopped  
16 throughout, being told that it was under  
17 different programs. The infrastructure is  
18 declining rapidly. They are facing potential  
19 new ownership, and the tenants have not been  
20 included in that conversation.

21 Can you speak to me a little bit about  
22 what the plans are for Linden Plaza and the  
23 stabilization of it?

24 COMMISSIONER VISNAUSKAS: Yes, we'd be

1 happy, probably in maybe in a separate  
2 follow-up conversation, to go through the  
3 work that we have done with them so far and  
4 where they are sort of in their various  
5 processes to get their capital needs met. I  
6 don't have the information off the top of my  
7 head, but we'd be happy to sit with you.

8 ASSEMBLYWOMAN LUCAS: That would be  
9 fantastic. Thank you.

10 CHAIRWOMAN WEINSTEIN: Assemblywoman  
11 Chandler-Waterman.

12 ASSEMBLYWOMAN CHANDLER-WATERMAN: All  
13 right, is it on? All right. Thank you so  
14 much. Thank you, Madam Chair.

15 My district is District 58,  
16 East Flatbush, predominantly, Canarsie,  
17 Brownsville and Crown Heights. So I -- I'm  
18 looking at what's mentioned here in your  
19 testimony about Vital Brookdale, which was a  
20 lot of great things done there and I think is  
21 definitely a multifaceted issue when it comes  
22 to housing, and it requires a multilayered  
23 solution, which we -- definitely I see the  
24 trying effort here.

1                   However, some healthcare providers,  
2                   nurses, housekeepers, administrative staff,  
3                   residents, some security, right -- a lot of  
4                   providers were not able to secure housing  
5                   there. And as we, unfortunately -- they're  
6                   providing the services, they live in the  
7                   district, they don't have proper housing.  
8                   And we don't want to lose them in our  
9                   healthcare system. And we are losing  
10                  everyday, right?

11                  So how can we work together to have a  
12                  formal set-aside, a consideration for great  
13                  projects like this that you don't want to be  
14                  tainted by those who are left out, because  
15                  obviously it's hard. How can we reimagine or  
16                  rethink how do we include those healthcare  
17                  providers that do have a job but still do not  
18                  have adequate housing?

19                  COMMISSIONER VISNAUSKAS: Yes,  
20                  absolutely. I'm sure that we were at that  
21                  event together; that issue was certainly  
22                  raised right then and there.

23                  ASSEMBLYWOMAN CHANDLER-WATERMAN:  
24                  Yeah.

1                   COMMISSIONER VISNAUSKAS: We sort of  
2 understand that it is true in general in sort  
3 of tax credit projects that it's -- there's  
4 always some people who make a little bit more  
5 than the limit, but they still need  
6 affordable housing. And that's really a  
7 challenge around sort of this workforce  
8 housing that we have tried, through our  
9 various programs, to get at over the years.

10                   I think, you know, as relates  
11 particularly to health workers, we'd be happy  
12 to continue to work with you as we go forward  
13 in the Vital Brooklyn initiative and also in  
14 any other sites to figure out how we could  
15 get a little better on that.

16                   ASSEMBLYWOMAN CHANDLER-WATERMAN: I  
17 look forward to that.

18                   And then my time is going, so I see  
19 the Climate Home Funds. So when  
20 electricity -- you know, in our district  
21 electricity is down because of weather or  
22 what have you, how do we sustain that the --  
23 that we can still move forward when we have  
24 fully electric?

1                   COMMISSIONER VISNAUSKAS: Yeah, so we  
2 work really closely with NYSEDA on this and  
3 sort of the resiliency of the grid itself, to  
4 make sure of that as we switch people to  
5 electric.

6                   So I think that's going to continue to  
7 be something that we collaborate with them  
8 on, to make sure that as we electrify more  
9 and more homes, that the grid is more  
10 resilient to withstand, you know, any types  
11 of storms or any other things that happen.

12                   ASSEMBLYWOMAN CHANDLER-WATERMAN:  
13 Okay, thank you. {Inaudible.}

14                   CHAIRWOMAN WEINSTEIN: Assemblywoman  
15 Kelles.

16                   ASSEMBLYWOMAN KELLES: Thank you so  
17 much for all this -- and your endurance,  
18 of course.

19                   I do believe also the crisis is so  
20 severe that we do have to do something at the  
21 state level. And coming from local  
22 government, I have seen tremendous resistance  
23 to any kind of zoning changes in order to  
24 create the density we need. So thank you for

1           that.

2                   I do have some concerns, though, with  
3           the affordable housing piece of this, and I  
4           want to dive in. What I saw with respect to  
5           the support for the renters and homeowners,  
6           the Homeowner Assistance Program and the  
7           state's Tenant Protection Unit that would be  
8           added. But both of these really focused on  
9           more upgrades to homes, from what I'm seeing,  
10          for the most part.

11                   And in Tompkins County I'm seeing --  
12          that's one of my two counties -- I'm seeing  
13          rent increases from 20 to 40 percent just in  
14          the last couple of years. And the focus of  
15          this compact really seems to be the  
16          development of new housing, as if supply will  
17          really address the problem of affordability.  
18          I don't believe that that is, particularly  
19          given the rates that we're seeing right now.  
20          They're experiencing it right now, and  
21          development's going to take years to develop.

22                   So what are you doing specifically in  
23          this budget for right now for those rent  
24          hikes?

1                   COMMISSIONER VISNAUSKAS: So I would  
2 say a couple of things.

3                   You know, I think -- and we hear this  
4 a lot when we go to communities. And I think  
5 one of the challenges is that we have tended  
6 to focus sort of on short-term. We are  
7 really excited about our five-year housing  
8 program that was approved last year to build  
9 housing today --

10                  ASSEMBLYWOMAN KELLES: Housing supply.

11                  COMMISSIONER VISNAUSKAS: Sorry?

12                  ASSEMBLYWOMAN KELLES: That's supply.  
13 So right now for renters, for the support --

14                  COMMISSIONER VISNAUSKAS: I'm sorry, I  
15 was just saying one of the reasons why we  
16 think the compact is so important, right, is  
17 because we are often focused, understandably,  
18 on residents today. So we agree that we need  
19 to have both, right? We need to have both  
20 sort of short-term solutions as well as  
21 long-term.

22                  And we have a lot of preservation  
23 activities that we do around the state. We  
24 have our own Section 8 programs, we obviously

1 have the rent-stabilized stock in TPU. So  
2 those are ways in which across the state we  
3 are helping existing renters stay stably  
4 housed.

5 ASSEMBLYWOMAN KELLES: Okay, and would  
6 you be open to something like good-cause? We  
7 see, you know, regulations on every industry.  
8 This is just simply regulation guardrails on  
9 an industry. I'm just curious.

10 COMMISSIONER VISNAUSKAS: Yeah, I  
11 mean, I would certainly say that in 2019 when  
12 the HSTPA was revised and passed and was made  
13 statewide, we have seen a couple of  
14 localities opt into that to add additional  
15 tenant protections, and that's sort of part  
16 of dovetailing for the TPU expansion to make  
17 sure we're supporting that effort in those  
18 places that have been able to sort of pass  
19 that.

20 ASSEMBLYWOMAN KELLES: It was just yes  
21 or no.

22 So I'm going to take my next  
23 33 seconds. A couple of things, concerns of  
24 mine about sprawl. I would love to see some

1 language in the compact about prevention of  
2 sprawl, building into green spaces. So I'm  
3 hoping you might be open to that.

4 And the other thing that concerned me  
5 was the 50 million reduction in land banks.  
6 That's actually a huge way, particularly in  
7 my district, that people have of like buying  
8 affordable homes and becoming -- so can you  
9 describe why 50 million?

10 COMMISSIONER VISNAUSKAS: Yeah. So  
11 the 50 million we got last year, we  
12 released -- we worked really closely with the  
13 Land Bank Association and all the land banks  
14 on what they wanted from that fund. So we  
15 released the first \$20 million last year, and  
16 now we're working on releasing the next  
17 \$30 million.

18 So it's not a reduction, we just  
19 haven't finished spending it. So we still  
20 have \$30 million to go that we'll spend down  
21 this -- we'll award this year.

22 CHAIRWOMAN WEINSTEIN: Thank you.

23 Assemblyman Kim, three minutes.

24 ASSEMBLYMAN KIM: Thank you,

1 Commissioner, for your patience today.

2 You know, when we talk about the  
3 \$25 million investment, the housing compact,  
4 we often talk about capital. And when we  
5 refer to capital, we're relying on private  
6 capital and we're subsidizing private  
7 capital, we're incentivizing private capital  
8 to get the job done.

9 But I believe private capital is  
10 partially the reason why we institutionally  
11 push back against good-cause. Because when  
12 we rely on private capital so heavily,  
13 there's systemic and economic pushback to  
14 protect tenants because the market, to them,  
15 doesn't work if we protect tenants at all  
16 costs.

17 So my question really is, what are we  
18 doing with public capital? You know, what  
19 kind of investments are we prepared to make  
20 in the next 10, 15, 20 years to really build  
21 things from the public side? What does our  
22 administrative capacity look like today? And  
23 it's okay if you don't -- if we lack it, but  
24 is there a plan to really interfere -- not

1           interfere, but like compete with private  
2           markets and private capital? That here we  
3           are, we're going to take ownership, and we're  
4           not just going to subsidize the private  
5           marketers to do the job for us, but we're  
6           going to step up on the public side to build  
7           housing.

8                        COMMISSIONER VISNAUSKAS: It's a great  
9           question. I mean, we are, you know, just  
10          about to finish our first year of our  
11          five-year Housing Plan. We have an enormous  
12          amount of resources in this state towards  
13          affordable housing, more than any other state  
14          in the country. And so we will create  
15          100,000 -- create and preserve 100,000 units  
16          over the next five years.

17                      We are limited, by and large, by sort  
18          of our federal resources because they're  
19          really sort of the backbone of the work that  
20          we do. So, you know, I think we do  
21          absolutely as much as we can in this state as  
22          relates to production of affordable housing,  
23          and we push every dollar as far as we can to  
24          get as many units produced and preserved as

1 we can.

2 We do need the private market to build  
3 as well, because government can't alone build  
4 all the housing that the state needs, based  
5 on our job growth projections. But I do  
6 think it's on -- there's a lot of incentives  
7 that can be used by localities, whether  
8 that's a tax incentive or whether that's a  
9 zoning incentive, to make sure that  
10 affordability is built in. And that's really  
11 at the municipal level to make those  
12 decisions.

13 ASSEMBLYMAN KIM: And I just feel like  
14 we're just kind of going in a cycle when we  
15 just continue to rely on failing private  
16 markets to get the job done. And that's why  
17 so many of us are here pushing for  
18 good-cause, because we can predict that this  
19 is not going to work out for many of our  
20 tenants, that we need to give them as much  
21 protection until we get it right as an  
22 institution.

23 And in my last few seconds, I think  
24 the state should be considering what

1 North Dakota has done and other states are  
2 considering -- California is ahead of this --  
3 in establishing a public bank system allowing  
4 municipalities to establish their own public  
5 benefit corporations to get this done. So  
6 even if -- even at the state level alone, if  
7 we get the receipts of every public employee,  
8 that's \$6 billion that we can leverage to  
9 build affordable housing in the future.

10 Thank you.

11 CHAIRWOMAN WEINSTEIN: Thank you.

12 Assemblyman Ra.

13 ASSEMBLYMAN RA: Thank you.

14 Commissioner, so in your written  
15 testimony and you stated earlier, you said  
16 municipalities will decide how to best meet  
17 their new home construction target. Now,  
18 right, we're talking about the fast-track  
19 piece, and then there's the transit-oriented  
20 development piece.

21 Explain to me how the 3 percent target  
22 isn't really just, you know, a red herring  
23 when, if we were to mandate the density that  
24 the transit-oriented development piece

1 mandates in Nassau County -- which is  
2 50 units per acre -- we're going to be well  
3 past 3 percent. So I would say this proposal  
4 doesn't do that in any way. It's telling  
5 municipalities this is how you're going to  
6 get there. It's not giving them any options.

7 It's not allowing for the communities  
8 that you mentioned here that have done these  
9 types of things in other communities that I'm  
10 very familiar with within Nassau who have  
11 done, you know, additional density around  
12 train stations and other places in their  
13 downtowns.

14 So can you explain to me how those two  
15 pieces work together and what flexibility we  
16 really are providing to our localities?

17 COMMISSIONER VISNAUSKAS: Yeah. It's  
18 a great question. And we've been out  
19 speaking to lots of town supervisors and  
20 mayors and getting input and want to make  
21 sure that people understand what this is and  
22 how it works.

23 You know, we believe that the train  
24 stations can handle additional density,

1 especially train stations closest to all of  
2 the job centers. And so we -- and we think  
3 there's so many examples, as you sort of  
4 said, both in Nassau and Suffolk, of  
5 localities that have done this well. So for  
6 those places really they are not going to be  
7 sort of undertaking rezoning because they've  
8 already done this and they have sort of the  
9 TOD example of liveable/walkable.

10 But there's lots of places that have  
11 not rezoned. So I think the flexibility  
12 comes for those localities if they can choose  
13 to rezone in a way that they see fit. It can  
14 be to the north of the station, the south of  
15 the station, it can be townhouses, it can be  
16 multifamily. They certainly will leave their  
17 single-family district as it were and put  
18 more multifamily at the train station. So we  
19 think there is flexibility designed within  
20 sort of the structure for localities to do a  
21 rezoning in a way that makes sense for them.

22 ASSEMBLYMAN RA: Now, if a -- suppose  
23 a municipality has a local village, say, has  
24 already done this type of development. Do

1           they get credit for the housing they've  
2           already brought online in the last few years?

3                   COMMISSIONER VISNAUSKAS:  Yeah, so we  
4           have heard a lot from communities that they  
5           would like us to see a sort of credit for  
6           good work so far.  And so we have that in the  
7           legislation as proposed for sort of a  
8           lookback period.  But we're certainly open to  
9           modifying that to make that more inclusive  
10          for places that have had sort of different  
11          spurts of growth at different times.

12                   ASSEMBLYMAN RA:  Okay.  And with  
13          regard, you know, to the process we're going  
14          to go through here, so this is an automatic  
15          rezoning of these properties within the  
16          railroad station.  I have a number of them in  
17          the district I represent.  I can think about  
18          just the block I live on.  I have a train  
19          station down the street.  It's all  
20          single-family homes.

21                   So are we basically envisioning that  
22          those lots are -- we're going to tear down  
23          those single-family homes and build, you  
24          know, high-rises and apartment buildings?

1                   COMMISSIONER VISNAUSKAS: Well,  
2                   certainly this state is really just  
3                   encouraging those localities to rezone around  
4                   those areas to allow --

5                   ASSEMBLYMAN RA: We're not  
6                   encouraging, we're mandating.

7                   COMMISSIONER VISNAUSKAS: We are -- we  
8                   would like them to -- to rezone around their  
9                   train stations --

10                  (Overtalk.)

11                  ASSEMBLYMAN RA: Again, not we'd like  
12                  them, they're being forced to. This isn't  
13                  we'd like them, this isn't encouraging them,  
14                  this isn't an incentive. This is a  
15                  requirement.

16                  COMMISSIONER VISNAUSKAS: That they do  
17                  the rezoning themselves --

18                  ASSEMBLYMAN RA: Yes.

19                  COMMISSIONER VISNAUSKAS: -- yes.  
20                  They have to undertake a rezoning process and  
21                  plan how to accommodate growth.

22                  We have a huge need for housing in  
23                  this state. We -- as you heard me say at the  
24                  outset, we created 1.4 million jobs and

1           400,000 units of housing. We need to be  
2           creating more housing. We think the smartest  
3           and best place to do that is around train  
4           stations, because it's good for the  
5           environment, people don't need to have cars,  
6           they can quickly access jobs at our -- in job  
7           centers located along the train stations. So  
8           we think that is a great place to put  
9           density, is around the train stations.

10                   And so that's why we put forward such  
11           a -- the transit-oriented development as part  
12           of this proposal.

13                   ASSEMBLYMAN RA: Okay. And you just  
14           mentioned environment. So we are all used  
15           to, when there's a proposal, a SEQR process.  
16           This doesn't require that, correct?

17                   COMMISSIONER VISNAUSKAS: We have seen  
18           SEQR in a lot of places being used to prevent  
19           housing being built. So we are putting  
20           forward sort of a more streamlined version of  
21           that which really focuses on health and  
22           safety issues and not on a lot of other -- we  
23           already know that transit-oriented  
24           development is good for the environment, so

1 the need to sort of study a lot of that is  
2 more focused now onto health and safety  
3 issues.

4 ASSEMBLYMAN RA: I just want to  
5 reiterate, number one -- many of my  
6 colleagues on both sides of the aisle have  
7 mentioned this -- this mandates housing, it  
8 doesn't mandate affordable housing. I don't  
9 think it's going to create affordable  
10 housing.

11 But on top of that, we need to work  
12 with our local municipalities, not mandate  
13 things to them. This density does not work  
14 and cannot work in Nassau County. We don't  
15 have the infrastructure to support it, we  
16 don't have the space to support it.

17 Thank you.

18 CHAIRWOMAN WEINSTEIN: Thank you.

19 I have a couple of issues I want to  
20 raise.

21 I know it's been raised by a couple of  
22 my colleagues about the HOPP program. And I  
23 know you said that the funding exists through  
24 the -- the contracts run through mid-July.

1 Obviously that means that -- and part of why  
2 we put in place contracts running beyond the  
3 budget year is that for a number of years the  
4 groups would be there in this time in March  
5 not knowing whether there was continued  
6 funding. There are issues about taking on  
7 new clients and the continuity of the  
8 program.

9 So I still don't understand how there  
10 is no funding for HOPP in this budget.

11 COMMISSIONER VISNAUSKAS: So I think  
12 last year when -- and I think the July date  
13 was mentioned by Assemblywoman Rosenthal. We  
14 don't hold the contract, so the --

15 CHAIRWOMAN WEINSTEIN: Right.

16 COMMISSIONER VISNAUSKAS: As you know,  
17 last year, because it was doubled, I think it  
18 was unclear to us whether or not that  
19 doubling of funds allowed them to go further  
20 in time, because it's almost -- you know, it  
21 was an initial \$15 million for the services  
22 that they provide. We are happy to work with  
23 the Legislature on this and to talk to the  
24 Attorney General's office about what the

1 needs are there.

2 CHAIRWOMAN WEINSTEIN: Okay. And I'm  
3 sure we will hear from some individuals later  
4 when we have public witnesses, talking about  
5 the dire need for continued funding for HOPP.

6 We actually were thinking that it  
7 might have been -- those of us in the  
8 Legislature thought that it might have  
9 actually been an oversight and that we would  
10 be seeing the money in the 30-day amendments.  
11 Which I guess are coming out later today.  
12 But you don't seem to know -- you don't seem  
13 to know about that, so I would think that  
14 that's not going to happen.

15 And then I know there's been some  
16 discussion about the housing compact  
17 proposal. Could you just explain a little  
18 bit further how they would interact with last  
19 year's five-year capital plan, and maybe an  
20 update on the progress of those programs  
21 funded through the five-year plan?

22 COMMISSIONER VISNAUSKAS: Sure. So  
23 we're in -- you know, almost done with our  
24 first year of the new Housing Plan, and we



1 round of three minutes.

2 ASSEMBLYWOMAN ROSENTHAL: Thank you,  
3 Chair Weinstein.

4 And thank you, Commissioner, for  
5 sitting through all these and bringing your  
6 lovely staff members, who I appreciate as  
7 well. Thank you.

8 So I have a lot more than three  
9 minutes' worth of questions, but let me just  
10 hit on a couple of items.

11 We do know that -- you'd talked about  
12 housing supply. We do know that there are  
13 tens of thousands of units that are  
14 rent-regulated that are being kept off the  
15 market. So what is HCR doing about that?

16 My second question is -- and I've  
17 heard this from so many colleagues and from  
18 my own office experience. The petition for  
19 administrative review takes a very long time,  
20 maybe three years -- rent overcharges,  
21 reduction in service complaints. And with  
22 rent overcharges, actually, the tenant has to  
23 keep paying until the matter is adjudicated.

24 And what can be done to speed up the

1 PAR process? I would say you should get more  
2 staff, although that's not up to me. But I  
3 also heard that there are about 13 inspectors  
4 in your shop. So that is very concerning.

5 And the third item is -- and we are  
6 going to hear testimony later about there are  
7 estimates of up to \$2 billion owed for NYCHA  
8 and PHAs around the state, as well as  
9 not-for-profit corporations that will have to  
10 default -- hopefully not, but are in danger  
11 of defaulting on their mortgages because they  
12 did not get ERAP money.

13 So I would hope that the Governor  
14 would put some funding in the budget to take  
15 care of those very serious problems.

16 COMMISSIONER VISNAUSKAS: Okay, so  
17 that was a bunch of things. Let me just sort  
18 of go in order.

19 I would say, on units that are not  
20 registered or not in the system, you know,  
21 one of TPU's main focuses is to make sure  
22 that units that fall out of the registration  
23 system get re-registered, they get input from  
24 elected officials, input from tenants and,

1           you know, they'll accept referrals from  
2           anywhere. We have brought back over 100,000  
3           units in the last 10 years that were  
4           unregistered --

5                   ASSEMBLYWOMAN ROSENTHAL: And these  
6           are landlords who are boasting now that  
7           they're keeping them off. Maybe they're not  
8           boasting; they used to boast. So we know  
9           they're saying there are units off the --

10                   COMMISSIONER VISNAUSKAS: So you  
11           should definitely refer those to us, and TPU  
12           will gladly investigate those. That is, you  
13           know, core to their mission, is to make sure  
14           those units are getting registered.

15                   I think on the PAR process, as we call  
16           it, the petition for administrative review, I  
17           would say a couple of things. One is, you  
18           know, we were -- the ORA staff was -- the  
19           staff had been cut for a very long time and  
20           in 2019 we were very thankful to get a big  
21           infusion of staff into that unit. We did a  
22           lot of hiring over the course of that year,  
23           and then we hit the pandemic. And of course  
24           we have suffered -- we had a hiring freeze

1 during part of that, and then we have started  
2 to hire. And like many people who are trying  
3 to hire across the state, it is slow and  
4 challenging to get people. But we are  
5 working to continually hire people.

6 The other thing I would say is that  
7 the cases are more complicated with the onset  
8 of HSTPA, so the processing times have gotten  
9 longer. There's a lot of due process in  
10 there anyway, but there's also I think more  
11 complication to those. So they are not short  
12 processes sort of by and large.

13 And I think to your third question  
14 about ERAP, you know, I would sort of provide  
15 the same answer as I have. We work very  
16 closely with our portfolio of affordable  
17 housing providers to make sure that we can  
18 give them the financial relief they need as  
19 they've suffered from tenants who have  
20 applied for ERAP and while they're waiting  
21 for that to get processed. And we continue  
22 to work with the Governor's office and with  
23 our federal delegation and the Governor's  
24 federal office to get additional funding for

1 ERAP.

2 ASSEMBLYWOMAN ROSENTHAL: If we don't,  
3 we should put it in. Thank you.

4 CHAIRWOMAN WEINSTEIN: Thank you.

5 And to the Senate.

6 CHAIRWOMAN KRUEGER: Sorry, we weren't  
7 completely closed. Brian Kavanagh, our  
8 chair, returned for his last three minutes.

9 SENATOR KAVANAGH: For the record, I  
10 was in the room.

11 But just to clarify, I think I  
12 misspoke and asked you a question and got a  
13 quizzical look. But I think I was referring  
14 to the Housing Stabilization Fund. But  
15 there's something called the Homeowners  
16 Stabilization Fund, which is a \$50 million  
17 fund.

18 COMMISSIONER VISNAUSKAS: Yes.

19 SENATOR KAVANAGH: Can you talk a  
20 little bit about that?

21 COMMISSIONER VISNAUSKAS: Yes. I'm  
22 sorry that I looked quizzical before. I was  
23 thinking in my head it was not the right  
24 name.

1           We saw a real need for home repair  
2 programs in largely communities of color that  
3 had a large percent of homeowners that were  
4 of color that had housing distress. And we  
5 saw this coming out of the work that we did  
6 in East Buffalo after the Tops shooting.

7           And so we wanted to make sure that  
8 around the state we are allowing homeowners  
9 for whom their house is their generational  
10 wealth, but who have a lot of distress in  
11 their home because they don't have the  
12 ability to make repairs, that we can provide  
13 those funding -- that we can provide funding  
14 to those homeowners.

15           So we're really excited about this, to  
16 be able to launch it across the state to be  
17 able to, you know, make much-needed repairs.  
18 As you drive around the state you see a lot  
19 of homeowner distress, and so this is a great  
20 sort of down payment to be able to expand  
21 that statewide.

22           SENATOR KAVANAGH: So this one is not  
23 specifically attached to the -- unlike some  
24 of those other funds that are intended to

1 support the sort of administration of the  
2 housing compact, this is a -- I mean, it  
3 might be related in some ways but it's not --  
4 this is not part of that structure.

5 COMMISSIONER VISNAUSKAS: Yeah, it's  
6 really a standalone program coming out of the  
7 work that we did in East Buffalo, where we  
8 saw really a tremendous need for this type of  
9 program. We have it sort of in some ways,  
10 but not really as specifically tailored as  
11 what we think this will do. Going really  
12 into targeted communities of color where  
13 there's high homeownership and high rates of  
14 housing distress is really sort of a -- sort  
15 of a much more targeted initiative than we  
16 have in some of our other programs.

17 So it's outside the compact, and we're  
18 really excited about it.

19 SENATOR KAVANAGH: Have you worked out  
20 details about how much money per household,  
21 how people apply, all that sort of stuff?

22 COMMISSIONER VISNAUSKAS: Yeah, so we  
23 have -- there are some preliminary estimates,  
24 but we're going to work with a series of

1 local partners, and so I think we want to get  
2 a little more fine-tuned with what the need  
3 is on the ground.

4 SENATOR KAVANAGH: Okay, good, thank  
5 you. And just a follow-up to Assemblymember  
6 Rosenthal's question.

7 In your -- in the portfolio of  
8 affordable housing providers that you work  
9 with, there's -- you know, we've been talking  
10 a lot about ERAP, which the ERAP portal is  
11 closed. We've been working with OTDA on  
12 estimates of how much it would cost to cover  
13 all the ERAP applicants. But we understand  
14 from a lot of providers that there are  
15 arrears that built up that do not appear to  
16 be related to tenants who actually applied  
17 for ERAP.

18 Do you have any estimate of sort of  
19 what the un -- sort of the scale of unpaid  
20 rent is among affordable housing providers  
21 that are in your portfolio?

22 COMMISSIONER VISNAUSKAS: We don't  
23 have sort of exact data on that. We have  
24 worked with the industry groups who've come

1 to us to talk about this issue. And it's --  
2 so we're sort of in conversations with them,  
3 but we don't really have an exact figure at  
4 this time.

5 SENATOR KAVANAGH: And do you have  
6 any -- besides ERAP, do you have any sort of  
7 funding sources that would be available to  
8 cover arrears that have built up in this  
9 period?

10 COMMISSIONER VISNAUSKAS: So the main  
11 tool that we've used to date is allowing  
12 owners to sort of not make contributions to  
13 reserve funds and to give them sort of  
14 financial relief in the ways that we have.  
15 So we've sort of operated more kind of in the  
16 relief function than in the kind of direct  
17 payment function.

18 But we have tried to provide that  
19 where we can across our portfolio to help  
20 building owners that are in distress.

21 SENATOR KAVANAGH: Just one more,  
22 super quick. Does that approach relieve --  
23 have the effect of relieving the tenant?

24 CHAIRWOMAN KRUEGER: You know what,

1 Brian, you can't ask a new question when it  
2 goes to zero.

3 (Laughter.)

4 SENATOR KAVANAGH: That was a  
5 follow-up.

6 CHAIRWOMAN KRUEGER: You can follow up  
7 with the commissioner afterwards.

8 SENATOR KAVANAGH: And, and is that --  
9 does --

10 (Laughter.)

11 CHAIRWOMAN KRUEGER: Thank you so much  
12 for returning.

13 SENATOR KAVANAGH: Thank you. Thank  
14 you, Senator Krueger. Thank you,  
15 Commissioner.

16 CHAIRWOMAN WEINSTEIN: Commissioner,  
17 thank you for being here. There are no  
18 further questions. I know there are a number  
19 of responses that there wasn't time to give,  
20 so we look forward to hearing those and look  
21 forward to continuing to work with you.

22 COMMISSIONER VISNAUSKAS: Thank you.  
23 We're happy to follow up on those. Thank  
24 you, everyone.

1 CHAIRWOMAN WEINSTEIN: So next we  
2 begin our public portion of the hearing. And  
3 we will -- as I mentioned, the next witnesses  
4 will be in panels. Each will have three  
5 minutes to make their presentation, and then  
6 colleagues will have three minutes, if they  
7 desire, to ask a question of the panel.

8 So we start with -- we have Legal  
9 Services NYC, Jacob Inwald. Legal Services  
10 Access Alliance, there was a court conflict  
11 with the person scheduled, so Rachel Halperin  
12 is here. Citizen Action of New York, Rebecca  
13 Garrard; Urban Homesteading Assistance Board,  
14 Claudia Waterton; and Enterprise Community  
15 Partners-New York, Baaba Halm.

16 So I think -- so I see four people,  
17 but I thought there were five people.

18 UNIDENTIFIED PANELIST: Claudia was  
19 here; she just had to step out.

20 CHAIRWOMAN WEINSTEIN: Okay. So why  
21 don't we go -- I think it will be easier to  
22 go in the order that I mentioned. So Jay, if  
23 you want to start.

24 MR. INWALD: Yes. I was prepared to

1 say good morning, but I think I have to say  
2 good afternoon. Thank you for the  
3 opportunity to testify. Jacob Inwald from  
4 Legal Services NYC, and I'm here to testify  
5 about the Homeowner Protection Program.

6 Which I first of all want to thank  
7 those of you who asked very pointed questions  
8 about it earlier, and I don't want to risk  
9 offending people by listing all of you who  
10 asked about it. But we do appreciate the  
11 Legislature's consistent support for this  
12 program.

13 I wish that HCR people had stayed  
14 here, because there's some crucial  
15 information that they were unable to give you  
16 that I can give you, down to the decimal  
17 point. There was a suggestion which was  
18 somewhat disingenuous that it was excluded  
19 from the budget because there was a thought  
20 that there was leftover funding that was not  
21 spent down. There was an 85 percent increase  
22 in last year because we saw unprecedented  
23 need that dwarfed what we experienced during  
24 the worst of the Great Recession. That's why

1           there was an 85 percent increase.

2                     And all it takes is a phone call to  
3           the AG's office. I can give you -- they  
4           fully committed, of that 35 million,  
5           34,340,164.56. So that's a very specific  
6           number which Kerri White at the Attorney  
7           General's office I'm sure would have provided  
8           to Homes and Community Renewal had they been  
9           asked about it over the last six months when  
10          we've been advocating to continue this  
11          funding.

12                    So I apologize if my tone is a little  
13          bit barbed, but it's a very specific question  
14          that could have been addressed fairly  
15          completely.

16                    I'm not going to read my testimony;  
17          you have my lengthy written testimony. I'm  
18          just going to hit on a few bullet points  
19          beyond answering that question.

20                    I want to mention the subject of deed  
21          thefts, which many of you have been very  
22          concerned about, which particularly has a  
23          pernicious impact on communities of color in  
24          gentrifying neighborhoods where real estate

1 values are appreciating.

2 HOPP is the state's only tool to  
3 combat deed theft. This is the network of  
4 people who are working with vulnerable  
5 homeowners who are the prey of the deed theft  
6 scammers, the partition scammers, and the  
7 various other scammers preying on distressed  
8 homeowners. So it's completely  
9 counterintuitive to dismantle and defund this  
10 network, which is what will happen on  
11 July 16th, if you're concerned about deed  
12 theft and preserving existing homeownership.

13 The other thing I just want to mention  
14 is we cannot talk about this without talking  
15 about race and the racial impact of taking  
16 away the advocates for distressed homeowners.  
17 Because foreclosures and -- mortgage  
18 foreclosures, tax foreclosures, scams,  
19 preying on homeowners, disproportionately  
20 target communities of color. And the  
21 foreclosure process is complicated, and to  
22 take away people's advocates from this court  
23 process, from the very complicated loss  
24 mitigation process, what you're saying is we

1 are not going to provide the communities the  
2 advocates that they need to preserve their  
3 rights and get good outcomes.

4 In addition, as I mentioned, we're  
5 seeing -- okay, I'm out of time. I just want  
6 to also mention the Homeowner Assistance  
7 Fund, which Homes and Community Renewal  
8 administers. And they rely on the HOPP  
9 network to actually make that program work.  
10 That's federal money to the tune of  
11 \$550 million providing relief to New York  
12 homeowners. And they have a separate portal  
13 for the HOPP advocates to actually submit  
14 those applications, and three months ago they  
15 actually asked us to take on applications of  
16 homeowners who did these applications on  
17 their own because they recognized that they  
18 needed the support of the HOPP network.

19 So -- I'm sorry for going over.

20 CHAIRWOMAN WEINSTEIN: Thank you.  
21 Thank you. Legal Services Access Alliance.

22 MS. HALPERIN: Good afternoon. My  
23 name is Rachel Halperin. I'm substituting  
24 for Erica Ludwick, who had to appear in

1 court. I'm the CEO of Legal Services of the  
2 Hudson Valley and the vice president and  
3 board member of Legal Services Access  
4 Alliance.

5 Thank you for the opportunity today to  
6 comment about the Governor's Executive  
7 Budget.

8 We are grateful for the Governor's  
9 continued support of \$35 million in funding  
10 for legal representation and eviction  
11 services, which provides legal services for  
12 tenants facing eviction outside of New York  
13 City. Collectively the Legal Services Access  
14 Alliance represents federally funded legal  
15 services providers outside of New York City  
16 that cover every county outside of the city.  
17 We have come together through the receipt of  
18 this funding to ensure that this funding is  
19 used to help as many tenants as possible.

20 Moreover, the alliance members are  
21 subcontracting and collaborating with  
22 providers in each of our regions to ensure  
23 that all vulnerable populations are being  
24 served. This funding has been critical in

1 supporting struggling New Yorkers in every  
2 corner of the state. We have prioritized  
3 representation in underserved areas,  
4 including city, town and village courts in  
5 our rural counties.

6 With this state support, alliance  
7 members and their partners have helped  
8 thousands of individuals avoid homelessness.  
9 Through this funding we have served over  
10 10,000 tenants throughout the state. We have  
11 also come together and invested in needed  
12 technology and resources to develop best  
13 practices and streamline services to make  
14 them accessible to those in crisis.

15 We are collaborating to develop a  
16 statewide coordinated intake portal, and we  
17 have also created a toll-free hotline that  
18 tenants can call to be directed to the  
19 appropriate legal service provider in their  
20 area. We are partnering with law schools to  
21 recruit and train new lawyers and create paid  
22 summer legal internships and leadership  
23 training seminar programs which will help  
24 create a diverse and robust pipeline of civil

1 legal service providers throughout the state.

2 There is much more work to be done to  
3 continue to serve the tremendous unmet need  
4 for eviction legal representation and reach  
5 the entirety of New York State in the most  
6 expeditious and efficient manner. We ask for  
7 your continued support of the \$35 million for  
8 the legal representation for eviction  
9 services initiative in the 2023 enacted  
10 New York State Budget. This is a historic  
11 investment by New York State. We thank the  
12 Legislature for their support of this  
13 funding, and we hope that you will support it  
14 in this year's budget as well.

15 Thank you.

16 CHAIRWOMAN WEINSTEIN: Thank you.

17 Citizen Action of New York.

18 MS. GARRARD: Yes, hello. My name is  
19 Rebecca Garrard. I want to thank the chairs  
20 and all the legislators for allowing me to  
21 testify today.

22 So this legislative session I don't  
23 feel the need to convince all of you that  
24 there is a housing crisis. I think we are in

1 a unique moment where it's of such epic  
2 proportions that we have a shared  
3 understanding of the urgency of need for  
4 policy to address it. So what I'm going to  
5 take my time today to do is to speak about  
6 the comprehensive nature of the solutions  
7 that I think are required in this moment.

8 We know the Governor's proposal has  
9 centered on incentivizing development through  
10 subsidies and the removal of zoning  
11 restrictions. While the idea of increasing  
12 supply is not harmful as part of a package,  
13 it must coexist with tenant protections that  
14 prevent displacement due to increased rents  
15 and no-fault evictions that result solely  
16 from proximity to the increased resources.

17 In July of 2022, City Limits published  
18 an article about the unfulfilled promises by  
19 the developers of Atlantic Yards. They  
20 received a 421-a tax break yet were unable to  
21 meet their deadlines on the provision of  
22 affordable units.

23 However, when I read the article, the  
24 most important information in there to me was

1 around the changing demographics of the  
2 neighborhood. As noted by the reporter who  
3 wrote the story, in Brooklyn Community  
4 District 2, where the project is located, the  
5 number of Black residents decreased from  
6 41.8 percent of the population in 2000 to  
7 20.3 percent in 2015 through 2019. The  
8 number of white residents increased during  
9 that time from 31.1 percent to 52.1 percent.

10 Without good-cause tenant protections  
11 as provided in Senator Salazar's and  
12 Assemblymember Hunter's legislation, there is  
13 no mechanism for community members from  
14 historically disinvested Black and brown  
15 counties to benefit from new development and  
16 resources. This is true not just in New York  
17 City but in every neighborhood across the  
18 state when development is courted in the  
19 absence of protections for the tenants who  
20 reside there.

21 This is an aspect of the housing  
22 crisis which cannot be ignored any longer,  
23 and this must be the year that we pass  
24 good-cause tenant protections. Wow, am I

1 running out of time.

2 In addition, I ask you all to consider  
3 what is the best use of state funds in terms  
4 of incentivizing housing stability. True  
5 long-term housing stability means creating  
6 the opportunity for tenants to own their  
7 units. The Tenant Opportunity to Purchase  
8 Act, held by Senator Myrie and Assemblymember  
9 Mitaynes, provides mechanisms and funding for  
10 these purchases to occur.

11 And lastly, we must include in this  
12 year's budget relief for tenants who are on  
13 the verge of eviction and the countless  
14 New Yorkers who are unhoused. The Housing  
15 Access Voucher Program, held by  
16 Senator Kavanagh and Assemblymember  
17 Rosenthal, ensures there's immediate relief  
18 for those who are suffering from their  
19 inability to afford shelter.

20 There's more in here that you can  
21 read, but thank you for the chance to  
22 testify.

23 CHAIRWOMAN WEINSTEIN: Thank you.

24 I just want to remind all the

1 witnesses that your testimony was submitted  
2 in advance and was circulated to all the  
3 members and has been posted on our respective  
4 websites, the Assembly and the Senate.

5 So next we hear from Urban  
6 Homesteading Assistance Board.

7 MS. WATERTON: Hi, honorable chairs  
8 and members of the committee. Thank you for  
9 having me today. My name is Claudia  
10 Waterton. I'm the president of my tenants  
11 association in the South Bronx. I'm here to  
12 share my story and demonstrate how critical  
13 it is to pass the Tenant Opportunity to  
14 Purchase Act, TOPA.

15 In 2017 when the new landlord  
16 purchased our building, immediately he jacked  
17 up the rents. My neighbors and myself  
18 organized because we knew that the building  
19 was rent-stabilized. But our landlord was  
20 trying to destabilize our building.

21 It was a five-year-long battle that we  
22 fought. Every month we met to strategize on  
23 how to win. We were finally able to purchase  
24 our building last year, February 2022. We're

1 currently working to become a HDFC co-op.

2 And through this process, we were helped by  
3 the local nonprofit, UHAB.

4 My neighbors and myself will be  
5 operating our building as a collective, and  
6 we'll be able to purchase our units for  
7 \$2,500. We're currently working on  
8 waterproofing our building, which means that  
9 our building will be completely run on  
10 electrical power with new heat pumps which  
11 would meet the highest standards for New York  
12 State climate goals.

13 Currently in the South Bronx  
14 waterfront there are newly built towers  
15 financed by 421-a that are still half-empty,  
16 mostly because low-income tenants in the  
17 neighborhood can't afford to live there.  
18 These buildings also lead to gentrification  
19 in the neighborhood. But because we bought  
20 our building, I know that I'll be able to  
21 stay in the place that I currently call home  
22 for the last decade.

23 Growing up, I was taught the  
24 importance of owning something, and for me,

1           having ownership like this is a way to build  
2           community wealth to pass on to future  
3           generations. TOPA would allow tenants whose  
4           buildings are up for sale to make the first  
5           offer to buy their buildings, giving them the  
6           opportunity to transfer their buildings into  
7           permanent affordable housing.

8                       We are requesting \$250 million for  
9           this budget year, which will help tenants  
10          purchase their buildings and remove them from  
11          the speculative market. I want all tenants  
12          who are organizing in their buildings to do  
13          the same thing that we did, but using TOPA.

14                      TOPA will give the tenants the right  
15          to make the first offer when their building  
16          goes up for sale. Their owners can reject  
17          the first offer, but the tenants also have  
18          the right to match the second offer of a  
19          third party. Tenants can buy their buildings  
20          together as a limited equity co-op, turn them  
21          into public housing, or work with a nonprofit  
22          to remain permanently affordable rentals.

23                      Thank you.

24                      CHAIRWOMAN WEINSTEIN: Thank you.

1                   And last, Enterprise Community  
2 Partners.

3                   MS. HALM: Thank you.

4                   I am Baaba Halm, vice president and  
5 market leader for Enterprise Community  
6 Partners. Thank you for the opportunity to  
7 testify on the wide-ranging budget needs to  
8 address the state's affordability challenges.

9                   New York State continues to be amidst  
10 the worst homelessness crisis since the  
11 Great Depression. Across the state  
12 homelessness has pushed communities to the  
13 breaking point, with shelter capacity  
14 dangerously low and, in upstate communities,  
15 few resources to deal with the crisis.

16                  We urge the Legislature to include in  
17 its one-house budgets money to fund the  
18 Housing Access Voucher Program at  
19 \$250 million this year, which would serve  
20 over 50,000 New Yorkers statewide. HAVP is  
21 accessible, flexible, and nondiscriminatory,  
22 making it the most effective program for  
23 preventing homelessness and moving homeless  
24 households into permanent housing.



1 housing.

2 We do look forward to working with the  
3 Senate and the Assembly to incorporate more  
4 of a affordable and fair housing lens to the  
5 compact.

6 And we applaud the Governor's housing  
7 compact's code enforcement provisions to make  
8 it easier for local governments to take  
9 ownership of zombie properties, which pose a  
10 significant challenge for many upstate  
11 communities.

12 And on supportive housing, we join the  
13 Supportive Housing Network of New York in  
14 calling on the Legislature to invest in  
15 preserving the existing affordable housing  
16 units we have, and to unlock the hundreds of  
17 millions of dollars in preservation capital  
18 funding for supportive housing included in  
19 last year's budget.

20 And for NYCHA, the New York Housing  
21 Conference estimates that NYCHA faces a  
22 \$35 million budget shortfall. It is  
23 therefore crucial that the state continues  
24 its commitment to fully address the needs of

1 NYCHA by stepping up and establishing a  
2 long-term city/state capital plan for public  
3 housing.

4 And on the arrears for the affordable  
5 housing and public housing portfolio, we  
6 recognize that public housing operators and  
7 affordable housing operators are in danger of  
8 maintaining the viability of their housing  
9 stock. And so we support NYSAFAH's ask for  
10 \$2 billion to support these owners and  
11 operators.

12 Thank you.

13 CHAIRWOMAN WEINSTEIN: Thank you.

14 We go to our Housing chair,  
15 Assemblywoman Rosenthal, three minutes.

16 ASSEMBLYWOMAN ROSENTHAL: Thank you.

17 I have it on good authority that there  
18 is no money left unspent from last year's  
19 \$35 million allocation. Does anyone  
20 understand why the Governor would leave this  
21 funding out of her Executive Budget?

22 MR. INWALD: I think that question is  
23 directed at me. I'm not sure I can answer  
24 for the motivations.

1 (Laughter.)

2 ASSEMBLYWOMAN ROSENTHAL: Well, maybe  
3 just reiterate how important it is.

4 MR. INWALD: Yeah, I'm happy to  
5 reiterate how important it is.

6 (Laughter.)

7 MR. INWALD: And one thing I want to  
8 mention -- we tend to inhabit silos in the  
9 housing space, but I want to mention that in  
10 New York City when you're talking about homes  
11 that are lost to foreclosure, they are  
12 also -- that also represents the loss of  
13 affordable rental housing, naturally  
14 occurring rental housing.

15 Almost all of the homeowners we work  
16 with have one or two rental units. And when  
17 those houses are lost to foreclosure, they  
18 are bought by investors, gentrifying  
19 developers, and they are not retained as any  
20 kind of affordable housing. So we are  
21 usually typically losing one or two rental  
22 units each time a home is lost to  
23 foreclosure.

24 ASSEMBLYWOMAN ROSENTHAL: Thank you.

1           It's very important that these 30-day  
2           amendments contain the restoration of that  
3           funding.

4                       I also wanted to ask quickly about  
5           evictions and the many homeless families that  
6           are living in our city and our state. HAVP  
7           would help a lot. What other protections  
8           would we need? I'm asking Rebecca Garrard.

9                       MS. GARRARD: Yeah, thank you,  
10          Assemblymember Rosenthal, yes.

11                      I think it's those protections, right,  
12          that are missing from the Governor's plan.  
13          This was mentioned earlier, right? There's  
14          no immediate solutions for the crisis.  
15          certainly HAVP would provide immediate relief  
16          for the tragically large number of unhoused  
17          New Yorkers who are unable to access housing.

18                      And in terms of triaging the crisis,  
19          you know, I heard the HCR commissioner say  
20          we're talking long term. Right? I think  
21          good-cause is long term. Until we can  
22          triage, right, this cycle of housing  
23          insecurity that moves people from being  
24          rent-burdened to unhoused to housing

1 insecure, that's the kind of lack of  
2 foresight that puts us into always having to  
3 think about what's down the road. Right?

4 So I think that would -- those are the  
5 things that I find most necessary.

6 ASSEMBLYWOMAN ROSENTHAL: Thank you.

7 Anyone else want to comment on that  
8 portion?

9 MS. HALM: I would just add that HAVP  
10 is also an anti-eviction tool. It's not just  
11 for folks who are homeless but folks who  
12 would be at risk of homelessness who are not  
13 now captured by existing voucher programs.  
14 And which is why we believe it's an important  
15 tool that should get funded.

16 ASSEMBLYWOMAN ROSENTHAL: Right. It's  
17 half and half, I believe. Yes, half folks  
18 who are unhoused and half who are on the  
19 precipice of eviction.

20 Okay, thank you all.

21 CHAIRWOMAN WEINSTEIN: Senate?

22 CHAIRWOMAN KRUEGER: Thank you.

23 Senate Housing Chair Brian Kavanagh,  
24 three minutes.



1           important that we have organizations that are  
2           on the ground doing that work and, you know,  
3           your request for a \$7 million allocation?  
4           Which I support.

5                   MS. HALM:   So on the fair housing  
6           work, enterprise was able to launch an  
7           innovative program with Attorney General  
8           resources which ended last year, and the  
9           state stepped up to, for the first time,  
10          create a state-supported Fair Housing Testing  
11          Program.   That program was funded at  
12          \$2 million, which was very far short of  
13          what -- the program under Attorney General  
14          resources.   And so the six fair housing  
15          organizations scaled back their services in  
16          order to absorb that \$2 million.

17                   And so what we're asking for is an  
18          additional \$5 million so they can restore the  
19          service cuts and to allow expansion to other  
20          parts of the state that we believe there's a  
21          real unique and urgent need for fair housing  
22          enforcement organizations to support tenants  
23          and folks on the ground there.

24                   SENATOR KAVANAGH:   And if we were --

1           if the Legislature were successful in getting  
2           a total of -- the \$5 million and a total of  
3           \$7 million, do you think your network would  
4           be able to make sure that there's at least  
5           one organization in every part of the state  
6           that's focusing on this work?

7                       MS. HALM: I think they stand ready,  
8           and ready to deploy and to work with other  
9           organizations to develop the capacity to  
10          support other parts of the state, absolutely.

11                      SENATOR KAVANAGH: Okay. And can you  
12          talk just a little bit about the newest kind  
13          of fair housing issue? We've added source of  
14          income discrimination to our list of things  
15          statewide that are -- you know, that's a kind  
16          of discrimination that's been banned  
17          relatively recently. Can you talk a little  
18          bit more about your thoughts on that, your  
19          organization's work on that?

20                      MS. HALM: So source of income  
21          discrimination was banned in 2019, and it  
22          protects tenants who are using vouchers such  
23          as Section 8 or HAVP, if we are successful in  
24          getting it funded, to pay for their housing

1 costs.

2 And we know in communities throughout  
3 the state that there are real barriers,  
4 discriminatory practices that landlords  
5 use -- and some, to be honest, just don't  
6 understand what the law is. So the fair  
7 housing enforcement resources allows for  
8 education, it allows for affirmative  
9 enforcement action to be taken against  
10 discriminatory landlords.

11 And as we understand the affordable  
12 housing challenge's needs statewide, and that  
13 we want to open the door to access, to  
14 tenants statewide in communities of their  
15 choice, enforcement resources should be  
16 coupled with that. Right? And you need the  
17 carrot, you need the tool to get people  
18 housed, but you also need the stick for bad  
19 actors. And we can't ignore that there are  
20 bad actors throughout the state.

21 SENATOR KAVANAGH: Thank you.

22 CHAIRWOMAN WEINSTEIN: Thank you.

23 We go to Assemblywoman Lucas.

24 ASSEMBLYWOMAN LUCAS: Okay, thanks

1           again, Madam Chair.

2                       This question is actually for  
3           Enterprise. I see you have the vacant and  
4           abandoned properties and zombie properties as  
5           it relates to the Governor's compact. In  
6           July 2017, LISC funded a zombie homes program  
7           with HPD. Will Enterprise be willing to  
8           finance a similar program for the housing  
9           compact?

10                   MS. HALM: We certainly could look to  
11           the extent that there's a need. We work very  
12           closely with LISC. We work very closely with  
13           HPD. And we're willing to step in and help  
14           as much as possible.

15                   Zombie properties are an important  
16           tool. We heard earlier, right, that some  
17           land banks are using -- getting zombie  
18           properties and are able to turn it into  
19           affordable home ownership and multifamily  
20           rentals. And so for communities to have  
21           tools to make sure that they are able to take  
22           over blighted properties we think is an  
23           important preservation strategy, and it's an  
24           important community development strategy.

1 ASSEMBLYWOMAN LUCAS: Thank you.

2 CHAIRWOMAN WEINSTEIN: Anybody else in  
3 the Senate?

4 CHAIRWOMAN KRUEGER: Senators?  
5 Senator Myrie.

6 SENATOR MYRIE: Thank you,  
7 Madam Chair. And thank you to the panel.

8 I have part comment, part question.  
9 Firstly, appreciate the advocacy for TOPA.  
10 Incredibly, incredibly important. I think it  
11 is one side of the coin, the other side being  
12 deed theft, as was mentioned, about building  
13 community wealth. We see it being robbed,  
14 particularly from Black and brown  
15 communities. TOPA provides a way to build  
16 that community wealth. And so I appreciate  
17 the advocacy there.

18 And just a question, and this is  
19 really for anyone on the panel. You know, we  
20 hear a lot about good-cause and a lot of what  
21 I believe to be mischaracterizations of what  
22 it actually does. So I'm hoping, with the  
23 balance of the time, if you can talk about  
24 what this would really do to preserve

1           affordability, what it would do to fight  
2           evictions, and what it does not do, as we've  
3           heard some of the opponents of good-cause  
4           say.

5                       MS. GARRARD: Can I start? I promise  
6           I'll leave space for others.

7                       Thank you, Senator Myrie, for that  
8           really important question. Right? We know  
9           what it does, is it protects tenants who are  
10          following all of the obligations of their  
11          tenancy -- paying the rent on time, taking  
12          care of the property. What it prevents is  
13          those tenants being evicted in either  
14          retaliation for reporting unsafe conditions  
15          or being evicted or priced out of their  
16          residences -- even through they're following  
17          all their tenancy obligations -- because  
18          resources are finally coming into areas that  
19          have been disinvested, predominantly  
20          communities of color, and now all of a sudden  
21          people that look like me are walking around,  
22          people that are wealthier are walking around,  
23          and rents rise simply because of that.

24                       What it does not do, to your point

1           that I think there's a lot of misconception  
2           about, it does not prevent evictions. If a  
3           tenant is not paying the rent, they can be  
4           evicted. If a tenant is damaging the  
5           property, they can be evicted. It is a  
6           protection for tenants who follow every  
7           obligation of their tenancy.

8                         And if we can't have a shared  
9           collective belief that tenants who are really  
10          like stable, valuable producers and  
11          participators in their community should be  
12          protected for displacement due to no  
13          correlation to action or inaction on their  
14          part, then I don't actually know where we  
15          even go from there, or where we start.

16                        Oh, gosh, I left 20 seconds. I'm so  
17          sorry.

18                        CHAIRWOMAN KRUEGER: Assembly.

19                        CHAIRWOMAN WEINSTEIN: Assemblywoman  
20          Simon.

21                        ASSEMBLYWOMAN SIMON: Thank you.

22                        Sort of just a follow-up to that,  
23          which is the number of buildings that are  
24          being bought by private equity that are

1 coming in and just wholesale issuing eviction  
2 notices to people who have been living,  
3 paying their rent for 15, 20, sometimes  
4 30 years -- but they're not stabilized, they  
5 have no other protection. And that's  
6 happening throughout my district and it's  
7 happening certainly throughout Brooklyn and  
8 I'm sure other parts of the city as well. I  
9 don't know if you -- others of you have  
10 perspective on that or have an approach other  
11 than good-cause or -- good-cause I think  
12 really addresses this well.

13 But you brought up Atlantic Yards,  
14 which is a combination of 421-a issues but  
15 also the affordability. So I think one of  
16 the things we struggle with is what we call  
17 affordable not being affordable, how much we  
18 have of it, how much we have of one-bedrooms.  
19 You know, the two-bedrooms that are, you  
20 know, a thousand square feet, which are  
21 really not two bedrooms.

22 What can we do better in the way we  
23 allocate the funding so that we don't  
24 incentivize the creation of what I call fake

1           affordable? So I leave that out to any of  
2           you. I'm sure it's not a quick answer.

3                   MS. GARRARD: I really appreciate that  
4           question, right, and I think it's part of  
5           what we find most troubling about the  
6           Governor's proposal, which is totally, right,  
7           leaning into incentivizing and subsidizing  
8           without correlation to affordability.

9                   To your point, the definition of  
10          affordable is in the eye of the beholder, and  
11          so a lot of government funds, right, go  
12          towards these developments under the guise of  
13          creating a number of affordable units that  
14          community members will tell you are not at  
15          all affordable. So I think that metric,  
16          right, needs to be reexamined. We have to be  
17          much lower if we're going to use AMI -- much,  
18          much lower than the brackets that we're  
19          currently using and deeming affordable.

20                   And I think, to your point, it's just  
21          so crucial too that we have the coexisting  
22          protections, because then we see -- I always  
23          say it feels like a net loss. You're buying  
24          the affordable units through this

1           incentivized development, and you're losing  
2           probably four times as many in the  
3           surrounding market-rate rents.

4                     And to your earlier point, it is  
5           happening all over the state. Right here in  
6           Albany there's an entire building of tenants  
7           in Bleecker Terrace whose building was bought  
8           up by a New Jersey developer, and the first  
9           thing she did was issue no-fault holdover  
10          evictions to the entire building. So it's a  
11          plague around the state.

12                    ASSEMBLYWOMAN SIMON: Thank you.

13                    CHAIRWOMAN KRUEGER: Senator Julia  
14          Salazar.

15                    SENATOR SALAZAR: Thank you, Chair.

16                    And thank you all so much for taking  
17          the time to testify today.

18                    I did want to follow up on Rebecca's  
19          testimony regarding the good-cause eviction  
20          bill. Even though this is a budget hearing  
21          and this bill doesn't have a fiscal impact to  
22          the state, this is something that we intend  
23          to discuss in the context of the Governor's  
24          housing compact.

1                   Rebecca, could you talk about how the  
2                   text of the good-cause eviction bill offers  
3                   protections actually also for homeowners who  
4                   may be in the eviction process, exemptions,  
5                   and even perhaps how if good-cause eviction  
6                   were law, it would interact with protections  
7                   that we advocate for, that exist for  
8                   homeowners, including programs for homeowners  
9                   who are struggling.

10                  MS. GARRARD: Yeah, thank you for that  
11                  question. I think you raise a really good  
12                  point because a lot of the misinformation  
13                  around good-cause creates a false tension  
14                  between the property owner and the tenant.  
15                  And so the reality is there are, as I  
16                  mentioned before, right, numerous reasons to  
17                  be able to evict. There's also exemptions  
18                  for buildings under four units that are owner  
19                  occupied, in recognition that it feels like  
20                  an extension of your home and so there should  
21                  be extra discretion. There are exemptions  
22                  for if you need a family member to move into  
23                  a unit. So there's a lot of, right,  
24                  allowances.



1           their properties. This bill won't do that.  
2           And we are very much in favor of providing  
3           resources, if needed, to that class of  
4           landlords.

5                       CHAIRWOMAN WEINSTEIN: Thank you.

6                       We go to Assemblywoman Kelles.

7                       ASSEMBLYWOMAN KELLES: That was  
8           unexpected.

9                       So two areas of questions. One,  
10          Enterprise, thank you for bringing up the  
11          compact. I think there are actually very  
12          promising aspects of this. You did bring up  
13          the piece of concern, which I have as well,  
14          which is the affordability piece. So of  
15          course she mentioned supply earlier and the  
16          existing issues, so this one is related to  
17          supply.

18                      Can you give some examples or  
19          recommendations of how we might strengthen  
20          the affordable housing piece of the compact?

21                      MS. HALM: From our work we know that  
22          there's affordable housing that's needed  
23          throughout the state. The compact really  
24          leaves it up to individual communities to

1           either through a regulatory agreement, right,  
2           that that's how you get affordable housing  
3           created, which is a subsidy or to consider  
4           other measures. But it doesn't really give  
5           guidance, it's not part of the planning  
6           process in thinking about how a community is  
7           going to achieve its growth target.

8                         And so that should be part of  
9           community planning, we think. Long-term  
10          community planning should think about  
11          affordability and how to incentivize it and  
12          give some guidance to communities to factor  
13          that in. Because we do know that there are  
14          large parts of the state that don't have the  
15          apparatus, the planning apparatus, and  
16          there's going to be some technical  
17          assistance. But we should think about  
18          affordability as part of that technical  
19          assistance, part of that review, that  
20          expectation that when the community is  
21          thinking about the different options it wants  
22          to maximize for their particular community,  
23          that they're also thinking about how to  
24          maximize affordable housing.

1 ASSEMBLYWOMAN KELLES: And do you  
2 think it would helpful to have a requirement  
3 to meet that 1 percent or 3 percent  
4 specifically for affordable?

5 MS. HALM: I think there's a lot of  
6 ways to achieve affordability, and so that we  
7 should just have a frank conversation about  
8 what is the best goal for the state and that  
9 we need more housing but we certainly need  
10 more affordable housing across the state, and  
11 not just in, you know, core areas. But we  
12 want people to have options of where they  
13 live. That's a central component for  
14 Enterprise in our work, that there should be  
15 optionality for families that if they want to  
16 move to upstate, they're going to find  
17 affordable housing. If they want to move  
18 downstate, they can find affordable housing.  
19 And so that should be part of the state's  
20 overall planning process, to make sure that  
21 affordability is part of our long-term  
22 approach as well.

23 ASSEMBLYWOMAN KELLES: Thank you so  
24 much.

1                   And quick, Rebecca, last question  
2                   about good cause. Good cause, HAVP, I  
3                   totally agree they would address the needs  
4                   right now. With good cause, though, there's  
5                   a lot of misinformation that landlords would  
6                   not be able to increase the rents at all,  
7                   that it would restrict them.

8                   Can you talk a little bit about how  
9                   that is not true?

10                  MS. GARRARD: Yeah, thank you so  
11                  much -- because we haven't got to that -- for  
12                  bringing that up, Assemblymember Kelles.

13                  So what the bill does in its current  
14                  form is set a floor, right -- not a ceiling,  
15                  a floor -- for the rent increase that's  
16                  related to nothing more than just breathing  
17                  air. But cost of owning the property, if it  
18                  increases, landlords absolutely can go above  
19                  that floor to recoup their costs of  
20                  ownership. That includes property taxes,  
21                  repairs, et cetera, et cetera.

22                  So that is another important piece of  
23                  misinformation that is not true and the bill  
24                  allows for.

1 ASSEMBLYWOMAN KELLES: Thank you.

2 CHAIRWOMAN KRUEGER: Thank you.

3 CHAIRWOMAN WEINSTEIN: Assemblyman

4 Kim.

5 ASSEMBLYMAN KIM: Thank you.

6 So I represent one of the worst  
7 economically unequal districts in the entire  
8 state -- Flushing, New York -- between the  
9 haves and have-nots. And I just wanted to  
10 spend a minute about why it's so important to  
11 protect the tenants.

12 One of our brothers in the movement --  
13 that will be here with you all as a social  
14 and housing justice advocate -- is dealing  
15 with some serious cancer and going through  
16 chemotherapy, and he is living in conditions  
17 where every day there are rats, rodents,  
18 roaches in his house and there are doctors,  
19 myself, everyone is advocating for him, but  
20 this is just one example -- even one of us  
21 that have to go through this kind of  
22 struggle.

23 And I'm just, you know, I'm blown away  
24 by some of the testimonies today and what

1           you're pushing for. And one of the things  
2           that makes me feel optimistic -- and I want  
3           to turn my attention to Claudia Waterton and  
4           what you were able to accomplish through your  
5           organizing, to take a problem and really take  
6           ownership of your futures. But it took you  
7           five years of organizing.

8                     MS. WATERTON: Yes. Yeah. Yeah.

9                     ASSEMBLYMAN KIM: And so my  
10           question -- I just want to take a little kind  
11           of deep-dive moment of how difficult was it  
12           to find financing, to get people to invest.  
13           Just walk us through the process of how you  
14           were able to accomplish this as an organizer.

15                    MS. WATERTON: So that was actually  
16           very difficult, because around the time when  
17           we finalized the first round of financing,  
18           COVID happened and everything got taken away.  
19           It was through the city.

20                    And then in the middle of COVID, we  
21           were able to find the second round of  
22           financing, just really out of the blue, and  
23           that's how we finalized it. But, I mean, it  
24           was so rare.

1                   And I have to say in our case we did  
2                   use -- because we also had a DHCR case that  
3                   we were pending, along with us trying to  
4                   purchase the building. So because of that  
5                   case, he could not sell it to another  
6                   developer. He was trying to get us to drop  
7                   it in order to sell the building because no  
8                   other developer would touch it, because then  
9                   they would have to pick up the case again and  
10                  fight with us another, I don't know, maybe  
11                  five, 10 years until that case closed.

12                  So we basically held the building  
13                  hostage, basically, and said, You have to  
14                  sell it to us, we're not dropping this case.  
15                  Either you sell it to us or we just wait it  
16                  out in court.

17                  ASSEMBLYMAN KIM: So it was an  
18                  extenuating circumstance, almost an outlier,  
19                  that you were able to do this without state  
20                  support or anybody else. So that's why it's  
21                  so important to push legislation to fund --  
22                  is it 250 million that we're --

23                  MS. WATERTON: We purchased it for  
24                  2.6 million.

1 ASSEMBLYMAN KIM: But as a state we  
2 want to put in funding to --

3 MS. WATERTON: Oh, yeah, the total for  
4 TOPA is 250 million.

5 ASSEMBLYMAN KIM: Okay. Thank you so  
6 much.

7 CHAIRWOMAN WEINSTEIN: Thank you.  
8 Assemblywoman Chandler-Waterman.

9 ASSEMBLYWOMAN CHANDLER-WATERMAN:  
10 Thank you, Madam Chair. Thank you all.

11 Good cause and bills like this, you  
12 know, is really good to protect our tenants.  
13 And I do agree there's a lot of  
14 misinformation when it comes to -- on the  
15 part of homeowners and all that. So I'm glad  
16 for my colleagues for bringing up those  
17 points to explain so I don't have to ask  
18 those questions, because it was already  
19 asked.

20 But to Legal Service NYC, Jacob. So  
21 we have lost so many working-family Black  
22 homes in Brooklyn when LISC should have  
23 provided funding in the past 10 years. What  
24 should we change? So much funding for

1 advocates to save on the one-to-four-family  
2 home homeownership. Why is there such a high  
3 percentage of unrepresented homeowners in  
4 Brooklyn losing their homes? What are we  
5 missing? What are we not doing?

6 My district is over 90 percent Black  
7 and brown. Canarsie has a high foreclosure  
8 rate. We are losing our homes, our  
9 generational wealth, our families are  
10 suffering. Can you shed some light?

11 MR. INWALD: So I'm not sure I can do  
12 it in two minutes and three seconds, but  
13 there are lots of challenges in that. But  
14 just to cast some perspective, Brooklyn  
15 actually has better resources for homeowners  
16 than any other county in the state. We have  
17 multiple legal services providers and housing  
18 counseling agencies.

19 But that being said, even at the  
20 existing levels of funding we have never been  
21 able to fully meet the need. We cannot take  
22 every client who comes in the door. And we  
23 have to triage and we have to marshal our  
24 resources. There are -- you know, that's

1 part of it. And that applies to all of our  
2 colleague organizations who do this work as  
3 well.

4 There are some people who are  
5 resistant to taking free legal services, and  
6 they are more likely to, you know, go with  
7 scammers charging them money because they  
8 feel like if they're paying someone, they're  
9 getting better services than someone who's  
10 actually doing the work for free. So  
11 sometimes we have that challenge, you know,  
12 in some communities.

13 And we could really benefit from  
14 better information coming from trusted  
15 resources -- you know, public service  
16 announcements and things like that. That's  
17 not about the budget. This is about like how  
18 we actually, you know, get the word out  
19 better. But it's been a constant challenge.  
20 I've been involved in this for about  
21 14 years, and it's always been a challenge.  
22 It's -- we don't necessarily reach everybody.

23 Although I will say that the  
24 environment has drastically changed from

1           where we were before HOPP. Right now -- you  
2           know, before HOPP, 90 percent of foreclosure  
3           cases resulted in default judgments where the  
4           homeowner did not interact with the process  
5           whatsoever. And we now have -- you know,  
6           closer to 60 percent of homeowners are  
7           getting representation at least in the  
8           settlement conference phase of cases in  
9           court. So that's a drastic transformation.

10                        We're at risk of going back to where  
11           we were if the network is no longer there on  
12           July 16th. But we have transformed the  
13           environment, and it's no longer just a  
14           situation where lenders can go into court and  
15           know they're going to get a default judgment.

16                        But there is lots of work, and I'm  
17           happy to talk further about how we can --

18                        ASSEMBLYWOMAN CHANDLER-WATERMAN:  
19           That's what I was going to say, yes.

20                        MR. INWALD: -- better, you know, do  
21           outreach and reach, you know, all the  
22           communities who need our services.

23                        ASSEMBLYWOMAN CHANDLER-WATERMAN:  
24           Especially in the Black and brown

1 communities.

2 MR. INWALD: Happy to do that.

3 ASSEMBLYWOMAN CHANDLER-WATERMAN:

4 Thank you so much.

5 CHAIRWOMAN WEINSTEIN: Thank you.

6 Senate, do you have --

7 CHAIRWOMAN KRUEGER: I believe the  
8 Senate is closed.

9 CHAIRWOMAN WEINSTEIN: Okay, so the  
10 Assembly also is closed.

11 So we'd like to thank the members of  
12 this panel for being here, and we're going to  
13 call the next panel to present, Panel B: New  
14 York City Housing Partnership; New York  
15 Building Congress -- and I note, for those  
16 following, that Carlo couldn't be here  
17 because of illness, so we have Justin  
18 Pascone -- then 32BJ SEIU; New York State  
19 Association for Affordable Housing; New York  
20 Housing Conference; and Amalgamated Housing  
21 Corporation.

22 (Pause.)

23 CHAIRWOMAN KRUEGER: Okay. Hi,  
24 everyone, welcome. We're going to start from

1 my right, your left, and just keep going  
2 down. Is that all right? Okay, you're easy,  
3 fine.

4 Remember to introduce yourself and  
5 speak for three minutes, as close to the  
6 microphone as you can get -- some of them  
7 work better than others. Thank you.

8 MR. YAKER: I thought I was last, but  
9 I guess I'm not. Ed Yaker, Amalgamated  
10 Houses, the oldest limited equity co-op in  
11 the country. We're 95 years old, and I don't  
12 know if we're going to reach 100. And if we  
13 don't, the cause of death is going to be  
14 supervision by the State of New York Housing  
15 and Community Renewal.

16 When the commissioner spoke, she said,  
17 Oh, they're private enterprises, they're  
18 private businesses. But we don't control our  
19 own money. We can't increase carrying  
20 charges unless we go to the state and the  
21 commissioner gives us an increase. We can't  
22 take money for capital repairs, a new  
23 mortgage, unless the commissioner allows us  
24 to. And in the past years, that's been the

1           problem.

2                   Our last three increases have been  
3           late, insufficient, they don't make up for  
4           the gap when we have a budget year ending  
5           January 1st but they don't get to an increase  
6           until June 1st. Well, whatever shortfall you  
7           had in those ones doesn't exist. We're  
8           starting a new budget from here. So you get  
9           an increase to cover the next two years, but  
10          nothing to cover the shortfall.

11                   So we're now a million-five behind in  
12          payments to vendors. We have nothing in our  
13          capital reserve, nothing in our operating  
14          reserve, because the state wouldn't grant us  
15          an increase.

16                   We know the pain of increases; we pay  
17          it. And we know our people move in based on  
18          income limits. But as a co-op, we got  
19          nowhere else to get money from.

20                   A few years ago we knew we needed  
21          capital work. We went to architects, we went  
22          to engineers, we said, What do we need to do?  
23          Here's your list. We had more work than we  
24          could afford to make the debt service payment

1           on, so we wanted to borrow part of it from  
2           Freddie Mac, come back a few years later:  
3           No, you can't borrow now, you have to do it  
4           in our form of IPNA, integrated physical  
5           needs. Same information, but it took -- cost  
6           us a quarter-million dollars to redo, and two  
7           years. And you know what's happened to  
8           interest rates in the last two years? It's  
9           going to cost our cooperators of affordable  
10          housing \$2 million a year for 30 years  
11          because, nope, we didn't do it in their  
12          format.

13                 Our crisis now is gas. We're going to  
14          get shut down. We started telling them about  
15          Local Law 152 in New York five years ago. We  
16          got silence. Our buildings are older than  
17          the Mitchell-Lama program. So out of 1500  
18          families, we're going to have 800 shut down.

19                 They caused the problem; they have to  
20          find us the money to fix it. We don't have  
21          money to do anything.

22                 CHAIRWOMAN KRUEGER: Thank you.

23                 Next?

24                 MR. SMARR: Good afternoon, chairs and

1 members of the Assembly and Senate  
2 committees. I'm Jamie Smarr, CEO of the  
3 New York City Housing Partnership. Thank you  
4 for this opportunity to discuss the need for  
5 legislative tax and zoning incentives in  
6 support of affordable housing creation in  
7 New York.

8 The Housing Partnership, since its  
9 founding by Mayor Koch and David Rockefeller  
10 in 1982, has created more than 72,000 units  
11 of affordable housing using various state and  
12 city housing incentives. These housing  
13 units, which are both rental and for sale,  
14 make the foundation of New York City's  
15 economic recovery from the moribund 1980s to  
16 what we see throughout the city today, which  
17 are strong and vibrant neighborhoods that  
18 support the city's tax base, immense cultural  
19 life and business activity.

20 I am intimately familiar with the role  
21 incentives play in the creation of housing.  
22 For several years I served as director of tax  
23 and zoning incentives for New York City  
24 Housing Preservation and Development. During

1 my tenure, the Legislature had a special  
2 program known as 421-g. 421-g helped to  
3 revive, to rebuild and to transform  
4 Lower Manhattan following the 9/11 terrorist  
5 attacks. Looking back now 20 years from that  
6 terrible time, I feel the Legislature should  
7 be proud of its contribution toward the  
8 revival of New York after 9/11 in the form of  
9 special incentives for housing development.

10 Of course we are not here to rest on  
11 our laurels or prior achievements. Housing  
12 demand has so far outstripped supply in New  
13 York City present-day that recent statistics  
14 show New Yorkers now have a close to zero  
15 percent chance of finding a low- or  
16 moderate-rent opportunity in New York City.  
17 This is the worst that it's ever been.

18 421-a and J-51 are proven housing  
19 incentives that work very well together to  
20 encourage both new construction and  
21 preservation of existing affordable housing.  
22 More than 1 million New York apartments owe  
23 their creation and preservation to these  
24 legislative initiatives. 421-a and J-51

1           together incentivize the private sector to  
2           work collaboratively with the Governor to  
3           provide and modernize housing while  
4           stimulating the construction and general  
5           contracting jobs sectors, which have always  
6           been reliable middle-class job creators. And  
7           without middle-class job creation, a vibrant  
8           New York City will certainly cease to exist.

9                        There has been significant work  
10           recently by both the city and the state  
11           towards streamlining the process of creating  
12           new affordable housing. I suggest the  
13           Legislature seriously consider providing  
14           affordable housing projects with zoning  
15           exemptions, like present state law allows the  
16           School Construction Authority to exempt its  
17           school construction projects from zoning  
18           reviews to speed construction. New Yorkers  
19           don't have years and years to wait for more  
20           housing opportunities.

21                       New York possesses one of the most  
22           robust real estate markets in the world.  
23           Legislative incentives to quickly implement  
24           solutions will safeguard our city's future

1 for generations to come. New Yorkers really  
2 need this legislative action now.

3 CHAIRWOMAN KRUEGER: Thank you. Going  
4 to cut you off there.

5 MR. SMARR: Thank you all.

6 CHAIRWOMAN KRUEGER: Thank you, Jamie.  
7 Next?

8 MR. PASCONE: Thank you. My name is  
9 Justin Pascone. I'm here representing the  
10 New York Building Congress. We're an over  
11 100-year-old organization that represents  
12 New York's building and construction  
13 industry, comprised of over 500  
14 organizations, architecture firms,  
15 engineering, contracting, labor and  
16 250,000 skilled tradespeople and  
17 professionals throughout New York.

18 Thank you, Chairs Krueger and  
19 Weinstein for the opportunity to testify this  
20 afternoon, and thank you to the assembled  
21 members of the Assembly and Senate.

22 As one of the leading construction and  
23 building advocacy organizations, the  
24 Building Congress wholeheartedly supports the

1 Governor's proposal to establish new home  
2 targets in cities, villages and towns across  
3 the state. We're testifying in support today  
4 of the multiple housing-related proposals  
5 included in the Governor's housing compact,  
6 and believe these are necessary to reach the  
7 Governor's target of 800,000 homes over the  
8 next decade.

9 And a decade is a useful metric if you  
10 look at where the metro region thought they  
11 would be 10 years ago. Today, we are now a  
12 decade ahead of where we projected we'd be in  
13 jobs -- which is excellent -- and we're a  
14 decade behind where we thought we'd be in the  
15 number of housing units produced, which leads  
16 to a lot of the issues we've discussed  
17 already.

18 So I just want to highlight four  
19 specific policies that we are testifying in  
20 support of today.

21 Extension of the project completion  
22 deadline for 421-a. Due to workforce  
23 shortages, rising construction costs,  
24 increased challenges with debt markets and

1           infeasible time frames for large construction  
2           projects, the June 2026 deadline for vested  
3           projects currently in the 421-a program is  
4           becoming increasingly challenging to meet.  
5           The danger of not meeting this deadline is  
6           putting over 33,000 in jeopardy. The largest  
7           percent of those are in the outer boroughs,  
8           and that translates into over 500,000 jobs.

9                        We're in support of encouraging  
10           transit-oriented development. TOD would not  
11           only increase New York's housing stock but  
12           encourage the use of public transit, reduce  
13           greenhouse gas emissions, promote local  
14           economic development, and increase social and  
15           economic mobility for New York's population  
16           across the state.

17                       Research suggests that minimum  
18           densities around stations to make commuter  
19           rail cost-effective are anywhere between 16  
20           dwelling units per acre and 45 dwelling units  
21           per acre. The average density surrounding  
22           Long Island Rail Road and Metro-North  
23           stations outside of New York City is  
24           3.6 dwelling units per acre.

1                   For subway stations to be  
2                   cost-effective, that target has to be at  
3                   least 50 dwelling units per acre. New York  
4                   City subway stations only hit that mark for  
5                   about two-thirds; the remaining third below  
6                   are below 50.

7                   We're also in support of creating  
8                   incentives to convert commercial properties  
9                   to affordable housing and raising the FAR --  
10                  and eliminating the FAR requirements for  
11                  residential units.

12                  Thank you.

13                  CHAIRWOMAN KRUEGER: Thank you very  
14                  much.

15                  Next?

16                  MS. FEE: Good afternoon. My name is  
17                  Rachel Fee. I'm executive director of the  
18                  New York Housing Conference. Thank you very  
19                  much for this opportunity to testify today.

20                  New York Housing Conference is a  
21                  nonprofit policy and advocacy organization,  
22                  and we support safe, decent and affordable  
23                  housing for all New Yorkers. We're also a  
24                  founding member, with many groups testifying

1           today, of New York Neighbors, a coalition of  
2           more than 40 organizations in support of  
3           homes.

4                       New York is facing a severe housing  
5           crisis, as we have discussed at length at  
6           this hearing today, and we support Governor  
7           Hochul's New York Housing Compact. We think  
8           this provides the framework to address the  
9           root cause of our affordable housing crisis,  
10          which is a housing supply shortage. It  
11          provides flexibility for localities, boldly  
12          tackles exclusionary zoning, requires  
13          development near transit hubs, and  
14          incentivizes affordable housing.

15                      Expanding housing supply will give  
16          renters and homebuyers more housing options,  
17          lessening competition for housing, which  
18          drives prices up. Minimum density  
19          requirements in transit-oriented development  
20          will create much more affordable housing  
21          options, including townhomes, condos and  
22          apartments, than are currently found in  
23          counties dominated by single-family zoning.  
24          Monthly mortgage payments for condo/co-op

1 typology are 20 to 40 percent less than  
2 single-family, according to recent Zillow  
3 data from select New York City suburbs.

4 The housing compact is a housing  
5 growth strategy which will make New York more  
6 affordable for renters and homebuyers.

7 Seniors who want to downsize will benefit,  
8 millennial first-time homebuyers priced out  
9 will benefit, and renters near transit will  
10 benefit from these transformational and  
11 long-overdue set of housing policies.

12 New York's average home prices  
13 increased 46 percent from 2018 to 2022. Half  
14 of renters in the state are cost-burdened.  
15 And the New York metro region is the second  
16 most segregated in the country. It's time  
17 for the state to take action, as many other  
18 states have already done, to address  
19 decades-old zoning that intentionally  
20 excluded multifamily housing and minority  
21 owners and renters.

22 We recognize that as we address the  
23 supply shortage many low-income families need  
24 assistance now, and we call for 250 million

1           for the Housing Access Voucher Program, which  
2           provides rental assistance to families and  
3           individuals already experiencing  
4           homelessness.

5                     Further, we cannot allow a wave of  
6           evictions of public and affordable housing  
7           tenants. The state should create a  
8           \$2 billion Tenant Fund for Affordable  
9           Housing. Given the regulatory limitations on  
10          both income and borrowing, which we outline  
11          in an upcoming policy brief, public housing  
12          and private affordable housing and their  
13          tenants are especially at risk, and state  
14          action is needed.

15                    Lastly, we have additional  
16          recommendations in our written testimony on  
17          programs that need to be increased from the  
18          Executive Budget and other policy measures.

19                    Thank you.

20                    CHAIRWOMAN KRUEGER: Thank you.

21                    Next?

22                    MS. MILSTEIN: Thank you, chairs and  
23          members of this joint committee, for the  
24          opportunity to testify today.

1                   My name is Jolie Milstein. I am the  
2                   president and CEO for NYSFAFH, the trade  
3                   association for New York's affordable housing  
4                   industry, and our 400 members are responsible  
5                   for the vast majority of the affordable  
6                   housing built across New York State each  
7                   year. NYSFAFH is the largest affordable  
8                   housing trade group in the country.

9                   NYSFAFH's number-one priority this  
10                  year is the creation of the Tenant Fund for  
11                  Affordable Housing, or TFAH. With the  
12                  suspension of the ERAP portal, there's a need  
13                  for a one-time \$2 billion funding source to  
14                  pay the rent arrears for tenants of  
15                  affordable and public housing and to ensure  
16                  the continued financial viability of  
17                  affordable buildings, some of which are  
18                  unable to pay their mortgages.

19                 TFAH would resolve thousands of  
20                 eviction proceedings by addressing rent  
21                 arrears, and our proposal splits the cost  
22                 burden between landlords, the state, and  
23                 tenants. Particularly vulnerable tenants  
24                 would not have to pay anything at all. TFAH

1 would also provide 500 million in aid to  
2 public housing authorities across New York  
3 State.

4 While NYSFAH has calculated the total  
5 need to be \$2 billion, the final funding  
6 amount would be based on survey data from the  
7 city and state housing agencies that oversee  
8 these public/private assets. We're asking  
9 for this fund to be applied to affordable  
10 housing projects throughout the state with  
11 regulatory agreements with either the state  
12 or the city housing agencies.

13 NYSFAH's second top priority is to  
14 pass the Governor's housing compact,  
15 particularly the housing growth targets and  
16 transit-oriented development. The housing  
17 compact would directly address New York's  
18 housing crisis by increasing the supply of  
19 homes. The state created -- we've heard this  
20 many times -- 1.2 million new jobs while only  
21 adding 400,000 homes. This compact would  
22 allow more housing in places that make  
23 sense -- near transit stations and within  
24 already developed areas.

1                   Also, the compact would directly  
2                   address New York's fair housing challenge.  
3                   New York has the most segregated school  
4                   system in the United States, and in the  
5                   New York City area it's the second-most  
6                   segregated metro area in the country.

7                   The single greatest obstacle to  
8                   building affordable housing is this  
9                   exclusionary zoning, in our opinion, and the  
10                  compact would also directly incentivize  
11                  affordable housing locally by double  
12                  weighting in-housing growth calculations to  
13                  all affordable units created. New York needs  
14                  to seize the moment to pass the housing  
15                  compact this year.

16                  One final comment. Insurance for  
17                  affordable housing is out of control. Some  
18                  of our members have turned to self-insurance  
19                  because so many insurers have pulled out of  
20                  the New York market. The cause of this?  
21                  Sky-high jury awards for liability cases --  
22                  and, separately, the Scaffold Law, which is  
23                  so harmful that fully 10 percent of the  
24                  construction costs -- let me say that

1           again -- 10 percent of the construction costs  
2           for affordable housing in New York City must  
3           be devoted to these insurance premiums.

4                         We urge the Legislature to reform the  
5           Scaffold Law this session.

6                         Thank you for the opportunity to  
7           testify.

8                         CHAIRWOMAN KRUEGER: Next?

9                         MS. KHAN: Good afternoon. My name is  
10          Deandra Khan, and I am the political  
11          coordinator with 32BJ SEIU. Thank you to the  
12          chairs for the opportunity to testify today.

13                        32BJ is the largest property services  
14          union in the nation, representing  
15          175,000 members across 11 states and  
16          Washington, D.C., including more than 85,000  
17          members in New York. Our members are the  
18          backbone of the multifamily housing sector in  
19          New York City and surrounding localities.  
20          They are doorpersons, porters, handypersons,  
21          superintendents and other essential building  
22          services workers.

23                        Through years of building strength in  
24          our industries and successful contract

1 negotiations, our members have created a  
2 standard of employment that provides a true  
3 pathway to the middle class: Livable wages,  
4 affordable family health insurance, training  
5 and career advancement and a pension in  
6 retirement. These standards encourage  
7 longevity and professionalism on the job,  
8 helping to make 32BJ members vital to the  
9 tenants in their buildings.

10 As the state looks for ways to expand  
11 housing production, it must consider how we  
12 can promote quality jobs in tandem. That is  
13 what responsible development means.

14 There are two proposals in the  
15 Executive Budget that do this. The tax  
16 incentive to encourage commercial to  
17 residential conversions to include affordable  
18 units includes a requirement that building  
19 service workers at the converted properties  
20 are paid no less than the prevailing wage and  
21 benefits, which we strongly support.

22 We do have some recommendations to  
23 amend this proposal to clarify the  
24 application of the requirement to ensure

1 certain projects are not unintentionally  
2 excluded, and to aid in compliance.

3 Similarly, the proposal to extend the  
4 completion deadline for vested projects under  
5 the expired 421-a program for four years will  
6 both ensure that these projects, which are  
7 estimated to build more than 30,000 new  
8 housing units, will come to fruition,  
9 including an estimated 500 to 1,000  
10 family-sustaining building service jobs that  
11 will be created.

12 Other budget proposals make strong and  
13 needed advancements to promote housing  
14 production, but in their current form they do  
15 nothing to encourage the creation of equal  
16 quality building service jobs.

17 Under both the local growth target and  
18 TOD proposals, projects in low-growth  
19 localities or in close proximity to train  
20 stations would benefit from the sort of glide  
21 path to approval that circumvents local  
22 processes. But it's important to note that  
23 it's through public engagement phases of  
24 local approval processes, such as New York

1 City's ULURP, that 32BJ, along with other  
2 stakeholders, have been able to shape  
3 projects to make sure they meet community  
4 interests.

5 For 32BJ, this specifically means a  
6 commitment from developers to create jobs.  
7 Should the state legislate to grant  
8 developers the benefit of a streamlined  
9 approval process, it must include a  
10 requirement that projects uphold the  
11 applicable building service worker standards  
12 for that locality.

13 We have a number of other proposals  
14 that we support in our testimony, including  
15 the Housing Access Voucher Program. So thank  
16 you for the time.

17 CHAIRWOMAN KRUEGER: Thank you very  
18 much.

19 We're going to start with Jeff  
20 Dinowitz, Assembly.

21 ASSEMBLYMAN DINOWITZ: Thank you.

22 The question is for Mr. Yaker. I just  
23 want to make sure I heard you right before.  
24 Did you say that because of HCR's

1 dilly-dallying and dawdling that it's going  
2 to cost the Amalgamated \$2 million more a  
3 year for the loans?

4 MR. YAKER: Probably more than that.  
5 Because in addition to interest rates going  
6 up, our property deteriorates further and  
7 inflation drives up the cost of repairs.

8 ASSEMBLYMAN DINOWITZ: So that's --  
9 over 30 a loan, that's at least \$60 million.

10 MR. YAKER: That's my guess, yeah.

11 ASSEMBLYMAN DINOWITZ: And in  
12 addition, the carrying charge increases would  
13 be more than it might otherwise have been had  
14 they done things in a timely fashion?

15 MR. YAKER: Of course. Yeah. I  
16 haven't done the math, but \$2 million a year  
17 is probably more than \$30 per room per month.

18 ASSEMBLYMAN DINOWITZ: Now, the people  
19 who live at the Amalgamated -- I mean,  
20 obviously I'm very familiar with it. But  
21 these are mostly working people, elderly  
22 people, not wealthy people.

23 MR. YAKER: Right. And that's the  
24 difficulty we face in affordable housing, is

1           you have income limits to get in. So then  
2           when we have to raise your carrying charges,  
3           it's going to be painful. But we have  
4           nowhere else to get money.

5                     Tell the insurance companies that  
6           we're affordable housing, don't raise our  
7           rates. Tell DOB with their Local Law 11  
8           requirements, where architects submit  
9           buildings are safe and they say, No, no, no,  
10          we found something we don't like, keep the  
11          scaffolding up for \$8,000 a month. DOB is  
12          killing us with Local Law 11.

13                    And those of you who have  
14          constituencies, talk to them about FISC.

15                    ASSEMBLYMAN DINOWITZ: Well, I live in  
16          a co-op building and our scaffolding has been  
17          up I think for a year now, and Local Law 11  
18          is causing problems.

19                    MR. YAKER: Yeah, it's killing the  
20          city.

21                    ASSEMBLYMAN DINOWITZ: No question.  
22                    So would you say it's fair to say that  
23          while there's no -- as far as I know no legal  
24          obligation on the part of HCR to cough up

1           some money due to the delays that they cause,  
2           would there certainly be at least a moral  
3           obligation for them to try to be helpful,  
4           considering everything?

5                   MR. YAKER: Obviously. They're  
6           supposedly in business to keep us affordable,  
7           but they're driving us out of affordability  
8           by increasing our costs.

9                   ASSEMBLYMAN DINOWITZ: So if -- if for  
10          some reason the people in the Amalgamated  
11          voted to leave the program, 1500 units would  
12          be gone from affordability --

13                   MR. YAKER: Yes.

14                   ASSEMBLYMAN DINOWITZ: Well, that  
15          would be pretty much of a disaster for  
16          affordable housing.

17                   MR. YAKER: We've had times we could  
18          have, during the whole wave of conversions.  
19          We said no, we want to stay affordable  
20          housing. I'm more concerned with going  
21          bankrupt than I am with voting to leave the  
22          program.

23                   ASSEMBLYMAN DINOWITZ: Right.

24                   MR. YAKER: We may not be able to get

1 insurance. What do you do if you have a  
2 housing co-op and you can't insure your  
3 property? I don't know.

4 CHAIRWOMAN KRUEGER: Thank you.

5 ASSEMBLYMAN DINOWITZ: Okay, thank  
6 you.

7 CHAIRWOMAN KRUEGER: Thank you.

8 Senator Brian Kavanagh.

9 SENATOR KAVANAGH: Thank you. And  
10 thank you, Mr. Yaker. I know we had an  
11 opportunity -- and I think my colleague who  
12 represents you may also have some comments.

13 And I do want to thank Senator Liu in  
14 particular for his attention to all the  
15 issues we've been discussing today.

16 (Inaudible response.)

17 SENATOR KAVANAGH: I do, I extend my  
18 gratitude sincerely.

19 I want to just follow up on the  
20 comments about the need for -- to pay unpaid  
21 rent, the rent arrears that have been built  
22 up over time. Just can you -- one of the  
23 things that, you know, some of us have been  
24 very concerned about is the fact that ERAP

1           was designed not to cover the costs of  
2           public -- it was designed in New York State  
3           not to cover the cost of public housing or  
4           Section 8 housing until all other needs for  
5           the program had been met.

6                     Can you just talk a little bit  
7           about -- for Jolie, or anyone else who wants  
8           to comment on this as well -- but the  
9           dynamics within our affordable housing  
10          community that that created and, you know,  
11          the extent to which that's, you know, a  
12          problem the state has contributed to and your  
13          proposal for addressing it.

14                    MS. MILSTEIN: So thank you for the  
15          question. We had a lot of problems with the  
16          way the ERAP program was set up and the  
17          unintended consequences in perceived eviction  
18          protection, tenants thinking that they, if  
19          they had eviction protection, didn't need to  
20          pay the rent even if they didn't have a  
21          qualifying disability or unemployment or  
22          COVID-related circumstance.

23                    So what we see in the portfolio of  
24          affordable housing, which this TFAH is meant

1 to address, is widespread missing rent. We  
2 think it's between 8 and 13 percent, on  
3 average, across the portfolios across the  
4 state. Many of these properties, the tenants  
5 were not eligible to receive funding because  
6 they were either deprioritized or they didn't  
7 even apply because they thought they wouldn't  
8 get funded -- in fact, many didn't.

9 So we're asking for this money because  
10 the ERAP program really failed the affordable  
11 housing buildings and had even further  
12 complicating problems created by the eviction  
13 protection during the process of evaluating  
14 if they would even be eligible.

15 So not only were there insufficient  
16 funds and disqualifying criteria, but a  
17 misperception about eviction protection that  
18 really ballooned into rent strikes and we  
19 believe billions of dollars of missing rent  
20 across the affordable housing and public  
21 housing portfolios in New York State.

22 SENATOR KAVANAGH: Thank you.

23 The -- I think I'll actually leave it  
24 there, just in the interests of time. But,

1           you know, thank you all for your testimony.

2                   CHAIRWOMAN KRUEGER: Thank you.

3                   Assemblymember Rosenthal.

4                   ASSEMBLYWOMAN ROSENTHAL: (Inaudible.)

5                   CHAIRWOMAN WEINSTEIN: Sure.

6           Assemblyman Epstein.

7                   ASSEMBLYMAN EPSTEIN: You get Epstein  
8           instead of Rosenthal, we're good.

9                   (Laughter.)

10                   ASSEMBLYMAN EPSTEIN: So thank you all  
11           for being here. I just want to be clear  
12           about the preservation side, because we saw a  
13           lot lacking in the Governor's proposal around  
14           preservation of housing. And I hear her  
15           talking about affordable housing. Do you  
16           feel like the Governor needs to do more to  
17           preserve housing, as we hear in one  
18           development, but across the state?

19                   Maybe, Rachel, if you don't mind  
20           starting.

21                   MS. FEE: Sure. So as I mentioned in  
22           my testimony, we really think that the  
23           housing supply shortage is the driver behind  
24           our affordability crisis.

1 ASSEMBLYMAN EPSTEIN: I totally get  
2 it. But do you think preservation is a tool  
3 that we should be using for existing units?

4 MS. FEE: Right. We want to preserve  
5 every unit we have. But we also have to add  
6 more. And until we add more, that shortage  
7 is making tenants compete with each other and  
8 driving up prices, both for renters and  
9 homeowners. So we really see that as part of  
10 the solution.

11 ASSEMBLYMAN EPSTEIN: A hundred  
12 percent. We need more, but we need to  
13 preserve.

14 (To Ms. Milstein.) Go ahead.

15 MS. MILSTEIN: So, look, if you're  
16 talking about capital and programs that  
17 specifically address the preservation of our  
18 existing affordable housing units and our  
19 housing stock broadly, I think that HCR has a  
20 number of programs that were fully funded in  
21 the five-year plan and that are being  
22 deployed.

23 I think half the units in the Housing  
24 Plan are preserved, as compared with new

1 construction. And it allows us to really  
2 address a lot of environmental problems in  
3 the older housing stock at the same time. So  
4 it's multipurpose, those funds. And my  
5 understanding of the changes to J-51, they  
6 will allow for even more preservation. But  
7 we always need more tools and more resources  
8 to preserve the housing stock we have.

9 ASSEMBLYMAN EPSTEIN: Great. And I  
10 want to go to the New York Building Congress  
11 around -- you suggested extending 421-a, I  
12 think, right?

13 MR. PASCONE: That's correct.

14 ASSEMBLYMAN EPSTEIN: And how many  
15 units are you talking about in that  
16 extension, how many units of housing are you  
17 talking about?

18 MR. PASCONE: So for extending the  
19 deadline for June 2026, that's 32,000.

20 ASSEMBLYMAN EPSTEIN: 32,000 units.  
21 And what percentage of those are affordable?

22 MR. PASCONE: I don't have the figures  
23 on me, but I know that 80 percent of them are  
24 in boroughs outside of Manhattan. But I

1 think affordability is a key piece of the  
2 puzzle here, so I'd be happy to follow up.

3 ASSEMBLYMAN EPSTEIN: And these are up  
4 to AMIs at 130 percent of AMI, right, that's  
5 what you're proposing?

6 MR. PASCONE: These are the  
7 affordability units -- affordability  
8 standards set by the city.

9 ASSEMBLYMAN EPSTEIN: Yeah, that was  
10 set up in the program that expired, right?

11 MR. PASCONE: That's correct, yeah.

12 ASSEMBLYMAN EPSTEIN: I want to go  
13 back to the development option of basements  
14 and legalizing basements and ADUs. I'm  
15 wondering, you know, I didn't hear anyone  
16 talk about that. Is that a tool that should  
17 be available to expand options for  
18 affordability, as well as preserving --  
19 getting new units on market?

20 MS. FEE: Absolutely. Yes, so I think  
21 we want to see ADUs as part of this budget  
22 package for sure. It's critical for New York  
23 City. We had tragedies that we're all aware  
24 of because of illegal basements.

1 CHAIRWOMAN WEINSTEIN: Thank you.  
2 Senate?

3 CHAIRWOMAN KRUEGER: Thank you very  
4 much. We have Senator Jackson.

5 SENATOR JACKSON: I went already,  
6 Madam Chair.

7 CHAIRWOMAN KRUEGER: Oh, excuse me,  
8 Senator Jackson. You're right, I called on  
9 you first. Pardon me.

10 Senator Helming, did you have  
11 questions?

12 SENATOR HELMING: Thanks, Senator  
13 Krueger. I have one quick question.

14 I believe it was Deandra who mentioned  
15 support for the program that allows for the  
16 transformation of commercial buildings to  
17 residential buildings. Do you know -- and I  
18 don't expect you to know, but maybe you do --  
19 is this limited to the New York City area?

20 MS. KHAN: Yes, I think it is. And I  
21 think it's because the Manhattan area was the  
22 one that was most hit hard when the pandemic  
23 hit and there was -- there are many, many  
24 vacancies in commercial office buildings. So

1           it's presenting an opportunity to utilize  
2           that empty space and convert it into  
3           residential.

4                         SENATOR HELMING:   And in last year's  
5           budget I believe we had funding and we  
6           created the program Housing Our Neighbors  
7           with Dignity Act, that HONDA Act, which  
8           allowed for similar work to be done.  Do you  
9           have any idea why that program was so  
10          underutilized?

11                        MS. KHAN:   I mean, I think like it's  
12          expensive to convert and to -- like to  
13          convert new spaces.  And so programs like  
14          that would need a lot of funding to ensure  
15          that it's happening at the scale that is  
16          needed to address the crisis.

17                        And so -- but like programs like HONDA  
18          are good, conversion programs are good  
19          because they are sort of innovative ways to  
20          try and deal with the crisis.  And, you know,  
21          our perspective in the mix here is that those  
22          programs where the state is sort of using its  
23          dollars and incentivizing these creative uses  
24          of buildings, the permanent jobs that are

1           created after should be part of the picture,  
2           and it should also come with job standards.

3                         SENATOR HELMING: Thank you.

4                         And as someone who represents rural  
5           upstate New York, I have to put in a plug,  
6           just like last year. I fought to have that  
7           HONDA program expanded to include upstate --  
8           that we have a lot of empty commercial  
9           buildings as well. We have empty school  
10          buildings, et cetera.

11                        And in my experience, it works out in  
12          a positive manner for everyone when they're  
13          transformed into affordable housing or  
14          housing for seniors, housing for our DV  
15          community -- we're severely short in that  
16          area as well. So any support we can get for  
17          extending that program to upstate as well,  
18          I'd appreciate it.

19                        MR. SMARR: I would also continue to  
20          encourage the Legislature to look at the  
21          zoning piece. It's one thing to provide  
22          funding to convert office to affordable, but  
23          unless the zoning piece is fixed, you know,  
24          there's -- we still won't be able to get

1           these projects.  It's extraordinarily  
2           difficult, from a zoning perspective, to get  
3           permission to convert an office building to  
4           an affordable housing project.

5                         SENATOR HELMING:  I don't want to cut  
6           you off, but that may be more specific to  
7           downstate.  And I'd be happy to show you  
8           examples in upstate where we welcome it.

9                         And I just want to be really careful  
10          with the comments that I make because when we  
11          talk about converting commercial to  
12          residential, in so many of our small towns,  
13          our Main Streets, we worked very hard to  
14          preserve that unique character of the  
15          Main Streets and to reserve residential for  
16          upper stories, preserve the bottom for  
17          commercial.

18                        CHAIRWOMAN KRUEGER:  Thank you.  
19                        Assembly.

20                        CHAIRWOMAN WEINSTEIN:  We go to  
21          Assemblywoman Maritza Davila.

22                        ASSEMBLYWOMAN DAVILA:  Good afternoon.  
23          Thank you all for presenting today.  I know I  
24          came a bit late, but we did have session.

1                   But I really am interested in some of  
2                   the comments that were made in terms of  
3                   building more housing upstate in different  
4                   municipalities. And I know that the process  
5                   must be very difficult to even start that  
6                   conversation upstate because some people will  
7                   not accept new housing.

8                   My question, where do you start, is it  
9                   county or municipalities? Is there a  
10                  process, a community board? What is the  
11                  start of that?

12                 MS. MILSTEIN: Well, the process can  
13                 start in a number of different ways in a  
14                 municipality. Where I live upstate, a  
15                 developer would consider a piece of property  
16                 if it's zoned or if you have a floating zone  
17                 that allows for housing, then you can bring  
18                 that zoning to the lot that the developer's  
19                 considering.

20                 Many towns now in the Hudson Valley,  
21                 where we have a number of members, are  
22                 proactively, as municipalities, zoning for  
23                 housing because they recognize that they  
24                 can't staff their hospitals, their schools,

1           and they want to encourage working people to  
2           be able to live in this community. Even if  
3           it in previous times favored, you know,  
4           one-acre zones, single-family zoning, they  
5           recognize now their housing needs are  
6           different.

7                         So it can come from the private  
8           sector, it can come from the municipality and  
9           the people in the community. It can come  
10          from government. In other states, all our  
11          neighboring states have a government --  
12          statewide government mandate to encourage  
13          housing because of the extreme challenges in  
14          creating especially affordable housing, and  
15          have both with carrots and sticks encouraged  
16          communities and private developers to come  
17          into communities and develop housing.

18                        So New York is behind in not having a  
19          statewide mandate that affords many options  
20          and many choices to municipalities. But I  
21          think we're at a critical point in New York  
22          State where we have to have the state step  
23          in, because given the choice to do it  
24          themselves, even in the face of severe

1 demand, municipalities have not been able to  
2 step up and address the housing crisis.

3 ASSEMBLYWOMAN DAVILA: What I didn't  
4 hear was supportive housing.

5 And very quickly, in terms of the  
6 32,000 units for 421-a, last year there was a  
7 proposed 25,000. Now we added an extra  
8 10,000. What we didn't get -- and this is  
9 why we stopped the entire project -- was  
10 where these units were going to be built. We  
11 did not get that information. So it would be  
12 helpful if we did get that information.

13 Thank you.

14 CHAIRWOMAN WEINSTEIN: Thank you.  
15 Senate?

16 CHAIRWOMAN KRUEGER: Thank you.

17 So Robert Jackson didn't speak  
18 earlier; we got confused. So we're calling  
19 up Robert Jackson again.

20 SENATOR JACKSON: Thank you.

21 Good afternoon, everyone. So let me  
22 thank you for coming in.

23 I'm going to give reference to two  
24 things. One, you may have heard the

1           questions that I've asked, along with our  
2           Senate chair, regarding the enforcement units  
3           in HCR. And so I want to know what the  
4           impact is going to be on the people that we  
5           represent. I put them in the frame of I've  
6           heard on the news that there are 60,000  
7           units, apartment units, that are vacant and  
8           being held by the landlords that own them  
9           because of whatever reason. So if you have  
10          any insight on that, I would appreciate that.

11                    But my first one is to Ed. Ed, as you  
12          know, I've met with you and the board of  
13          Amalgamated Housing, along with our Housing  
14          chair, Brian Kavanagh. And we got some  
15          movement on the two issues that were  
16          immediately facing you. And as I said to all  
17          of you, I will work with you and HCR to be  
18          able to try to move things as quickly as  
19          possible and not delay where it will cost you  
20          a half a million dollars or a million dollars  
21          because it took so long. So I ask you to  
22          just please continue to communicate with us  
23          like you're doing so that we can communicate  
24          effectively, hopefully, with HCR to move the

1 things that need to be moved.

2 And I appreciate the advocacy that you  
3 have on behalf of all of the people of  
4 Amalgamated, because quite frankly when I was  
5 there politicizing, meaning collecting  
6 signatures and knocking on doors for  
7 reelection processes, I heard it from the  
8 people that were living there how much they  
9 cannot afford the increases that are going  
10 up. So please keep up the work and put  
11 pressure on us, along with Jeff Dinowitz, who  
12 is the Assemblymember that represents the  
13 area. But I appreciate that.

14 And everybody else, if you can just  
15 give me a comment on the things that I asked,  
16 and I'm sorry, I only have one minute and 6  
17 seconds left.

18 MS. MILSTEIN: I can speak quickly to  
19 the vacant apartments in the affordable  
20 housing portfolios, which we never used to  
21 see. But now with all this missing rent,  
22 landlords of affordable housing projects --  
23 which again, public/private, overseen by  
24 HCR -- because they're missing so much rent,

1           they're not only not performing regular  
2           maintenance, unless somebody moves out they  
3           can't bring the unit back online because they  
4           just don't have the resources.

5                         So we're seeing it in the affordable  
6           housing portfolios. Since the pandemic,  
7           arrears have probably gone up at least  
8           five-fold in most of the city affordable  
9           housing projects that our members maintain.

10                        MR. YAKER: If I could comment on the  
11           vacancy issue also. We have that problem.  
12           We can't get staffing to turn over the  
13           apartment. Because a 90-year-old apartment,  
14           you can't just give to the next person the  
15           way the last person left it.

16                        The other thing is HCR's process means  
17           you've got to call someone, wait two weeks  
18           for them to decide. If they say no, wait  
19           another two weeks for the next person. We  
20           could lose months going through the list till  
21           someone accepts it.

22                        CHAIRWOMAN KRUEGER: Thank you. Time  
23           is up, sorry.

24                        Assembly.

1 CHAIRWOMAN WEINSTEIN: Assemblywoman  
2 Lucas.

3 ASSEMBLYWOMAN LUCAS: Thank you,  
4 Madam Chair.

5 This question is for 32BJ. In your  
6 testimony you mentioned extending the  
7 deadline for vested projects with 421-a by  
8 four years, that will have approximately 500  
9 to a thousand new family-sustaining building  
10 jobs that will be secured.

11 Is there an addendum that 32BJ will  
12 look to implement to make sure these jobs are  
13 secured? As well as does 32BJ have a policy  
14 for new incentive programs to replace 421-a  
15 regarding 32BJ jobs?

16 MS. KHAN: So my understanding is that  
17 if the deadline is extended, it follows the  
18 previous 421-a program, which had a building  
19 service worker prevailing wage requirement.  
20 So that would ensure that the jobs that are  
21 created are family-sustaining jobs. If that  
22 answers your question correctly.

23 ASSEMBLYWOMAN LUCAS: Kind of.

24 MS. MILSTEIN: I think she wants to

1 know if you have a proposal for a new 485-w  
2 or something.

3 MS. KHAN: Oh, yeah. So --

4 ASSEMBLYWOMAN LUCAS: That was the  
5 second part of the question, yes.

6 MS. KHAN: So with regard to your  
7 second question, 32BJ had supported the  
8 Governor's proposal to replace 421-a with  
9 what was called 485-w last year, from the  
10 perspective of it's like tax -- when you use  
11 a tax incentive to incentivize development,  
12 especially the creation of affordable  
13 housing, it's good responsible development  
14 because the state is sort of in control of  
15 the criteria that goes into the development  
16 of housing.

17 And so 485-w had those parameters and  
18 also included a building service worker  
19 prevailing wage standard, which is why we  
20 supported it. My understanding is that there  
21 was a lot of disagreement over that program  
22 last year, and so we are looking forward to  
23 working with the Legislature to hopefully  
24 come up with a replacement program. We

1 haven't seen one in the Executive Budget, but  
2 hopefully the budget space is the opportunity  
3 to really come up with the criteria that  
4 everyone is looking for to ensure the  
5 creation of -- you know, to ensure  
6 responsible development, creating good  
7 family-sustaining jobs and creating housing  
8 for everyone.

9 ASSEMBLYWOMAN LUCAS: I think we  
10 talked about this last year as well, just in  
11 terms of just making sure that there's a  
12 level of oversight and accountability that's  
13 baked into this as well. Because we have had  
14 some concerns about those jobs, especially  
15 when it comes to communities that are Black  
16 and brown as well, in some of the development  
17 that happens in those areas.

18 But we do need a high level of  
19 oversight and accountability attached to  
20 that. And we did talk about that last year.

21 So thank you.

22 CHAIRWOMAN WEINSTEIN: Thank you.

23 Senate.

24 CHAIRWOMAN KRUEGER: Thank you.

1 Senator Martins.

2 SENATOR MARTINS: Good afternoon, and  
3 thank you for being here.

4 I had a quick question. I believe it  
5 was Ms. Fee who spoke about exclusionary  
6 zoning. And exclusionary zoning is just a  
7 community's opportunity to decide where they  
8 put their commercial properties, where they  
9 put their multifamily properties, where they  
10 put their single-family properties. Right,  
11 we can agree on that?

12 MS. FEE: Sure.

13 SENATOR MARTINS: So if we're talking  
14 about the housing compact, specifically the  
15 transit-oriented development piece of that,  
16 which would effectively replace every  
17 community's zoning in a distance of a mile  
18 centered on a train station, does that not  
19 eliminate the opportunity for a local  
20 community to make those decisions for  
21 themselves?

22 MS. FEE: I don't think so. I think  
23 it gives communities control to plan. But  
24 it's really looking at a statewide approach

1 to address our housing crisis on their own --

2 SENATOR MARTINS: But the  
3 transit-oriented development piece says  
4 50 units per acre across a half-mile radius  
5 around a train station. It doesn't allow the  
6 local community an opportunity to voice an  
7 opinion, it doesn't say how they're going to  
8 make those 50 units per acre work. It's 50  
9 units per acre regardless of whether it's a  
10 commercial building that's there or whether  
11 it's a single-family home that's there.

12 Do you think that the state, under  
13 these circumstances for every village, town,  
14 outside of New York City and across the  
15 state -- and, frankly, New York City itself,  
16 because they have their own restrictions with  
17 regard to building in the city -- should give  
18 up that right and be supplanted or --  
19 frankly, supplanted by the state?

20 MS. FEE: I think minimum density  
21 requirements in TOD is the fair housing  
22 policy that New York State needs. Local  
23 communities can look at that density  
24 requirement and choose -- it's an average

1           that they have to achieve in that radius. I  
2           understand for some communities it's going to  
3           be a big leap. But I also think it's really  
4           smart planning to build more dense housing  
5           around our mass transit stations.

6                         SENATOR MARTINS: So the planning that  
7           we're talking about, just so we're clear, is  
8           the state imposing a rubric or paradigm for  
9           everyone.

10                        For communities like mine in  
11           Nassau County that are already dense --  
12           they're the most densely populated  
13           communities, by mile, outside of the five  
14           boroughs, by far -- having to make a choice  
15           of adding 50 units per acre around our train  
16           stations -- we have over 50 train stations,  
17           thanks to the Long Island Rail Road. If you  
18           do the math, it's over 1.2 million additional  
19           units, which will completely destroy the  
20           suburban communities.

21                        Now, that's the context in which we're  
22           talking about. We talked a moment ago about  
23           the balancing of historic versus preservation  
24           versus renewal. Well, there is preservation

1 here, preservation -- you know, we always  
2 talk about gentrification, we talk about  
3 terms like that and the ability of local  
4 communities to make those decisions for  
5 themselves. How is this any different?

6 CHAIRWOMAN KRUEGER: (Inaudible.)

7 MS. FEE: I think we're looking at  
8 growth targets over a decade --

9 SENATOR MARTINS: I'll wait -- I'll  
10 wait --

11 CHAIRWOMAN KRUEGER: Sorry, no, your  
12 time is up. So offline you can follow up  
13 with Senator Martins.

14 SENATOR MARTINS: Thank you.

15 CHAIRWOMAN KRUEGER: Thank you.  
16 Assembly.

17 CHAIRWOMAN WEINSTEIN: Assemblywoman  
18 Jackson.

19 ASSEMBLYWOMAN JACKSON: No questions,  
20 Chair.

21 CHAIRWOMAN WEINSTEIN: Assemblywoman  
22 Simon.

23 ASSEMBLYWOMAN SIMON: Thank you.

24 I have lots of questions for all of

1           you, but no time.

2                       So thank you very much, Mr. Yaker, for  
3           your testimony, and I know you share a lot in  
4           common with deteriorating Mitchell-Lama  
5           co-ops that I have in my district -- very,  
6           very similar issues.

7                       One issue that concerns me is this  
8           notion that the FAR cap of 12 actually  
9           would -- is a problem that needs to be  
10          addressed. I disagree, because I live in a  
11          very dense area that is very -- taller and  
12          taller and taller every day despite that.

13                      But also the concern I have about this  
14          blanket extension of 421-a. And one of you  
15          mentioned in your testimony that that  
16          includes the Gowanus area, which was just  
17          recently rezoned. And forgive me for not  
18          being overly sympathetic to people who put a  
19          shovel in the ground knowing it's a toxic  
20          waste site. And I don't think four years is  
21          going to do it. So how are we going to  
22          target this four-year extension for those  
23          areas that actually need some relief that is  
24          even realistic? There are certainly -- there

1 are so many brownfields in the Gowanus area  
2 that are about to be developed, and it is not  
3 at all clear to me that that cleanup can be  
4 done in a timely fashion. Or well enough,  
5 which is not -- I'm not willing to give up on  
6 a comprehensive, in-depth cleanup in order to  
7 facilitate somebody building a building.

8 And I also want to know how much is  
9 going to be affordable, because I live in the  
10 land of non-affordable affordable housing.  
11 And so I would like to get an answer on that  
12 as well. I don't know who wants to give me  
13 that answer, but I need the answer.

14 MS. FEE: I would be happy to comment.

15 So the Gowanus rezoning was one of two  
16 rezonings under the de Blasio administration  
17 that weren't in low-income neighborhoods.  
18 And as you mentioned, this is a very popular  
19 neighborhood with great schools and  
20 amenities. So bringing affordable housing to  
21 Gowanus I think should be a priority so that  
22 we can create affordable housing  
23 opportunities in every neighborhood. The  
24 sites are complicated, as you mentioned, so

1 we are certainly in favor of extending the  
2 construction timeline for that tax abatement.  
3 I can't speak to whether that's realistic, on  
4 top of the brownfields cleanup. They are  
5 complicated sites. But I think that should  
6 be a priority that we are including  
7 affordable housing that was promised to the  
8 community.

9 ASSEMBLYWOMAN SIMON: So the rhetoric  
10 around that rezoning was that they were  
11 rezoning in an area that was very wealthy.  
12 And in reality, much of Gowanus is not that  
13 wealthy. So I'm glad to hear an admission  
14 about that.

15 However, the reality is that the  
16 concern is really about what you're going to  
17 build, how much will be affordable, and how  
18 affordable will it be. And that's going to  
19 be a critical element. Thank you.

20 CHAIRWOMAN WEINSTEIN: Thank you.

21 To the Senate.

22 CHAIRWOMAN KRUEGER: Thank you very  
23 much.

24 So when the commissioner was here

1 earlier and she was asked about what happens  
2 if 421-a doesn't get extended for another  
3 four years, she answered those buildings  
4 become non-affordable rentals and/or co-ops  
5 or condos. Okay. So most of us here who  
6 opposed the continuation of 421-a opposed it  
7 because we were getting so little affordable  
8 housing for the amount of subsidy that was  
9 going into the 421-a building.

10 So I calculate four years of 421-a is  
11 about -- if I'm very conservative, it's only  
12 one and a half billion dollars a year of lost  
13 tax revenue from that program consuming  
14 another four years. That's another  
15 \$6 billion going into building buildings with  
16 a tiny share of affordability. I don't  
17 believe that's the right thing, because I  
18 think we have to fight for actual  
19 affordability.

20 And frankly, if those buildings get  
21 built without 421-a, to answer 32BJ's  
22 questions, those will be buildings that will  
23 be 32BJ buildings, they just won't be 421-a  
24 buildings. Because they're not stopping

1 building, they just won't be building with  
2 the 421-a credit.

3 So now I want to ask multiple of you,  
4 quickly, because you've testified about it,  
5 what should be the right formula? I'm not  
6 saying I don't believe that tax abatements in  
7 exchange for affordable housing is the  
8 right -- is a legitimate answer. I'm saying  
9 the proposals we've gotten so far are not  
10 acceptable. I mean, even the conversion  
11 proposal that's for, I think, only 19 years  
12 of affordability, as opposed to in  
13 perpetuity, with enforcement -- which is what  
14 I hear from my colleagues every day -- and  
15 it's going to be, I think, a 50 percent  
16 incentive for 20 percent of the units in the  
17 buildings. That math scares me again,  
18 because I just don't think we're going deep  
19 enough for actual affordability.

20 So you were actually raising the point  
21 about we have to have a real affordability.  
22 What's your opinion about that proposal  
23 versus what the math ought to be, and other  
24 proposals?

1 MS. FEE: So I do think it's important  
2 for the state to incentivize rental housing  
3 and require affordable housing. Last spring  
4 New York Housing Conference issued a report  
5 for the New York City Housing Tracker, and we  
6 show in that that we're only building  
7 affordable housing in low-income  
8 neighborhoods, if not for mandatory  
9 inclusionary housing combined with a tax  
10 abatement. So we do think it's important.

11 In the fall we put out another policy  
12 brief that focused on the discrepancy between  
13 AMI for New York City and renter AMI, which  
14 is half the measure. So I think you're  
15 right, Senator, that a tax incentive is  
16 needed to build rental housing. Our priority  
17 would be deep affordability in every  
18 community. And I think the Legislature has a  
19 great opportunity to shape those programs,  
20 both the conversion program and rental  
21 housing replacement.

22 CHAIRWOMAN KRUEGER: Thank you.

23 And sorry, none of you else get to  
24 answer because my time is up.

1 Thank you.

2 CHAIRWOMAN WEINSTEIN: Assemblyman  
3 Taylor.

4 ASSEMBLYMAN TAYLOR: Thank you,  
5 Madam Chair.

6 And thank you all for being here this  
7 afternoon. Ed, I thank you for your passion.  
8 It just drives it home.

9 It's more of a statement, and help me  
10 take it there. I think Senator Krueger just  
11 kind of touched on it. Between 421-a, J-51,  
12 ERAP, LRAP, vouchers, and the enormous amount  
13 of people that are facing evictions in the  
14 city, especially NYCHA, who we never touched  
15 in terms of relief, as far as I'm  
16 understanding -- and then we talk about what  
17 the Governor proposed, and it was mentioned  
18 by my colleague here in terms of building  
19 out, going out toward Long Island and other  
20 places by train stations.

21 Would it make sense -- because  
22 understand we have to preserve, but also we  
23 need to bring in more housing. And I know  
24 about the conversion. But wouldn't it -- in

1 my opinion, so you all weigh in. You guys  
2 are the experts. What would it look like if  
3 we did it kind of like driving a clutch up a  
4 hill, a clutch car up a hill? You give it a  
5 little bit of gas and you have to come up off  
6 the brake a little bit so there's a balance.

7 So while we want to bring more housing  
8 on board, we have a lot of housing that's out  
9 there that's not being utilized, whether it's  
10 NYCHA, whether it's the 60,000 units that he  
11 mentioned. And I've had folks talk to me  
12 about can we lower the threshold so that we  
13 could do some repairs. None of this is  
14 helping my constituents right now. Black  
15 folks and brown folks are not going to  
16 survive. So if we build everything that  
17 everyone's talking about, you know -- well,  
18 maybe you don't know. I don't believe for  
19 one minute my folks are going to leave  
20 New York City and be able to go out to  
21 Long Island. Because whatever works, that  
22 map is not going to create an open home and  
23 an environment for them.

24 So we need to save what we have. How

1 do we do that? I've got one minute and  
2 10 seconds.

3 MS. FEE: So I'll jump in quickly.  
4 One proposal that we haven't discussed in our  
5 testimony is to add mandatory inclusionary  
6 housing to the preferred actions in the  
7 housing compact. And we believe that could  
8 be a really successful tool in high-cost  
9 markets to bring in affordable housing.

10 ASSEMBLYMAN TAYLOR: Give me that in  
11 layman terms.

12 MS. FEE: So in the Governor's housing  
13 compact there are preferred actions that  
14 localities can adopt to change their zoning  
15 in the planning process to meet their growth  
16 targets.

17 So adding mandatory inclusionary  
18 housing as one of the options is a  
19 recommendation.

20 ASSEMBLYMAN TAYLOR: Twenty years ago  
21 they kept telling me, hey, we're going to  
22 affordable housing. In Harlem they brought  
23 in some housing, but damn if it was  
24 affordable for the people that lived there.

1 Like we're fighting to stay there.

2 And thank you, I'm taking up somebody  
3 else's time. I got 9 seconds.

4 CHAIRWOMAN WEINSTEIN: There's not  
5 really time to answer that question, so --  
6 I'm sure you can have some offline  
7 discussions.

8 Senate, do you have --

9 CHAIRWOMAN KRUEGER: I think the  
10 Senate is closed unless someone's popped up  
11 with a question. No, we're closed.

12 CHAIRWOMAN WEINSTEIN: So then we'll  
13 go to Assemblyman Burdick.

14 ASSEMBLYMAN BURDICK: Yes, thank you.

15 And this is actually a question for  
16 Deandra Khan. And I'm sorry that I wasn't  
17 here for your verbal statement, but I did  
18 read your testimony. And as I'm sure you've  
19 been hearing, and everyone has been hearing,  
20 that we have a real focus on the affordable  
21 housing element. And while I've read your  
22 comments about 421-a -- very helpful to have  
23 that -- for the larger program, the housing  
24 compact, I'd be interested, Deandra, if you

1           have any -- whether 32BJ's got any thoughts  
2           about how to make sure that this really  
3           develops affordable housing, since it's all  
4           about, right now, 800,000 housing units. But  
5           there's nothing that really sets a goal for  
6           the number of affordable housing units that  
7           would be created over that 10-year period.

8                     MS. KHAN: I mean, so in the  
9           Governor's proposal I think that they sort of  
10          incentivize -- or they sort of give credit to  
11          localities if they build affordable. That's  
12          my understanding of like their approach to  
13          it.

14                    In general, it seems like -- in our  
15          perspective -- where the state is sort of  
16          taking a role in encouraging development, we  
17          believe that the state has a responsibility  
18          to --

19                    ASSEMBLYMAN BURDICK: Can I ask you  
20          this. You said the incentivizing. And one  
21          of those elements, and I asked the  
22          commissioner about this, is a 2:1 ratio. And  
23          I had suggested that that ratio really ought  
24          to be ramped up to maybe 5:1. Do you think

1           that that's something that 32BJ would agree  
2           with, to have more of an emphasis on the  
3           affordable housing element of it?

4                   MS. KHAN: Yeah, I mean, I think that  
5           encouraging the building of more affordable  
6           housing is better for everyone. So yeah.

7                   ASSEMBLYMAN BURDICK: Great.

8                   Does anybody else on the panel have  
9           thoughts about that, increasing that ratio  
10          that's 2:1 now that the municipalities have  
11          to -- you know, could use? Any thoughts on  
12          that and whether that would be something that  
13          makes sense?

14                   MS. FEE: So our ability to finance  
15          affordable housing is limited by the state  
16          budget. So right now we're maximizing all of  
17          our federal resources and the five-year plan  
18          is looking at development and preservation of  
19          100,000 units.

20                   So I think creating greater incentives  
21          maybe gives more siting opportunities for  
22          affordable housing but may not necessarily  
23          expand our supply broadly. But, you know, I  
24          think it's something to look at.

1                   As I mentioned, I do think preferred  
2                   action to include MIH would be important.  
3                   And I do think also we are going to see with  
4                   more density new price points that are not  
5                   available in communities that are dominated  
6                   by single-family especially.

7                   ASSEMBLYMAN BURDICK: Thank you very  
8                   much.

9                   CHAIRWOMAN WEINSTEIN: Assemblywoman  
10                  Rosenthal.

11                  ASSEMBLYWOMAN ROSENTHAL: Hi.

12                  You know, the NYCHA and the public  
13                  housing authorities' debt is well-known, but  
14                  I feel like the 1.5 billion has sort of flown  
15                  under the radar. And I believe you met with  
16                  the Executive or her team. What kind of  
17                  response do you think you got? Because it  
18                  didn't seem from the commissioner's side that  
19                  there was money flowing. It seemed more  
20                  like, We'll ask the feds.

21                  MS. MILSTEIN: I think that we  
22                  certainly got a sympathetic hearing from the  
23                  second floor. HCR is the closest to the  
24                  problem, and they understand the depth and

1           breadth, but I think they don't want to  
2           undermine everyone's efforts in the  
3           administration and private industry asking  
4           the feds for additional distribution from the  
5           original allocated 43 billion, whatever it  
6           was. There's still a fair amount of that  
7           money left, and New York continues to ask for  
8           that.

9                     Privately I'm told that this is a  
10           serious problem, that HCR is seeing requests  
11           for forbearance and restructuring of  
12           mortgages, and they're seeing assets that are  
13           beginning to be at risk. So they understand  
14           the problem.

15                    We've done a couple of different  
16           calculations of how to assess the -- you  
17           know, how to come to the 1.5 billion, and  
18           I'm -- again, it's really the agencies that  
19           are in the public/private partnership that  
20           oversee these assets that have the best way  
21           to assess where the arrears are. And I'm  
22           told by both HCR and HPD that they're  
23           undertaking right now a survey of those  
24           assets to better understand where the arrears

1 are.

2 ASSEMBLYWOMAN ROSENTHAL: I mean, it's  
3 one thing to have an ambitious plan to build  
4 a lot of housing; at the same time, we will  
5 lose already built housing. It doesn't make  
6 much sense. So I hope they're listening,  
7 because this is an urgent need.

8 For anyone, the changing of commercial  
9 to residential, is there any affordability,  
10 in your mind, when this happens? Is there an  
11 opportunity -- because I know it's very  
12 expensive to do that. Is there any  
13 opportunity for affordable housing in that  
14 mix?

15 MR. SMARR: Certainly. Right now the  
16 partnership is working on two projects that  
17 are exclusively commercial to affordable.

18 ASSEMBLYWOMAN ROSENTHAL: And where is  
19 that?

20 MR. SMARR: That's the only interest  
21 we would ever have.

22 ASSEMBLYWOMAN ROSENTHAL: Okay. Where  
23 are those?

24 MR. SMARR: One is in Jamaica, Queens,

1 and the other one is in Harlem.

2 MS. MILSTEIN: And upstate,  
3 municipalities are looking at ways through  
4 payments in lieu of taxes, or PILOTs, to  
5 incentivize those conversions, because they  
6 understand a wasting asset that's in  
7 bankruptcy is of no value, but bringing in  
8 affordable housing and making some  
9 accommodations for the municipal taxes on  
10 that property is a great way for them to have  
11 an aggressive stand in repurposing those  
12 assets.

13 ASSEMBLYWOMAN ROSENTHAL: Thank you.

14 CHAIRWOMAN WEINSTEIN: Assemblywoman  
15 Chandler-Waterman.

16 ASSEMBLYWOMAN CHANDLER-WATERMAN:  
17 Hello? Okay, great. Thank you, Madam Chair.

18 I'm not sure who can answer this. I  
19 thank my colleagues for all the questions  
20 that they asked. Of course, going last, they  
21 asked most of them for me.

22 So in the Black and brown  
23 communities -- I'm going to focus a lot on  
24 that, that's 90 percent of my district -- we

1           have a lot of faith leaders, clergy that is  
2           developing affordable housing but have a lot  
3           of red tape going through the process. Who  
4           knows best what's needed for the community  
5           but those who are supporting them and  
6           actually live in the community? How could we  
7           create pathways for our clergy members to be  
8           able to do -- get a part of this affordable  
9           housing? I'm not sure it's a question for  
10          you, but that's something I want to put out  
11          there because that's something that we can  
12          get creative with as well.

13                   MR. SMARR: Well, I would love to talk  
14                   to you. Just this year the partnership  
15                   started a service just for faith and  
16                   mission-based organizations who are  
17                   interested in affordable development. So --  
18                   and I know LISC and Enterprise have similar  
19                   programs. It's actually a big initiative of  
20                   Mayor Adams.

21                   So I would love to talk to you because  
22                   I work with several faith-based leaders who  
23                   are thinking about doing affordable projects.

24                   ASSEMBLYWOMAN CHANDLER-WATERMAN:

1 Thank you so much.

2 CHAIRWOMAN WEINSTEIN: Thank you.

3 Thank you to the panel for being here.

4 CHAIRWOMAN KRUEGER: Thank you very  
5 much.

6 CHAIRWOMAN WEINSTEIN: And we're going  
7 to call Panel C now: Neighborhood  
8 Preservation Coalition, Community  
9 Preservation Corporation, New York Land Bank  
10 Association, Adirondack Foundation, Rural  
11 Housing Coalition of New York -- I should  
12 just note with that that the scheduled  
13 speaker is ill, so Bruce Misarski will be  
14 speaking -- and New York State Rural  
15 Advocates.

16 After this there will be one panel,  
17 Panel D: For the Many, Association for  
18 Neighborhood and Housing Development, and  
19 Open New York. And I would encourage the  
20 members of that panel to make their way down  
21 so that we can be ready to have that.

22 And I just want to recommend to  
23 everybody that it is now 2 o'clock; we have  
24 the Workforce hearing scheduled after the

1           Housing hearing. It was scheduled for  
2           2 o'clock; it will be delayed a little bit  
3           because of this hearing running longer than  
4           we had anticipated.

5                     If you can go in the order that -- it  
6           will be easier for the audio people, I think,  
7           in the order that's listed. So Neighborhood  
8           Preservation Coalition first.

9                     MR. STREB: Thank you to this panel  
10          for the opportunity to testify.

11                    A special thank you to Senator Krueger  
12          and Assemblywoman Weinstein for your  
13          perseverance in hosting all these hearings,  
14          and to Senator Kavanagh and Assemblywoman  
15          Rosenthal for being staunch supporters of our  
16          organization.

17                    My name is Mark Streb. I'm executive  
18          director of the Neighborhood Preservation  
19          Coalition. In the philosophy of not burying  
20          the lede, the Neighborhood Preservation  
21          Coalition and its 135 housing not-for-profit  
22          organizations from across the state are  
23          requesting 17.75 million for the Neighborhood  
24          Preservation Program and 250,000 for the

1 Neighborhood Preservation Coalition.

2 What is the Neighborhood Preservation  
3 Program, and why are we asking for these  
4 amounts? This program was created by the  
5 forward-thinking State Legislature based on  
6 their findings that community development  
7 organizations relied heavily on volunteer  
8 services, short-range funding and were  
9 underfunded and understaffed. It was your  
10 collective vision that this program would  
11 provide grants for the Neighborhood  
12 Preservation Companies. These companies are  
13 community-based, not-for-profit housing  
14 organizations that serve their communities  
15 every day to ensure that stable, safe and  
16 affordable housing becomes a reality for  
17 low-to-moderate-income families.

18 Why these numbers? Governor Hochul's  
19 proposed budget decreases funding by  
20 \$100,000 with no funding for the coalition.  
21 In last year's final budget the program was  
22 funded at 12.93 million with 250,000 for the  
23 coalition.

24 Despite the ever-increasing need of

1 affordable housing, funding for the  
2 Neighborhood Preservation Program has  
3 remained flat from 2015 to 2023. To make  
4 matters worse, the rate of inflation during  
5 this time is nearly 30 percent. Flat funding  
6 is a cut in funding.

7 The not-for-profits provide an  
8 incredible range of preservation and  
9 revitalization services, from homelessness  
10 prevention, workforce assistance, eviction  
11 protection, weatherization assistance, and  
12 mental health services, to name a few. The  
13 need for these services has increased.

14 In addition to the program's  
15 investment in human capital, the economic  
16 development investment of this program is  
17 incredible. By working with the community  
18 and leveraging other resources, the program's  
19 return on investment is over 10:1. In  
20 addition to this fantastic return on  
21 investment, the not-for-profits must provide  
22 matching funds at 33 percent -- a true  
23 testament that this program is  
24 community-driven from the very neighborhoods

1           that it serves.

2                     The lack of affordable housing has  
3           increased. It's a national crisis, and it's  
4           at the doorsteps in our neighborhoods. As  
5           there's no single cause of the housing  
6           crisis, there's no single solution. Newly  
7           created solutions and programs are needed --  
8           but not at the expense of decreasing funds  
9           for programs that worked for decades.

10                    CHAIRWOMAN WEINSTEIN: Thank you.

11                    Community Preservation Corporation.

12                    MR. CESTERO: Thank you. Good  
13           afternoon, everybody. My name is Rafael  
14           Cestero. I am the chief executive officer of  
15           the Community Preservation Corporation.

16                    CPC is a nearly 50-year-old nonprofit  
17           affordable housing and workforce housing  
18           organization formed in the early 1970s in  
19           response to the massive disinvestment crisis  
20           in New York City. We expanded throughout  
21           upstate New York in the early '90s and have  
22           offices -- seven offices all across New York  
23           State.

24                    Since our founding we've invested and

1           lent and funded over \$14 billion to finance  
2           the creation and preservation of more than  
3           225,000 units of housing across New York  
4           State. In the last two years alone, we have  
5           invested over \$1.3 billion in New York State,  
6           in partnership with HCR and New York City and  
7           many other partners that have testified here  
8           today.

9                        I'm really here to voice support for  
10           the Governor's housing compact, as a  
11           30-plus-year veteran of affordable housing,  
12           having dedicated my entire professional  
13           career to the creation and preservation of  
14           affordable housing all across New York State,  
15           and at CPC having known for 50 years that  
16           affordable housing is vital to our  
17           neighborhoods. We have already a tremendous  
18           amount of support in this legislative body  
19           with our state and local agencies that  
20           support affordable housing to build and  
21           preserve hundreds of thousands of units of  
22           affordable housing all across the state.

23                       From our perspective, the biggest  
24           missing piece, the piece that we haven't done

1           enough talking about, is the lack of overall  
2           supply of housing. And we think the Governor  
3           has done a tremendous job of reframing the  
4           conversation and allowing us to have the  
5           dialogue that has occurred here today.

6                         We believe that the housing compact is  
7           a critical part to a "yes and" approach to  
8           address our housing crisis in New York. Not  
9           only do we need to support the Governor's  
10          housing compact and continue the robust  
11          investment by the state in affordable housing  
12          projects, but we need tax incentives that  
13          support the creation of workforce and  
14          affordable housing and helping increase the  
15          supply of housing. We need tax incentives  
16          for property owners to be able to make  
17          repairs to existing units, get units back  
18          online, and preserve those units. We need  
19          robust tenant protections all across the  
20          state to ensure that our tenants are able to  
21          live and our homeowners are able to continue  
22          to live in the homes that exist.

23                         And, in terms of immediate need, which  
24          has come up here often, we need to continue

1 to support a robust housing voucher program  
2 that not only adds additional funding to  
3 housing vouchers but ensures that we think  
4 about and streamline the bureaucracy that it  
5 takes for an individual to get a voucher and  
6 for an owner to get payment on that voucher.

7 Thank you.

8 CHAIRWOMAN WEINSTEIN: Land Bank?

9 MS. WRIGHT: Thank you for the  
10 opportunity to speak today. I'm Katelyn  
11 Wright. I'm the executive director of the  
12 Greater Syracuse Land Bank, and I'm speaking  
13 on behalf of the New York Land Bank  
14 Association.

15 You all received written testimony  
16 from our association president, Adam Zaranko,  
17 but he could not be here today.

18 CHAIRWOMAN KRUEGER: Could you move  
19 the mic a little closer? I'm sorry.

20 MS. WRIGHT: There we go. Is that a  
21 little better? Thank you.

22 CHAIRWOMAN KRUEGER: Thank you.

23 MS. WRIGHT: We represent 27 land  
24 banks across New York State. I think most of

1           you probably know what land banks are. We've  
2           been around for 10 years now. But just very  
3           briefly, we're quasi-governmental  
4           organizations established by local government  
5           to address vacant and abandoned properties  
6           and get them returned to productive use.

7                     Almost all land banks also focus on  
8           the creation of affordable housing and  
9           cleaning up brownfield properties because  
10          those activities go hand in hand with  
11          revitalizing distressed neighborhoods where  
12          the vacant and abandoned properties that we  
13          are created to address are generally located.

14                    Many of us work in dense urban  
15          environments in cities where there are dense  
16          concentrations of abandoned buildings in  
17          formerly redlined neighborhoods and  
18          systemically disinvested neighborhoods. But  
19          the majority of land banks actually serve  
20          rural areas. And I had some conversations  
21          recently with land banks in Wayne County,  
22          Chautauqua County, and Seneca County to get a  
23          better sense of what their needs are, and  
24          they were quick to point out that they have

1           so many folks housed right now in temporary  
2           housing and hotels, if they each had a  
3           hundred new units today they could be filled  
4           immediately.

5                     And a hundred units may not sound like  
6           a lot if you're working in a bigger city, but  
7           it is a significant number of units for these  
8           more rural communities.

9                     Most of us are working in weak  
10          markets, but there are also land banks  
11          working in Nassau County and in Suffolk  
12          County addressing affordable housing  
13          challenges there. And the Suffolk County  
14          Land Bank is particularly skilled at  
15          addressing brownfield properties.

16                    Like I said, we have been around for  
17          10 years and we've established a productive  
18          network across the state, and we are also  
19          here today to voice support for the  
20          Governor's plan to develop 800,000 new  
21          affordable units. The shortage of affordable  
22          units is dire all across the state. Most of  
23          us address that work by doing site  
24          assembly on the front end, kind of

1 pre-development work to prepare shovel-ready  
2 sites, and then work hand in hand with many  
3 of the affordable housing developers that  
4 you've heard from today.

5 So we are asking for land banks to be  
6 funded again in this year's budget. I know  
7 the commissioner earlier said that there is  
8 still \$30 million from last year that they're  
9 trying to get out the door. But because the  
10 work that we do is at the front end of the  
11 development process, we think it makes sense  
12 for this work to be front-loaded so that we  
13 can get as many shovel-ready sites as  
14 possible prepared for our partners.

15 CHAIRWOMAN WEINSTEIN: Adirondack  
16 Foundation.

17 MS. BELLINGHAM: All right, wow. So  
18 thank you. Thank you for the opportunity to  
19 testify. I'm Lori Bellingham, vice president  
20 for community impact for the Adirondack  
21 Foundation.

22 Since 1997, the foundation, together  
23 with partners across the region, seeks to  
24 identify and address regional challenges such

1 as food insecurity, lack of childcare,  
2 housing strategies, shortages and  
3 affordability, limited access to vocational  
4 training, and threats to our economic  
5 vitality.

6 The Adirondack Region is home to more  
7 than 230,000 people dispersed across more  
8 than 6 million acres. Approximately  
9 44 percent of our population are ALICE  
10 individuals and families; nearly 60 percent  
11 struggle to earn enough income to acquire  
12 stable and safe housing, gain reliable  
13 transportation, and access the social,  
14 medical and healthcare needs they have.

15 In Clinton and Franklin counties,  
16 50 percent of families live in rent-burdened  
17 households, as more than 30 percent of their  
18 gross income is spent on housing. When  
19 looking at 2015 to 2020, median job earnings  
20 increased by 14 percent and median household  
21 income increased by 15 percent -- however,  
22 median home prices increased 28 percent.

23 Until the gap between wages and  
24 affordability of housing comes into balance,

1           our communities will continue to face  
2           challenges and our economy will be  
3           constrained. However, we've learned from our  
4           community partners that we cannot build our  
5           way out of this complex housing challenge.  
6           We need a variety of methodologies to combat  
7           the years of underproduction and to increase  
8           the availability of affordable family housing  
9           for our essential workforce.

10                   Adirondack Foundation appreciates the  
11           Executive Budget's investment in housing  
12           infrastructure, and we recommend 25 million  
13           be directed to the Adirondack Region, to  
14           assist with water, sewer and new road  
15           construction, all critical to encouraging new  
16           housing.

17                   Unfortunately, the Executive Budget  
18           does not appear to continue investment in  
19           programs that have already and continue to  
20           make a difference. We'd request the  
21           Affordable Homeownership Opportunity Program  
22           continue and be increased to 200 percent AMI;  
23           the Small Rental Development Initiative  
24           continue at 20 million; as well as the

1 New York Land Bank Act. These are three  
2 programs that, if support continued, help our  
3 communities working to overcome housing  
4 challenges.

5 The housing crisis in the Adirondacks  
6 is a workforce crisis that inhibits our  
7 region's economic development. Our community  
8 members value the rural environment where  
9 they've chosen to live, and they seek to  
10 improve their communities by ensuring that  
11 middle-income individuals and families can  
12 live and work in the Adirondacks.

13 We appreciate the opportunity and look  
14 forward to partnering with you to develop and  
15 invest in a variety of programs to encourage  
16 more affordable housing in the Adirondacks.

17 CHAIRWOMAN WEINSTEIN: Thank you.

18 Rural Housing Coalition of New York.

19 MR. MISARSKI: Hi, and thank you. I  
20 want to thank the committee chairs, I want to  
21 thank the committee members for allowing the  
22 Rural Housing Coalition -- and thank you for  
23 your support from last year's funding and  
24 funding our budget priorities.

1                   So I'm Bruce Misarski. I'm here  
2                   replacing Mike Borges, who is -- he's out  
3                   sick this week, so I got the call and got  
4                   sent in from the bench. So I'm the executive  
5                   director of the Housing Assistance Program of  
6                   Essex County in the Adirondacks, and also the  
7                   executive director of the Adirondack  
8                   Community Housing Trust, and I'm the chairman  
9                   of the Rural Housing Coalition.

10                  So I'd like to talk first about the  
11                  RPC program, which is very important to us.  
12                  The Rural Preservation Companies were created  
13                  back in 1980 to support nonprofit housing  
14                  organizations. The Rural Housing  
15                  Preservation Companies deliver a variety of  
16                  housing and community development services to  
17                  rural communities throughout the state.

18                  So HCR defines rural communities as  
19                  having populations of under 25,000 people,  
20                  and 924 of our state's 1,023 communities  
21                  actually qualify as rural housing in some way  
22                  or another. So it's a large area of New York  
23                  State. But there are only currently 57 RPCs  
24                  across the state; mine is one of them. And

1 we serve rural communities. We provide  
2 administrative support to our communities, we  
3 provide the funding that you provide, and we  
4 are the people that bring it to our  
5 community, where the rubber hits the road.

6 And we ask that our funding not only  
7 be restored from previous years -- the  
8 Governor has reduced our funding, and it's  
9 been stagnant since 2017. So we have not  
10 seen an increase since then for the last five  
11 years.

12 And so there are 57 RPCs across the  
13 state. The cost of construction, materials,  
14 and everything has eaten away at funding for  
15 us. The cost of employees has gone very  
16 expensive. So we ask the state that we  
17 increase the RPC funding to 60 RPCs. That  
18 would create three new ones. We ask that our  
19 RPC funding to each of our organizations be  
20 increased from 89,000 to 125,000, just to get  
21 caught up from the five years of no  
22 increases. And that also to restore the  
23 \$250,000 funding to the Rural Housing  
24 Coalition for administrative supports.

1 Thank you.

2 CHAIRWOMAN WEINSTEIN: Thank you.

3 And last, New York State Rural  
4 Advocates.

5 MR. SEBASTIAN: Good afternoon. My  
6 name is Blair Sebastian -- kind of battling  
7 cleanup on this panel, I guess. I'm with  
8 New York State Rural Advocates. Our  
9 organization is made up of rural housing and  
10 affordable housing and community development  
11 practitioners from around the state. We've  
12 been advocating for rural communities since  
13 about 1980.

14 We have submitted our written  
15 testimony, the body of which addresses what  
16 we think are appropriate levels of funding --  
17 and achievable levels of funding -- for a  
18 range of programs that our members use that  
19 address affordable housing needs in rural  
20 communities, and we're happy to talk about  
21 any of those as you may wish.

22 We prefaced our -- that discussion  
23 with the inclusion of a map that we got from  
24 the Economic Innovation Group. They've done

1           this for several years. We find it rather  
2           interesting. This is the first time we've  
3           seen it by zip code. And we find it kind of  
4           interesting because it really shows the  
5           chaotic nature of economic and social  
6           well-being in upstate communities, kind of  
7           leading us to suggest that maybe a 1 percent  
8           blanket goal. We're contemporary managers;  
9           we live on goals and targets. But it's  
10          important that they -- those targets are  
11          appropriate to the task at hand, and we kind  
12          of question that.

13                 The other thing that that diversity  
14          map does for us is a nice segue into a  
15          conversation about the beauty of the Rural  
16          Preservation Program, which is its  
17          flexibility. RPCs, the 57 RPCs that Bruce  
18          refers to are governed by local people. The  
19          statute requires that local -- that  
20          governance be local, and those folks have the  
21          opportunity to tailor mission and work  
22          programs to the exact nature of the housing  
23          problems they face.

24                 So you'll find groups in the Hudson

1 Valley, where markets are strong and demand  
2 is great, building multifamily housing as  
3 their focus. For the folks in my old  
4 stomping ground in Western New York, we tend  
5 to focus much more on the rehabilitation of  
6 existing stock and less on the provision of  
7 new stock, although there is a role for that.

8 So provided the Governor's housing  
9 compact goes forward in some form, we expect  
10 that Rural Preservation Companies are going  
11 to be called upon by local communities to  
12 provide the expertise that they traditionally  
13 possess, to help guide these small  
14 communities. It's been mentioned that the  
15 smallest of our rural communities are going  
16 to be hard-pressed to respond to the  
17 Governor's compact. We know that our groups  
18 are going to be called upon to help with  
19 that.

20 And so adequate funding for those  
21 groups is incredibly important. We've got a  
22 little chart on page 4 that shows that  
23 diminished return.

24 CHAIRWOMAN WEINSTEIN: Thank you.

1                   We go to Assemblywoman Rosenthal.

2                   ASSEMBLYWOMAN ROSENTHAL: I just want  
3                   to put in a good word for NPCs and RPCs. I  
4                   have NPCs that I've been working with for  
5                   years in my district. And RPCs, I've learned  
6                   a lot about you. And I think, once again,  
7                   good plan to build housing; even better to  
8                   maintain the housing we have today. So I  
9                   support and I agree there's a need for  
10                  increased funding for all of your efforts.

11                  Thank you.

12                  CHAIRWOMAN WEINSTEIN: Thank you.

13                  We go to Brian Kavanagh. Senator?

14                  SENATOR KAVANAGH: Thank you. I'll  
15                  echo the lovefest for NPPs and RPPs. As you  
16                  know, I'm a big supporter, and hoping we can  
17                  meet the requests here today. As well as the  
18                  other -- you know, the other rural needs,  
19                  which I think we might hear from our  
20                  Agriculture chair in a minute on.

21                  I want to focus -- Mr. Cestero, you  
22                  talked about the lack of an exemption  
23                  component of the tax -- are you talking  
24                  about -- you're talking about the Governor's

1 J-51?

2 MR. CESTERO: Oh, I'm talking about  
3 the, yeah, J-51 program. Right? In its  
4 current incarnation, you know.

5 SENATOR KAVANAGH: Have you had an --  
6 J-51 is a -- you know, it's a city --  
7 primarily it's a city tax program.

8 MR. CESTERO: Right.

9 SENATOR KAVANAGH: Have you had an  
10 opportunity to talk with the city about that  
11 element of the program and whether there have  
12 been --

13 MR. CESTERO: We have, yeah. We have.  
14 We've talked to them about it and we've  
15 shared our concerns about the economics of  
16 that, you know, working in a way that will  
17 incentivize -- create enough resources to  
18 bring units online and to do the repairs  
19 necessary in those buildings and in those  
20 units.

21 SENATOR KAVANAGH: Okay. Because  
22 we're not formally hearing them testifying  
23 today, but I think it's quite likely they are  
24 listening, so, you know, I think we would

1           like to -- I think we would like to see, you  
2           know, a kind of city response to that -- you  
3           know, that proposal which is -- we have both  
4           a standalone --

5                           (Overtalk.)

6                   MR. CESTERO: We're happy to provide  
7           more detail on that. Yeah, yeah.

8                   SENATOR KAVANAGH: Yup. On -- can  
9           you -- if I may, related -- you know,  
10          distinct but related, have you had an  
11          opportunity to review the tax proposal in  
12          Part P that is intended to incentivize  
13          commercial conversions in the city? And I  
14          just wonder if you could speak to the -- if  
15          you can, about the sort of adequacy that --  
16          the levels of affordability that we might be  
17          seeking given the sort of scale of the  
18          benefit there.

19                   MR. CESTERO: So I have not spent  
20          nearly as much time on that as I have on  
21          J-51, as an example. So -- but what I can  
22          say is that, you know, it was referred to  
23          earlier, you know, the 421-g program in the  
24          post-9/11 world, and that led to lots of

1 office conversions. And I've been on record  
2 in lots of different settings saying that I  
3 think the lesson learned from that is that we  
4 probably didn't do that as equitably and  
5 inclusively as we should have. And that I do  
6 think that there's a significant opportunity  
7 for affordability in office conversions.

8 I want to be careful, though, to say  
9 that office conversions are really hard. And  
10 so I don't think there's an overwhelming  
11 number of units that are going to get created  
12 through a conversion process, and I think  
13 what the compact does is create a framework  
14 so that owners can think about conversion  
15 strategy. And certainly an incentive should  
16 include an affordability requirement.

17 SENATOR KAVANAGH: I may want to  
18 follow up with you on some of the details.

19 MR. CESTERO: Yeah.

20 SENATOR KAVANAGH: And also just while  
21 I have four seconds, there's also this  
22 proposal for an "opt-in outside the city"  
23 proposal. Given your current role and your  
24 prior experience, I'd love to hear your

1 thoughts on that as well. But I'll respect  
2 the clock.

3 CHAIRWOMAN WEINSTEIN: Thank you.  
4 Assemblyman Burdick.

5 ASSEMBLYMAN BURDICK: I first want to  
6 commend each of the panelists for the great  
7 work that you're doing to promote housing and  
8 to promote affordable housing.

9 And to Mr. Cestero, you may recall  
10 that I had worked in my former days as  
11 supervisor of the Town of Bedford with CPC on  
12 getting permanent financing for an affordable  
13 housing project there.

14 MR. CESTERO: Yeah.

15 ASSEMBLYMAN BURDICK: I'd like to pose  
16 the question that I think I've posed to every  
17 one of these panels. And that is that, you  
18 know, my concern that I have with the housing  
19 compact is that there's not enough on  
20 affordable housing, that it is really a  
21 compact, the creation of 800,000 units over  
22 10 years.

23 Do you feel that there should be a  
24 subgoal within that 800,000 of affordable

1 housing units that would be created? And  
2 maybe if we could start with you, Rafael.

3 MR. CESTERO: Sure. So I think, from  
4 my perspective, the important thing here is a  
5 recognition that I believe, right, more  
6 housing supply and correcting the  
7 supply/demand imbalance that exists in our  
8 state will ultimately lead to less  
9 competition, and therefore will lead to lower  
10 prices.

11 But that's going to take time. Right?  
12 And that's why I think it's important that  
13 the state continue to fund the housing --  
14 affordable housing plan, \$25 billion last  
15 years as part of a new five-year plan. To  
16 me, that's the critical piece. Because if  
17 you're not also investing in affordable  
18 housing, then I think you are ending up  
19 behind the eight-ball.

20 ASSEMBLYMAN BURDICK: Thank you.

21 Any others have a thought about  
22 setting a subgoal on affordable housing  
23 within the 800,000?

24 MR. SEBASTIAN: Absolutely in support

1 of focusing on affordable housing in this  
2 initiative.

3 Some of the communities we look at,  
4 all the new housing -- any new housing that  
5 would be created kind of falls into that  
6 broad affordable category. But in rural  
7 communities there are those really hot  
8 markets where we really, really, really need  
9 to build some housing. And --

10 ASSEMBLYMAN BURDICK: Great. Thank  
11 you. Any others --

12 MR. SEBASTIAN: And they need to be  
13 affordable.

14 ASSEMBLYMAN BURDICK: -- have a  
15 thought, yes or no, on a subgoal?

16 MR. MISARSKI: I certainly agree,  
17 affordable housing is key. And what happens  
18 is really it's sort of a musical chairs. If  
19 we just build housing for the wealthy people,  
20 you know, it opens up where they formerly  
21 lived, and everybody moves maybe up.

22 ASSEMBLYMAN BURDICK: Right.

23 MR. MISARSKI: The poor people always  
24 get the worst housing.

1 ASSEMBLYMAN BURDICK: Any others?

2 MS. BELLINGHAM: I guess I would  
3 add -- yes, and I would be careful on the  
4 definition of affordable.

5 ASSEMBLYMAN BURDICK: Oh, sure. Of  
6 course. Yeah.

7 MS. BELLINGHAM: So in our small  
8 communities, I would say workforce housing or  
9 we would say workforce housing. Our  
10 essential workforce, which has changed a  
11 little bit since COVID -- so our teachers,  
12 our healthcare workers, people who make  
13 above, you know, the 80 percent AMI --

14 ASSEMBLYMAN BURDICK: Thank you so  
15 much.

16 MS. BELLINGHAM: -- can't afford it.

17 ASSEMBLYMAN BURDICK: Appreciate it.  
18 My time's up.

19 CHAIRWOMAN WEINSTEIN: Thank you.  
20 To the Senate.

21 CHAIRWOMAN KRUEGER: Thank you.  
22 Rachel May.

23 SENATOR MAY: Thank you.

24 And hi, everyone.

1                   Katelyn, good to see you. I guess I  
2                   had a question for you about the land banks.  
3                   I understand -- so you're asking for the same  
4                   funding as last year in the budget?

5                   MS. WRIGHT: Yes.

6                   SENATOR MAY: Are you ever interested  
7                   in doing rehab or, you know, reconstruction  
8                   on your own? And is that something, you  
9                   know -- or what would you need in the way of  
10                  resources to do that?

11                  MS. WRIGHT: We have done a handful of  
12                  our own projects in-house over the years.  
13                  But mostly -- in Syracuse, anyway, mostly  
14                  what we do is that pre-development work to  
15                  make shovel-ready sites available for other  
16                  affordable housing developers, just because  
17                  we already have a very strong network of  
18                  affordable housing developers in Syracuse.

19                  But a lot of the other land banks are  
20                  actively engaged in doing their own  
21                  development because they just lack those  
22                  partners.

23                  SENATOR MAY: Okay.

24                  MS. WRIGHT: But there are other HCR

1 programs to support that work. This land  
2 bank funding provides for acquisition of  
3 property and demolitions and stabilizations  
4 that aren't funded by any other HCR programs.  
5 And so we want to make sure that that's  
6 available.

7 SENATOR MAY: All right, thanks.

8 And thanks for mentioning the rural  
9 issues, those of you who are advocating for  
10 rural housing. I guess -- so in my district  
11 I have a number of Finger Lakes. One of the  
12 issues that we have is housing for seasonal  
13 workers who are, you know, necessary to the  
14 local economy, and there's no place for them  
15 to live.

16 Is this -- are there good ideas out  
17 there, solutions? Is there something in the  
18 compact that would help with this? Anybody  
19 have thoughts on those issues?

20 MR. SEBASTIAN: There's nothing in the  
21 compact, I don't think. You know, so much of  
22 the focus is on permanent housing. And so,  
23 you know, the only model perhaps we might  
24 look at is the long-standing farmworker

1 housing model, which again addresses seasonal  
2 employees very often.

3 And so most -- most of that work has  
4 been federally funded, but the state has been  
5 involved in some farmworker housing. And  
6 given the seasonality of it, it may make a  
7 decent model.

8 SENATOR MAY: Anyone else?

9 I know one area has actually built  
10 housing for firefighters because they can't  
11 live close enough to the fires, you know, to  
12 actually respond in a reasonable period. So  
13 it seems like it's a subset of housing need  
14 that is hard to include in any kind of  
15 planning.

16 So I would love to know if you have  
17 good ideas about this, or you see best  
18 practices, what we can do to help with that.

19 Thank you.

20 CHAIRWOMAN KRUEGER: Thank you.

21 Assembly.

22 CHAIRWOMAN WEINSTEIN: Assemblyman  
23 Manktelow.

24 ASSEMBLYMAN MANKTELOW: Thank you,

1 Chairwoman.

2 Katelyn, could I ask a few questions  
3 to you? Thank you for being here.

4 Earlier this morning when I spoke with  
5 the commissioner about land banks, I was  
6 surprised that only 20 million of the  
7 30 million -- or of the 50 million had been  
8 spent. Who controlled that number, I guess  
9 is what I'm asking.

10 MS. WRIGHT: That's all that's really  
11 been released by HCR to date. There was a  
12 Phase 1 RFA that we all applied to, and that  
13 released the 20 million. The Phase 2 RFA  
14 just came out recently, and those  
15 applications are due in about 10 days.

16 ASSEMBLYMAN MANKTELOW: Okay. So my  
17 second question is as I -- I'm so glad to see  
18 the land banks growing. You guys do some  
19 remarkable work, being involved with the one  
20 at Wayne County early on years ago. It's  
21 such a great attribute to the communities, to  
22 the state. And the amount of money you save  
23 is remarkable.

24 As the land banks grow, will

1           50 million be enough long term?

2                   MS. WRIGHT: Long term, it's hard to  
3 say. There are 27 land banks today, but I  
4 expect more to be created, and so that will  
5 put extra stress on it. But at this point in  
6 time, with 27, that seems sufficient to us.

7                   ASSEMBLYMAN MANKTELOW: And my last  
8 question, speaking with the commissioner  
9 again this morning -- how much dialogue do  
10 you have with the commissioner?

11                   MS. WRIGHT: Directly with the  
12 commissioner, not very much. But with her  
13 people, all the time.

14                   ASSEMBLYMAN MANKTELOW: So you have a  
15 good working group, or a good --

16                   MS. WRIGHT: Absolutely. HCR has been  
17 very supportive of us and very open to our  
18 suggestions for what resources we need to  
19 meet our needs.

20                   ASSEMBLYMAN MANKTELOW: You know,  
21 knowing what the land banks do, if it's so  
22 well into the HCR, the compact coming up -- I  
23 just want to say thank you and we're here to  
24 support you. So thank you.

1 MS. WRIGHT: Thank you.

2 ASSEMBLYMAN MANKTELOW: Thank you.

3 Thank you, Madam Chair.

4 CHAIRWOMAN WEINSTEIN: Senate?

5 CHAIRWOMAN KRUEGER: Thank you.

6 Senator Salazar. No, she left.

7 forget Senator Salazar for the moment.

8 Sorry.

9 Senator Helming.

10 SENATOR HELMING: Thank you,

11 Senator Krueger.

12 And thank you, everyone, for not only  
13 your testimony but the fantastic work you do  
14 throughout the State of New York. I really  
15 appreciate it.

16 Katelyn, I think you were here earlier  
17 when I talked to the commissioner, questioned  
18 her about the land banks. I really  
19 appreciate you bringing up the example of if  
20 we provided more funding to our land banks,  
21 we could move people who are stuck in hotels  
22 into these refurbished homes. That's  
23 critically important. So we will be  
24 advocating for funding in the budget. I know

1 right now there's zero that's budgeted.

2 Lori, you brought up -- and I think a  
3 few of you did -- about workforce housing and  
4 the challenges. And Senator May I think  
5 touched on this as well, how challenging it  
6 is in so many of our areas to find that  
7 workforce housing when you have so many  
8 seasonal rentals that go for a whole lot of  
9 money, right, in the Finger Lakes. Average  
10 workers can't afford them. People with dual  
11 incomes, two teachers, they can't even afford  
12 them.

13 So I guess what I'm wondering is, the  
14 Governor in the housing compact has the ADU  
15 program that's outlined. Do you see that  
16 outside of New York City, do you see the ADU  
17 program helping in any way to address  
18 workforce housing issues or ...

19 MS. BELLINGHAM: I think increasing  
20 density is a good thing, especially -- you  
21 know, we live or we are in the Adirondack  
22 Park, so we do have constraints around, you  
23 know, footprints around our villages and  
24 hamlets.

1           Many of our ADUs are typically used  
2           for short-term rentals. So, you know, yes, I  
3           think increasing density is a good thing. I  
4           think that, you know, we have 63 percent of  
5           our employers are saying they cannot house  
6           their employees, and that's the primary  
7           reason that they --

8           SENATOR HELMING: I'm just going to  
9           add, real quick, so it's something that you  
10          can look into as well, that I believe the  
11          language that's included in the proposal says  
12          that the ADUs can be rented for 30 days or  
13          more. So when I look at areas like the  
14          Lake Placid area or the Finger Lakes region,  
15          I see people building those ADUs to generate  
16          more income for short-term visitors, not  
17          necessarily addressing our workforce housing  
18          shortages that we are experiencing.

19          So if you have, as Senator May said,  
20          feedback on that, I would love to hear it as  
21          well.

22          Anything else that you would like to  
23          share to help with the issues in our rural  
24          communities, short-term things that we can

1 do?

2 MR. MISARSKI: I just wanted to -- I  
3 didn't get a chance to mention a couple of  
4 programs that we really rely on that we --  
5 the funding got shortened on this year with  
6 the Governor's budget.

7 And those include the Access to Home  
8 program, the New York State Main Street  
9 program, the RESTORE program, and also the  
10 Small Rental Development Initiative that is  
11 not funded this year. So those were all  
12 really important programs we'd like to see  
13 receive some funding.

14 CHAIRWOMAN KRUEGER: Thank you.

15 Since the Assembly is done, next is  
16 Senator Hinchey.

17 SENATOR HINCHEY: Perfect lead-in  
18 here, thank you.

19 First and foremost, I want to thank  
20 all of you for being here, and many of you  
21 for working with us last year. You know,  
22 most people think about a housing crisis in  
23 our urban, densely populated areas, but we  
24 all know that our rural communities are

1 facing a housing crisis as well. And thanks  
2 in partnership to many of you, last year we  
3 were able to secure the largest investment in  
4 rural housing support that we've ever had.

5 Unfortunately, many of those gains  
6 have disappeared from the Executive Budget.  
7 And so I was actually going to ask about a  
8 number of those programs -- thank you for  
9 mentioning them -- specifically RESTORE and  
10 the Small Rental Development Initiative. I  
11 know in my community we funded the RESTORE  
12 program and changed some of the language last  
13 year and in my community when our affordable  
14 housing corporation went to access those  
15 funds, they were already oversubscribed.

16 Can you provide a little bit of  
17 information on how much money you would like  
18 to see in that program? And also a few more  
19 details for my colleagues on the Small Rental  
20 Development Initiative.

21 MR. SEBASTIAN: Well, our request for  
22 RESTORE is \$4 million. Last year the program  
23 was funded at \$3.4 million. We understand  
24 that the agency got applications,

1 proposals -- valid proposals for \$6 million  
2 last year. So our \$4 million falls a little  
3 short of demand.

4 SENATOR HINCHEY: I would say  
5 6 million is an appropriate ask, since we  
6 know that's the need and the demand out  
7 there.

8 Can we also talk a little bit about  
9 the Small Rental Development Initiative? I  
10 know we had requested last year I believe 20  
11 or 30 million. We got 7. And that program  
12 has been cut. Can you provide a little  
13 insight on that funding?

14 MR. MISARSKI: Yeah, actually we're  
15 working on an application right now for the  
16 SRDI program. And disappointed that it is  
17 not funded this year in the Governor's  
18 budget.

19 It's one of those perfect tools for  
20 rural communities where we can get in and put  
21 four, eight units of housing in a community  
22 of a thousand people. That's what's  
23 appropriate for our communities, not LIHTC  
24 hundred-unit projects. We need small rental

1 projects in small communities, in every  
2 community. Right? That's what every  
3 community needs. And we just can't rely on  
4 ITC projects in big cities to create all the  
5 housing units. Every town and village wants  
6 to do that.

7 SENATOR HINCHEY: And is it fair to  
8 say that the funding in the -- I'll call it  
9 the rural housing package, that in your  
10 request and what we were able to secure --  
11 the areas we were able to secure last year,  
12 are incredibly important because most of  
13 state and federal funding go to those larger  
14 projects than they do the smaller ones?

15 MR. MISARSKI: Exactly, yes.

16 MR. SEBASTIAN: Yes, small projects  
17 are odd ducks in the scheme of funding.

18 And, you know, there's something to be  
19 said for scale. But they just don't work in  
20 small communities.

21 SENATOR HINCHEY: Thank you very much.

22 CHAIRWOMAN KRUEGER: Senator Jackson  
23 to close, I believe.

24 SENATOR JACKSON: Sure.

1                   Good afternoon. Thank you for all  
2                   coming in. And I read some of your  
3                   testimony, especially from the rural  
4                   districts, and we want to do everything we  
5                   can in order to make sure that everyone is  
6                   taken care of in this housing thing.

7                   But more specifically, I represent  
8                   New York City, let me just focus on that.  
9                   And as far as the Neighborhood Preservation  
10                  Coalition, CLOTH, Community League of the  
11                  Heights, is in my district, with  
12                  Yvonne Stennett, and I've been involved with  
13                  them for many, many years. So I appreciate  
14                  all what you do on behalf of the people that  
15                  we represent and that you represent.

16                  But my question is I've heard a lot of  
17                  comments from my colleagues, especially in  
18                  outer areas, as far as building affordability  
19                  housing near major transportation hubs,  
20                  subways and so forth. And many of them are  
21                  somewhat opposed to the state basically  
22                  mandating that if in fact they disagree.

23                  How do you think that -- do you have  
24                  any other suggestions or thoughts about that

1           in order to ensure that the goal of the  
2           Governor happens over a 10-year period of  
3           time?

4                     MR. CESTERO: I mean, I think -- I  
5           guess what I could offer is two thoughts.  
6           First, robust agreement on Yvonne Stennett,  
7           who's one of my favorite people in the whole  
8           world.

9                     SENATOR JACKSON: Speak just a little  
10          louder --

11                    MR. CESTERO: Sorry. Robust agreement  
12          on Yvonne Stennett, who's one of my favorite  
13          people in the whole world.

14                    And then to your question, I think  
15          that clearly there's tension, right, when  
16          housing proposals happen. In my view, what  
17          the Governor has proposed is essentially a  
18          response to what is a crisis in our city.  
19          And, you know, there -- maybe there should be  
20          talk of safe-harbor kinds of things that can  
21          be done. If there's issues in particular  
22          communities that don't fit within the time  
23          frames in the housing compact, those kinds of  
24          things could be helpful in extending the time

1 frame to address the issues.

2 But at the end of the day, our state  
3 is overwhelmingly short on housing, and we  
4 need to build it in lots of different places.

5 SENATOR JACKSON: Thank you.

6 Anyone else, shortly? Because I've  
7 got 36 seconds.

8 MR. STREB: Yes. Just --

9 SENATOR JACKSON: If you don't mind  
10 giving your name, because when we speak we  
11 don't know who everyone is.

12 MR. STREB: Sure. Mark Streb,  
13 Neighborhood Preservation Coalition executive  
14 director.

15 SENATOR JACKSON: Thank you.

16 MR. STREB: The housing compact is  
17 another tool in the toolbox. It's a tool  
18 that one size doesn't fit all, though. So  
19 every community -- and that's the value of  
20 the Neighborhood Preservation Coalition,  
21 they're the folks on the ground. When  
22 there's a problem, this is who the people in  
23 the neighborhood go to. And that's why we're  
24 one of the tools in the toolbox.

1                   SENATOR JACKSON: Well, thank you all  
2 for coming in. My time is up.

3                   CHAIRWOMAN KRUEGER: Thank you.

4                   We do have one more Senator we missed.  
5 I think his name is Senator Jack Martins.

6                   SENATOR MARTINS: Thank you.

7                   And thank you all for testifying  
8 today.

9                   I like the analogy of a tool in the  
10 toolbox, or tool belt. You know, this  
11 happens to be a sledgehammer. And so it's  
12 hard to carry around, and it takes out a lot  
13 more than we think as we swing it. I prefer  
14 to use a scalpel or something a lot more  
15 precise.

16                   And we talk about rightsizing and  
17 building small rental housing where it  
18 belongs, but that's not what this says. So  
19 let's not kid ourselves. This compact is a  
20 blunt instrument. It's going to require, in  
21 communities like mine in Nassau County,  
22 25,000 new housing units around every train  
23 station.

24                   Now, if I were to ask people who don't

1 live on Long Island and don't live in  
2 New York City or in the metropolitan area --  
3 and I don't know, I'll pick someone who may  
4 live in the Adirondack Park and ask you if I  
5 put a mile circle in the middle of the park,  
6 and so we're going to build 25,000 units  
7 there because we need housing for people who  
8 work in the area, not just people who come  
9 and visit the area as tourists, I think  
10 there'd be some pushback, not only from the  
11 council but also from the community at large.

12 And so let's figure out ways so that  
13 we can work together. And I think what we've  
14 said, time and again, is everyone understands  
15 that we need affordable housing, but it  
16 shouldn't come at the expense of people  
17 coming here and saying, You can build it  
18 there, but you're not building it in my  
19 backyard because it's not going to impact us  
20 in just the same way.

21 So I won't ask you the rhetorical  
22 question because I think we all understand  
23 what the answer is. I've had the opportunity  
24 to work with some of you and your

1 organizations over the years, and I  
2 understand the great work that you do. And I  
3 appreciate it. But the areas that I  
4 represent -- you know, a small island jutting  
5 out into the middle of the Atlantic, sitting  
6 on a sole-source aquifer, with pristine  
7 shorefront and communities that were built up  
8 over the last 300 years, will change like  
9 that (snapping fingers) if this were to  
10 happen.

11 And so we fight, because we don't all  
12 disagree -- we all agree on what the end  
13 result should be. But it can't come at the  
14 expense of certain people and not everyone  
15 sharing equally.

16 Thank you. Thank you.

17 CHAIRWOMAN KRUEGER: So I don't think  
18 there was a question, just a speech.

19 SENATOR MARTINS: No, there wasn't.

20 CHAIRWOMAN KRUEGER: Just checking.

21 SENATOR MARTINS: There was a sort of  
22 a rhetorical question, but then I said no.

23 (Laughter.)

24 CHAIRWOMAN KRUEGER: Okay. For the

1 future, let's try to limit the speeches.

2 I believe we are done.

3 CHAIRWOMAN WEINSTEIN: The Assembly is  
4 done also. So I want to thank this panel for  
5 being here.

6 So if we can, first, For the Many.

7 MR. RANGA: Great. Can everyone hear  
8 me?

9 CHAIRWOMAN WEINSTEIN: Yes.

10 MR. RANGA: Thank you so much to the  
11 chairs and the entire committee. My name is  
12 Brahvan Ranga, and I'm the political director  
13 at For the Many.

14 For the Many is a grassroots social  
15 justice organization based in the Hudson  
16 Valley. We organize in rural, suburban and  
17 small-city upstate New York to fight for laws  
18 and win elections to bring us closer to a  
19 New York that works for all of us and not a  
20 greedy few. We started in 2012 as an  
21 all-volunteer group of everyday people  
22 meeting in a church basement to try and fight  
23 against evictions and foreclosures, and since  
24 then housing has been one of our core

1 focuses.

2 And we joined the Housing Justice for  
3 All Coalition, a statewide movement of  
4 tenants and homeless New Yorkers to fight for  
5 housing as a human right and pass  
6 transformative statewide legislation.

7 These past two years we've helped lead  
8 the way for the statewide fight for good  
9 cause, along with our partner organizations  
10 across the state. And our fight is a  
11 necessary response to the scale of the  
12 housing crisis in the Hudson Valley, where  
13 57 percent of renters are rent-burdened,  
14 where one in eight of the renting households  
15 in the City of Poughkeepsie are facing an  
16 eviction filing -- and where many tenants  
17 have virtually no eviction protections  
18 whatsoever, along with 1.6 million households  
19 statewide, especially in upstate.

20 And the single most important step  
21 this Legislature can take to address this  
22 crisis is passing good-cause eviction,  
23 protecting tenants from unreasonable rent  
24 increases and predatory rent hikes and unfair

1 evictions, but also giving them more control  
2 over their housing, empowering them to ask  
3 for better conditions and ensuring that they  
4 can feel secure in their homes. And it would  
5 slow the recent wave of gentrification and  
6 real estate speculation we've seen in the  
7 Hudson Valley.

8 After this Legislature repeatedly  
9 failed to pass good-cause eviction, we worked  
10 with our local allies to pass local  
11 good-cause eviction laws in Newburgh and  
12 Poughkeepsie and Beacon and Kingston.  
13 Throughout the course of that campaign,  
14 hundreds of tenants stood up to their  
15 landlords, facing the threat of retaliation,  
16 and demanded their local government take  
17 action.

18 However, these hard-fought protections  
19 are under threat from lawsuit. The City of  
20 Newburgh's good-cause law was recently  
21 overturned on preemption grounds. The court  
22 said that it was the state's responsibility  
23 to pass good-cause eviction. And that is why  
24 I am calling on this Legislature to pass

1 good-cause eviction, the Housing Access  
2 Voucher Program, and the Tenant Opportunity  
3 to Purchase Act in the State Budget.

4 If the Legislature fails to act,  
5 millions of New Yorkers will continue to face  
6 the worst excesses of the housing crisis  
7 without any protections whatsoever. We pray  
8 that you do something about it.

9 CHAIRWOMAN WEINSTEIN: Thank you.

10 CHAIRWOMAN KRUEGER: Thank you.

11 MR. RANGA: Thank you so much.

12 CHAIRWOMAN WEINSTEIN: Next,  
13 Association for Neighborhood and Housing  
14 Development.

15 MS. WILLIAMS: Good afternoon,  
16 everybody. Barika Williams, executive  
17 director of the Association for Neighborhood  
18 and Housing Development, ANHD. I want to  
19 thank everybody, and especially the Senate  
20 and Assembly, for three years of support for  
21 ANHD's Displacement Alert Project.

22 The DAP portal tool has allowed  
23 electeds, CBOs and constituents to understand  
24 where New Yorkers are at greatest risk of

1 displacement and intervene with strategies.  
2 Specifically, it has been cited multiple  
3 times by the New York Times around tracking  
4 and understanding our eviction threats, which  
5 we know is going to be all the more critical  
6 in the coming months. And we humbly request  
7 \$200,000 to continue to expand and enhance  
8 the DAP portal.

9 More broadly, while we applaud the  
10 Governor's commitment to tackling New York's  
11 growing housing crisis, we have some concerns  
12 that it deprioritizes the current urgency of  
13 homelessness, evictions, and crippling rent  
14 burdens, that it relies heavily on spurring  
15 development with a strategy focused on luxury  
16 tax breaks regardless of affordability -- and  
17 instead that we really need to focus on  
18 addressing the actual housing needs of those  
19 who are most impacted by the housing crisis.

20 We're asking that the Legislature  
21 ensure that 421-a is not renewed and instead  
22 use that tax revenue for public good, and  
23 specifically also rejecting any broad  
24 extension of 421-a's deadline in order to

1 complete those projects. We would be putting  
2 billions forward in tax breaks for luxury  
3 developers while simultaneously, as has come  
4 up, no proposals for addressing NYCHA and  
5 affordable housing units left out of ERAP,  
6 and affordable housing projects that are  
7 stalled or not moving in the pipeline while  
8 other luxury units are allowed to go ahead  
9 and go through.

10 We support some of what other folks  
11 have said -- universal right to counsel,  
12 TOPA, good-cause eviction, HAVP, ADUs and  
13 HOPP.

14 Specifically on the Emergency Rental  
15 Assistance portal, there's an estimated over  
16 half a million New York State households that  
17 remain behind on rent -- 80 percent of them  
18 are people of color and 77 percent of them  
19 are low-income households. The way that the  
20 ERAP was set up means that income-restricted  
21 housing was deprioritized, and these are our  
22 mission-driven nonprofit members who have  
23 been left out. And so it is critical that we  
24 find a way to ensure that those residents are

1 not evicted from their units and find them  
2 assistance.

3 Lastly, on the housing compact, we  
4 support a more equitable distribution of  
5 housing development across the state. We  
6 can't continue to allow exclusionary zoning  
7 in housing practices.

8 We have deep concerns and do not  
9 support the use of blanket housing targets  
10 across New York City at the community  
11 district level. There's huge differences in  
12 our community districts in New York City.  
13 They range in average income from 23,000 to  
14 upwards of 175,000. Some of them have built  
15 less than 200 units and others have built as  
16 many as 12,000 units in a six-year period.  
17 What they have done in development and what  
18 they have experienced in terms of land-use  
19 disparities varies greatly.

20 I'm happy to speak about this further.  
21 Thank you.

22 CHAIRWOMAN KRUEGER: Thank you.

23 CHAIRWOMAN WEINSTEIN: Thank you.

24 Open New York.

1 MS. GRAY: Hello. Thank you,  
2 Chair Weinstein and Chair Krueger, for the  
3 opportunity to share testimony in support of  
4 the pro-housing provisions in the  
5 Executive Budget.

6 My name is Annemarie Gray, and I serve  
7 as the executive director of Open New York.  
8 Open New York is an independent grassroots  
9 pro-housing nonprofit with hundreds of  
10 volunteer members across the state.

11 As you have heard from other witnesses  
12 today, New York is in a dire housing crisis  
13 that has real and direct human consequences:  
14 High rents, displacement, segregation, tenant  
15 harassment, homelessness, and countless other  
16 problems. A key reason why New York has  
17 failed to produce enough housing over the  
18 past 30 years is the lack of a statewide  
19 framework for promoting housing growth and  
20 affordability. Unlike many other states,  
21 New York allows local governments absolute  
22 power to ban housing growth, which  
23 perpetuates and worsens our housing crisis  
24 each year.

1                   The interrelated proposals in the  
2                   Executive Budget that would encourage cities,  
3                   towns and villages to revamp their zoning  
4                   codes to allow more housing are vital first  
5                   steps in shifting away from the broken  
6                   status quo. Open New York is especially  
7                   excited about Part G, or the Transit-Oriented  
8                   Development Act of 2023, which would  
9                   encourage housing growth in walkable,  
10                  sustainable areas and would bring needed  
11                  ridership and revenue to the Metropolitan  
12                  Transit Authority.

13                  Most importantly, Parts F and G, the  
14                  New Homes Targets and Fast-Track Approval Act  
15                  and the TOD Act rebalance the relationship  
16                  between the state and local governments to  
17                  ensure that housing is allowed to grow where  
18                  there is demand for it. We also support the  
19                  inclusion of additional infrastructure funds  
20                  to address the need for additional capacity  
21                  for water, sewer, utilities and other  
22                  investments.

23                  If these acts become law, local  
24                  governments will have a framework and

1 guidelines under which to operate, but they  
2 will no longer have unchecked authority to  
3 block all housing growth. We believe that it  
4 is a necessary change if New York is ever to  
5 leave its housing crisis behind.

6 Open New York's main concern with  
7 these acts as drafted is their lack of strong  
8 enforcement provisions. In other states that  
9 have adopted similar frameworks --  
10 California, Massachusetts, and New Jersey, to  
11 name a few -- local governments have  
12 extensively delayed required zoning actions  
13 or failed to provide legally required  
14 building permits. The only efficient way to  
15 discourage this behavior and ensure that  
16 these acts achieve their purpose is to  
17 empower private nonprofits to sue  
18 non-cooperative localities and invoke  
19 monetary penalties for noncompliance.  
20 California's Housing Accountability Act  
21 provides exemplary provisions as an example.

22 Additionally, we believe the  
23 Legislature should consider including  
24 affordable housing growth targets for

1           localities that have very little affordable  
2           housing in their communities today. The  
3           housing compact can be a powerful tool to  
4           address fair housing concerns and correct  
5           patterns of exclusion, and all options to  
6           strengthen outcomes toward fair housing goals  
7           should be explored.

8                       Finally, building the housing we need  
9           will take time. A comprehensive approach to  
10          solving our housing crisis must also include  
11          tenant protections for those who are  
12          struggling to pay rent right now. We hope  
13          that the final budget will include expanded  
14          tenant protections such as good-cause  
15          eviction and more funds to support government  
16          capacity for investing and innovating in the  
17          creation of affordable housing.

18                      New York is in a housing crisis, but  
19          this year's budget gives us the opportunity  
20          to create a statewide solution. When young  
21          adults can afford to live in the communities  
22          they grew up in, seniors can age in place,  
23          and we can welcome new neighbors without fear  
24          of displacing long-time residents, we'll be

1 glad we rose to the challenge.

2 Thank you for your time.

3 CHAIRWOMAN WEINSTEIN: Thank you.

4 We'll go to questions.

5 Assemblyman Epstein.

6 ASSEMBLYMAN EPSTEIN: Thank you all.

7 Just quickly, do you all support  
8 getting funding aside for ERAP for NYCHA  
9 residents and other affordable housing  
10 residents? I heard Barika's point on that; I  
11 just want to make sure we're all on the same  
12 page.

13 MS. WILLIAMS: Yes.

14 MR. RANGA: Yes.

15 MS. GRAY: Yes.

16 ASSEMBLYMAN EPSTEIN: Thank you.

17

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1 (Reaction.)

2 CHAIRWOMAN WEINSTEIN: Less than a  
3 minute.

4 To the Senate.

5 CHAIRWOMAN KRUEGER: Thank you.  
6 Senator Myrie.

7 SENATOR MYRIE: Thank you,  
8 Madam Chair.

9 Thank you all for your testimony and  
10 for your patience today. This is for  
11 Ms. Williams, but I open it up to whomever  
12 wants to answer. All displacement is not  
13 created equal. You made reference to the  
14 disproportionate effect it has on people of  
15 color. I'm hoping you can talk to us about  
16 how the forces of displacement have had an  
17 acute effect on Black families, particularly  
18 in the City of New York.

19 MS. WILLIAMS: Absolutely. And I want  
20 to acknowledge that all of us very much have  
21 this fresh in our minds given the recent  
22 New York Times article, which I appreciate  
23 and appreciated the coverage. But also it  
24 emphasized that many folks, including our

1           elected officials like yourself, and many of  
2           us in housing advocacy spaces, have been  
3           sounding the alarm of the disappearance of  
4           our Black communities for years.

5                     Displacement and gentrification aren't  
6           just about changing of locations; it's also  
7           about shifts in power. And so one of the  
8           challenges and one of the concerns about also  
9           the lack of affordability and what  
10          affordability levels there are, both in the  
11          housing compact and more broadly, is that we  
12          know disproportionately our Black communities  
13          and Black residents, but then our communities  
14          of color more generally, earn less money.  
15          Right? You heard Senator Cleare say earlier  
16          median earning is about \$53,000, I think.  
17          Right?

18                    So there's a huge difference and  
19          shift, and we have to appreciate that by not  
20          creating deeply affordable housing -- not  
21          that there aren't Black people at all  
22          spectrums -- but by not creating deeply  
23          affordable housing, we are not creating  
24          housing and places for our Black families and

1 households in New York City.

2 CHAIRWOMAN KRUEGER: Thank you.

3 CHAIRWOMAN WEINSTEIN: Yes. So we go  
4 to Assemblyman Burdick.

5 ASSEMBLYMAN BURDICK: Thank you.

6 So I'm going to repeat the question  
7 I've asked to the other panels, and that is  
8 that I certainly understand the support that  
9 you have for the housing compact. As you  
10 know, it's got a target of 800,000 housing  
11 units within a 10-year period. Do you think  
12 that it would be helpful to set a subcategory  
13 within that of affordable housing units? And  
14 maybe if we can start from left to right. I  
15 guess that would be Annemarie, if we could  
16 start there.

17 MS. GRAY: Sure. Thank you for the  
18 question.

19 We are -- we think that there are a  
20 lot of ways you can add a layer of affordable  
21 housing requirement as part of the housing  
22 compact. More than happy to discuss details  
23 at another time. But we've seen, for  
24 example, Massachusetts has a program called

1           40B. There are ways to take lessons learned  
2           from that and actually have it be an  
3           additional requirement for the types of  
4           places that haven't seen enough  
5           affordability.

6                        So there are a lot of different ways  
7           you could work that --

8                        ASSEMBLYMAN BURDICK: But would you  
9           specifically support a subgoal of within the  
10          800,000 -- say, 400,000, whatever it might  
11          be -- that would be affordable units?

12                       MS. GRAY: It's a great question. I  
13          honestly -- I think making sure we have a  
14          system set up that actually makes sure  
15          affordable housing gets built matters. I'm  
16          not opposed to a number. But I think it  
17          depends on the details, and more than happy  
18          to talk about options.

19                       ASSEMBLYMAN BURDICK: And Barika?

20                       MS. WILLIAMS: I think I also will say  
21          I don't know about a specific number,  
22          specific percentage. But to your --

23                       ASSEMBLYMAN BURDICK: You folks are  
24          like the commissioner.

1 (Laughter.)

2 MS. WILLIAMS: To your bigger  
3 question, though, I think very much are in  
4 alignment that calling for an expansion of  
5 market-rate housing does not necessarily  
6 address our housing crisis, which is about  
7 how people can afford housing, and point you  
8 in the direction of a London School of  
9 Economics study and research that says that  
10 trickle-down housing does not necessarily  
11 solve our acute affordable housing needs.

12 ASSEMBLYMAN BURDICK: And Brahvan?

13 MR. RANGA: Yeah, I would say  
14 fundamentally the issue is the  
15 commodification of housing. And the fact  
16 that our housing stock is used for the  
17 extraction of profit for a few really wealthy  
18 landlords and real estate corporations.

19 And I would say one of the solutions  
20 long-term that the Housing Justice for All  
21 Coalition is proposing is massive expansion  
22 of social housing and a social housing  
23 development authority that would provide  
24 well-funded beautiful public housing across

1 New York State, and that would lead to  
2 low-income families having more opportunities  
3 to find a place to live.

4 ASSEMBLYMAN BURDICK: Great, thank  
5 you. And I want to thank all of you for the  
6 work that you're doing.

7 CHAIRWOMAN WEINSTEIN: Thank you.  
8 Senate?

9 CHAIRWOMAN KRUEGER: Thank you.  
10 Senator Rachel May.

11 SENATOR MAY: Thank you, Madam Chair.  
12 And thanks, all of you, for your  
13 thoughtful testimony and for lifting up  
14 housing stability as key as well to solving  
15 this crisis.

16 Annemarie, I just wanted -- thank you  
17 for shouting out the Massachusetts model 40B.  
18 We've talked about my bill, Senate 668, which  
19 I think is modeled on that system.

20 Do you think that that is a good way  
21 to try to boost affordability within the  
22 context of the housing compact that we're  
23 talking about?

24 MS. GRAY: I think that the good thing

1           about New York State being a bit -- being  
2           behind other states is we have a lot of  
3           places to look to for lessons learned of what  
4           works better or worse.

5                     One thing we actually have seen in  
6           Massachusetts, and the reason that we're  
7           really focused on enforcement, is you have a  
8           lot of projects that have actually gotten  
9           stalled and stalled for years, so we really  
10          need to strengthen the enforcement provisions  
11          and, as I mentioned, focusing on allowing for  
12          nonprofits to sue and enacting penalties for  
13          long delays. I think that's actually  
14          something that Massachusetts has not done as  
15          well that we can do better on.

16                    And I think as I mentioned in the  
17          previous question there are ways to layer in  
18          an additional requirement that's on top of  
19          the percentages. There are different ways to  
20          cut it. More than happy to talk through  
21          different details, and it could work in  
22          different ways. But something that requires  
23          places that especially aren't allowing enough  
24          affordable housing, you add an additional

1 requirement onto that as an option.

2 SENATOR MAY: Okay, thank you.

3 I mean, I know in Syracuse we have --  
4 part of the crisis is something like  
5 10 percent of boys in high school are  
6 functionally homeless right now or, you know,  
7 couch surfing in somebody else's home. And I  
8 do -- I would love more data on the impact of  
9 that kind of housing instability on school  
10 performance, on people being able to keep  
11 their jobs, on crime in neighborhoods where  
12 people are -- you know, where there's that  
13 much instability, people don't know their  
14 neighbors.

15 So as much data as we can bring to  
16 really explain why things like good-cause  
17 eviction are really important was very  
18 helpful to us.

19 So thank you for all of your advocacy,  
20 and keep up the fight.

21 CHAIRWOMAN WEINSTEIN: Assemblymember  
22 Kelles.

23 ASSEMBLYWOMAN KELLES: Yeah, I want to  
24 thank you all as well, because this last

1 panel is deeply refreshing. So thank you.

2 One question on -- Annemarie, on  
3 good-cause. We've talked about -- or you've  
4 talked about it, thank you, everybody. And  
5 anyone can answer this, but I know this you  
6 brought up specifically. There are concerns  
7 with good-cause that it would decrease supply  
8 of housing, that it would force landlords  
9 out, that things would, you know, be bought  
10 up by private equity. I've heard all these.

11 Have you done research on this? Do  
12 you have any thoughts on whether or not  
13 that's true? Anyway, that's ...

14 MS. GRAY: Yeah, I think writ large  
15 we've seen -- in other states we've seen  
16 pairings of rent reforms with tenant  
17 protections. So writ large, it is just a  
18 smart thing to do. All of the supply  
19 measures take a lot of time.

20 I think, as with every single bill,  
21 we'd still work through -- there are versions  
22 that have worked, there are versions that  
23 don't. I'm more than happy to sit down with  
24 you, have a little bit more of the detail and

1           what we've seen to date. But I think, writ  
2           large, we think that it really makes sense  
3           to -- you can pair these things together and  
4           it can work. But more than happy to follow  
5           up with kind of specific research. I want to  
6           just check with my team.

7                        ASSEMBLYWOMAN KELLEES: I would  
8           definitely -- well, I'll let you --

9                        MS. WILLIAMS: Sorry, I just want  
10          to -- I think with one of your specific  
11          questions, I think what we understand in  
12          terms of how these deals are financed is that  
13          something like good-cause would actually  
14          deter private equity from coming in and  
15          purchasing up especially our smaller housing  
16          stock, because much of the way that they  
17          model their portfolios relies on mass  
18          evictions at certain periods of time to up  
19          the overall revenue and profit margins of the  
20          properties.

21                       ASSEMBLYWOMAN KELLEES: So you would  
22          call this a pro-small landlord bill in some  
23          ways.

24                       MS. WILLIAMS: I think it increases

1 stability for small landlords and keeps  
2 housing in the pipeline for regular  
3 New Yorkers to be able to afford to buy these  
4 homes, as opposed to having to constantly  
5 compete with external interests, many of  
6 which are global.

7 ASSEMBLYWOMAN KELLES: Thank you.  
8 That's very helpful. Thank you.

9 CHAIRWOMAN KRUEGER: Thank you.  
10 Thank you. Our next questioner is  
11 Senator Jackson.

12 SENATOR JACKSON: Hello.  
13 Thank you for hanging in, the three of  
14 you. I'm glad that you are here representing  
15 your areas. And I'm glad that you're talking  
16 about some of the bills that we're fighting  
17 to move forward -- good-cause eviction and  
18 things like that.

19 But I know that it takes resources in  
20 order to continue these grassroots  
21 organizations. And so ANHD, I believe you  
22 have a \$200,000 request in for basically  
23 operating funds. And what about the other  
24 two groups and organizations? Do you have a

1 request in for funding that we should  
2 consider, the other two organizations that  
3 are there? Hello?

4 MR. RANGA: I don't believe that we  
5 do, no.

6 SENATOR JACKSON: I'm sorry, what?

7 MR. RANGA: I don't believe that we  
8 do.

9 SENATOR JACKSON: So you're okay,  
10 then.

11 MS. WILLIAMS: I mean, all of us could  
12 use additional funds. I was going to say I  
13 think I could speak on behalf of everybody.

14 And one of the most underfunded pieces  
15 of all of this is always the housing  
16 organizations that are doing this work,  
17 advocacy and direct services on the ground,  
18 right?

19 So as we have to continue to address  
20 an increasing eviction crisis, as we were  
21 doing -- going out and getting individual  
22 tenants signed up for ERAP -- I will speak  
23 for ANHD -- it was our members who were doing  
24 that work on the ground in their

1 neighborhoods with no bump in funding, while  
2 simultaneously being the sites where people  
3 were getting their vaccinations, while being  
4 the distributors for food resources.

5 So these are incredibly thin,  
6 overstrapped organizations across the board  
7 that are also serving as our community  
8 caretakers.

9 SENATOR JACKSON: And now if you sat  
10 through this hearing, you heard about the  
11 discussion as far as members and more  
12 suburban areas like Long Island, which  
13 basically their position is that they don't  
14 want anyone to tell them what's best for  
15 their community without them deciding what --  
16 and working together.

17 How's your areas? Are you willing to  
18 accept the areas put forward by the Governor  
19 as far as locations in your geographical  
20 areas? What's your opinion on that, if your  
21 organization has one?

22 MS. GRAY: Yeah. To your previous  
23 question, we don't have an immediate budget  
24 ask in front of you, but -- a second,

1           Barika -- it's always needed.

2                         We -- Open New York, we're a  
3           relatively young organization. We started in  
4           the city. We are actually like -- we have  
5           six chapters within New York City. We're  
6           actually expanding to be statewide, with  
7           specific focus on Westchester and  
8           Long Island, given the unbelievably important  
9           regional focus of housing opportunity and how  
10          we've planned for it.

11                        So that's something we're really  
12          actively thinking about, about how we expand,  
13          how we partner with groups that are there,  
14          because those are some of the places that  
15          frankly are facing some of the worst kind of  
16          exclusionary patterns.

17                        SENATOR JACKSON: Okay. And what  
18          about For the Many?

19                        MR. RANGA: Yeah, I mean, I would add  
20          that it's always good for more funding. I  
21          think that like community advocacy  
22          organizations in particular are oftentimes  
23          strapped for funding because we don't have  
24          access to a lot of the revenue streams that

1 other organizations do.

2 I would also add that the Governor's  
3 plan, while building more housing, is great  
4 if --

5 CHAIRWOMAN KRUEGER: I'm sorry, we  
6 have to cut you off. You'll have to  
7 follow-up with him afterwards, thank you.

8 MR. RANGA: All right, sounds good.

9 CHAIRWOMAN KRUEGER: Assembly.

10 CHAIRWOMAN WEINSTEIN: Assemblywoman  
11 Lee.

12 ASSEMBLYWOMAN LEE: This question is  
13 for Barika. Can you tell me about how rent  
14 arrears have impacted your member  
15 organizations, especially considering that  
16 the tenants in the housing that your member  
17 organizations manage do not have access to  
18 ERAP?

19 MS. WILLIAMS: Yes, absolutely.

20 So our members manage and own  
21 affordable housing in -- throughout New York  
22 City in all five boroughs. They are faced  
23 with any number of tenants in units that  
24 aren't and haven't been able to pay rent.

1           They haven't been able to recoup that.  It's  
2           impacting the cost of their ability to pay  
3           their vendors, to reposition the property, to  
4           access new loans, right?

5                         Similar to somebody previously who  
6           testified, these are 100 percent affordable  
7           buildings, and they are our deepest  
8           affordability buildings in New York City  
9           because they are done by nonprofit  
10          organizations.  So the longer they stay in  
11          arrears, not only does it impact their  
12          day-to-day operations, it also impacts their  
13          ability to come back to HPD and HCR and HUD  
14          and ask for additional funds to ensure the  
15          project's long-term viability and security.

16                        ASSEMBLYWOMAN LEE:  And while the  
17          tenants are in arrears, that also -- does  
18          that restrict, you know, these member  
19          organizations from doing other -- accessing  
20          other tools to help keep tenants in their  
21          homes?

22                        MS. WILLIAMS:  Yes.  Because -- so for  
23          our members -- I mean, as I said, they've  
24          been working in these neighborhoods, some of

1           them 50, 60 years. There's a few that just  
2           had their 50-year anniversary. They try  
3           everything possible before evicting tenants.  
4           Right? And so what has come up is given the  
5           arrears, they're not in a position to then  
6           have conversations and mediation with their  
7           tenants to figure out new payment plans going  
8           forward, because they've got these arrears  
9           sitting on the books. Right?

10                        So they're welcome and looking forward  
11           to having those conversations to say, Let's  
12           figure out what to do for you and your family  
13           from now forward. But we really have to  
14           address the backlog before we can do that.

15                        ASSEMBLYWOMAN LEE: Got it. So having  
16           tenants who have applied to ERAP and giving  
17           them the opportunity to get access to funds  
18           through ERAP would be very helpful to --

19                        MS. WILLIAMS: Incredibly helpful,  
20           yes.

21                        ASSEMBLYWOMAN LEE: Yes. Thank you.

22                        CHAIRWOMAN KRUEGER: Brian Kavanagh,  
23           Housing chair.

24                        SENATOR KAVANAGH: Thank you.

1 I've tried to avoid asking questions  
2 that can't be answered in three minutes  
3 during this hearing, and I won't start now.  
4 But several of you alluded to this in  
5 response to questions about whether there  
6 ought to be more specific requirements,  
7 incentives, you know, provisions here that  
8 promote affordability specifically rather  
9 than just increasing, you know, the amount of  
10 production.

11 Is it fair to say that -- I mean, the  
12 Governor's plan on the 3 percent or the  
13 1 percent, depending on where you are, is  
14 premised on the notion that if you give  
15 double credit for affordable units, that that  
16 will incentivize -- that's a sufficient  
17 incentive to do affordability. Is it fair to  
18 say that none of you think that quite meets  
19 the goal of incentivizing affordability?

20 MS. WILLIAMS: I mean, I will say for  
21 us it does not. Right? That not affordable  
22 units are the same, which has come up many  
23 times here. So to say double units -- double  
24 points counts for 120 AMI versus 40 percent

1 AMI is very different.

2 Also, affordability is not the only  
3 thing that some of us know we try to and  
4 prioritize and achieve in neighborhoods and  
5 communities. Seniors has come up, community  
6 spaces comes up. Things like veterans homes  
7 has come up. Right? MWBE who's doing the  
8 development also comes up. And so there's a  
9 number of factors that many of us have worked  
10 with many of you all around individual  
11 projects or large-scale projects around  
12 trying to achieve different things at the  
13 community level.

14 I think what we don't want is to  
15 create a pathway or a pipeline that then  
16 ensures that those folks who just want to do  
17 the bare minimum can always get through. We  
18 still want to be able to ensure these really  
19 productive and important creative projects  
20 like a library on the ground floor and  
21 affordable housing on top. Right?

22 I think our kind of takeaway is we  
23 understand the need for geographic  
24 distribution, but for New York City, given

1           our neighborhood difference, even this is not  
2           equitable.

3                         SENATOR KAVANAGH: Any other response?

4                         MS. GRAY: Yeah, I think that -- I  
5           mean, writ large, having a mandate-based  
6           statewide framework that does -- like, there  
7           are a lot of different ways to cut it that we  
8           think it can work. I understand a lot  
9           where -- kind of what were a lot of Barika's  
10          points. We think there are a couple of  
11          different options.

12                        But the one I was alluding to before  
13          is you could layer in affordability  
14          requirements such as like 20 percent in  
15          New York City, 10 percent elsewhere in the  
16          state, that for areas that don't meet that  
17          goal in affordability as well, even if they  
18          meet the growth target, affordable projects  
19          can also go through a fast-track process.

20                        There are ways to design something  
21          like that that we think would be a great  
22          addition. But frankly passing anything at  
23          the state level for the first time in  
24          New York's history is -- there are ways to

1 cut it, you can keep improving on it, but we  
2 think it's better.

3 SENATOR KAVANAGH: So with 14 seconds  
4 left, I'm just going to add several of you  
5 alluded to the possibility of helping to come  
6 up with alternatives. I think we would like  
7 basically anything that you have that you  
8 think could be added within the basic  
9 framework of the Governor's proposal, and  
10 also if you think there are elements of that  
11 framework we should go outside.

12 But we would appreciate that  
13 feedback -- obviously not now, given the  
14 clock is up. Thank you.

15 CHAIRWOMAN WEINSTEIN: Assemblywoman  
16 Rosenthal.

17 ASSEMBLYWOMAN ROSENTHAL: I wanted to  
18 give Brahvan a moment to finish his thoughts  
19 from the earlier question.

20 MR. RANGA: Thanks so much,  
21 Assemblywoman.

22 What I was saying was the Governor's  
23 proposal is a lot of what we've seen before,  
24 right -- incentives to developers, in the

1 hopes that that leads to increased housing  
2 stock and more affordability.

3 What we need, in pairing with those  
4 incentives and expanded housing stock, is  
5 tenant protections like good-cause, the  
6 Tenant Opportunity to Purchase Act, which  
7 would give tenants the ability to purchase  
8 their own homes and put power into their  
9 hands, and the Housing Access Voucher  
10 Program, which would end homelessness in the  
11 state.

12 So we can't just rely on these  
13 incentives. We have to put power in the  
14 hands of everyday people to control their own  
15 housing.

16 ASSEMBLYWOMAN ROSENTHAL: Thank you.

17 And then, Barika, within ERAP there is  
18 funding for local groups to help people sign  
19 onto ERAP. So maybe you're owed some money.

20 MS. WILLIAMS: Actually, I think it  
21 went to a very specific number of groups in  
22 very specific areas. For example, in New  
23 York City I think it was like one per  
24 borough, if I'm recalling correctly. I may

1 be a little rusty on that.

2 But that was not necessarily the folks  
3 who were actually doing the, like,  
4 neighborhood -- I mean, going through the  
5 streets building by building. Right?

6 ASSEMBLYWOMAN ROSENTHAL: Okay. Thank  
7 you.

8 CHAIRWOMAN WEINSTEIN: Senate?

9 CHAIRWOMAN KRUEGER: Thank you.

10 I believe I'm the last Senator, so to  
11 speak.

12 So I guess mine was a similar question  
13 to Brian Kavanagh's question that you don't  
14 have enough time to answer. But, Barika,  
15 using your example -- I mean, you know my  
16 district. So we've probably passed any  
17 percentage growth because we're constantly  
18 building buildings. We're constantly  
19 building 421-a buildings. And yet we end up  
20 with less affordable housing every year  
21 because these big 421-as are knocking out the  
22 smaller rent-regulated units. And despite  
23 mandatory inclusionary zoning, the landlords  
24 get away somehow with fewer, far more

1 expensive units meeting their 421-a, compared  
2 to what the units that were there housing  
3 people already was.

4 So I'm very interested, in  
5 follow-through to today, in models that you  
6 all, from your expertise, actually think can  
7 work. Because I don't think anybody ever  
8 intended 421-a to be a disaster, but in my  
9 opinion it has been, at least for building  
10 affordable housing for very large sums of  
11 money.

12 So I want something that works. I  
13 think we all want something that works. I  
14 don't think it's there in the Governor's  
15 budget yet, either for New York City or for  
16 the other sections of the state. With all  
17 due respect, anybody who's talking about  
18 10 percent affordable and providing  
19 incentives, no. That's just not going to do  
20 it for us. So it has to be significantly  
21 more than that.

22 And I also worry that there's not  
23 enough talk even in the Governor's housing  
24 packages of actual affordability. Because if

1 we aim for 800,000 units in 10 years but none  
2 of it's actually affordable for real people,  
3 I don't think we look back 10 years from now  
4 and go, what a great experience we had.

5 So I'm actually giving my speech when  
6 I told people not to give speeches. But I'm  
7 hoping that each of you can come back to us  
8 with specific recommendations how to make the  
9 concept of affordable housing for different  
10 communities and different populations work  
11 within a reasonable formula for tax  
12 incentives and exemptions.

13 MS. WILLIAMS: I think I'll speak to  
14 one piece that you mentioned, Senator, which  
15 is 421-a is a disaster because it was never  
16 an affordable housing program to begin with.  
17 Right? It was a program created to design  
18 market-rate housing, and we have iterated on  
19 it and included some requirements of  
20 affordability or this or that over time. But  
21 it hasn't ever been and it never will be an  
22 effective, affordable housing program because  
23 it wasn't designed to be an effective,  
24 affordable housing program. Right?

1                   And so I think that ultimately our  
2                   belief is if we want that affordability,  
3                   let's design a program for that, but it's not  
4                   421-a.

5                   CHAIRWOMAN KRUEGER: And I get it's  
6                   different in upstate New York, it's different  
7                   in Long Island, it's different in Brooklyn  
8                   and Queens, the Bronx. We need a model that  
9                   has some flexibility to make it work in all  
10                  of our communities. But we need it to really  
11                  work.

12                 So thank you, and I am done. And I  
13                 think the Senate is done.

14                 CHAIRWOMAN WEINSTEIN: So we have a  
15                 number of Assemblymembers.

16                 Assemblywoman Simon first.

17                 ASSEMBLYWOMAN SIMON: Hi.

18                 Thank you. As a segue, I think that  
19                 Senator Krueger was singing my song a bit  
20                 because 421-a is all over my district, and  
21                 you know how unaffordable it is now.

22                 I would like to also get your  
23                 impression of the use of zoning as a way to  
24                 achieve affordability. It strikes me that at

1           least in every rezoning that I have seen, the  
2           thing that doesn't happen is increasing  
3           affordability. That you can build in  
4           affordable units, but of course it's always  
5           going to be about how affordable it is and  
6           whether it's really affordable.

7                         But when we've done these big  
8           rezonings -- East New York was a class  
9           example -- people opposed that because in  
10          fact it was going to end up raising prices.

11                        How do we achieve that goal of  
12          increasing affordability and affordable  
13          housing while not running amuck on the other  
14          side? Because if you build 25 percent  
15          affordable, you're build 75 percent that's  
16          not. It's just going to increase the prices  
17          in the area.

18                        MS. WILLIAMS: I mean, I think it's a  
19          good question. I'm not sure I can -- I have  
20          the answer to the 25 percent/75 percent.

21                        ASSEMBLYWOMAN SIMON: I thought you  
22          had all the answers for --

23                        (Laughter.)

24                        MS. WILLIAMS: Because the first

1 question I always get asked is can't we get  
2 75 percent affordable, 25 percent market,  
3 which I think we all would love and wish to  
4 see.

5 I think we've all gotten much more  
6 effective about getting more affordability  
7 out of zoning when we think about where we  
8 were 15, 20 years ago, thinking about the  
9 Williamsburg rezoning versus where we've  
10 landed more recently on projects.

11 But it is a site-by-site fight. And  
12 one of the concerns in all of this is both we  
13 need to like not do this one by one as  
14 whack-a-mole, and also we need to not remove  
15 the leverage that communities have in order  
16 to ask for more. Right? So we don't want to  
17 create a situation where folks are required  
18 to do a floor level of affordability that  
19 actually is too little for communities and  
20 neighborhoods, and we could have gotten more  
21 from projects or big-scale rezonings.

22 MS. GRAY: The one quick thing to  
23 add -- I mean, I agree with Barika and agree  
24 on the importance of kind of affordability

1           how we've done it to date.

2                     One of the other things that housing,  
3           kind of like especially at a regional level,  
4           can do, it can legalize smaller forms of  
5           housing that are just cheaper to build. You  
6           know, small apartment buildings the way that  
7           we've actually -- the city has historically  
8           been built up until, you know, a couple of  
9           decades ago. And some of this is really,  
10          really important. It also opens up more  
11          sites that, for example, HPD, HCR are able to  
12          use for 100 percent affordable housing but  
13          they're currently banned from having  
14          apartments on them.

15                    So we need a really diverse range of  
16          strategies, and increasing the supply,  
17          especially of some of these most basic, kind  
18          of cheapest forms of housing, is a key  
19          component of that that we think the housing  
20          compact can also provide.

21                    ASSEMBLYWOMAN SIMON: Thank you.

22                    CHAIRWOMAN WEINSTEIN: Thank you.

23                    Assemblywoman Chandler-Waterman.

24                    ASSEMBLYWOMAN CHANDLER-WATERMAN: Is

1           it on? Okay. Thank you so much.

2                       So I'm going to ask a question I asked  
3           before about clergy. And Ms. Williams -- I  
4           know you're looking at me -- direct to you,  
5           but anybody else can answer. How do we  
6           engage clergy more in the process of  
7           developing affordable housing and removing  
8           the barriers and the red tape?

9                       Also, how can we leverage the  
10          Governor's plan to incentivize development by  
11          Black and brown developers? And if that  
12          can't be done at a scale that can make real  
13          impact, what needs to change in the system,  
14          holistically, to ensure those opportunities  
15          are being provided to entrepreneurs in a  
16          district like mine?

17                      MS. WILLIAMS: I think this is exactly  
18          what you're talking about, is some of where  
19          we want to see the ability for there to be  
20          some setting of local goals within New York  
21          City, because we do have some of these  
22          specific pieces. So the ability to say we're  
23          going to prioritize some faith-based either  
24          sites or faith-based collaborations.

1           Vital Brooklyn, which the commissioner  
2 mentioned, some of those projects  
3 specifically prioritized having one of the  
4 primary partners of the joint venture be an  
5 MWBE developer so that we were able to ensure  
6 that there was, in that case, specifically a  
7 Black developer who was both building up  
8 their capacity and equity by doing the  
9 project and contributing to the community.

10           We don't want a situation where we at  
11 the local level -- community board, an  
12 Assemblymember, the city overall -- no longer  
13 has really the ability or leverage to say, We  
14 are trying to pinpoint specifically on these  
15 specific pieces. Because we know that these  
16 are areas of concern, and we don't want to  
17 set up our faith-based institutions to have  
18 to work with anybody and everybody. We want  
19 them to work with partners who really  
20 understand them, respect them, are going to  
21 ensure that they have a role in the project  
22 and in the site over the long-term.

23           ASSEMBLYWOMAN CHANDLER-WATERMAN: Yes,  
24 thank you. Anybody else? No?

1 MS. GRAY: We're -- that's not  
2 something that we have explicitly focused on  
3 as an organization, but in general the  
4 ability to build a much more diverse range of  
5 housing types and really provide a lot of  
6 different things in a lot of different  
7 neighborhoods opens up a huge number of  
8 opportunities like that as well.

9 ASSEMBLYWOMAN CHANDLER-WATERMAN:

10 Thank you.

11 MR. RANGA: Yeah, I would add, you  
12 know, in terms of engaging the clergy in  
13 religious institutions, I think that, you  
14 know, an excellent opportunity for that is in  
15 advocacy. Right? When we do grassroots  
16 organizing in cities like Kingston or  
17 Poughkeepsie, we're engaging with churches  
18 and other community organizations not just to  
19 speak with business partners but also to  
20 lobby elected officials around transformative  
21 legislation on the local and statewide level.

22 I would also say, you know, the most  
23 effective way we can ensure that Black and  
24 brown communities have control over their own

1 housing is by passing landlord/tenant  
2 protections like good-cause and the Tenant  
3 Opportunity to Purchase Act, which would give  
4 Black and brown communities control over  
5 their own housing and large complexes.

6 ASSEMBLYWOMAN CHANDLER-WATERMAN:  
7 Thank you. And thank you for your support.

8 MS. WILLIAMS: Can I just follow up on  
9 one thing he said, Assemblymember? Because  
10 it's for your district specifically.

11 Just thinking about if we can't figure  
12 out the housing piece, we will displace the  
13 congregations of these faith-based  
14 institutions. They will no longer have a  
15 place in the communities and neighborhoods.

16 ASSEMBLYWOMAN CHANDLER-WATERMAN:  
17 Thank you.

18 CHAIRWOMAN WEINSTEIN: Thank you.  
19 We go to Assemblyman Manktelow.

20 ASSEMBLYMAN MANKTELOW: Thank you,  
21 Madam Chair.

22 Barika, really quick. Earlier on you  
23 talked about global influence, global  
24 players. How is that going to affect the

1 Governor's budget? And how is that working?  
2 Tell me what you mean by that.

3 MS. WILLIAMS: So I think what we are  
4 very much understanding, actually touched on  
5 this as well, is that our housing -- we still  
6 think of our housing market as like some  
7 local landlords and developers and  
8 mom-and-pop shops. In reality, this is a  
9 global industry and a global business  
10 practice. And so we have to be creating both  
11 securities and protections in place and  
12 thinking about this in the way -- and how  
13 anybody, not just the developer down the  
14 street, but somebody anywhere, will think  
15 about our neighborhoods and our streets.

16 So for example, there was a  
17 neighborhood -- there was a series of housing  
18 in Bushwick that was taken up and  
19 systematically purchased by an Australian  
20 hedge fund firm. And if you look at the  
21 neighborhood, almost all of one concentrated  
22 area the stock is owned by this one firm.

23 ASSEMBLYMAN MANKTELOW: So I'll  
24 contact you, but I have more questions about

1 the global influence. And is that something  
2 you think we need to try to stop?

3 MS. WILLIAMS: Oh, I mean -- could we  
4 stop it? I wish -- I mean, yes, I wish -- I  
5 think we -- I wish we could.

6 But I think the bigger concern is if  
7 we don't mitigate and address the fact that  
8 there's a global influence, then the rest of  
9 us, right, like everyday New Yorkers, won't  
10 have a place and way and a role to play in  
11 the housing market. I can't compete with  
12 something who can do an all-cash deal who is  
13 literally walking in with a briefcase of cash  
14 to try to purchase a home.

15 ASSEMBLYMAN MANKTELOW: We'll talk  
16 afterwards. Thank you so much.

17 CHAIRWOMAN WEINSTEIN: Thank you.  
18 And the final questioner for this  
19 panel is Assemblyman Chang.

20 ASSEMBLYMAN CHANG: Thank you very  
21 much. Thank you, Chairwoman.

22 And thank you very much to our three  
23 guests who have been -- at least six to eight  
24 hours have been here, and much patient here.



1 Buffalo, where housing is so much cheaper,  
2 and lots of spaces like that? Have you ever  
3 tried to approach that that way, maybe  
4 alleviate some of the pressure downstate to  
5 upstate? Can any one of you address that?

6 MR. RANGA: Yeah, I mean, as an  
7 upstater I can kind of dispel the notion that  
8 like housing costs are lower in -- you know,  
9 we organize in like Orange County, Ulster  
10 County, Dutchess County, soon to be Columbia  
11 County. And these are countries where a huge  
12 proportion, 57 percent, of renters in the  
13 mid-Hudson Valley are rent-burdened.

14 So the idea that somehow like housing  
15 costs aren't significant in upstate  
16 communities, you know, I disagree with that.

17 ASSEMBLYMAN CHANG: How about the  
18 other two? Have you tried to market that?

19 MS. WILLIAMS: We don't market. We  
20 don't market to our --

21 ASSEMBLYMAN CHANG: I mean not market,  
22 but just encourage.

23 MS. WILLIAMS: -- our neighborhoods,  
24 but I think our -- we would be concerned

1 about creating a pipeline of folks, really  
2 gentrifying and/or displacing other  
3 communities in the rest of state.

4 The other piece that came up in  
5 previous panels, and I think one of the  
6 previous Assemblymembers asked about, is  
7 there has to be a fair housing component to  
8 this. Because included in your comment and  
9 suggestion is the assumption that folk will  
10 be received and be able to rent or buy in the  
11 communities that they're headed to. And we  
12 do know that there are rampant exclusionary,  
13 unfair housing practices in other parts of  
14 the state that may prohibit and inhibit  
15 people from moving elsewhere.

16 ASSEMBLYMAN CHANG: And how about you?  
17 Have you approached that?

18 MS. GRAY: So we have -- we're -- we  
19 have chapters across the five boroughs and  
20 then also in Westchester and Long Island.  
21 We're a volunteer-based advocacy  
22 organization, so we don't have clients  
23 per se.

24 But we are really, really focused on

1 the fact that we have some of the most  
2 exclusionary suburbs in the nation. We also  
3 have parts of the city that are literally --  
4 some of the most affluent parts of the city,  
5 literally losing housing units because the  
6 system is so broken.

7 And so we're really focused on how,  
8 you know, adding more housing especially in  
9 some of these places that have kind of been  
10 de facto out of context, opens up a lot of  
11 different opportunities for people. And that  
12 really is kind of central to the issue.

13 ASSEMBLYMAN CHANG: Do you --

14 CHAIRWOMAN WEINSTEIN: Thank you.

15 ASSEMBLYMAN CHANG: Thank you.

16 CHAIRWOMAN WEINSTEIN: So this --  
17 thank you, panel, for being here. This  
18 concludes the Housing hearing. We're just to  
19 take a five-minute break because -- before we  
20 start the Workforce hearing.

21 Just want to thank all the witnesses  
22 and staff for their participation in the  
23 Housing hearing.

24 And a real five minutes, folks,

1           because we've had a number of people waiting  
2           patiently.

3                       (Whereupon, at 3:29 p.m., the budget  
4           hearing concluded.)

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